



# Development of a market study for the Portuguese swimwear brand Guadalupissima

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## I. ABSTRACT

Title: Development of a market study for the Portuguese swimwear brand Guadalupissima

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Guadalupissima is a Portuguese swimwear brand in its second year of operations. This paper aimed to provide three main insights for Guadalupissima: a better view of the Portuguese swimwear market and its consumers; insights into how Guadalupissima should invest its resources in social media marketing; and to discover what Guadalupissima's potential customers are looking for in their swimwear. A survey was conducted to achieve these insights. The survey received 90 responses and through the use of descriptive statistics and hypotheses testing, significant conclusions were made based on the sample used. The study found that: consumer gender does not significantly affect yearly spending on swimwear; time spent on social media does not significantly affect how often consumers purchase through integrated social media marketplaces; and respondents preferred to see swimwear products displayed under a more professional lens. In-depth research into the Portuguese swimwear market was undertaken in order to provide a useful competitor analysis for Guadalupissima to consult as well as an evaluation of Guadalupissima's accessible market in its next year of operations. Final recommendations were made for Guadalupissima to consider when formulating its business and marketing strategy within the context of the literature presented at the start of the paper.

Keywords: Swimwear, Social Media, Market Analysis, Descriptive Statistics, Portuguese Market, Strategic Groups, Social Segmentation Matrix

## II. RESUMO

Título: Desenvolvimento de um estudo de mercado para a empresa de biquínis Portuguesa Guadalupissima

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A Guadalupissima é uma marca portuguesa de biquínis a iniciar o seu segundo ano de operações. A presente tese teve como objetivo apresentar três pontos principais: aumentar o conhecimento do mercado de biquínis e fatos de banho Português; perceber em que elementos a Guadalupissima deve focar a sua estratégia de marketing em redes sociais; e descobrir que elementos procuram os potenciais consumidores da marca para os seus fatos de banho. Foi realizado um inquérito para obter estas informações. 90 respostas foram analisadas utilizando estatística descritiva e testes de hipóteses de maneira a chegar a conclusões relevantes. O estudo concluiu que: o sexo do consumidor não afeta a quantidade de dinheiro gasto em fatos de banho; o tempo gasto em redes sociais não afeta significativamente o comportamento do consumidor em relação a compras online através de mercados integrados em redes sociais; e 66% dos consumidores que responderam ao inquérito preferem ver produtos exibidos num caráter mais profissional. Foi realizado também um estudo de mercado aprofundado, com um foco nas principais empresas que virão a competir com a Guadalupissima, e também foi calculado o valor do mercado a que a Guadalupissima poderá ter acesso no seu próximo ano de operações. Recomendações finais foram feitas para a consideração da Guadalupissima nas suas estratégias de gestão e de marketing com base na literatura exposta no início da presente tese.

Palavras-Chave: Fatos de banho e biquínis, Redes Sociais, Análise de Mercado, Estatística Descritiva, Mercado Português, Grupos Estratégicos, Matriz de Segmentação Social

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# **1 Introduction**

## **1.1 Topic Overview**

The topic of this thesis aims to find recommendations to digital marketing practices to increase potential consumer engagement, whilst simultaneously working with a small-scale swimwear company – Guadalupissima – in an attempt to re-shape its brand image and marketing strategy to attract new customers in 2021.

Guadalupissima is the passion project of Guadalupe, the sole employee of her own swimwear company, which was founded in 2019 and at the time of writing this paper is preparing the 2021 collection with hopes to overcome the challenges set not only by the competitive Portuguese swimwear market but also by the ongoing global COVID-19 pandemic which has set large barriers in relation to outdoor activities (i.e. going to the beach).

In this thesis, the current landscape of the Portuguese swimwear industry will be analyzed in conjunction with the marketing strategies recommended and used by the author during the execution of the project with Guadalupissima.

## **1.2 Problem Statement**

Guadalupissima is a swimwear company that wasn't successful in its first year of operations due to various factors. The main concern of the entrepreneur is the company's marketing strategy as it has failed to grow its network and effectively create customer engagement. The company is operating on a very limited budget (Guadalupissima aims to invest €5000 in its collection for 2021 and anything over that is to be considered practically over budget) which creates a lot of restrictions for resource allocation to anything other than production and distribution (i.e. marketing).

The author's goal is to exploit organic marketing strategies and create attention for the brand by using very little monetary resources as well as their own professional network and resources. To sum up the situation, Guadalupissima is a struggling company with very limited resources. A tight situation that the author believes can be turned around with organic marketing and quality content produced on a budget.

### **1.3 Research Questions**

#### **1.3.1 How can the Portuguese Swimwear Market be characterized?**

Who are the main players? How do they position themselves in the market? What differentiates them from the rest? Do gender differences affect consumer spending? The author will attempt to answer these questions as well as bring tangible numbers onto the table regarding the market (ex: TAM, SAM, SOM analysis).

#### **1.3.2 Do integrated marketplaces like Instagram's incentivize more consumption than a traditional website?**

Named "Instagram Checkout" and implemented in 2019, this feature allows companies and brands to sell their products without leaving the platform. Do consumers who spend more time on social media display more time and money spent on swimwear products? This paper aims to answer these questions.

#### **1.3.3 How can Guadalupissima's target market be characterized and what attributes are customers looking for in their swimsuits?**

The primary research pursued in this paper aims to better define Guadalupissima's target market through the use of a survey and regression analysis. The author hopes to find what customers are looking for in their swimwear. Additionally, this paper will dive into what type of product displays do consumers prefer to see on social media in an attempt to allow Guadalupissima to specialize their strategy and save resources.

## 1.4 Structure

This thesis is structured in six chapters.

The **first chapter**, the introduction, aims to provide a broad view of the problem at hand, outlining the situation and relationship between the author and the company in question, Guadalupissima. It also sets up the research questions that will be discussed throughout the paper and the reason why these questions are being asked in the first place. The **second chapter** relates to the literature review. It will contain an in-depth analysis of the marketing strategies used in the project as well as research into topics concerning consumer psychology and social network engagement. **Chapter three** explains the methodology used when applying the research gathered for this paper, disclosing what type of statistical analysis was made and to why it was made that way.

**Chapter four** will provide context, not only concerning Guadalupissima's mission and vision, but also concerning Portugal's swimwear industry by analyzing the main players (competitor analysis), strategic groups, and the environment (industry analysis) in which Guadalupissima will attempt to achieve a positive fit.

**Chapter five** will go over the results obtained from the survey distributed online, disclosing the findings in detail. It will also discuss these results and test previous associations made by the author concerning consumer behavior. Finally, the research question proposed in chapter one will be answered.

**Chapter six** concerns the conclusions made from the research performed over the course of this dissertation, as well as final recommendations made for Guadalupissima, as well as for the industry as a whole. Along with the recommendations come the limitation felt by the author in writing this dissertation, to be taken into account by those performing future research on the subject.

## 2 Literature Review

In this section, the different theoretical frameworks applied in this thesis will be analyzed in order to justify their use within the thesis' context. The tools to perform a thorough industry analysis and build a coherent and effective marketing strategy will be laid out in this chapter with a final analysis of the in-and-outs of inbound marketing in an attempt to better illustrate the perspective through which the author is talking about the problem at hand.

### 2.1 Analyzing an Industry

In order to analyze an industry more than one framework is available at one's disposal:

#### - Porter's 5 Forces

The state of competition in an industry depends on five basic forces, which are diagrammed in Figure 1 (Porter,1980):

*Figure 1 - Forces Driving Industry Competition*



*Source: Porter (1980). Competitive Strategy: Techniques for Analysing Industries and Competitors.*

- Industry Rivalry

The rivalry/competitiveness of an industry can be measured at a glance by analyzing the number of participants and their respective market shares. The factors listed below all affect how hard competitors have to fight to gain and keep their position within an industry. Other factors that come from government intervention also affect an industry (i.e. government restrictions, labor unions, high exit costs, etc.).

- Bargaining Power of Suppliers

The number of or atomicity of suppliers within the industry plays an important part. If there is a small number of suppliers, they will enjoy a higher bargaining power. This can be a major obstacle for small businesses who may be unable to handle the effect this applies to the quality and price of the final product.

- Bargaining Power of Buyers

When consumers (the buyers) enjoy market power, they hold a position that is able to negotiate higher value for the same or even lower price. The lesser buyers the more power they hold over the competing suppliers.

- Threat of New Entrants

This factor measures how easily new firms can enter the existing market. Increased ease of entry translates into a larger risk of new competitors, which decreases individual market share and forces companies to focus on innovating to avoid staying behind new competitors. When the threat of new entrants is low, not only do companies face a constant set of competitors, but whoever holds the competitive advantage holds a more comfortable position knowing the competitive landscape is unlikely to change drastically.

- Threat of Substitute Goods/Services

Industries are always competing within themselves but also with tangent industries that are producing similar products that are able to substitute others and will take away demand if these substitutes either provide the same function/quality at a lower price point, or if said product has the same prices but with increased value (better quality or added utility).

- **SWOT Analysis** (Gurel, 2017)

Strengths, Weaknesses, Opportunities, and Threats: these are the defining internal and external factors affecting a business within an industry. Most studies show the use of the SWOT analysis as a tool for individual companies, for comparing two companies, and for assessing various companies, but not as a tool to analyze a whole industry.

- Strengths

Internal characteristics of a business which give it an advantage over its competitors.

- Weaknesses

Internal factors that make said business hold a disadvantage relative to its competitors.

- Opportunities

External environmental elements that can allow the company to formulate strategies in order to profit off said opportunities.

- Threats

External elements that could threaten the profitability and integrity of the business in question.

Figure 2 - SWOT Analysis

Company	STRENGTHS	WEAKNESSES
Industry	OPPORTUNITIES	THREATS

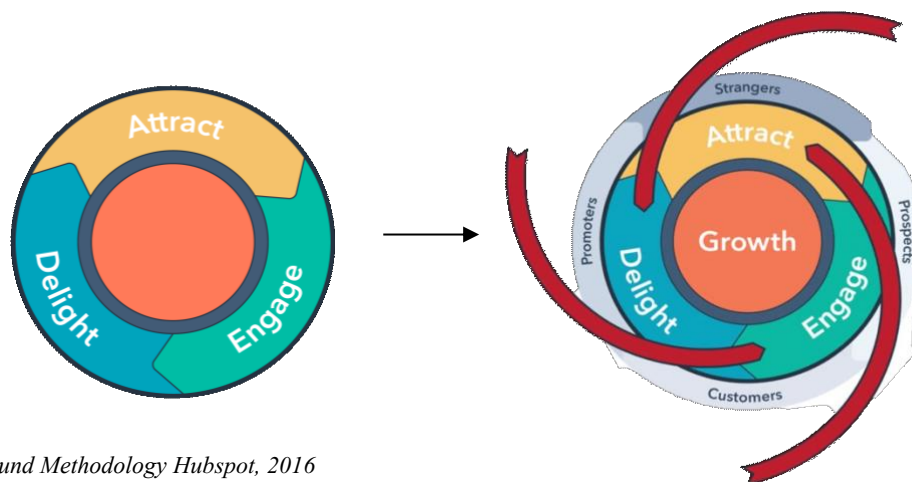
Source: SWOT Analysis, a theoretical review. Gurel, (2017)

## 2.2 Inbound Marketing

The competitive landscape has, over the decades, evolved from a mainly physical marketplace to what is now a majorly online marketplace which has allowed for a growing number of developments, amongst these are reduced information asymmetry and search costs for buyers, as well greater virtual proximity between buyer and seller. “With the rise of a network economy, customers are part of an extended enterprise and co-producers of the firm’s marketing. Enterprises need to learn not to fear it but embrace it as a healthy part of a highly networked market economy (Lusch & Vargo, 2009).

The Inbound Marketing Flywheel works along the following framework:

Figure 3 - Diagram explaining the Inbound Marketing Flywheel Strategy



Source: *The Inbound Methodology* Hubspot, 2016

The inbound methodology is a method of growing a company and brand by building meaningful, lasting relationships with consumers, prospects, and customers (Hubspot, 2016). The strategy focuses around valuing your customers and giving them the tools to solve any issue and reach any goal in the journey with your brand. In the flywheel, there are three major “momentum-builders” of inbound marketing:

- Attract

All about drawing in the right people with content that is worth their time. The goal is to establish the brand as more of a trusted advisor the customer can engage with than a corporate entity that is only there to sell their products. Essentially transforming “strangers” into “prospects”.

The first step is reaching an audience. This requires creating and publishing content that provides value to the product, ex: Blog articles explaining how to use the product, customer testimonials on social media, details about promotions or discounts, information detailing what challenges the company is solving and how (and why).

In order to successfully attract customers in today's competitive landscape, companies must venture into and develop an SEO<sup>1</sup> Strategy. A well-known concept in the marketing world, this strategy involves constructing your content in a way "that users are guided to it online because it is easily found by search engines" (Cushman, 2018). It requires targeted keywords, phrases, and expressions related to a company's products or services that allow content to organically appear at the front of the SERP<sup>2</sup> for people who are actively looking for related information – the target audience.

- Engage

To engage an audience using inbound strategies, the form of communication with the target customer should be made in a way that sets up the foundation for a long-term relationship with the company whilst injecting information about the value of the business into the interaction. Transforming "prospects" into "customers".

Specific strategies for engaging your audience (Hubspot, 2016) are, for example: email marketing, lead management and conversational bots. An even better chance to engage with customers is making sure to handle inbound sales calls from interested consumers. All deals should end in mutually beneficial agreements between the customer and the business.

Prospect and customer information should be applied in personalizing the user experience when visiting the company's website and social media (and other outlets).

- Delight

Finally, the delight inbound strategy ensures "customers are happy, satisfied, and supported long after they make a purchase." (Hubspot, 2016)

Those within the company responsible for customer interactions are charged with becoming advisors and experts on the solutions offered by the product and must be able to assist customers whenever they need it.

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<sup>1</sup> Search Engine Optimization

<sup>2</sup> Search Engine Results Page

This last point is where chatbots<sup>3</sup> come in handy. Bots are a great way to save time and money in customer interaction, although one must be careful when using bots: cheap software has been shown to make customers less inclined in complying with chat bots when they fail to meet their expectations (Adam et al., 2020). Making use of a company’s social media is also important when delighting customers. Creating a place for customers to provide feedback, ask question, and share their experiences on social media is important, but replying to these interactions is what shows a company’s followers that it cares. Delighted customers become brand ambassadors, which is what creates a lot of momentum within the inbound strategy and in turn brings in more customers. This last step converts “customers” into “promoters”. These promoters in turn bring in strangers and the cycle repeats itself, only with more momentum.

**2.3 Social Segmentation Matrix**

This matrix was born from research performed when studying how the evolution of social media has transformed corporate strategies, mainly in what relates to content curation online and how brands can and should use them to succeed. In their paper, they state “it is crucial for organizations to understand how different groups of users influence, receive, curate, and interact via social media. The greater the depth of this knowledge, the greater the effectiveness of content marketing strategies developed by the corporation.” (Kilgour et al., 2015)

The figure below illustrates four groups defined by the researchers, differentiated by two variables: the current level of brand relationship, and their level of involvement with the product or service category. For each of the different segments, different content and curation strategies must be properly developed, integrated, and implemented. The overall goal is to move customers from low levels of engagement to high levels of engagement.

Figure 4 - Social Segmentation Matrix

		Category Involvement	
		High	Low
Brand Relationship	Strong	Knowledgeable Advocates	Disinterested Supporters
	Weak	Interested Potentials	Disinterested Prospects

Source: *The Social Media Transformation Process*, Kilgour et al. (2015)

<sup>3</sup> Chatbots are artificial intelligence (AI) agents designed to communicate with humans and provide real-time customer service whilst saving money and time.

## 2.4 ‘Ideas, Objects, People’ Framework

Developed by the Smithsonian Institute, this framework focuses on the importance of considering pre-existing dispositions and experiences of visitors for audience-centered exhibits (Pekarik & Mogel, 2010). Having this aspect in mind allows one to prepare multiple points of entry for the visitor, and ultimately boils down to three different sections: ‘Ideas’, ‘Objects’, and ‘People’. Research has shown visitors are naturally drawn to one of these three elements, but the end goal to attract and engage them through one element, and then flip them onto another element. To be successful in doing this, one must make sure to incorporate different media types in their output. The author will later discuss how this format can be applied to this thesis’ context.

Figure 5 - Ideas, Object, People Framework

	<b>IDEAS</b>	<b>OBJECTS</b>	<b>PEOPLE</b>
<b>DESCRIPTION</b>	For visitors who connect to a subject through historic or scientific information (for those who enjoy reading facts and evidence).	For visitors who connect to the materiality of objects (for those who enjoy objects or exploring interactive features).	For visitors who connect to a subject through human stories (for those who want to learn about society).

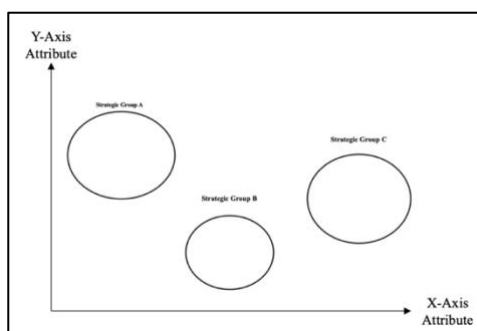
Source: “Ideas, Objects, or People? A Smithsonian Exhibition Team views visitor anew” (Pekarik & Mogul, 2010)

## 2.5 Strategic Groups

“A strategic group is a group of firms in an industry following a similar or identical strategy regarding relevant dimensions. An industry may have a single strategic group if all firms follow essentially the same strategy. At another extreme, each firm could be a different strategic group. However, there are usually a small number of strategic groups, summarizing the essential strategic differences among firms in an industry.” (Porter, 1980)

This is a very useful tool to visualize differences in strategic choice, since this analysis goes into 3 different degrees: how companies are behaving by themselves, how that behavior relates to the competitors within the industry as a whole, and more specifically how that relates to other companies within their strategic group.

Figure 6 - Strategic Groups



Source: Own Figure

### **3 Methodology**

To answer the questions asked by the author, primary and secondary research was conducted. In this chapter, the tools, research methods, and data sources used will be disclosed and expanded upon.

#### **3.1 Primary Data**

This thesis was developed within the scope of developing a marketing plan for Guadalupissima. As such, regular meetings were had with Guadalupe, the entrepreneur and founder in order to make sure research decisions were made in line with Guadalupissima's vision. Guadalupe disclosed the challenges faced by the brand to the author, as well as its ambitions and goals.

From the conversations with Guadalupe, it was concluded that there was an overall lack of knowledge of who was the brand's target market and how the consumers inserted within said market behaved. As such, the most appropriate research method in this context was a survey: Surveys are a cost-effective way to produce accurate information that reflects the views and experiences of a given population.

The survey was developed (with Qualtrics) with the purpose of better segmenting the market in which Guadalupissima is attempting to insert itself so that it can accurately position itself to its audience. From personal preferences regarding swimwear to purchasing tendencies and social media habits, the information was gathered in order to not only create a better picture of the market, but also a better picture of the consumers who inhabit said market.

The survey was distributed to respondents online, through multiple social platforms (WhatsApp, Facebook, and Instagram). Instagram and Facebook were chosen because of the presence of an integrated online marketplace in each of them. As part of the research in this paper seeks to determine what factors affect adhesion to online marketplaces, targeting respondents already present in these platforms contributes positively toward reducing non-response bias from respondents who have never had contact with these marketplaces. WhatsApp was chosen due to the fact that the average user of the platform is very similar to at least one of Guadalupissima's target segments: With a mean age of 24.2 years old, and an approximate gender ratio of 60/40 (male/female) (Montag et al., 2015) WhatsApp is primarily used by young adults who are very active on the platform: "About 20% of the smartphone behavior observed in the current study can be accounted for by WhatsApp usage." (Montag et al., 2015).

As a small brand focused on growing locally, the main interest was to survey a sample of consumers from the Lisbon area in order to more accurately deduce how consumers in the Lisbon region purchase swimwear and how their social media habits vary. The survey focused on questioning respondents residing (or having recently resided) in Portugal, but information from foreign respondents held value as well.

The primary analysis method used to study the data set was descriptive statistics supported by chi square tests to confirm the statistical significance of the null and/or alternative hypotheses. Due to the discreet nature of the variables used in the survey distributed to respondents, this was the clearest method to study the data set and achieve the desired type of results. The variables and data collected with the survey were used to answer RQ1 (research question 1), RQ 2 (research question 2) as well as RQ 3 (research question 3): “How can the Portuguese swimwear market be characterized?”, “Do integrated marketplaces like Instagram’s incentivize more consumption than traditional marketplaces?”, and “How can Guadalupissima’s target market be characterized and what attributes are customers looking for in their swimsuits”. This research also has the purpose of analyzing what characteristics consumers are looking for in their swimwear as well as what they like to see most in social campaigns.

In the first section of the survey, respondents were asked about how often they purchase swimwear, and whether they purchase it only for themselves or for others in their household (Ex: a parent purchasing swimwear for her children). They were also questioned on which attributes, like patterns used, fabric quality and durability, as well as what swimsuit styles (Classic, minimalistic, alternative, sexy, and others) were relevant to their purchase decision with the aim of narrowing down not only a creative direction for Guadalupissima to pursue, but also a general business and marketing strategy that could be employed in this venture.

The second section seeks to gather information on how respondents perceive media campaigns and, more specifically, what elements in said campaigns stand out and influence the purchase decision. Given Guadalupissima’s budget constraints, this section had the aim of allowing Guadalupissima to focus on a certain media campaign style and save resources to invest in other areas.

A third section of the survey pertained to social media habits. Respondents were asked to clarify how often and how much they used social media as well as what their preferred platform is, along with how often they purchase from integrated marketplaces on social media such as Instagram Marketplace. This section was developed in order to shed some light on how consumers interact with marketplaces integrated into social media platforms, and what factors

pull them in or away from purchasing more, as well as whether social media usage influences how much consumers spend on swimwear. This data will allow Guadalupissima to assess if investing in this area is worth the cost of time and capital.

### 3.2 Secondary Data

For secondary research, the author analyzed market data provided by the Bank of Portugal representing market values for the area in which Guadalupissima operates: Retail sale of adults’ clothing in specialized stores (CAE: 47711). Data shown encapsulates results from the years 2019 and 2018 which give a good perspective on how the market was behaving prior to the COVID-19 pandemic:

Figure 8 – Market data for 47711 – Retail Sale of adults’ clothing in specialized stores: YOY values for 2018 to 2019

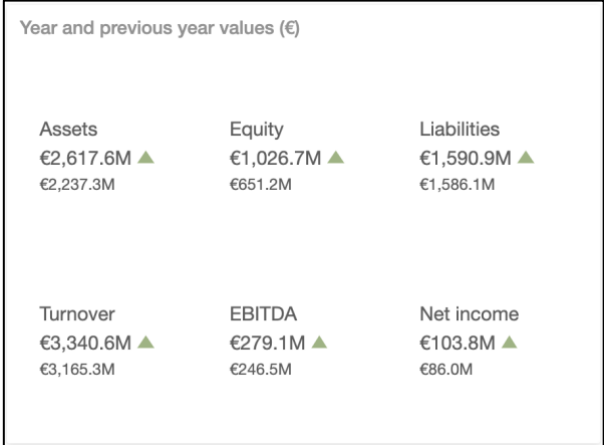
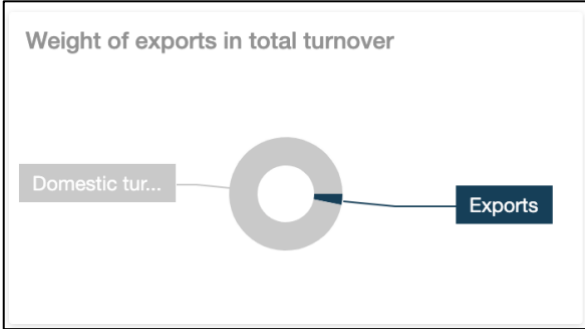


Figure 7 - Market data for 47711 – Retail Sale of adults’ clothing in specialized stores: Weight of Exports in total turnover



Source: Banco de Portugal – Market data for CAE Code 47711

According to the data, Net Income for this sector saw substantial YOY growth (≈ 20% increase), with a very small part of total turnover belonging to exports, signaling great potential for the domestic market. As a brand focused on growing locally, this is a great environment to allow Guadalupissima to grow.

## **4 Marketing Plan**

### **4.1 Venture**

Guadalupissima is an emerging Portuguese swimwear brand based on providing value to its customers through the quality of its fabrics whilst maintaining sustainability in mind by sourcing recycled materials for its products. Despite its international branding, Guadalupissima is a Portuguese brand at heart. All its products are made locally, and every pattern used tells a part of Portuguese culture.

### **4.2 Mission & Vision**

Speaking to the brand's founder, Guadalupe, there is a clear sense of what the brand aims to do – to educate foreigners and nationals about Portuguese history and culture whilst keeping sustainability and fashion at the forefront of its venture. Guadalupissima's mission is to create a concept that will “surprise national and foreign customers through products that unite Portugal's history, design, quality, and innovation”. It's vision is to make it so that one day foreigners and nationals alike will toward Guadalupissima to celebrate their love for Portugal and all of its history.

### **4.3 Market**

#### **4.3.1 Industry Analysis – The Portuguese Swimwear Market**

The Portuguese Swimwear Market offers a great variety of brands that have seen consistent growth in the past years. These brands differ in several factors: price, quality, sustainability, and availability. Until the last decade, the overall market was dominated by larger mass-market retail brands like Calzedonia or Tezenis. Fast-fashion oriented, these brands offered a large variety of products at affordable prices (prices ranging from 10€ to 70€). At the same time, consumers looking for different offers were made to seek them outside of Portugal, mainly Brazil. This gap shaped the current industry in Portugal: Young entrepreneurs saw this as an opportunity and this movement spawned a new generation of Portuguese-made brands that ranged from beach accessories (brands like “Vertty” and “Futah” have seen success in more niche markets with their towels) to men and women's swimwear. Small/Medium-sized brands (when compared to the mass-market brands mentioned above) like “DCK” (men's swimwear) and “Cantê” (women's swimwear) quickly flooded Portuguese beaches around 2011-2012.

Characterized by limited availability, “made in Portugal” tags, and higher prices (ranging from 90€ to 150€ per product), consumers were quickly drawn to these brands and they now reach dozens of thousands of units sold. Today, Cantê, VOKE, Type, and Latitid are household names for consumers looking for an upper-market offer.

#### **4.3.2 Competitor Analysis**

##### **a) Cantê Swimwear**

Started in 2011 by two architecture students, they were some of the first to notice there was space for a Portuguese brand in the market and to take initiative. The venture started with a five-thousand-euro investment and soon ramped up. By 2015, production had quadrupled, and to this day their stock keeps selling out year after year. (Observador, 2017). Cantê positions itself as a young, more romanticized swimwear brand, known by its feminine color pallets and patterns. To its followers, Cantê describes itself with the word “alma”, or “soul” which also sets the stage for their most recent ventures: a lingerie line and a kids’ swimwear line.

##### **b) VOKE Swimwear**

Founded in 2014, VOKE provides their consumers with an alternate style option, foregoing romantic patterns and colors schemes for a simpler, more modern look. Branded for the “wild spirited”, VOKE has also become a voice in favor of sustainability with their latest collection: all 16 pieces are made from recycled plastic recovered from the ocean. With items named “Do You Care?” and “Give a Damn”, VOKE manages to make a very direct appeal to their clients to support sustainability.

##### **c) Latitid**

Launched in 2013, Latitid is a project created by 3 partners who draw inspiration from the “many faces of womanhood” (Público, 2021). They worry about providing swimwear for any body, age ,and attitude. Just like their competitors, their most recent collection is made with recycled materials and on home soil. There’s a clear bet on sustainability and nationality.

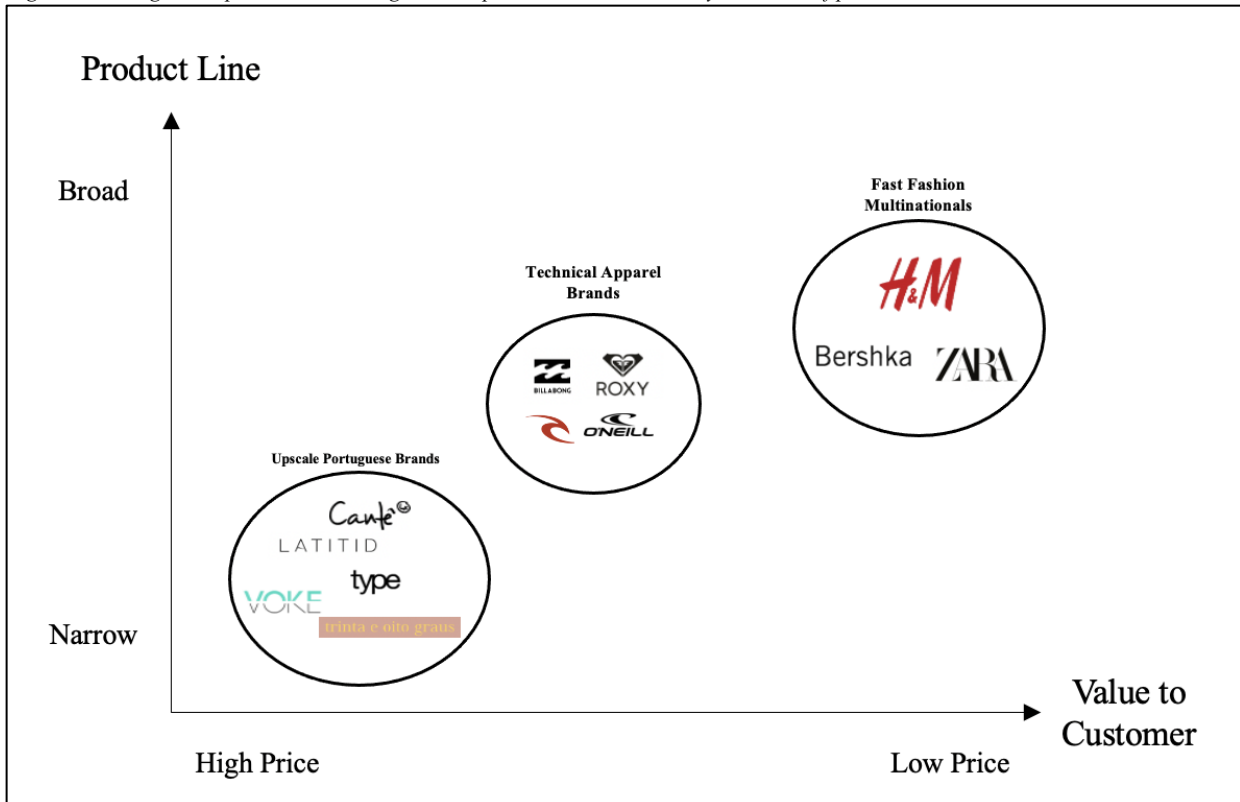
##### **d) Trinta e Oito Graus**

Created by a single founder (Marta Oliveira) in 2016, “trinta e oito graus” surged into the market with simpler prints and designs as a response to a market flooded with swimwear characterized by flowered accents like Cantê’s (NIT, 2017). Five years later, it’s become a staple in the Portuguese market, marketing the durability and alternative but simplistic designs to their customers, whilst maintaining a focus on sustainability as well.

### 4.3.3 Strategic Groups within the Portuguese Swimwear Industry

In order to provide a better overview of the competitors within the market, a broader selection of firms was analyzed and placed in strategic groups. With Porter's foundation in mind, we can proceed to define the industry through a collection of graphs displaying the different strategic groups and the brands present within them:

Figure 9 - Strategic Groups within the Portuguese Competitive Market, ordered by broadness of product line and value to consumer.



Source: Own Figure

The y-axis of the graph represents the broadness of a brand's product line. A product line being "a group of related products all marketed under a single brand name that is sold by the same company" (Twin, 2021).

Brands located within the Fast Fashion group (top right) offer broad product lines at low prices (prices range from €10 to €35 at "H&M", €10 to €25 at "Zara", and "Bershka" offers their lines from €10 to €35) and are able to hold large inventories to sustain the demand that comes with their mass-market approach.

The technical apparel brand strategic group formed by "Roxy", "O'Neil", "Billabong", and "Ripcurl" offers lightweight and stretchable clothes more directed at athletes with prices usually ranging from €20 to €90. Their other product lines include specialized surfing equipment, and they market themselves toward female athletes, which differentiates them from the other two strategic groups.

To the left of the graph is where a brand like Guadalupissima would meet the most intense competition, the Upscale Portuguese Brands offer higher priced items, with limited product lines and limited stock that is known to sell out in a short amount of time. “VOKE” and “LATITID” offer their products within the €90 to €130, the highest point when compared to the rest of their strategic group. Whilst others like “type”, and “trinta e oito graus” sell at around the €70 to €100 range. Finally, “Cantê” offers an opportunity to purchase exclusive pieces at lower prices, offering their cheapest items around the €40 mark, but still selling their most expensive pieces at €80.

As one can conclude, the Portuguese Swimwear Market is at a point of intense competition. There are low barriers to entry, which makes it hard for any given brand to hold a comfortable position in the market, which also forces companies within the market to sustain competitive prices within their respective strategic groups. This in turn keeps companies on their toes in what concerns innovation related to design and technology for their swimwear collections and marketing initiatives, which benefits the end consumer. There are many companies present within each strategic group, which, according to Porter’s 5 forces, also adds toward the level of industry rivalry and competition.

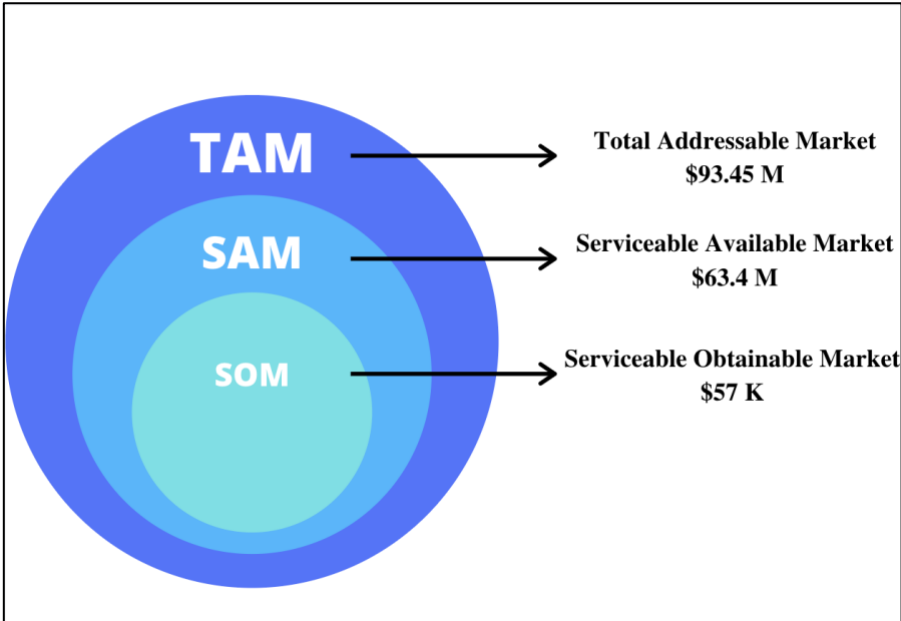
#### **4.3.4 Market Size Analysis (TAM, SAM, SOM)**

Due to the limitations regarding available data on the Portuguese Swimwear Market, a mix between a “top-down” and “bottom-up” approach (Hart, 2020) was used to calculate the market size for Guadalupissima.

The global apparel market was valued at \$758 billion in 2018 (*BusinessWire*, 2019). With the global swimwear market valued at \$18.9 billion (Grandview Research, 2019), the TAM (total addressable market) for swimwear represents about 2.5% of the TAM for apparel. Assuming this ratio doesn’t vary too much when considered for the Portuguese market, we can make some conclusions on the TAM, SAM, and SOM. Going back to Figure 7, the bank of Portugal disclosed total revenue of the Portuguese Apparel market to be \$3.738 billion. Applying the ratio calculated earlier, we can make an approximation of the total addressable market for swimwear by assuming it is 2.5% of the total Portuguese apparel market: \$93.45 million is the assumed total addressable market (TAM). To realistically assess Guadalupissima’s serviceable available market (SAM), we’ll be assuming the company’s sales will be focused in the Lisbon area, which accounts for 67.8% of national revenue relating (Banco de Portugal, 2019). With these assumptions, we can say Guadalupissima’s SAM is approximately \$63.4 million.

Finally, to calculate Guadalupissima’s serviceable obtainable market, we’ll once again refer to the Bank of Portugal’s data: In 2018, there were 4202 companies active in the apparel market. Once again applying the 2.5% ratio, this time to the number of companies, we can assume there are around 105 companies active within the swimwear market, and all of these represent potential competitors in Guadalupissima’s market. If we assumed every company had an equal share of the market, Guadalupissima’s market share would be around 0.9%. Unfortunately, being a small company just starting, we should assume a more realistic figure, at least to forecast the first year of operations. Assuming Guadalupissima can access 10% of that market share, we arrive to a value of 0.09%. Therefore, after many assumptions due to lack of statistical data available, we can estimate Guadalupissima’s SOM to be around \$57000 (0.09% \* \$63.4 million). If we consider a bottom-up approach, Guadalupissima’s median unit price is around \$100, assuming 600 units sold in the first year of operations, we would arrive to a value of \$60000. Considering these two values (\$57000 and \$60000) don’t differ wildly from each other, the analysis can be at least used as guide until more concrete data is available.

Figure 10 - Approximate TAM, SAM, SOM for Guadalupissima



Source: Own Figure

## 5 Survey Analysis

This section presents the results from the analysis of the survey data collected and a discussion of the results in relation to the literature reviewed. The study targeted a sample size of 100 participants; however, only 89 participants consented to participate in the study by responding to the online survey shared with them. Therefore, this study's response rate is 90%, which is good enough to represent the study population's fundamental characteristics. Research shows that a response rate of at least 80% is considered acceptable and suitable for survey studies (Fincham, 2008).

### 5.1 How can the survey respondents be characterized?

Descriptive statistics were performed to define consumers' characteristics in the Portuguese swimwear market based on the survey data collected.

Table 1: Age Category

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 18	1	1.1	1.1	1.1
	>60	1	1.1	1.1	2.2
	18-25	61	68.5	68.5	70.8
	26-30	14	15.7	15.7	86.5
	31-35	4	4.5	4.5	91.0
	36-50	1	1.1	1.1	92.1
	51-60	7	7.9	7.9	100.0
	Total	89	100.0	100.0	

According to our sample, most of the survey respondents, as indicated in Table 1 above, are aged between 18 and 30 years (84.2%).

Table 2: Gender Distribution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	57	64.0	64.0	64.0
	Male	29	32.6	32.6	96.6
	Non-binary / third gender	3	3.4	3.4	100.0
	Total	89	100.0	100.0	

Source: Results obtained from the Survey

The data from the survey is dominated by more female consumers (64%) than male consumers (32.6%), as indicated in table 2 above. This distribution closely agrees with the global consumption of swimwear clothing products compared in terms of gender. Females are the leading global consumers of swimwear products, a segment which represents 75% of the total global market (Businessscoot.com).

Table 3: Place of Customer/Participant origin

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Other: Africa	1	1.1	1.1	1.1
	Other: North/Central America	8	9.0	9.0	10.1
	Other: North/Central Europe	7	7.9	7.9	18.0
	Other: Oceania	2	2.2	2.2	20.2
	Portugal	71	79.8	79.8	100.0
	Total	89	100.0	100.0	

Source: Results obtained from the Survey

A majority of the swimwear consumers that responded to the survey are from Portugal (79.8%). The other consumers, as indicated in Table 3 above, are from North / Central America (9.0%), North/Central Europe (6.7%); Oceania (2.2%); and Africa (1%).

A crosstabulation (or contingency table) was performed to determine which genders spent the most and the least money on swimwear products.

Table 4: Crosstab- Gender vs. Money customers spend in a year on Swimwear

		How much money do you spend a year on swimwear?						Total	
		0-20€	100-150€	150€ +	20-40€	40-60€	60-100€		
What gender do you identify as?	Count	0	0	0	0	0	1	1	
	Expected Count	.1	.1	.2	.1	.2	.3	1.0	
	% within What gender do you identify as?	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	
	Female	Count	3	9	15	5	9	16	57
	Expected Count	6.3	7.0	10.1	7.6	10.1	15.8	57.0	
	% within What gender do you identify as?	5.3%	15.8%	26.3%	8.8%	15.8%	28.1%	100.0%	
	Male	Count	5	1	1	7	7	8	29
	Expected Count	3.2	3.5	5.2	3.9	5.2	8.1	29.0	
	% within What gender do you identify as?	17.2%	3.4%	3.4%	24.1%	24.1%	27.6%	100.0%	
Non-binary / third gender	Count	2	1	0	0	0	0	3	
Expected Count	.3	.4	.5	.4	.5	.8	3.0		
% within What gender do you identify as?	66.7%	33.3%	0.0%	0.0%	0.0%	0.0%	100.0%		
Total	Count	10	11	16	12	16	25	90	
Expected Count	10.0	11.0	16.0	12.0	16.0	25.0	90.0		
% within What gender do you identify as?	11.1%	12.2%	17.8%	13.3%	17.8%	27.8%	100.0%		

Source: Results obtained from the Survey

As indicated in Table 4 above, the preliminary results from the crosstab indicate a higher proportion of women (26.3%) spending 150€ and above on swimwear than males (3.4%). The proportion of males spending 20€ on swimwear a year (17.2%) is higher than the proportion of females (5.3%) spending the same amount of money on swimwear. The data indicates that females in the Portuguese swimwear market spend more on swimwear products than male consumers.

To test the accuracy of our observation, a chi-square test was performed to test whether there is a Significant difference in the amount spent on purchasing swimwear between males and females. The results of the Chi-square test are indicated in table 5 below.

Table 5: Chi-square test: Gender vs. money customers spend in a year on Swimwear

	Value	df	Asymptotic Significance (2-sided)	Monte Carlo Sig. (2-sided)		
				Significance	95% Confidence Interval	
				Lower Bound	Upper Bound	
Pearson Chi-Square	29.387 <sup>a</sup>	15	.004	.007 <sup>b</sup>	.005	
Likelihood Ratio	28.704	15	.018	.003 <sup>b</sup>	.002	
Fisher's Exact Test	26.847			.003 <sup>b</sup>	.002	
N of Valid Cases	90					

a. 15 cells (62.5%) have expected count less than 5. The minimum expected count is .11.  
b. Based on 10000 sampled tables with starting seed 2000000.

Source: Results obtained from the Survey

In this test, the null hypothesis (H0) is that there is no association between the gender of Portuguese swimwear customers and the amount spent on purchasing swimwear products. The

alternative hypothesis (H1) is that there is an association. Since the p-value =0.14 is more significant than 0.05, there is sufficient evidence not to reject the null hypothesis that the amount customers spend in purchasing swimwear products is independent of their gender. Using a 95% confidence interval, we can then say with 95% confidence that the difference between the amount spent in purchasing swimwear between male and female customers is between 5€ and 9€, which is significantly low.

## **5.2 Do integrated marketplaces like Instagram's incentivize more consumption than a traditional website?**

To answer this research question, there is a need to identify an association between the time participants spend on social media and how often they purchase products on social media; as well as the association between how often consumers purchase products on social media and how often they purchase new swimwear. By identifying the two associations, the study can establish whether or not the integrated market influences the consumption of more swimwear products when compared to traditional websites.

### **a) Testing the association between the time participants spend on social media and how often they purchase social media products.**

A chi-square test was implemented to test the association between the time participants spend on social media and how often they purchase social media products. A crosstabulation between the two variables was performed to test the chi-square test's assumptions and identify the proportion of one variable's independent category concerning the other variable categories. Table 6 below indicates the output from the crosstabulation between hours spent daily on social media and how often consumers purchase products through social media.

Table 6: Crosstab – Hours consumers spend on Social media and How often they purchase products through social media

		How often do you purchase products through social media? Ex: Instagram Marketplace				Total	
		Never	Once a month	2-3 times a month	4-6 times a month		
How many hours do you spend daily on social media (on average)?	Half an hour	Count	8	6	2	1	17
		Expected Count	8.9	5.5	1.7	.9	17.0
		% within How many hours do you spend daily on social media (on average)?	47.1%	35.3%	11.8%	5.9%	100.0%
	1-2 hours	Count	23	12	2	2	39
		Expected Count	20.4	12.6	3.9	2.2	39.0
		% within How many hours do you spend daily on social media (on average)?	59.0%	30.8%	5.1%	5.1%	100.0%
	3-5 hours	Count	16	11	5	2	34
		Expected Count	17.8	11.0	3.4	1.9	34.0
		% within How many hours do you spend daily on social media (on average)?	47.1%	32.4%	14.7%	5.9%	100.0%
Total	Count	47	29	9	5	90	
	Expected Count	47.0	29.0	9.0	5.0	90.0	
	% within How many hours do you spend daily on social media (on average)?	52.2%	32.2%	10.0%	5.6%	100.0%	

Source: Results obtained from the Survey

Looking at the table, three assumptions for the chi-square test were attained. The two variables used are categorical; each variable has two or more categories, and subjects in each group have no association. However, the assumption of at least 80% of the cells having an expected frequency of 5 was not achieved (lower than 5). Theoretically, if this assumption is not achieved, it is recommended that Fisher’s exact test be used instead of the Chi-square test. However, the calculation of Fisher’s exact test applies in a two-by-two crosstab. The alternative solution, in this case, is to recreate the categories for the cells affected. In this case, the categories for how often consumers purchase from social media will be transformed to have only three categories: never, once a month, and more than once a month. In this case, a new variable, ‘New\_purchase\_social\_media,’ was created with the three transformed categories.

A new cross tab was performed, as indicated in table 7 below.

Table 7: Hours spent daily on social media and New\_purchase\_social\_media

			New_purchase_social_media'			Total
			Never	Once a month	More than once a month	
How many hours do you spend daily on social media (on average)?	Half an hour	Count	8	6	3	17
		Expected Count	8.9	5.5	2.6	17.0
		% within How many hours do you spend daily on social media (on average)?	47.1%	35.3%	17.6%	100.0%
	1-2 hours	Count	23	12	4	39
		Expected Count	20.4	12.6	6.1	39.0
		% within How many hours do you spend daily on social media (on average)?	59.0%	30.8%	10.3%	100.0%
	3-5 hours	Count	16	11	7	34
		Expected Count	17.8	11.0	5.3	34.0
		% within How many hours do you spend daily on social media (on average)?	47.1%	32.4%	20.6%	100.0%
Total	Count	47	29	14	90	
	Expected Count	47.0	29.0	14.0	90.0	
	% within How many hours do you spend daily on social media (on average)?	52.2%	32.2%	15.6%	100.0%	

Source: Results obtained from the Survey

As indicated in Table 7 above, the assumption of at least 80% of the cells having an expected frequency of 5 is achieved from the crosstab. From the participants who spend half an hour daily on social media, 47.1% never purchased products on social media, 35.3% purchased once a month, while 17.6% purchased products more than once a month. Of the participants who spend between 1 and 2 hours daily on social media, 59% never purchased products on social media, 30.8% purchase once a month, while 10.3% purchased more than once in a month. Concerning participants who spend 3-5 hours daily on social media, 47.1% never purchased products on social media, 32.4% purchased once in a month, while 20.6% purchased more than once. Therefore, most consumers (52.2%) who spend time daily on social media platforms never purchase products on social media, while 32.2% and 15.6% purchase once a month and more than once a month, respectively. This suggests that there is somehow no or weak association between time spent on social media and the choice to purchase a product via social media. To confirm this, a chi-square test was run using the same variables, and the results are indicated in table 8 below.

Table 8: Chi-square test of association between hours consumers spend on social media and how often they purchase products through social media.

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	1.982 <sup>a</sup>	4	.739
Likelihood Ratio	2.020	4	.732
Linear-by-Linear Association	.190	1	.663
N of Valid Cases	90		

a. 1 cells (11.1%) have expected count less than 5. The minimum expected count is 2.64.

Source: Results obtained from the Survey

This is a chi-square statistic testing whether there is a difference in frequency of purchase on social media between those who spend half an hour, between 1-2 hours, and between 3-5 hours daily. To help test whether the difference between hours spent on social media and frequency of purchase on social media should be assumed, the Pearson chi-square test's significance level was considered. The null hypothesis is that there is no association between time spent on social media and the frequency of purchasing goods on social media. The alternative hypothesis is that there is an association. Since the p-value =0.739 is more significant than 0.05, there is sufficient evidence not to reject the null hypothesis that there is no association between the time participants spend on social media and how often they purchase social media products.

**b) Testing the association between how often consumers purchase products on social media and how often they purchase new swimwear**

A chi-square test was implemented to test the association between ‘how often consumers purchase products on social media and ‘how often they purchase new swimwear.’ A crosstabulation was first calculated to indicate each element's proportion distribution with the independent category and test the chi-square statistic's assumptions. The crosstabulation results are indicated in Table 9 below.

Table 9: Crosstabulation- How often consumers purchase products on social media vs. how often they purchase new swimwear

			How often do you purchase new swimwear			
			More than once a year	Once a year	Once every two years	Total
How often do you purchase products through social media?	Never	Count	10	21	15	46
		Expected Count	14.3	19.4	12.3	46.0
		% within How often do you purchase products through social media?	21.7%	45.7%	32.6%	100.0%
	Once a month	Count	10	10	7	27
		Expected Count	8.4	11.4	7.2	27.0
		% within How often do you purchase products through social media?	37.0%	37.0%	25.9%	100.0%
	More than once a month	Count	8	7	2	17
		Expected Count	5.3	7.2	4.5	17.0
		% within How often do you purchase products through social media?	47.1%	41.2%	11.8%	100.0%
Total	Count	28	38	24	90	
	Expected Count	28.0	38.0	24.0	90.0	
	% within How often do you purchase products through social media?	31.1%	42.2%	26.7%	100.0%	

Source: Results obtained from the Survey

In this test, all the assumptions for the Chi-square test are achieved. The proportion of participants (consumers) who never purchase through social media and purchase swimwear more than once a year is 21.7%. The proportion of consumers who never purchase products on social media and purchase new swimwear once a year is 45.7%. The proportion of consumers surveyed who never purchase through social media and purchase new swimwear once every two years is 32.6%. The proportion of consumers who purchase products once a month through social media and purchase new swimwear more than once a year is 37.0%. The proportion of consumers who purchase products once a month through social media and purchase new swimwear once a year is also 37.0%. The proportion of consumers who purchase products once a month through social media and purchase new swimwear once every two years is 25.9%. The proportion of Portuguese swimwear consumers who purchase products on social media more than once a month and purchase new swimwear more than once a year is 47.1%. The proportion of Portuguese swimwear consumers who purchase products on social media more than once a month and purchase new swimwear once a year is 41.2%. The proportion of Portuguese swimwear consumers who purchase products on social media more than once a month and purchase new swimwear once every two years is 11.8%. From the results, we can identify that a good proportion who never purchase products through social media have purchased

swimwear once a year. The results also reveal the proportion of those who purchased products through social media also frequently purchase swimwear.

The chi-square test results presented in Table 10 below were used to test the association between how often consumers purchase products through social media and how often they purchase new swimwear products.

Table 10: Chi-square test between how often consumers purchase products through social media, and often they purchase new swimwear products

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.328 <sup>a</sup>	4	.255
Likelihood Ratio	5.615	4	.230
Linear-by-Linear Association	4.834	1	.028
N of Valid Cases	90		
a. 1 cells (11.1%) have expected count less than 5. The minimum expected count is 4.53.			

Source: Results obtained from the Survey

To help test whether the difference between the frequency of purchase of products through social media and the frequency of purchase of new swimwear should be assumed, the Pearson chi-square test's significance level was considered. The null hypothesis is that there is no association between the frequency of purchase of goods on social media and the frequency of purchasing new swimwear. The alternative hypothesis is that there is an association. Since the p-value =0.255 is more significant than 0.05, there is sufficient evidence not to reject the null hypothesis that there is indeed no association between 'how often consumers purchase products on social media and 'how often they purchase new swimwear.' The study projected that there would be an association based on the fact that the crosstabulation results indicated larger proportions of consumers frequently purchasing new swimwear to have purchased products through social media, but the Chi-Square tests have shown this to not be true.

### 5.3 How can Guadalupissima’s target market be characterized, and what attributes are customers looking for in their swimsuits?

Guadalupissima’s target market can be characterized by most consumers spending more than an hour on social media and more than half (52%) having never purchased products over social media. To answer this research question, the study considered the frequency distribution of the participant's responses to the swimsuit elements they value most. The frequency distribution for all the elements is summarized in table 11 below.

Table 11: Please select which elements in a swimsuit you value the most

		Frequency	Percent	Valid Percent	Cumulative Percent
Quality of fabric	No	20	22.2	22.2	22.2
	Yes	70	77.8	77.8	100.0
	Total	90	100.0	100.0	
Good fit	No	30	33.3	33.3	33.3
	yes	60	66.7	66.7	100.0
	Total	90	100.0	100.0	
Durability	No	43	47.8	47.8	47.8
	yes	47	52.2	52.2	100.0
	Total	90	100.0	100.0	
Simple	no	53	58.9	58.9	58.9
	yes	37	41.1	41.1	100.0
	Total	90	100.0	100.0	
Patterns	No	64	71.1	71.1	71.1
	yes	26	28.9	28.9	100.0
	Total	90	100.0	100.0	
Vibrant colour	No	68	75.6	75.6	75.6
	Yes	22	24.4	24.4	100.0
	Total	90	100.0	100.0	
Classic	no	75	83.3	83.3	83.3
	yes	15	16.7	16.7	100.0
	Total	90	100.0	100.0	
Sexy	no	78	86.7	86.7	86.7
	yes	12	13.3	13.3	100.0
	Total	90	100.0	100.0	
Alternative	no	85	94.4	94.4	94.4
	yes	5	5.6	5.6	100.0
	Total	90	100.0	100.0	

Source: Results obtained from the Survey

As one can verify in Table 11 above, the fabric's quality was the most valuable attribute that consumers value in Portuguese swimsuits (77.8%). The order of preference on what consumers want in Portuguese swimsuit based on their response on what they value most includes quality of the fabric being the most valued, followed by good fit (66.7%), durability (52.2%), simple (41.1%), patterns (28.9%), vibrant color (34.4%), classic (16.6%), sexy (13.3%), and alternative (5.6%). Considering that some customers purchase swimwear online, the type of photo used in selling swimwear on social media or websites also matters. In the study, participants were given two images (Image A and Image B) to select one that would most likely make them purchase the product displayed. The primary rationale for studying the product picture attribute was to help understand consumers' choice to purchase a product when given two images of the product, one with a professional feel and the other with a more amateurish mood. A frequency distribution table below (table 12) was used to indicate participants' distribution based on the image selected.

Table 12: Which picture would make you most likely to purchase the product displayed?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Picture A	66	73.3	73.3	73.3
	Picture B	24	26.7	26.7	100.0
	Total	90	100.0	100.0	

As indicated, most Portuguese swimsuit consumers (73.3%) stated they were more likely to purchase displayed product A over product B. This indicates that swimwear consumers would prefer purchasing products whose displayed picture provides a professional feeling over ones that provide a more amateur style.

**5.4 Discussion**

The Portuguese swimwear consumers are essentially willing to purchase swimwear products. Other than the fact that Portugal is a country filled with a massive coastline, with a plethora of beaches to choose from, this is indicated by the high number of swimwear consumers originating from Portugal and the number of consumers spending above \$100 being more. Based on the findings, no association exists between the time participants spend on social media and how often they purchase products on social media; and the association between how often participants purchase products through social media and how frequently they purchase new swimwear. This indicates that integrated marketplaces like Instagram’s do not incentivize more

consumption than a traditional website. This finding disagrees with previous studies (Kamal et al., 2013; Thoumrungroje, 2014), which have identified social media as a powerful tool promoting consumption of goods and services. The difference in results could have been attributed to the fact that more than half of the study participants had not used social media in purchasing goods and services.

## **6 Conclusions, Recommendations, and Limitations**

### **6.1 Conclusion**

This study aimed to answer three research questions. The first research question was concerned with understanding the Portuguese Swimwear Market. The results have indicated the Portuguese swimwear market to be characterized by Portuguese consumers with a majority aged between 18-30 years. In terms of gender, the market is more dominated by female consumers than male consumers. The female consumers, based on the results, spend more on swimwear when compared to their male counterparts. Even though females were identified to spend more on swimwear, no significant association was found between gender and the amount spent on swimwear.

The second research question was about understanding whether integrated marketplaces like 'Instagram Marketplace' incentivize more consumption than other media formats, like traditional websites. The study findings revealed no significant association between hours spent on social media and how often consumers purchase products through social media. There was also no significant association identified between the frequency of purchase of products on social media and how often consumers purchased swimwear products. Therefore, the conclusion from this study was that integrated marketplaces like Instagram do not incentivize more consumption than a traditional website.

The study's last objective was concerned with identifying the attributes and stylistic choices that consumers are looking for in purchasing swimwear products. The findings revealed consumers value the quality of the fabric, the goodness of fit, and the swimwear products' durability. In online marketing and sales, consumers are likely to be influenced to purchase products whose display image creates a professional feeling rather than an amateurish feeling.

## 6.2 Recommendations

Even though no significant association was found to exist between the integrated marketplace and motivation to increase consumption, the study still recommends investors in swimwear products, including Guadalupissima, to acknowledge and promote social media marketing use based on its potential in promoting consumption. This recommendation is based on the fact that the proportion results revealed a bit higher proportions of consumers using social media and frequently purchasing products on social media as purchasing swimwear more frequently, as well as on findings from other studies (Thoumrungroje, 2014).

This study's findings also allow for recommendations to be made for Guadalupe and her swimwear brand (Guadalupissima). Based on the data collected, Guadalupe now has a better understanding of her company's target audience, which will in turn allow her to develop a more appropriate marketing strategy that will efficiently communicate her brand to potential consumers. These consumers have been characterized as mostly females aged 18-30, who are willing to spend, on average, between €60-150 on their swimwear purchases. They are also mainly interested in purchasing swimwear that has good fabric quality, fits well, and is durable. By looking not only at the data, but also at the rest of the industry, the author also recommends that Guadalupissima should focus on creating sustainable swimwear and making that a staple of their brand, since the main players in the market like Cantê, Latitid, and Type are investing heavily in that area as well. Globally, an increasing amount of consumers (46%) are calling for sustainable fashion and social responsibility (Gorman, 2020). In Europe, 59% of internet-users said they would rather pay more for an eco-friendly product as opposed to a non-eco-friendly option (GlobalWebIndex Q2 2020 Report). Finally, the survey results have shown consumers (73.3% of those surveyed) prefer products to be displayed through a more professional lens, rather than displaying a more amateurish or personal feel. This adds onto the recommendations for Guadalupe to consider and incorporate in future marketing initiatives. Referring to the literature presented in chapter 2, Guadalupissima's consumers would be considered as Interested Potentials within a Social Segmentation Matrix (Kilgour et al., 2015) due to their weak relationship with the brand but high involvement with the product at hand (swimwear) and any marketing strategy should therefore be focused on creating a relationship with the brand (as opposed to increasing the involvement with the category). Pertaining to the Smithsonian Institute's research into the pre-existing dispositions of potential customers who might visit Guadalupissima's social media profile, the 'Ideas, Objects, People' framework (Pekarik & Mogel, 2010) would expect these visitors to be attracted by Objects, which means they would

initially be attracted by the materialistic value of the products offered by Guadalupissima. The author then recommends that, as soon as the relationship with the Guadalupissima brand is strengthened and consumers are moved into the ‘Knowledgeable Advocates’ section of the Social Segmentation Matrix (Kilgour et al., 2015), Guadalupissima starts moving into creating content that pulls in people attracted by the ‘Ideas’ and ‘People’ concepts. These concepts represent, respectively, visitors who connect to a subject through “historic or scientific information” and those who connect through “human stories” (Pekarik & Mogel, 2010). These factors are actually already aligned with Guadalupissima’s mission of raising awareness of Portugal’s history and culture, the only thing remaining is to convert this mission into displayable content.

### **6.3 Limitations**

This study’s limitations are mainly found within the survey section. The author believes the amount of responses gathered might not be reflective of a truly random sample and might incur in sample bias due to the nature of how the survey was distributed (the author’s personal network). Another limitation noted by the author is the lack of resources to access expensive business reports in order to gain larger insight into the Portuguese swimwear market, and the author recognizes the added value those reports would have added to the study.

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## 8. Appendix

### Appendix A: Main competitors within Guadalupissima's strategic group

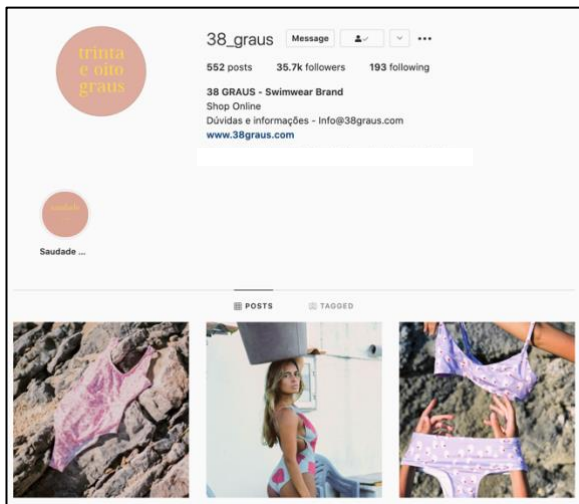


Figure 14 - 38 Graus' Instagram Profile

Source: Instagram

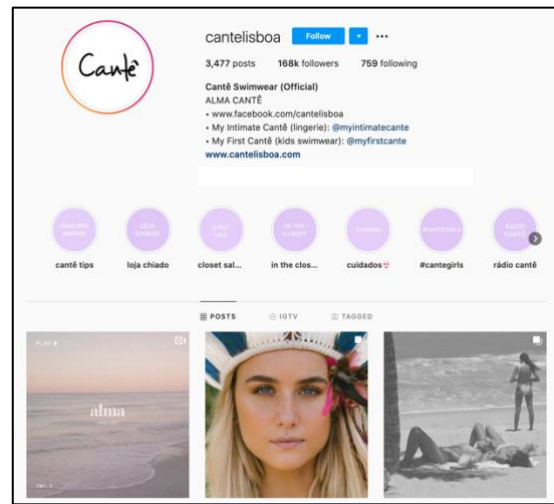


Figure 14 - Cantê's Instagram Profile

Source: Instagram

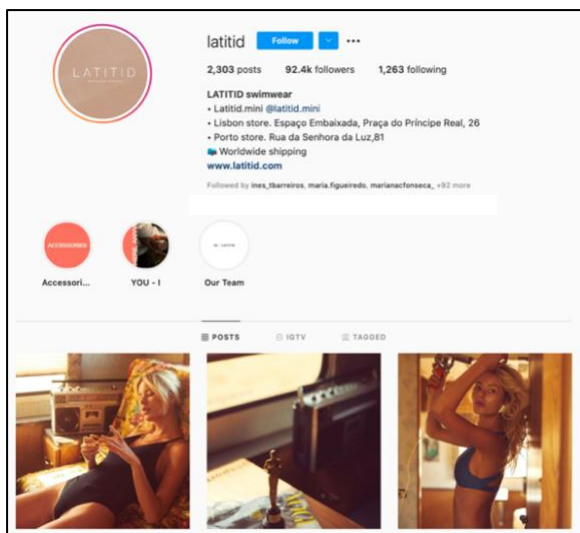


Figure 14 - Latitid's Instagram Profile

Source: Instagram

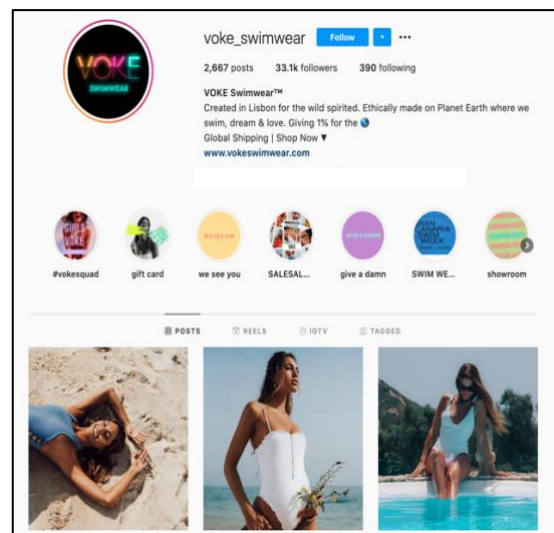


Figure 14 - Voke's Instagram Profile

Source: Instagram

## Appendix B: Qualtrics Survey



English

### Introduction

Welcome! Thank you for participating in this survey and contributing toward my Master Thesis.

This survey has been built with the purpose of researching consumers habits regarding swimwear and online social media marketplaces.

This survey will take around 4 minutes to complete. Thank you for your time.

Please answer as honestly as possible.

All answers are confidential and anonymous. The data collected in this survey will be used for research purposes only. Your participation will contribute toward researching the Portuguese Swimwear Market.

### Buying Preferences

How often do you purchase new swimwear?

More than once a year

Once a year

Once every 2 years

Other:

Do you purchase swimwear for anyone else in your household?

No

Yes

For whom do you purchase swimwear (other than yourself)?

Partner

Child

Other:

How large is your household?

0 1 2 3 4 5 6 7 8 9 10

Number of members  
in your household

How much money do you spend a year on swimwear?

0-20€

20-40€

40-60€

60-100€

100-150€

150€ +

Please select which elements in a swimsuit you value the most:

Vibrant Colors

Patterns

Quality of the fabric

Good Fit

Durability

Classic

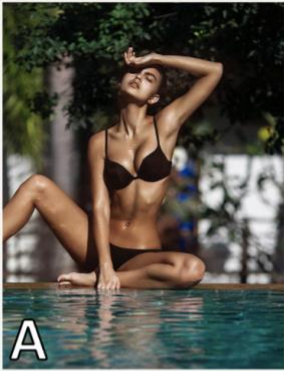
Simple

Alternative

Sexy

### Curations aspects

Please observe Picture A (left) and Picture B (right) below:



Which picture would make you most likely to purchase the product displayed?

- Picture A
- Picture B

What aspects of this picture make you more likely to purchase?

- Picture Quality
- Model
- Professional feel
- Colors
- Product Displayed
- Other

What aspects of this picture make you more likely to purchase?

- Picture Quality
- Model
- Homemade feel
- Colors
- Product Displayed
- Other:

### Social Media Habits

How many hours do you spend daily on social media (on average)?

- Half hour
- 1-2 Hours
- 3-5 Hours
- 6-8 Hours
- 9+ Hours

What is your preferred social media platform?

- Instagram
- Facebook
- Twitter
- Youtube
- TikTok
- Pinterest
- Other:

How often do you purchase products through social media? Ex: Instagram Marketplace

- Never
- Once a month
- 2-3 times a month
- 4-6 times a month
- 7+ times a month

Please select one or more of the following reasons for why you've never purchased a product directly from social media:

- You don't trust the platform
- Unable to try them on
- Better prices at the brand's website
- Not used to purchasing online

Other:

### Demographics

What Age Category do you belong to?

- < 18
- 18-25
- 26-30
- 31-35
- 36-50
- 51-60
- >60

What gender do you identify as?

- Male
- Female
- Non-binary / third gender
- Prefer not to say

Where are you from?

- Portugal
- Other

Please Specify

North / Central America

South America

North / Central Europe

Southern Europe

Africa

Asia

Oceania

Other

Are you in a relationship?

- Yes
- No
- Prefer not to say