

Marko Luoma

Sales, marketing and value creation process

Introduction of a new marketing and sales process at

Big Ben Gear

Master's thesis

Fall 2013

Seinäjoki University of Applied Sciences

Master Degree Programme in International Business Management



SEINÄJOKI UNIVERSITY OF APPLIED SCIENCES

Thesis abstract

Faculty:	School of Business and Culture
Degree programme:	Degree programme in International Business Management (MBA)
Specialisation:	International marketing
Author/s:	Marko Luoma
Title of thesis:	Sales, marketing and value creation process Introduction of a new marketing and sales process at Big Ben Gear
Supervisor:	Ville-Pekka Mäkeläinen
Year: 2013	Number of pages: 60 Number of appendices: 3

The thesis is a development plan related to the sales process and business plan of a company specialized in selling and designing fan apparel for small and medium-sized sports clubs and schools. Big Ben Gear has come up with a new innovative sales process which is effective and does not require investments from the customer. Another advantage is that sports clubs will have an opportunity to have a large variety of fan apparel to sell.

The two main subjects in the thesis are the preparation of a business plan for Big Ben Gear and the introduction of a new innovative sales process. In the business plan, all the parties involved are introduced and valued. The sales process is introduced step-by-step.

In the thesis, there is also a discussion about part-time and full-time entrepreneurship, focusing on the advantages and disadvantages of both forms of entrepreneurship.

Keywords: fan apparel, customer, innovation, business idea, business plan

SEINÄJOEN AMMATTIKORKEAKOULU

Opinnäytetyön tiivistelmä

Koulutusyksikkö:	Liiketoiminta ja kulttuuri	
Koulutusohjelma:	Degree programme in International Business Management (MBA)	
Suuntautumisvaihtoehto:	International marketing	
Tekijä:	Marko Luoma	
Työn nimi:	Sales, marketing and value creation process Introduction of a new marketing and sales process at Big Ben Gear	
Ohjaaja:	Ville-Pekka Mäkeläinen	
Vuosi: 2013	Sivumäärä: 60	Liitteiden lukumäärä: 3

Opinnäytetyö on kehityssuunnitelma myyntiprosessista ja liiketoimintasuunnitelmasta yritykselle, joka on erikoistunut fanituotteiden suunnitteluun ja myyntiin pienille ja keskisuurille urheiluseuroille ja kouluille. Big Ben Gear on kehittänyt uuden tyyppisen myyntiprosessin, joka on tehokas ja ei vaadi investointeja asiakkaalta. Toinen etu tässä uudessa myyntiprosessissa on, että urheiluseuroilla on mahdollisuus tarjota myyntiin suuri valikoima fanituotteita.

Kaksi tärkeintä aihetta opinnäytetyössä ovat liiketoimintasuunnitelma Big Ben Gear:lle ja uuden innovatiivisen myyntiprosessin esittely. Liiketoimintasuunnitelmassa kaikki sidosryhmät on esitelty ja arvioitu. Myyntiprosessi esitellään vaihe vaiheelta.

Opinnäytetyössä on myös keskustelua osa-aikaisesta ja täyspäiväisestä yrittäjyydestä. Molempien yrittäjyyden muotojen hyviä ja huonoja puolia tutkitaan ja vertailaan.

Avainsanat: fanituote, asiakas, innovaatio, liiketoimintasuunnitelma

TABLE OF CONTENTS

Thesis abstract	2
Opinnäytetyön tiivistelmä.....	3
Abbreviations	6
Tables and figures.....	7
1 INTRODUCTION	9
1.1 Entrepreneurship.....	9
1.2 Finland for entrepreneurs.....	11
1.3 Big Ben Gear.....	12
1.4 Full time or part-time entrepreneurship	14
2 BUSINESS PLAN	16
2.1 Market area.....	17
2.2 Customers.....	18
2.2.1 Fan culture	23
2.2.2 Customer expectations	24
2.3 Competitors.....	24
2.4 Strength of the business	26
2.5 Basic ingredients of the business.....	26
2.5.1 Partners	26
2.5.2 Marketing	28
2.5.3 Price.....	29
2.5.4 Employees	30
2.6 Business idea.....	31
2.6.1 Risks and opportunities.....	33
3 RESEARCH.....	34
3.1 Research problem.....	34
3.1.1 Suppliers.....	35
3.1.2 Customers.....	36
3.1.3 Investing vs. outsourcing.....	37
3.1.4 From hybrid company to full time company.....	38
3.2 Results	39
3.2.1 Suppliers.....	39

3.2.2 Customers.....	40
3.2.3 Investing/ outsourcing	41
3.3 Success	42
4 NEGOTIATION & SALES PROCESS	44
4.1 Traditional marketing and sales process.....	44
4.2 Innovation of a new marketing and sales process.....	45
4.3 Parties.....	49
4.4 Issues.....	50
4.5 Interests	51
4.6 Bargaining power	52
4.7 The deal making process	52
4.8 Adopter categories.....	52
4.8.1 Innovators	53
4.8.2 Early adopters.....	53
4.8.3 Early majority	54
4.8.4 Late majority	54
4.8.5 Laggards.....	54
4.8.6 Marketing moves.....	55
5 CONCLUSION	56
BIBLIOGRAPHY.....	57
APPENDICES	60

Abbreviations

SeAMK	Seinäjoki University of Applied Sciences
BBG	Big Ben Gear
PR	Public Relations
ELY Centers	Center for Economic Development, Transport and the Environment

Tables and figures

FIGURE 1. Personality characteristics and abilities of entrepreneurs that contribute to small business success (Pickle, H.B. Abrahamson, R.L. 1990, 6)	9
FIGURE 2. Small Business Owners weekly working hours (Small Business Primer, 1998. 17).....	11
FIGURE 3. Big Ben Gear logo	13
FIGURE 4. Start-Up Company Failure Rate (Shane, S. 2008, 66)	16
FIGURE 5. Funnel work (Pyykkö 2011, 273-274).....	20
FIGURE 6. The Customer Relationship Management Process (Kotler 2002, 107)	21
FIGURE 7. Analyzing Customer Profitability (Kotler 2002, 109)	22
FIGURE 8. Two Service quality dimensions (Grönroos, 2000, 65)	27
FIGURE 9. The Purchasing process (Pickle & Abrahamson 1990, 414)	28
FIGURE 10. Order process.....	39
FIGURE 11. Cash Flow (Zimmerer & Scarborough 1998, 219)	43
FIGURE 12. Traditional marketing and sales process	44
FIGURE 13. Negotiations	46

FIGURE 14. New marketing and sales process.....	47
FIGURE 15. Marketing channel (Donellan 2007).....	49
FIGURE 16. Adopter categories (Everett 1995, 264).....	53

1 INTRODUCTION

This thesis is about a developing a business plan for a fan merchandise sales company and introducing a new innovative sales process. In the plan the business idea will be examined and reviewed from many different points of views. The aim of the thesis is to find out about the customers, partners, competition, risks and opportunities. The conclusion should include the result if the business idea will have enough potential to have a full time work in the fan merchandise markets. There is also discussion about part-time and full time entrepreneurship. Advantages and disadvantages of each from of entrepreneurship are reviewed.

1.1 Entrepreneurship

“Entrepreneurship can be defined so that it is a process where people’s creativity is processed into products and is marketed to customers” (Parkkinen 1999, 10).

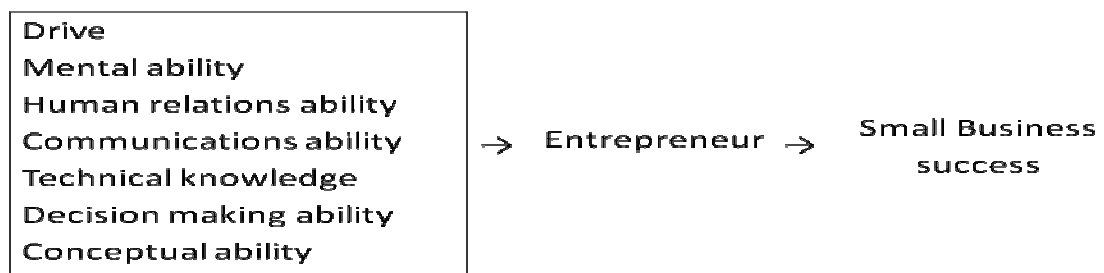


FIGURE 1. Personality characteristics and abilities of entrepreneurs that contribute to small business success (Pickle, H.B. Abrahamson, R.L. 1990, 6)

In their book about Small Business Management Mr. Pickle and Mr. Abrahamson go through the advantages and disadvantages of a small business ownership. I think it is impossible to make a list of what a person in a process of founding a

company expects from the company and from the future but it would be good to consider and really think about the points that are mentioned in the book.

They mention profit expectation and anticipation of future wealth. According to the authors many entrepreneurs work more for the future of their business than for their present well-being. I think a part of people who will become entrepreneurs do it because they have a dream of making their company big and become a very wealthy person through their successful company. Other people do it because they want a satisfying work and they want to be their own bosses. According to Mr. Pickle and Mr. Abrahamson most people spend a third of their waking hours in a work environment and there are some people who are very satisfied with their work. On the other hand many small business owners realize a high level of personal satisfaction from working in their own business. I think that the entrepreneurs in the latter group are not in the business because they want to make a fortune through the company. They just want to do something that they enjoy and make the most out of the time they spend working (Pickle & Abrahamson 1990, 20).

Later in the same book Mr. Pickle and Mr. Abrahamson go through the problems of owning a small business. Most of the problems listed are related to lack of experience of different areas of business. The entrepreneur might not have enough economical experience which might lead to a situation where the company is not making enough profits or the company is spending too much money compared to incomes. An inexperienced person might not be able to react quickly enough to the changes in the markets which will lead to losing a possible competitive edge. In these cases a good route to a full time entrepreneurship would be to work as a part-time entrepreneur as long as it needs to the person in charge to feel experienced and comfortable enough to take the next step and take the responsibility of running a full time company (Pickle & Abrahamson 1990, 25).

One really big risk that a small business owner takes is that running the company might lead to a situation where the owner has to put in a lot of hours in order to keep the company running profitably. This might take a toll on owner's personal life.

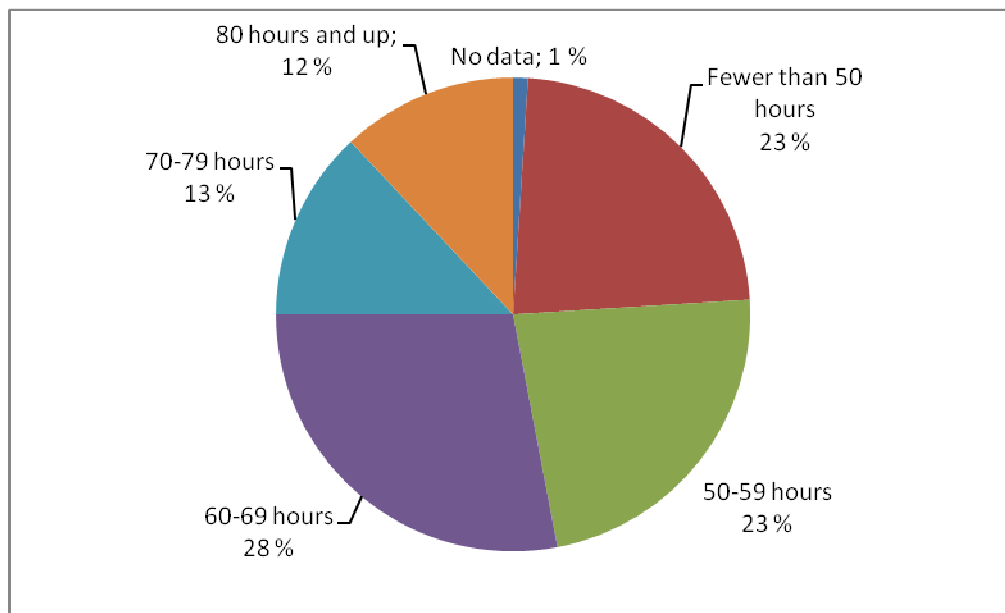


FIGURE 2. Small Business Owners weekly working hours (Small Business Primer, 1998. 17)

1.2 Finland for entrepreneurs

“Finland is open and politically stable society. Public sector supports companies’ investments and research & development. Corruption is low and judicial system is independent” (Puustinen 2004, 21).

When I was thinking about founding and running an own company I postponed it for quite some time because I thought that it was going to be too complicated with all the paper work and bureaucracy. Now over three years after founding my own

company Big Ben Gear (BBG) I can say that everything has been relatively easy what it comes to the paper work. In Finland there are many places where you can ask for help and many of them are free of charge. The biggest challenge though is making your business bigger and profitable.

1.3 Big Ben Gear

Different types of sports have been important to me for all my life. I have played volleyball, basketball, soccer and ice hockey. I have also coached, refereed and managed ice hockey. There has always been and always will be one big dilemma; how is the team going to raise the money for the upcoming season.

When I was managing a second division men's ice hockey team we had to be really creative in figuring up ways how to raise money. Another problem I came across was that the players and other members of the team didn't have similar off-ice uniforms because the team didn't have any extra money for them. Because of that everyone was wearing different kind of clothes on the game days. Similar uniforms would create a more positive and professional image of the team. Also the team spirit would be better if the team was wearing matching uniforms.

After leaving the manager post I started thinking is there any way to help different sports clubs and make a business out of it. I came up with an idea that I would establish a company who would provide fan apparel to sports clubs and they could raise money by selling the apparel. The target group would be amateur sports clubs which don't have any fan apparel and they operate on voluntary basis.

BBG provides an easy and low risk solution for amateur sports clubs to raise money by selling fan apparel. Amateur sports clubs usually don't have any fan apparel. The clubs don't want to invest on having a big stock of products and having a risk of not selling the apparel. There was a clear need for a different type of marketing and sales process.



BIG BEN GEAR

FIGURE 3. Big Ben Gear logo

BBG is a hybrid company and at the moment employs four persons part time. The company operates as a sole proprietorship. The starting costs were approximately 8 000 euros. The investments the company made were the marketing material that the customers can use and a web site for the company. Aim is to keep the company as low risk as possible.

BBG hired three business students in the beginning of 2013 to work part time. This way business students would gain practical experience how to work as sales person, negotiate with real customers and to manage a sales process. Students would also earn money while studying. From BBG's point of view this would be ideal low risk solution. BBG will gain more sales and valuable experience and feedback from the customers

BBG wants to build up a strong relationship with the suppliers. A long term relationship would be ideal instead of just looking for the lowest price. There are so many advantages in long term relationships and in the long run they will be more profitable even if it is not the lowest price on the markets. Finding the right suppliers might be challenging and it can take time, but at the end it will be worth the effort.

At the moment BBG has four suppliers.

- Marketing company who designs the marketing material and the design of the print for the fan apparel.
- Printing company who prints the marketing material, brochures and posters
- Clothing importer / wholesaler
- Silk screening and embroidery company

1.4 Full time or part-time entrepreneurship

“Part-time entrepreneurship interests many people. According to ELY centers even 60% out of potential entrepreneurs are planning to start their business along with their current work” (Puustinen 2004, 32).

Puustinen mentions advantages and disadvantages of part time entrepreneurship. I can agree that the most important fact is that part time entrepreneurship is a safe way to try running a company. You won't be financially dependent of the company. If the volume of the company is small the paper work and financial risk will be minimalistic:

- If the turnover is less than 8500€ per year the company won't be VAT liable
- if the incomes will be less than 5504,14€ per year there won't be pension payments
- no start-up capital if the company will operate as a sole trader

Of course there are many disadvantages in part time entrepreneurship. The biggest of them all is that the entrepreneur is not able to fully concentrate in the business and developing it. The potential of the company and the business idea might not be tested at its full potential.

BBG will try to get two students to do their internship with BBG. This would mean that there would be two students working full time for the company. This way we could really see the potential of the business idea and put it to real test. The sales during the students internship period which is approximately twenty weeks deter-

mines the future of the company. Either it can stay as a hybrid company for the owner and operate with the students or it can employ the owner full time and in that case we could be able to take more students from different universities from a reasonable distance from Seinäjoki. These schools could be for example Vaasa and Kokkola.

As mentioned earlier the conclusion of this thesis should include the results if this business will have enough potential to employ the owner full time.

2 BUSINESS PLAN

“First thing that you should do when you start making a business plan is to gather information about customers, competitors and the business environment. Name the industry for your company. Name the customers. Name the competitors. Estimate shortly the business environment. Name the barriers that might prevent your company to penetrate the markets” (Puustinen 2004, 61-63).

The figure below will demonstrate the importance of a good business plan. According to the figure only 75 percent of the companies exist after one year. After four years only half of the companies are still in business. This all supports the Finnish saying ‘Well planned is half done.’

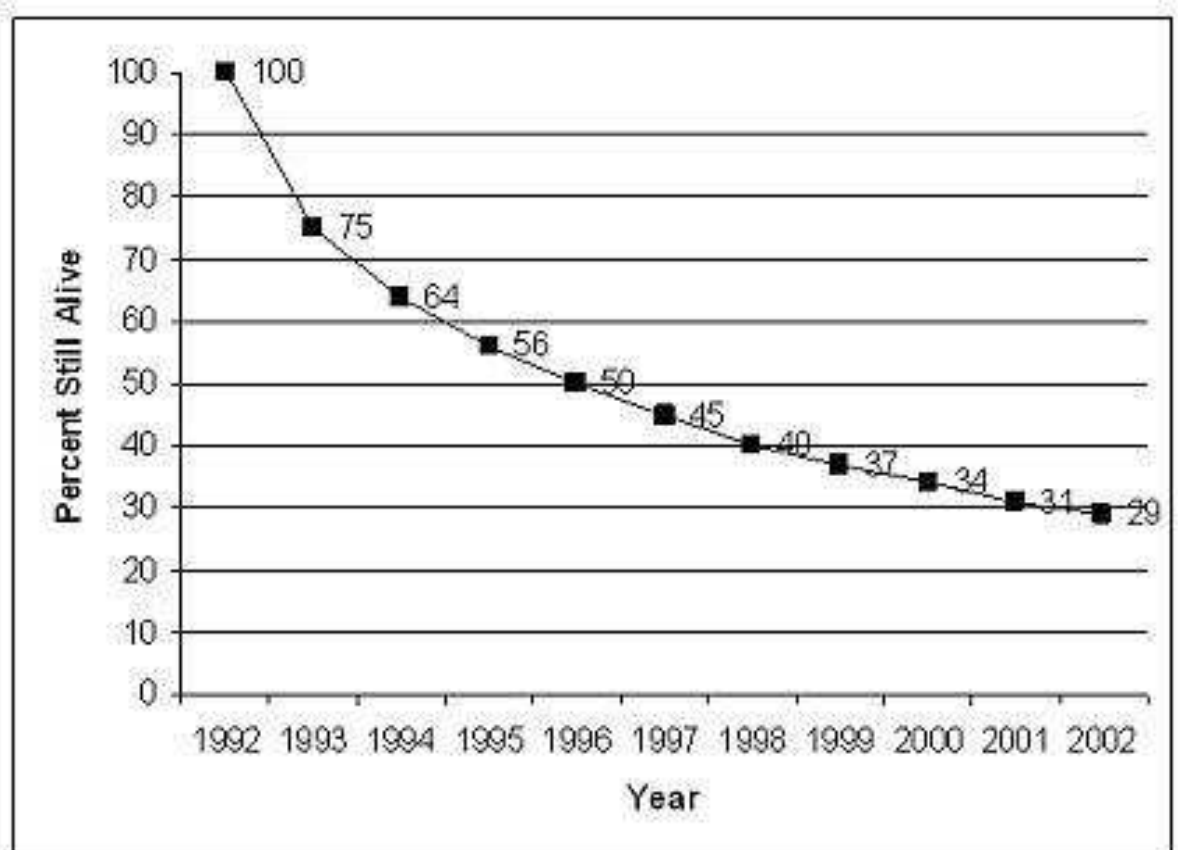


FIGURE 4. Start-Up Company Failure Rate (Shane, S. 2008, 66)

Mr. Sutinen sums up how the business idea process develops from an idea to actual business in his book – Everything You Have Always Wanted to Know about Business.

1. Define the market area
 - a. from what geographical area the majority of the customers will most likely come from
2. Divide your customers into groups
 - a. suitable amount of customer groups are 5-10
 - b. the groups should be divided on the basis of how the marketing can be pointed at different groups
3. Define the expectations of the customer groups
4. Estimate your competitors
 - a. whose services/products the customers are using if not yours
5. Mention the strengths of your business idea/company
6. Sum up the basic ingredients
 - a. describe your company and your competitors with superlatives
 - b. try to think from customers point of view
 - c. don't try to make better than they actually are – be honest
7. Describe the business idea
 - a. What would you like to tell about your company a year from now?
 - b. What kind of reputation would you like to have?

(Sutinen 1998, 72)

BBG's business plan follows the list above by Mr.Sutinen.

2.1 Market area

There are hundreds of amateur sports clubs in Finland who would be potential customers for BBG. Then there are thousands of people who would be potential customers for the amateur sports clubs. At the moment the geographical area is

approximately a hundred kilometers radius from Seinäjoki. The area could be expanded also further but that is something that needs to be reviewed later.

2.2 Customers

The customers could be divided in three different groups:

- sports clubs
- schools
- different types of associations

“Persuade the customer to a meeting. Introduce a product, service or a solution that would help the customer. Appeal to those things that the customer might appreciate. Introduce shortly what you have to offer then add couple of attractive points to the story. Stop. Don’t talk too much. Stop and listen” (Puustinen 2004, 189).

Customers are the driving force of all companies. Without customers there is now business. Mrs. Vihtala and Mrs.Jylhä describe ten steps of a successful customer relationship in their book – Successful Company – the Basics of Business Knowhow.

1. Preparing the customer relationship
 - a.the goal is to make selling easier
 - b.a letter or advertisement for example
2. Opening the relationship with a customer
 - a.the goal is to find out possibility for co-operation
 - b.the salesperson draws the customers attention to see if a co-operation would be current for them
3. Investigation about customers situation
 - a.the goal is to find out customers circumstances for making an offer

- i. find out customers needs and ideas for fulfilling them
 - b. estimation of the upcoming change
 - c. getting the idea about the what kind of offer the salesperson is going to make
- 4. How to match the customer's needs and the company's solution for them
 - a. the goal is to build a package from the company's products and services that will suit the needs of the customer
- 5. Introduce own know-how and products/services.
 - a. this can be done with demonstrations, showing recommendations from other customers, tests and education
- 6. Making an offer
 - a. the salesperson will draw up a offer which will fulfill the customer's needs and solve his/her problems
- 7. Customer makes a buying decision
- 8. Deal
 - a. goal is to obligatory agreement
- 9. Delivery
 - a. at this point it is important that all the conditions fulfilled
- 10. Developing the customer relationship for the future

(Vihta & Jylhä 2004, 78-79).

If you want to take your customers seriously you will have to find out their wishes and improve your services to meet their hopes and ideas. You need to ask and listen and communicate with them. Like Mr. Rissanen puts it in his book: "Good customer relationship and fulfilling the customer's needs requires continuous but controlled development the crisis in a customer relationship is a change of learning a lesson" (Rissanen 2005, 96).

“Funnel work. Aim is to change the cold contacts into cool contacts. Change the cool contacts to meetings. Change the meetings to customer relationships” (Pyykkö 2011, 273-274).

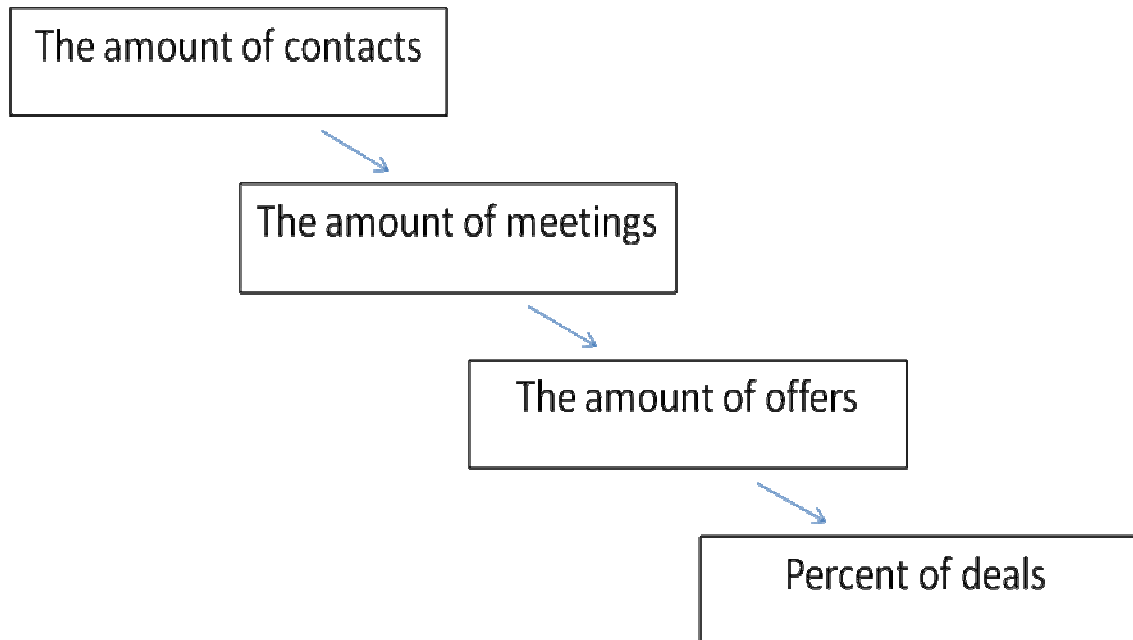


FIGURE 5. Funnel work (Pyykkö 2011, 273-274).

In Mr. Kotler's book *Marketing Moves* which was written in 2002 he writes about consumer being the king and where before the company has been the hunter searching for customers and now the customer has become the hunter. It seems to be funny that this was true already over a decade ago. Now in 2013 this is everyday life for companies. Companies are trying to raise the amount of their Facebook and Twitter followers and trying to get as many people as possible on their e-mailing list. This is a very important way for the companies to market their products/services. It is also good for the companies because it is cheap and this way they are able to put their marketing efforts to a channel where most of the recipients are most likely to be their customers. But the actual point here is that the consumer is king and he/she chooses what marketing info he/she wants to receive. “The consumer informs the company of his specific requirements, proposes the price he will pay, establishes how he wants to receive the goods, and decides

whether he will give permission to receive company information and advertising. Companies therefore must turn from a make-and-sell philosophy to a sense-and-response philosophy” (Kotler 2002, 32).

Stage of customer Relationship Management	Key Initiatives
Finding the target customers	<ul style="list-style-type: none"> - Defining target markets - Acquiring target customers
Filling the target customer’s needs	<ul style="list-style-type: none"> - Translating the customers value into actionable customer benefits - Matching the market offerings with the customer’s choice context
Forming the link with target customers	<ul style="list-style-type: none"> - Designing market intelligence - Gaining insights from customer information

FIGURE 6. The Customer Relationship Management Process (Kotler 2002, 107)

If you get your company to a situation where you not seem to have enough time to serve all your customer with a necessary time and effort you will have two options to choose from. Either you hire more people to serve your customers or you start prioritizing your customers. If you decide to hire more people you will have to make sure that it is profitable. In other words the new people have to eventually bring in as much money or even more as the current workers. If this doesn’t seem

to be the case you will have to make the decision to start putting your customers in categories and serve the best customers with most time and effort. The “worst” customers have to be dealt with time which is left after taking care of the top category customers. This is not an ideal situation for any business owners but sometimes you will have to make compromises.

A. Current situation

	High Current profitability	Low current Profitability
Low cost to Serve	Most profitable Customers	Profitable Customers
High Cost to Serve	Profitable Customers	Least profitable Customers

B. Future Situation

	High Current profitability	Low current Profitability
High Future Profitability	Best Customers	Invest Customers
Low Future Profitability	Maintain Customers	Worst Customers

FIGURE 7. Analyzing Customer Profitability (Kotler 2002, 109)

2.2.1 Fan culture

“From historical point of view fan culture has been associated with regional and communal traditions such as soccer and theater and media products such as movies and TV-shows” (Hirsijärvi 2009, 17).

I was studying in Michigan, USA in 2002-2003 and I went to see quite many sports events during my time there. I saw many High School and college games in ice hockey, football, basketball, National Hockey League ice hockey, Major League baseball and National Basketball Association basketball games. In all these games no matter what the level was you could always tell which team a person was cheering for. This was because everybody from a baby to the elderly people was wearing some team apparel. Later in 2006-2007 I lived in England and I went to see many soccer and rugby games there. It was the same thing there. In the audience everybody was wearing a team apparel. These two fan cultures made a big impact on me. Then I started to think about ways to bring a piece of this culture to Finland.

The fan culture in Finland is still relatively small. It still is a privilege of mainly top league teams in ice hockey, soccer and few other sports. Since BBG is targeting smaller sports clubs the culture with them is more supporting the team that your son, daughter, grandkids, nieces or nephews play for. In the sales process the idea of supporting and the fundraising aspect has to be pointed out really well.

“Fan culture has become an economically significant phenomenon also from markets point of view. Even if it was the fan product culture which does not care about the traditional finance markets or legislation or the fan group activities which influence the copyrights” (Hirsijärvi 2009, 105-106).

2.2.2 Customer expectations

At the moment the most potential group seems to be the schools and especially the primary schools. The kids on sixth grade usually make a class trip by the end of the last school year in primary school. They have to raise money for the trip and they usually sell different types of things. Schools fan products would be an interesting addition to the product range. Also another positive side working with schools is that the teachers are usually more active in the sales process compared to the team managers with sports clubs.

2.3 Competitors

“Differentiation: A firm differentiates itself from its competitors if it can be unique as something that is valuable to buyers” (Porter 1985, 119).

When I was thinking of a business idea I was trying to think ways to differentiate from the existing companies. I think it is easier to compete with other companies if you are doing something different than all the rest. Of course this requires that there are customers that prefer your services or products.

“In a differentiation strategy, a firm seeks to be unique in its industry along some dimensions that are widely valued by buyers. It selects one or more attributes that many buyers in an industry perceive as important and uniquely positions itself to meet those needs. It is rewarded for its uniqueness with a premium price. Risk of the differentiation is that the differentiation is not sustained, competitors imitate” (Porter 1985, 14).

There are lots of companies who sell same products as BBG such as t-shirts, hats etc. Their main target group for BBG’s competitors usually is companies who give these products to their employees and customer as giveaways. They also sell to sports clubs but they don’t offer brochures or marketing company co-operation. In these cases the sports clubs have to buy all the products in stock.

The prices that competitors offer are cheaper than BBG's because they don't include all the services that BBG is offering. Sometimes the customers still compare these prices and get the wrong idea of the offers. BBG also has a price list for the products only and it is competitive with our competitors. However BBG does not offer these prices unless the customer really wants to.

When you are trying to differentiate from your competitors it might be a good idea also to see what the successful competitors are doing right in order to be successful. This is called benchmarking. Mr. Tuominen sums up what benefits benchmarking brings to your company:

- drives the development process into key issues for the business
- helps the company to understand their own processes better
- helps the company to set up goals with examples of competitors drives the whole development process

"Benchmarking is an on-going and systematical process to find out, understand and apply the best methods and procedures. The aim is to develop the performance of the own company" (Tuominen 1993, 15).

Mr. Watson has drawn up a very simple four step list approach to benchmarking. Plan, do, check, act. According to Mr. Watson it is very important to do the planning thoroughly especially when choosing the companies that are going to be studied.

Benchmarking is a continuous search for and application of significantly better practices that leads to superior competitive performance (Watson 1993, 2-3).

2.4 Strenght of the business

Strenght of this business idea is the new innovative sales process. In the process the customer does not have to invest any money on having the products on stock. The products are delivered directly to the customers so basically there is no risk in this process. That's why it is relatively easy to sell to the customer.

Sales process is introduced later in this thesis in details.

2.5 Basic ingredients of the business

A successful business needs many different good ingredients. Following is a list of ingredients that BBG will need in order to be successful. These ingredients need to be good but also they has to synchronized with each other.

2.5.1 Partners

“The purpose of acquisitions management is to purchase the goods that the company needs with most affordable price and so that the money tied up to inventory is as little as possible” (Sutinen 1998, 205).

When choosing the partners that the company is going to buy the goods from it is important that the partner has a good reputation. Other important points are of course the price, quality and reliability of deliveries has to be good. It is easier to convince your customers to buy from you when you are sure that also your partners do their part well and you can trust on them.

If you decide that you are going to buy ready products from some other company instead of doing them by yourself you have to choose a subcontractor for your

company. When choosing a subcontractor you will have to go further than just choosing a partner. Mr. Sutinen has made a list of things about the elements included in a good subcontractor relationship:

1. The co-operation has to serve both companies and be a part of their strategies
2. Co-operation has to be a long term relationship
3. Developing the quality is important for both companies
4. Communication and the chemistry between the people involved has to be good
5. The subcontractor has to be effective
6. Both companies has to accept the fact that they both are making money with this co-operation

(Sutinen 1998, 218)

“All business is based in relationships. The firm only has to make them visible and meaningful for its customers – provided that the customers want that.” (Grönroos, 2000, 20)

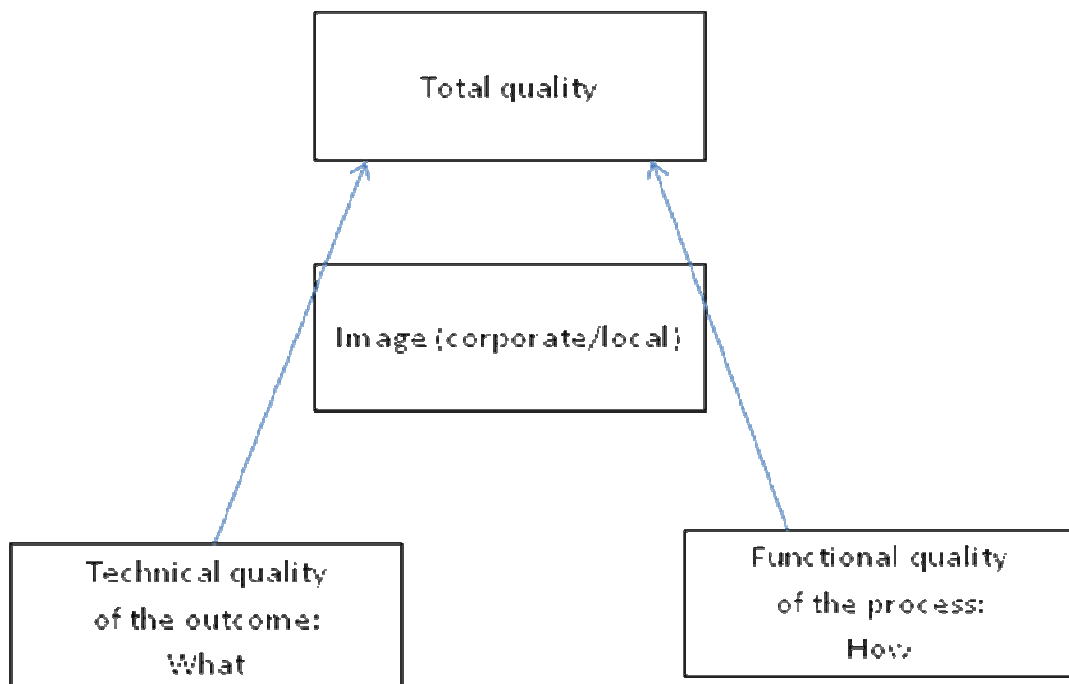


FIGURE 8. Two Service quality dimensions (Grönroos, 2000, 65)

“To secure the future and to find its own competitive advantages the company needs knowhow but also long term planning. The company also needs stakeholders and partners to support its operations” (Pitkämäki 2001, 5).

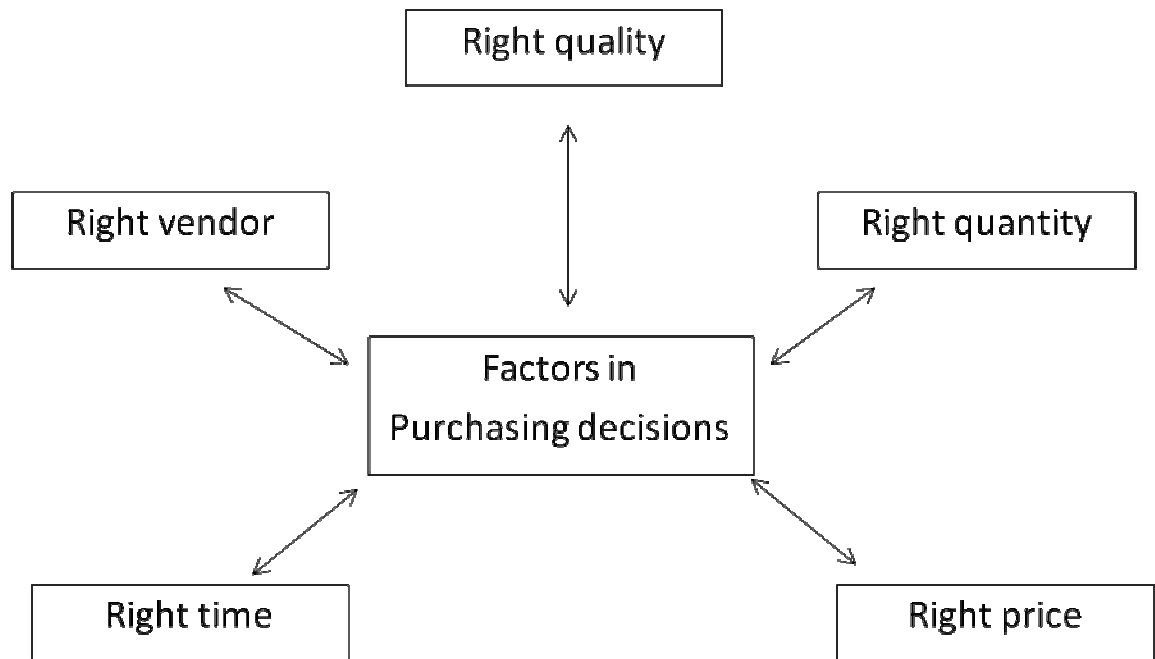


FIGURE 9. The Purchasing process (Pickle & Abrahamson 1990, 414)

2.5.2 Marketing

What is marketing?

- Marketing matches customers needs with the strengths of the business
- Good marketing places the customer at the centre of the business
- Marketing is the link between customer and producer

(Patten 2008, 1-2)

At the moment the approach to promotion and marketing is quite difficult. Because the company is a part time and the time spend for working for the company is very

limited. The positive consequences of marketing might become a problem. This means that if the marketing works well and it creates many contacts it might create a situation where the company can't serve all the potential customers with a sufficient effort. This might cause a bad reputation for the company. For now the marketing has to be straight contact to potential customer and follow that one customer through before contacting the next potential customer.

The marketing tools that BBG is currently using are web site, facebook and brochures. All these three marketing tools are used to introduce the company, show the products and the reference customers. When contacting customer we refer to these marketing tools.

If at some point BBG will be a full time company the marketing has to be adapted to the bigger need for orders. This means that marketing has to grow through google marketing and print ads in different media. The direct marketing through e-mails and letters will have to cover ten times the amount that we are targeting to get customers. This means that if BBG's target is to get hundred new customers we will have to send thousand e-mails or letters and follow them all through by a phone call.

After your company has been operating in a certain market you have to come up with something new to be able to stay alive. In this survival game marketing plays a big role. I think Mr. Patten says it very well: "As markets become more developed, you have to work harder to differentiate your products. There is little point in small firms on low promotional budgets making "me-too" products and relying on a budget price to survive" (Patten 2008, 12).

2.5.3 Price

"Market value means that someone is ready to pay a certain price for the product. All business is serving your customer and it doesn't make a difference if it is a product or service" (Parkkinen 1999, 10).

What is the right price for your products or services? You would like to have the highest possible price and this way you would earn good profits. On the other hand you would like to sell as much as possible and this way you would have more turnover. I think Mr. Donnellan summarizes the point of pricing well in his book: *Merchandise Buying & management*. "What constitutes the "right" retail price? The simple answer to this complex question is that a retail price should be high enough to cover an organization's profit objectives, but low enough to entice customers to buy" (Donnellan 2007, 289).

Although pricing is very important part of a success of any company but it might confuse the business owners and make them forget that there are many other things to compete with besides price. These are for example location, range of stock or product knowledge. "Basing your marketing strategy on selling cheap is not a good tactic for a small firm" (Patten 2008, 7).

The potential customers are relatively price conscious. I have come across situations where the potential customer knows how much a cheapest t-shirt or sweat shirt costs but they don't see the potential of making money selling good quality products. But luckily enough there are also quality conscious people among the customers.

Other difficulty with pricing is when I compete with companies who have their own screen printing and embroidery machines their prices are more negotiable. They can save more on the printing / embroidery profits where I do not have that option. I have lost few customers because of this but then again they have been looking for the cheapest option for their team.

2.5.4 Employees

In the book *Small Business Management* Mr. Pickle and Mr. Abrahamson go through what kind of features should salespeople have. In the beginning of 2013

BBG hired three new students. When educating the new employees I followed the list made by Mr. Pickle and Mr. Abrahamson:

Training the salesperson:

- salespeople must be skilled at learning the needs of customer
- salespeople must have a thorough knowledge of the merchandise and service offered
- salespeople must have the ability to convince customers that the merchandise and services offered by their store can satisfy their customers' needs better than their competitors

(Pickle, H.P. & Abrahamson, R.L. 1990, 535)

Training doesn't stop after the employees get settled down and start getting deals on regular basis. Just like the owner has to challenge him or herself to be innovative also the employees needs to be challenged to think outside the box every now and then.

"A great way to galvanize people into innovative action is to throw down a challenge. Give a specific target and ask for ideas to meet it. Give them a deadline. Ask them to come back with a short list of their best proposals and to include a couple of really novel, creative solutions" (Sloane 2007, 16).

2.6 Business idea

"Good business idea is simple. With good business idea you are able to achieve good financial outcome with reasonable effort. The chances to achieve this goal are better when the business idea saves customers time and money. The most brilliant business ideas will change the behavior of the customers. They will solve difficult problems and enable people to reach their dreams that they have thought would be unattainable" (Puustinen 2004, 41-43).

BBG's strategy was to start slowly as a hybrid company. In the beginning the company had a few customers at a time as pilot customers to gain experience.

BBG's mission is to work in co-operation with sports clubs and help them raise money for their teams and have well designed fan apparel. The club's public image and the feeling of unity will be boosted by having people wearing fashionable clothing with the club's logo on them.

When a company is trying to come up with a good service idea often the main point is how the company would be able to serve the customers better. The idea can be based on better quality, faster delivery or reliability.

Riitta Vihtala points out the importance of the long term customer relationships when a company is trying to differentiate itself from the competitors with customer-oriented service. According to Mrs. Vihtala the company has to concentrate on developing the service and quality and also view the company from the customer's point of view. When the customer comes back to your company it is a sign that the customer is satisfied of his/her previous experience and appreciates the experience (Vihtala & Jylhä 2004, 78)

"In the productization process you will have to know the customer's needs, wishes and expectations. Customers are buying benefits, advantages and pleasure on the basis of their expectations and wishes. The item is a product, service or a combination of these two" (Raatikainen 2011, 84).

The vision is that the company would test its true potential during the next year. Aim is to hire two students for twenty weeks in the spring and two new students for autumn to do their internship. During these forty weeks how much there is customers in the markets. Depending on the results there are three options. Best option would be that the company would be profitable enough for the owner to work full time and have more students working in the company. Second option is to keep the company as a hybrid company and use as many students as possible.

Depending on how much time it would take from the owner to educate the students. Third option is run down the operations.

“The basis is a thought, idea. The purpose of a company is to process the idea to a form that it has market value and after that realize this market value which means selling it to the customers” (Parkkinen 1999, 10).

2.6.1 Risks and opportunities

“The word risk is used to describe the danger and uncertainty where is a change of a disaster. The losses in the case when the risks comes reality can be losses of any kind of values. It can be for example financial, health or even social value” (Kuusela & Ollikainen 2005, 16-17).

There are always risks involved when you are a business owner. The worst case scenario is that you might lose your company, all the money you have invested in it and your health caused by all the stress from possible bankruptcy. But on the other hand the reward from taking the risk can be just the opposite for all this. Usually the bigger the risk is the bigger the reward can be too.

“In avoiding risks a person, a company and society has different options to choose from. A company naturally tries to control the risks. This is not free and money and other recourses has to be spent on developing the technical certainty, protection and developing the functions of the personnel and insurances” (Kuusela & Ollikainen 2005, 35).

3 RESEARCH

3.1 Research problem

Since this was new business idea the research consisted of many aspects that would affect if the business will be successful or not. All possible partners were reviewed in order to find the best and most effective way to do this business. What type of risks could include in this business idea and what needs to be taken into account to avoid the possible risks.

The most important thing that was researched was the customer. This part was very vital for the business. Is there really a market for this type of business and what are the things that customers would appreciate?

As mentioned earlier the environment and the potential customer base were encouraging with hundreds of amateur sports clubs and thousands of potential customers for the amateur sports clubs. BBG did carry out a research in co-operation with marketing professionals from the company Myynnin Maailma. The research consisted of the information what the potential customers feel about fundraising made by local sports clubs or schools and what they think about door-to-door sales. The research also included information how they feel about fan apparel and if it would be a good sales product for their organization. We also asked how much profits they would like to make from the sales. The research was carried out in May 2013.

Other area which will be an on-going research is the industry and competitors of BBG. The available products, prices and delivery times were researched. Also the advantages, disadvantages and costs of following issues were estimated

- Buying from wholesaler's stock and outsourcing the silk screening and embroidery

- Having own stock of products and outsourcing the silk screening and embroidery
- Buying from wholesaler's stock and owning the silk screening and embroidery machines
- Having own stock and owning the silk screening and embroidery machines

The goal for all the research was to add value to the products which meant adding value to the customers investment. Other goal was to find out how to make the business more profitable.

3.1.1 Suppliers

In the research BBG used a qualitative research method about the suppliers and made a competitive bidding for suppliers. First the company sent quotations to different suppliers to see the best price for certain products. The quotation was sent approximately to ten different suppliers. Most of the products in the quotations are made by Fruit of the Loom. This qualitative research was also used as leverage when negotiating with the suppliers. Also the delivery times and quality of the embroidery and prints on the products was examined by asking for sample products from the companies.

Same kind of qualitative research is going to be made for marketing companies. Quotations will be sent to approximately ten different marketing companies to see the price level. Quality will be measured by asking for references of if possible sample design by giving same instructions to each company.

Third qualitative research was made about printing companies. A quotation of printing the marketing material, brochures and posters was sent to approximately ten companies. The price and delivery time were asked in the quotation. Quality was estimated from samples that the printing companies were asked to send.

Suppliers were compared by price, delivery times and quality. With these researches about suppliers of BBG gave the company a good preparation for the markets and gave a good knowledge of the potential suppliers. It also allowed BBG to be more profitable since the real price level and best purchase prices of each sector was examined.

One important quality of a supplier and a partner is how well the persons will get along with BBG personnel. It is really important to surround yourself and your company with people that you feel comfortable working with. This way you will enjoy the work more and for this cause BBG is ready to sacrifice the profit margin if necessary.

3.1.2 Customers

The customers were divided in three different potential customer categories:

- sports clubs
- schools
- different types of associations

The aim was to have fifteen interviews from each category. The interview included the following questions:

- How many people belongs to your organization?
- How do you finance your operations?
 - possible follow up questions

- How do you feel about door to door sales carried out by schools or sports clubs?
 - Why do you feel this way?
- What products suits to door to door sales?
- Are fan product sales suitable for schools and sports clubs fundraising?
 - Are there any companies in this industry that you recognize?
- How much profit should your organization make per:
 - One sold t-shirt which costs 15€?
 - One sold hooded sweatshirt which costs 30€?
 - Can BBG contact you regarding fan product sales?

This marketing research was carried out in May 2013.

3.1.3 Investing vs. outsourcing

The company started slowly as a hybrid company and the aim was to keep all the risks as low as possible. Most of the operations were outsourced. Products will be purchased from the wholesaler with the embroidery and prints. Design of the products and the marketing material will be done by the marketing company. Marketing material will be printed by a printing company.

After a proper amount of customers and when owner of the BBG feels that the final form of the strategy is formed these operations will be examined and researched. With quotations, calculations and quantitative research it will be re-

viewed if some of these operations would be possible and more profitable to do inside the company.

The marketing company co-operation will be estimated by calculating how much money has been spent per customer and calculating how much it would cost to have part-time or full time marketing person in the company.

Marketing material prints will be also estimated by calculating how much money has been spent per customer and calculating how much it would cost to invest to a printing machines and how much it cost to maintain the machine.

Even if these researches would prove that it is more profitable to outsource the operations they would give better insight of each business. The result might help to negotiate better contracts with the partners.

3.1.4 From hybrid company to full time company

There are few options for the situation if BBG would be a full time company at some point in the future. The owner is continually looking for a silk screen and embroidery company with skilled employees to buy. Buying just the equipment will not be an option at the moment since the owner does not have any kind of experience of silk screening or embroidery.

Other option is to start doing co-operation with a silk screening and embroidery company. The goal in this case would be to negotiate a deal where BBG would be a part of the company but would be operating on entrepreneur status. The purchase prices would be competitive and the salary would be paid on results only.

Third option which seems most likely at the moment is to find partner from abroad and start importing all the goods from the same place. This way BBG would be able to find really competitive prices and would be able to offer something unique to Finnish markets.

3.2 Results

Most of the researches will be ongoing and they will be updated on regular basis in order to find the best possible form of doing the business. Of course the strategy will have to be amended if necessary.

Most wanted products so far have been hooded sweatshirts, t-shirts and jogging pants. The most wanted products vary between different sports. The silk screening and embroidery prints have been relatively simple. Clubs did not want to choose anything too complicated or out of the box prints which might not have been attractive to some of their possible customers.

3.2.1 Suppliers

After receiving most of the quotations back BBG ended up choosing importer/wholesaler X1. BBG is going to buy products from their stock and deliver them to a silk screening & embroidery company X2 which is located in the same industrial area with company X1. From X2 the products will be delivered straight to the teams who are going to deliver the products to the end customers. Price differences were not significantly big. The persons at company X1 and X2 were friendly and helpful and this made the decision easy.

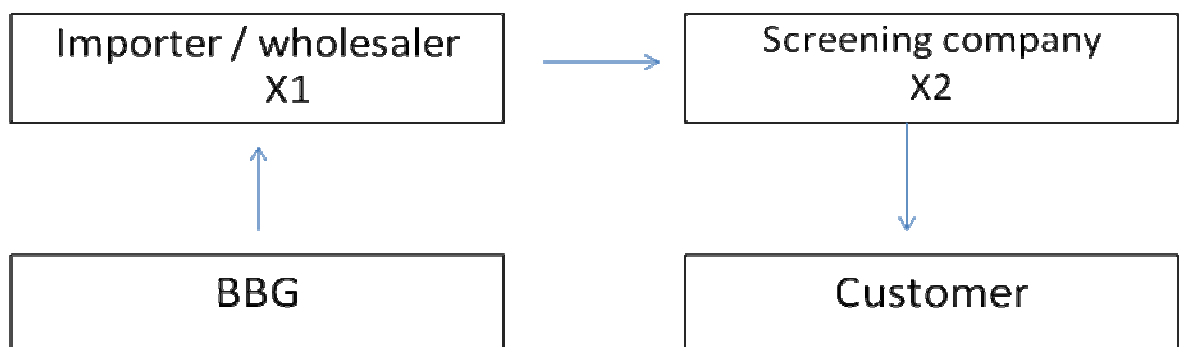


FIGURE 10. Order process

Marketing company was also easy to choose. The chosen company X3 is fast, flexible and the people at the company are easy going. Prices were slightly more expensive but since the company is located close by and the projects insist a few face to face meetings the difference in price will actually be smaller.

Printing company X4 is not located very close but their prices were so much cheaper to any other companies they still will be cheaper even when including the shipping expenses. They are quick on their deliveries and the quality is good.

3.2.2 Customers

The results in the marketing research were really promising. We got 40 interviews from the leaders of these organizations for the research so it was a good amount. The average size of the clubs, schools and associations were about 250. Sizes were ranging from two member wrestling clubs to 19 000 member pensioners associations.

Only about one third of the interviewed organizations were selling different types of products in order to raise money and more than half of them were schools. From sports clubs only three organizations were selling products but nine of them thought that it would be a good way to raise money.

A list of products that could be sold included things like toilet paper, laundry detergent, socks, calendars, candies, raffle tickets, spices, magazines, under wear etc. There were four people who mentioned fan merchandise. The answer for the question if the fan merchandise would be a suitable product for the sales gave really good results. Twenty five out of forty answers were positive. This really gives a signal that people think it would be a good idea but not so many people are doing it at the moment.

Profit that the organizations would like make from the sales was relatively unanimous. The profit for the t-shirt averaged 5,8€ which makes 38% profit. The hooded sweatshirt averaged a profit of 9,4€ which makes 31% profit.

The most positive feedback of the research was from the last question if BBG could contact them regarding fan merchandize sales. Eighteen out of forty people said that it is ok to contact them.

3.2.3 Investing/ outsourcing

A cursory investigation including few quotations showed that purchasing an embroidery machine and a hot press printing machine would save approximately 0.35 Euros / print or embroidery. Since the calculations didn't include maintenance costs for the machines or faulty prints it is easy to decide that at this point all the embroidery and silk screening will be outsourced.

In the future BBG will investigate more the options to import the clothes with prints and embroideries. These countries could be for example Poland, Estonia, India and China. When the amount is big this might be the most cost effective way.

When buying from the clothes importer the minimum orders are quite small. That's why there is no need to have an own stock. Only thing that would be saved by having an own stock would be the shipping costs. Still the money saved by having a one big shipment is not big enough compared to the investment and risk of having a stock.

Marketing is better to leave for the professionals and continue the co-operation with the marketing company. Well designed brochures and prints are very important for BBG. That's why it is important that savings would be seeked from elsewhere.

Printing the brochures will be outsourced at the moment and most likely in the future also. Owning a printing machine would require daily use for the machine. Otherwise it wouldn't serve the investment.

3.3 Success

“In order to be successful the company has to offer something unique and different from its competitors. Either it is a revolutionary strategy or at least some kind of knowhow that the competitors don't have” (Pitkämäki 2001, 13).

In order to be successful the company has to try to improve and try to be better. This way the competitiveness and profitability of the company will improve also. In his book: Benchmarking Process Guide - Mr. Tuominen goes through what questions these companies need to think about in order to reach their goals:

- In which issues the company needs to improve?
- How much better the company has to be?
- How good the company can become?
- How this change is going to be achieved?

(Tuominen 1993, 5).

When calculating and planning the possible cash flow for the upcoming accounting period the company owner has to be precise that everything is taken into account. Especially the losses from inventory and non-paid invoices have to be taken into account. The cash flow is presented well in this chart below.

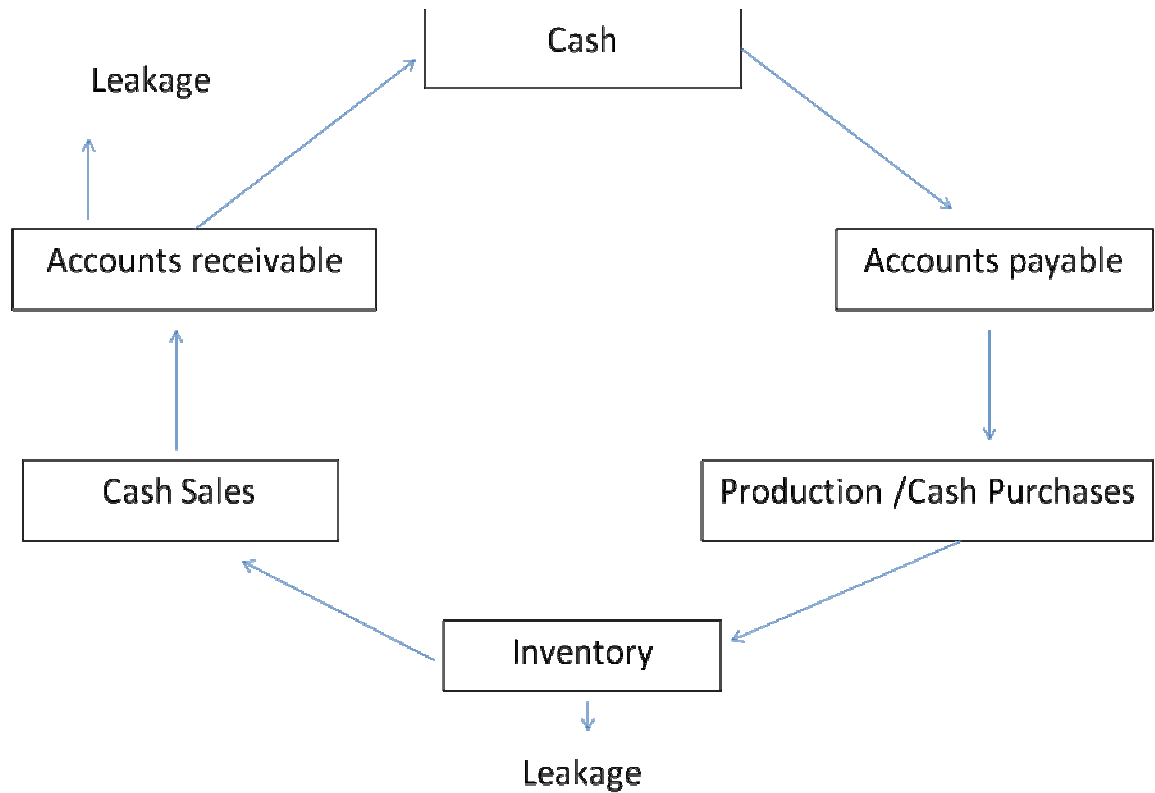


FIGURE 11. Cash Flow (Zimmerer & Scarborough 1998, 219)

Implementation of the strategy has been relatively easy. It has shown some weak points in the strategy and process which needs to be improved. The most challenging part will be how to motivate the team managers to promote this process to the team members. BBG has to come up with different ways to improve this part of the process.

A low risk company is ideal for the BBG owner in the current life situation. As a hybrid company slow start and many pilot customers was good way to start and the time spent is easier to manage.

4 NEGOTIATION & SALES PROCESS

4.1 Traditional marketing and sales process

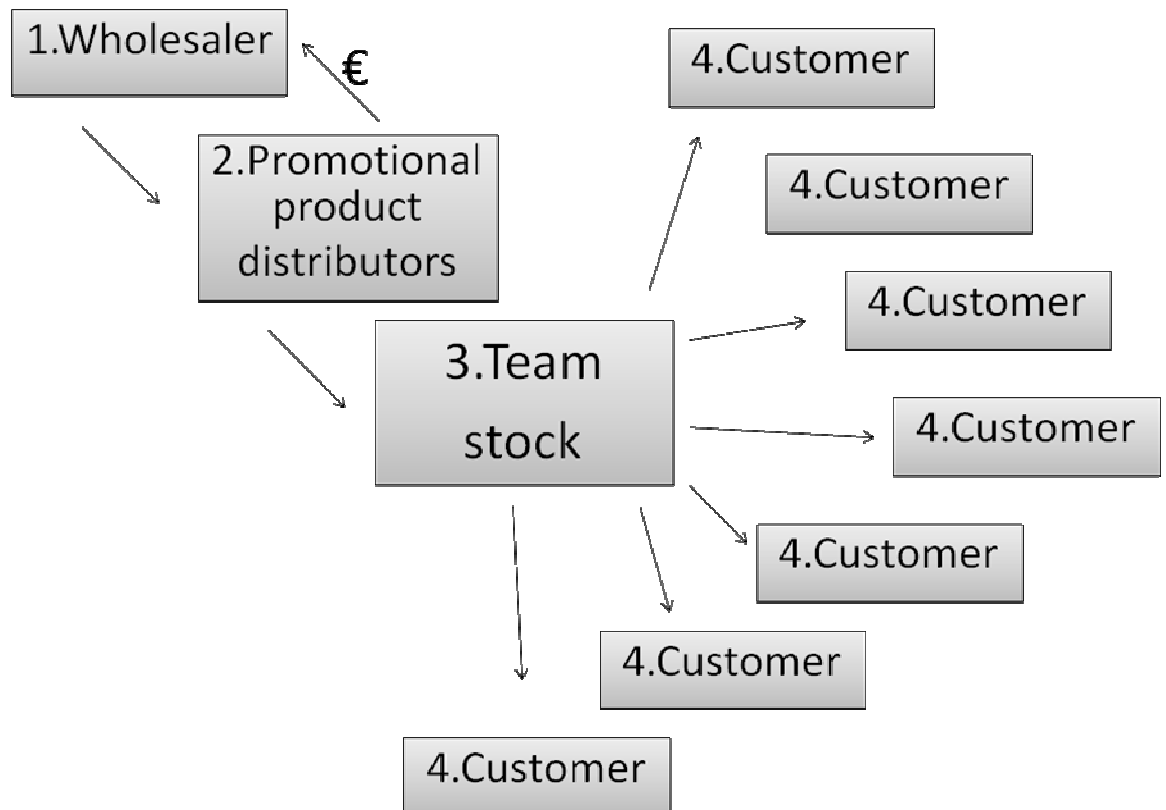


FIGURE 12. Traditional marketing and sales process

Quite often when amateur sports team decides to start selling fan apparel they take the old logo and print it on a t-shirt or a hat. They buy the apparel on stock and sell them from their kiosk during the games and don't usually advertise the apparel very well. There is always a big risk of products just lying at the end of some storage room and there will be lots of unsold products. In this way the sports club might end up losing money in the process. This kind of activity has also de-

creased since amateur clubs work on voluntary basis and people are getting busier and busier with their lives. People are not willing to take any extra tasks.

Positive sides of traditional process compared to new innovative process from the club's point of view is better profit percentage.

4.2 Innovation of a new marketing and sales process

Idea can be an innovation or new service concept but it doesn't have to be new and unique. A familiar product might have a great value in a certain new place (Parkkinen 1999, 12).

When a business owner tries to come up with an innovation it is considered to be difficult. Mr. Solatie and Mr. Mäkeläinen wrote a book: From idea to Innovation – Utilization of Creativity. In the book they discuss about the reasons that usually make innovating difficult. The main reason according to them are fear, assumptions, knowledge, customs and habits, laziness, lack of time and poor management (Solatie & Mäkeläinen 2009, 41).

The marketing and sales process itself is not actually an innovation. The innovation here is to combine existing process and using it in a new context.

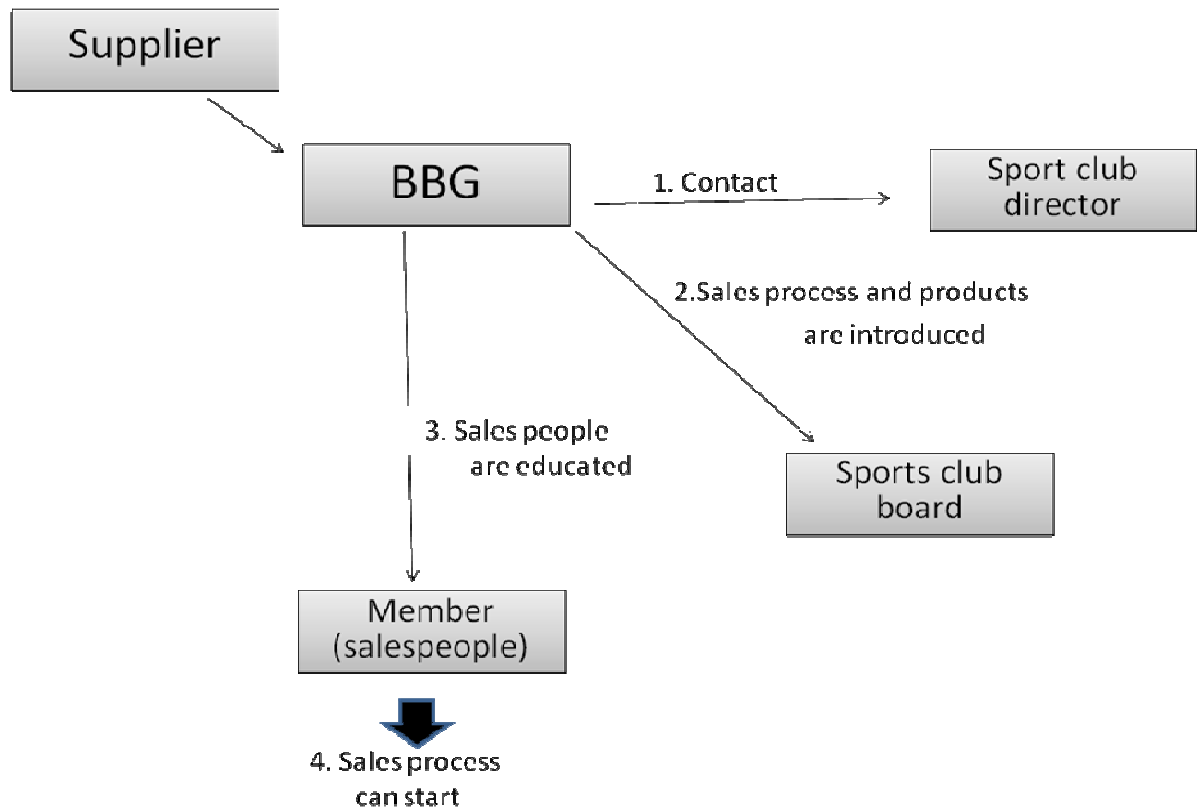


FIGURE 13. Negotiations

The process starts when BBG contacts a sports club to see their interest in having well designed fan apparel for their team and supporters and raise money for the club. Next step is to have a meeting with the club's board where the sales process, products and prices of the products are introduced to the club's board. The sales process is quite simple. BBG has designed a brochure and posters which can be used with all customers with small alterations. After the club has decided the print for the apparel, what products and colors they want to start selling the marketing company will make the changes to the marketing material.

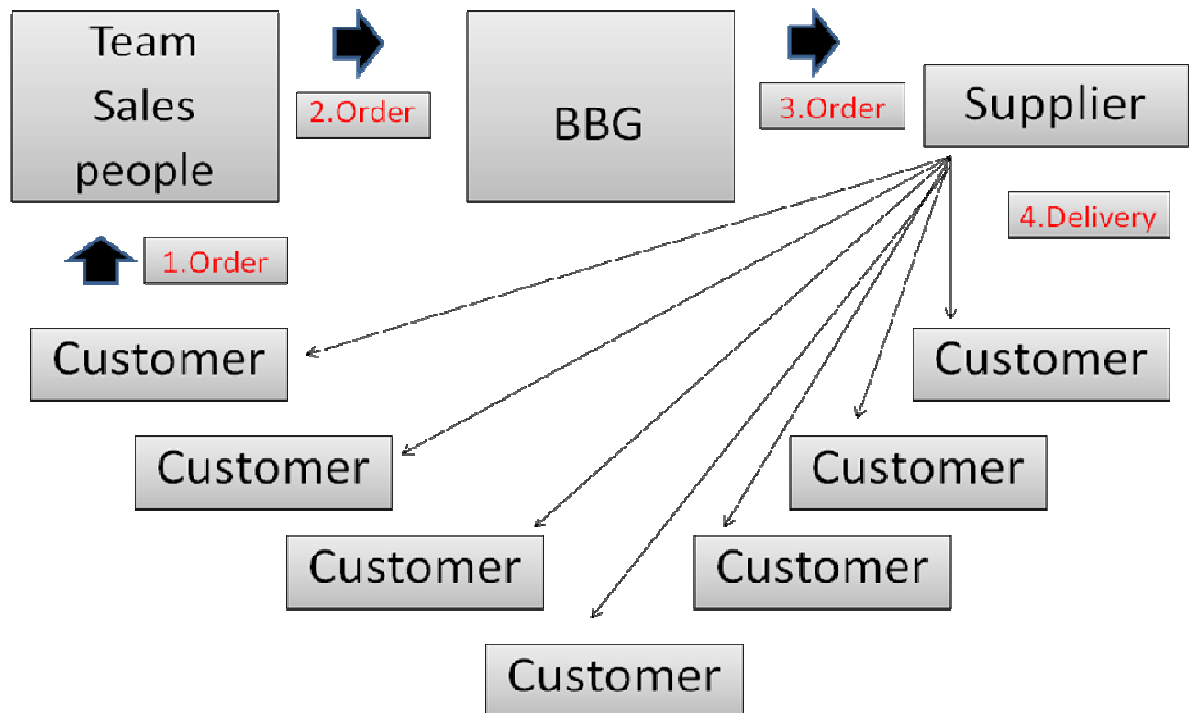


FIGURE 14. New marketing and sales process

Every member of the sports club will get a brochure and is able to work as a salesman. In best cases there will be hundreds of sales people selling the fan apparel. The club will get a certain amount from every product being sold. So the more they sell the more they will raise money for the club. It will be up to the club to decide if each member has to sell a certain amount of products or if this will be on voluntary basis only.

The sales period is approximately one month. At the end of the sales period each team manager of the club will send their teams orders to BBG and the orders will be sent forward. Clothes are being delivered to the teams in two to four weeks.

So in this process the orders go opposite way from the traditional process. First the final customer order from the sales people. After the sales period is up the sales people order from BBG all the products that they have sold. After this BBG will place the order to wholesaler and they will deliver the goods.

Positive sides of innovative process compared to traditional process

- easy process
 - o less work
- active sales more effective compared to passive sales
 - o going to the customers instead of waiting for the customers to come to you
- better product design (marketing company making the design)
- better marketing material (marketing company)
 - o marketing material is free for the club
 - o good marketing material will generate more sales
 - o more sales = more profit in euro's
- the well designed merchandises are marketing material themselves
 - o good PR for the club and it is also free
- united outfits for the whole club and the supporters
 - o also good PR for the club
- more variety of products
- no risk
 - o all the marketing material are included
 - o no need to have the products on stock
- option to have a new logo designed for free

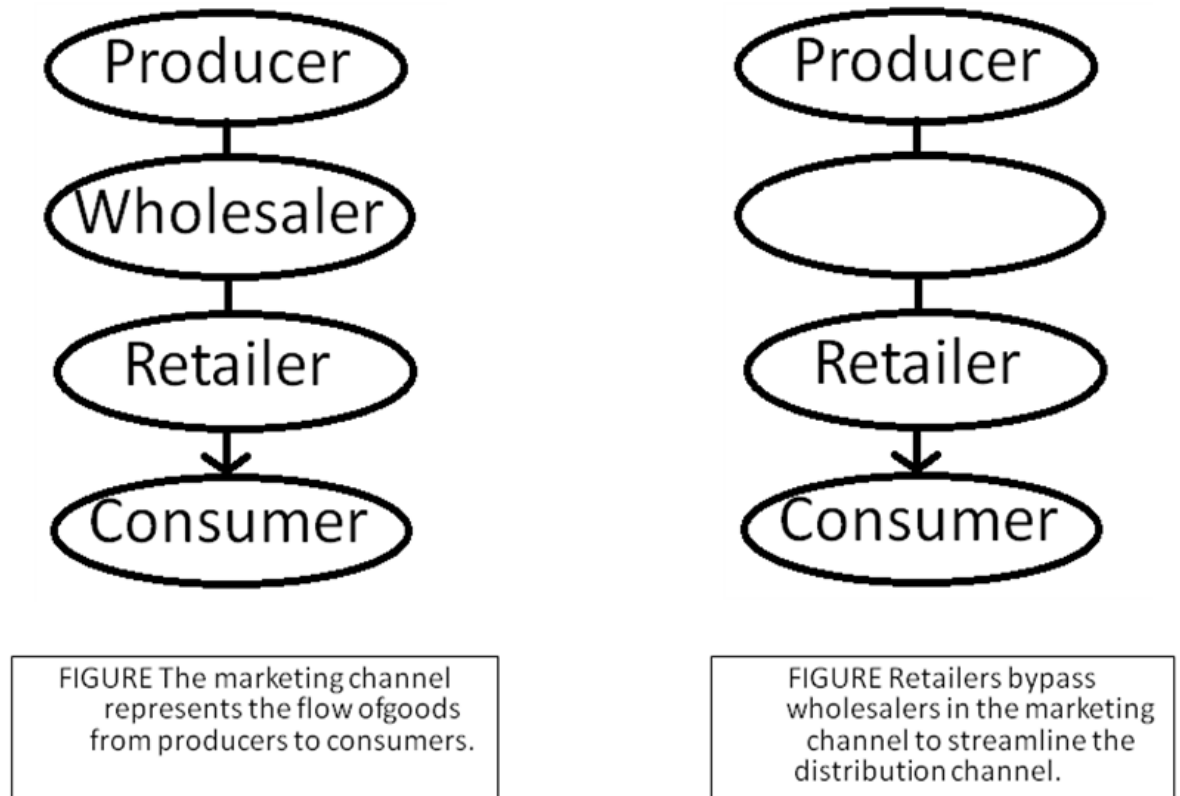


FIGURE 15. Marketing channel (Donellan 2007)

4.3 Parties

After contacting the sports club and scheduling the first meeting BBG will start preparing to negotiate. The parties in the meeting will be BBG and either the board of the sports club which usually consist six members or the chairman of the board will be only one in the meeting representing the club. From BBG's point of view the fewer there is people in the meeting the easier the negotiations will be. This is because everyone has their own opinion what kind of products the sports club should offer, what colors and most importantly what kind of print they should have on the products. It is really hard the get decisions made if there is lots of people at the meeting who want to have their opinion heard. Because amateur sports club board members work on voluntary basis all the members opinion are equal. So the negotiations will be with the whole board.

Because most these fan apparel will be worn by young people BBG will suggest that the board members would ask young people, preferably from six to fifteen years old to attend the meeting or give their opinions to the board members about the products, colors and prints.

Because there are many choices the board has to choose from BBG has to guide the negotiations to the direction that the decisions would be made in a maximum of three meetings. BBG will gather data of the products and colors that are the most selling ones and try to effect on the decision with this data.

4.4 Issues

BBG will offer multiple different products where the sports club can choose which apparel they will start selling. The variety will be different kinds of winter hats, caps, a scarf, polo shirt, t-shirts, sweat shirts, hooded sweat shirts and jogging pants. All the products are available in multiple colors. The club can sell all available products if they want to or just choose some of them. These decisions will be relatively easy to make since there is no need to have the products on stock which means that there is no risk of investment. This way the variety can be wider.

Issue which will be hard to make is what kind of print they want to have on the apparel. First the board has to decide if they want to use the old club logo or if they want BBG to design a new logo in co-operation with the marketing company. There will be different opinions on this issue and it will be difficult to have the decision made. If the club will decide to choose to have a new logo the preparation by BBG has to be really good. There needs to be few main questions and samples of the logo styles where the board can choose the style of the new logo. The marketing company will make couple of different options drafts on the basis of the board's decisions. From these options the board needs to choose one and they can make changes to this logo once. If they want to make changes second time it will cost a certain amount. BBG will also ask the board to trust the designers at the marketing company. The designers do these kind of designing tasks every day are profes-

sional in this line of work. This process will be very challenging and it will need few pilot customers in order to learn the right way of guiding these meetings.

BBG will support the new logo option. There will be data gathered how many clubs decided to take new logo and how much they sold compared to the clubs that wanted to use the old logo. The advantage of a new logo is that it can be designed with modern and fashionable way so it would be more attractive in clothing wear.

4.5 Interests

Both parties at the meeting have same interests. First one is to make lots of sales because both parties will gain more profits the more there is sales. The sport club will get a certain percentage of the sales made. The second interest is to have the apparel as attractive as possible. This will create more sales and also work as a marketing tool for the club.

The concern from BBG's point of view is that the team managers are not motivated enough to support the team members in their sales process and it will effect on the motivation of all the people selling the apparel. There are few different ways to make the managers and the teams more motivated. One is to have a meeting with all teams separately where the apparel, brochures, the sales process and the profit calculations are introduced to all members who will work as sales persons. When this is done personally by BBG there is a chance to effect on the motivation of all people included in the process despite of the possible low motivation of the team manager. One way is to have some kind of rewarding system for the best sales persons which would motivate to sell more. It will be either for the whole club or individual teams. Since the brochures and the print design are free of charge there is going to be a minimum amount that the club needs to sell. If they will not fulfill the minimum amount there will be a charge for the marketing material, brochures, and the print design.

4.6 Bargaining power

The pre contract needs to be specific regarding the print and new logo design process. This will help the board members to make decisions after the first changes because they will not want to pay for the second changes. Also the minimum order amount and consequences in case if the minimum amount is not fulfilled needs to be clearly stated on the pre contract.

4.7 The deal making process

After few pilot customers BBG will gather different kind of data in order to use as arguments in the future negotiations. This data will include what are the apparel and colors that have sold most and how does it effect on sales if the club has a new or old logo. There will also be data of the bestselling teams and individuals. This will help to show that how much a team and individuals are able to sell if they are motivated enough.

4.8 Adopter categories

“An innovation is an idea, practise, or object that is perceived as new by an individual or other unit of adoption. It matters little, so far as human behaviour is concerned, whether or not an idea is objectively new as measured by the lapse of time since its first use or discovery. The perceived newness of the idea for the individual determines his or her reaction to it. If the idea seems new to the individual, it’s an innovation” (Everett Rogers, Diffusion of Innovations, 1995, p.11).

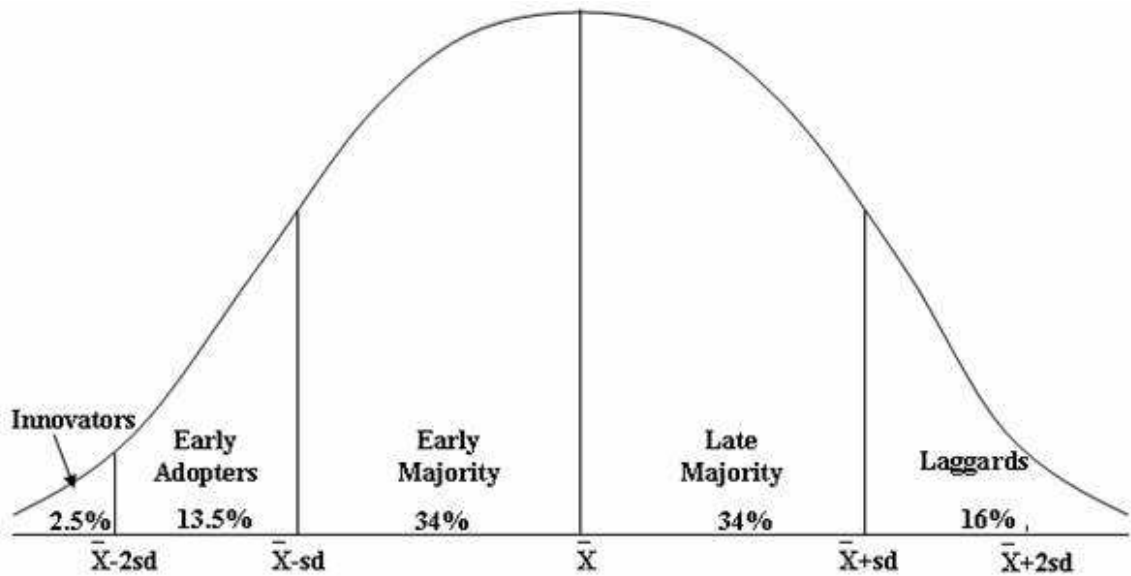


FIGURE 16. Adopter categories (Everett 1995, 264)

4.8.1 Innovators

Innovators are the first people to adopt an innovation. These individuals or groups are usually young when compared to other categories and they are willing to take risks. They are usually social people with higher education and economical status. Approximately 2,5% of the target markets are innovators.

In the BBG sales process all the customers are early adopters. This makes it a bit challenging to motivate the sales people to sell and it also makes it quite hard to make the sales.

4.8.2 Early adopters

This category consists of the same type of people as innovators but they are more discrete in adoption choices than innovators. They also have the highest degree of opinion leadership among the other adopter categories. Early adopters represent 13,5% of the target market.

4.8.3 Early majority

The first part of the mass market to purchase is the early majority. They are not usually leaders in adopting innovations but they usually adopt new ideas before the average person. Early majority represent 34% of the target market.

For the early majority customers it might be worth to make a second sales round for example few weeks after the first patch of fan products have been delivered to the customers. This way the potential customers have seen people wearing the products and it might be easier for them to buy them.

4.8.4 Late majority

Individuals in this category are usually skeptical of change and won't adopt an innovation before majority of the society has tried it. Their economic and social status is low. Late majority is of equal size with early majority and represent 34% of the target market.

4.8.5 Laggards

Laggards are usually very traditional or isolated in their social system and they are suspicious of innovations. Lack of social interaction decreases their awareness of innovations benefits. The average individual in this category is older and has the lowest social and economic status compared to the other categories. Approximately 16% of target markets are laggards.

For late majority and laggards it might be a good idea to buy a small stock for the kiosk so the products could be available at the games.

4.8.6 Marketing moves

I think the most crucial stage in commercial success is how fast early adopters and early majority will adopt the innovation. As they are the opinion leaders for the other adopter categories it is really important to have success among them. The price will be high in the beginning and it will decrease as the time passes. If early adopters and early majority will adopt the innovation quickly the decrease of the price will slow down and the profit will be greater. The ways to get early adopters and early majority to adopt the innovation at early stage is a big challenge and individual in each case. To find an answer to this is a way to a commercial success.

A way to also get early majority and late majority as customer groups is to have two or more sales periods. First sales period would draw the attention of innovators and possibly early adopters. Second sales period would be aimed at early majority. Possible third and fourth sales periods would be aimed at late majority and laggards.

One way to start the sales with early adopters and early majority is to give or sell with good discount approximately 30-50 products to sport club's representation team or team managers. In this way people could see the products wore and would get the possible customers interested about the apparel.

5 CONCLUSION

The partners seem to be a good fit at the moment. The goal is to make all the partner relationships long lasting and hopefully we are able make them work well as the time goes on. Hopefully the loyalty will pay off as reduced prices and better profit for the company.

The customer research really gave a positive signal that there is a need for this type of business and there are customers that would like to sell their club/ school or associations fan merchandise. The main focus will be in schools and sport clubs because of the feedback in the research

BBG was established almost three years ago. Original plan was to have few pilot customers and move from a hybrid company to a full time entrepreneur. These plans have been changed quite a few times on the way. I have come across the most typical problem of a hybrid company owner which is that I have not had enough time to develop and work on the company. But when I look back now it has been a good thing that I didn't jump to full time entrepreneurship too quickly. That would have been a big mistake. I think it is better to keep the company as a part time and try to come up different ways to improve the company. Also my personal life is more important to me at the moment than the company. Me and my wife have three beautiful children under age of four and I think they need me more at the moment than the company does. I still haven't given up the dream about making BBG a full time company. I have just postponed it until the time is right.

BIBLIOGRAPHY

Donnellan, J. 2007. Merchandise buying & management. New York: Fairchild Publications, Inc.

Everett M. Rogers. 1995. Diffusion of Innovations, Fourth edition. New York: The Free Press

Grönroos, C. 2000. Service Management and Marketing, a Customer Relationship Management Approach. Chichester: John Wiley & Sons Ltd.

Hirsijärvi, I. 2009. Faniuden Siirtymä. Gummerus Kirjapaino Oy. Jyväskylä

Kotler, P. Jain, D.C. Maesincee, S. 2002. Marketing moves. Harvard Business School Press: Boston.

Kuusela, H. & Ollikainen, R. 2005. Riskit ja riskienhallinta, Tampere University press. Tampere

Patten, D. 2008. How to Market Your Business. London: Kogan Page

Parkkinen, K. Yrittämisestä Ammatti. Helsinki, Edita.

Pickle, H.B., Abrahamson, R.L. 1990 fifth edition. Small Business management. R.R. Donelley & Sons Inc.

Pitkämäki, A. 2001 second edition. PK-Yrityksen liiketoimintasuunnitelma. Helsinki, Kauppakaari.

Porter, M.E. 1985. Competitive Advantage - Creating and Sustaining Superior Performance. The Free Press.

Puustinen, T. 2006 second edition. Avain omaan yritykseen. Kirjakas.

Pyykkö, M. 2011. Minustako yrittäjä? Helsinki, WSOYpro Oy.

Raatikainen, L. 2011. Liikeidesta Liikkeelle. Helsinki, Edita.

Rissanen, T. 2005. Yrittäjän käsikirja - Hyvällä palvelulla kannattavuutta ja kilpailukykyä. Kustannusyhtiö Pohjantähti Polestar Ltd. Vaasa

Roberts, J. 2004 the modern firm, organizational design for performance and growth. Oxford university press. New York

Räsänen, K. 2000. Kehittyvä Liiketoiminta, haaste tulevaisuuden osajille. Weilin+Göös, Porvoo.

Shane, S. 2008. The Illusions of Entrepreneurship: The Costly Myths That Entrepreneurs, Investors, And Policy Makers Live By. Yale University Press.

Sloane, P. 2007. The Innovative Leader – How to Inspire Your Team and Drive Creativity. Kogan Page Limited.

Small Business Primer, the NFIB Foundation 1998. Washington D.C.

Solatie, J. & Mäkeläinen, 2009. M. Ideasta Innovaatioksi – Luovuus Hyötykäyttöön. Helsinki, Edita.

Stutely, R. 1999. The definitive business plan. Pearson Education Limited. Great Britain

Sutinen, M. 1998. Kaikki Mitä Olet Halunnut Tietää Yritystoiminnasta, mutta et ole tiennyt keneltä kysyä. Helsinki. Hakapaino Oy.

Tuominen, K. 1993. Benchmarking Prosessiopas – Opi ja Kehitä Kilpailijoita Nopeammin. Metalliteollisuuden Kustannus.

Vesalainen, J. 2006. Kaupankäynnistä kumppanuuteen, Yritysten välisten suhteiden elementit, analysointi ja kehittäminen. Teknologiainfo Teknova Oy. Vantaa

Vihtala, R. 2004. Menestyvä Yritys – Liiketoimintaosaamisen Perusteet. Helsinki, Edita.

Zimmerer, T.W. & Scarborough, N.M. 1998. Essentials of Entrepreneurship and Small Business Management. New Jersey. A Simon & Schuster Company.

APPENDICES

Appendix 1. Big Ben Gear brochure

Appendix 2. Kauhava Hela-Kiekko sales brochure

Appendix 3. Marketing research questions



Fanituotekatalogi

Fanituotteet kerralla kuntoon

Ota tilanne haltuum ja hanki seurallesi ajantasalla olevat fanituotteet jo ensi kuudeksi! Big Ben Gear toteuttaa yhteistyössä mainostomiston kanssa nykyaikaiset ja tyylikkäävät fanituotteet helposti ja kustannustehokkaasti.

Tuotteiden myynnistä kertyy rahaa seuralle, jonka lisäksi palvelun riskit ovat minimoitu; tuotteet tilataan kerralla myyjätijakson loputtua. Näin tuotteita ei tarvitse kerryttää varastoon vaan jokainen tilattu tuote menee suoraan käyttäjälle!

Rapper lippis

Valmistusmateriaali:
58% puuvillaa, 2% elävännäin
Värit:
Musta, valkoinen



Pikee 63-214

Valmistusmateriaali:
100% puuvillaa (lasten koot 65% polyesteriä, 33% puuvillaa)
• Valkoinen 170g/m²
• Värilliset 190g/m²
Koot: S, M, L, XL, XXL
Lasten koot: 94cm, 116cm, 128cm, 140cm, 152cm, 164cm
Värit: Valkoinen, musta, punainen, royaalisenharmaa, sininen, musta/valkoinen

BBG Fanituotteet

BIG BEN GEAR

College housut 64-026

Valmistusmateriaali:
80% puuvillaa, 20% polyesteriä (lasten koot 70% puuvillaa, 30% polyesteriä)
• 280g/m²
Koot: S, M, L, XL, XXL
Lasten koot: 116cm, 128cm, 140cm, 152cm, 164cm
Värit: tummanvihreä, musta, melocraatti harmaa
* Kämärähoito kikkerevasta



Huppari 62-208

Valmistusmateriaali:
80% puuvillaa, 20% polyesteriä (lasten koot 70% puuvillaa, 30% polyesteriä)
• Valkoinen 260g/m²
• Värilliset 280g/m²
Koot: S, M, L, XL, XXL
Lasten koot: 116cm, 128cm, 140cm, 152cm, 164cm
Värit: tummanvihreä, musta, punainen, royaalisenharmaa, melocraatti harmaa, tällöndininen valkoinen

Pipo, Beanie B44

Valmistusmateriaali:
100% akryylia
Värit: musta, vihreä, royaalisenharmaa, punainen, navy sininen, grafiitti harmaa, lila/valkoinen, valkoinen

T-paita 61-036

Valmistusmateriaali:
100% puuvillaa, melocraatti harmaa/92% puuvillaa, 3% polyesteriä, lila/90% puuvillaa, 1% polyesteriä
• Valkoinen 160g/m²
• Värilliset 165g/m²
Koot: S, M, L, XL, XXL, XXXL
Lasten koot: 104cm, 116cm, 128cm, 140cm, 152cm, 164cm
Värit: Valkoinen, tummanvihreä, lila/90% musta, pelti-vihreä, punainen, viinipunainen, oranssi, sininen/valkoinen / ruusuharmaa, royaalisenharmaa, pinkki, lacononvalkoinen, korkeidenharmaa, haitti, melocraatti harmaa, haitti, sininen/valkoinen, grafiitti harmaa, lila/valkoinen
* XXXL saatavana väreissä: valkoinen, musta, tummanvihreä ja melocraatti harmaa.



BBG Fanituotteet

BIG BEN GEAR

Pipo TP

Valmistusmateriaali:
100% akryyli
Värit: luonnonvärinen,
rusko, musta

Pipo 550

Valmistusmateriaali:
100% akryyli
Värit: pinkki, lilienpunainen,
violetti, musta, navy
sininen, valkoinen

Lippis 2464

Valmistusmateriaali:
Hajalla puuvilla
AntiKissinki
Värit: vihreäpähkinä, oranssi, ovyllä-
sininen, kirkas, musta, navy sininen, punainen,
valkoinen, lumias, kellainen, vihreä

College paita 62-216

Valmistusmateriaali:
80% puuvillaa, 20% polyesteriä (lasten
koot 70% puuvillaa, 30% polyesteriä)

• Värit: musta, valkoinen

• Välihuvi: 280g/m²

Koot: S, M, L, XL, XXL

Lasten koot: 80cm, 116cm, 128cm,
140cm, 152cm, 164cm

Värit: valkoinen, luonnonvärinen, musta,
pufforilla, punainen, viinipunainen,
royalinsininen, smaragdinvihreä,
meleroitu lumias, syväsininen

Team huivi

Valmistusmateriaali:
100% akryyli

Värit: musta / valkoinen, musta / pu-
ruinen, musta / kelta, pinkki / valko-
nen, vihreä / valkoinen, navy sininen /
keltainen, navy sininen / valkoinen,
navy sininen / punainen, navy sininen /
valkoinen, violetti / keltainen, punainen /
valkoinen, royalinsininen / valkoinen

BBG Paitatuotteet

BIG BEN GEAR

BBG
Suunnittelu: ESTI Luoma
Ikonit: OY

Katso lisää:
www.bigbengear.com

Marko Luoma | 045 880 3770 | marko.luoma@bigbengear.com
Louhelantie 5, 60420 Seinäjoki Finland



Aidot

Hela-Kiekkoo

- fanituotteet



Huppari

Koot XS-XXL
Lasten koot 120 / 140 / 160 cm

Värit Harmaa, punainen & tummansininen (navy)
Materiaali 80% puuvilla, 20% polyesteri (kivistuu 5%)

Hinta 40 €

Collegehousut

Koot XS-XXL
Lasten koot 120 / 140 / 160 cm
Värit Musta
Materiaali 80% puuvilla, 20% polyesteri (kivistuu 5%)

Hinta 35 €

Lippis

Koot Aikuisten koko (one size fit: all)
Värit Tummansininen (navy)

Hinta 18 €



Tuotteiden ostaminen

1 Tuotteiden valitseminen
Valitse tuotteet, koot ja värit esitteestä

2 Maksu
Maksu suoritetaan tyhjälle tilille



T-paita

Koot S-XXXL
 Lasteri koot 104 cm - 164 cm
 Väri: Valkoinen, punainen &
 tummansininen (navy)
 Materiaali 100% puuvilla

Hinta 18 €

Helakiekkon fanituotteita myyvät Hela-Kiekkon joukkueiden pelaajat ja muut jäsenet. Tuotteet näyrynissä myös kioskissa.

Helä-Kiekkon ry
 Opettajien tie 5 c.s.D
 62200 Kauhava

Merja Kaasteikko
 merja.kaasteikko@retikka.fi
 0400-375528

Marko Luoma
 marko.luoma@kcaab.com
 050-403-2827

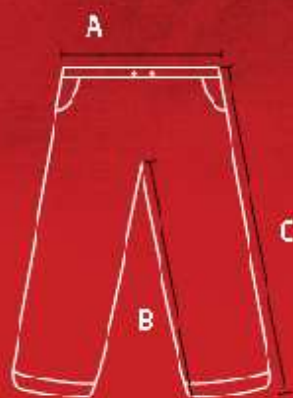
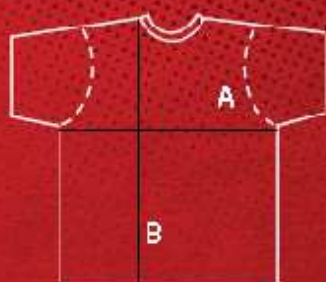
Joukkueen ohitajien yhteystiedot

Edustus:	Sakari Salo	0500-668300	sakosalari@olumbus.fi
	Timo Aulio	044-3443364	Timo.Aulio@kcaab.com
B-joukko:	Pauli Hautamäki	010-578-3617	pauli.hautamaki@poli-man.fi
C-96:	Merja Kaasteikko	0400-675-928	merja.kaasteikko@retikka.fi
D-57:	Juha Lihva	050-5037650	juha.lihva@elica.fi
D-58:	Pertti Luoma	0500-543100	Luoma.pertti@retikka.fi
E-99:	Juha Lihva	050-5037650	juha.lihva@elica.fi
F-00:	Vesa Pitkälampi	050-5615055	vesa.pitkalampi@retikka.fi
F-01:	Minna Paakkilä	0500-664541	Minna.paakkila@retikka.fi
F-02:	Jari Paasinen	050-6984139	jari.paasinen@finn-power.com
Kiekkokoulu:	Niko Tobiasson	050-684-0211	niko.tobiasson@gmail.com
Kantturat:	Taru Lindgren	050-575-0751	taru.lindgren@retikka.fi
Hyvät Ystävät:	Tero Partanen	050-3280620	tero.partanen@finn-power.com
Könnityt:	Tuomo Lager	0400-600265	laulicv@kulttuurispuhelus@retikka.fi
Ole Boys:	Jouni Raanaari	0400-429175	jouni.raanaari@retikka.fi

3 Tilaus
 Yhteistilaus tehdään 17.1.2011

4 Toimitus
 Toimitus joukkueen ohitajille joukkueisiin
 11.2.2011 mennessä

Kokotaulukko



T-Paita aikuiset	Rinnan leveys (A)	Korkeus olkapäästä (E)
S	40 cm	69,5 cm
M	53,5 cm	72 cm
L	56 cm	74,5 cm
XL	61 cm	77 cm
XXL	66 cm	79,5 cm
3XL	71 cm	82 cm
Tal +/	7,5 cm	7,5 cm

T-Paita lapset (ikä / koko)	Rinnan leveys (A)	Korkeus olkapäästä (E)
3-4 / 104	38 cm	45 cm
5-6 / 115	40,5 cm	50 cm
7-8 / 123	43 cm	55 cm
9-11 / 140	46 cm	60 cm
12-13 / 152	48,5 cm	65 cm
14-15 / 164	53,5 cm	72 cm
14-15 / 164	53,5 cm	72 cm
16+ +/	2,5 cm	2,5 cm

Huppari aikuiset	Rinnan leveys (A)	Korkeus olkapäästä (E)	Hihnen pituus (C)
XS	102 cm	62 cm	68 cm
S	108 cm	65 cm	64 cm
M	114 cm	67 cm	66 cm
L	120 cm	69 cm	66 cm
XL	125 cm	71 cm	67 cm
XXL	132 cm	73 cm	68 cm



Huppari lapset	Rinnan leveys (A)	Korkeus olkapäästä (E)	Hihnen pituus (C)
120	84 cm	51 cm	46,5 cm
140	93 cm	56 cm	51,5 cm
150	102 cm	60 cm	57,5 cm






Collage housut aikuiset	Lantio (A)	Lahkeen sisämitta (B)	Lahkeen ulkomitta (C)
XS	96 cm	73 cm	108 cm
S	102 cm	76 cm	108 cm
M	108 cm	79 cm	107 cm
L	114 cm	82 cm	112 cm
XL	120 cm	84 cm	115 cm
XXL	125 cm	86 cm	117 cm

Collage housut lapset	Lantio (A)	Lahkeen sisämitta (B)	Lahkeen ulkomitta (C)
120	78 cm	75 cm	94 cm
140	86 cm	80 cm	100 cm
150	94 cm	90 cm	106 cm

Esittely: Mikko Möttönen SeAMK:sta. Teemme markkinointitutkimusta Big Ben Gearille fanituotteista ja varainhankinnasta

Vastaajan nimi + seura/yhdistys/koulu

1. Mikä on vastaajan koulun/seuran/yhdistyksen jäsenmäärä/oppilasmäärä
2. Miten hoidatte varainhankintaa  tarkentavat kysymykset
 mitä ja kenelle
3. Miten suhtaudut koululuokkien ja urheiluseurojen varainhankintaan ovelta ovelle myynnillä?

<input type="checkbox"/>	Positiivisesti		Miksi (hyöty)
<input type="checkbox"/>	En pidä siitä		Miksi ei
4. Mitkä tuotteet sopivat mielestäsi ovelta ovelle myyntiin (varainhankinta)?
Jos ei vastaa mitään, voi avustaa esimerkeillä: sukat, alusvaatteet, keksit, wc-paperi, pyykinpesuaineet, mausteet.
Huom! Anna eri esimerkki joka kerralla
5. Sopivatko mielestäsi koulun tai seuran logolla varustetut ns.fanituotteet varainhankinta myyntiin?
Esim: t-paita, huppari, collegepaita, pikeepaita, lippis, pipo
 Mitkä on tämän alan muut toimijat jotka tunnet nimeltä
6. Mikä on mielestäsi sopiva summa per myyty tuote minkä myyjä pitäisi saada luokalle/ seuralle
Esim:
T-paidan loppusasiakas hinta 15€  Paljonko € tästä pitäisi jäädä seuralle/luokalle
Hupparin loppusasiakas hinta 30€  Paljonko € tästä pitäisi jäädä seuralle/luokalle
7. Saako teihin olla yhteydessä Big Ben Gearistä liittyen fanituote myyntiin?