FashionDeli Lisbon Fashion Pop Up Market

A curated pop-up retail concept showcasing and nurturing emerging fashion designers

Alexandra Sulżyńska

Projeto para obtenção do Grau de Mestre em Branding e Design da Moda
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Orientador: Prof. Doutor Fernando Jorge Matias Sanches Oliveira

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Alexandra Sulżyńska
ABSTRACT

The state of the fashion industry is influenced by social behaviour, political decisions and economical changes. In the last few years, the fashion industry underwent substantial transformations with the digital revolution as one of the most significant changes. The online environment opened a window of opportunities for small and medium fashion businesses, which harnessed the power of e-tailing and social media. However, the research proves that physical sale constitutes 92 percent of the total sale and will only diminish to 75 percent in favour of the digital one. Thus, the digital world should be perceived as complimentary to the physical one, which form together a powerful omnichannel approach. Due to the experience economy and the fact that consumers can get anything they want over the internet, the function of physical retail spaces shifts from product-oriented to experience-oriented. The purpose of this project is to test whether curated fashion retail pop-up concepts can counterbalance the online overload of information and choice as well as win the customer engagement. In order to build a comprehensive background of the project a broad knowledge was collected from different fields that were believed to enrich the project: omnichannel, Instagram, customer behaviour, pop-up retail and branding models were extensively studied and followed a precise analysis of the local market. The knowledge and data formed a solid foundation and contributed to a creation of Fashion-Deli Lisbon Fashion Pop Up Market, a branded pop-up retail concept for emerging designers. The implementation of the project proved that temporary retail thanks to its experiential features attracts and engages customers, generates buzz and drives sales – an observation that may serve as an indication for emerging designers.

KEY WORDS: pop-up fashion retail, emerging fashion, brand experience, Instagram, omnichannel
RESUMO

O estado da indústria da moda é influenciado pelo comportamento social, decisões políticas e mudanças económicas. Nos últimos anos, a indústria da moda sofreu transformações substanciais, entre as quais a revolução digital é uma das mudanças mais significativas. O ambiente on-line abriu uma janela de oportunidades para pequenas e médias empresas de moda, que aproveitaram o poder do e-tailing e dos media sociais. No entanto, as pesquisas provam que a venda física representa 92% da venda total, e só diminuirá para 75% a favor das vendas no mercado digital. Assim, o mundo digital deve ser percebido como um complemento ao físico – juntos, eles formam uma poderosa abordagem de omnichannel. Devido à economia de experiência e ao facto dos consumidores poderem obter o que querem pela internet, a função dos espaços físicos de venda transforma-se de focada no produto para passar a estar focada na experiência. O objectivo deste projecto é testar se um conceito de pop-up retail selecionado, pode contrabalançar o excesso de informação online e a variedade de escolhas, e conseguir o envolvimento do cliente. Para criar um background compreensivo do projecto, foi recolhido um leque vasto de informação de diferentes áreas que em nosso entender vão enriquecer o projecto: Instagram, comportamento dos clientes, pop-up retail e os modelos de branding, foram profundamente estudados e foi seguida uma análise precisa do mercado local. O conhecimento e os dados formaram uma sólida fundação e contribuíram para formação do FashionDeli Lisbon Fashion Pop Up Market, uma marca de conceito pop-up retail para designers emergentes. A implementação do projeto provou que o conceito de retalho temporário, graças às suas características experimentais, atrai e envolve os consumidores, genera interesse e eleva as vendas - uma observação que pode servir como indicador para os designers emergentes.

PALAVRAS-CHAVE: pop-up retail de moda, moda emergente, experiência de marca, Instagram, omnichannel
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I. INTRODUCTION

1. THE GLOBAL STATE OF THE FASHION INDUSTRY – BACKGROUND FOR THE PROJECT

Three words most commonly used by fashion executives to describe the industry in 2016 were uncertain, changing and challenging (The Business of Fashion, McKinsey & Company, 2016, p. 11). The state of the fashion industry is influenced by social behaviour, political decisions and economical changes. In the last few years, the fashion industry underwent substantial transformations with the digital revolution as one of the most significant changes. Radically reshaped by new technologies, consumers have become more demanding, more discerning and less predictable in their purchasing behaviour (The Business of Fashion and McKinsey & Company, 2016). They expect access to everything, anytime, anywhere (Natalie Massenet, 2016). Digital technology is transforming the global lifestyle changing the way we live, work, shop, eat and play (Ram, 2017). The rapid growth of social media and peer-to-peer communications present opportunity for self-expression (Chernev, Hamilton & Gal, 2011). Facebook, Instagram, Spanchat, YouTube, and Twitter provide users with an environment in which they can voice their opinions and find other people that share the same interests, thus enriching their social identity by not only allowing to express their own identity but also enabling to create new personas (Chernev et al., 2011) or simply connecting their own niche with a worldwide audience. In the same time those social networking platforms are the largest media owners the world has ever known, with Facebook in the lead with close to two billion users (Goodwin, 2017), creating new possibilities and opportunities for brands to reach their customers and moreover learn about them. Reportedly, online and mobile formats enable quick action on the advertisement making it exceptionally easy for consumers to live in the moment (The Nielsen Company, 2015) and enjoy the shopping experience.

According to McKinsey & Company, by 2018 the global value of the luxury fashion online sale will reach $12 billion, constituting 12 percent of the global retail market (Kaźmierczak, 2017). The numbers look overwhelming, and the e-commerce\(^1\) share in the total fashion sale is growing in a rapid pace, yet according to the forecast by McKinsey &

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\(^1\) E-commerce is shorthand for electronic commerce (Burt & Sparks, 2003).
Company (2015), after growing to €70 billion by 2025, representing 18 percent it will eventually plateau\(^2\). This may be confirmed by the leading e-tailer company Farfetch and its new business implementations like the *Store of the Future* or *Black&White*. The founder and owner of Farfetch, José Neves, himself defines his company not as an e-tailer but as a bridge between the digital world and the luxury fashion retail, giving recognition to the reported plateau of the online sale and looking for new implementations of the technology into retail. For fashion in general and luxury fashion in particular the digital environment is more challenging than we can imagine. For that reason, the fashion industry is constantly looking for ways to personalise and humanise the online experience. A recent study published by Forrester Research proves that Artificial Intelligence (AI)\(^3\) technology is being applied in online shopping to mimic the expertise and efficiency of talking to an in-store expert, thus we observe retailers reaching for tools such as chatbots in order to create an instant gratification to the increasing demand of personalised experience and approachable fashion. The fashion industry stagnation forecast finds confirmation in Bain & Company’s report upon customer behaviour, where researchers argue that the fashion industry entered a “New Norm Phase” also defined as “Era of Winners and Losers” (Figure 1) during which only strong brands will win customers and their loyalty by engaging them across all the possible touch points (Farfetch, 2017). This drives our attention to the importance of omni-channel and brand’s omnipresence in the customer’s world as much as the growing importance of the brand itself.

\(^2\) Bain & Company forecast states that the online will raise up to 25% of the total retail and offline will constitute 75% in 2025. Both consultancy firms agree on the plateau phenomena of the online offline relation.

\(^3\) By the day the thesis was published Amazon has introduced an AI algorithm able to define the commerciality of a product (possible trend by analysing data) and design it.
For an emerging brand born from talent and passion, the retail can be challenging because of many reasons. In accordance to investigation and personal discussions with the industry insiders, even brands perceived as established ones – having shows every season, press presence and celebrity endorsement – also struggle on the market. The interviews and literature review prove that it takes about at least three years of two collections a year to get important buyers interested in the brand’s offering (Zaczynski, 2015). However, apparently a contract is not enough as without celebrities, bloggers, influencers and editorial coverage a brand does not create demand. Hiring an agent or signing a contract with a showroom requires a well-thought-out strategy and a lot of cash flow. Thus, the internet indeed opened a window of possibilities for emerging creatives: free promotion through social media, low-cost online store, free e-mail marketing, and most importantly a big opportunity for a viral success of the brand. All of the above may help not only to raise equity in a safe environment but also test the idea, product or market. On the other hand, online retail did not solve the problem of the lack of physical contact with the product and created a high risk of counterfeit. It is known as a fact, that many of the high-end brands produce “secret” products that are intentionally not getting into the digital spotlight in order to maintain the high exclusivity of the brand offering. Moreover, nowadays the overload of
imagery, products and information (Ram, 2017) makes reaching customers and attracting media attention more and more difficult, especially for young, emerging designers who start up their brands and businesses often with just their own hands. The more we drill down through the digital world, the more contradictions arise. Months spent on analysing Instagram as a possible way to create brand awareness by emerging brands and interviews that followed, led to the observation that a tool which used to enable designers to reach broad audience within a second, today is overloaded with imagery and information. The Instagram audience is being more and more demanding what requires a constant content creation. According to the literature, it is not enough to publish beautiful imagery, the content must be entertaining in order to engage audiences (Kim & Ko, 2010, p. 164) and break through the algorithm. Thus, we may state that social media became very competitive and time-consuming. On the other hand, Instagram constitutes a reliable source of information about a brand and message from the brand itself. In accordance with the research, users check Instagram profile of the brand for a quick understanding of the brand's offering, style and target. It may lead us to a conclusion that Instagram activity is important and even crucial, especially for fashion brands since meaningful imagery is the way the industry communicates. In the following part of the thesis a closer look to Instagram and the opportunities and threads it creates will be taken with an effort to define whether Instagram is still a relevant tool for emerging fashion brands to use in order to create brand awareness and drive sales.

Since offline sale continues to comprise the impressive majority of total sale in the fashion industry (Kansara, 2017), a new opportunity window has opened. As today’s customer values more experience than the possession of the product itself (Sherman, 2017), creating an offline experience may be more accurate and worth the effort than investing time and resources in creating the brand awareness through social media only. Furthermore, an offline relationship constitutes a strong foundation for an online community, that can afterwards be nurtured and grown with the e-world-of-mouth (eWOM) advocacy. As illustrated by researchers, the contemporary consumer, always on the move, is driven by the wish to freely live ephemeral and exciting experiences, continuously engaged in “an everlasting running after pleasurable and temporary sensations” (Pomodoro, 2013, p. 342).
In this regard, the pop-up retail concept can be seen as an expression of the impermanent and transient society, and the consumer constant search of novelty. Due to its limited time, pop-up satisfies the consumer’s need to be constantly surprised with unique and temporary experiences (Pomodoro, 2013, p. 342; Kim, Fiore, Niehm & Jeong, 2010, p. 134) and also entertained with interactive performances (Pomodoro, 2013, p. 342). Implementation of a pop-up retail strategy can positively influence the brand on different levels, what is confirmed by major industry players reaching out for this retail tool to launch products, test new markets, promote and sale. Looking from the customer’s perspective, the experiential feature of pop-up retail constitutes the added value to personal shopping.

2. THE GOAL OF THE PROJECT

The main goal of the FashionDeli project is to create a curated multi-sensory, omnichannel platform showcasing and nurturing emerging and established Portugal based designers. To inspire and engage by creating memorable social and emotional experiences that delight, enrich and intrigue. As a result of FashionDeli is a double-sided business model aimed at both designers and customers.

1. FashionDeli is created to provide emerging and established Portugal based talents with a platform that promotes and sells their designs but moreover tells the story of the brand and the product creating brand knowledge. The goal is to nurture the pioneers in Portuguese contemporary fashion landscape and create national and international brand awareness.

2. As today’s consumer expects an enhanced, seamless, multi-sensory shopping experience (The Business of Fashion, 2016), FashionDeli a Portugal based platform showcases exquisite products characterised by intelligent design and high quality, while delivering a memorable, social and emotional experiences that delight, enrich and intrigue the consumer.
3. RESEARCH QUESTIONS, DEFINITION OF THE PROBLEM AND PROPOSED SOLUTION

The previous part forms an introduction to the background that inspired the creation and influenced the development of a project titled “FashionDeli Lisbon Fashion Pop Up Market – a curated pop-up retail concept showcasing and nurturing emerging fashion designers.”. In order to span a qualitative study, a set of questions has been researched in order to define the strategy for the concept and its viability:

1. Can a curated retail pop-up concept counterbalance the online overload?
2. Is the future of fashion retail online or offline?
3. Is Instagram a relevant tool to promote a fashion business and drive sales?
4. What branding method is the most suitable for a fashion pop-up concept?

The first question is key and its importance results from the observation that the majority of emerging designers focuses on digital activity in contradiction with the available statistics, what was proven by the answers to the second question. Comparing both online and offline activities and their relation may influence emerging designers to adjust their current strategy, which probably should be based on an omnichannel approach – to this conclusion led us the third question. Finally, chosen branding methods were analysed in order to draw an ideal brand strategy and create strong branding identity for the project. The mentioned variables such as retail and e-tail forecasting, Instagram as promotional tool, shifting customer behaviour, omnichannel as a new way to reach and engage customers, and raising importance of branding will be investigated in the further part of the first chapter and will build a strong scientific foundation for the project. However, before we dive in the literature and research, a backdrop for the understanding of the project itself is needed. The landscape of the Portuguese fashion industry and understanding of the problem (Table 1) will draw a comprehension of the proposed solution, that is the project itself.

Table 1. The Problem Versus The Opportunity

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• Online information overload makes internet users more demanding and content creation more expensive and time consuming,
• High costs and risk of brick and mortar keeps the independent designers away from the high street,
• Lack of a physical platform exhibiting Portugal based fashion, accessory and jewellery designers, that would be focused not only on promotion but also on monetising the popularity of the country and global trend for niche fashion,
• Portuguese young talents leaving the country for a fashion career abroad.

• By joining forces and creating a common marketplace, the designers split the costs, create bigger buzz, and attract broader audiences both offline and online,
• Flux of creatives,
• Developing creativity in Portugal giving birth to high quality designs,
• Attractive local resources and facilities: factories and mills facilitating local production,
• Customer’s interest in experience as opposed to product possession,
• High touristic attractiveness of Portugal and the country potential to attract tourists the whole year,
• Governmental focus on technology and creative industries resulting in funds for promotional activities.

Seeking a physical platform, where Portugal based designers could showcase and sell their high-end creations has never been initiated in Portugal. On the one hand a disturbing tendency of Portuguese emerging designers leaving to pursue a fashion career abroad, especially to London is observed, whereas on the other hand, a lot of creatives are coming to live to Portugal. In addition, the Portuguese fashion industry is raising from the crisis ashes and booming. According to fashionnetwork.com, Portuguese textiles already compete with Chinese production ("Portugal já concorre com a China em produtos têxteis", 2017) and many efforts are made in order to create sophisticated association with the Portuguese fashion industry by internationally promoting Portuguese design and the “savoir-faire” of the local craftsmanship, with examples of “Showcase ModaPortugal", 2017 ("Showcase ModaPortugal", 2017) and Portugal Fashion showroom in London during London Fashion Week SS18. On the top of that, Portugal, and Lisbon especially, is now on the touristic radar. The quantity of tourists visiting Portugal is growing every year as is the revenue in this sector. Tourism revenues in Portugal increased by 38.6 percent to EUR 1250.68 million in April 2017 from EUR 902.51 million in the same month of the previous year ("Portugal Tourism Revenues", 2017). According to the research tourists are looking for places with local fashionable products they can take back home, what as stated at the beginning of this paragraph, is apparently missing. Turning the problem into an opportunity, FashionDeli Lisbon Fashion Pop Up Market was born as a response to the lack of a physical platform exhibiting the Portugal based designers’ creations to the broad audience,
the emergence of high-end fashion brands in Portugal and rising demand for the category. In accordance with the literature review, observations held in other countries and as a result of conversations with emerging designers from Poland, Portugal and United Kingdom, it can be stated that the pop-up concept of selling high quality designers’ clothes, jewellery and accessories is the most successful activity for emerging designers and brands in terms of creating brand knowledge, promotion and direct sale. Pop-up, a retail model based on spontaneity and discovery is relatively cheap to execute and does not generate high expectations from the customer’s end. The very same characteristics of the pop-up constitute to a more impulsive buying decisions. Therefore, FashionDeli is a local response to the online overload of information, imagery and choice as well as to the millennials shopping behaviour. In a form of a curated retail pop-up concept with discovery and experience as its realm, delivering entertainment and excitement, FashionDeli creates an allure of exclusiveness that is approachable but maintains its original uniqueness. The further reading will evaluate and test the concept of the curated retail and its viability.

3. Structure of the Document

The structure of the paper proceeds with a literature review focusing on addressing e-tail, Instagram, millennial generation, pop-up retail and experiential branding but also the supporting literature for each matter in question, to illustrate the necessary scope of knowledge of the given subject. A critical analysis of the second chapter will consist in critical reading of an ample review of academic literature, industry publications, reports and analysis conducted by consultancy firms, iconic books by authorities, recorded conferences, seminars, courses and innovative strategy techniques among others. In order to build a substantiated and valuable work the formulated statements are never sourced from one reference only. Different sources were used in order to sustain or reject a conclusion unless the authors reviewed the literature broadly enough to make reasoned conclusions themselves and allowing a valuable citation. Since the defined scope of investigation is broad, a restrictive selection of literature was applied. In pursuance of qualitative data often the year of publication was a determining factor, especially for technological and rapidly changing questions approached by the study, although the essential research was not disre-
garded. A descriptive study case of three performed pop-ups representing different audiences, products and goals sampled the distinctive approaches to the matter in question. The methodology chapter follows the critical writing upon the extensive critical review of secondary data collected through the literature review, and illustrates the primary data collected due to the participant observation, interviews, focus groups and surveys. Moreover, small research through interview with open and close-ended questions was performed among designers in respect of the experience they have had with one of the social media representatives, *Instagram*. The study was conducted in order to understand the designers attitude towards this social platform and the experience they have had with it so far. All of the above served as a material for mainly deductive but partially inductive approach to the research presented in the fourth chapter devoted to the data analysis. The analysis of collected data allows us to confront and analyse gathered informations from primary and secondary sources evaluating the project described in the fifth chapter. The physical implementation of the project, that is the execution of the pop-up three times consequently, allowed to obtain primary, qualitative data from both designers and customers by distributing surveys with open-ended as well as multiple choice questions and through the observation of behaviour of both. It also constituted a great surface to evaluate and ameliorate the project respectively to the analysed informations. Finally, conclusions, contributions and limitations will be described in the sixth chapter of the thesis. The final part of the thesis will give recognition to the project and its scientific and professional contribution as well as to a possible future development.
II. THEORETICAL FRAMEWORK AND STUDY CASES

Fashion is not relevant per se. Fashion is relevant only if it meets the passions and interests of the final consumer.

*Bain & Company (Farfetch, 2017)*

The literature, which forms the platform for this study, spans several domains, that all together create a comprehensive and holistic background for the developed project making it “born from knowledge”. The chapter is organised in four parts addressing e-tail, *Instagram*, millennial generation, pop-up retail and branding. In the first part of literature review a closer look to fashion digital retail introduces the history of fashion e-tail as well as contemporary threads and opportunities that the industry is facing including the foreseen stagnation of online retail and the industry urge to find a new implementation of technology into shopping. The proposed solution is an omnichannel, that integrates both the digital and physical world of fashion reaching consumers in multiple ways. Secondly, *Instagram*, as a free and powerful promotion digital tool has been analysed in regard to its capacity of creating brand awareness and drive sales. A closer look to user-generated content, e-word of mouth and *Instagram’s* influence on brand confirms the power of social communities especially while targeting millennials, the generation with the biggest purchase power the economy has ever seen. The third part of the study addresses the new generation, its nature and shopping behaviour. The researchers argue, millennials value experience over product ownership, therefore pop-up store, an experiential retail formula was analysed proving its effectiveness in terms of bounding with customers, delivering sensorial brand experience, and achieving viral promotion (e.g. Ruy, 2011; Pomodoro, 2013; Alexander & Bain, n.d.). This leads to the final part of the literature review dedicated to branding, where different techniques were analysed in order to define the branding method for the project. The scope of the literature review was planned to be broad enough to collect necessary information and knowledge to prepare a strong foundation for the project. Since the existing and accessible literature upon branding and brand creation is extensively large, it was decided to
limit the research to experiential branding and emotional branding as well as to the chosen brand management methods in order to create a strong, experiential and emotional brand. This cohesive theoretical framework and study cases will serve as a starting point to develop a branded fashion pop-up retail concept.

1. E-TAIL, FASHION RETAIL DIGITALISATION

The $2.4 trillion fashion industry (The Business of Fashion & McKinsey & Company, 2016) is embracing the challenges of digitalisation with inherent creativity and excitement, investing in new technologies and introducing new strategies. Starting with Burberry, the first luxury house to implement technology establishing itself a pioneer in the industry (Kansara, 2014) thanks to Angela Ahrendts who was acquired by Christopher Bailey in 2006 for a position of the brand’s CEO with a goal to breathe new life into the 158 years old brand without disrupting its underlying DNA. Due to Ahrendts, Burberry delivered a seamless consumer experience between online and brick-and-mortar introducing technology without replacing the human touch (Ahrendts, 2013). The brand has been the first one to embrace technology and create buzz around its online presence and digital savviness ("What Should Burberry Do Next?", 2017) but it was not the first representative of the fashion industry to implement digital. Net-a-Porter founded by the visionary Natalie Massenet in 2000, was the pioneer luxury online retailer setting up the rules for high-fashion e-tailing. The brand was acquired in 2015 by Yoox and still functions under its original name, however without the founder. The luxury conglomerate LVMH embraced digital relatively fast, inaugurating a multi-brand online platform for its luxury brands as early as in 2000 (Fernandez, 2017). Called eLuxury was shut down in 2009 regardless the reported high revenues (Fernandez, 2017) reasoning the decision with the independent online presence of the majority of its brands (Briggs, 2009). In 2007 a new business model based on social proof and community building, Polyvore was founded by Pasha Sadri introducing a

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4 Digitalisation - integration of digital technologies into everyday life by digitisation of everything that can be digitised ("Digitalization", n.d.). Digitalisation is the use of technologies to change a business model and provide new revenue and value-producing opportunities; it is the process of moving to a digital business ("Digitalization - Gartner IT Glossary, n.d."). Digitisation - process of changing from analog to digital form (Prause, 2016)

5 E-tail - retail business conducted online via the World Wide Web ("Definition of E-TAIL", n.d.).
shoppable inspiration board turning the user into a fashion editor and creating a style-oriented community. In 2016, *Polyvore* was a marketplace to over 500 brands (Inamedinova, 2016) it was receiving 20 million unique visitors per month, who created 3 millions outfits (Smith, 2016). Surprisingly, the fast fashion giants reacted to the e-tail opportunity rather late: *Zara* launched its first online store in 2010 for France, Spain, Italy, Portugal and United Kingdom as a defensive move against an expected decline in traditional retail spending, and was followed by another fast fashion giant, *H&M* later the same year (Caesar, 2010).

Also, in 2010 Chris Morton founded *Lyst*, one of the biggest e-commerce website, which was the first with an unified checkout, enabling shoppers to browse from multiple retailers on a single website (Inamedinova, 2016). The luxury conglomerate, *Kering* joined the e-tailer *Yoox* in 2012 in order to provide its brands with digital and e-commerce infrastructure (Exane BNP Paribas, 2014). In 2012, *LVMH* hired the former *Apple* executive, Ian Rogers as a Digital Chief Executive, intrinsic to the luxury group's drive to more fully embrace the internet (Wendlandt, & Love, 2015). Finally, the rebellious *Céline* joined *Instagram* in 2017 in denial to its creative director, Phoebe Philo's famous and provocative statement: “I would rather walk down the street naked than join *Facebook*” justifying the French brand's absence in the digital environment (Kansara, 2014). *Céline*’s debut on the social media scene may be caused by the brand’s parent group *LVMH*’s reported relaunch of the multi-brand e-commerce site or on the unconfirmed news that *Céline* is planning to launch its own online store by the end of 2017 (Fernandez, 2017). Nevertheless, the fashion industry is exceptionally interesting to observe in respect to the ability and desire to adapt and embrace changes in general, and digital changes in particular. The apparent excitement towards the technological innovation fades while taking into consideration the history of e-tail (Table 2) fact that *Amazon.com* was founded in 1994 (FarfetchOS, 2017a), shipped its first online purchase in 1995 (Olenski, 2015) and by now, *Amazon* is the largest apparel retailer in the US (Fernandez, 2017) conquering omnichannel with *Amazon Prime Wardrobe* (Goodwin, 2017). The restrain and unwillingness to change expressed by the luxury fashion houses results from the fear of loosing the air of exclusiveness, especially important for luxury brands, which often trade on their values and wider cultural meaning than on the product itself (Shannon, 2017). The urge is to protect the tradition, heritage and
unique personality of the brand, invaluable elements to a luxury fashion house (Campagnolo, 2015) in consequence to restrict access so as not to dilute the brand experience for existing customers (Dion & Arnould, 2011 as cited in Klein, Falk, Esch & Gloukhovtsev, 2016). Withholding innovation has a long history in the fashion luxury segment according to CEO of a major high-end brand: “This argument that we don't need the internet because consumers can come to our stores reminds me of the argument in the 1970s that we don't need stores abroad, because consumers can come to Paris and buy our brand there. How wise was that? Not very wise.” (Kansara, 2014). On the other hand, McKinsey & Company reports that the luxury goods e-commerce will grow to €70 billion by 2025, representing 18 percent of total luxury sales and then, plateau. The overall growth in luxury goods has slowed down since 2015 and in 2017 the market is expected to grow only 0.5 to 1 percent, versus the 8 percent compound annual growth rate between 2010 and 2015 (Fernandez, 2017). Nevertheless, the slowdown has not stopped several major industry retail players from getting into the e-commerce over the past two years, including Galleries Lafayette and Condé Nast. Accordingly, established e-commerce players turned to consolidation in order to scale further – Yoox merged with Net-a-Porter and Neiman Marcus Group acquired MyTheresa.com. The global online retail sale is estimated to reach 8.8 percent of total retail spending in 2018 as compared to 7.4 percent in 2016.

Table 2. Short history of web retail. Source: FarfetchOS, 2017a

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1967</td>
<td>Authors, Doddy and Davidson presented a powerful vision of how the future of retailing lay in consumers using computer terminals to order their goods directly from central warehouses (Doherty &amp; Ellis-Chadwick, 2010, p. 4).</td>
</tr>
<tr>
<td>1994</td>
<td>Jeff Bezos founded Relentless.com that after changed the name to Amazon.com – the first website with a goal of selling goods went online.</td>
</tr>
<tr>
<td>1995</td>
<td>AuctionWeb (renamed to eBay later) is launched by Pierre Omidyar as a part of his personal website. The first item sold on eBay was a broken laser pointer for $14.83 (Alani, 2011).</td>
</tr>
<tr>
<td>2000</td>
<td>Net-a-Porter is launched by Natalie Massenet introducing an editorial approach to online sale and proving that luxury fashion can be sold online.</td>
</tr>
</tbody>
</table>

By the time this thesis was finished and delivered, Condé Nast’s e-tailer Style.com merged with Farfetch.
1.1. THE FUTURE OF RETAIL IS OMNICHANNEL

Meanwhile, a tendency of merging offline and online retail emerged (FarfetchOS, 2017a). Both e-tailers and retailers realised, that the future of retail is a fully integrated, seamless, multi-sensory and omnichannel shopping experience (The Business of Fashion, 2016; Doherty & Ellis-Chadwick., 2010, p. 951). As a response to the rising demand of instant gratification, direct accessibility and enhanced experience new retail concepts emerge. As said during the inauguration of Farfetch’s Store of the Future, the retail encountered now will soon become overrated and irrelevant to the needs of the new consumer. For that reason, the retail as known today will undergo dramatic changes in order to meet the expectations of the millennial generation (FarfetchOS, 2017a) and the ones that follow. According to research, omnichannel is not the future, it is happening right now (Yancey, 2017). Indeed, retailers explicitly offer their customers the opportunity to shop via multiple channels offering a combination of physical stores, catalogues, call centres, and e-commerce sites (Rangaswamy & van Bruggen 2005 as cited in Doherty & Ellis-Chadwick, 2010, p. 951) and creating an opportunity to shop through more than one channel (Lovett & Anand 2007 as cited in Doherty & Ellis-Chadwick, 2010, p. 951) placing their brand wherever sales can happen and shortening the path to purchase (Goodwin, 2017). This strategy is confirmed to be extremely rewarding since established high-street retailers, who ventured on-line report increase in footfall, improvement of customer relationships and enhancement of promotional exposure (Weltevrenden & Boschma, 2008 as cited in Doherty & Ellis-Chadwick, 2010, p. 951). Moreover, as suggested, the more sophisticated website the greater comparative advantage (Weltevrenden & Boschma, 2008 as cited in Doherty & Ellis-Chadwick, 2010, p. 951). On account of that, it is possible to con-
clude that retailer’s overall financial and strategic performance is positively affected by the addition of the online channel (Wolk & Skiera, 2009 as cited in Doherty & Ellis-Chadwick, 2010, p. 951). However, researchers agree that e-commerce emergence influenced retail in general and entails further development of the quality and presentation of the floorspace retail in order to provide its function (Burt & Sparks, 2003, p. 275).

It is acknowledged, that internet introduced new opportunities for retailers: the existing ones gained another touch point and the newcomers welcomed the opportunity to enter the market low cost and without physical assets (Doherty & Ellis-Chadwick, 2010, p. 947; Burt & Sparks, 2003, p. 281) making the famous retail statement “location, location, location” irrelevant or at least not so relevant anymore, what was proved true by Amazon’s success (Burt & Sparks, 2003, p. 281). It can be stated that, internet transformed and revolutionised retail and consequently introduced a new channel for commerce in general – a radically different type of marketplace, thus e-tail does not compete with physical retail, it rather complements it bringing new features, functionalities and opportunities (Goodwin, 2017). Both retailers and customers are benefiting from this change, however the digital revolution tends to be perceived as more advantageous to the customer: “digital revolution is to consumers, what the industrial revolution was to manufacturers, with a very significant redistribution of power in favour of the consumer” (Kucuk & Krishnamurthy, 2007 as cited in Doherty & Ellis-Chadwick, 2010, p. 953). Internet makes it far easier for the consumer to search for information allowing to objectively compare offers, and ultimately choose the most competitive one (Doherty & Ellis-Chadwick, 2010, p. 947). However, even though, consumers often consult the internet before going shopping (Weltevreden, 2007 as cited in Doherty & Ellis-Chadwick, 2010, pp. 951-952), they still go shopping (Ram 2017). The consensus view is that an effective and well aligned internet channel enhances the performance of physical retailers (Wolk & Skiera, 2009 as cited in Doherty & Ellis-Chadwick, 2010, p. 952), leveraging the brand, informing about the product and eventually enhancing the joy of the personal and sensual pleasure of going shopping (Tse, 2007 as cited in Doherty & Ellis-Chadwick, 2010, p. 952). Interestingly, in the report commissioned by Farfetch (2017b), Bain & Company, the management consultancy company expresses a deep belief in physical store power and importance, especially for the
fashion industry (Figure 2). According to the study performed by Bain & Company in 2016, physical stores comprised of 92 percent of total sales in fashion. Although the number will decrease in favour of online sale, still in 2025 it will constitute 75 percent of total fashion sale. Nevertheless, the researchers confirm that the previous statement and indicate to not underestimate the power of online since consumers consult it before purchase and around 70 percent are influenced by digital. Moreover, the majority of consumes shop both online and offline giving recognition to the augmented value of the mix of both, known as omnichannel.

Figure 2. Physical stores still have role to play (FarfetchOS, 2017b)

Taking into account how customer expectations are shifting, customer-centric value proposition that extends beyond what end users are used to opens new opportunities for pioneers providing customers with new experiences that they do not yet expect (Atluri, Dietz & Henke, 2017). Authors suggest to act upon the famous Steve Jobs’s statement “A lot of times, people don’t know what they want until you show it to them”. Researchers highlight the value of one-to-one marketing, surprisingly predicted by Peppers and Rogers in 1993, foreseeing content personalisation and customisation. One-to-one marketing consists in individualised communication with customers replacing mass marketing, known as one-to-many (Hoffman & Novak, 1997 as cited in Doherty et al., 2010, p. 7; Burt & Sparks,
In order to create effective one-to-one marketing strategies it is required to capture significant quantities of customer-oriented information, so that their needs and preferences are inferred and the marketing content is accordingly tailored to the preferences of a specific customer (Arora et al., 2008 as cited in Doherty & Ellis-Chadwick, 2010, p. 952). As a matter of fact, on-line retailing is providing retailers with individualised customer data, that allows to perform effective one-to-one marketing (Frow & Payne, 2009 as cited in Doherty & Ellis-Chadwick, 2010, p. 952) and contributes to improved organisational performance (Gurau et al., 2003; Schoder & Madeja, 2004; Warrington et al., 2007 as cited in Doherty & Ellis-Chadwick, 2010, p. 952). Moreover, the wealth of consumer-oriented data allows retailers to better predict customers’ requirements and in result enables retailers to provide a better level of customer service (Kaufmann-Scarborough et al., 2010 as cited in Doherty & Ellis-Chadwick, 2010, p. 956; Farfetch, 2017b). This study conducted by Doherty & Ellis-Chadwick (2010) finds confirmation in the words of Christopher Bailey, Burberry’s creative director and chief executive officer, who admits that internet serves as a source of very specific and reliable information, so called rich data that influence not only marketing strategies but even the product design process (Chen, 2016). In the face of growing customer power retailers response consist in omnichannel data collection, interpretation, omnichannel distribution of information and omnichannel accessibility of products in order to create a seamless, personalised brand and retail experience (Goodwin, 2017). Social media, which are strongly associated with millennials are included in the mix, delivering priceless notion about the consumers, their spending patterns (Chen, 2016), needs and wants as well as how they communicate between each other. A statement strongly supported by researchers, informs that eWOM has greater impact on product judgements, attitude formation, and decision making than formal marketing communications (Brown et al., 2007 as cited in Doherty & Ellis-Chadwick, 2010, pp. 956-957) and has more significant impact on new customer acquisition, than traditional advertising mechanisms (Trusoy et al., 2009 as cited in Doherty & Ellis-Chadwick, 2010, pp. 956-957). Since eWOM is enabled by online social communication

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7 By the day the document was published, Christopher Bailey stepped down in July, 2017 in favour to Marco Gobetti ("What Should Burberry Do Next?", 2017).
between users, further we will have a closer look to one of the social media representatives and its influence on the fashion industry.

2. **INSTAGRAM**

   Social media, possibly one of the most popular trends in the area of online marketing and branding in recent years thanks to the rapid growth of popularity among consumers (Schivinski & Dabrowski, 2014, p. 202). The research proves that millennials spend up to nine hours a day on social platforms, while the average global daily time spend on Instagram is 15 minutes (Asano, 2017). Instagram users are female (38%) between 18 and 29 years old, attended college (32%), live outside United States (89%), and 26% of them earn more than $75,000 per year (Lister, 2017). This, relatively young social network born in October 2010 is today home of 700 millions monthly active imagery-sharing users, 400 millions daily active users, more than 8 million business profiles and 1 million advertisers (Lister, 2017). Taking into account the statistics, it is completely understandable that social media presence is obligatory and entrepreneurs invest both money and time to build and grow their online audience. According to E-marketer in 2016 brands have invested 570 million dollars in Instagram advertising. The benefits are broad. Research has shown that social media generate word-of-mouth advocacy, credibility and brand loyalty (Schivinski & Dabrowski, 2014; Kim & Ko, 2010; Daugherty, Eastin & Bright 2008). It incentivise customer’s engagement and increases brand awareness (Manikonda, Venkatesan, Kambhampati & Li, 2015; Schivinski & Dabrowski, 2014). Helps to build a relationship and keeps it intimate (Kim & Ko, 2010; Ananda, Hernández-García & Lamberti, 2016). Finally through social media, the customer can be educated and informed about the brand and also exert rights (Manikonda et al., 2015). Irrespective of the research proving that social networks should not be considered as a unique place for advertising (Schivinski & Dabrowski, 2014) and will not replace traditional media (Daugherty et al., 2008; The Nielsen Company, 2015), it is the first and often unique place to advertise, especially for small and medium enterprises. Advertising in social media is relatively cheap comparing to the traditional media, with higher credibility score as very often the content is user generated or conveyed by the user (Schivinski & Dabrowski, 2014; Nielsen, 2015).
From all of the existing social networking platforms, Instagram is perceived as the most suitable social network for the fashion industry to embrace not only because of its fashion-friendly focus on imagery that corresponds to the way the industry communicates, that is through meaningful still and motion pictures (Pike, 2016; Kontu, 2015). According to Evan Asano, CEO and founder of Mediakix, influencer marketing and advertising agency, “Twitter and Facebook just don’t have the engagement”. Those words are confirmed by an observation concluded by researchers (Manikonda et al., 2015), who argue that the posts published on Instagram reach higher visibility and larger number of likes compared to Twitter (Manikonda et al., 2015). Moreover the survey held by Mediakix informs, that fashion fans are particularly active checking their feeds up to 15 times a day and posting three times more often than the average user. What’s more, one in three Instagram users admit they have bought a fashion item they discovered on the platform (Pike, 2016). Features like tagging, and the ease of browsing the content helps users to discover new brands and products and make Instagram a powerful tool, especially for fashion companies entering the market and building their audiences (Pike, 2016).

Instagram is a community of more than 700 million who capture and share moments in one place ("Our Story", n.d.). It has become “home for visual storytelling for everyone from celebrities, newsrooms and brands, to teens, musicians and anyone with a creative passion” ("About Us - Instagram", n.d.). Fashion, as a dream-selling industry embraced Instagram relatively fast, harnessing its power of direct communication and cheap advertising. The luxury fashion leads the industry with admirable aesthetic value in an innovative way (Kim & Ko, 2010, p. 164) yet respecting the traditional heritage of luxury maisons. The Web 2.0 also called the read-write-publish era made customers turn away from traditional media towards the new media as the information was perceived more credible and on demand. Social media are based on two-way communication, what allow users to interact with each other online, share information and opinions (Kim & Ko, 2010, p. 164), and influence each other (Daugherty et al., 2008). Thanks to social media people

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8 Social networking through online media can be understood as a variety of digital sources of information that are created, initiated, circulated, and consumed by Internet users as a way to educate one another about products, brands, services, personalities and issues (Chauhan and Pillai 2013 as cited Schivinski & Dabrowski, 2014, p. 191)

9 Web 2.0, generally attributed to O’Reilly (2005), refers to a platform of techno-logical infrastructure where users add or modify content and applications in a participatory and collaborative way (Ananda et al., 2016).

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voice their passions, problems, opinions, talents and confront them with other users. In consequence the development of virtual communities resulted in a need for well-thought strategy. Brands started to use social media to engage with the customer developing two-way relationships and foster interactions (Schivinski & Dabrowski, 2014). Hence, online information market shifts toward a user-centric model and away from the conventional media model, characterised as publisher-centric (Daugherty et al., 2008, p. 16).

The new era introduced new models of engagement between the firm and the customer (Schivinski & Dabrowski, 2014, p. 191). From the customer perspective, two ways of users activity towards brands emerged: user-generated content (UGC) and e-word-of-mouth (eWOM). Studies on UGC adopt the convection of content creation as opposed to content dissemination (Schivinski & Dabrowski, 2014, p. 192). On account of that, the UGC is produced creatively and outside professional practice and made publicly available over the internet (Schivinski & Dabrowski, 2014, p. 192), whereas eWOM is only conveyed by the user and can be generated by both the user and the firm. The UGC is an expression of involvement with products or brands as according to the researchers, brand-related UGC reflects the consumption of a given product or brand (Muntinga, Smit & Moorman, 2012 as cited in Schivinski & Dabrowski, 2014, p. 194). The Nielsen Company’s report (2015) informs that peer recommendations and opinions posted online by other users are more credible than other formats of advertising making UGC and eWOM a highly valuable and desirable customer activity, so called earned advertising (Nielsen, 2015, p. 4). Therefore, web 2.0 armed users with a vibrant tool, that eased the communication between the customer and the brand and created an opportunity for an open dialogue (Ananda et al., 2016, p. 174). The consumer empowerment follows the idea of relationship marketing (Ananda et al., 2016, p. 174), which recognises the long term value of customer relationships and extends communication beyond intrusive advertising and sales promotional messages (Palmatier, 2008, p. 86). Referring to the above, at the brand’s end, a firm-created social media communication is defined by researchers as a form of advertising fully controlled by the company and guided by a marketing strategy agenda and it is expected to positively influence consumer perception of the brand (Schivinski & Dabrowski, 2014, pp. 191-192). The study prospecting the influence of social media communication on brand
perception proves that the firm-created content has a positive effect on consumers’ brand attitude understood as consumer’s overall evaluation of a given brand (Schivinski & Dabrowski, 2014, pp. 199, 194), whereas UGC positively influences brand equity – that is the brand’s perceived value (Schivinski & Dabrowski, 2014, p. 203), and brand attitude. The same study informed that both brand equity and brand attitude have a positive effect on brand purchase intention (Schivinski & Dabrowski, 2014, p. 199). Researchers argue that the future of marketing lies in the ability to develop brand relationships via social experiences through UGC, and is comprised of means to deliver persuasive messages to consumers who experience or create UGC (Daugherty et al., p. 23). Nevertheless, personal relevance of the UGC determines the involvement of other users with the brand (Christodoulides, Jevons & Bonhomme, 2012 as cited in Schivinski & Dabrowski, 2014, p. 194) as personal interest in the content in general determines the responsiveness of the user.

Matching the sensibilities and taste of the target audience is pointed out as an important element of the brand’s social media marketing strategy (Manikonda et al., 2015). According to the research, the content generated and published by the firm can be categorised as direct product marketing (DM) and indirect product marketing (IM). The first one depicts the product itself whereas the second situates the product in “real life” scenery (Manikonda et al., 2015). The research proves the advantage and highest effectiveness of IM, particularly when used with celebrities (Manikonda et al., 2015) and influencers. This approach to social media is defined as strictly informative and focuses on keeping the customers acknowledged about current offering and available promotions (Schivinski & Dabrowski, 2014, p. 204). Interesting findings described by Schivinski and Dabrowski (2016) prove that firm-created social media content can create a viral response that can assist in spreading the original advertising to a larger public. The authors suggest to encourage consumers to generate content that reflects support for the brand and its products instead of competing with them since UGC increases brand awareness and brand associations (Bauman & Arnhold, n.d. as cited in Schivinski & Dabrowski, 2014, pp. 204, 196). The researchers also argue that brands should focus on building positive brand associations and on exploring brand characteristics that influence the consumer’s attitude toward the
brand. As mentioned, fashion brands not only trade on the product but also on cultural values (Shannon, 2017), thus brand associations, that evoke the brand in the consumer’s mind (Aaker, 1991, p. 8) are an often topic of firm-generated content. As illustrated by the research, (Manikonda et al., 2015), Prada posts often contain floral patterns whereas Armani features indoor architecture (Manikonda et al., 2015), thus booth brands use visual elements associated with the brand and its universe in their social media communication. Those observations find confirmation in literature review informing that the main reason to use social media for most small retailers is the perceived usefulness of social media for customer service and networking, while for medium retailers is to provide customer service and brand-building, whereas large companies aim for brand-building (Ananda et al., 2016, p. 172). Instagram “is incredibly democratic,” says Eva Chen, head of fashion partnerships at the company. “[It] allows brands to take control of their own narrative (…)” (Pike, 2016). However, as social media culture evolves engaging customers becomes challenging. Feeds are overflowing and polluted with constant updates and advertising, making it easy for the firm-created content to slip by unnoticed (Trapp, 2015). A solution to that is found in yet another source of content: the emergence of influencers willing to endorse products, making the platform well-suited for brands looking to grow their reach without paying high advertising fees to get in front of new customers (Pike, 2016). Influencer marketing is seen as an opportunity as it not only drives direct sales but also helps to build a relationship with the audience. According to the research a brand that is associated with a popular Instagram user gains trust and credibility in the community (Trapp, 2015). Avery Booker, chief executive of Enflux, a digital influence-mining tool confirms: the new generations perceives social presence as credibility-giving. However, digital consultant Rachel Arthur says: “There’s no such thing as just being on social media. There’s an inherent need for both quality and relevance in what is posted, in order to reach the right consumers at the right time. As a result, authenticity is paramount.” (Chen, 2016). Bain & Company’s report confirms that fashion industry is particularly self-referential in its social media communication, whilst the power of Instagram can be unlocked only with engagement. Living the life of the customer instead of narrating the brand values, DNA and product offering will constitute a successful social media strategy (FarfetchOS, 2017b). Never-
theless, an integrated, multi-channel approach carries a tremendous importance when reaching millennials (The Nielsen Company, 2015). Since consumers control how and when they consume content and interact with brands more than ever, understanding advertising resonance across different media is the only way to successfully drive memorability and brand lift (Nielsen, 2015, p. 3; Daugherty et al., 2008, p. 17). Omnichannel unlocks new ways of storytelling for fashion brands and, at the same time, encourage instant feedback from their audiences (Chen, 2016). In accordance with The Nielsen Company report on customer attitude toward advertising (2015) proving that customers still declare higher trust in offline advertising, however, they would rather take actions on the online one, influenced by eWOM.

It is acknowledged that customers are constantly barraged with data and pressured to make important decisions, choices and take actions in a split second (Gobé, 2001, p. 285; FarfetchOS, 2017b). For that reason, a tendency of services winning over products can be observed, since people want to experience, share their time with family and friends, collect moments and memories, care about own well-being (Gobé, 2001, pp. 285-286). Internet is serving as a time-saver and entertainment outlet (Gobé, 2001, p. 286) and products like Instagram are perfect tools that help users to capture memories and share them with friends and family making them feel more attractive in their own eyes and from the social perspective. Moreover Instagram facilitates and enhances the social life and community belonging, as proved by the research upon user motivation, social platforms and UGC drive people to spend time with others and experience a sense of community (Daugherty et al., 2008). This can be enhanced by a well-tailored social media strategy. The research conducted by Bain & Company on fashion consumers draws the industry attention to the informational overflow indicating that storytelling is not enough anymore in order to catch consumers attention. Bain & Company illustrated the engagement consumers have with firm-created content (Figure 3). According to the study, three main categories of communication are observed on Instagram and they refer to the product and its physical features, the brand, its DNA and values, and to the passion and interest the brand shares with its community. The product has the lowest engagement, yet the brand attracts more attention since it is already taken into consideration by the consumer, who intends to buy its product,
finally the interests and passion obtain the highest level of consumer engagement since they relate to real life and to the actual life of the consumer. The graph informs also about the level of brand ownership: the product is completely owned by the brand as constitutes the brand itself – those elements contain very specific features and are relatively hard to compete with, whereas the passion and interest is highly competitive, therefore the ownership is very low. According to the research, fashion communication is highly self-referential and focused on the product and not on the interests and passions the brand can share with its customers. Bain & Company measured and compared engagement of product related posts and passion related ones, indicating the way towards which the social media communication should be directed. The results prove that telling the story of the consumer instead of the brand generates three times more engagement. Therefore, consultants suggest to focus on living the story of the consumer to generate engagement and interest, especially in the age where the millennial consumer is used to be in the centre (FarfetchOS, 2017b).

Figure 3. Wider territories of conversation (FarfetchOS, 2017b)

3. NEW CUSTOMERS’ BEHAVIOUR: THE MILLENNIALS

Millennials are defined as the first global generation due to its global mobility facilitated by the omnipresence of technology (FarfetchOS, 2017b). Defining millennials trou-
bles researchers, who are inconsistent in both naming and description of this group characteristics (Santos, 2017, p. 9). Possibly because, as suggested by Bain & Company, a phenomenon called “millennialisation” or “millennial state of mind” which by referring to the global and multigenerational curiosity and accessibility of technology, spreads the term turning it applicable across generations (FarfetchOS, 2017b). According to researchers, the main generational mark for millennials is defined by the digital environment in which this generation grew up, making them naturally familiar with high-technology (Santos, 2017, p. 9). The millennials are also multitasked and expectant to have immediate access to information (Santos, 2017, p. 10) and immediate gratification of needs and wants. Many attributes are being used in order to define and categorise millennials and many sociological studies have been conducted (FarfetchOS, 2017b). For the sake of this thesis, three aspects of the millennial generation are particularly important due to their relevance in relation to the fashion industry in general and luxury fashion industry in particular. Developed by Bain & Company the “millennial state of mind” (Figure 4) is defined by the psychosocial factors that determine and impact the behaviour.

Figure 4. Common, current psychosocial factors impacting behaviours (FarfetchOS, 2017b)
1. Uneasiness is caused by insecurity that was effected by the collapse of trust in authority. It made millennials procure reassurance within small, mostly virtual communities of people sharing same passions and interests. Brands can forge communities around their culture (Schmitt, 2012, p. 8) and according to Bain & Company it gives a possibility for customers to identify themselves with the values that the brand represents, creating circles of interest. The quantitative study proved that 17 percent of customers aged 21-35 seek for approval consulting their decisions and choices with other people. This observation finds more visible confirmation in social media posts where the user would ask for help to make a choice during a purchase.

2. Urgency relates to the fact that millennials are not accustomed to wait. They seek quick reward and make fast decisions. This attitude influenced also older generations, whose decision-making process has recently accelerated.

3. Uniqueness is defined by a strong sense of self within the community, introducing the feeling of fluidity, since people are looking for patterns to follow, trying to define their own rules, while dressing up, choosing products and living their lives. This factor influenced the fashion industry and thereby changed the aspirations of the consumers, making the reason-to-choose more complex and elaborated.

Observing and analysing the consumers trends, millennial generation are adults born from the early 1980s on who comprise the largest online audience, and have more buying power than any generation ever (Ram, 2017; FarfetchOS, 2017b). Fashion industry is tapping into the millennial consumers through digital integrations, product diversity and creative ways of storytelling (Chen, 2016). According to Lisa Aiken, Net-a-Porter’s fashion retail director, millennials are the “big spenders of tomorrow”, what is proved by incredible commercial popularity of brands like Vêtements. “If we are not talking to them now, we are not going to get their attention down the line” continues Lisa Aiken reasoning why the fashion industry is adjusting to fit the millennial generation (Chen, 2016). By 2020, millennials will constitute 50 percent of the workforce changing dramatically the way business is done (Stanley, 2015). Researchers argue that consumer power increased thanks to internet. The changes are manifested by decrease in information asymmetries, promotion of market transparency, enabling consumers to group together, and allowing
consumers to exert more influence on products and prices (Rezabakhsh et al., 2006 as cited in Doherty & Ellis-Chadwick, 2010, p. 953). The millennials buying force has significantly influenced not only the way in which electronic markets perform, but ultimately it also affected the way in which the retailers market their products, communicate with their customer base (Kucuk & Krishnamurthy, 2007 as cited in Doherty & Ellis-Chadwick, 2010, p. 953) and even design the products (Chen, 2016). In accordance, Christopher Bailey, Burberry’s creative director admits, that internet is used by the brand to test the products: “(..) when we put something out on social media, immediately we can gauge what people like and what they don’t” and the rich data gathered by the brand allows Bailey and his team to understand how products are received by clients and what resonates with them directing the further development of the collections (Chen, 2016).

The millennial consumer wants to be at the central position of the brand universe, interactively engaged with the brand in a meaningful relationship. According to McKinsey & Company’s report on millennials shopping behaviours, physical space tied with the virtual world engage consumers through participatory experience, that shared becomes a social currency encouraging repetitive activity (Ram, 2017). Almost seven in ten millennials are influenced by friends’ social media posts; 83 percent say they trust recommendations by friends and family (The Nielsen Company, 2015) and increasingly discover products online before going out to shop (Ram 2017; Doherty & Ellis-Chadwick, 2010, p. 952), 23 percent admit to purchase their first luxury product online while 70 percent was influenced with the online experience (FarfetchOS, 2017b). Simultaneously, millennials still want to touch, feel, and explore products before purchasing them. In account of that, the need consist in a creation of a seamless chain between online and on-site shopping (Ram 2017) giving the lead to the omnichannel approach. The opportunity is the combination of the online and offline shopping experience, and a fortiori a creation of an immersive store experience. Therefore, the clicks-and-mortar and bricks-and-mortar mutually add value to each other by enriching and enhancing the shopping performance (FarfetchOS, 2017b).

According to Ram (2017), the challenge to attract and sustain millennial consumers consists in the right choice of the technological possibilities and an attractive and practical application of those in the brick-and-mortar sites: touchscreen navigation panels, virtual
fitting rooms, magic mirrors, augmented-reality zones as well as “social shopping” technology, digital screens that help consumers find products, access reviews, and then direct them where to buy, e-checkouts and click-and-collect services help to blend the offline and online shopping experience (Ram, 2017). Customer service chatbots can deliver not only practical information but also advise on style and offering, as well as introduce a human element. Furthermore, technology serves as a time-saver leaving more free time for leisure, that can again relate to retail introducing retailtainment (Burt & Sparks, 2003, p. 283). According to Gobé, time is the most important commodity and the biggest luxury of all. In a study by Kurt Salamon Associates, a New York retail consulting firm, 44 percent of Americans confessed that given the choice they would rather have more time for leisure than more money (Gobé, 2001 p. 285). This statement is confirmed by a recent study by another consulting firm Bain & Company performed in 2016 on luxury goods consumers (Farfetch, 2017a). Time is the most expensive currency as it is impossible to buy: “You can mine for diamonds but you can’t buy time” as said by José Neves, the founder of Farfetch. Retailers must innovate in order to express their appreciation for the time customers spend in their stores (Gobé, 2001, p. 287). José Neves agrees, the technology can help retailers save customers’ time, who than will pay back giving their time, which the brand can use to tell a story (FarfetchOS, 2017a) and engage with the consumer on a very different, memorable level. Gobé (2001) argues that brands must create new products that either save time or wow with their entertainment (Gobé, 2001, p. 287). Accordingly, data collecting and sharing facilitate better, smarter, more efficient customer experiences (Yancey, 2016) creating an opportunity for retailers to both engage appropriately and learn about each customer in order to understand when, how, and where they prefer to receive communications about a given product or service (Yancey, 2016) and in which product or service they may be interested, even before knowing the brand (FarfetchOS, 2017a).

The research proves that millennials prioritise spending on multi-sensory experiences and events over product ownership (Ram, 2017; FarfetchOS, 2017b). In response to that need and to the shift of consumer expectations, brands are moving from transactional-unilateral to a relational-interactive model (FarfetchOS, 2017b) turning traditional retail places into brand embassies (FarfetchOS, 2017b). With online retail creating choice over-
load (Ram 2017), consumers are beginning to appreciate curated retail concepts. Pop-up stores that provide distinctive products for a short period are one significant response. These are on the rise in a variety of markets: in the United Kingdom pop-ups accounted for £2.3 billion in sales in 2015, up 12 percent compared with the previous year (Ram 2017). It can be stated that experimenting with niche retail concepts such as pop-up stores, dedicated space for “glocal” brands, and offline showrooms generates buzz and traffic (Ram 2017).

4. POP-UP MAKES SHOPPING EXCITING AGAIN

Shopping is a source of entertainment and enjoyment for many consumers (Prus & Dawson, 1991 as cited in Ryu, 2011 p. 141) who seek fun and excitement from shopping in the same manner as they do from leisure (Lunt & Livingstone, 1992 as cited in Ryu, 2011 p. 141). Retailers reinvent the shopping experience in order to keep up with the consumer changing behaviour, technology innovations and market trends. An unconventional approach is represented by pop-up concept that focuses on experimental experience, relation-creation and viral promotion (Ruy, 2011; Pomodoro, 2013; Alexander & Bain, n.d.). The retail industry has rapidly embraced pop-up concept as a feasible distribution channel for reaching consumers, launching new brands or products, testing niche markets (Ryu, 2011 p. 139) and finally as a strategic tool for both marketing and sales. It is important to underline that different strategic objectives and business needs result in different modes of short-term retail (Pomodoro, 2013, p. 350). Accordingly, pop-up retail can be read as an useful tool to be employed for a rather wide range of strategic purposes and fields, likes brand experience, brand community and tribal marketing strategy, market research, up to non-profit and ethical events (Pomodoro, 2013, p. 350).

Pop-up store is designed to engage the consumer in memorable and sensorial way surprising and offering an air of exclusivity (Pedroni, 2011; Spire, 2013 as cited in Alexander & Bain, n.d.), it plays on fear of missing out, on unrepeatable and for those who participate creates a feeling of personal discovery (Alexander & Bain, n.d.). Pop-up retail model is a cheaper solution than year-round rental, generates a lot of buzz for brands (Shontell, 2011) and expands database (Bradbury, 2009). Sighted as early as in the 1990s in large ur-
ban cities such as Tokyo, London, Los Angeles and New York City, pop-ups are temporary retail spaces that sell merchandise of any kind ("What is a Pop-Up Shop?", n.d.). As pointed out by Ryu (2011) pop-up retail was initiated by Comme des Garçons, but it has since been applied by discounters (e.g., Target), specialty stores (e.g., Gap), department stores (e.g., Macy’s), luxury brands (e.g., Louis Vuitton), and non-store retailers (e.g., emerging brands, vintage, artisans).

The pop-up store concept has grown beyond a trend into a retail strategy that is used by all brands, big and small ("How To Grow Your Brand With Global Pop-Up Stores", n.d.). Some authors argue that pop-up’s momentary characteristic categorises this retail concept as an event and not a shop (Alexander & Bain, n.d.) and that brand awareness is often top priority constituting sales secondary function (Bradbury, 2009). According to the research, small and medium brands tend to use pop-up mainly to increase sale or test new market before entering, whereas big fashion retailers focus on creating maximum experimental engagement in order to create brand awareness and develop brand image (Pomodoro, 2013, p. 347). Established fashion retailers use the pop-up formula as a strategic tool to launch new collections, limited editions, or to reinforce the brand in a particular market or consumer target (Pomodoro, 2013, p. 347) by creating or maintaining an emotional relationship with the brand, reinforcing a sense of community, desire to relate to others, to have fun together, to experience something in common (Pomodoro, 2013, p. 348). Some researchers conceive the temporary store as “a new experiential marketing format intended to engage consumers” (Niehm et al., 2007 p. 2 as cited in Pomodoro, 2013, p. 344), thus fashion pop-ups are often perceived as guerrilla marketing because of high focus on personal encounter and in result a direct interaction with a brand, its unexpectedness and surprise characteristic. Moreover, pop-up concept responds to guerrilla marketing objectives, likes reaching new audiences, creating brand awareness, exploring new touch points and brand contact (Gobé, 2001 pp. 192-193; Ryu, 2011, Kim, Fiore, Niehm & Jeong, 2010, p. 134), and finally turning the consumer into a brand dissertation (Pomodoro, 2013 p. 344). Guerrilla marketing is defined by creativity and capacity to attract loyal niche markets and crucial trendsetters that are inaccessible by mainstream advertising (Gobé, 2001 p. 192), with the goal to create a viral buzz around the product or brand and
stirring and managing positive word-of-mouth (WOM) (Gobé, 2001 p. 194). Since consumers are more likely to engage in WOM activities when they can share fun or novel information and experiences (Berger, 2014 as cited in Klein, Falk, Esch & Gloukhovtsev, 2016), the potential of pop-up stores to provide consumers with unusual and exciting brand experiences (Klein et al., 2016; Kim et al., 2010, p. 134) indicates the experiential branding as key in order to create a strong pop-up. The notion of experiential branding will be developed further in this study.

Researchers analysed the socio-demographic characteristics of the pop-up consumer. A quantitative research illustrated the privileged consumer, who is a young woman, living a modern and dynamic urban lifestyle. She appreciates the culture of town and cities and is generally attracted by the latest and emerging urban trends and experiences (Pomodoro, 2013 p. 344). Since unique environment offered by pop-up retail appeals to consumers seeking diverse, innovative experiences (Kim et al., 2010, p. 134) and the formula of pop-up retail offers an interactive environment where consumers are given an opportunity to communicate with the brand (Kim et al., 2010, p. 134) the pop-up recipient may be characterised as one who seeks to contribute to the shaping of brand identity and the physical product through shared information during both physical encounters as well as through digital activities (Kim et al., 2010, p. 134). In order to better understand the profile of pop-up customer, researchers Kim et al. (2010) conducted a study on how psychographic characteristics of consumers affect perceived appeal of pop-up retail. According to the literature, the hedonic aspects of pop-up retail may appeal to consumers with innovativeness tendencies, who seek sensory stimulation, novelty and uniqueness (Kim et al., 2010, pp. 136-138) as well as who derive enjoyment from cognitive stimulation, such as evaluating information, learning and discovering (Engelland et al., 2001 as cited in Kim et al., 2010, pp. 136, 138). The result of the research confirms that pop-up retail addressee should be consumers who exhibit higher innovativeness tendencies, that is who seek uniqueness and novelty, and those who consider shopping to be a hedonistic activity (Kim et al., 2010, p. 147) since shopping enjoyment was positively related to both novelty and uniqueness and enhanced the attitude toward pop-up retail (Kim et al., 2010, p. 147). It is recommended that innovative consumers should be the target of marketing efforts of the pop-up retail, as
they have a quest for knowledge, are typically less price sensitive, and more likely to be heavy product users (Goldsmith et al., 2003 as cited in Kim et al., 2010, p. 147). Excitement of the experience and the exposure to new, unique products are the most significant attitude influencers. Whereas the facilitators of purchase decision, which are strictly elated to the product ownership, are not confirmed as important, suggesting focus on the relationship building aspect of the experience. Accordingly, the authors give recognition to a rising representation of consumers who look for innovative, active, engaging, and enjoyable shopping and life experiences as opposite to product ownership. In that regard, the experiential pop-up retail requires high helpfulness and friendliness of pop-up retail representatives (Williams & Slama, 1995 as cited in Kim et al., 2010, p. 140) and a face-to-face dialogue with brand representatives in order to attract people (Gordon, 2004 as cited in Kim et al., 2010, p. 148) but also to assist in creating and delivering an authentic and distinctive customer experience (Kim, et al., 2010, p. 148). Simultaneously, the emotional element of the pop-up retail experience is confirmed to be highly valuable since emotions directly influence the attitude (Wood & Moreau, 2006 as cited in Kim et al., 2010, p. 147). Thus engaging emotionally the consumer may build a foundation for a long-term relationship, resulting in emotional attachment to the brand and its products or services (Kim, et al., p. 148). The notion of emotional branding will be further discussed in the subchapter dedicated to branding and will be implemented into the branding strategy of the project.

As proved by the research, since the pop-up formula becomes increasingly popular, creating an international, experientially-lead space may prove beneficial especially for small and medium enterprises, that can build competitive advantage through differentiation and develop commercial activity (Pomodoro, 2013, p. 349). By emerging brands the temporary store is mostly used to sell, get maximum visibility and test the market without a huge financial investment (Pomodoro, 2013, p. 344; Ryu, 2011, p. 140) as well as to pretest the brand itself, its concept and product line, and examine the market reception. For that reason, it is often observed to use pop-up formula as a market research tool (Pomodoro, 2013, p. 348) testing new international and strategic markets (Pomodoro, 2013, pp. 344, 349). As compared to a traditional store, opening a pop-up store offers a retail opportunity with relatively low risk and low start-up expenses (Del Rey, 2010 as cited in Ryu,
The retail strategy often includes specific interactive tools to get the customer feedback, according to the company research needs: personalised product tests or digital interactive platforms (Pomodoro, 2013, p. 349) or simple behaviour observations. The pop-up retail research technique is often used by global fashion brands that are entering new culture market or launching new products (Pomodoro, 2013, p. 349). The pop-up formula allows to gather a lot of data in order to prepare a unique shopping experience crafted for a specific culture needs and wants, without big investment and without possible loss on brand perception (Ryu, 2011, p. 140).

Owning to the fact that the temporary store is mainly aimed at increasing brand image, the pop-up is conceived to create or support the existing affective and emotional relationship between consumer and the brand (Thomson et al., 2005 as cited in Pomodoro, 2013, p. 348) and to increase the sense of belonging to a brand community (Cova, 2003 as cited in Pomodoro, 2013, p. 348) and to a tribe (Maffesoli, 1988 as cited in Pomodoro, 2013, p. 348). Many researchers stress that promoting new brands, new lines, new collections, limited editions, launch special collaborations and projects in a form of a pop-up event serve the purpose of developing a viral and positive buzz around the brand, that generates the word-of-mouth advocacy and increases brand awareness. Accordingly, the consumer unconsciously becomes the primary mean of brand dissemination (Catalano and Zorzetto, 2010 as cited in Pomodoro, 2013, p. 344). However, since the unique atmosphere of a pop-up sets it apart from the traditional retail, the attitudes and shopping intentions toward pop-up stores may differ from those that consumers harbour toward traditional retail spaces (Ryu, 2011, p. 139). The customer behaviour towards pop-up retail concept was investigated by Ryu (2011), who analysed the relation between the involvement into the category and the buying impulse of the consumer. According to the literature review cited in the research, involvement contributes to confidence that results in more impulsive purchases. The involvement itself is defined as a motivational state of excitement or interest stimulated by an object or circumstance (O’Cass, 2004 as cited in Ryu, 2011, p. 141). Hedonic shopping experience occurred to positively influence fashion-oriented impulse buying behaviour in the pop-up concept. It has been postulated that the hedonic nature of pop-up retail, offering customers surprises and shopping excitement (Kim et al., 2010; Niehm
et al., 2007 as cited in Ryu, 2011, p. 141) is in correlation with the needs of customers who seek hedonic shopping experience, a shopping that is fun, entertaining, enjoyable and exciting (Ryu, 2011, p. 141). According to the literature, shopping enjoyment is one of the characteristics affecting consumers’ acceptance of pop-up stores. Consumers who seek pleasant shopping encounter tend to be impulsive buyers driven by emotions, excitement and positive feelings. Finally Ryu (2011) analysed the behavioural intention and attitude in regard to pop-up retail concept. The research proved that consumers who perceived pop-up fashion stores to be interesting and to offer fun shopping experience reported to be more likely to intend to shop (Ryu, 2011, p. 145). With respect to the research, it may be stated that the atmosphere of pop-up retail, its characteristics like transiency, discovery, create a fear of missing out but also a sensation of entertainment, what may influence the shopping behaviour and overall receptiveness of the consumer who is more willing to immerse in the experience.

By creating experiential retail settings, retailers increase consumers’ knowledge about the brand and recognition of the retailer and decrease their association with competitors (Woodside & Walser, 2007 as cited in Ryu, 2011, pp. 140-141). Experiential marketing concept incorporated into retail results in creation of a popping-up store that manipulates its environment and as argued by researchers it is an effective and innovative way to accommodate consumers’ desire for entertainment and pleasant experiences as a part of their shopping activity (Ryu, 2011, pp. 140-141). On the other hand however, in accordance with the literature, pop-up stores are also organised in order to interact with other businesses within the community (Alexander & Bain, n.d.) and create beneficial collaborations in contrary to the previous statement regarding competition. Collaborative pop-up enables interaction within the community and is beneficial for the collaborating parties as well as for the end consumer (Alexander & Bain, n.d.). Still, novelty and exclusivity should be emphasised. In increasingly crowded markets, it is beneficial for brands to create a sort of “surprise effect,” a sense of personal discovery. Turning to the strategy based on a short life of a store helps to achieve this kind of experience. The temporary store lies on the concept of “here and now” with the main stimulus of the “anxiety of being excluded from the event, of missing to visit something unique, fleeting and unrepeatable” (Catalano &
Thus, we can say pop-up stores fit in with the consumer demand for immediate gratifications, as well as the brand need for distinguishing itself in crowded markets (Pomodoro, 2013, p. 344). The possible benefits of a pop-up store are illustrated below in Table 3.

Table 3. What are the benefits of a Pop-Up Shop? Source: "What is a Pop-Up Shop?", n.d.

<table>
<thead>
<tr>
<th>Benefit</th>
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<tbody>
<tr>
<td>Connect with customers: The pop-up retail format allows you to personally get to know your customers and build stronger relationships.</td>
</tr>
<tr>
<td>Sell more: About 95% of all purchases are still completed offline. This is your opportunity to take advantage of the retail channel.</td>
</tr>
<tr>
<td>Build awareness: Consumers and the media love the excitement generated by Pop-Up Shops. Build brand awareness by going offline.</td>
</tr>
<tr>
<td>It's cheaper: Launching a pop-up shop is 80% cheaper than a traditional retail store.</td>
</tr>
<tr>
<td>Test new markets: Easily enter a new market and launch new products.</td>
</tr>
</tbody>
</table>

A retailer seeking to operate within temporary retail has to choose from alternative approaches in order to suit the particular strategy (Pomodoro, 2013, p. 350). Fashion pop-up proved to be highly diverse in terms of its form in general and character and purpose in particular. According to Pomodoro (2013), pop-ups have four tools at their disposal: location, time, the event itself and product offer. In accordance to the research, the main retail principle apply – location is key – popular, highly trafficked, accessible and corresponding to the target audience as well as creative, innovative, unexpected, intriguing and surprising one helps to gain exposure and attract new consumers. Location can be permanent - existing building, temporary - container or especially designed construction, but also mobile - equipped van or bus. Pop-up can feature one brand or several and usually have different layouts and visual features, that create the mood and background for the overall narration. The second variable is time, that has to be strategically chosen in order to attract the desired audience in a desired mood to generate the strategic reaction to the experience (Pomodoro, 2013, p. 344). Pop-ups last for one day, one week, month or a year depending on the strategy. Some retailers use temporary shops in order to avoid less beneficial months and be present on the market for the attractive ones, accordingly pop-
ping up and out during the year. Other retailers may use pop-up retail during specific events, like fashion weeks, music festivals or other that correspond to the brand or product. As illustrated, pop-up shop thanks to its transience, diversity and attractiveness is often considered as an event itself. In that regard, it should also remain main characteristics of an even: it should be memorable, exciting, engaging (Pomodoro, 2013, p. 350) and provide a personalised experience. The literature review unveils a pragmatic approach to pop-up based on an assumption that the very nature of the pop-up is enough to standout in the overcrowded fashion scene (Alexander & Bain, n.d.). The unexpectedness of pop-ups generates customer surprise, thus it stays in memory for a longer time than a casual visit to a store (Suchi, 2011; Birch, 2013; Pomodoro 2013 as cited in Alexander & Bain, n.d.). The visit itself may turn into a memorable event thanks to the atmosphere, hence according to literature, retailers create pop-up spaces that encourage customers to linger (Fumo 2013; Pomodoro 2013 as cited in Alexander & Bain, n.d.) because of often highly spectacular, themed and multi-sensory spaces (Pomodoro, 2013, p. 347), that contribute to a hedonic shopping experience (Ryu, 2011, p. 139).

What makes a successful pop-up? According to the research, promotion is key that opens the door of capitalisation on the temporary nature of the pop-up by building a sense of urgency through the exclusivity of products. ("How To Grow Your Brand With Global Pop-Up Stores", n.d.). Once the target market is well informed about the pop-up, ones must focus on the sensorial design of the venue. The research proves that variables such as smell, sight, taste and touch are important to create a welcoming atmosphere in the store and those elements are identified as crucial features in order to provide a unique and memorable experience (Pomodoro, 2013, p. 344). A strong pop-up concept has all the elements of retail design, like layout, furnishings, materials, colours conceived with a goal to communicate a coherent visual brand identity. Brand concept is the focal point of the event with all the sensorial elements build around it. The customer is taken into a multi-sensory and interactive brand journey during which experiences exciting, emotional and memorable encounters with the brand (Pomodoro, 2013, p. 347). The enhanced atmosphere stimulates not only the relationship between the customer and the brand but also influences the buying impulse. Researches draw attention to the importance of customer service that
should contribute to the overall ambience and create a desirable shopping environment (Ryu, 2011, p. 139). Finally, the offering is expected to be unique in order to create excitement and influence shopping decision (Alexander & Bain, n.d.). Catering to the wants and needs of the customer and accordingly choosing merchandise based on the target yields the best results (Forney, et al., 2007, Pedroni, 2011 as cited in Alexander & Bain, n.d.) as the consumer must be given a reason to be interested: products and brands customer care about constitute to a retail and promotional success of the pop-up. Pomodoro (2013) proposes, that offered product must be exclusive and selective, since according to literature, pop-up may create expectations of exclusive products and special prices or other added values to the merchandise. In accordance with that, once identified space and time, it is important to plan a mix of ever surprising social events, whether recreational or cultural, which can arouse interest and create relational opportunities among visitors (Pomodoro, 2013, p. 344). The social and cultural event becomes the key strategy with a fundamental goal to create an atmosphere that corresponds to the brand DNA and evoke desired emotions toward the brand. Everything is primarily designed to increase opportunities to provide a brand experience (Brakus et al., 2009 cited in Pomodoro, 2013, p. 348): social areas stimulating a socialising activity among customers, such as living rooms, lounge bars, or outdoor garden equipped with sofas and tables in addition to special events, like cocktail parties, jazz concerts, art exhibitions. The important thing is never to fall into the ordinary (Pomodoro, 2013, p. 344). The visit to the pop-up store is designed to generate an holistic and memorable brand experience (Schmitt, 1999; Pine and Gilmore, 1999 as cited in Pomodoro, 2013, p. 347), which puts the consumer in close relation with the brand values (Pomodoro, 2013, p. 347).

4.1. Pop-up Study Cases

4.1.1. Louis Vuitton

Luxury pop-up brand stores are temporary stores that seek to offer customers more approachable access to luxury and are usually open for a short period of time (Klein, Falk, Esch & Gloukhovtsev, 2016). To launch the Spring-Summer 2017 menswear pre-collection, Louis Vuitton has embraced the pop-up store concept with beautiful set up in excep-
tional locations in several cities around the world: London, Hong Kong, New York, Sydney, Milan, Tokyo, Beijing and Berlin (Figure 5). The pop-ups were introducing the customer to the safari theme, that matched the Africa-inspired collection created by artistic director Kim Jones ("How To Grow Your Brand With Global Pop-Up Stores", n.d.) in collaboration with Chapman Brothers, who are responsible for the themed illustrations featured on the iconic accessories. Depending on the city, the locations were standalone spaces resembling a Louis Vuitton glass trunk (Bernard, 2017) located in a shopping mall, traditional store spaces in hip neighbourhoods. As a homage to the theme of the collection not only the limited collection of accessories but also the interior of the store was decorated with illustrations representing African animals (Fischer, 2017). According to Highsnobiety, the African inspiration was present also through the distinct choice of materials and furniture in the shop (Fischer, 2017) amplifying the inspiration theme of the collection and creating a specific shopping experience. As stated by the CEO of the brand, Louis Vuitton wanted to put more emphasis on menswear and for that reason they reached for the pop-up formula. The motivation for reaching to this untraditional retail formula was a successful experience in other countries and the good global reception of the menswear collections in general. The mobile pop-up formula relates mainly to the brand’s DNA that is built upon travel but also to the creative director love for travelling. The inspiration for the collection comes from the travel experience, that Kim Jones had in his childhood. Each location of the pop-up has an exclusively dedicated piece from the collection creating a sense of belonging and uniqueness. The designer points out, that pop-up formula allows the brand to better understand the customer and meet them in person (Ahwa, 2016).

The information gathered about the Louis Vuitton’s pop-ups confirms the statements from literature review. In this case, the pop-up served mainly as a promotional event, with aim to create brand and product range awareness within the market, but also as a direct commerce touch point. The Louis Vuitton’s pop-up delivered an air of exclusivity by providing limited edition products especially designed for a specific city creating a sense of collector’s item. The sensorial elements of the pop-up contributed to the enhanced experience and eased the understanding of the inspiration and most importantly, it evoked
the exotic atmosphere of an exciting travel, thrilling discovery and fun engraving the DNA of the brand in consumer unconsciousness.

Figure 5. Louis Vuitton SS17 menswear pop-up (“How To Grow Your Brand With Global Pop-Up Stores”, n.d.)

4.1.2. **Kanye West**

The rapper *Kanye West* established his Life of Pablo merchandise pop-up shop in 21 cities around the world (Figure 6). The shops were opened for *Yeezy* fans to purchase exclusive products for a few days in August in cities such as Amsterdam, Berlin, London, Los Angeles, Miami, Philadelphia, Singapore, Melbourne or Cape Town ("12 Most Talked About Pop-Up Stores You Can Learn From", n.d.). A world map with red dots published on the artist website is informing the customer about the availability of stock. The collection featured a selection of hoodies, tees, long-sleeves, jackets and dad caps, all decorated with the gothic typeface designed by Cali Thornhill DeWitt, and each city received its own original collection in unique colours and logos (Amarca, 2016). Every location was adapted with respect to its features (Yotka, 2016). The branded merchandise was showcased in white boxes that literally popped-up in the selected cities (Yotka, 2016) with the exact addresses announced only 24 hours before the drop (“Kanye West pop-up store opens in Kreuzberg Belin”, 2016). Kanye himself claimed the stores made $1 million dollars in two
days ("12 Most Talked About Pop-Up Stores You Can Learn From", n.d.) and most of the pop-up sold out the inventory within 2 hours, what proves a great financial success.

The model of the pop-up chosen by Kanye West and Bravado, the artist merchandise producer, reflects the very particular and specific characteristics of the streetwear community, that is the drop model, controlled quantity of purchases and standing in line before the opening (Yotka, 2016). The pop-up shops with Kanye West merchandise dedicated to the new album were launched before the concert tour has even started. According to the organisers, the reason for that was promotion of the tour. Even though the tickets were sold out, pop-up shops’ initiative created a possibility for the rapper fans to get into his world. By entering a curated retail concept, they experienced the artist music, style and creative energy. This direct and personal encounter not only stimulated the fan affection with the rapper, but also created an opportunity for social integration with other fans. Bravado CEO, Mat Vlasic, states that a pop-up delivers a personal experience that is missing in the digitalised world of music and fashion (Yotka, 2016). In this case, the uniqueness of the brand experience is heightened by the temporary feature of the store and the scarcity of the occurrence, as well as by a stronger interactivity able to intensely involve consumers and produce a personalised experience (Pomodoro, 2013, p. 347). In other words, Kanye West pop-ups delivered to his fan a piece of his world that is impossible to be fully experienced through social media or internet in general and requires a physical encounter with another person and a curated space that gives a sense of personal touch. Mat Vlasic discloses the inspiration behind the atmosphere of the Kanye West pop-up store, that dates back to the ‘70s and the ‘80s record stores, where people were not only buying records but mostly socialising, learning from each other and making friends with similar interests (Yotka, 2016). The organisers point the high promotional capability as a success factor since Kanye West has 134 millions of followers on Twitter, together with the ephemeral quality of a pop-up market.
4.1.3. Opening Ceremony

The pop-up formula is deeply engraved into Opening Ceremony’s DNA. With its multinational approach to retail as a mission statement and exploration and friendship as the founding principles, the New York concept (Figure 7) stocks homegrown iconic and emerging designers as well as its own brand under the same name and several selected established brands like Kenzo, Band of Outsiders, Acne. Born out of love for travel, every year Opening Ceremony is home to the spirit and merchandise of a visiting country, transforming each of its stores around the world into a marketplace for exotic souvenirs and international talent ("About Us", n.d.). Transforming its retail place into one year pop-up Opening Ceremony brings novelty, that evokes a sense of discovery, keeping the traction intense (Pomodoro, 2013, p. 344), triggers shopping decision thanks to the temporary character of the concept and tests new brands and products, safely verifying niche markets (Ryu, 2011, p. 139; Pomodoro, 2013, pp. 348-349; Alexander & Bain, n.d.). In addition,
*Opening Ceremony* is hosting pop-ups of other firms, like the recent *Byronesque* vintage pop-up with a selection of more than 300 rare pieces from designers like *Raf Simons, Balenciaga, Helmut Lang, Margiela*, and pieces from *Vexed Generation*’s archives (Espinoza, 2017). Since *Opening Ceremony* is an active collaborator to many brands and events it is also organising its own pop-ups around the world bringing the multicultural spirit and across-category offering to different places around the globe.

![Opening Ceremony store in New York](image)

*Figure 7. Opening Ceremony store in New York (Unmade, n.d.)*
5. BRANDING

“(…) the world is moving from an industrially driven economy where machines are the heroes toward a people-driven economy that puts the consumer in the seat of power.”

Marc Gobé, Emotional Branding, 2001

The previously quoted literature accentuates the evolving consumer power, that influences and more likely determines every aspect of the brand and the product, starting from the product itself to branding, marketing and retail strategies. In the following section, a closer look to experiential branding helps to define the influence brand experience has on consumers’ behaviour. According to researchers brand experience affects consumer satisfaction and loyalty directly and indirectly through brand personality associations (Brakus, Schmitt & Zarantonello, 2009, p. 52). It occurs when consumers search for products, when they shop or receive service, and when they consume (Arnould, Price, and Zinkhan 2002; Brakus, Schmitt, and Zhang 2008; Holbrook 2000 as cited in Brakus et al., 2009, p. 52). Multiple stimuli combine to create temporary multisensory encounters with the brand (Merrilees and Miller, 2010b, p. 256 as cited in Merrilees, Miller & Shao, 2016, p. 268) and it is important to fully understand this matter in order to design meaningful and memorable brand experiences. In an attempt to correctly position the project, the progression of the economy will be analysed with an attentive study of experience economy which sets the background for the concept. As stated in the previous section, emotions play an important role in pop-up retail and this statement will be also proved in this part of the literature review, thus a brief review of the emotional branding will be performed in the further subchapter. All those concepts and techniques despite different names and authors demonstrate the very same foundation of a brand – consumer-oriented, emotionally engaging and delivered through memorable encounters. However, a strong brand has to represent consistent values, having its own coherent language and inspiring mission. For that reason, the literature upon brand building and managing was carefully reviewed in order to find the best technique to create an appealing and relevant brand for the project. Holt’s
comparison of branding models (2004, p. 14) was taken as a reference in order to draw a
customised strategy, and after a profound study, different axioms were chosen to feature in
this thesis as brand building elements. Cultural branding model’s myth positioning, which
is often employed by luxury brands (Campagnolo, 2015) was analysed as cultural strategy
was the one that was found the most suitable for the collective character of the project
(Mintzberg, Ahlstrand, & Lampel, 1998, pp. 264-283). The mind-share concept’s brand
building components such as brand DNA and brand onion were reviewed in order to define
a consistent and coherent brand identity.

In the age of „consumption explosion“ (Poon, 2016, p. 2229), a brand is an asset
that most successfully denotes the clearest message to the audience (Poon, 2016, p. 2228).
Owing to that, a brand is a psychological phenomenon which stems from the perceptions
of individual consumers (Holt, 2004, p. 3), whereas branding consist in bounding emotion-
ally with people in their daily life (Gobé, 2001, p. XIII). Consumers use brands to express
their identities – an observation that led many companies to reposition their products from
focusing on functional attributes to focusing on how they fit into a consumer’s lifestyle
(Chernev et al., 2011, p. 66) and what emotions do they play on. Consumers notably use
brands in order to manifest their knowledge of culture, taste, style (Amaldoss & Jain, 2005;
Twitchell, 2002 as cited in Chernev et al., 2011, p. 67). Brands communicate membership
in particular social or professional groups (Braun & Wicklund, 1989; Escalas & Bettman,
2005; Wicklund & Gollwitzer, 1981 as cited in Chernev et al., 2011, p. 67) and the avoid-
ance of brands that signal membership in undesirable groups (Berger & Heath, 2007 as cit-
ed in Chernev et al., 2011, p. 67). Furthermore, brands have been shown to convey other-
wise hidden aspects of a consumer’s self-image because consumers frequently choose
brands that they consider appropriate for the image they have of themselves (Dolich, 1969;
Tucker & Painter, 1961 as cited in Chernev et al., 2011, p. 67) or the image of themselves
they want other to have as developed by Kapferer’s Brand Identity Prism (Kapferer, 2008,
pp. 182-187). A more technical definition proposed by Aaker (1997) suggests that a brand
is a name or/and a symbol that identifies goods and services and helps customers to distin-
guish one product or service from another. It servers as a differentiation between competi-
tors (Aaker, 1997, p. 7). The more brands exist, the more difficult it is to occupy a space of

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the customer’s brain (Aaker, 1997, p. 8). Why brands are so important? Brands have financial value because they create assets in the minds and hearts of customers, such as brand awareness, beliefs, and emotional bonding (Kapferer, 2008, p. 10). Therefore, “a brand is a set of mental associations, held by the consumer, which add to the perceived value of a product or service” (Keller, 1998 as cited in Kapferer, 2008, p. 10). According to Kapferer (2008) these associations should be unique, strong and positive.

5.1. EMOTIONAL BRANDING

Emotions play a critical role in branding since as stated by Kapferer (2008), emotions constitute a component to strong brands. The importance of emotional element to pop-up retail was mentioned in previous part of the literature review and stated that emotions directly influence the consumer’s attitude towards pop-up concept (Wood and Moreau, 2006 as cited in Kim, et al., 2010, p. 147). It was counselled that engaging emotionally the consumer may help to build a strong foundation for a long-term relationship, resulting in emotional attachment to the brand and its products or services (Kim et al., 2010, p. 148). Therefore, it is necessary to illustrate what emotional branding exactly is and how to generate the right emotions at the consumers end – the ones that will engage and create memorable and desirable ties in customer’s heart. According to the father of emotional branding, the objective is to firstly recognise the need of the consumer and prove the awareness by responding to the growing importance of the need in the customer’s life (Gobé, 2001, p. 292). It is also crucial to prove that consumers’ aspirations extend far beyond the commerce (Gobé, 2001, p. 292) and that the brand believes in the same values, feels the same way (Gobé, 2001, p. 298) since standing for a bigger cause makes both the consumers and the employees happier about the brand (Gobé, 2001, p. 297).

5.1.1. EXPERIENTIAL BRANDING

Understanding how consumers experience brands is critical for developing strategies for goods and services (Brakus et al., 2009, p. 52). 86 percent of business leaders agree that customer experience is vital for success (Harvard Business Review, January 2017 as cited in Trend Watching, n.d.). Moreover, Schmitt (2009, p. 417) argues that brand experience captures the very essence of branding much more than analytically and cognitively oriented brand concepts such as brand equity, brand value, brand associations, brand attitudes and brand personality. An experience occurs when a brand intentionally uses services as the stage, and goods as requisite in order to engage the customer in a memorable way (Pine II, & Gilmore, 1999). This revolutionary approach consist in stimulating the most personal equity the consumer has – emotions, which are evoked by experiences (Pine II, & Gilmore, 1999). As opposed to the external to the buyer, economic offerings (Pine II, & Gilmore, 1999).

Brand experience consists of sensations, feelings, cognitions, and behavioural responses evoked by brand-related stimuli (Brakus et al., 2009, p. 52). The brand stimulators are understood by brand’s design and identity — name, logo, signage; packaging, communications — advertisements, brochures, web sites; and environments in which the brand is marketed or sold — stores, events (Brakus et al., 2009, pp. 52, 53). These brand-related stimuli constitute the major source of subjective, internal consumer responses conceptualised as “brand experience.” (Brakus et al., 2009, p. 53). Product experiences occur when consumers interact with products — for example, when consumers search for products and examine and evaluate them (Hoch, 2002 as cited in Brakus et al., 2009, p. 52). The product experience can be direct when there is physical contact with the product (Hoch & Ha, 1986 as cited in Brakus et al., 2009, pp. 52-53) or indirect when a product is presented virtually or in an advertisement (Hoch & Ha, 1986; Kempf & Smith, 1998 as cited in Brakus et al., 2009, p. 53). Shopping and service experiences occur when a consumer interacts with a store’s physical environment, its personnel, and its policies and practices (Hui & Bateson, 1991; Kerin, Jain & Howard, 2002 as cited in Brakus, et al., 2009, p. 53). Experiences also occur when consumers consume and use products. Consumption experiences
are multidimensional and include hedonic dimensions, such as feelings, fantasies, and fun (Holbrook & Hirschman, 1982 as cited in Brakus et al., 2009, p. 53).

In order to better understand brand experience, researchers analysed it in comparison to the other brand constructs and concluded that brand experience is related but differs from evaluative, affective, and associative brand constructs, such as brand attitudes, brand involvement, brand attachment, customer delight, and brand personality (Brakus et al., 2009, p. 53). Brand attitude, defined as general brand evaluations based on beliefs or automatic affective reactions (Fishbein & Ajzen, 1975; Murphy & Zajonc, 1993 as cited in Brakus et al., 2009, p. 53) is distinguish from brand experience since the later includes specific sensations, feelings, cognitions, and behavioural customer responses triggered by specific brand-related stimuli (Brakus et al., 2009, p. 53). Involvement, attachment and consumer delight as elements of the motivational and affective constructs also differ from brand experience. Involvement is based on needs, values and interests that motivate the consumer toward the brand and includes perceived importance and personal relevance of a brand (Zaichkowsky, 1985 as cited in Brakus et al., 2009, p. 53). Brand attachment is a strong emotional bond existing between the consumer and the brand and it is reflected in three dimensions: affection, passion and connection (Park & MacInnis, 2006; Thomson, MacInnis & Park, 2005 as cited in Brakus et al., 2009, p. 54), whereas brand experience is not an emotional relationship concept, however it may result in emotional bonds, but as only one internal outcome of the brand-related stimulation (Brakus et al., 2009, p. 54). Consumer delight is characterised by arousal and positive affect toward the brand and is perceived as affective component of satisfaction (Oliver, Rust & Varki, 1997 as cited in Brakus et al., 2009, p. 54). According to the authors, consumer delight results from disconfirming, surprising consumption (Oliver, Rust & Varki, 1997 as cited in Brakus et al., 2009, p. 54) whilst brand experience does not only occur after consumption, but whenever there is a direct or indirect interaction with the brand, and does not need to be surprising, it can be both expected or unexpected (Brakus, et al., 2009, p. 54). Finally, the associative constructs, with the most studied one, brand personality\textsuperscript{10} consisting of five dimensions -

\textsuperscript{10} Brand personality is a set of human characteristics associated with the brand (Aaker, 1997, p. 347 cited by Brakus, et al., 2009, p. 63).
sincerity, excitement, competence, sophistication, and ruggedness (Aaker 1997). In contrast to brand personality, which according to the authors is based on inferential processes (Johar, Sengupta, & Aaker, 2005 as cited in Brakus et al., 2009, p. 54), meaning that consumers are not sincere or excited about the brand, but they merely project these traits onto brands (Brakus et al., 2009, p. 54), brand experiences are actual sensations, feelings, cognitions, and behavioural responses to the brand (Brakus et al., 2009, p. 54).

The consumer perception of brand experience was analysed in a study performed by Brakus et al. (2009, p. 55) with the goal to define weather consumers’ conception of brand experience is in correspondence with the one represented by the researchers. The positive result of the qualitative study proved that the consumers’ conceptions of brand experience are aligned with the concept of brand experience developed by the researchers. Therefore, it is necessary to understand when, where and how the consumer experiences brands. In accordance with the research, brand experiences occur when consumer is searching for products, shopping the product, receiving the service, and when the product is being consumed (Arnould, Price & Zinkhan, 2002; Brakus et al., 2008; Holbrook 2000 as cited in Brakus et al., 2009, p. 52). During those performances the brand is being examined and evaluated (Hoch, 2002 as cited in Brakus et al., 2009, p. 52) upon several variables that influence the consumer’s reception of brand constructs. The contact with the brand can be direct — physical or indirect — virtual. The consumption of the brand is defined as multidimensional and include hedonic dimensions, such as feelings, fantasies, and fun (Holbrook & Hirschman, 1982 as cited in Brakus et al., 2009, p. 53), what constitutes an interesting insight for the interest of this thesis. The study addresses and identifies the five dimensions of the brand experience basing on profound literature review across a variety of disciplines: sensory, affective, intellectual, behavioural, and social (Brakus et al., 2009, p. 54). Proposed and described by one of the authors in the prior study, the dimensions relate to five experiences: sense, feel, think, act, and relate. The sense experience includes aesthetics and sensory qualities; feel experience contains moods and emotions; think experience comprises convergent/analytical and divergent/imaginative thinking; act experience refers to motor actions and behavioural experiences; relate experience refers to social experiences, such as relating to a reference group (Schmitt, 1999 as cited in Brakus
et al., 2009, p. 54). The presented dimensions categorise the brand-related stimulus, however the researchers underline, that there is no one-to-one correspondence, such that a certain stimulus type would trigger a certain experience dimension and only that dimension (Brakus et al., 2009, p. 54). In order to illustrate that note, the study argues that, although colours, shapes, typefaces, and designs usually result in sensory experience, they may also result in emotional or intellectual experiences (Brakus et al., 2009, p. 54). Similarly, although slogans, mascots, and brand characters may result in imaginative thoughts, they may also trigger emotions or stimulate actions (Brakus et al., 2009, p. 55). Basing on the described dimensions, the researchers defined an internally consistent brand experience scale (Figure 8) composed of 12 items and capturing in a reliable and stable way four dimensions of brand experience: sensory, affective, behavioural, and intellectual (Brakus et al., 2009, p. 63). Finally, the study approaches the influence brand experience can have on consumer behaviour. According to the research, a brand evoking an experience generate satisfaction and leads to loyalty through brand-related associations (Keller, 1993 as cited in Brakus et al., 2009, p. 63). Accordingly, study confirmed, that experience affects satisfaction and loyalty both directly and indirectly through brand personality (Brakus et al., 2009, p. 65). Moreover, consumers want to repeat experiences, since they result from stimulations and lead to pleasurable outcomes (Brakus et al., 2009, p. 63). Powerful outcome of this research argues, that brand experience influences the buying behaviour, whilst brand personality, in turn is a better predictor of satisfaction, what according to the researchers is related to the private nature of experience and the more social and self-expressive nature of brand personalities (Brakus, et al., 2009, p. 65), that will be discussed further in this chapter.
The entertainment of a fashion show was introduced by Dior under the creative direction of John Galliano with the aim to create the image that sells products (Fashion in the 21st century, n.d.). In accordance with the literature, the brand information conveyed through multi-sensory stimulation (Schmitt, 2012, p. 8) indeed arouses the buying behaviour (Brakus et al., 2009, p. 65; Schmitt, 2009, p. 417). Even though Galliano did influenced the way the industry presents runway collections, the fashion show in its full sensorial dimension is destined for and experienced by a conspicuously selected audience, thus it rather serves as a promotional event that strengthens the brand awareness (Aaker, 1997, p. 74). The appearance of “see now, buy now” model enabled brands to use the fashion show
as a selling tool engaging the virtual audience in a new way. Nevertheless, the experience is still limited to the two senses: sight and hearing with touch coming much later. Therefore, how to trigger all of the five senses of a fashion shopper?

Since, time is perceived as currency of today’s experience economy and consumers can get anything they want over the internet the function of physical retail spaces shifts. From product-oriented to experience-oriented (Pine II, 2017; FarfetchOS, 2017b), the stores of the future are all about experience. Owing to the fact that e-tail conveniently satisfies material needs at anytime and anyplace the customer desires, the urge to visit the store for just the product is not applicable anymore (Pine II, 2017, FarfetchOS, 2017b). Increasingly, the sole reason for going to a retail space is the experience (Pine II, 2017). Consumers experience shopping as hedonic activity (Klein et al., 2016), value the time they spend in the store and view it as time well spent (Pine II, 2017). Therefore the retail environment, needs to go beyond sales by competing on the basis of memorable experiences with the brand in particular (Grewal, Levy, & Kumar, 2009; Pine & Gilmore, 1998 as cited in Klein et al., 2016, p. 2). Consumer interactions with touch points such as the brand stores' physical and non-physical elements significantly shape consumer brand experiences (Klein et al., 2016, p. 2) defined as feelings and emotions evoked by brand-related stimuli (Brakus et al., 2009, p. 52). In fashion, brand experiences play an important role especially in luxury retail enabling luxury brands to connect with their customers on an emotional level (Klein et al., 2016, p. 2) when marginalising the rationale. In 2014’s The Business of Fashion conversation, Paula Reed, the creative director of luxury fashion e-tailer Mytheresa.com, argued that products that are not commodities have to offer an additional value like an experience that connects both ends: the costumer and the brand (The Business of Fashion, 2014). The essence of that was introduced in a research editorial by Schmitt (2009, p. 417) together with an early idea of experiential branding presented by the same author in 199711. According to the researcher experiential branding consist in treating consumers as living human beings with experiential needs rather than as “rational, price and attribute-driven information processors” (Schmitt 2009, p. 417; Poon, 2016, p.

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11 According to the research the first authors who pointed out experiences as a purchase driving factor were Holbrook and Hirschman's (1982) in a seminal article on the importance of the experiential aspects of consumption titled "Consumer fantasies, feelings, and fun" (Schmitt, 2009, 417-418).
What ultimately matters to consumers is whether brands can provide attractive experiences for them (Schmitt 2009, p. 417). Notwithstanding, consumers are also looking for the right features, associations and brand personalities the purchased product represents (Schmitt 2009, p. 417; Chernev et al., 2011, pp. 66-67). From brands, however, consumers expect something more distinct that engages their senses and touches their hearts, that excites or intrigues them and moreover the consumer expects and wants authenticity, and not just advertising slogans that are supposed to target cognitions in their mind (Schmitt 2009, p. 417).

The brand experiences are defined as subjective, internal consumer responses – sensations, feelings and cognitions, as well as behavioural responses evoked by brand-related stimuli that are part of a brand’s design and identity – packaging, communications and environments (Schmitt, 2009, p. 418). According to Paula Reed (The Business of Fashion, 2014), events offer what money cannot buy: experience. Many brands and companies reach for retail pop-up formula in order to deliver unexpected and memorable experiences strongly related to the brand or specific product as brand contact within the pop-up brand store is likely to increase the consumers' brand experience due to sensory stimulation (Schmitt, 2012). Retailers seek to capitalise on this effect by stimulating consumers via different pop-up store attributes in order to increase brand experience. According to the research, consumers who experience emotional arousal following a brand encounter are more likely to talk about the brand (Lovett et al., 2013 as cited in Klein et al., 2016). In his consumer psychology model, Schmitt (2012, p. 8) suggests that “experiencing a brand” is a psychological process that includes sensory, affective and participatory experiences that a consumer has with a brand. Accordingly, consumers undergo a process from multi-sensory perception through brand affect to interpersonal brand participation. Each step describes a higher level of engagement with the brand. The researchers analysed the influence pop-up retail specifically has on consumers in the light of brand experience, taking into account hedonic shopping value\(^\text{12}\), store uniqueness, store atmosphere and the influence of those factors on WOM and brand experience. The findings of the research proved that pop-up stores are an effective experiential tool to increase brand experience and to stimulate posi-

\(^{12}\text{Hedonic shopping value allows for a ludic interaction with the brand, which aims at building or enhancing emotional brand associations (Kozinets et al., 2004 cited by Klein et al., 2016).}\)
tive WOM (Klein et al., 2016) as pop-up brand stores, by design deviate from traditional luxury retail and make the brand more accessible in a pleasant, exciting, and fun store environment (Klein et al., 2016). The study highlights an interesting observation that partially contradicts prior research on luxury brands: while hedonic shopping value and store atmosphere strengths consumers' brand experience, store uniqueness does not contribute to consumers' experience of the brand (Klein et al., 2016). This finding was found surprising, as previous research on luxury brands defined uniqueness as one of the main determinant of consumers' brand experience (Kapferer & Bastien, 2009 as cited in Klein et al., 2016), and as a necessary condition to stage the experience within the luxury store (Dion & Arnould, 2011 as cited in Klein et al., 2016). This study, however, suggests that simply being different is not sufficient to influence an affective experience with the brand in luxury retail (Klein et al., 2016). Unique store formats should rather be accompanied by an exciting and pleasant store environment in order to enhance consumers' brand experiences (Klein et al., 2016). The research underlines that brand experience acts as an important mediating variable between consumers' perception of store characteristics and their intentions to spread WOM (Klein et al., 2016). Furthermore, the research proved that hedonic shopping value and brand experience influence new target groups, whereas store uniqueness is more effective in stimulating WOM with existing target groups (Klein et al., 2016). The study finds strong support for the use of pop-up brand stores as a complement to the traditional luxury retail, particularly because pop-up brand stores are able to grant consumers a superior brand experience (Klein et al., 2016). Researchers suggest, that when studying brand experience in retailing, the focus should not be on customer perceptions of the particular store, but on how these perceptions affect the customer's experience of the brand (Brakus et al., 2009; Dolbec & Chebat, 2013), and how the brand experience finally shapes behavioural outcomes (Klein et al., 2016).

5.1.2. EXPERIENCE ECONOMY

Experience is a new segment of the economy driven by customers who are increasingly dissatisfied with mass-produced goods and services and want their purchases to be authentic experiences, memorable events that engage each individual in an inherently personal
way (Pine II & Gilmore, 2016, p. 3). A successfully managed and staged experience is when customers want to spend time with the brand – the more time they dedicate to the brand, product or service, the more money they will spend now and in the future (Pine II, 2011).

In 1997, Pine II and Gilmore introduced experience economy that is a concept of an economy following the agrarian economy – based on commodities, succeeded by the industrial economy – delivering processed goods, and pursued by the service economy – charging customers for intangible activities the employees perform, the one that is setting the stage for experience economy we live today. The fifth and more recent economy situated at the very top of The Economic Pyramid (Figure 9) is rooted in experiences and called the transformation economy. It reflects the customer desire for self-transformation and is based on business models that use experiences in the process of guiding customers through transformations in lifestyle (Pine II & Gilmore, 2016, p. 3). The authors illustrated this evolution though a pyramid, called The Economic Pyramid, which depicts the transformation of customer value (Pine II & Gilmore, 2016, p. 3). Experience, analysed in the following part of the thesis, in order to be perceived as an economy, requires a business model.
that generates income directly from the experience itself. However the authors incorporate experiential marketing as one of the five noteworthy approaches to experience economy. Experiential marketing (EM or XM) builds demand through experience staging, marketing goods and services (Pine II & Gilmore, 2016, p. 3). Some companies decide to add a sensorial element to their marketing, however a more recommended practice consists in creating events – live, programmed experiences that engage actual and potential customers with offerings the company promotes (Pine II & Gilmore, 2016, pp. 3-4). Authors suggest to reverse the thinking and instead of perceiving experiences as marketing, think of the process as marketing experiences the customer may have with the product or service. An example confirming that experience marketing can generate exposure, demand and finally sell the company’s offering is a natural cosmetics company Lush, that evokes all the senses of its customers and engages them in a meaningful way by staging diverse experiences with its cosmetics playing the leading role. Since we live in a digital world the user experience (UX) of the digital environment is increasingly important. The user experience “encompasses all aspects of the end-user’s interaction with the company, its services, and its products”, while meeting exact needs of the consumer (Pine II & Gilmore, 2016, pp. 5) in an engaging way (Pine II & Gilmore, 2016, p. 6). The user experience should be characterised by simplicity and elegance in order to produce products that are “a joy to own a joy to use” (Pine II & Gilmore, 2016, pp. 5-6). The third, interesting business model embracing experience is so called customer experience management (CEM or CX), which is designed to enhance interactions customers have with the company (Pine II & Gilmore, 2016, pp. 3, 6). This model consists in turning mundane services into engaging encounters with the brand through distinctive and memorable experience. The authors accentuate the difference between a nice and pleasant service, that is often mistaken as an experience, and a proper experience that is characterised by being distinctive and yet by design – memorable. The interaction between the customer and the brand must be directed and performed in a way, that in consequence the customer remembers it, prefers, and eventually tells others about it (Pine II & Gilmore, 2016, p. 7). When buying an experience the customer expects to spend time enjoying a sequence of memorable events the company stages – as in a theatrical play – engaging in an inherently personal way (Pine II & Gilmore, 2011, p. 3).
Since we live in a world saturated with undifferentiated, commoditised goods and services, therefore staging experiences arises an untapped opportunity for value creation (Pine II & Gilmore, 2016, p. 7). This idea introduces the fourth approach noted by Pine II and Gilmore (2016), which consists in perceiving experiences as a distinct economic offering by making the customer experience or simply – use the company’s offering. Surprisingly, the authors suggest to look for inspiration at the product or service instead of focusing on the user (Pine II & Gilmore, 2016, p. 7) in order to understand what kind of experience can be monetised. This business model requires charging for the time customers spend engaging with the brand, in a form of an admission or membership fee (Pine II & Gilmore, 2016, p. 7). Only when the experience involves payment, it can be perceived as a distinct economic offering to the company (Pine II & Gilmore, 2016, p. 8). Interesting examples of such applications can be found in the car industry – Volkswagen’s Autostadt theme park the Land Rover Experience. The fifth and the final method to approach experience is based on transformations. As illustrated, in the emotional economy, there is little room for buying (Gobé, 2001, p.162). However, the 2014 Boston Consulting Group report revealed that 55 percent of the $1.8 trillion spent on luxury in 2013 was spent on luxury experiences, what makes a sum of nearly $1 trillion and a lot of “buying”. Why would one pay an equivalent of a luxury handbag for a yoga class? According to Pine, buying experiences makes people happier than buying things. The stake goes even higher when the experience improves the customer’s well being since people want to learn how to live a better life and are happy to pay for the guidance (Sherman, 2016). Therefore, the transformation experiences are crafted to match customer’s aspiration with a promise of some fundamental changes (Pine II & Gilmore, 2016, p. 9). The authors argue it is important and worthwhile to try to foresee the customers’ future aspirations by defining what do they want to become and how the brand can help them to formulate those aspirations and guide them through the transformation process (Pine II & Gilmore, 2016, p. 9).

The increasing customer power leads us from customisation to personalisation or being personal, what requires engaging customer’s heart or mind in the relation with the brand (Pine II & Gilmore, 2016, p. 7). A properly designed experience has to be staged as a performance over a period of time and it has to be directed like a play: with a dramatically
structured beginning, engaging middle and personal, memorable ending (Pine II & Gilmore, 2016, p. 7). Otherwise the experience will not be distinctive enough to be memorised and will be simply perceived as a delivered service. If the service is smooth and convenient, the customer will save not only time but also the money. It is important to understand that customers are willing to gift the brand with their hard-earned time and spend their harder-earned money only if they will be given time in exchange (FarfetchOS, 2017a; Pine II & Gilmore, 2016, p. 7; Gobé, 2001, p. 287). Even if the delivery of the purchased good takes longer than expected but the “delay” is caused by a personalised experience, the customer is willing to wait as the experience is more valuable than the product itself (Pine II & Gilmore, 2011, p. 27). A simple example of a well-staged experience is a gum ball machine, that delivers commodity, arguably providing the worst service as it takes longer for the gum to be delivered, however the “gum ball-spiralling” experience is the reason why the customer puts the coin into the machine (Pine II & Gilmore, 2011, p. 27). Therefore, it can be stated that engaging, memorable and personal experiences that are carefully staged trigger customer’s heart, mind and wallets (Pine II & Gilmore, 2011, p. 19). In the updated edition of the 1999 book by Pine II and Gilmore, the authors note, that experience evokes WOM by simply delivering memorable encounters that stay in memory and become a conversation topic. The example of a family visit to Walt Disney World confirms that not the venue itself but a shared family experience is the topic of conversation (Pine II & Gilmore, 2011, p. 18), despite the fact that experience is different to everyone and “no two people can have the same experience” (Pine II & Gilmore, 2011, p. 17). Therefore, the reason why people greatly desire experiences is the value it creates that lays within them and remains long afterwards (Pine II & Gilmore, 2011, p. 19) and since it generates WOM, the more experiences the brand stages, the more people interacts with the brand what leads to cognition and sale.

We learned what are the methods of experience implementation into the business, how experiences fit into the customer’s life. However we may ask what the experience really is and how to transform commodities into experiences. As noted, experiences have necessarily emerged to create new value (Pine II & Gilmore, 2011, p. 17) and they “occur whenever a company intentionally uses the services as the stage and the goods as props to
engage an individual” on an emotional, physical, intellectual or spiritual level (Pine II & Gilmore, 2011, p. 17). The difference between commodities, goods, services and experience is that commodities are fungible, goods tangible, services intangible and experiences memorable (Pine II & Gilmore, 2011, p. 17). Owing to that, some may argue experience is unproductive labour precisely because it is impossible to physically measure experience and evaluate the work upon it, since the work of an experience parishes with its performance. However, the “value of the experience lingers in the memory of the individual who was engaged by the event” (Pine II & Gilmore, 2011, p. 18). An example of an online experience performed by a company BlendTec, proves that experience’s influence on customer, that is the way the brand engraves in the customer’s memory can be measured. The company released a succession of YouTube videos called “Will it blend” during which the founder of the company successfully blends unusual products and objects in the kitchen blender. The initial business goal of the campaign was to increase the brand awareness, however the the most tangible result was the rise of retail sale up to 700 percent (Briggs, 2009). This example also confirms that goods can be sold through experiences. Pine II and Gilmore suggest several ways on how to do so. Firstly, manufacturers should focus on how individuals experience the process of using the goods they manufacture (Pine II & Gilmore, 2011, p. 22) and what are the possible actions they take, problems they face, questions that arise. The BlendTec company asked itself a question “Will it blend?”. Secondly it is suggested to “ing” goods. This technique consists in adding an experiential aspect to the products what results in opening multiple areas for differentiation. Correspondingly, the goods will be surrounded with services that add value to the activity of using them and consequently by experiences that make using them memorable (Pine II & Gilmore, 2011, p. 24). Another technique consist in “sensorialising” the goods by accentuating existing or adding new elements that enhance the sensory interaction with the product, enhancing the sensations created from its use and making it more experiential. Therefore it is important to understand the experiential appeal of the product by examining which senses it affects the most and what sensations does the interaction yield (Pine II & Gilmore, 2011, p. 25). Finally, a staged goods event that draws the customer into the process of manufacturing and delivering the product creates a memorable encounter with
the brand. All those techniques aim to wrap goods in experience in order to increase sales (Pine II & Gilmore, 2011, p. 27).

“Experiences over commodities, pastimes over knick-knacks, doing over having” (Pine II & Gilmore, 2011, p. 19). Experience economy introduced not only a new perspective on products and services but moreover a new perception of its customers and employees. Therefore as employed by Disney and followed by Pine II and Gilmore, a customer in the experience economy is viewed as a guests whereas the employees are called cast members of the company gauged as an experience stager (Pine II & Gilmore, 2011, p. 17). How to design an experience? As illustrated, the experience can be introduced by adding “ing” to the performed actions related to the product or service and upon an analysis on how the guest shops, purchases and consumes the product, what emotions does it evoke, what are the possible “needs” or additional “wants” of the customer in a particular situation related to the product. Building on those observations the simple changes in behaviour towards the customer can make a significant contribution, like modification of the brands tone of voice. They can lead to change in existing design or invention of a new design that will engage the customer with the product or service on a different level. The outcome may influence a creation of an unknown before performance, that will require a new name. Once the opportunity is identified, the brand should focus on it in order to create an engaging experience (Pine II & Gilmore, 2011, p. 30). It must be underlined, that experiences do not consist in entertaining the customers but in engaging them, what can be performed for different business goals, such as building brand image (Pine II & Gilmore, 1999), and on different dimensions (Pine II & Gilmore, 2011, p. 45). Understanding those dimensions is helpful in favour of designing rich experiences. The first dimension corresponds to the level of guest participation (Fig. 10) and is spread on a horizontal axis, between passive participation, where customers do not directly influence nor affect the performance, and active participation on the other spectrum, where guests are involved in the experience or even create their own experiences (Pine II & Gilmore, 2011, p. 45). The second dimension, illustrated on the vertical axis describes the connection, or environmental relationship, that unites the customers with the event or performance (Pine II & Gilmore, 2011, p. 45). Its one spectrum is occupied by absorption, which means the experience oc-
ocupies the attention of the customer from a distance, whist on the other end lies immersion, where the customer or user is physically or virtually a part of the experience (Pine II & Gilmore, 2011, p. 45). The coupling of the defined dimensions forms four realms of an experience, which are entertainment, educational, escapist and aesthetic (Pine II & Gilmore, 2011, p. 45). The entertaining experiences are defined as the ones, that are passively absorbed through the customer senses to create enjoyment (Pine II & Gilmore, 2011, p. 47). The educational realm involves an active participation of the individual by engaging the mind or the body, which means it actively absorbs (Pine II & Gilmore, 2011, pp. 47-48). The third category, escapist experience is a polar opposite of pure entertainment, completely immersing and actively involving the participants (Pine II & Gilmore, 2011, pp. 49-50). Finally, the aesthetic experiential realm consists in immersing in a passive manner into the surroundings (Pine II & Gilmore, 2011, pp. 53). The entertainment realm can be defined by enjoyment, the educational by learning, escapist by going and doing whist aesthetic by simply being (Pine II & Gilmore, 2011, p. 53). According to the authors the richest experiences – such as going to Disney World or gambling in a Las Vegas casino – encompass aspects of all four realms (Figure 10), forming a “sweet spot” around the area where the spectra meet (Pine II & Gilmore, 1999).
5.2. **BRAND MANAGEMENT**

According to the literature, since 1930 in particular, researchers and practitioners are exploring the domain, scope and potential of the brand management defining different concepts, theoretical frameworks and ideas (Heding, Knudtzen & Bjerre, 2008; Weijo, 2009). As a result, a wide spectrum of different perspectives on how a brand ought to be conceptualised and managed is in play today (Heding et al., 2008). This overwhelming quantity of theories and information makes the process of brand building confusing and precarious. After a comprehensive research and analysis a handful of concepts has been chosen to support the creation of the project and respectively, the brand. The Table 4 illustrates four branding models and compares the building components of each of them. In this

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**Figure 10. The Four Realms of an Experience (Pine II & Gilmore, 1998).**
part of the literature review, we will focus on a few of those axioms derived from different brand concepts. We will also develop and analyse them in order to decide whether they are appropriate to apply for the purpose of the project. In the third chapter of this thesis, the choices will be justified and followed by the application.


<table>
<thead>
<tr>
<th></th>
<th>Cultural Branding</th>
<th>Mind-Share Branding</th>
<th>Emotional Branding</th>
<th>Viral Branding</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key Words</strong></td>
<td>Cultural Icons, iconic brands</td>
<td>DNA, brand essence, generic code, USP, benefits, onion model</td>
<td>Brand personality, experiential branding, brand religion, experience economy</td>
<td>Stealth marketing, coolhunt, meme, grass roots, infections, seeding, contagion, buzz</td>
</tr>
<tr>
<td><strong>Brand definition</strong></td>
<td>Performer of and container for, an identity myth</td>
<td>A set of abstract associations</td>
<td>A relationship partner</td>
<td>A communication unit</td>
</tr>
<tr>
<td><strong>Branding definition</strong></td>
<td>Performing myths</td>
<td>Owning associations</td>
<td>Interacting with and building relationships with customers</td>
<td>Spreading viruses via lead customers</td>
</tr>
<tr>
<td><strong>Required for a successful brand</strong></td>
<td>Performing a myth that addresses an acute contradiction in society</td>
<td>Consistent expression of associations</td>
<td>Deep interpersonal connection</td>
<td>Broad circulation of the virus</td>
</tr>
<tr>
<td><strong>Most appropriate applications</strong></td>
<td>Identity categories</td>
<td>Functional categories, low-involvement categories, complicated products</td>
<td>Services, retailers, speciality goods</td>
<td>New fashion, new technology</td>
</tr>
<tr>
<td><strong>Company’s role</strong></td>
<td>Author</td>
<td>Steward: consistent expression of DNA in all activities over time</td>
<td>Good friend</td>
<td>Hidden puppet - master: motivate the right consumers to advocate the brand</td>
</tr>
<tr>
<td><strong>Source of consumer’s value</strong></td>
<td>Buttreasing identity</td>
<td>Simplifying decisions</td>
<td>Relationship with the brand</td>
<td>Being cool, fashionable</td>
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In order to design an experiential brand it is necessary to distinguish what a product or brand represents to consumers (Poon, 2016, p. 2236). Creating brand stories and myths that provide consumers a range of “affective, personal, meaning-making experiences”, perceived as genuine representations of what the customers think, feel and believe is one of the recommended strategies (Franzen and Moriarty, 2009, p. 280; Ind, 2007, pp. 139-153 as cited in Poon, 2016, p. 2236). In other words, a myth is an internal storytelling of a brand that takes its roots in the brand’s trunk (Campagnolo, 2015) positioning the brand between reality and myth (Mintzberg et al., 1998, p. 273). Looking back at the genesis of myth, we define it as “a popular belief or tradition that has grown up around something or someone; especially: one embodying the ideals and institutions of a society or segment of society” ("Myth", n.d.), or “a theory of the world that stored in human brains provide interpretations of reality” (Mintzberg et al., 1998, p. 274). Myth is a simple story that resolves cultural contradictions, thus organisations employ them and act upon them, keeping the reality as a starting point (Mintzberg et al., 1998, p. 274) and the myth as a symbolic value carrier (Holt, 2004, p. 1). The brands are inspired with stories that consumers find valuable (Holt, 2004, p. 3) as customers tend to choose the brands that represent ideals they admire, that help them to express who they want to be (Holt, 2004, p.4). Myth provides extraordinary identity value because it addresses a collective desire or anxiety (Holt, 2004, p.6). Therefore myths are characteristic for iconic brands that use the myth to act like activists, manifest cultural opinion encouraging people to think differently and leading the edges of cultural change. Moreover, iconic brands do not simply evoke benefits, personalities, or emotions, their myths encourage people to reconsider accepted ideas about themselves (Holt, 2004, p.9). For that reason, people strongly identify with cultural icons (Holt, 2004, p.1). Iconic brands are characterised as strong brands with distinctive and favourable

<table>
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<tr>
<th>Consumer’s role</th>
<th>Personalising the brand’s myth to fit individual biography</th>
<th>Ensuring that benefits become salient through repetition</th>
<th>Interaction with brand</th>
<th>Interaction with product</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ritual action to experience the myth when using product</td>
<td>Perceiving benefits when buying and using products</td>
<td>Building a personal relationship</td>
<td>“Discovering” brand as their own, DIY</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Word of mouth</td>
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associations, ability to generate buzz, and devoted consumers emotionally attached to the brand (Holt, 2004, p.22), therefore a myth embedded into the brand “leads customers to associate the product with category benefits” and to spread the myth by WOM (Holt, 2004, p.35). Interestingly, identity brands compete with other cultural myths employers such as films, books, music, sport (Holt, 2004, p.39). In order to design an iconic brand, the myth must be the centre of the strategy driving the brand’s identity value and targeting the “most advantageous contradiction in society” in the right form and manner (Holt, 2004, p.63). The positioning statement of the cultural branding is a cultural brief, that consist three components: a myth treatment, populist authenticity and charismatic aesthetic (Holt, 2004, p.64-65). A myth treatment is inspired by a briefing document used in the film industry and, that serves to set up the plot, characters and setting. In cultural branding, the myth treatment carefully analyses how the outlined story addresses cultural contradictions of a time (Holt, 2004, pp. 64-65). The second component of the cultural branding positioning statement, the populist authenticity, consists in understanding the populist world and creating an authentic tie to it since iconic brands have to deliver on two qualities: literacy and fidelity (Holt, 2004, p. 65). “The populist world is an autonomous place where people’s actions are perceived to be guided by intrinsic values, not by money or power; populist worlds serve as the cultural raw materials from which identify myths are constructed” (Holt, 2004, p.11). The third element of the cultural brief is charismatic aesthetic, which means that the communications of an iconic brand must be charismatic (Holt, 2004, p. 65). Iconic brand adopts a distinctive and compelling style, which is organic to the populist world in order to compel its audience and enter its worldview (Holt, 2004, p. 65). Summarising, the positioning statement is expressed by a relevant story, organically grounded in the brand’s populist world and performed with a charismatic aesthetic (Holt, 2004, p. 65).

Holt (2004, p. 22) argues, it is necessary to look deeply inward the organisation to truly understand the identity of the brand and then inculcate its spirit expressing it through every aspect of the brand and everything the brand does. Simultaneously, the author notes that the cultural branding strategy in order to generate identity value must directly challenge the actual social issues (Holt, 2004, p. 22), therefore the organisation must be atten-
tive and flexible to shift and adapt to the changing market in order to remain iconic (Holt, 2004, p. 37). According to Holt (2004, p. 37) it is “impossible to build an iconic brand with mind-share branding principles as it stripes the brand of the cultural reference that makes the brand valuable to the consumer”. However, Poon (2016, p. 2236) proposes that, “brand essentially needs a strong sense of purpose to demonstrate its market leadership”. In the further reading of this section, one of the most popular brand building concept, brand DNA will receive an attentive analysis. As illustrated in table 4, DNA is one of the components of the mind-share branding technique, which consists in “generating brand equity through managing brand identity that is consistent and timeless” (Aaker, 1996 as cited in Weijo, 2009, p. 19). By defining the brand DNA, the very core elements of the brand identity, the consistency and coherency common for all the parties involved with the brand contributes to the strong sense of existence. Another yet axiom of mind-share branding paradigm is brand onion, a technique that incorporates the flexibility of the extended identity of the brand (Weijo, 2009, p. 20) and will be briefly described in the further reading.

The Brand DNA Process® is the first part of the think stage of the think, experience, manage (TXM) branding method – an “internationally recognised integration methodology tool used in marketing, design, and advertising, allowing a relevant co-creation process for the company” (Queiroz Campos, Schmithausen Schmiegelow, Piovesan Medeiros, Salomão Ribas Gomez & Matos Gonçalves, 2015, p. 672). In the further part of this research, the method will be explained as it was chosen to be the one that served as a guidance for the creation of the brand DNA for the FashionDeli project. This brand DNA method consists in the selection of four key words as the four DNA components inspired with the human DNA and an inclusive word, which function is to bind the other concepts and express the brand personality. Each of the four key concepts must meet a certain characteristic of the company: technical, resilient, emotional, and marketing and they have to relate in a specific way across various encounters on the market. However, the fundamental structure of brand’s keywords is not rigid and if a change is required it can be reviewed and adapted to the current circumstances and needs (Queiroz Campos et al., 2015, p. 672). The brand DNA structure is composed of a technical element that refers to the rational and measurable benefit related to a physical characteristic of the product or service the brand
delivers and it defines its tangibility. The resilience factor comes from features that enable the brand to constantly upgrade remaining active in the market. The emotional component function is to influence the decision-making process and uplift consumer’s loyalty, it describes the emotions the brand evokes, the differentiation from competitors and the reason to buy. The marketing feature reflects the way the brand presents itself on the market, it is the brand’s expression that generates direct sale. Finally, the integrator element’s function is to unify the four concepts into one coherent notion by interfering with each one of them. This element works as a sustainable competitive advantage and provides customer loyalty, principal agent of the brand enhancement (LOGO, 2014 as cited in Queiroz Campos et al., 2015, p. 673). The process of defining the brand DNA is done through a brainstorming creativity technique, that was first introduced by Alex Osborn in 1953 and described in his book “The Creative Power of Mind”. This technique allows to generate a large number of ideas in a short time (Queiroz Campos et al., 2015, p. 674). On this stage the ideal is to come up with seven up to eight adjectives that are more relevant for the brand and most frequently mentioned. The remaining adjectives are discussed in regard to build memetic metaphors (Queiroz Campos, et al., 2015, p. 674), that help to imagine and understand how the DNA elements will resonate in the minds of the audience and how they can be transmitted further. Memetics is a theoretical and empirical science that studies the replication, spread and evolution of memes (Heylighen & Chielens, 2009, p. 2), where memes are cultural replicators, units of imitation or communication (Heylighen & Chielens, 2009, p. 1). The idea of memes was introduced in 1976 by Richard Dawkins, ethologist, evolutionary biologist and author, in the last chapter of his book “The Selfish Gene”:

“Examples of memes are tunes, ideas, catch-phrases, clothes fashions, ways of making pots or arches. Just as genes propagate themselves in the gene pool by leaping from body to body via sperms or eggs, so memes propagate themselves in the meme pool by leaping from brain to brain via a process which, in the broad sense, can be called imitation.” (Dawkins, 1989, p. 192 as cited in Álvarez, 2004).

In other words, meme is everything we learn from someone else, whether it’s a story, fashion, idea, tune, a brand or a product (Van den Bergh & Behrer, 2013) and memetics deals with information transfer, specially cultural information in society conflating the exchange of information between people to track the mutation of ideas as they are transmitted from
one person to the next one. Spread memes can provide benefits to the carrier and as such, they are used in branding. Memes are brand’s representations and associations that appear in memory. Memes that eventually dominate will be the ones that were reproduced the most, because they express traits that are ‘the fittest’ for the environment. Successful brands will ensure their existence through possessing winning memes. When brands miss out on changing memes in the environment, this might lead to dramatic business results (Van den Bergh & Behrer, 2013). After building the memetic metaphors from the remaining words, the next stage outcome are the five words that describe the brand and its position in the most pronounced and appealing way. Next step in creating brand DNA is to select the final five adjectives and building a semantic panel and semantic map that will visually illustrate the five components of the brand (Queiroz Campos et al., 2015, p. 674). Semantic panel, is a visual solution that expresses semiotically the sentiments about the brand (Gobé, 2010 as cited in Queiroz Campos et al., 2015, p. 674). Whether, the semantic map graphically represents the relationship between the essential and the secondary components of the DNA (Queiroz Campos et al., 2015, p. 674). The final step consist in applying the benchmarking tool as a reference for each of the concepts of the DNA and, finally, is described in the recommendations for the company to integrate in all its aspects and strategies (Queiroz Campos et al., 2015, p. 674).

Another constructs of mind-share branding is brand onion, which, depending on the source, may have several layers. The most important one is the essence also known as brand mantra or brand kernel. According to Keller et al., (2008, p. 36), brand mantra is a short three to five-word expression of the most important aspects of a brand and its core brand values capturing the spirit of the brand identity in an inspiring way. While building brand mantra it is recommended to consider what is important for the organisation as for the customer (Keller et al., 2008, p. 36). Keller suggests mantras should include “a brand function, with an emotional and descriptive modifier, e.g., Magical Family Entertainment for Disney” (Phillips, n.d.). Other authors (Heding et al., 2009, p. 11) argue that brand essence captures the heart and soul of the brand within an abstract sentence. The brand essence is unchangeable whereas the next layers are adjustable and are recommended to be

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13 Semiotics is the theoretical focus most concerned with the communication properties of signs and the nature of embodied meaning (Richins, 1994 as cited in Sung Choi, Ahn & Song, 2015, p. 122).
reviewed and updated (Weijo, 2009, p. 20). The following layers are called extended identity (Weijo, 2009, p. 20) and can be composed of: values, personality, actions and behaviours (Plessas, 2016).

Brand personality is yet another important element of brand management perceived as essential constituent of brand equity (Keller, 1993 as cited in Sung, Choi, Ahn & Song, 2015, p. 122) and it is referring to the set of human characteristics associated with a brand, which from the customer behaviour perspective, enable the consumer to express his or her own self, ideal self or specific dimensions of the self through the use of the brand (Aaker, 1997, p. 347). Thus consumers are using the symbolic value of the brand personality as a dialogue-based exchange for their individual identity construction and expression (Heding, Knudtzen & Bjerre, 2009, p. 24; Keller, 1993 as cited in Aaker, 1997, p. 347). Personality is perceived as a key differentiation within a product category and driver of consumer preference (Aaker, 1997, p. 347) since customers demonstrate a tendency to endow brands with human-like personalities (Heding et al., 2009, p. 24; Aaker, 1997, p. 347). According to the research increase of consumer preference and usage is caused by the emotions brand personality evokes in consumers (Biel 1993 as cited in Aaker, 1997, p. 354) increasing the levels of trust and loyalty (Foumier, 1994 as cited in Aaker, 1997, p. 354). The the five-factor model of human personality psychology and Jungian archetypes are frameworks often applied to create a deep symbolic exchange between brands and consumers (Heding et al., 2009, p. 13). The psychological archetypes developed by Carl Gustav Jung in the 1930s are defined by the author as the psychical “substrate of human nature” (Poon, 2016, p. 2230), unfiltered psychic experiences, appearing sometimes in the most primitive and naive form like dreams, sometimes considerably more complex due to conscious elaboration, like myths (Jung, 1968). Jung archetypes are used by brands to close the gap of cultural, social and behavioural distances among consumer segments, and develop more effective, memorable and intuitive perception of the brand (Poon, 2016, p. 2228). Accordingly, use of brand archetypal paradigms make experiential branding possible by adapting brand archetype methodologies such as symbolic construction of brand associations, narrative

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14 “After several decades of dedicated research into how individuals describe themselves and others, personality psychologists concluded that the five-factor model — Neuroticism, Extraversion, Openness, Agreeableness, and Conscientiousness — was the fundamental structure for describing the universe of human personality” (McCrae, 1993 as cited in Sung et al. 2015, p. 124).
stories, myths and emotional advertising in order to discover the brand meaning (Poon, 2016, p. 2228). Tapping into this attitudinal methodology of developing and enhancing brand archetypes yields personalised, meaningful, trustworthy and intuitively universal products (Poon, 2016, p. 2228). Jennifer Aaker (1997), however employed the Big Five human personality structure to develop a theoretical framework of brand personality dimensions (Table 5). The difference between the two lies in the fact that perceptions of human personality traits are conducted on the basis of an individual's behaviour, physical characteristics, attitudes and beliefs, and demographic characteristics (Park 1986 as cited in Aaker, 1997, p. 348). Whilst perceptions of brand personality attributes can be framed and influenced by any direct or indirect contact the consumer has with the brand (Plummer 1985 as cited in Aaker, 1997, p. 348): through personality traits of the people associated with the brand (McCracken, 1989 as cited in Aaker, 1997, p. 348), through product-related attributes, product category associations, brand name, symbol or logo, advertising style, price, and distribution channel (Batra, Lehmann & Singh, 1993 as cited in Aaker, 1997, p. 348). Aaker (1997) proposed a brand personality scale composed of five dimensions: Sincerity, Excitement, Competence, Sophistication, and Ruggedness, and 15 facets that encompass 42 personality traits. The study proved, that three brand personality dimensions relate to three of the Big Five human personality dimensions, respectively Sincerity and Agreeableness both express the idea of warmth and acceptance; Excitement and Extroversion the two capture the notions of sociability, energy, and activity; Competence and Conscientiousness both connote responsibility, dependability, and security (Aaker, 1997, p. 353). However, two of the human psychology dimensions, Sophistication and Ruggedness differ from any of the Big Five of human personality (Briggs, 1992 as cited in Aaker, 1997, p. 353) since those traits tap into a dimension that individuals desire but do not necessarily have (Aaker, 1997, p. 353). Aaker (1997, p. 354) notes that this premise of the study enables researchers to identify benchmark personality brand and proves its consistency with branding practitioners’ approach, who create prototypical Sophisticated brands with aspirational associations such as upper-class, glamorous, sexy, whereas Ruggedness brands focus on glamorising strength and masculinity (Aaker, 1997, p. 353). To date, Aaker’s brand personality framework was questioned and analysed by researchers as invalid and unsuitable
across cultures and markets (Sung et al., 2015, p. 125). Therefore, Sung et al., (2015) developed a conceptual framework and measurement scale for luxury brand personality with six dimensions: Excitement, Sincerity, Sophistication, Professionalism, Attractiveness and Materialism (Figure 11). The first three dimensions are in accordance with the ones developed by Aaker, whilst the others carry unique meanings directly relevant and specific to luxury brands (Sung et al., 2015, p. 125). The concept of Professionalism defined by characteristics such as mature, reliable, intelligent, and refined, unveils that consumers’ perception of and consumption motivation are not derived merely from luxury’s symbolic function but furthermore consumers expect luxury brands to embody superior utilitarian characteristics and functional qualities as compared with non-luxury brands (Sung et al., 2015, p. 125). Attractiveness, defined by such personality characteristics as beautiful, attractive, and gorgeous accentuates the core values of luxury brands: exclusivity, aesthetics, and hedonism (Hirschman & Holbrook, 1982; Vigneron & Johnson, 2004 as cited in Sung et al., 2015, p. 125). Materialism dimension expressed by personality traits such as materialistic, selfish, pretentious, stuck-up, and showy reflects the interpersonal aspects of luxury consumption and was observed as a key personality characteristics related to the consumption of luxury goods and brands (Sung et al., 2015, p. 125). According to the authors the developed luxury brand personality framework and scale are suitable to be effectively employed and to provide symbolic meanings that go beyond utilitarian traits of luxury brands (Sung et al., 2015, p. 126). It is important to note, that brand personality is a hypothetical construct developed by the consumer (Sung & Tinkham, 2005 as cited in Sung et al., 2015, p. 124) and “brands do not have objective personality traits independent of a consumer’s perceptions of them” (Sung & Tinkham, 2005, as cited in Sung et al., 2015, p. 124). This statement highlights the importance of a profound analysis and development of the brand personality.
Figure 11. Brand personality dimensions (Aaker, 1997, p. 87)
III. METHODOLOGY

The purpose of the study is to explore the possibilities which the emerging designers have in their disposal in order to promote the brand and sell its offering and whether a curated retail pop-up concept can counterbalance the online overload. The complexity of the matter in question required a well-defined problem and appropriate solution, which introduces the goals of the project. In order to define the problem, the development of the project started with the collection of a primary data through the participant observation (Kumar, 2011). Participant observation, according to Kumar (2011) is a recommended way of information gathering, while the goal is to understand specific interactions and behaviours, which cannot be collected through interviews as the respondents may not be able to detach themselves from the interaction. The purposeful, systematic and selective method of watching and listening to the occurred interaction phenomenon provided informations about the shopping experience in Lisbon. At this stage of research, the selection of observation points was decided upon a few factors: the location, the type of a store and the product selection. The location was limited to Lisbon, since the project was planned to be staged in the capital city of Portugal. The temporary retail concepts such as: pop-up markets of any kind, fairs and markets were evaluated as well as brick-and-mortar stores, concept stores, mono and multi brand stores were visited to gather information. The scope of products was wide as only two separate criteria were implemented: the local character of the product, which included artisanal and original products, and fashion products: clothes and accessories. Importantly, the product criteria were not expected to be mutually represented. During this stage of research, the focus was shifted on the behaviour of both brand representatives and customers as well as the interaction between the two of them. The observations were conducted by two individuals alone, followed by a brainstorming session, and deepened by environmental unstructured interviews. This method was applied as the unstructured interview allows to collect data in an informal manner and formulate questions along the discussion (Kumar, 2011). All of the qualitative information gathered during this phase of the research constituted a conclusion and general impression that in the majority of cases the retail in Lisbon lacks experiential element. This was evaluated as a
missed opportunity, taking into account the power of experiential retail strategy, attractiveness of the Portuguese offering and high interest in the local culture.

The analysis of the collected qualitative data from the participatory observations and unstructured interviews, allowed to formulate the problem, which was transformed into an opportunity innovating the market and creating a blue ocean – a strategy based on differentiation and cost lowering (Kim & Mauborgne, 2015). Therefore, a goal to create an experiential retail pop-up concept was established. In order to build a strong scientific foundation for the project, research questions were defined and drilled down through secondary data critical reading of an ample review of academic literature, industry publications, reports and analysis conducted by consultancy firms, iconic books by authorities, recorded conferences, seminars, courses and innovative strategy techniques among others. In order to build a substantiated and valuable work, the formulated statements were never sourced from one reference only. Different sources were used to sustain or reject a conclusion unless the authors reviewed the literature broadly enough to make reasoned conclusions themselves allowing a valuable citation. Since the defined scope of investigation is broad, a restrictive selection of literature was applied. In pursuance of qualitative data often the year of publication was a determining factor, especially for technological and rapidly changing questions approached by the study, although the essential research was not disregarded. The literature review is followed by a case study employed to “investigate the contemporary phenomenon in its real life context” (Silverman, 2010 as cited in Alexander & Bain, n.d.) through desktop observation. A descriptive case studies of three performed pop-ups representing different audiences, products and goals sampled the distinctive approaches to the matter in question and supported or rejected the academical statements as did the primary quantitative and qualitative data collected through the Instagram survey performed among emerging designers. The information and knowledge served to formulate the answers to the research questions. At this stage of the project, the inductive approach was used to generate a new theory from the collected data resulting in the project and its implementation. In the further part of this study, the project will be explained to illustrate the assumed mindset. Finally, as the FashionDeli pop-up concept was performed three times, it also served as a source of primary, both quantitative and qualitative data. Gathered
respectively during each pop-up, the information and data were analysed and used as indicators for the ameliorations and changes in the strategy. The implementation and evaluation of the project allowed to depict the contribution.

During the research, a need for a reliable and honest information regarding Instagram was defined. Therefore, a small survey regarding the matter was performed and distributed among emerging designers. The active Instagram account with a following lower than 7,000 was a required criteria. The survey contained obligatory multiple choice questions and open-end questions which were voluntary. 26 completed questionnaires from emerging designers from Portugal, Poland and UK with an Instagram following lower than seven thousand informed that 50 percent of them have Instagram longer than 2 years, 23,08 percent less than 2 years, 19,23 percent longer than 4 years, and 7,69 percent set up the account within last year. 10 (38,46 percent) of the participants have new brands, founded within a year, 12 (46,16 percent) of them are between one and four years old and four are older than 4 years. 12 respondents claim that they spend less than one hour on Instagram daily, while 5 admit to check the platform all the time, equally 5 do not measure the time they spend on the platform and 4 claim to spend between one and two hours daily. 17 (65 percent) never sold an item through Instagram, while 9 (35 percent) did. Despite that, 19 designers find the time they spend on this social platform worth the outcome, while 7 is unsatisfied with the results. 68,38 percent of the respondents sell offline, while 34,62 do not provide any physical contact with their designs. From those designers who sell both online and offline, 70 percent claims their physical sale is bigger than the digital one, while 30 percent has the opposite experience. The open-ended questions regarded the designers perception of Instagram return-on-engagement and information about how many products did they sold through Instagram. 12 designers provided a justification upon why they find Instagram worth the effort and 14 skipped the question. The answers regarded the possibility to reach wide audience and gain new customers – 3 designers, to observe what is trending and what attracts people – 1, and what the direct and indirect competition is doing – 2. One of the designers claims that the brand following is a determining factor for many collaborations. Three designers find Instagram as an opportunity for collaborations by connecting with showrooms, stylists, press and retailers. Three mentioned feedback as a re-
warding outcome, while 2 values the interaction. 9 responses were submitted answering the quantity of products sold due to Instagram activity and one designer admitted that Instagram helps to wholesale, two of the designers sold between 5 and 10 pieces while four sold between 1 and 5. The responses of the designers who sold an item through Instagram were analysed in order to understand how much time they spend on Instagram as well as if they have any physical outlet and if so which of them – online or offline – is performing better. Four out of the nine respondents admitted to check Instagram all the time, two does not count, one spends between 1 and 2 hours while two less than 1 hour. Eight of the designers have a physical outlet and one does not. From the eight who does have a retail representation of any kind, 50 percent finds the online sale bigger than the offline and equally 50 percent has an opposite observation.

In the further section the empirical data gained from the observations – the primary data collected during the surveys, interviews and focus groups together with the secondary data from the literature review and case studies will be reviewed and formulated into conclusions.
IV. DATA ANALYSIS

In the first part of the following chapter, the connection between the information explored through the review of secondary data, that is the literature review and study cases and the knowledge gathered from different domains, will illustrate the mindset for the foundation of the project. In the second part, the research questions will be answered in order to prove the validity of the project. This chapter aims to prove the scientific keystone for the implementation of the curated retail project.

As proved in the previous part of the thesis, retail in general and fashion retail in particular is undergoing major changes in the recent years due to the changing economy (e.g. The Business of Fashion, McKinsey & Company, 2016), development of technology (e.g. Ram, 2017; FarfetchOS, 2017a; The Nielsen Company, 2015) and shifting customer behaviour (e.g. The Business of Fashion and McKinsey & Company, 2016; Pomodoro, 2013; FarfetchOS, 2017b). The online shopping is growing, however the reported plateau animates retailers to search for new channels. According to researchers and practitioners, omnichannel is the future of both retail and communication of brands meaning the seamless integration of the two environments – online and offline – and multitude of channels to spread the brand image and transmit the brand message. In the fashion environment the importance of social media, and especially Instagram is skyrocketing, since it has reportedly proved to be an effective tool to launch, promote and sell the brand’s offering introducing niche brands to the mainstream (Morency, 2017). While online environment is booming, the offline, physical retail spaces as we know them are dying on our eyes (Stephens, 2017) giving recognition to yet another shift – from product-oriented to experience-oriented economy (e.g. Pine & Gilmore, 1998). The redefinition of the physical retail is needed and according to the literature, it will act as “breathing physical portals into brand and product experiences” becoming experiential venues characterised by co-creation, education, inspiration and community-connecting (Stephens, 2017). The research proves that pop-up retail concept spawns highly experiential marketing environments focused on promoting the brand and its offering, and fostering a face-to-face dialogue with brand representatives, which according to researchers is the top factor attracting people to
the experience (Gordon, 2004 as cited in Kim et al., 2010, p. 134). As illustrated, the new customer wants a central position in the brand’s universe, interactive engagement and a meaningful relationship with the brand (Ram, 2017). The technology development enabled brands to reach consumers directly, what additionally means better margins management (Stephens, 2017) making wholesale to influential retailers mostly a valuable tool for authoritative brand exposure (Morency, 2017). Moreover, the direct contact with the customer guarantees a better control over brand image and customer experience (Stephens, 2017) – elements highly important, especially for a new brand.

As illustrated in the research millennials are looking for uniqueness and exclusivity in order to manifest their strong sense of self within the community (FarfetchOS, 2017b), what in turn highlights the need of belonging to a specific culture (Schmitt, 2012, p. 8). The emergence of popularity of high-end and premium fashion brands (Morency, 2017) may be empowered by this millennials attitude toward new, unique and authentic products. The personal discovery is proved to be very rewarding and according to the research the rise of social media platforms like Instagram has played a critical role in that phenomenon (Morency, 2017). Therefore, Instagram cannot be disregarded since it proved to be successful not only as a communication tool but also as a selling one what was admitted by many brands and designers (Morency, 2017). Instagram’s power lays mostly in the fact that it enables brands to communicate world-wide but in an intimate way (Morency, 2017) delivering an element of unique experience each user has with the brand through the screen. However it is important to note, that by date no research has proven the commercial validity of Instagram and a study defining what other components beside the activity on the platform constitutes to the brand success does not yet exist. Owing to that it may be stated that the Instagram success stories may have a more elaborated background, which may include a strong offline presence since even though, the research defines digital traffic as twice the size of the physical one (FarfetchOS, 2017b) suggesting how important the online presence is, the numbers are ruthless proving that 92% of the sales happens offline. According to the Instagram survey, 70 percent of the designers who sell both online and offline claims that offline sale is bigger than the online one, while only 30 percent has the opposite experience. Moreover the Instagram survey informs that 34 percent of the sur-
veyed designers sold an item thanks to Instagram activity, and 88 percent of them has a physical outlet for their creations. Those results may suggest, that besides the social media activity and online presence in general, a physical availability and activity is needed for both commercial success and brand knowledge. Moreover, it is stated that Instagram’s influence on purchase behaviour is hard to measure since it may not trigger immediate response or may be influenced not by firm-created but by user-generated content. On the other hand, researchers argue that omnichannel, by its very nature to approach customers from many angels with different content transmitting the same message, often reaches the customers online, stimulates through different channels to ultimately trigger the consumer at the point of sale. Concluding, the Instagram activity is highly important and valuable as it enables designers to connect with their audiences, promote themselves, seek inspiration and knowledge about the customer, what was proved by both the literature (e.g. Chen, 2016) and the designers’ surveys. Notwithstanding, the research argues that Instagram should be perceived rather as an element of the omnichannel strategy than a strategy by itself (e.g. The Nielsen Company, 2015; Daugherty et al., 2008).

With online retail creating choice overload (Ram 2017), consumers are beginning to appreciate curated retail concepts. Since millennials seek unique, authentic products and prioritise spending on multi-sensory experiences (Ram, 2017; FarfetchOS, 2017b) employing pop-up retail formula seems like an accurate response. As proven in the previous parts, the temporary retail formula is being reached by not only niche or emerging brands like Opening Ceremony but also by the big players of the high-fashion scene like Louis Vuitton. The luxury brand implements this unconventional strategy to test new markets, promote the product and reinforce the brand image. In contradiction to the literature review arguing that provisory stores serve mostly as promotional tool, all of the study cases presented in the secondary data review prove that the pop-up formula may be used as a mean to many goals, also for financial benefits. Moreover, the social element of a pop-up, that creates an opportunity to not only interact with the brand and its representatives but also interact between each other, among guests constitutes to highly experiential environment happily attended by visitors (Gordon, 2004 as cited in Kim et al., 2010, p. 134). This statement finds confirmation in the study case of Kanye West’s pop-up where the meeting opportunity con-
tributed to a celebration of a culture formed around music and streetwear fashion. Since there is a positive relationship between the consumer’s emotional experience and attitude, engaging emotionally the customer results in growing emotional attachment to the brand’s products and services (Kim et al., 2010), thus FashionDeli is employing additional elements evoking emotions, like common activity of watching a fashion film, assisting a concert or appreciating art. According to the research, event-driven pop-up retail represents a new lifestyle marketing strategy that enmeshes marketing of goods and services with personally relevant lifestyle experiences, such as concerts or sporting events. (Engelland et al., 2001, p. 17 as cited in Kim et al., 2010, p. 136). The very essence of a pop-up concept is to surprise, generate buzz and WOM, promote the brand image, create brand awareness - elements the emerging designers and brands need and the ones that are easier to achieve through collective activity, what was proven by Opening Ceremony, a brand with the pop-up in its heart. Thanks to its curated collectiveness, the brand gained high recognition and remains relevant over the years. This collective strategy allows the brand to test products and markets, and promote to wider audiences. FashionDeli taps the opportunities the pop-up retail concept brings to the table and harnesses the collective strategy. The research proves that curated pop-up retail concept demonstrates a high ability to counterbalance the online overload and constitute a strong foundation for the further digital connection, which is enriched by the former interpersonal one.

Researchers argue that brand experience affects consumer satisfaction and loyalty directly and indirectly through brand personality associations (Brakus, et al., 2009, p. 52) and occurs when customers are looking, buying and consuming the product or service (Brakus, et al., 2009, p. 52). Therefore creating temporary multi-sensory encounters with the brand is highly important for the perception of the brand. During the research for the project it was discovered, that stores and pop-up markets in Lisbon lack the experiential element as the engagement with the product, location and brand representatives is very low. As illustrated by exhaustive literature review the contemporary retail cannot be focused on the product itself, it must offer an added value to it in order to create a deep connection between the customer and the brand. Therefore, following the need for differentiation of ‘shopping places by the development of shopping place branding’ (Myers et al., p.
it was decided that the most suitable branding model to apply for the project is emotional branding as the one that is focused on creating emotional bonds with customers (Holt, 2004) by detecting and understanding the customer’s needs, feelings, values and beliefs (Gobé, 2001). Therefore *FashionDeli* is applying the experiential branding by intentionally using the service such as sale attending as the stage, and fashion goods as requisite in order to engage the customer in a memorable way (Pine II, & Gilmore, 1998). This strategy engages the consumer emotionally in an interpersonal connection (Holt, 2004) and hopefully will help to build a strong foundation for a long-term relationship, resulting in emotional attachment to the brand and its products or services (Kim et al., 2010). However it is critical to understand the consumers’ experience of brands (Brakus et al., 2009) to generate the right how to generate the right emotions at the consumers end – the ones that will engage and create memorable and desirable ties in customer’s heart (Gobé, 2001). Therefore, the primary data collected through the participant observation (Kumar, 2011) performed in the stores and on the markets of Lisbon served as a backdrop for the experiential branding strategy and defined possible needs of the customer. Even if, citing Steve Jobs, the customer doesn’t yet know what need it is, *FashionDeli* brings a new dimension of the shopping experience to Lisbon satisfying the need for the personal interaction with the brand, local lifestyle experience and storytelling. Moreover, as stated in the previous reading, *FashionDeli* sympathises with the contemporary contradictions related to the fashion industry drawing a beyond commerce aspiration for the consumer (Gobé, 2001).

However, after analysing the branding methods and in consistency with the literature stating that brand building is defined as crucial and should not be underestimated by neither of both e-tailers and retailers (Burt & Sparks, 2003, p. 281), and given the peculiar character of the concept, it was decided to implement more than just one branding model as defined by Holt (2004). Therefore, from the four branding models categorised by Holt (2004), *FashionDeli* employs selected constructs from all of them. Since *FashionDeli* is home to many designers, who it represents it was reasonable to decide to build a strong brand that will carry on and represent all those brands. By developing an image for the pop-up itself, affected by access, atmosphere, price, promotion and assortment (Myers et al., 2008, p. 269 as cited in Merrilees et al., 2016, p. 275), *FashionDeli* acquires a mean-
ing for the consumer (Keller, 2013, p. 72 as cited in Merrilees et al., 2016, p. 275) and it cannot be accidental. The cultural and collective character of the event reasoned the idea to tap the cultural branding model’s identity myth positioning consisting in addressing contradictions in the contemporary society and empowering the customer in his or hers beliefs (Holt, 2004). Positioning is a tool used to move the brand closer to its identity (Phillips, n.d.) and it describes what the brand will communicate to a specific target group at a point in time to achieve the identity (Keller, & Kotler, 2014, p. 297). The identity myth is being personalised by the customers to fit ones biography and empowers them to follow a certain way of thinking or behaving. FashionDeli by its very definition of being a fashion initiative relates to a specific cultural phenomenon. Tapping the opportunity to address social contradictions like overconsumption, sustainability of the fashion industry and simultaneously creating a relaxed and fun atmosphere of discovery constitutes to an innovative cultural strategy (Holt & Cameron, 2010). Since, FashionDeli gathers creatives who share one passion and one dream but represent different visions and aesthetics, the collective character of cultural branding strategy (Mintzberg et al., 1998) was defined as appropriate and enabled for a creation of a powerful but honest and authentic identity for both designers and customers.

As illustrated in the previous reading, the image of a retail outlet is highly important (Merrilees et al., 2016). Moreover the collective approach requires a solid and reliable entity to represent the unity. Thus, the mind-share model was employed as the one, which mission lies upon ensuring the consistent expression of the brand associations (Holt, 2004), which in turn influence the brand loyalty, and perceived quality (Aaker, 1997, pp. 42, 43) simplifying the decision process. Therefore, the brand DNA (Table 9) was developed in order to provide strong associations and guarantee of consistency and coherence for the brand collective identity. In accordance with the recommendations, the process was preceded with the SWOT analysis in order to identify the internal and external factors that are favourable and unfavourable to achieve the objective of the project. The internal analysis focuses on the strengths and weaknesses within the organisation, whether the external analysis indicates the opportunities and threats that are uncontrolled by the organisation ("SWOT Analysis", 2013). The SWOT analysis is used in the design school strategy, which
relates to the rational thinking of a human being (Mintzberg et al., 1998, p. 29). Clear, simple and specific (Tregoe et al., 1990 as cited in Mintzberg et al., 1998, p. 28) the mind-share branding consists of set of abstract associations (Holt, 2004) evoking the brand in the mind of the consumer. In order to picture the character of the DNA the tool called DNA benchmarking was employed. Finally, the brand onion as a tool to express the brand essence, its values, personality and the way the brand acts and behaves, was employed as an important construct to connect with the customer.

Finally, the fourth branding model depicted by Holt (2004) branding model, the viral branding, characterised by spreading viruses by lead customers and broad circulation of those reflects the very essence of the employed retail model. The viral branding also known as guerrilla marketing is defined by creativity and capacity to attract loyal niche markets and crucial trendsetters that are inaccessible by mainstream advertising (Gobé, 2001). This method is especially recommended for new fashions and technologies (Holt, 2004), what not only resonates with the customer FashionDeli aims to, the type of the business FashionDeli employs and plans to develop, but also with the cultural aspect explained in the previous reading. The pop-up retail objectives and characteristics are consistent with the viral branding model and consist in viral buzz around the product or brand, WOM, reaching new audiences, creating brand awareness, exploring new touch points and brand contact (Gobé, 2001, pp. 192-193; Ryu, 2012; Kim et al., 2010, p. 134); and finally turning the consumer into a brand dissertation (Pomodoro, 2013, p. 344) by creating the experience of discovery (Holt, 2004). This final statement explaining the consumer’s role in this particular branding model is crucial for the understanding of the FashionDeli collective vision, which consist in empowering both designers and guests to strongly identify with the brand and evoke a feeling of personal contribution.

Emotional branding as the selected branding model and the supporting axioms of the fellow models armed the concept with a strong emotional and experiential strategy as well as with a resonating visual identity (Figure 11), arguing the viability of the designed branding model applied. As illustrated in the previous reading the four branding methods interlock with each other complementing into a strong and thoughtful branding concept.
and answering the research question regarding the ideal branding method for a curated pop-up retail.
V. THE PROJECT: FASHIONDELI – CURATED POP-UP RETAIL CONCEPT

The FashionDeli Lisbon Fashion Pop Up Market was created as a result of a comprehensive research and analysis. As illustrated in the previous chapters, the project was born as a response to the online overload of information, imagery and choice. The study informed, that the majority of sale happens and will continue to take place in the physical world, therefore the local market was researched and a need of a retail outlet for high-end, original and local fashion was identified. The defined scarcity of experiential retail concepts together with the knowledge gathered through the secondary data collection informed that a pop-up retail concept delivers both sale and promotion – elements highly desirable by emerging fashion designers and young entrepreneurs. Moreover, the unexpected character of the pop-up formula together with the sense of discovery and exclusivity delivers value to the new consumer, who expects enhanced experiences while shopping. Thus the pop-up retail concept was chosen as the most suitable retail form for the project. A curated retail pop-up concept based on experience, entertainment and discovery, creating an air of exclusivity, approachable but maintaining its original uniqueness formulate the definition of the proposed solution.

As depicted, the branding of the retail concept is perceived as crucial. Therefore a exhaustive analysis of the project recipients helped to define the key features of the brand and indication for its identity and personality. As the project has several receivers, the purpose will be defined in different ways for different receivers (more elaborated market segmentation is listed in the Attachment A, pp. I-V):

1. The Designer

The goal of the project is to provide emerging designers with a platform where they can present their creations, reach customers, press and influencers, meet between each other and help by sharing contacts, knowledge and creating collaborations. The platform is designed to form a fashion hub for emerging and established brands so they can be more competitive by joining forces, talent and resources.

2. The Customer
An exclusive multi-sensory shopping experience: experimental pop-up market showcasing high quality emerging and established fashion, accessory and jewellery designers based in Portugal. *FashionDeli* is not only “another shopping place”, it is a lifestyle experience, where the guest can hang around spending their free time in a pleasant environment, learn about local fashion scene, meet in person local creatives and finally, try on and buy exquisite projects by local designers. *FashionDeli* is an attractive proposition to tourists visiting Portugal, who are interested in the social and cultural life of the city and seek valuable souvenirs, but also to Portuguese who are interested in supporting local design and discover new talents. *FashionDeli* aims to introduce to the larger public emerging talents from industries that are accompanying the fashion one. For that reason film makers, musicians, fine art artists, performers are integrated in the concept of creating a cultural and social experience.

3. The Buyer

*FashionDeli* is destined for professional buyers, who by visiting the event can meet in person the designer, see the quality of the product and discuss the possible collaboration. The goal of *FashionDeli* is to exhibit the emerging and established designers who showcase their collections on the catwalks of the top fashion events in Portugal, likes *ModaLisboa* and *Portugal Fashion* as well as abroad.

4. The Media

*FashionDeli* is creating a comfortable atmosphere for interviews and articles upon designers. It is also delivering content to the media by exquisite selection of designers and products.

5. The Influencer

Influencers and bloggers who are looking for new content and collaborations will find refreshing designs and creative people, who are keen to work hard in order to create attractive and meaningful projects.

6. The Creative

*FashionDeli* is a perfect platform for many creatives to meet and discuss their projects and new collaborations as well as exhibit their work. *FashionDeli* is home
to *The Insomnia Project* that was premiered during the first edition and screened during the third edition, what created multiple opportunities for *The Insomnia Project* to attract attention and recognition.

The broad market requires a thoughtful branding strategy. As silhouetted in the previous chapter, *FashionDeli* employs several axioms from different branding models in order to build a strong brand for such a complex concept. Firstly the cultural branding model axiom, identity myth is employed to create a solid foundation for its cultural relevance. Being home to many designers with common dream but different visions and aesthetics, *FashionDeli* develops an identity which will be easily adopted by all its recipients including the customers, influencers, media, government. Secondly, *FashionDeli* addresses social contradictions like globalisation, overconsumption, sustainability of the fashion industry and simultaneously creates a relaxed and fun atmosphere of discovery of local, original and high quality brands. The local character of the concept positions the brand as an ambassador. In a natural way, by interacting with the brand, the consumers personalise the myth and disseminate it. This approachability and openness resulted from the collective strategy and character of the project, created a sense of contribution, which was enthusiastically welcomed by the designers, who immediately felt as hosts, behaved as hosts and identified with the brand emotionally manifesting it by embracing the brand symbol – yellow heart, the brand name, mission and vision.

In the world oversaturated with brands the retail concept must carry a strong image. Thus, the mind-share model was employed and the brand DNA (Table 9) was developed in order to provide strong associations and guarantee consistency and coherence for its collective identity. The formation of the DNA was preceded with a SWOT analysis and followed with a benchmarking of the elements as recommended in the Brand DNA Process® (Queiroz Campos et al., 2015) and illustrated in a detailed manner in the Attachment A. The *FashionDeli* DNA is composed of the four elements: technical, resilient, emotional and marketing, which are integrated with the integrator element. In order to define the technical element a question “Why people love fashion?” was asked. The answer was: “Because it inspires, it makes people dream”. Fashion influences the way people feel, think and behave. It has power to change ones mood within seconds. *FashionDeli* inspires de-
signers to share their beautiful stories behind the products and make clothes, accessories and jewellery being seen not only as objects but also as meaningful, emotional and intelligent products created to last. FashionDeli inspires the customer to be brave enough to express her or his personality, be inspired and inspirational for others. AnotherMagazine was chosen as a benchmark for the technical construct of the brand DNA due to its collective, emerging approach to art and culture. The resilient component was defined as engaging since every project by FashionDeli aims to engage people, to create experiences that require active participation of any party involved: the designers, partners and the guests. The staged experiences have a notion of discovery making them more exclusive and luxurious but also responding to the needs of the contemporary consumer. The very character of the pop-up formula, surprises the participants allowing to absorb or even immerse them in the activity (Pine II & Gilmore, 1998). Importantly, the helpfulness of the people involved fulfills the desire of the final consumer to learn, posses, belong or simply experience (Pine II & Gilmore, 1998). The benchmark for this element is Farfetch, a company that attentively observes and analyses the market and adjusts its strategy and goals to meet the needs of the consumer. This attentiveness is appreciated as a highly valuable trait of a company. The collective character of FashionDeli allows multidimensional engagement experienced through multitude of senses. The emotional element defines the consumer loyalty and was chosen to be described by unique experience. FashionDeli pop-ups are created upon the idea of an unique experience. As fashion is driven by deep passion of the people who create it, FashionDeli main goal is to share that passion and inspire not only to possess fashion but also to experience it. Thanks to the direct connection with the designer or brand representative, the experience is extremely personal and intimate, generating loyalty in a relaxed atmosphere. Disney was chosen as a benchmark for the emotional element of the DNA as it mastered the art of combining experience with emotions. Discovery was chosen to be the marketing component that illustrates the expression the brand has on the market. FashionDeli is the first platform in Portugal with a mission to showcase and nurture pioneers in the contemporary fashion landscape. Our expression on the market not only positions FashionDeli on but also keeps it innovate. FashionDeli gives its guests an opportunity to discover great talents first. Moreover, as FashionDeli genius loci is Portugal, it was
argued that discovery is very close to the country’s identity and historical heritage, making the choice of the marketing element even more powerful. The benchmark for this element is Google, an organisation that by its culture empowers people to discover the world through both creation and observation. Finally, the informality, relaxed atmosphere, coolness, friendliness and yougness, here perceived not only as a physical feature but more spiritual and aesthetic, are characteristics that help to define the integrator that will clip together all the elements of the brand DNA. Benchmarked with Stella McCartney and the playful allure of the brand.

Table 5. FashionDeli DNA development based on Brand DNA Process® Queiroz Campos et al., 2015

<table>
<thead>
<tr>
<th>Technical</th>
<th>Resilient</th>
<th>Emotional</th>
<th>Marketing</th>
<th>Integrator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directly related to the product, rational benefit.</td>
<td>Constantly upgrading, active in the market.</td>
<td>Consumers loyalty, differentiation, emotions it evokes and reason to buy (our storytelling)</td>
<td>Expression on the market,</td>
<td>Interacts with all others, coherency.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INSPIRING</th>
<th>ENGAGING</th>
<th>UNIQUE EXPERIENCE</th>
<th>DISCOVERY</th>
<th>FUN</th>
</tr>
</thead>
<tbody>
<tr>
<td>unique, high quality and value, original/creative, fashionable</td>
<td>discovery, helpful, surprising</td>
<td>exciting, unforgettable, passionate</td>
<td>interesting, fresh, authentic/niche</td>
<td>cool, emerging, entertaining</td>
</tr>
</tbody>
</table>

Emotional branding, depicted by Holt (2004), pointed the most important direction for the brand to follow. The progression of the economy from product-oriented to experience-driven is the core indicator for FashionDeli. Owing to that, FashionDeli’s strategy is to be attentive to market changes and as illustrated by the Economic Pyramid (Pine II & Gilmore, 2016, p. 4), the transformation economy that is evolving is in accordance of FashionDeli activities, such as empowering customers in making good shopping choices through education and guidance. Emotional branding created deep personal connection which is crucial for a success in the oversaturated world of brands. As illustrated in the previous reading, brand experience affects consumer satisfaction and loyalty directly and indirectly through brand personality associations and occurs when customers are looking, buying and consuming the product or service. Therefore creating temporary multi-sen-
sory encounters with the brand is highly important for its memorisation. The project employs the pop-up retail concept as a highly experiential retail concept that stages enhanced experiences. For that reason, experiences are precisely planned and carefully staged in order to evoke desired emotions. Owing to that, the brand personality developed by Aaker (1997) guided the focus on personality associations characteristic for emotional branding. The choice of the excitement personality was further evaluated by guests and proven to be received accordingly to the strategy. Moreover the selection and exposure of the sensorial elements is a result of a carefully thought-through strategy aiming to generate particular emotions and associations. Therefore the visual identity (Figure 12, 13) is unique, strong and positive and designed to evoke the brand in the consumer’s mind. The symbol of the brand takes the shape of a heart that represents the Portuguese traditional symbol – Viana Heart (Figure 14), the colour of the brand is yellow, what stands for the incredible light, so characteristic for the city, the visuals are inspired with painters’ works in order to highlight the highly original and artistic value of the concept (Figure 16). The same tactic is applied to other sensorial elements, like the lemon sangria served to guests or the type of the music, the interior design and the tone of voice for the communication.

Finally, the fourth branding model, viral branding, which is directly related to the core characteristic of a pop-up retail formula and was proved during the implementation of the FashionDeli events, which virally attracted new guests to enter, discover and experience.
We define a lack of a platform dedicated to Portugal based emerging fashion designers, where young talents could sell and promote their creations but also find support and contacts necessary to grow.

Out of love, dreams and passion to fashion and high quality, authentic design, a fashion pop-up market showcasing and nurturing Portugal based pioneers in contemporary fashion was created by two Portuguese by heart and choice.

FashionDeli Lisbon Fashion Market is a cyclic event dedicated to refined quality, locally produced fashion, accessories and jewellery and it takes place in Lisbon, Portugal.

Symbol

FashionDeli’s heart is a modern interpretation of the traditional Portuguese Coração de Viana.

Figure 12. The development of the visual identity of FashionDeli
FashionDeli is a fashion deli shop: selected, high-quality design showcased in wonderful places where designers and guests meet and chat over a glass of a fresh yellow sangria.

Pattern
The official FashionDeli's pattern is inspired by an abstract painting of Pablo Picasso. It represents two abstract shapes, that in our interpretation stand for the shape of Lisbon. One of the shapes in our pattern is the FashionDeli's heart.

Color
Portugal is the country of bright, energetic colours. "SunnyYellow" is the main colour of FashionDeli with "Cobalt Sky" as a second, contrasting color.

Figure 13. The development of the visual identity of FashionDeli
Figure 14. The symbol of FashionDeli (author: Alexandra Sulzynska)

Figure 15. FashionDeli logo, symbol and mantra (author: Alexandra Sulzynska)
The result of the extensive research and profound analysis of collected data, a curated pop-up retail formula was further investigated through implementation of the project (Figure 17-21), what allowed to empirically measure its reception in Lisbon by both the guests and the designers. Three organised events allowed for a collection of primary data through observation, interviews, focus group and surveys. The events took place on the weekends: 8 and 9 April, 20 and 21 May from 1 p.m. till 9 p.m., and Sunday 11 June from 11 a.m. till 7 p.m. Pop-up stores enhance perceived newness and create an air of exclusivity (Kim et al., 2010), and must showcase a special range of products (Pomodoro, 2013) in an exciting and engaging manner. Thus, all the elements of the FashionDeli pop-up were neatly curated. The venue for the pop-up was located in Principe Real, the prestigious and luxurious neighbourhood associated with premium shopping and local design. An intimate modern cafeteria called Deli was home to all the three pop-ups organised under the name of FashionDeli. The interior of the cafeteria was slightly refurbished to meet the specific requirements of the retail space: the fitting room was created, clothing rocks took the place of some tables and the ones that remained served as exposition space for fine, artistic jewellery. Handmade shoes and accessories served on porcelain plates replaced bread and pas-
try in the exposition counter creating an element of surprise and introducing a curated aesthetic. The display window was occupied by dressmaker’s mannequins giving air of a unique atmosphere of an atelier. This unexpected transformation of a cafeteria into a retail space caused diverse, mostly positive reactions. The atmosphere was enhanced by welcoming the guests with a glass of fresh lemon sangria, pleasant music and a guiding host who was explaining the concept and introducing the designers. Every guest was introduced to a designer who presented the concept of the brand and the inspiration for the collection. The designers were instructed to behave as hosts and interact with guests in a friendly, relaxed way, asking them about themselves leading a small talk.

Figure 17. The FashionDeli Lisbon Fashion Pop Up Market 2017 (Author: José Neto)
Figure 18. The FashionDeli Lisbon Fashion Pop Up Market 2017 (Author: José Neto)

Figure 19. The FashionDeli Lisbon Fashion Pop Up Market 2017 (Author: José Neto)
Figure 20. *The FashionDeli Lisbon Fashion Pop Up Market 2017* (Author: José Neto)

Figure 21. *The FashionDeli Lisbon Fashion Pop Up Market 2017* (Author: Alexandra Sulzynska)
The selected and invited designers had to fulfil the baseline criteria defined by the organisers. High quality of the products and imagery was a critical one that determined the participation. With respect to the exclusivity of the event, the premium price point for the designers products was preferred. The selection of the designers was also motivated by their accomplishments such as attendance in fashion shows, editorial coverage and possible press interest. “Based in Portugal” was the crucial criterion employed by organisers. The size of the company or brand was marginal as well as the model, therefore different brands, designers, designer’s brands were invited through email invitations spontaneously followed by a phone call. The interest caused by the invitations was surprisingly high, especially taking into account the unfamiliarity with the FashionDeli brand and organisers. The participation fee was rather symbolic but introduced an air of authority and commitment. However, it is important to admit that the interest was not high enough to define it as overwhelming or to be difficult to manage what may indicate the general lack of interest in such initiatives, lack of trust to unknown organisers or simply wrong timing what was often the answer. Nevertheless, many enquiries followed the events what proves the accuracy of the initiative and its attractiveness from the brand/designer’s point of view. The accepted and confirmed designers received a questionnaire regarding their brand and activity, what not only helped the organisers to learn more about the brand but also understand the stage the brands are at, both business and retail wise in order to craft the experience of the pop-up.

Due to the limited budget, the promotion was focused on social media, WOM and press releases, which resulted in media coverage in Elle.pt, TimeOut, NIT.pt and several, less known event portals. Posters informing about the pop-up were hang in the neighbourhood of the event as well as in the most visited areas and places around the city, taking into account both their touristic attractiveness and local citizens interest. During and before the events an extensive activity on social media, especially Instagram and Facebook was performed by the organisers and the participants. This activity resulted in many connections with designers from Portugal and abroad and future guests and clients. During the event the designers and organisers actively promoted the event approaching people who were
passing by and inviting them to the pop-up. The guests received business cards and promotional materials, connected with the designers through social media and left their email addresses for further contact, invitations and informations about FashionDeli designers. FashionDeli events attracted two journalists, who wrote about the event and interviewed selected designers, and other creatives from the industry, who visited the venue in order to create projects and collaborations. The events were followed by a presence in New York Magazine both printed and online, as well as in a full article on a Polish online portal dedicated to fashion business, called Fashion Biznes.

The premise of the project was to perform the pop-up and empirically measure the possible opportunities and restrictions of the idea likewise the attitudes of the Portuga based designers and creatives and potential customers. Surveys for both the guests and the designers were prepared and distributed in order to collect primary data for this study. A focus group with the invited designers was performed after the first event. During the three events 27 surveys were collected among the guests and 8 surveys among the designers. Both of the surveys have different questions and form. The guest surveys had both open-ended and multiple choice questions – in total 15 questions. It was not required to respond to all the questions, therefore some questions lack answers, especially the descriptive ones.

The guests were filling in the surveys during the event after experiencing the pop-up and just before leaving. The most important part of the survey was related to the demographics (Table 6), how the participants got to know about the event (Table 7), and their reception of it. We also asked the guests to share their opinion on how we can improve and what they particularly liked about the event. The familiarity of the designers and the reaction to the quality of the designs were also investigated.

Table 6. The guests questionnaire: Demographics

<table>
<thead>
<tr>
<th></th>
<th>Age</th>
<th>Gender</th>
<th>City</th>
<th>Country</th>
<th>Continent</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>32</td>
<td>Female</td>
<td>London</td>
<td>United Kingdom</td>
<td>Europe</td>
<td>13 (85.2%)</td>
</tr>
<tr>
<td>2</td>
<td>28</td>
<td>Female</td>
<td>London</td>
<td>United Kingdom</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Age</td>
<td>Gender</td>
<td>City</td>
<td>Country</td>
<td>Continent</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>-----</td>
<td>---------</td>
<td>----------</td>
<td>-----------------</td>
<td>-----------</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>31</td>
<td>Female</td>
<td>London</td>
<td>United Kingdom</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>38</td>
<td>Female</td>
<td>Liverpool</td>
<td>United Kingdom</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>32</td>
<td>Female</td>
<td>Torun</td>
<td>Poland</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>36</td>
<td>Female</td>
<td>Rzeszow</td>
<td>Poland</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>23</td>
<td>Female</td>
<td>Milan</td>
<td>Italy</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>26</td>
<td>Female</td>
<td>Ustria</td>
<td>Norway</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>21</td>
<td>Female</td>
<td>Oslo</td>
<td>Norway</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>27</td>
<td>Female</td>
<td>Trondheim</td>
<td>Norway</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>29</td>
<td>Female</td>
<td>Stockholm</td>
<td>Sweden</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>no data</td>
<td>Female</td>
<td>Amsterdam</td>
<td>Netherlands</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>39</td>
<td>Female</td>
<td>Amsterdam</td>
<td>Netherlands</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>20</td>
<td>Female</td>
<td>Berlin</td>
<td>Germany</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>26</td>
<td>Female</td>
<td>Berlin</td>
<td>Germany</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>31</td>
<td>Female</td>
<td>Munich</td>
<td>Germany</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>no data</td>
<td>Female</td>
<td>Munich</td>
<td>Germany</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>26</td>
<td>Female</td>
<td>Athens</td>
<td>Greece</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>25</td>
<td>Female</td>
<td>Leiria</td>
<td>Portugal</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>24</td>
<td>Female</td>
<td>Montijo</td>
<td>Portugal</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>29</td>
<td>Male</td>
<td>Lisbon</td>
<td>Portugal</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>29</td>
<td>Female</td>
<td>Lisbon</td>
<td>Portugal</td>
<td>Europe</td>
<td></td>
</tr>
</tbody>
</table>
The youngest guest was 20 years old and the oldest was 40 years old. All of them except one were women. 23 of the survey participants are from Europe, 3 from North America and one from Middle East. Only 5 of the surveyed guests were Portuguese and 22 were visiting Portugal. Those data helped to understand better the demographics of the event and craft FashionDeli strategy, communication and offer.

Table 7. The guests questionnaire: Promotion

<table>
<thead>
<tr>
<th>Age</th>
<th>Gender</th>
<th>City</th>
<th>Country</th>
<th>Continent</th>
</tr>
</thead>
<tbody>
<tr>
<td>23.</td>
<td>23 Female</td>
<td>Porto</td>
<td>Portugal</td>
<td>Europe</td>
</tr>
<tr>
<td>24.</td>
<td>31 Female</td>
<td>Vancouver</td>
<td>Canada</td>
<td>North America</td>
</tr>
<tr>
<td>25.</td>
<td>31 Female</td>
<td>Toronto</td>
<td>Canada</td>
<td>North America</td>
</tr>
<tr>
<td>26</td>
<td>no data</td>
<td>Female</td>
<td>NYC</td>
<td>United States of America</td>
</tr>
<tr>
<td>27</td>
<td>40 Female</td>
<td>Tel Aviv</td>
<td>Israel</td>
<td>Middle East</td>
</tr>
</tbody>
</table>

20-40 Female, 1 Male

The youngest guest was 20 years old and the oldest was 40 years old. All of them except one were women. 23 of the survey participants are from Europe, 3 from North America and one from Middle East. Only 5 of the surveyed guests were Portuguese and 22 were visiting Portugal. Those data helped to understand better the demographics of the event and craft FashionDeli strategy, communication and offer.

Table 7. The guests questionnaire: Promotion

<table>
<thead>
<tr>
<th>How did you find out about FashionDeli?</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Friend’s recommendation</td>
<td>2</td>
</tr>
<tr>
<td>Online</td>
<td>1</td>
</tr>
<tr>
<td>Facebook</td>
<td>4</td>
</tr>
<tr>
<td>Instagram</td>
<td>0</td>
</tr>
<tr>
<td>I am a friend/family member of one of the participants</td>
<td>3</td>
</tr>
<tr>
<td>E-mail</td>
<td>0</td>
</tr>
<tr>
<td>I was passing by</td>
<td>15</td>
</tr>
<tr>
<td>I was approached and invited by someone</td>
<td>5</td>
</tr>
<tr>
<td>I saw a poster</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
</tr>
</tbody>
</table>
Another important information, which helped to define the best promotion strategy for the project, was related to how the guest learned about the event. We received the total of 30 answers as a few people marked more than one answer since they were influenced by several factors. The majority of guests were passing by and attracted by the venue followed by the guests who were approached by organisers and designers during the event and invited to the pop-up. Finally, Facebook activity of both the organisers and designers contributed to physical activity of the guests.

Table 8. The guests questionnaire: Purchasing

<table>
<thead>
<tr>
<th>Did you buy something?</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>6 (32,52%)</td>
</tr>
<tr>
<td>No</td>
<td>18 (66,67%)</td>
</tr>
<tr>
<td>I am not sure</td>
<td>3 (11,11%)</td>
</tr>
</tbody>
</table>

Out of 27 people who filled the questionnaire 26 liked the designs and one did not, 6 bought something while 3 marked the answer “I am not sure” (Table 8) giving reasoning: “I still may buy” or “I wish I could buy it”, for all of them finances were the reason of the behaviour.

After the first FashionDeli pop-up a focus group with all involved parties was organised. In order to not to influence the designers, their opinions and observations no agenda was planned neither a questionnaire. Although a scope of information needed to gather was defined up front. Therefore, an honest and relaxed chat among the organisers and the designers informed about the designers opinion regarding the organisation, the course of the event, the promotion, the selection of designers, the guests that arrived, the sales, the expectations and the indications for further development of the concept. The discussion proved different concepts and approaches of the designers (e.g. one of the designers would like the event to be more conceptual and artsy-like while another enjoys the informal atmosphere), however all of them appreciated the concept and initiative, the intimate size of the event (with recommendations to grow up to 15 designers) and the selection of designers, styles and categories. Importantly, all of the designers despite one, who
presented the samples of the winter collection, sold something during the event, some of them making more than 250€. All of the participants positively evaluated the event appreciating the collective atmosphere and the sense of contribution. The focus group served also as a source of information and impression of the designers perception of the industry both local and global-wise, therefore the Lisbon’s fashion week, Instagram, retail and online presence were among discussed topics. The focus group was not repeated in such official manner due to unfavourable circumstances, however during the two following events many private interviews with the designers took place with the same goal as the focus group and same approach to gather information and perceptions in an informal, relaxed way and friendly atmosphere.

The designer surveys were sent to designers after the event as a form of evaluation. The questionnaire featured open and closed questions and the designer was not forced to answer them all. The survey was prepared in a way to help the organisers understand the perception of the event and what elements of it are important for the designers. The survey approaches the current business stage of the invited brands in order to understand the designers needs and how FashionDeli can help to achieve their goals. The survey served as both evaluation of the event and indication for further development.
VI. CONCLUSIONS

The redefinition of the physical retail is needed and according to the literature, it will act as “breathing physical portals into brand and product experiences” becoming experiential venues characterised by co-creation, education, inspiration and community-connecting (Stephens, 2017). The current study proves that curated retail pop-up concept can counterbalance the online overload and create competitive advantage serving as both promotional and selling tool. The meaningful and memorable engagement it creates, fosters physical connection between people. The words of Gobé and Neves found their confirmation during the FashionDeli events – customers want to give their time in exchange for attention. Moreover, they are happy to connect with designers and creatives, and learn about the products and brands, what proved the uniqueness and value of the glocal brands strategy. This element of unveiling the insider’s world proved to be attractive to guests and created a real connection between the them and the hosts making some of the guests hanging around for hours, sipping drinks and enjoying themselves in a friendly conversation. The sense of belonging to a community was pointed out by several researchers as an important need of millennials but also one of the effects of a pop-up store (Pomodoro, 2013) and was proven true during FashionDeli events. The fact that 15 out of 26 surveyed guests abandoned their plans and decided to step inside FashionDeli and let themselves emerge into the interactive atmosphere created by the organisers and designers prove how engaging and interesting the sensorial experience is. As observed during the event, the common activity as watching a fashion film and the discussion that followed connected the people involved since they experienced something together.

The developed project thanks to its strong scientific foundations occurred to be a successful retail concept, that generated sale, promotion and interest of a wide audience. Concluding, the FashionDeli pop-up by representing a collective need delivered a high value to the end customer. In a relaxed, entertaining and social atmosphere, emerging designers based in Portugal presented their work under a collective umbrella – FashionDeli. The outcome of the events together with the exciting reception by both designers and guests constituted an optimistic foundation for the further development of the project. The
extensive literature review empowered the strategy for the brand which was later verified by the primary data in a form of focus groups, interviews, questionnaires and the implementations of the project itself. In order to develop a cohesive study for the project a question whether a curated retail pop-up concept can counterbalance the online overload was researched and analysed. Both the collected literature review as well as the empirical study of the performed pop-up proved that a curated pop-up concept can constitute a reliable method to both promote and sell premium fashion offering. The need to improve the understanding the commercial strategies that emerging designers can use, and taking into account the common believe that the online environment is enough, the thesis analyses the actual state of both physical and digital retail and the announced forecasts. This question leads to a complex notion of omnichannel, which introduces a multidimensionality of both promotion and sale. Omnichannel responds to the query about Instagram, a representative of social media, that revolutionised the traditional advertising. According to both primary and secondary data, Instagram performs best while combined with other promotional and selling tools. The validity of this channel to sell and create brand knowledge is yet to be examined. However the current study contributes with several insights that may be used for further study, what will be discussed in the next section. Finally, the branding of a retail concept was deemed as necessary after a profound research and literature review upon the matter. However, instead of focusing on traditionally employed branding axioms, it was decided as convenient to match different ones from diverse branding models formulating a custom-made branding method. Therefore, a strong visual identity characteristic for a mind-share model was paired with a strong experiential approach recognisable for the emotional branding method. Building a strong emotional relationship with the consumer was acknowledged as crucial for the success of a collective pop-up brand, such as FashionDeli, and was enriched with an identity myth that introduces the collective character of the cultural branding making all the parties engaged in a common vision, mission and dream. Lastly the very character of the pop-up itself was proved viral tapping the fourth branding model.
1. CONTRIBUTIONS, LIMITATIONS AND FURTHER RESEARCH RECOMMENDATIONS

The concept of a pop-up was employed as a format that generates high interest of the audience resulting in WOM (Pine II & Gilmore, 2016), high traffic and sales (Ram, 2017). The strategy to focus on experiential, multi-sensorial and engaging elements of the pop-up together with a refined selection of the designers and brands, enhanced by the emphasis of the localness finds its confirmation in the literature and proved to be successful while implemented, what will be described in the further reading. However, this study is not without limitations and those will be enlisted in this final part of the thesis, followed with recommendations for further research.

Scientifically, FashionDeli contributed to a researched project ready to be employed by emerging designers in other countries or cities. Moreover, the majority of the literature review focuses on pop-ups organised by one brand only, whereas this project proves, that the pop-up retail can successfully function with more than one designer or brand. Therefore it may serve as a case to be studied in the further research upon temporary retail concept. The pop-up concept was proved to be a successful mean not for promotion but also for sale contributing to the research. Furthermore, the original branding model employed, formed with existing branding models’ axioms may pop up other projects with complex audience and purpose. However, the validity of the model has yet to be measured and evaluated since the validation was not the object of this study and was measured only empirically. Interestingly, the small Instagram survey lead to interesting observations and may constitute a foundation for a powerful research upon Instagram’s influence on customer behaviour versus entrepreneurs expectations. Finally, the future of retail was clarified, what may inspire designers and brands to rethink their strategy and employ an omnichannel approach.

The FashionDeli project proved that curated pop-up retail concept can be employed as a counterbalance to the online overload by emerging fashion brands. Both, sale-wise and promotion-wise the designers benefited from the time spent at the event and positively evaluated the pop-up. The additional contribution is research, as the designers tested their products and met potential audiences, what delivered honest feedback. Moreover, FashionDeli created a relaxed atmosphere and platform for the designers to exchange contacts,
knowledge, experience. The enthusiastic reception of the pop-up by the Portugal based high-end designers proved that this initiative was missing in the country and provided a strong background for further development of the project. The local element of the project offering not only the products but also the lifestyle proved to be attractive to foreigners visiting the country who enjoyed the possibility to immerse into the culture. However, the small activity of the locals themselves informs that more promotion and education is needed to attract the local community. Therefore, FashionDeli contributed to the local community in a sense that it enabled local designers to promote and sell their work, and connect with each other, but the influence the pop-up had on the local shoppers and fashion fans was rather scant. However, the limitation, that not all the guests filled the questionnaire, affects the reliability of this conclusion. Therefore, a more profound analysis of the guests should be performed in order to craft the experience to both foreigners and locals and measure a broader reception and viability of the project.

As depicted, despite the foreseen growth of the online retail, the physical shopping experience will continue to have 75 percent of the total retail share. The small sample of the surveyed designers gives recognition to the importance of the physical experience: all of the designers who took part in FashionDeli events acknowledge the high value of direct contact with the customers. In contrary to the vast majority of the literature review arguing that temporary retail does not sale but rather promote the brand and its offering, and in accordance with the case studies and the authors, who claim that experiential traits of the pop-up influence shopping behaviour, FashionDeli pop-ups demonstrated that customers want to shop from the pop-up. Moreover, very often they were doing it intuitively finding their way to the provisory fitting room and looking for the person to pay for the goods and pack them. None of the guests was preoccupied with the reliability of the designers or organisers and during the events even fine jewellery have been bought. It may support the research arguing that temporary stores trigger high demand, air of only-one-chance in the same time creating excitement and responding to the contemporary client’s need of an enhanced, meaningful, memorable and hedonistic shopping experience topped out with a beautiful object.
During the three *FashionDeli* pop-up events it was observed that the majority of the guests were foreigners attracted by the venue itself or the participants. This observation leads to two conclusions and indications for the future. First conclusion is to adjust the communication to tourists by reaching the media tourists mostly use when planning their sightseeing and media that welcome them at the airport and in the tourist offices. Second one is to focus on local communities, which most probably are not reached by our communication or are not interested because they are not familiar with the concept, therefore the concept requires promotion to prove its attractiveness. The fact that guests were attracted by the event while passing by, proves its catchiness and may lead to yet another conclusion for a better, more visible location. Finally, this observation supports the viral character of the venue itself confirming that the buzz it creates attracts people to enter and discover (e.g. Ruy, 2011; Pomodoro, 2013; Alexander & Bain, n.d.).

According to the research, *Instagram* is the tool generating demand and the one the most appropriate for fashion industry (e.g. Pike, 2016; Kontu, 2015), thus the main focus while promoting *FashionDeli* events was put on *Instagram* activity assuming that both locals and tourists may seek information about the city activities through *Instagram*. However, during the event we received no guest who would be informed by our *Instagram* activity, what proves that *Instagram* does not support that form of free promotion, at least at the early stage of the brand. Surprisingly, *Facebook* occurred to be an effective tool for promotion probably due to the share function, which enabled designers to spread the information on their profiles giving visibility to the event and allowing it to reach broad audiences. Both *Instagram* and *Facebook*, which were the only social media channels used for promotion, attracted an impressive quantity of designers and brand owners interested in the event participation. It may be due to the high mindfulness towards retail outlets expressed by business owners. Those observations indicate a need for further research upon social media in particular and promotion in general. It is important to define which platform is more suitable for what kind of content and audience, and how to approach all of the accessible channels, especially by such an event and retail brand like *FashionDeli*. Moreover, the fact that different promotional channels reached *FashionDeli* guests – *Facebook*, posters,
WOM, the event itself – may be a proof for the merit of omnichannel. Nevertheless, it is necessary to analyse that matter in order to make a definitive statement.

The small survey upon Instagram questions the overwhelming value of the platform popularised by media indicating opportunity for further research upon whether Instagram genuinely sells and what are the elements accompanying the success of this online tool. It is also important to define for which type of fashion business, Instagram is an appropriate tool and what is the best strategy to employ. It would be advised to analyse attentively Instagram function within the omnichannel strategy.

All the interviews provide a small sample of representatives, therefore it would be advised to repeat them with a larger sample. All the interviews were held locally in Lisbon and the pop-up took place in Lisbon with Portugal based designers, therefore the project has a local character and contributes to the research of the local market, and may be perceived differently in another country or even in another city in Portugal.
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**Lectures and Presentations:**


**Online Articles:**


**ONLINE VIDEOS:**


**PRINTED MAGAZINE ARTICLE:**


**REPORTS:**


**Scientific articles:**


130


WEBSITES:


ATTACHMENT A

MARKET SEGMENTATION

Companies are unable to reach consumers on over-expansive or too diversified markets, however they can divide the market into groups or segments of clients with particular needs and desires (Keller & Kotler, 2014, p. 233). By choosing the right segments we define the target market for the product of service (Keller & Kotler, 2014, p.234). FashionDeli mission is to showcase emerging pioneers on the contemporary Portugal fashion landscape. For that reason, it functions as an intermediary between the designers and other parties and also responds to the needs of all the groups listed below:

- the designers
- the clients
- the buyers
- the media, new media and creatives
- the government

FashionDeli is helping the designers reach their clients, buyers and media, therefore the fashion, accessories and jewellery designers are the main segment.

1. First segment: the designers

The first segment is derived from a market of fashion brands and creators from which we select only the high-end emerging designers based in Portugal, who are producing in a sustainable way their authorial creations based on developed concepts and inspiration. Emerging fashion designers are facing an impressive amount of challenges, risks and disappointments on their way to the established market. A university fashion designer course programme may have some lectures about business, branding and marketing, however, the main focus is put on the development of the creativity and technical skills the designer needs to possess in order to perform the profession. Due to that fact, most of the graduate designers do not know how the fashion industry really works and how to fit in with their own brands. Leaving schools and universities full of ideas, passion and dreams that are being wiped out by the harsh reality, they find themselves left with disappointment and disenchanted, that may take away the creativity and passion for fashion. FashionDeli goal is
to fill that gap and help emerging designers learn how to fit into the way the industry works, minimising the mistakes and risks. By creating a platform where the creatives showcase their creations to the larger public we create opportunities for them to grow. During FashionDeli events emerging designers not only can sell and showcase their products but also they can share experience and knowledge, create collaborations, test their products and business models.

**Defined need/desire:** retail outlet, promotion, knowledge

**The benefit:** new customers, new peers who can share knowledge, promotion, self-expression.

2. **Second segment: the clients**

The second segment is the most vast segment and it is the direct source of the income for the designers and partially for FashionDeli depending on the type of event or service FashionDeli organises or provides. A lack of a platform showcasing emerging Portugal based designers was observed creating a niche market for FashionDeli to tap, taking the advantage of the commercial and touristic popularity of the country as well as the significant emergence of new and young designers’ brands based in Portugal. The clients segment is considered broad because FashionDeli is hosting a big selection of designers who provide products, that are not only characterised by different and diverse aesthetics but also by different functionality. Therefore, FashionDeli reaches clients who may be interested in buying streetwear, beachwear, ready-to-wear, outwear, shoes, accessories, jewellery and made-to-measure or even couture service to name few. For this reason, the FashionDeli client is the client of every designer showcasing at FashionDeli events or featured in FashionDeli media. Different events and online presence that will be introduced in the future create opportunities connected with different audiences. Nonetheless, it is possible to define and characterise a specific archetype of the FashionDeli client: this particular segment need and desire is to possess beautiful, fashionable and high quality products acquired through meaningful encounters with the brand and enhanced with the brand story. The communication towards this segment will focus on the fact that the products are high-end designers’ creations sustainably made by young, passionate creatives. The pop-up formula of the event creates an element of surprise, excitement and discovery and the atmosphere of the
event makes it a cool lifestyle experience. For young audience, *FashionDeli* epop-ups are a sensational events to take part in and hang around with emerging creatives from the city. For fashion savvy and more mature and wealthy audience the events are interesting because they offer a discovery of fresh and new talents making the clients the first to know and wear the brand. On the top of that, *FashionDeli* offers a new approach to fashion retail that is based on experience. *FashionDeli* clients are called Guests as they are being hosted by the designers, called Hosts, not only to shop but also to spend quality time. We are not only selling the object or service but moreover an experience that is a free added value to our events. The experience element lays at the core of *FashionDeli*’s mission as we believe sharing that great passion to fashion and creation every designer has is an unspeakable and unforgettable experience. The selection of the designers is performed in a way to exclude competition between them and also to create a broad offer that will correspond to a vast audience. Nationality, age, sex, lifestyle or financial status cannot be determined for this specific segment. However common needs and desires can be defined.

Defined need/desire: craving for excitement, newness, freshness, quality and originality in fashion, be part of the community, spend quality time while shopping the hottest names of the country’s emerging fashion scene, curiosity, looking for alternative to both the retail chains and expensive big designers’ brands, be perceived as an early adopter and trendsetter.

Benefit: demonstrate cognisance, perceived as trendsetters, coolhunters, acquire new peers.

3. Third segment: the buyers.

Buyers are an important receiver of *FashionDeli* activity. They are professionals from the fashion industry that hunt the cool but commercially promising brands and designers. They work for stores, galleries, concept stores, departments stores and online stores to name just few. *FashionDeli* by creating an event filled with emerging, passionate creatives forms a perfect destination for buyers. At *FashionDeli* events they can brow the Portuguese offering of brands and designers’ brands, check the quality of the designs, meet and talk to the designer. The traditional fashion shows that are held in Lisbon and Porto twice a year do not offer this kind of opportunity to the buyers and service to the designers. *FashionDeli* creates opportunities for buyers from Portugal and abroad to discover new upcoming tal-
ents as well as established brands. The future planned service of FashionDeli will include an agent, who is taking care of the brand and searches for possible retailers.

Defined need/desire: new, upcoming talents with big commercial capability.

Benefit: time, information, clients.


Media and FashionDeli have mutual interests. FashionDeli needs media for promotion to attract new customers and designers. Media, influencers, stylists, editors need new content, beautiful clothes, clients. FashionDeli responds to their needs by gathering in one place a lot of talented fashion, accessories and jewellery designers that generate attractive content for magazines readers: interviews, articles editorials. The creative atmosphere of the event stimulates collaborations and new projects: an influencer can source new clients to promote them in exchange for clothes. An editor can find FashionDeli events inspiring and write an article or interview. A stylist may find interesting clothes for an editorial, fashion photographer may be commissioned for a campaign. In that extend FashionDeli works also as creative hub for the fashion industry, an exchange market for ideas and a networking platform.

Defined need/desire: Search for newness, freshness, new content, new clients, collaborations, projects, creative work, contacts, etc.

Benefit: time, information, clients, partners, collaborators, news.

5. Fifth segment: the government.

The government benefits from FashionDeli in an indirect way as we promote Portugal as a country of creative people, and as a place that welcomes creativity as FashionDeli is not closed to foreigners who decide to move and live in Portugal. FashionDeli as a lifestyle experience adds commercial and touristic attractiveness to the country. Moreover FashionDeli nurtures the creativity by offering an opportunity and by giving the tools to grow creative businesses.

Defined need/desire: offering to people living in Portugal opportunities to be independent entrepreneurs within the creative industry, making the country attractive to both citizens and tourists not only because of its architectural and natural beauty but also cultural and lifestyle coolness that appeals to younger generations.
Benefit: uplifting the touristic and residential value and attractiveness of the country, helping its citizens to develop, create good impact on its economy, creates well-being.

*FashionDeli* target market are people who are open-minded, educated, who travel and are change seekers. They like to go out and spend time with friends and family, they are open to new things and new relationships. They are curious and they like to know things the firsts. *FashionDeli* client wants to learn and make good impression, has a strong sense of personal identity, has wide-ranging interests and a heightened sense of visual stimulation. According to VALS framework, they would correspond to Achievers and Experimenters.
**ATTACHMENT B**

**SWOT ANALYSIS**

*FashionDeli SWOT Analysis. Conducted: 25 March 2017*

<table>
<thead>
<tr>
<th>Internal factors</th>
<th>Favorable factors</th>
<th>Unfavorable factors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strengths</td>
<td>Weaknesses</td>
</tr>
<tr>
<td></td>
<td>• team with broad experience and knowledge background</td>
<td>• lack of promotion through traditional media</td>
</tr>
<tr>
<td></td>
<td>• good location in the city’s most prestigious neighborhood</td>
<td>• lack of finances</td>
</tr>
<tr>
<td></td>
<td>• expertise in fashion, hospitality and communication</td>
<td>• lack of credibility</td>
</tr>
<tr>
<td></td>
<td>• contacts</td>
<td>• lack of a central location</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>External factors</th>
<th>Favorable factors</th>
<th>Unfavorable factors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Opportunities</td>
<td>Threads</td>
</tr>
<tr>
<td></td>
<td>• touristic and general popularity of Portugal</td>
<td>• lack of interest from the designers side</td>
</tr>
<tr>
<td></td>
<td>• raise of upcoming designers creating high quality products</td>
<td>• lack of interest from the customers side</td>
</tr>
<tr>
<td></td>
<td>• sustainability as a global interest and concern in fashion</td>
<td>• the risk of a takeover by a bigger player (like the organizers of the local fashion weeks)</td>
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<tr>
<td></td>
<td>• investment in tourism and new technologies</td>
<td>• general tendencies, like the fact that in the summer people don’t want to stay inside, they’d rather go to the beach, parks, gardens</td>
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<td></td>
<td>• lack of direct competition</td>
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<td></td>
<td>• social media as a promotional tool</td>
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<td></td>
<td>• possibility to use the content generated by the designers to promote our own project</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• interest of <em>Airbnb</em></td>
<td></td>
</tr>
<tr>
<td>Matching and converting</td>
<td>Matching Strengths + Opportunities</td>
<td>Converting Weaknesses + Threads into Strengths + Opportunities</td>
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<tr>
<td>-------------------------</td>
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<tr>
<td>• FashionDeli Tours creation as a response to high touristic interest in the country’s culture and the team expertise in fashion and attractive locations</td>
<td>• Presenting the project to the bigger player with an offer to organise the event as an accompanying event of the fashion week</td>
<td></td>
</tr>
<tr>
<td>• pop-up events organised as a marketing tool to promote other activities</td>
<td>• presentation of the project to the organisers of the music festivals as an accompanying event of the main festival</td>
<td></td>
</tr>
<tr>
<td>• search for founds in the government projects</td>
<td>• creating a more exclusive ambience of the event that may evoke bigger interest from the side of the press, designers and clients</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• gaining credibility through visibility: participation in contests etc</td>
<td></td>
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</tbody>
</table>
ATTACHMENT C

BENCHMARKING OF THE ELEMENTS OF THE DNA


For the technical element benchmark, that for FashionDeli is inspiring, the AnOther Magazine was chosen. AnOther Magazine is a British biannual magazine launched in 2001 by an emerging set of photographers, stylists and writers bound by a search for creativity and authenticity. Its blend of high fashion and world-class photography with features on the arts, politics and literature continues to make each beautifully crafted edition a collectors’ item. In 2005 Another Man was launched as a respond to the growing menswear market. Featuring established writers and figures alongside pioneering fashion made it the first magazine for men that combined intelligence, luxury and a sense of adventure. Since its launch in 2010 AnOtherMagazine.com has become one of the leading websites for women's and men's fashion, art and culture. The team is dedicated to communicating information in a thought-provoking, stimulating, engaging way. AnOthermag.com, AnOther Magazine and AnOther Man are part of independent publishing company Dazed Media, alongside Dazed and Dazed Digital ("About Us", 2011).


The engaging element that corresponds to the resilient part of the DNA finds its benchmark in Farfetch. Launched in 2008 by José Neves with a mission to connect beautiful physical spaces with the digital world (Farfetch, 2017), the company keeps upgrading its services challenging the online retail outlets. Investing in market research and consultancy reports concerning the customer behaviours adapts its business model to the forthcoming needs of the fashion customer. Being “the world's greatest selection of luxury” ("Farfetch", 2008), Farfetch constantly introduces new surprising collaborations and projects that merge technology with luxury fashion bridging the digital world with the physical one and making retail experience more exciting. For FashionDeli not only the ideas and projects Farfetch pioneers to the market but also the visionary attitude and consistent innovation are a big inspiration and source of knowledge.

Walt Disney creative genius and his ability to monetise dreams influenced and inspired many business models based on storytelling. FashionDeli promise is to deliver unforgettable experiences and for that reason Disney was chosen as a benchmark for the emotional element of FashionDeli’s DNA. The world imagineering is a term coined by Walt Disney’s animators to describe the process of turning dreams into reality. By combining the notion of imagination and engineering it brings together the ability to creatively fantasise and consciously structure those fantasies into an actual product (Dilts, 1994). The mission of Disney is to be the world’s leading producer and provider of entertainment and information. Disney seeks to develop the most creative, innovative and profitable entertainment experiences and related products in the world. As visionaries Disney Company stands behind some of the most respected and beloved brands around the globe by generating the best creative content possible, fostering innovation and utilising the latest technology ("About - Leadership, Management Team, Global, History, Awards, Corporate Responsibility - The Walt Disney Company", n.d.).


Google with a mission to “organise the world's information and make it universally accessible and useful” (Kansara, 2017) positions itself as a pioneer in information accessibility democratisation. Its recent project launched June 8, 2017 called “We wear culture” is an outcome of a very innovative business model called “20 percent time” that allowed Google engineers to spend twenty percent of their work time on authorial projects they thought would ultimately benefit the company. The spirit of doing things differently ("How we started and where we are today", n.d.) and the global perception of the brand as “the first to do/be/make” influences our choice for the marketing element. By simply being first, publicly announcing the innovative projects and products the company develops and introduces to the market, Google positions itself in an intuitive and subconscious way, engraving in our memory its experiential character.


Stella McCartney as a designer’s brand is a benchmark for the integrator element of the FashionDeli DNA, which is chosen to be fun. Stella McCartney was the first luxury de-
signer to draw public attention to global issues, such like sustainability of sourcing and production. Her commitment to lowering the negative impact our civilisation has on the planet is manifested through meaningful imagery and storytelling. In contrary to the serious topics the brand brings to light, its message is positive and full of fun. Open to sport and artistic collaborations Stella McCartney image is relaxed, fresh, fun and slightly rebellious in a consistent but very feminine and adorable way. This attitude towards luxury fashion consisting in making it fun and optimistic even when discussing serious issues, is what FashionDeli wants to incorporate in its DNA. FashionDeli as a collective brand is build by new generation of creatives that instead of threads sees opportunities, replaces sorrow with smile. One of the reasons of its creation was the seriousness and artificial exclusivity of the fashion industry. FashionDeli wants designers and customers to have fun and enjoy such a beautiful, cultural phenomena as fashion.
ATTACHMENT D

GUESTS SURVEYS