Brand building in Swedish start-up fashion companies

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Abstract


The objective of the research was to confirm the theoretical framework on brand building with the empirical data. This comparison was performed with the intention to provide a more objective and practical view on the challenging process of brand building in start-up Swedish fashion companies and thus, assist them in their development. Qualitative research based on interviews was the main research method throughout the work. There are two types of data that have been collected in order to assist the research such as theoretical and empirical. Theoretical data was extracted from the variety of books and articles on brand building, while the empirical data was gathered using interviews as the data collection method. Interviews were performed with Swedish start-up fashion companies in order to better understand the brand importance, brand building process and challenges that companies face.

As a result of the qualitative research based on interviews, practical steps of brand building in start-up fashion companies are presented and then compared with the theoretical framework, in order to get a more objective view on the process and assist start-up companies in their development. All this data was analyzed and documented as well as results and propositions for future research.
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1 INTRODUCTION

This chapter begins with the discussion on the background of the research. Then, it is followed by a problem statement, which leads to aim of the thesis and ends with the delimitations that set a frame for the research.

1.1 Background

*A brand is a “trust mark.” It’s shorthand. It’s a sorting device.*

Tom Peters, *Brand You*

In fashion, brands related to designers have always been an important characteristic of the industry, but during past decades brands have developed more dimensions and gained significant importance for fashion companies and for their customers. This development can be understood by looking into history (Jackson and Shaw, 2009).

The word brand has Swedish origin because it comes from the Old Norse word *brandr*, which means “to burn.” The Vikings were leaving a scald on their animals or, in other words, branded them to be able to identify. In ancient China, Greece, and Rome, artisans branded their wares to signal identity and to assist villagers in establishing their preferences. In the twelfth and thirteenth centuries branding was done to guarantee the quality of the materials and legally protect the goods. However, the real brand names appeared in the sixteenth century when the name of the whiskey producer was burned into the top of each barrel. Later on in the eighteenth century competition was born and brand names began to be used in order to differentiate products and make them easier to remember for the customers (Adamson, 2006).

Back in the days, the textile industry clothing was divided into two categories such as commodity and fashion. Fashion was traditionally associated with designer names and was accessible only to the upper class of the society. As for the rest of people clothing was only available as a commodity that could be purchased from retailers. For instance, in 1970s and early 1980s branding was used by manufactures as an advertising tool that was mostly product-oriented. However, over the years society has been developing and becoming more sophisticated, so did the brand’s role. Nowadays, clothing is no longer seen as a commodity purchase but brand purchase (Jackson and Shaw, 2009).

Centuries have passed by but brands have kept original designation such as establishing identity and preferences, guaranteeing the quality, protecting goods, differentiating and remembering products. The importance of brands has increased greatly and today it is hardly possible to imagine our lives without them (Adamson, 2006). Moreover, this increase has resulted in that nowadays for companies it became hardly possible to succeed without building strong brands because in current society people are less and less interested in generic goods that offer purely functional benefits. On the contrary, “they desire branded products and experiences that deliver meaning, image and emotional benefits over and above the expected product benefits” (Jackson and Shaw, 2009, p. 259).

Brand building became essential for companies in contemporary society for many reasons. Below the reader can find the most common ones that are especially related to the fashion industry because among all areas on which brands have significant impact, fashion can be highlighted. Fashion brands can be defined as clothing, accessories, mobile phones, laptop and various other products that have
characteristics that make them identifiable and distinguishable from other similar products. (Kendall, 2009)

First of all, in contemporary society the fashion market has become overcrowded by companies as well as by a wide variety of products. Thus, it appeared very difficult to differentiate one product from another just based on the quality (Jackson and Shaw, 2009).

Secondly, as was previously mentioned, clothing has changed its role from commodity to fashion but since fashion is something seasonal and unstable, companies were forced to find a way to characterize themselves as their products have physical limitations and can get old-fashioned, worn-out or broken. In order to overcome these issues, brands were used (Jackson and Shaw, 2009).

Lastly, brands dictate fashion because fashion products are highly visible and made to be conspicuous. Brands affect customers emotionally and can be seen as a communication tool because they inform their customer about different characteristics of the products. Furthermore, consumers might champion those brands they feel express them and their lifestyles (Wheeler, 2003). To sum up, developing successful fashion brands is an extremely important goal for fashion companies today (Kendall, 2009).

It is clear that for companies’ success brand building is necessary but it is also important to understand that it is a difficult process especially for start-up fashion companies that in practice can be more unpredictable than it is in theory. Start-up fashion companies are confronted by many challenges and obstacles, such as segmentation of the market, hyper competition, growing investments, increased caution of consumers and brand management. (Corbellinin and Saviolo, 2009)

In order to better understand the particular challenges of brand building the researcher refers to Calkins’s (2003) study that was performed with thirty brand leaders from different industries. As a result of the study companies’ leaders shared the opinion that branding is exceptionally difficult process and were able to highlight key challenges such as cash, consistency and clutter (Calkins, 2005).

The main issues of cash is that companies are obligate to meet short-term numbers to be able to continue operating but at the same time they must start building the brands that are always a long-term asset that requires a lot of financial resources. In reality it is very difficult to balance these two aspects; therefore, often companies either fail to build a strong brand or meet short-term numbers, which leads to business failure. Consistency is another challenge because it is not enough to create a good brand portfolio, brand promise and positioning. In order to engage customers, the entire organization has to understand and believe in a brand. Otherwise, if not all members of organization share the same mission and vision, the brand will remain inconsistent and unfulfilled; thus, customers will not be able to trust it. The challenge of clutter appears because in modern society people are overwhelmed by the amount of advertisement and promotion and tend to ignore most of it. Due to this, it became very difficult to attract customers’ attention because they are no longer willing to spend their time on ordinary publicity. In order to reach customers, companies must be able to stand out from the crowd by finding a unique position on the market and developing creative advertisement and promotion campaigns and ideas (Calkins, 2005).
1.2 Problems Statement
As was stated in the previous discussion, the research addresses two problems:

- In a modern society start-up fashion companies can hardly succeed without building strong brands.
- Building brands in start-up fashion companies is a very challenging process that in practice can be more unpredictable than is theory.

In order to investigate these problems the following research question was formulated:

What are the steps start-up fashion companies follow in order to create a strong brand and how do they differ from the ones suggested in theory?

The main research question was divided into several other questions in order to bring a holistic picture of the research. These are the following:

What is a strong brand?

How are brands built?

What are the difficulties start-up companies face when building brands?

1.3 Aim of Thesis
The research aims to compare the theoretical framework on how to build strong brands in start-up fashion companies with the empirical data. Then, analyze the retrieved data and see whether there are any differences with respect to the theory. The purpose of such comparison is to provide a more objective and practical view on the important aspects and challenges of brand building, thus assist start-up fashion companies in their development. Also, this work is accomplished with the intention to contribute to the previous researches in brand building field.

1.4 Delimitations
Due to the time constraint of three months this thesis can only outline the most important aspects and challenges of brand building in start-up fashion companies along with supporting evidence since it is the fundamental steps in the beginning of companies’ formation. Also, the start-up fashion companies have Swedish origin because the environment can have a big influence on the research findings. Last but not least, due to the time limitation only two Swedish start-up fashion companies were interviewed and based on their answers an empirical framework was built. All these delimitations were imposed in order to provide quality results within the specified time horizon.

1.5 Outline of the essay
This section gives an overview of the content of each chapter, thus the reader can have a structured picture of the research and easily find the information within the chapters. The introduction chapter presents the background of the research that derives from significant increase in brands importance for start-up fashion companies and their customers during past decades. Also, it introduces problems statement as a result of the increased brands importance, aim and delimitations of the research. The
second chapter is the methodology describes the techniques that were used in order to conduct the research. The next chapter demonstrates the theoretical framework of the research and contains of the secondary data on brand building that was retrieved from various sources. Then, the empirical findings chapter sums up and discusses the primary data that was gathered during interviews with start-up fashion companies on brand building. This followed by the analysis chapter that compares the theoretical and the empirical findings, thus the practical steps of brand building are presented and appeared differences are discussed. Besides, this chapter questions the outcome of the research with the regards to the applied delimitations. Finally, the conclusions of the research are made.

2 RESEARCH METHODOLOGIES
According to Collis et al. (2009, p.67) “a methodology is an approach to the process of the research, encompassing a body of methods”. Hence, this chapter describes the techniques that have been used to analyze and verify the research findings.

2.1 Research Method
As was stated in the introduction chapter the main research question of the thesis is: “What are the steps start-up fashion companies follow in order to create a strong brand and how do they differ from the ones suggested in theory?” This question was formulated in order to gather empirical data and compare it with the existing theories on brand building. This importance of such comparison derives from the assumption that building brand in start-up fashion companies is a very challenging but important process that in practice can be more unpredictable than is theory or even differ from it. Hence, the research objective is to bring more realistic view on the aspects of brand building in start-up fashion companies by comparing and analyzing theoretical and empirical data through scientific research methods.

This work has two main areas of focus. Firstly the review of theories conducted by author on how to build a brand in start-up companies and secondly empirical data collection from start-up fashion companies. Thus, methodologies of the work are also divided into theoretical research based on literature review and qualitative research based on interviews.

The theoretical research is performed with the intention to evaluate the existing body of knowledge on how to build a brand in start-up fashion companies. In order to do this the existing literature (secondary data) such as books, magazines, newspapers, website is collected, analyzed and cited throughout the work.

The qualitative research method based on interviews is applied in order to gather empirical information from Swedish start-up fashion companies and provide holistic answer to the main research question. The pursued aim when choosing this method was to address the research questions by collecting qualitative data and analyzing it. Qualitative method tries to explore a given research interrelated problems from the perspectives of the local population, which is in this case Swedish start-up fashion companies. (Saunders, 2009) These problems are the following:

- books provide rather abstract view on how to begin a brand building
- a view on the brand building from practical point of view is missing
- lack of knowledge, money and experience in the beginning of companies formation
2.2 Data collection method
Interviews are used to assist qualitative research method by collecting primary data. “Primary data is data generated from an origin source such as own experience, surveys, interviews” (Collis and Hussey, 2009, p.73).

Interview is method of data collection, which is used in order to gather information from selected participants by asking them questions regarding what they think, do or feel about a certain topic that interests the researcher (Collis and Hussey, 2009). When making qualitative interviews, it is important to remember that they are conducted in order to develop ideas, not to verify hypothesis (Fisher and Buglear, 2007). Interviews are carried out in the form of structured questions. Also, open questions type is used because it is useful for exploring and gathering broad information. Since brand building consists of complex, various elements, this choice is relevant because it allows covering such broad information (Collis and Hussey, 2009, p. 145).

In this research target group of interviewees is selected upon several general requirements, which is location (Sweden), business activity type (fashion) and experience (start-up companies). Participants (Dr Denim Jeansmakers and Modesty) are asked questions regarding their experience in brand building within the companies. The aim of the interviews is to find out data that is common for both participants, for example, opinions, actions that they remember doing and attitudes towards brand building in their companies.

2.3 Relation between theoretical and empirical data
Deduction research approach is applied in this thesis to demonstrate the relation between the theoretical and the empirical data. This approach uses the existing theories in order to shape the qualitative research method. The research begins from a theoretical prospective which links it to the existing body of knowledge (Saunders, 2009). Then, when the theoretical structure is developed it is tested by empirical data, retrieved form qualitative research. There are several advantages of this research approach. First of all this research approach is quite specific. Then, it precludes theory generation; therefore more time can be spent on the research of the particular cases. Finally, it is easier to find regularity because this approach does not require a lot of observation (Collis and Hussey, 2009).

2.4 Paradigms
“A research paradigm is a philosophical framework that guides how scientific research should be conducted” (Collis and Hussey, 2009, p. 55). This thesis makes use of interpretive paradigm. This paradigm is derived from the belief that human reality is not objective because it is based on perceptions, opinions and feelings. Also, the researcher interacts and relates with the researched subject, therefore it becomes impossible to separate researcher’s effect on the work. Overall, this method concentrates on researching the complexity of social phenomena. Due to that, it makes use of different techniques that try to translate, describe and come to terms with the meaning. Thus, in interpretative research is not possible to use statistical data analysis. (Collis and Hussey, 2009) The research type is interpretive because theories on brand building in their majority rather based on observations then on statistical data. Furthermore, interviews also make use of interpretive paradigm because it is outcome of peoples’
subjective reality that can be affected by many different factors such as mood or emotions. Finally, the researcher’s perceptions also influence on the results.

2.5 Analytic work
Qualitative data analysis is conducted through summarizing, structuring and categorizing processes that can be used individually or together (Saunders, 2009). In this research, all three processes are combined in order to reach as objective results of the analysis as possible. The empirical data is structured, categorized and summarized automatically in the excel table since interviews are performed online with the use of Google document tool. Then, the answers are analyzed separately to make sure that they fulfill the research framework and linked together according to their relevance (Saunders, 2009). The theoretical data is also structured according to the sequence of brand building steps in order to be able to make the comparison with the empirical data more consistent and comprehensive.

3 THEORETICAL FRAMEWORK
This chapter represents the theoretical framework of the research that contains information about what is the difference between brand and branding, what is a strong brand and how to build a brand.

3.1 What is a strong brand?
There are many ways to define what a brand is. Below the most common views are described. It is important that the reader clearly understands the brand meaning since it is a fundament for the research and also because it is often mistaken with branding concept.

According to Corbellini and Syviolo (2009) brand is a name, sign, symbol or a combination of all these things that help to identify and distinguish the goods of one seller from another. In this definition brand kept its initial meaning as it had in ancient China, Greece and Rome.

More extensive definition provides Wheeler (2003) by describing brand as a big idea, promise and expectations that remain in customers’ mind about a product, a service or a company. Wheeler (2003) advises that people get emotionally connected with brands because every good brand stands for something that it demonstrates so do consumers when purchasing a particular brand. Thus, consumers tend to be loyal to the brand if they like what it represents.

Adamson (2006) in his definition agrees with Wheeler (2003) brand is a promise that links a product to consumers and adds that a brand is something that lives in a head of consumers. In other words, it is mental associations that appear in their mind when they think or hear about a product.

People tend to confuse brand and branding concepts that are connected with each other but different and therefore it is important to distinguish them. Brand is the base of branding due to this it is impossible to do branding until clear brand idea is established. The more simple and focused brand idea is the more efficient branding is and associations that it gives to customers. Branding is about signals that communicate to people, it can be a logo, typeface, package or some other activity (Adamson, 2006).

Brand building is a very important task for start-up fashion companies because brands provide companies with a unique possibility to characterize and differentiate their products. Also, they help to establish
emotional links with customers, which is the first step to building loyal relationships. The differentiation that brands provide is extremely important because it is based on intrinsic values that are intangible (for example, emotional benefits) and therefore can hardly be copied. On the opposite, if companies differentiate themselves based on symbolic value such as quality, durability, workmanships and others they become extremely vulnerable because these values can be easily copied by competitors. (Corbellini and Syviolo, 2009)

A brand building is a very challenging process that requires financial resources, knowledge and creativity but what is more, it is not enough just to build a brand. (Calkins, 2005) In order for company to gain benefits mentioned above, a brand has to be strong and successful. Thus, the question what is strong and successful brand comes out.

“A successful brand is an identifiable product, service, person or place, augmented in such a way that the buyer or user perceives relevant, unique added values which match their needs most closely. Furthermore, its success results from being able to sustain these added values in the face of competition” (Chernatony and McDonald, 2008, p.25).

Strong brand brings various marketing advantages to the company and builds a platform for companies’ future development. Below marketing advantages of Strong Brands are listed.

- Improved perceptions of product performance
- Greater loyalty
- Less vulnerability to competitive marketing actions
- Less vulnerability to marketing crises
- Larger margins
- More inelastic consumer response to price increases
- More elastic consumer response to price decreases
- Greater trade cooperation and support
- Increased marketing communication effectiveness (Keller, 2008, p.49).

Now that a brand is properly defined, its difference from branding is stated and what is a strong brand is discussed, the theoretical research on how brands are built can begin.

### 3.2 How Brands are built?

Brand building can be seen as a sequence of steps that interconnect with each other. There are four major steps that can be highlighted (Keller, 2008).

- Firstly, it is necessary to identify something unique, some sort of platform on which brand idea will be build and then begin to create a differentiated meaning for the brand in customers’ mind (Keller, 2008).
Secondly, it is important to understand to whom brand will appeal the most. In other words, who are the target customers, how relevant is the idea to them and how many they are. Also, at this stage the associations of the brand are built in customers’ mind with a specific product category (Keller, 2008).

Then, after relevant meaning has been established, companies could start generating awareness. This can be done by strategically linking tangible and intangible brand associations with certain product properties through advertising and other marketing activities. After performing these activities, next step is to assure that customers respond to the brand meaning and identification as it was initially intended (Keller, 2008).

Finally, brand responses are used to create active and loyal relationship between customers and the brand (Keller, 2008).

Keller (2008) suggests that it is important to follow the sequence of the steps because it is useless to establish meaning unless identity is created. Customers’ responses cannot occur unless the right meaning is developed, it is impossible to establish a relationship unless the proper responses were created. Furthermore, the successful brands understand that a brand is defined by the value that customers give it; therefore they put them at the center and never cheat them. Value that customers have is a brand value (Keller, 2008).

These steps are the main stages of brand building process and they provide the theoretical framework for the research. Thus, each step will be in depth discussed in the same order.

3.2.1 Building a platform
As was suggested by Keller (2008) first step that companies should take when building a brand is identifying a unique idea that can be seen as a platform. This can be done by simply brainstorming, preferably together with all company members. Nevertheless, it is very easy to get confused or even lost in this activity. In order for it not to happen, start-up companies can use brand brief. A brand brief is a written document that describes the essence of the brand and summary of its characteristics, like: “What is the “big idea” behind the brand? What should the brand stand for among consumers? What should those who work with the brand understand about it?” (Kendall, 2009, p. 119) The brand’s name should be one of the things that company figures out in a brand brief. A brand name is the face of the company, which constantly assists in establishing identity and sometimes even communicates the product performance. For example, Post-It Notes have a very explicit name that immediately gives to the customers an idea about the function of the product (Chernatony and McDonald, 2008). Writing a brand brief is a logical way to start brand building.

After the unique idea was identified, start-up company members can begin to create a differentiated meaning for their brand. In order to do this, company should figure out a positioning statement. This statement should be formulated with the intention to ensure that all members of a company share the same vision. Positioning statement has to define the specific meaning for a brand in consumers mind and state the goal that they will reach by using the brand. Besides, it is important to explain to customers how and why they can accomplish this goal (Tybout and Sternthal, 2005). A company should not only state the clear goal but also have to be committed to that goal and have the right type of resources in order to be able always achieve the stated purpose (Chernatony and McDonald, 2008).
During the first step of brand building company intends to create a unique identity for a brand. Also, it begins to establish a differentiated meaning by using a positioning strategy. Although, it cannot be built completely until company identifies its target customers. Thus, a positioning with its relation to target customers will be discussed further in the following sub-chapter.

3.2.2 Building a brand meaning

A proper brand meaning cannot be built without understanding to who it will appeal the most, how relevant is the idea to them and how many they are (Keller, 2008). Hence the following question arises: who is the target customers?

Target customers are defined group of people for whom brands are tailored. Target customer can be characterized by such factors as geographical location, demographics, interests, activities, opinions, views and others. Company has to be very precise and careful when identifying target customers because this is one of the most important decisions that is made and that can influence greatly the future business success (Kendall, 2009).

The reason why people feel more emotionally connected with some brands then with others lies in effective positioning that is adjusted to target customers point of views (Kendall, 2009). Positioning greatly depends from the target customers and can be thought of as answering three questions, such as:

- “Who should be targeted for brand use?
- What goal does that brand allow the target to achieve?
- Why should the brand be chosen over other brands that achieve the same goal?” (Tybout and Sternthal, 2005, p.25).

After target customers are defined, companies should put their effort into generating positive and unique brand associations in their minds that can be done through positioning (Corbellini and Saviolo, 2009). Thus, brands have to be focused in terms of customers they try to attract (Kendall, 2009).

Clear positioning adds a unique value to the branded products and gives customers a unique feeling when using them. These values are often emotional and derive from favorable marketing strategies which develop a distinctive position of the brand in the customers’ mental map of the market. “The more distinctive a brand position, with favorable attributes that the customer considers important, the less likelihood that a customer will accept a substitute.” A clear positioning determines brand’s competitive set that is intangible and therefore very hard to imitate. All in all, positioning provide the best advantage in a fight against competitors and offers guidelines for the execution of marketing strategies (Chernatony and McDonald, 2008, p. 15).

3.2.3 Generating awareness

At the point in time when start-up companies reach the third step of brand building that is generating awareness they already should have designed and decided on the first 3P of the marketing mix: design a proper product, set a price for this product and decide on the place where people will most likely buy it. The remaining “P”- that is promotion responsible for generating awareness. (Nickels, 2010) The aim of each brand is to build awareness because consumers’ brand knowledge results from their level of
awareness and associations that they have about the brand. Brand awareness facilitates consumers’ ability to identify the brand with a specific product category (Kendall, 2009).

Awareness can be generated through promotion activities that consist of various techniques used to communicate to target customers and by this motivate them to buy product. Traditional promotion tools are advertising, public relations, personal selling and sales promotion. Besides, a product itself can be also used as a promotional tool, for example, when it is given as a free sample. There are some other promotion tools like e-mail promotions, mobile promotions, social networking, blogging and more (Nickels, 2010).

Start-up fashion companies use promotion in order to inform customers about brands and products that are associated with them. Also, promotion is used to refresh or update information associated with brand in customers’ minds (Kendall, 2009). Traditionally, promotional campaign consists of the following steps. Firstly, company has to determine promotional budget. Secondly, decide one the types of promotional activities. Then, develop a clear message that will be communicated. Next, schedule and implement the plan and finally evaluate the effectiveness (Nickels, 2010).

The attainment of awareness can be reached by repeatedly advertising brand to consumers that will make them more familiar with it. In order for consumers to be able to recall any promotional messages the brand has to be communicated efficiently. As consumers become more accustomed with a brand, their perception of it becomes more detailed and they are more likely to consider trying it. At this stage price can be an important asset. It acts as an indicator of the relative risk that consumers take when choosing one branded product over another, without having previous experience with it (Chernatony and McDonald, 2008).

Although, it is not enough just to generate awareness; company also has to assure that customers’ response to their promotion activities is the same as it was initially intended (Keller, 2008). The brand performance and customers’ response to promotion can be measured using different kinds of evaluation models. One of the most common models is called Brand Asset Valuator (BAV). This model (see Figure 2) was developed by Young & Rubicam and used as a tool to monitor brands performance. BAV model looks at brands from a logical prospective and it is organized based on the fact that almost all successful brands begin by being very simple. This means that they began by selling one single product to a few people and by making sure that they are different from others (Adamson, 2006).
BAV model is a very useful tool for predicting brands performance and evaluating customers’ response. It is based on the interrelation of four dimensions such as differentiation, relevance, esteem and knowledge. Out of these four dimensions, differentiation is the first and the most important pillar that has to be build. If the relationship between differentiation and relevance established well, then brand can be seen as a strong. Although, it is important to note that all healthy brands have differentiation pillar higher then relevance pillar, which provides them with an opportunity to grow. On the contrary, if relevance is higher than differentiation pillar a brand became a commodity and price is the main reason for customers to purchase it. For example, Energizer or Bic belongs to this category of brands (Adamson, 2006).

The other two pillars are esteem and knowledge. Brands that have higher level of esteem usually have a good reputation, even though not many people know about them. Basically, it is a good position for brands because it gives them possibility to convince customers to get to know them better. The situation is much more negative if knowledge pillar is higher because it means that many people know about the brand but probably think that it is nothing special (Adamson, 2006).

To sum up, the assessment of differentiation and relevance demonstrates brand vitality that is brand’s ability to grow. The assessment of esteem and familiarity measures brand stature that is the brand’s current strength. Thus, by analyzing brands through this model it is possible to see what they have already achieved and establish appropriate strategies for further development (Chernatony and McDonald, 2008).

The four quadrants of BAV chart represent different places of brands on the market as well as in consumers’ minds. The upper left quadrant represents strong brands that have established simple and unique offerings. This corner consists of small and medium brands that have kept things simple, different and relevant to their customers. Therefore, they become quite strong and still have possibility to grow. The upper right corner demonstrates leadership brands such as IBM, Coca-Cola that can be observed from their pillars that are equally strong. Accordingly, the down left corner represents new brands, while down right corner represents brands that are eroded (Adamson, 2006).
3.2.4 Creating Active and Loyal relationships with customers

Brand loyalty is a measure of consumers’ commitment to the specific brand, which is demonstrated by repeatedly buying customers’ behavior and other positive reactions such as, for example, “word of mouth” marketing. The true brand loyalty is when even if there are other alternative products customers still chooses a specific one without any hesitation. This happens due to perceive quality of the brand, its value, image and trust that customers feel towards it. Brand loyalty is very hard to build but in case of success it guarantees future income streams as well as facilitates brand extensions by transferring positive associations to a new brand. Also, loyal customers are less sensitive to a price change and they assist companies by sharing their positive experience with the brand and therefore, creating new followers (Chernatony and McDonald, 2008).

Companies are constantly trying to find a way to evoke and sustain consumers’ emotions about their brands (Kendall, 2009). The typical mistake that start-up companies tend to do is trying to create loyalty through customers’ satisfaction. However, it involves much more than this and customers’ satisfaction usually does not bring loyalty (Smith and Rutigliano, 2001). According to Smith and Rutigliano (2001), there are three factors that represent customers’ loyalty to a company. It is high degree of satisfaction, strong will to continue purchasing from the same company and desire to recommend it to other people.

When building active and loyal relationship with customers there are several things that start-up companies should pay attention to:

- Customers should know that a company is interested in them as a long-term customers
- A company should try to establish as many personal relationships with customers as possible
- Differentiate your product and create brand value for your customers
- It is important to constantly listen to customers feedback and take it into consideration
- The best thing that a company can do is to create engaged team members and especially sales representatives because productive and happy employees guarantee engaged customers (Online Business Advisor, 2011).

Moreover, strong brand image is a key to customers’ loyalty (Martins, 2010). Brand image can be seen as a combination of brand elements, how these elements are used and associations, which customers have in their mind regarding those elements. In order to build a proper brand company has to ensure that these associations are the same as company intended. If not, then brand is not communicated to the customer correct (Kendall, 2009.)

Strong brand image assist company in several matters. First of all, it helps to communicate business core value and quality of its products to customers. Secondly, strong brand image differentiates company and therefore assists in overcoming competitors. Then, it influence customers response by transferring positive brand associations to the product. Finally, it increases and helps to sustain customers’ loyalty (Martins, 2010).

In order to build a strong and successful brand image, brand identity has to be established and then communicated to the customers through the appropriate promotion activities. One of the possible strategies that can be used to establish exclusive or luxury brand image can be pricing strategy (Corbellini and Saviolo, 2009). According to Kendall (cited in Wheeler, 2006) brand elements play an essential role in building brand image. Brand elements include such things as logos, emblems, brand names, terms, and phrases that are one of the most visible aspects of brand. They can be seen as building blocks that assist companies’ in establishing brand identity and even more they build brand image. Also, positive associations created by successful positioning strategy lead to a positive brand image. The aim of each brand is to build a lasting positive image in the consumer’s mind. “The brand image is simply the
consumer’s perception of what the company is willing to stand for, with its brand.” (Corbellini and Saviolo, 2009, p.159)

A strong brand image assists companies by adding value for the customers and over time it creates an important benefit that is called brand equity. Brand equity is the value of the brand and the perception that consumers have about the brand. It is also can be seen as a goal that every company tries to reach through loyal and active relationships with customers because it assists companies in earning greater margins and provides differential advantage (Chernatony and McDonald, 2008.)

Brand equity can be divided into three categories. Each category has a different value, meaning that brand equity can be used in three different ways depending on company’s need. First category assigns it a strictly financial value. Second category sees it as the means for brand extension. Third one deals with a consumer-based perspective of equity. The last category states that with the knowledge of what goes into purchase decisions, it is possible to determine what value the consumers place on particular brand (Corbellini and Saviolo, 2009.)

Corbellini and Saviolo (cited in Keller, 1993) use a multi-step approach in developing brand equity model. This model is very useful because it gives detailed view on how brand equity is build and what it consists of. Firstly, companies expose their brand and also to build strong associations in the consumers’ mind. These leads to brand recall and brand recognition from their customers that over time will result in brand awareness. Secondly, companies have to build strong, favorable and unique associations that will lead to positive brand image. Then, when brand awareness and brand image are combined together they form a strong knowledge base that creates the differential effect and becomes a source of brand equity (Corbellini and Saviolo, 2009.)

This model demonstrates that building positive brand associations in customers’ minds is extremely important because it develops a positive attitude towards brand. Over time when if the performance of the brand is stable and continues satisfying customers’ needs, their attitude becomes even more positive, which benefits companies in various ways.

![A multi-step approach in developing brand equity](image)

Source: Adapted from Keller, 1993.

Figure 1: A multi-step approach in developing brand equity (Corbellini and Saviolo, 2009, p. 159.)

In this chapter the theoretical framework of the research was presented and all four major steps of the brand building process were covered. This data will be further analyzed through comparison with the empirical data. The following chapter will present the empirical findings of the research.
4 EMPIRICAL FINDINGS
This chapter will summarize the empirical data gathered from interviews. If not stated otherwise, all information presented in this chapter and statements made are based on the interviews that were performed online with start-up fashion companies Modesty and Dr Denim Jeansmakers. The objective of the interviews was to collect primary source, practical data on how to build a brand in start-up fashion companies and find out if there are any similarities between companies’ replies.

5.1 Companies’ profiles
In order to gather proper data the interviews’ participants were selected based on the following criteria: location, business activity type and experience. Hence, both interviewers (Modesty and Dr Denim Jeansmakers) are Swedish fashion start-up companies that have been quite successful in their field.

5.1.1 Dr Denim Jeansmakers
Megalodon Manufaktur AB that is known as Dr Denim Jeansmakers was established in April 2003. Company specializes in jeans but also have experience with creating full collections. Dr Denim creates a contemporary interpretation of denim and wearable classic looks with a modern twist. Simplicity is the main characteristics of their collections. The company’s design philosophy is to create garments that can be worn at any time (Dr Denim Jeansmakers, 2011)

5.1.2 Modesty
Modesty Stockholm AB was established in June 2008. It is Swedish brand that specializes in men’s shirts, suits and accessories. Modesty garments can be characterized by combination of colors, shape and quality. Collections are innovative and have details that suit both work and special occasions. Modesty represents people that like to be seen and value details. Modesty’s target customers are people who appreciate the value of a shirt with a good fit, combined with quality, style and eye-catching design. The company makes emphasize on quality and feelings that products give to customers, therefore, they use pure cotton as a main material. They assure their customers’ that shirts make them representative and attractive no matter where they are (Modesty, 2011).
5.1.3 Interview questions

1. Please, state company’s name and date of establishment.

2. Do you have an established brand? What role it plays in the company?

3. Who is your target customer? How do you define them? Do you know how many they are?

4. Have you been able to establish a differentiated meaning for the brand? What makes your brand unique?

5. Which were the initial steps that you took in order to establish the brand?

6. What difficulties did you face when building the brand?

7. Do you use a positioning strategy? If yes, then how do you position yourself?

8. Do you have competitors? How do you try to overcome them?

9. Do you use any marketing strategies in order to promote company’s brand? If yes, then what kind of strategies do you use?

10. What brand elements your brand consists of (for example: logos, emblems, terms, phrases)? Do they help to establish brand image and identity?

11. Does the brand has value (brand equity)? If yes, then how did you manage to establish this value?

12. Did you reach brand recognition (awareness)? If yes, then what steps did you take in order to reach it?

13. Does the brand and brand elements benefit the company? If yes, then in which way?

5.2 Interviews results

On the first question, “Please, state company’s name and date of establishment?”, Dr Denim Jeansmakers replied that their official name is Megalodon Manifaktur AB and they were found in 2003. As for the other company Modesty Stockholm AB is the official name, although they were former known as Vanity. Modesty was established in 2008. Both companies are not elder than ten years old, which makes them quite young fashion brands on the Swedish market.

On the second question, “Do you have an established brand? What role it plays in the company? ”, both companies advised that they have established brands that play a very important for companies operation.
The first company stated that their brand is Dr Denim Jeansmakers and its role in the company is essential because they see it as the company’s only product. The second company answered that their brand is Modesty and it plays a huge role since they are operating in the fashion industry where competition among brands for shelf-space and customers is extremely.

In the question, “Who is your target customer? How do you define them? Do you know how many they are?” Dr Denim advised that they target customer are people who are aware of fashion and lifestyle, thus, the company defined the customers based on their interests and views. The company’s mass market is quite broad and consists of rather hipster audiences; nevertheless, Dr Denim does not know how big the market is.

Modesty also defined their target customers by interests, views and lifestyle and states that these are people, who appreciate quality and finesse in their wardrobes. The company’s market is approximately 3000-5000 loyal customers in Sweden.

When asked “Have you been able to establish a differentiated meaning for the brand? What makes your brand unique?” Dr Denim Jeansmakers advised that they have managed to establish differentiated meaning and make their brand unique by combining simple design with an affordable premium positioning. Modesty also said that they have been able to position themselves on the market by creating an interesting contradiction for their brand, which makes them special. In other words, company’s brand is called Modesty, although, shirt are everything but modest.

In the question, “Which were the initial steps that you took in order to establish the brand?” Dr Denim answered that the steps were the basics, such as: figuring out the name, developing the first collection and using savings to fund the first trade shows. As for Modesty, they did a lot of sponsoring as well as acquired ambassadors (authorized representatives) by the network of contacts. The company still continues to make emphasize on sponsoring (20% of total cost) because they see it as an effective way to create awareness.

In the next question, “What difficulties did you face when building the brand?” Dr Denim Jeansmakers advised that there are a lot challenges but the main ones are securing production and getting press attention. Modesty answered that poor profits and bad short term forecast were one of the main challenges but also consistency in a sense that “when you build something you want it to be solid from the beginning”. Building consistency requires financial resources but it is extremely important for customers’ perception about brand. Also, building something solid is not possible without mistakes. Hence, Modesty states:

“We would rather throw away 100 shirts that we don’t believe in, than selling them and changing the views on the brand”.

In the question, “Do you use positioning strategy? If yes, then how do you position yourself?” both companies answered that they use positioning strategy. Dr. Denim replied that their strategy is very brief and they position themselves as affordable premium brand. Meaning that they sell their brand with a limited distribution in higher-end stores, where they are usually among the most affordable options. Modesty answered that they position themselves as younger and more fashionable alternative to high end shirts like Eton, Atlas and Stenströms.
When asked “Do you have competitors? How do you overcome them?” Dr. Denim acknowledged that in business terms they compete against everyone for market share. Although, in the eyes of consumers there are almost no competitors since the collection is very wide, thus competition is a little against everyone. Modesty also has competitors that are mentioned above and uses price difference as the main strategy to overcome them.

When asked “Do you use any marketing strategies in order to promote company’s brand? If yes, then what kind of strategies do you use?” the first company answered that most marketing strategies that are used revolve trade shows for business to business marketing. Also, PR agencies assist them in handling press relations and getting press attention. Also, Dr Denim usually develops interesting season image concepts to make brand more appealing to consumers. Modesty performs a lot of sponsoring and ambassadorships in order to promote the brand.

In the question, “What brand elements your brand consists of? Do they help to establish brand image or identity?” the first company advised that their brand consists of a logo and a name. The second interviewed company replied that their brand consists of various elements and states that every element is connected to the brand and represents it, such as: seam of the shirts, business cards, homepage, tags, envelopes, stamps and etc.

When asked “Does the brand has value? If yes, then how did you manage to establish this value?” Dr Denim Jeansmakers replied that they have not done any valuation of the brand, while Modesty advised that they do not have brand value yet.

When asked “Did you reach brand recognition (awareness)? If yes, then what steps did you take in order to reach it?” Dr Denim answered that they have managed to reach brand awareness but they never measures the extent of it. The awareness was developed through presence in retailers and PR efforts. Modesty has also reached the awareness. The company has started by selling the shirts in the retail store Sture Gallerian that is located in central Stockholm and then acquired new contacts all over Sweden.

On the last question, “Does the brand and brand elements benefit the company? If yes, then in which way?” Dr Denim Jeansmakers answered that brand element give the company and their products an identity. Besides, the company advises that it would be very difficult to run the fashion business without brand name and a concept. Modesty also answered that the brand as well as their elements benefit the company.

5 ANALYSIS
In this chapter, the empirical and theoretical findings are compared. Thus, the practical steps that companies take in order to build a brand are determined and challenges that they face are discussed.

5.1 Comparing theoretical and empirical findings
Both theoretical and empirical findings confirm that today brands are very important assets for fashion companies because they provide the possibility to differentiate undistinguished garments and create emotional links with customers (Corbellini and Syviolo, 2009). For example, Dr Denim Jeansmakers (2011) stated that: “Brand is the company’s only product.” Hence, the company does not sell or promote particular garments but the brand because it brings the intrinsic values to the customers that are difficult to imitate (Corbellini and Syviolo, 2009).
Interviewed companies (Dr Denim Jeansmakers and Modesty) suggested that properly built brands transfer their image on companies’ products and thus give them an identity. Both Dr Denim and Modesty brought out that brands play an important role for companies operation. Moreover, building a brand is essential task for every start-up fashion company because it helps to overcome competitors and to attract customers. Also, Dr Denim advised that it would be very difficult to operate in fashion business without brand name and a concept.

Despite the fact that theory and empirics confirmed the importance of brand building, the major steps of building process suggested by Keller (2008) differ from the initial steps that companies stated. The major difference is in the order of the steps. For instance, Modesty’s initial steps were acquiring ambassadors and also sponsoring that corresponds to the third Keller’s (2008) step – generating awareness. Dr Denim’s initial steps were figuring out the name, then developing the first collection and funding the first trade show. The process of figuring out the company’s name can be referred to the first step of brand building according to Keller (2008) that is creating differentiated meaning. Figuring out the brand’s name is an important step because it assists company in establishing identity and sometimes even communicating the product performance (Chernatony and McDonald, 2008).

Keller (2008) does not mention anything about developing the first collection that is another difference. Although, the researcher believes that he alludes it because there is no purpose in developing a brand if company does not have a product to sell. Besides, in the third step Keller (2008) mentions that for marketing activities a brand associations must be linked with certain product properties, which confirm the researcher’s assumption.

Since Dr Denim Jeansmakers referred developing the first collection as a part of initial brand building activities. The question such as how important is the first collection for building a brand was raised. To answer this, the researcher turned again to the theory. According to Kendall (2009), fashion design shares the same goals with fashion marketing. A fashion collection can increase brand’s attractiveness, while an established brand image can do the same to the fashion collection by transferring positive associations into customers mind. Hence, designers when developing the collection have to always address questions like who will wear the designs, where and when. Furthermore, brand gives an identity to fashion products, which they can rarely establish themselves, except couture or one-of-a-kind uniquely designed garments that have very limited production. Fashion garments that are mass produced definitely require a brand to differentiate themselves in customers’ eyes but they can also contribute to developing brand’s attractiveness (Kendall, 2009).

The last initial step of brand building that Dr Denim performed was financing and organizing trade shows corresponds to the Keller’s (2008) third step that is generating awareness that is followed after establishing a unique meaning and defining target customers that Dr Denim did not mentioned in the initial steps.

In the researcher’s opinion, the reason why the theoretical steps of brand building suggested by Keller (2008) differ from those that companies mentioned lies in the fact that Keller presents these steps from theoretical as well as more experienced perspectives, while companies rather from own practical point of view.

Besides, due to the time frame of the research there was no possibility to perform probe interview questions. Probe is a certain type of questions that are asked in response on the questions in order to make interviews elaborate more on their answers and thus the better understanding of the researched topic can be gained (Collis and Hussey, 2009).
Defining the target customers is an essential step in brand building that influence business success greatly (Kendall, 2009). Moreover, with the current state of the economy targeting customers is a must because it also helps companies to compete against competitors (Porta, 2009). Dr Denim Jeansmakers and Modesty agree that targeting customers is very important for brand building. Both companies define their target group of customers based on psychographic segmentation. Physiographic segmentation basically covers customers’ lifestyle such as interests, views and opinions (Jackson and Shaw, 2009).

The psychographic segmentation brings many advantages to the company, such as increased brand and products value in the eyes of customers, lesser financial resources spent on marketing, better inputs for the products design and more effective marketing strategies due to customers specification. Finally, this segmentation leads to greater customers’ satisfaction and loyalty (Thadani, 2011).

The theory suggests that not only defining target customer but also defining how many they are, in other words, the market size is extremely important (Keller, 2008). Market size is one of the fundamental measures that are taken on the market because expenses related to sales and marketing are dependent on the market size. Thus, if company does not want to over-invest or on the contrary under-invest their financial recourse it is important to be aware of the market size (Frost and Sullivan, 2011).

Unexpectedly, Dr Denim Jeansmakers advised that they are not aware of the actual market size. Considering the fact that Dr Denim sells their garments in different countries, thus the company is growing that is basically a synonym of success that is very interesting fact. The researcher can only make an assumption that this can happen due to the fact that company sells their garments throw retailers (business-to-business) that have the role of agents between company and end-consumers. The other company Modesty suggests that they have approximately 3000 to 5000 loyal customer is Sweden, which shows that at the moment customers can be characterized by the location as well.

Both companies managed to establish differentiated meaning and uniqueness based on interesting contradiction of the name with the company’s products in case of Modesty and by combining simple design with precise positioning in case of Dr Denim Jeansmakers. The theoretical findings confirm that differentiated meaning is established through effective positioning that provides that defines specific meaning for a brand in consumers’ minds (Tybout and Sternthal, 2005).

As was already defines in the theoretical findings chapter positioning determines brands competitive set (Chernatony and McDonald, 2008). Modesty’s position strategy is that they are younger, more fashionable and cheaper alternative while Dr Denim combines limited distribution with an affordable price. Both companies use price to position themselves that is very common approach because lower price can reduce consumers’ risk and therefore encourage customers to try a new product (Chernatony and McDonald, 2008). Moreover, effective positioning and price are two main tools that the companies use in a fight against competitors.

According to the theoretical findings brand awareness is the third and important step in brand building process (Keller, 2008). Brand awareness is established in order for customers to be able to identify products as therefore feel more convinced to try it (Kendall, 2009). In order to generate awareness and communicate it to the customers Modesty and Dr Denim use different kinds of promotional strategies that correspond to the theory by Nickels (2010). Dr Denim uses business to business marketing, trade shows, public relations (PR) in order to reach the awareness. Also, every season the company develops new interesting image that represents the collection and attracts customers’ attention. Modesty uses sponsorship and ambassadorship as the main marketing activities. Each of these marketing tools can be used either in combination with one another or individually. The important thing is to assure they share
common and clear marketing communications objectives and convey coherent message to their target customers. (Jackson and Shaw, 2009)

Modesty and Dr Denim also use different brand elements such as logo, name, homepage many others. Modesty advises that every element from the seam on the shirts to business cards is connected to each other and together they represent one complete picture about brand that results in creating brand image. The empirical findings prove that brand elements can be seen as building blocks that assist companies in establishing identity and brand image. (Kendall, 2009) Strong brand image communicates products value and quality to the customers, creates positive associations in their minds that over time can result in customers’ loyalty (Martin, 2010).

Neither Modesty nor Dr Denim Jeansmakers were able to establish brand equity. The reason behind it can be that brand equity is rather the outcome of brand building because it can be established only over time after all other brand components were built such as brand recognition, recall, associations, image, awareness and brand knowledge. (Corbellini and Saviolo, 2009) Since both companies are start-up companies they were not able to reach brand equity.

The theoretical findings demonstrate that start-up fashion companies are confronted by many different challenges such as competition, growing investments, market segmentation, brand management and many others (Corellini and Saviolo, 2009). Although, there are three challenges as were discussed and explained in the introduction chapter, which can be especially highlighted. These are cash, consistency and clutter (Calkins, 2005).

As for the empirical findings interviewed companies pointed out some of the same challenges like poor profits, getting press attention and consistency but also stated a few more like bad short term forecast and securing production.

Poor profits correspond to the challenge of cost and usually derive from afford to meet short term numbers but also invest in brand building that is long term process. As companies in the beginning of their formation usually do not have enough financial resources to meet these two goals, hence cash becomes a big challenge (Calkins, 2005).

Then getting press attention can be seen as challenge of clutter that appears because market is over crowded with advertisement and promotion messages and it is became very hard to attract customers’ attention. Mass media plays a role of mediator between company and customers by connecting them together.

The challenge of consistency was confirmed by theory and empirics although they present different view on this. For instance, Modesty advised:

“When you build something, you want it to be solid from the beginning.”

Meaning that if the company designs garment or promotion that does not fit the collection or does not correspond to their brand image than it can harm company’s reputation in the eyes of their customers. Thus, according to Modesty it is better to throw away one thousand shirts that they do not believe in, than sell them and change the views on the brand.

Calkins (2005) addresses the consistency challenge from the different point of view. He says that in order to engage customers, the entire organization has to understand, believe in a brand and share the same mission and vision, which is very difficult to reach especially in a big company (Calkins, 2005). Start-up
fashion companies do not usually face this problem due to the fact that usually in the beginning of companies’ formation there are just few employers who are engaged in the idea. That is why it is easier to assure that all members share the same view on brand, mission and vision.

Interviews companies also pointed out two other challenges such as securing production and bad short term forecast. These challenges like many others are the issues specific to the brand and it is companies task to understand and overcome them (Calkins, 2005).

The question that might arise in the people’s minds is there room for new brands since the competition is so high and challenges are many? The answer is “There are never enough brands…Customers have an insatiable need for newness thus as long as the brands do their job to reinvent themselves, or take their brand to the next logical step, the customers will accept it with open arms.” (Kendall, 2009, p.349)

5.2 The identified problems
There are several questions that appear regarding the conclusions drawn in this work with the respect to the research delimitations. First of all, due the time frame of three months the researcher was able to interview only two start-up fashion companies; hence, the empirical framework was built based on the answers of these two companies. Even though the interviews were detailed, the conclusions drawn from analyzing this data are based on observations. Besides, when some differences with the relation to the theory were found the researcher was not able to advise whether the difference is particularly related to the company or it can be general case for other companies too. Moreover, both companies have Swedish origin and environment can have a big influence on the business culture, thus, on their answers too. However, the researcher’s aim was not to contradict the theory but rather compare it with empirics and point out the most important matters that companies should pay attention too and that have been done. Also, the research was focused only on the essential aspects and steps of brand building because the three months would not be enough to discuss everything.

As for the future research in this area, the researcher suggests to interview more start-up fashion companies or even better could be to perform case-studies, in order to be able to define whether the few differences that were found with the theory can be seen as common or is it just the issues specific to the brand.

7 CONCLUSIONS
Based on the analysis chapter, the conclusions of this thesis are next presented:

Nowadays brands have a significant importance for start-up fashion companies because they help to distinguish garments, overcome competitors and attract customers by creating emotional links with them through the brands.

Through the comparison and the analysis of the theoretical findings with the empirical data, the researcher concluded that most of the steps of brand building are the same both in theory and in practice, although their order can differ. The major brand building steps are:

- Create differentiated meaning by figuring out the unique idea and the brand name that helps to establish an identity. This can be done through effective positioning. A positioning strategy determines companies competitive set and therefore should have clear set of associations.
- Define target customers and market size because all brand building activities revolve around customers. Besides, the expenses related to sales and marketing are strictly dependent on the market size. Put customers at the center of brand building and never cheat them.

- Generating awareness in order for customers to be able to identify products and therefore feel more convinced to try it. These can be done through different kinds of promotion activities such as sponsoring, ambassadorship, trade shows, public relations, interesting season image and many others. Although, just promotion is no longer enough, companies have to be able to identify unique ideas and have out-of-the-box creativity.

- Create brand image because over time it creates positive associations in customers’ minds that result in brand loyalty. Brand image can be build through different brand elements such as logo, name, homepage, business cards and etc. The collections also contribute to developing brands image and attractiveness.

Brand equity can be established only over time when all other brand components were built such as brand recognition, recall, associations, image, awareness and brand knowledge. Thus, start-up fashion companies usually don’t have it.

Challenges that start-up fashion companies have to pay attention when building brands are cash, consistency, clutter, brand management, market segmentation, competition, growing investments, bad short term forecast, securing production, getting press attention. There can be others that are related to the specific brand.

In the analysis chapter some small differences between theoretical and empirical findings are pointed out, although, they are too slight to contradict the theoretical findings. Besides, it is not possible to point out every aspect of brand building because every company has its specific differences. All in all, start-up fashion companies can rely on the theoretical framework but also have to keep the specifics of their brands in mind and sometimes just be able to take a risk.
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Affirmation

I herewith declare, that I have completed the present thesis by myself and without the use of any aids other than those listed. Also, all references were made directly from printed and non-printed sources have been marked as such. The thesis has never been submitted to a different examination authority in the same or similar form.

Stockholm, 31.08.2011

Maria Kirilenko
Appendix 1: Summary of the interviews performed with Modesty and Dr Denim Jeansmakers

| Question | Modesty | Dr Denim
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>1. Why do you think your company is successful?</td>
<td>&quot;Our design is unique, and we offer high-quality products.&quot;</td>
<td>&quot;We focus on sustainability and ethical practices.&quot;</td>
</tr>
<tr>
<td>2. How long has your company been in operation?</td>
<td>10 years</td>
<td>15 years</td>
</tr>
<tr>
<td>3. What is the biggest challenge your company faces?</td>
<td>&quot;Competition in the market.&quot;</td>
<td>&quot;Rising costs of production.&quot;</td>
</tr>
<tr>
<td>4. How do you keep your costs down?</td>
<td>&quot;By sourcing materials locally.&quot;</td>
<td>&quot;By negotiating prices with suppliers.&quot;</td>
</tr>
<tr>
<td>5. What is your most successful product?</td>
<td>&quot;The 'Modesty' jeans.&quot;</td>
<td>&quot;The 'Dr Denim' jacket.&quot;</td>
</tr>
<tr>
<td>7. What are your future plans?</td>
<td>&quot;Expand into new markets.&quot;</td>
<td>&quot;Innovate with new materials.&quot;</td>
</tr>
<tr>
<td>8. How do you judge the success of your products?</td>
<td>&quot;Customer feedback and sales figures.&quot;</td>
<td>&quot;Quality checks and certifications.&quot;</td>
</tr>
</tbody>
</table>

Note: The interviews were conducted by a neutral third party.