



Marketing Plan of *Momo, la fabrica de somnis.*

Alba Padilla Ballester.

Tutor: Diego Monferrer Tirado.

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1 Executive Summary.

Momo is a business dedicated to **sell clothes and accessories to women for special events**. It is located in Onda (12200), Castellon. It is a business ran by Pili Feliu as self-employed, its owner and only employee.

The service is quite important in its business. Momo **offers a full customer service**. Moreover, offers a service that assures customers that they are not going to sell the same dress to any other customer who requires it for the same event, as they have a record of their sales to avoid this situation. Therefore, Momo defines its products as a range of clothing, accessories and services that **make the shopping experience as something unique**.

In this marketing plan, we try to analyse the **external environment** and **internal sources and capabilities** in order to make conclusions about its situation and future perspectives. We are going to define product and service which Momo offers and try to improve it designing different goals and business strategies.

We are going to design **goals related with commercial relationship, marketing and financial activities**. Then, we are going to fix growth and diversification, competitive strategies and **strategy** as competitive advantage.

Finally, we are going to design the action plan with Momo want to achieve their objectives. We design **8 actions** focused on Product, Price, Distribution and Communication. And we are going to build **timeline and budget** of these actions.

To conclude our plan, we are going to define the **control methods** which we will use in order to know if actions are contributing really our objectives.

2 Situation Analysis.

2.1 Internal Analysis.

2.1.1 Presentation of the company.

Momo is an Enterprise dedicated to **sell clothes and accessories to women for special events**. It is located in the street Salvador Barri 27, in Onda (12200), Castellon. Its opening hours range from Monday to Friday from 10:00h to 13:30h and from 17:00 to 20:30h.

It is a business ran by **Pili Feliu** as self-employed, its **owner** and only employee.

HISTORY :

Momo was established for the first time in Onda around 13 years ago in a shop located a few meters away from its current location. It started as an enterprise dedicated to sell **decorative products as well as original and noteworthy presents**. It was also dedicated to rent decorative products for other enterprises, especially to tile sector. Most part of their incomes came from **assembling window shopping from tile businesses** created for fairs, etc. although they also **decorated houses**, especially young first residences.

During these years, the enterprise had a great variety of clients based on businesses belonging to tile sector which were located in the area. The enterprise grew in little time due to the great quantity of tile enterprises that existed in the area and due to the expansion of this sector.

With the burst of the great economic crisis in tile sector and population in general, this enterprise started to debilitate. Tile enterprises started to go bankrupt and the ones which survived were forced to reduce expenses of this kind. Therefore, this enterprise started to be unstable. On the other hand, the purchase of housing also dropped sharply, and with it, the need to acquire the decorating service or its products.

As sales of presents and decoration in the shop was not enough to survive, Momo started to acquire **clothing** items and those were introduced in the shop, which were quite **youthful and from day-to-day**. Soon, they realised that they could not focus on this public, as they could not face big chains which offered lower prices in this kind of clothes, since at that age young people prefer quantity and variety instead of quality.

They moved on to acquire other kind of garments, **more formal**, for events and special occasions **focused on older public**. Step by step, this kind of clothing started to get good results for the business and finally got most of the space in the shop and its incomes. Therefore, it was decided to finish all the decoration products that were left in the shop.

In 2015, Momo changed its location to nowadays' one and it was designed as a shop dedicated to sell fashion for special occasions and complements.

MISSION:

"What we try to do is that the customer feels unique and gets the most satisfying shopping experience as possible".

Offering a complete service to their customers, giving them the appropriate dress to their needs and to the occasion they want to dress it, as well as all the necessary accessories and repairs so the customer leaves the shop with all the items ready for the occasion. Offering the best quality and assuring that the same dress is not going to be sold to any other guest in the same event.

VISION:

"Becoming leaders in selling fashion for events in the province, having a differentiated service and a compromised enterprise committed to customers and their needs".

MAIN VALUES:

Momo follows some values in their business activities which are present in their day by day. Among them we can highlight:

1. Respect to environment: Momo requires to their suppliers that their clothing has to be done with dyes that do not harm environment and must have certifications that assure their quality and respect to environment in its production.

2. Commitment to society: Momo does regular contributions to Spanish Association against Cancer by means of organizing two annual fashion shows with a group of shops from the town. The expenses from these fashion shows are assumed by the shops themselves that use them as advertising. Therefore, the total amount from the tickets is received by the association itself. We also highlight that Momo does not acquire products made in countries that use children labour and it values Spanish products.

3. Commitment to the customer: The great differentiating value of Momo is its commitment and unique and personalized behaviour related to customers. For the company, the most important is that the customer leaves the shop happy and sure about the purchase and, for this, it offers an integral service and an exquisite behaviour towards the customer.

2.1.2 Company Resources.

2.1.2.1 HUMAN RESOURCES.

Nowadays, Momo's human resources are formed by only one person, enrolled as **self-employed and owner** of the business: **Pili Feliu**.

Despite this, the team that has been part of Momo has been changing during the last years. Several people have been part of it (as hired shop assistants) and they are always considered any time they are needed. Momo's philosophy in this aspect has always been the same: *"taking care of the employees as if they were another customer, offering them all the information about their products, letting them take some decisions and especially, recognizing a job well done."*

In their job interviews in order to hire shop assistants, she focuses on valuing if this person values are similar to the ones she has and to the ones the shop follows. This way, she can assure that this person has the same priorities as she has for her business. She cares of their ability to take care and advice customers and their professionalism.

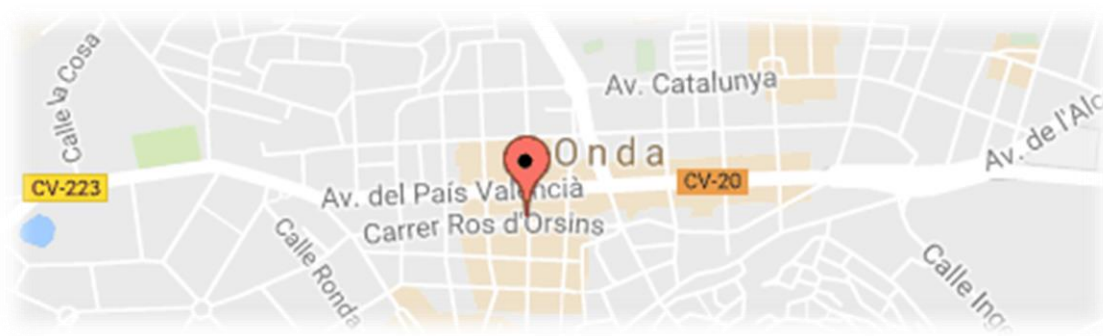
This kind of selection has worked quite well when hiring personnel since, as she says *"employees I have had until now have not been good, they have been better."*

2.1.2.2 PHYSICAL RESOURCES.

Physical resources the company has are made by the shop located in the street **Salvador Barri, 27 in the town of Onda (12200), Castellón**. It is a commercial premise located on the ground floor of a corner building with many shop windows from which its design and its products can be observed.

As we can see in the following map, the shop is located in an area quite in the center of the town, very close to the main market, the street market that takes place every Thursday and close to other shops and businesses.

Image 1. Store location.



Source: Google Maps.

In the next image we can observe the face of the shop.

Image 2. Store front. Street view.



Source: Google Maps.

The interior of the shop comprises **200 square meters** divided into two parts: the area belonging to the shop which has an exclusive and elegant design, consistent with the image she wants to show consumers; and the back area where there is an office from where she manages the business and part of the stock which is not shown in the shop (different sizes or clothes from previous seasons).

The decoration of the show is based on the **harmony between black, white, grey and silver**. The floor combines different grey colors that form a **vintage carpet** in the center. There is also a central column and several **walls with vertical stripes** in black and white. The widest wall in the shop is painted in a grey color in order to give visual

importance to the clothes located in the biggest furniture of the shop (also combined in black and white colors).

Finally, we must emphasize that there are several mirrors all around the shop and which have studied light spots that are used to give visual attention to the areas of the shop that she needs to. There are many of these lights and provokes a relaxing and exclusive atmosphere which is what the shop wants to offer.

Apart from shelves, manikins and the counter desk, we can also find other elements such as: movable furniture which is located in the centre of the shop where we can find season accessories and a modern style armchair which helps to give a relaxing feeling.

Images 3, 4, 5 and 6. Some images of shop.



Source: Own elaboration.

Besides the shop, this enterprise has a rented **flat located on the upper floor** where she stores the clothes that do not fit in the small warehouse the shop has at the back.

2.1.2.3 MARKETING RESOURCES.

PRODUCT :

As we have highlighted before, the kind of products that Momo currently sells are **fashion and accessories for special occasions**, but it also has a minimum part of **sport** clothes but only with a brand which is also quite expensive.

Therefore, its product is based on clothes and accessories that are necessary so the customer feels well in some events, but the product of Momo is not only clothes and accessories, but **it is also joined to customer's full service**.

The clothes sold in the shop are referenced and classified by suppliers. In this shop, the products are very changeable; they change every season and even sometimes, several times in the same season. Therefore, it is complicated to state the usual products of the shop.

Nevertheless, we can make some classifications according to the type of product: clothes and accessories. The clothes can be divided into **dresses, trousers, skirts, shirts, t-shirts with logos and all-in-one outfits**. From this group, we highlight the dresses as the leading product and there is more variety of them in the shop. Among the accessories we can find: **bracelets, rings, headdresses, bags, earrings and necklaces**.

In the shop, products are referenced and classified by supplier in order to have a control on them. In order to choose the suppliers, Momo takes into account their professionalism; they demand to meet deadline and conditions previously set. Besides, they bear in mind that the manufacture is not done by child exploitation and they require they have a commitment in taking care of environment.

These **suppliers** are also changing and are diverse, although some of them are more common and they work more often. From this group we can name: Almatrichi, DennyRosse, Hertex SL and AS Selección.



In relation to their products, they pay attention that quality, price and design are within their ranges. That is, if a product has an appropriate price and a nice design but the quality does not meet Momo's expectations and it is not appropriate to sell to their customers, this product is not going to be sold in this shop. **The item of clothing needs to meet these requirements: price, quality and design**. Design is the most complicated when deciding as their requirements cannot be fixed, and in this case Pili has to choose as she knows what her customers like what will help her on her choices.

Some of the new items which have been acquired in the last weeks can be seen in the following images taken from its Instagram account, where she uploads new clothing daily.

Images 7, 8, 9, 10, 11, and 12. Dresses, jacket and complements of new season.



Source: Instagram @momolafabrica.

In relation to the service offered, it is a **full customer service**, that is, the person who comes into the shop in order to get a dress for an event, would come out with a tailored dress, with the repairs, combined accessories and even with shoes that the shop itself would look for them in shoe shops in the area, or she would recommend where to buy them.

It also offers a service that assures customers that they are not going to sell the same dress to any other customer who requires it for the same event, as they have a record of their sales to avoid this situation.

Therefore, Momo defines its products as a range of clothing, accessories and services that make the shopping experience as something unique.

PRICE :

To define the **price ranges** in which Momo is framed, we will classify their products according to their range and we will make an average of their prices, as well as the major and minor prices of each range.

1. Celebration dresses: they oscillate between € 70 and € 200, depending on fabrics, brands, etc. But we put the **average** at about € **120**, which is the price of most of the products that they have in this range and those that are most often sold.
2. Sport clothes: It is usually expensive, since it only has a brand of quality. It has t-shirts from € 39, but it also has up to € 100. Therefore, we will place the **average** price in about € **60** in this type of clothing.
3. Bracelets: it has a range from € 12 to about € 30. Therefore, we place the **average** price at about € **20**.
4. Necklaces: they are framed between € 18 and € 90, but the average is € 30, since most necklaces have this price.
5. Rings: There is less variety of this accessory, and most of them have an **average** price of about **12 €**.

Therefore, the store has quite competitive prices when compared to other establishments that offer the same quality of product, and taking into account the type of services offered and the shopping experience for the customer.

PROMOTION :

Regarding to promotion, Momo is aware that it is necessary to keep customers updated on new developments and try to reach new customers through different claims. For this reason, it distinguishes its promotion in two main sections: the promotion of shop window and shop and the promotion outside the shop

1) Promotion of shop window and shop:

Momo is aware that the image projected by the store, both inside and outside its facade is very important for the customer to pass, or stay inside it, therefore, it pretends to create positive sensations in the client through different factors.

- **Shop environment:** Momo has studied every detail of their store. It intends to project a sense of relaxation to the customer that enters it, but also of luxury, quality, current style, cleanliness, etc.

To give this sensation, it uses the different elements of its decoration, explained in the section of physical resources, as well as the different points of light and its intensity.

It always uses the same aroma that distinguishes their store and has a system to regulate the temperature of the shop and that is the appropriate one to realize the changes of costuming to their clients.

Finally, the musical thread is also always the same. There is a selection of 270 chill-out songs, Café del mar, with a low volume. In this way, they want to maximize this relaxation and good feelings.

Images 13, 14 and 15. Some images of shop.



Source: Own elaboration.

Decoration of their windows: Momo does not have a single shop window as such, but its façade has several small windows facing two different streets.

Momo takes the maximum advantage of them to show the news and present some promotions. These decorations change very often, in this way every time the consumer passes by these can see a different model and may be interested in some of these.

Images 16 and 17. Images of a window.



Source: Own elaboration.

2) Out-of-store promotion:

- **El triángulo:** It is a weekly magazine, which also has a website, weekly and local, where it is registered as a fixed advertisement in all its copies.

Images 18 and 19. El triángulo and Momo's advertising in it.



Source: www.eltriangulo.es

- **Parades:** These solidarity parades are organized twice a year by the establishment and unify fashion shops, hairdressers, beauticians, shoe shops, etc. Which are installed in the town that want to be part of it.

In each of the Momo parades (like all the participating stores) they have 15 models distributed in 3 passes. This is intended to show the neighbours the new products of the season and also contribute to a beneficial cause. Apart from the publicity of the passes, it also has advertising on the sides and back of the catwalk.

Images 20, 21, 22 and 23. Photos of parades.



Source: Own elaboration.

- **Web page:** Momo had a website where they had their own **online shop** from which they sold mainly to capitals, but for this type of sale to work, it is necessary to position themselves very well in this market and a long time to manage it in the best way. There was a time when they started this type of sale when they sold decoration products mostly, but they finally closed because it was not profitable for their business and since they have changed their business to clothing has not undertaken this initiative. It was created 6 years ago and was running for 4 years. Therefore, being disabled, this is a medium that is no longer part of your promotion.

- **Social networks: Facebook and Instagram.** Momo gives much importance to this type of promotion. It puts a minimum of three daily publications in its social networks in order to reach the consumer and to show the new clothes that arrive to the shop and the promotions or drawings that can offer in specific moments.

Currently, Pili is going to take a course in digital photography and photo editing to improve her photographs, as she says "*changes a lot to see a dress in a photograph made by a professional.*" Therefore, we can highlight this medium as the most active and with which she most advertises its products.

As for special promotions, discounts and others, Momo does not have a policy of continuous discount and constant promotions. They are used as a tool to settle stock of other seasons or on special dates such as **Black Friday or Fashion Night**, but are not

part of their usual way of providing value to their customers; they opt for another type of differentiation in quality and customer service.

Therefore, from this epigraph we conclude the importance that the promotion has for Momo, since it studies all the aspects that have to do with the atmosphere of their store and also uses a lot of time in the photography realization to the novelties and promotions that publishes on their daily social networks. We also highlight the parades as an important engine of their promotion, as it is a different way of getting to know them and their products.

DISTRIBUTION:

Momo distributes its products to customers through its **physical store**. For 4 years, when they were finishing up the decoration business, they used the on-line shop and home delivery to liquidate this type of articles. But, due to lack of time and positioning in the fashion sector, they had to leave this type of distribution. All its products are distributed in their store, although there is the possibility of making reservations through the different social networks that they use or by telephone, although their delivery would be done in their establishment.

2.1.2.4 R & D.

As we have highlighted before, the shop is **constantly changing**, and therefore it is always attentive to new opportunities that allow it to innovate in its **distribution channels, products and services**.

2.1.2.5 CORPORATE SOCIAL RESPONSIBILITY.

Momo's responsibility to society and the environment is part of their core values. As we have mentioned in previous sections, these values are based on commitment to the environment, society and the customer.

- As far as the environment is concerned, Momo acquires its variety of products taking into account certain characteristics. One of them is that they are **not** made with contaminating **materials** like dyes **that emit harmful gases** for the environment. Its establishment has **LED lighting**, which is a clean technology and low energy consumption.

- Their commitment to society in general is materialized in their **charitable parades**. The proceeds of these parades go entirely to the **Spanish Association against Cancer**. For Momo, it is an added value that their **suppliers manufacture in Spain**, in

this way it tries to contribute to the wealth and the economic growth of the country. But above all, they keep in mind that these garments **are not manufactured by child exploitation**.

- Their commitment to the client is part of this general commitment to society. In this establishment, **the customer is served exquisitely, but also in an ethical and honest manner**. Momo's goal is to offer the highest value to the customer and, for this, it is necessary to always be sincere with him/her and offer him/her the best quality possible.

2.1.2.6 TECHNOLOGICAL RESOURCES.

The Technological resources with which the establishment counts are the following:

- **A cash register** from where it takes out the tickets and charges to the clients. The payment can be made by cash or by card, since it has a POS (Point Of Sales) in the establishment.

- **A computer** located in the office of the interior of the shop from where she carries out the management of the store and in which it has installed the **Office package** to carry out its operations and is **connected to the internet** in order to carry out its publications in social networks. This computer is a personal computer that is not connected to the box of the shop; therefore the charges and payments are transferred manually to the computer to perform their accounts and controls of income and expenses.

- **Digital camera** through which she takes pictures to the products to upload them to the network. Currently the owner of the business is doing a course in digital photography and photo editing to improve in this regard.

- **Air conditioning system** to regulate the temperature of the store.

2.1.2.7 FINANCIAL RESOURCES.

As for the financial resources, Momo places its **annual turnover at around € 120,000**. Although, the truth is that this figure is having a negative trend in recent years.

As for the expenses that the store has, basically they are the payments to suppliers, rent of the premises and the warehouse on the upper floor, light, water and the payment of self-employed fees.

Payments to suppliers are changing in recent years. Traditional distributors offer the products of the following year's season through catalogues and the shop decides which

order to make. These brands make the order with a minimum stock margin; therefore, the store has no room for maneuver during the season. This type of supplier is paid by bills of exchange or drafts; therefore the store has a margin to sell its products and can pay the supplier.

On the other hand, at present, a new form of supplying fashion has appeared: the soon fashion. This means that during the season, the shop can go asking for what they need at the moment, but in consideration they must pay cash.

In terms of income, we highlight those coming from the **sale of party dresses** for an average price of € 120, as they are the most sold items. These are subject to a profit margin on the purchase price and hence the vast majority of their income.

As for the benefits, the reality is that lately they have had a **downward trend**. But the **new opportunities** she is shuffling make her set higher profit targets.

2.1.3 Capabilities of the company.

2.1.3.1 DISTINCTIVE CAPABILITIES.

As for how to differentiate itself in the market of women's fashion and accessories, Momo uses quality in every way. It has a quality certificate with which none of the other stores in the town count. This certificate ensures that it offers quality products at a fair price and that all the details of the store are studied so that the customer feels relaxed inside it.

Therefore, the main difference of Momo with its competitors is the **integral customer service**. That is, the client leaves the shop with everything prepared for the day of the celebration: dress, shoes, accessories, arrangements, etc. And all this with a personalized and unique advice.

Apart from this, **Momo has an additional service that allows customers to differentiate yourself from the rest**: it has an agenda where every wedding, event, etc. is pointed out: here it will be celebrated, when and the dresses that are worn for this event. In this way, **they avoid that at least the people who buy in this shop do not match**. Especially for graduations, the shop has noted which person has each dress and makes sure they are not going to repeat, and if the word is spread among the students they may go there to make sure they are unique.

This is a service that in such a small locality is valued a lot by the customers and has allowed improving its image towards them and making them feel important for Momo.

In addition, it can be spread and reach a wider audience, from localities such as Alcora and Castellón.

In addition to this service, **Momo only deals with suppliers who assure that they do not sell to other establishments in the locality in this way differs from others**, but they do sell to shops in nearby towns and Momo knows what stores are to be able to get in contact them and request them clothes that any customer may need quickly or that the supplier no longer has in stock.

DISTINCTIVE CAPABILITIES MOMO:

- Quality product.
- Unique product in the locality.
- Environmentally friendly product and human rights.
- Integral service.
- Personalized service.
- Unique clothes service in each event.

2.1.3.2 VALUE CHAIN.

Figure 1. Value chain.



Source: Own elaboration.

We go on to describe the activities of the value chain carried out by Momo.

A) SUPPORT ACTIVITIES.

1. Purchases: In the purchase of product, the requirements already explained (respect for the environment in its manufacture, not manufactured by child labor, design, quality and price) will be taken into account and will also be carried out by the owner of the business.

2. Development of technology: In this case the technology in the business is quite basic, simply the necessary one to carry out collections, payments and their daily management. Although, there is always the expectancy to be able to improve it.

3. HHRR: The activities of HR within the company are carried out by the owner herself. In case she wants to increase the staff, she would take into account that the people who are part of the company have shared values.

4. Infrastructure: Momo does not have differentiated departments, since only its owner is part of it. Therefore, it is the one that performs all the activities that its business requires.

B) PRIMARY ACTIVITIES.

Within these activities Momo, only carries out in its business the following:

1. External logistics: Momo is the responsible for getting the product to the customer and for that they use their physical means, the shop.

2. MK and sales: Momo uses different promotional channels (magazines and social networks) on a regular basis, in addition to performing periodic parades and different special promotions campaigns. They also take great care of the look of the store and changes it very often. Despite advertising through various channels, Momo only distributes its products through the physical store.

3. Service: It uses a kind of personalized, unique and integral service. It offers a complete service for its clients (dress, arrangements, accessories, advice ...), in addition to others as the promise not to sell your dress to other guests to the event for which it is purchased.

2.2 External Analysis.

2.2.1 Macroenvironment (PESTEL Analysis).

2.2.1.1 POLITICAL FACTORS.

In the first place, it is necessary to demarcate the system which Spanish politics follow in order to be able to analyse it in depth onwards.

According to the Article 1 of Constitution:

1. *Spain is hereby established as a social and democratic State, subject to the rule of law, which advocates freedom, justice, equality and political pluralism as the highest values of its legal system.*
2. *Sovereignty resides in Spanish people, and all Government authority emanates from them.*
- 3 *the political form of the Spanish State is a parliamentary monarchy.*

Spanish territory is divided into autonomous communities with a great level of legislative, executive and judicial autonomy. Therefore, we can claim that it is a decentralized government based on autonomies.

We continue with the **executive power**. Current King, who was proclaimed 19th June 2014 and successor of Juan Carlos I, **Felipe VI** holds up the position of Head of state and Commander of the armed forces, although his role is mere symbolic and representative.

In relation to the role of the President of the Government, it is currently held up by **Mariano Rajoy**, general secretary of **PP**, since 29th October 2016, although he was already the president in the previous legislature. This position is decided every four years in general elections, in which Spanish population votes the party they want to govern during the following legislature. The leader of the majority party or majority coalition is named President of the Government by the monarch and chosen by the Parliament. In respect of his power, we highlight the function of implementing laws and managing the issues related to the country. Concerning the **Council of Ministers**, this is named by the King himself, but recommended by the President of the Government.

In this group we find the presidents of each autonomy that are part of the country. We are going to focus our study in **Valencian Community autonomy**, where the company

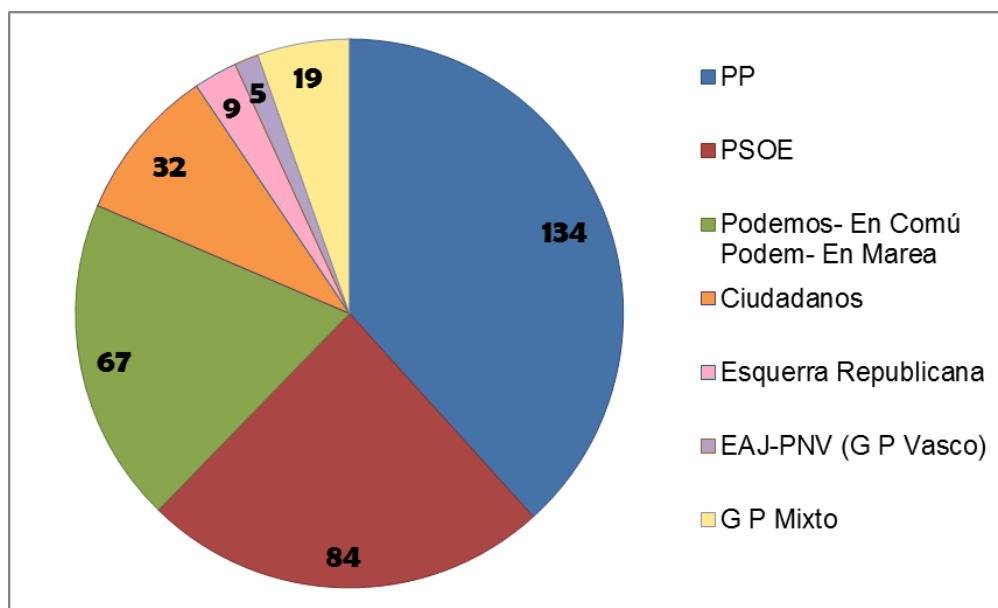
object of analysis is located. They are also chosen by population every 4 years, and are part of the winning party or coalition of this election. Nowadays, Valencian community body, headed by Ximo Puig (**PSOE**) in coalition with **Compromís** and **Podemos**, has as a president the member of PSOE Ximo Puig I Ferrer.

With reference to Spanish legislative power, this is formed by two main chambers: Congress and Senate.

Nowadays, the **Congress** is composed by several groups, divided into political parties. The different groups are shown in the following graph. In relation to the **Senate**, its current distribution is quite similar to the Congress.

As we can see, the majority party is PP, which has most seats, but it does not have the absolute majority to govern by itself. This has been one of the main reasons that has caused main difficulties to bestow Mariano Rajoy as president, as a government agreement was required, or at least, the abstention of any of the parties in order to create a government by means of PP.

Graph 1. Distribution of Congress of Deputies by political parties.



Source: Own elaboration.

This has led to the need to have **coalition government** in many autonomies, which have caused a radical change in Spanish politics and in its ways of govern, since they do not only rely on a party with absolute majority but also, several parties are forced to give up and join its programs in order to get the power, which causes a political instability and can lead to **faster changes in government** and **instable governments**

due to the difficulty among governments to reach agreements as the different government programs so different and, sometimes even opposite.

This affects to all economical activities carried out in Spain but, even more to small business as the one we are analyzing since this can be a problem when taking decisions and taking risks in some businesses. Government changes and instability stop their projects as there is uncertainty in relation to the economic future of the country.

Once we have analyzed the political frame, we continue analyzing some of the events that have affected Spanish population in this area lately.

In the last years, we have suffered a great **economic crisis**. This crisis has not left anyone indifferent, and has badly affected Spanish politics which has turned around in relation to previous years.

For many years, political life in the country was focused on two parties which succeeded one to the other. This was known as **bipartisanship**, which regulated the government changes between PP and PSOE. Basically, its running was the following: one of the parties entered the government, spent some years in the power, it tired and then population voted the other candidate and so on. To sum up, they alternated the power.

But, with the burst of the crisis, scandals blaming most of the people in the government from using public funds illegally and illicitly started to come out: **Corruption**. These scandals were related to both parties, PP as well as PSOE. This together with the intolerable economic situation that the country was suffering, characterized by **evictions, cuts and tax increases** carried out by PP party, lead to the **formation of new political parties** which started to gain strength in politics. We must stress **Podemos and Ciudadanos** among these new political parties.

These new parties started to become popular and, in a little time, they ended up with the bipartisanship system that had rule for the last years. This is one of the key factors that have made Spanish population be marked by a **political instability** and great uncertainty in the last years.

Nowadays, government is still on PP, as we have previously seen. But, in this moment, they do not have absolute majority in the congress, for this reason, it is more difficult to adopt the laws and decrees.

In conclusion, the influence that these kinds of variables have in the business we are going to analyse is not very positive. That is, current political situation is quite negative for any business that needs stability or security in order to improve its business and continue investing. This opportunity of sudden change of government and from so different ideologies produces that enterprises are not safe and they are forced to remain expectant to any political change that can affect their fiscal pressure or conditions in order to continue on the market.

2.2.1.2 ECONOMICAL FACTORS.

In relation to economy in Spain, from last years to the present, this has been quite turbulent and has several periods that have to be analysed in order to better understand nowadays situation.

Firstly, from 2000-2008 approximately, there is much positive evolution on economy. It is marked by the decrease on interests from European Bank and by the Real Estate Boom which was going on in our territory. Spanish economy was rising exceptionally, marked by the increase on the activities related to building. Low interest rates offered by banks and saving banks when buying houses and simplicity when giving mortgages caused that buying houses, and therefore its construction, increased exponentially. Thus, businesses and families entered in a debt situation higher than it was recommended. With the fall of several USA banks, the alarm of a possible crisis and a Real Estate Boom about to explode, the different economic agents stopped its activities, which seemed until the moment unstoppable.

With the burst of the great world economic crisis, 2008-2010, great world economies have suffered setbacks. Spanish economy has been one of the most affected, and it is still suffering its consequences. During the beginning of this burst, the government denied the existence of the crisis, embellishing the economy so population did not see what was really going on. But, reality was devastating.

When there was a change in the government in 2011 elections, PP started to change politics brusquely. It started to cut on the basis of Welfare Estate (health, education...) and taxes were suddenly increased, taking into account that population was declining in living standards and many companies were bankrupt as they could not face to pay their debts. All this came together with a great quantity of families who were evicted as they could not pay their houses.

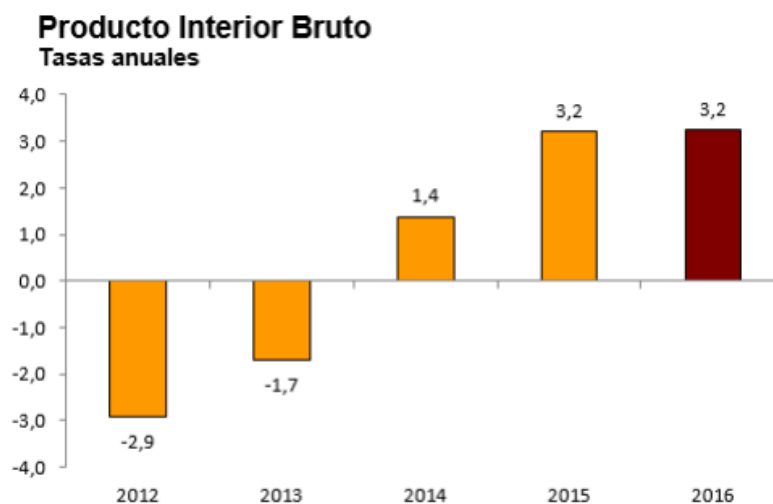
Lately, it seems that effects of the crisis have been stopped a bit and economy is overcoming. Nevertheless, instability is still in the country and citizens have doubts about being already out of pit they were in.

We move on to analyse some of the most representative economic indicators when analysing economy in the last few years: GDP, GDP per capita and CPI.

We start with **GDP (Gross Domestic Product)**, which represent the production of a country in a specific period of time. In the following graph we can observe how GDP has evolved in the last years.

We can see how this indicator has presented positive evolutions and improvements in relation to the previous years and therefore, it shows a positive trend for the economy of a country.

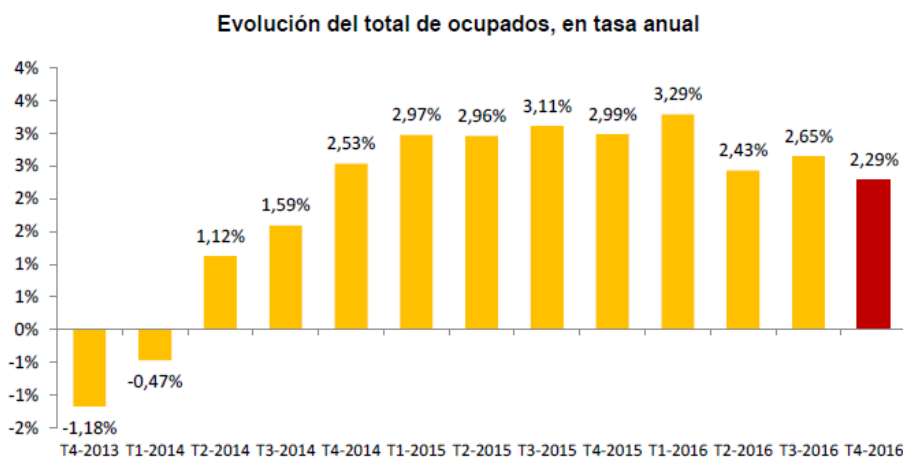
Graph 2. GDP evolution (2012-2016).



Source: INE.

In respect to the **evolution of employment** in Spain in the last years, we can observe in the following graph that it also shows positive data in last year's trimesters.

Graph 3. Evolution of employment.



Source: INE

Finally, we examine market Price indicator in **CPI (Consumer Prices Index)**. This index represents the variation of prices in an economy which is related to its wealth. As we can observe in the graph below, during twelve months before February 2007, according to Census Bureau, CPI has positively varied, that is, we have obtained good data in this year in relation to this indicator.

Table 1. Evolution of CPI (02/06-02/17).

Índice de precios de consumo. Base 2016 = 100. Índice general. Nacional

Periodo			Variación %
Febrero 2016	a	Febrero 2017	3,0
Enero 2016	a	Enero 2017	3,0
Diciembre 2015	a	Diciembre 2016	1,6
Noviembre 2015	a	Noviembre 2016	0,7
Octubre 2015	a	Octubre 2016	0,7
Septiembre 2015	a	Septiembre 2016	0,2
Agosto 2015	a	Agosto 2016	-0,1
Julio 2015	a	Julio 2016	-0,6
Junio 2015	a	Junio 2016	-0,8
Mayo 2015	a	Mayo 2016	-1,0
Abril 2015	a	Abril 2016	-1,1
Marzo 2015	a	Marzo 2016	-0,8
Febrero 2015	a	Febrero 2016	-0,8

Fuente: INE.

As a conclusion of the impact of economic data previously see, we can highlight that for the analysed enterprise, the increase of these indicators can have a positive effect since population would have higher incomes and would be able to greater quantities of money in their purchases. Even so, it is true that people are a bit reluctant believing in this recovery, since they have suffered with the crisis, and there is still a tendency to save money.

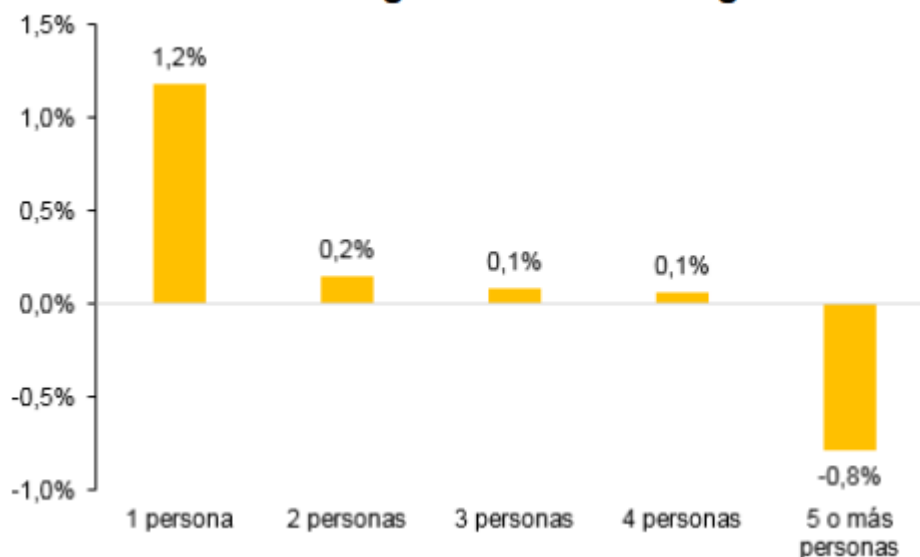
2.2.1.3 SOCIO-CULTURAL FACTORS.

In relation to Spanish society, we can focus on several indicators of population in order to describe it.

In the first place we are going to focus on current **Spanish society typical homes**, which are very different from traditional Spanish society. As we can see in the following graph, the amount of homes made by only one person has increased significantly, while the homes made by five or more people is being reduced in great scale. This is happening as a consequence of some changes in Spanish society's way of thinking, as it is more prone to become an extended family due to its economic capacity and women situation as they can work and not devote their entire life to take care of home and family.

Graph 4. Evolution of households by size 2015-2016.

Crecimiento de los hogares 2015-2016 según tamaño del hogar

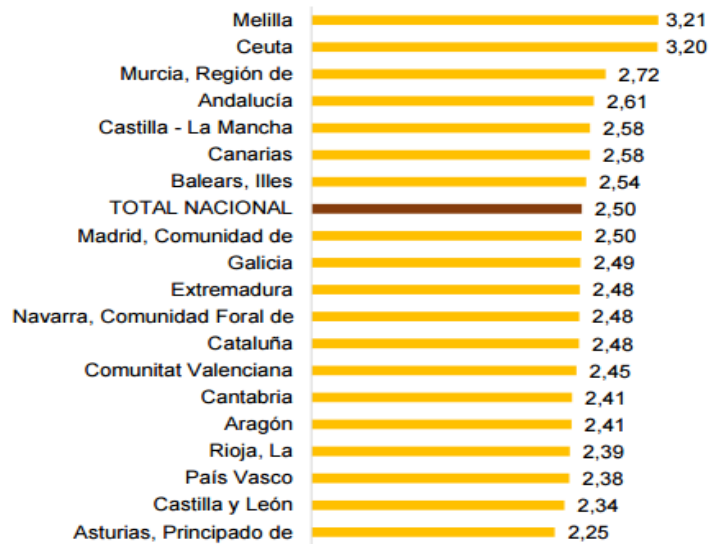


Source: INE.

In relation to the **medium size of these homes**, as we can observe in the graph below, it is 2.5 people, but in the case of the Valencian Community this quantity increases to 2.45. Thus, the average size of the family is lower although it does not vary much in respect to national average.

Graph 5. Average household size by communities 2016.

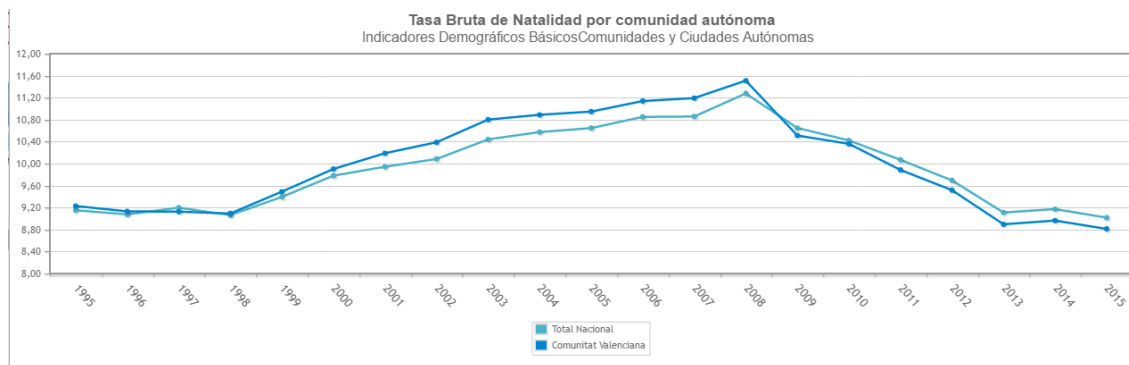
Tamaño medio del hogar por comunidades y ciudades autónomas. Año 2016



Source: INE.

Finally, we continue to natality trend in the last years. As we can see in the following graph, natality evolution is closely related to the economic situation of the country. During the period of economic prosperity, natality figures increased considerably. But, from economic crisis, these figures have been reduced to quite low numbers. What is interesting is that, although there is subdued economic growth dated during 2014 and 2015, natality has not been affected. For this reason, we can conclude that natality, in Valencian community as well as in the rest of the country in general, is in low figures and, together with an old population; this can lead to a problem for the situation of the country.

Graph 6. Natality trend in Spain and Valencian Community (1995-2015).



Source: INE.

After analyzing these indicators, we conclude that this data can be negative for the enterprise of our study since old population is not its most powerful public, but **younger people**.

On the one hand, all these indicators also affect the enterprise as, if families do not tend to get married and form a family, many of the **typical celebrations** for which they may need these dresses and outfits as the ones offered by this shop would not be celebrated and in long-term, this could be negative for her business.

On the other hand, it is also true that the **good weather** our territory has during most part of the year can positively affect to the **celebration of events in the open air**. During the months of sun and good temperatures, the number of celebrations increases and this affects positively to her business, although it can also lead to some kind of seasonality. Most of the events such as weddings, communions, etc. usually take part during the period when they can be celebrated in the open air.

Nowadays, especially in the case of weddings, it has become popular to celebrate them in the open air. Weddings are not longer a celebration in a church, but a civil act which can be celebrated anywhere. This has caused a more varied way of celebrating these events and it has also lead to celebrate it in many different ways. This can be positive to enterprises such as Momo, since they can find diverse ways for the business, from dressing most of the guests, including the event main people, to even decorating the spaces for this kind of events.

It is also important to highlight the acquisition of **celebrations in the American style** in our territory. In the Internet as well as in other media (television series, documentaries, etc) there is an increase of these kind of celebrations that need more preparation and decoration that the ones which are usual in our country. In this kind of celebration we

can name **birthday parties**, which have changed from being just “snack time celebrations” in which family and close friends gathered to big celebrations that very well planned and organized where people have to attend to with a dress code much more specified and formal. This change can be very positive factor for Momo, as it can improve its sales due to this kind of events which are more and more common in our country.

All these factors together with an **economic and social system based on a greater consumerism** can cause that businesses such as Momo can have greater opportunities of success in their market. The reality is that in the past people used to have just one or two outfits to dress in all their occasions but, nowadays consuming mentality has unleashed that in every occasion that comes, people have to wear an outfit for the first time. This has triggered to people having one outfit for every event that ends up in the wardrobe once that day is finished and which is not going to be worn ever again. This, together with the economic crisis suffered, has unleashed new ways of business in which Momo could have new opportunities, for instance renting clothes.

2.2.1.4 TECHNOLOGICAL FACTORS.

When analyzing the technological factors that can affect a shop which sells fashion and accessories, we must analyze the multiple possibilities that have appeared when buying-selling clothes (from shops for consumers, to people selling and buying second-hand clothes). These options are: **buying-selling online, Apps belonging to the different brands, WebPages, advertising and links to the online purchase through social networks, etc.** This diversity of possibilities that has been opened in the last years is a kind of market that has to be taken into account by any shop or business such as the one analyzed in this report.

Firstly, we will study the amount of transactions, related to the world of fashion that are currently done in Spain.

During 2015, according to National Market and Competence Commission (NMCC), the growth of online sales corresponds to 75%. These sales belong mostly to export abroad of national clothing, but the growth of this sector was mainly to the increase of national demand on these clothes.

More recent studies, which are carried out more recently by interviewing different consumers, confirm that the most bought products are fashion and travelling, followed by shoes and accessories. From the interviewed consumers, 55% has bought fashion

online in the last year (2016), and 50% of them have acquired shoes and accessories. It has also been asked for the purchase options of these consumers, and many of them have the intention to continue buying fashion (53%) and shoes and accessories (43%).

Graph 7. Products sold through online sales during 2016 compared to next year's expectations.



Source: Top Position.

The most common way to do these purchases is by means of mobile devices which are used more and more for many different uses. During 2014, 25% of the purchases done online were done by mobile devices. This kind of commerce is increasing, until 2015 it increased 10% and during this year another 15% more, reaching 50% of transactions. This data is very important when adapting new web pages to the screens of these devices, as well as when creating App for e-commerce which is every time more common in current market.

Figure 2. Evolution of e-commerce through mobile devices.



Source: Top Position.

Finally, social networks must be highlighted as they are a promotion platform which every time is more powerful for the different brands. The same study done to Spanish consumers states that, in 2015, 9% of online sales were done through one of these platforms, and it also shows that this trend is increasing and getting to 10% during the following year.

Figure 3. Sales through social networks (2015-2016).



Source: Top Position.

From all these statements we can obtain that any business in this area has to take into account all these variables and selling and promoting options. And this can be weak point for any local business such as the business of our study. Although it can also be seen as an opportunity to grow if it is managed appropriately, especially by using social networks in order to make itself known and increase its sales.

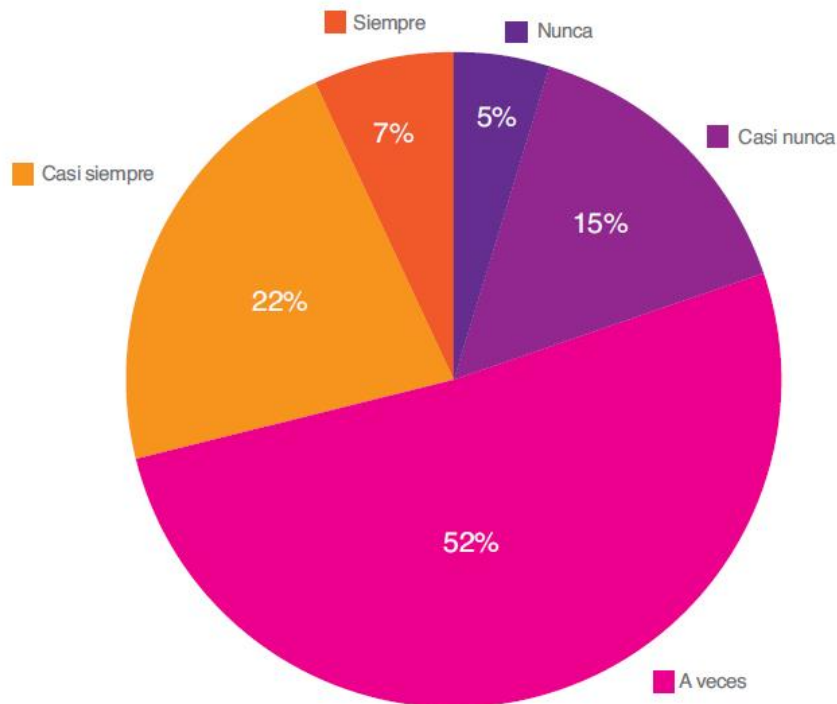
2.2.1.5 ECOLOGICAL FACTORS.

In relation to the ecological factor in fashion purchases in Spain, it is gaining more and more importance. Spanish society concern for taking care of the environment and for consuming products which have not damaged it during its production is increasing, and therefore, it is necessary to have it in mind when managing a business.

According to the Euro barometer published by European Commission on European people attitudes towards environment (2015), Spanish people are the European citizens who more worry about ecology and sustainability. 56% of Spanish people believe that environment protection is very important, being the most worrying problem for them atmosphere pollution. On the contrary, we observe that this concern is not reflected in usual shopping, since just 7% of Spanish people take into account these variables in all of their purchases. While most of Spanish people 52%, only sometimes bear it in mind. The study also informs that most purchases in which ecology is kept in mind are done in food, not in fashion industry.

Graph 8. Frequency with in which the Spanish take into account the environment in their purchases.

¿Tiene en cuenta en sus compras las sostenibilidad y la ecología?
(En % respuesta única).



Fuente: Encuesta Observatorio Consumo España Cetelem-Nielsen 2015

Source: Survey Observatory Consumption Spain 2015.

As a conclusion of this part, we could say that the growing concern on ecology can be an important factor to the enterprise to bear in mind and it needs to have a certain control over it and even participate in the different initiatives so the customers can see, this business is really concerned by this topic in order to improve its image in the market. The development of these initiatives can be a strong point for the enterprise and we can consider it as an opportunity.

2.2.1.6 LEGAL FACTORS.

The shop of our study is a retail business shop and as such, it is established in the legal frame of retail. **This sector is governed by Law 7/1996, 15th January, Retail Trade Law.** This law has 17 articles and its main objective is to get a system of efficient distribution and take care of customers rights.

The main basis on which it is established are the following, and as we can observe, they are all based on liberty:

1. Freedom of enterprise,
2. Freedom of movement of goods, and
3. Freedom of prices and freedom of commercial establishment.

Besides, the law also regulates other aspects such as:

- The processing of licenses,
- The form of the contracts,
- The post-sale guarantee, or
- The payment to suppliers.

Among others. That is, everything which is related to day by day of a retail trade.

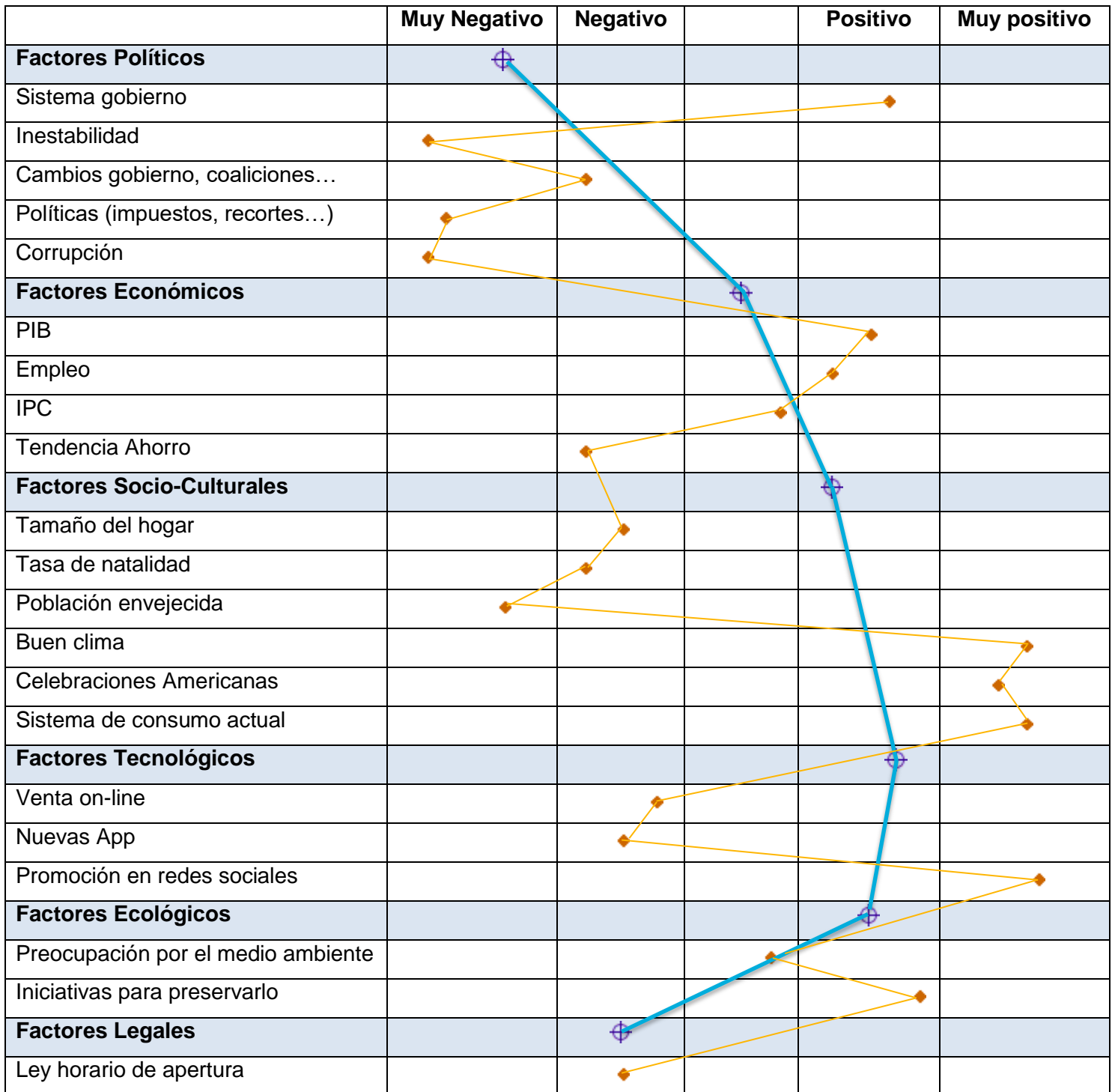
Especially, we have to bear in mind the regulation on opening hours, regulated by **Law 1/2004 and by Autonomous communities (in this case Valencian community).**

This law has always caused conflict, since it faces the protection over small business to department stores and consumers that support having the shop always open, tendency that is getting importance in consumers' opinion as well as in the law which regulates it.

This topic worries to small businesses, and also to the business of this study, since it is forced to fight against department stores with prices and more flexible opening hours, which affect negatively to the sales.

2.2.1.7 PESTEL SUMMARY

Figure 4. PESEL summary.



Source: Own elaboration.

As a final vision of all the aspects previously analyzed, we can observe that the most worrying topic, due to its negative effect on the business is the political since in the last years, it has represented one of the essential concerns of the country and therefore, to its businesses.

We can also observe as negative the legal subject. It is particularly concerning the tendency of the legislation to let department stores open in wider opening hours.

In relation to economic situation, it looks positive but there is reticence to spend from families which is worrying for this kind of small business.

On the other hand, we consider ecological as well as technological areas as fields which can give great opportunities for the business since, despite being a small business, its good management on social networks and the possible campaigns in which it can benefit environment, can give a more positive point of view of this business to consumers and can increase its sales significantly.

Finally, in the social aspect, we can conclude that there are some factors that can be negative for Momo as for example the aging of population, smaller size of families, etc. Nevertheless, there are still great opportunities in this area, especially the ones that are offered by open air celebrations, American style celebrations and the great consumerism that this kind of events embrace.

2.2.2 Microenvironment (5 forces of PORTER).

2.2.2.1 BARGAINING POWER OF CUSTOMERS.

The bargaining power of customers has to do with the power they have to get better prices or better conditions of purchase. This is based on the supply and demand that there is in the market.

The current fashion market is plagued by small, medium and large shop chains and surfaces. Therefore, the consumer has a wide range of possibilities when choosing where to buy the product depending on the price they want to spend for it and other multiple variables.

On the other hand, there are also many consumers in this market. Therefore, the demand for clothing, in general, is also high.

Therefore, the reality of this market in terms of consumers is that the really large retail chains that offer lower prices and have large sales volumes are those that set prices admitted by the market. But the small business, like the one we are analyzing, has more difficulty fixing these prices, and tries to give value to the customer through other resources (personalized sale, attention, services ...).

Therefore, we conclude that the **consumer really does not have a great deal of power in front of the large supply chains, but in terms of small commerce, it has greater bargaining power**, since these stores have much smaller sales volumes and customers as such.

2.2.2.2 BARGAINING POWER OF SUPPLIERS.

As for the suppliers, we have a similar situation to that of the customers. That is to say, in front of large supermarkets and large brands they do not have a high bargaining power, but with small businesses they may have a greater importance. Although there are multiple suppliers and stores compensate for this power.

In this case, therefore, suppliers have more power if they negotiate with small establishments, although these establishments also have a large range of possible suppliers that can **balance the negotiation**.

2.2.2.3 THREAT OF NEW ENTRANTS.

As for the threat of new entrants, **we can say that it is high**, this is because, creating such small businesses is relatively inexpensive and the amount of potential customers

high. Even so, being located in the locality in which it is, there are a few stores of this type of characteristics that form their most direct competition and are a fairly covered market, and have clients sufficiently faithful so that there is no creation of this type of establishments in the locality.

Therefore, the threat of new competitors **is not one of the major forces** within the specific market of this organization.

2.2.2.4 THREAT OF SUBSTITUTE PRODUCTS.

The threat of substitutive products is perhaps **one of the least important in this market**. The type of garments offered by the establishment analyzed may be replaced by other garments of other establishments, but not really by other different products in essence.

2.2.2.5 RIVALRY BETWEEN COMPETITORS.

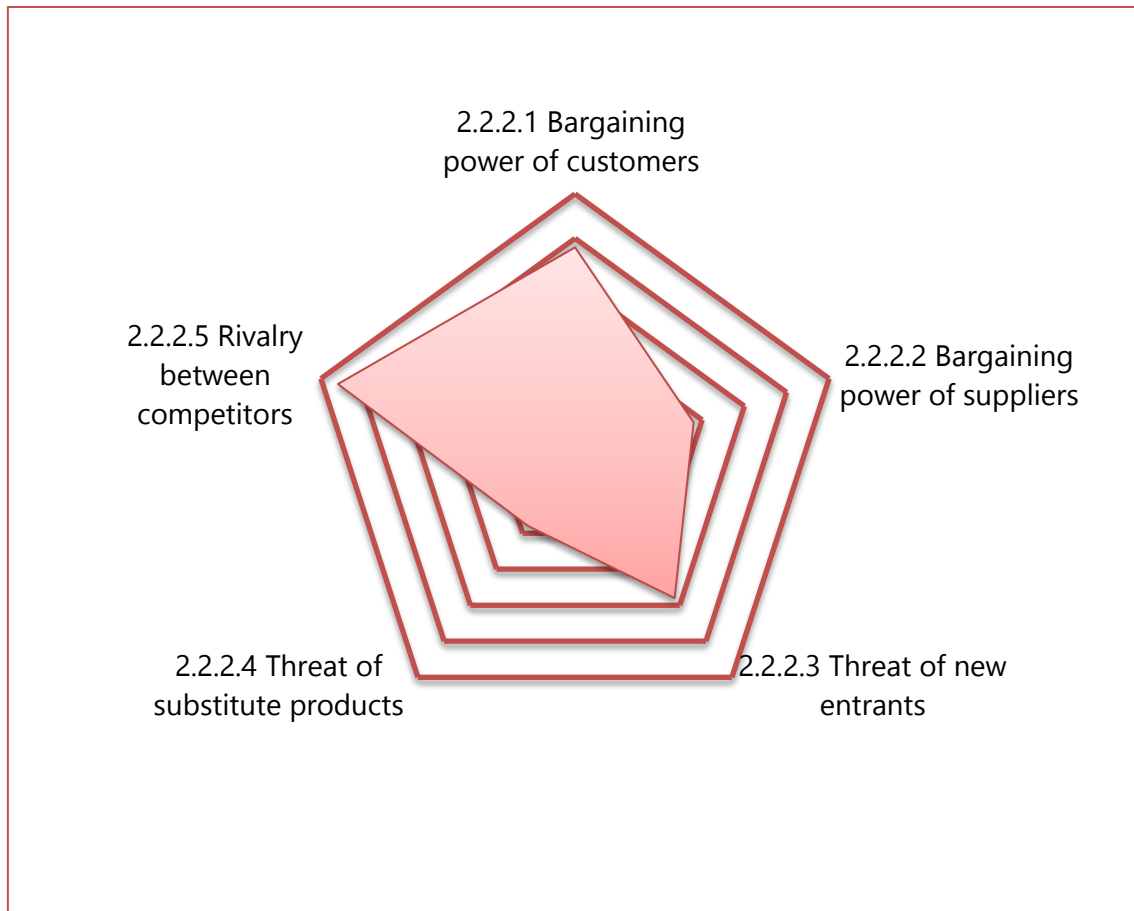
Rivalry competitors are of a high level among establishments with similar characteristics within the locality; this can be observed above all, in social networks, where they are continually doing raffles and similar promotions. This is because they are trying to reach the same sector of population, relatively small, and need to get their attention.

On the other hand, there is competition with the major fashion chains established in the Spanish market. This level of competition is lower, but very strong at the same time, this is due to the fact that their characteristics as a business are more different than with previous competitors, but many of the consumers they are targeting can also opt for the option to change towards this type of purchase which is more impersonal and cheap.

Therefore, the market of which this business forms part is a ferocious market, in constant change and with multiple competitors. **With local competitors it is with more direct and fierce competition, but with the great national competitors there is a constant struggle through methods other than the price war.**

2.2.2.6 PORTER SUMMARY.

Figure 5. PORTER summary.



Source: Own elaboration.

As we can see, the highest level of pressure on the company is the rivalry between existing competitors; this is their biggest daily struggle and their main concern in the market.

Then we have the power that consumers represent in terms of fixing their prices and conditions of purchase, the large number of bidders that are in the market give the consumer a higher power of decision and, therefore, this is an important force for the company.

Next, we have the entry of new competitors, bargaining power of suppliers and the threat of substitute products. The latter are not so worrisome for the company, but they are forces that equally have market power and must be taken into account in our analysis.

2.2.3 Competitive analysis.

2.2.3.1 LEVELS OF COMPETENCE.

Now, we are going to analyse main competitors of Momo.

Figure 6. Summary of competitors.



Source: Own elaboration.

COMPETITION IN PRODUCT FORM:

This type of competition is formed by companies that sell the same products and target the same market segment.

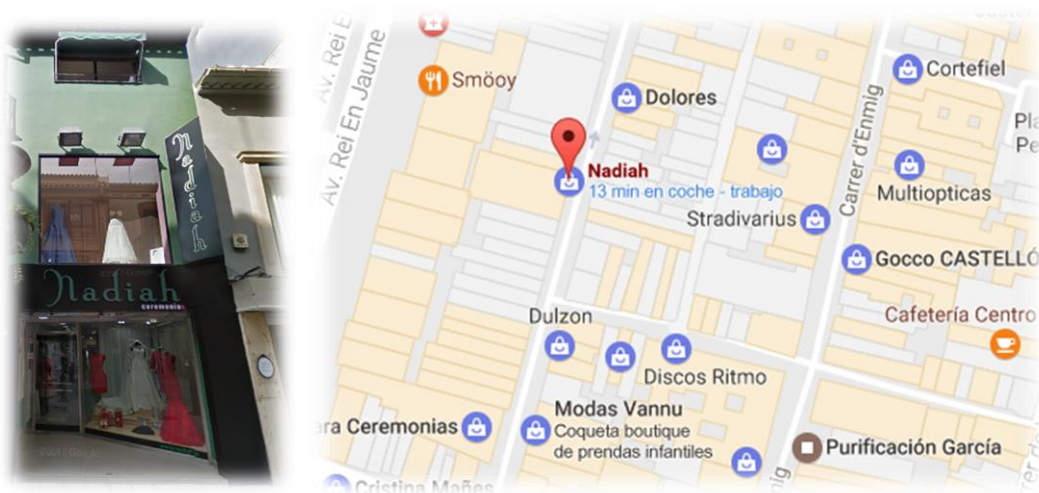
Within this group we find two types of competitors: those who sell their own brands and those who sell the same type of product but different brands.

As for those who sell the same brand as Momo we find:

Nadiah

- **Nadiah ceremonies.** Located in Calle Alloza, 43, Castellón de la Plana (12001), Castellón which has many of the brands that Momo sells today. In the following map we can see its location. As for its style and design, it is a shop that aims to give a picture of luxury and style, this can be seen in its facade.

Images 24 and 25. Facade and location of Nadiah ceremonias.



Source: Google Maps.

It is a more diversified store, as it has more ranges than Momo. Its business is divided into wedding dresses, bridesmaids and party, for women and, apart, communion and kids. Therefore, we rank as Momo's main competitor in women's party dresses.

Images 26, 27, 28 and 29. Some products of Nadiah Ceremonias.



Source: <http://www.nadiah.net/nadiah-ceremonias/>

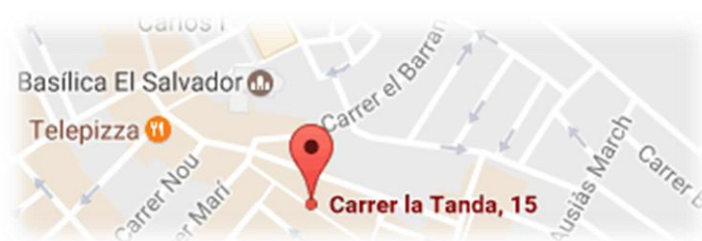
As for prices, they are around the same level as Momo (an average of € 120 in dresses), although it is also true that they have a greater range of quality and prices. Therefore, the advantage it presents with respect to Momo is its greater variety of

product. On the other hand, Momo offers a complete service that Nadiah does not offer, since the arrangements are paid separately from the price and cannot offer the assurance that they will not sell this dress to other members of the ceremony.

Also, it is important to note that Nadiah has a website (www.nadiah.net) very well designed and in which you can observe all your products in an accessible and fast way and this can cause certain customers to move to Castellón to buy there what they have seen in their web.

- **Cocoro.** It is a shop located in street la Tanda 15, 12530 Burriana, Castellón. In the following map we can observe the exact address of the store.

Image 30. Location of Cocoro.



Source: Google Maps.

This store has most of the brands which Momo usually works with, but it does not have so much variety. Its style and layout of the store is not as meditative as that of Momo, and its position in social networks is not as visible as Momo. Therefore, in terms of strength we can disclose the proximity of customers of this population, but Momo has a better positioning in terms of product promotion and variety.

BEATRIZ HEREDIA

- **Beatriz Heredia.** It is a store located in street Joan Fuster, 32, 12540 Villarreal, Castellón (See location on the next map) that is dedicated to the sale of wedding dresses, groom, party and communion. Therefore, it is more diversified than Momo.

Images 31 and 32. Location and facade of Beatriz Heredia.



Source: Google Maps.

As Momo's competitor we highlight the products that belong to their range. Some of these can be seen in the following pictures. We can see that they are very similar models, sometimes even the same ones offered by Momo with a very similar price range.

Images 33, 34, 35 and 36. Some products of Beatriz Heredia.



Source: <https://beatrizheredia.com/es/ropa-fiesta.html>

The advantage that may have Beatriz Heredia in terms of Momo is that it has a greater variety of products and has an accessible website that even has an online store (www.beatrizheredia.com/). On the other hand, it does not offer the integral service that Momo brings to its clients.

We analyze the closest competitors of Momo, who are in the same locality. However they do not sell the same brands.

BAT A BAT

- **Bat to Bat.** It is an establishment dedicated to the sale of Clothing of a similar quality to Momo located in the street Sant Bernardo, Onda (12200), Castellón. We can observe its exact location and its facade in the following images.

Images 37 and 38. Location and facade of Bat a Bat.



Source: Google Maps.

Bat a Bat sells clothing of similar qualities and prices, but aimed at a more conservative public. It has more serious marks and more traditional designs. It does not have a good position in social networks (although it does have an open account on Facebook, it does not use it regularly) but it has a different style that can include a part of Momo's possible clients.

As for its design, it is more traditional and much less elaborated than Momo, but it is a shop that has been in the locality for many years and known by most of its inhabitants.

- **Robert.** This is another clothes shop located in the town that has a variety of products similar to Momo, but with different styles and designs. It does not have profiles in social networks and it is not a well-known store in the locality, reason why it is not a too strong competitor for Momo.

These last two are not considered exactly competitors, that is to say, between them there is a good relation. If any customer asks Momo something that knows that Bat a Bat can have the own Pili is the one that advises the consumer to go there. It is about having respect, tolerance and mutual collaboration because both stores are part of **Onda Centre Comercial**, an association, and should motivate the consumption of the locality and grow together. In addition they do not have the same brands, each focuses on their own and pretends to satisfy the customers, if this customer looks for a brand that has the competitor they should let them know. Because consumers want to see variety and compare and if there was only one store in the area consumers would not move to this area to see only this store, but if there are several consumers may want to go around the area, see what there is and decide.



Finally, we highlight as a large competitor in this area **El Corte Inglés**, which is located in Paseo de Morella 1, Castellón de la Plana, Castellón.

Images 39 and 40. Location and facade El corte Inglés.



Source: Google Maps.

This type of competitor can offer a greater variety of clothes and prices as it has a greater diversity and level of product stock. All this can be offered by its greater dimensions and its great amount of sales.

Another important advantage of this establishment is its image and promotion at the national level. It has many promotions and campaigns that make the consumer to know it and has a well-positioned and quite complete website.

Lastly, it also has a broader schedule, advantage for many consumers who have working hours so they cannot go to other stores.

On the other hand, Corte Ingles does not offer this personalized treatment of the small business; therefore Momo is differentiated by this type of shopping experience which is unique and different to any customer.

COMPETITION IN PRODUCT CATEGORY:

As for competition in product category, we focus on a store that has recently been located near Momo and offers the same type of product at a much lower price.



- **Top Queens:** This is a fashion franchise at a unique price that is located right next to Momo and has festive dresses but of a lower quality and price. All products sold by this franchise are at € 25. These types of shops have a totally different view of the business, therefore, we do not consider it direct competition as such, since Momo's clients seek exclusivity and quality that they cannot find there.

Everything depends on the quality of the dress and on consumers demand. If with a dress of € 25 the customer is going to feel good he will prefer to buy it there. Nevertheless, it will not have the level of quality that Momo offers in their clothes or in their service.

As we can see in the picture below, the store has a very similar design to that seen in Momo. It is an environment that inspires exclusivity and design, but in a very low price shop.

Image 41. Interior of Top Queens Onda.



Source: Facebook.

La tienda también cuenta con su propia página en Facebook, pero no se utiliza de forma tan intensiva como lo hace Momo.

The store also has its own page on Facebook, but it is not used as intensively as Momo does.

There are also stores that offer greater design and quality. Momo is situated in a medium margin.

GENERIC COMPETITION:

As for the generic competition we can frame the different clothing stores, both dress and daily clothing.

In Onda, we highlight two stores that offer more daily clothes with different qualities.

- **NouTemps:** This is a store that offers youth clothing at an affordable price of good quality. It focuses mainly on the young public of the town. In the following image we can see its façade, located in Avenida País Valencià 138, Onda, Castellón.

Image 42. Facade of Nou Temps.



Source: Google Maps.

In the following images we can see some of the products that offer in their social networks, since it has a great activity in them.

Images 43, 44 and 45. T-shirts Nou temps.



Source: Facebook.

- **Yimer:** It offers cheaper clothes for the day to day of a lower quality. They always have multiple discounts and very cheap clothes. In the following image we can see its facade, located in Avenida País Valencià 57, Onda, Castellón.

Image 46. Facade of Yimer.



Fuente: Google Maps.

On the other hand, we emphasize the great surfaces like the Salera. In it we find multiple shops of different types of clothes and a lot more variety of product and price. Within the Salera we can find shops like: Stradivarius, Zara, Pull and Bear, Mango, Berska, etc.



BUDGET COMPETITION:

This type of competition may be any company in which the consumer decides to spend this part of their budget instead of purchasing any of Momo's products. This means that any of the companies in which this budget can be spent, can be competition.

For example, if instead of wearing a wedding dress, the client prefers to spend the money in acquiring a **jewel** that highlights the sheen of a dress that you already have at home, or on a **trip** for the couple, or for herself/himself, an **appliance**, a **mobile phone**, anything you need or want and prefer to spend that budget on it.



2.2.3.2 MAIN COMPETITORS.

Finally, we present a summary table with the 4 competitors that are assumed as the most direct and worrying competition for Momo. These competitors are their most direct competition: competition in product form. These companies sell the same type of product as Momo, but in different ways. They are the follow companies.







BEATRIZ HEREDIA




The following table summarizes the different parts that form the MK Mix of these companies in comparison with Momo.

Table 2. Synthesis of the main competitors in comparison with Momo.

	Product	Price	Promotion	Distribution
	Greater variety of ranges, and amplitude of each one of them (many of the brands are the same that Momo sells)	Range of prices larger, but average price very similar (120 € dress)	Well positioned website in the area, good customer service and studied shop design	Physical store
BEATRIZ HEREDIA	Greater variety of product Many of the brands are the same as Momo	Price and quality range higher In party dresses very similar prices (120 € mid-range dress)	Good image and personalized customer service (not integral like Momo's) It has a very well designed website	Physical and online store
	Different brands but with similar styles	Price range very similar to Momo	Does not have website and its design in store is not as studied as in Momo	Physical store
	More product ranges and more stock	Highest price range	Establishment very well positioned in the sector at the national level	Physical and online store

Source: Own elaboration.

2.3 Market analysis.

2.3.1 Sector analysis.

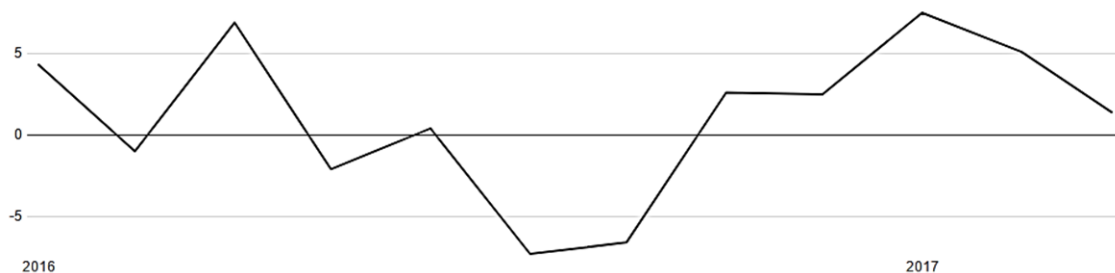
The fashion market in Spain is a very strong sector within its internal economy and, within the global sector, Spain is in a good place as an exporting country, especially FastFashion (soon fashion) thanks to companies as Inditex. Nowadays, Spanish fashion is very strong within the global market thanks to the improvement of its competitiveness caused by its innovation, design, quality and service.

The fashion sector represented, in Spain, 2.8% of GDP (approximately 30,000 million euros) in 2016. It is the fourth sector of the economy that exports the most (8.4% of the total) and shows a very positive evolution in recent years. 10% of the Spanish business sector works directly or indirectly for this sector and it represents 4.3% of total Spanish employment.

We move on to analyze the **Indicator of the Trade of Fashion**, elaborated from data of the Business Association of the Trade Textile and Complements (**Acotex**). Since 2015, this indicator shows upward trends. Although in 2016, the climate, the political instability and the increase of the discounts made the year closed with a fall of 2.2%. Although in the last months of the year it began to be noticed that the trend returned to be positive thanks to Black Friday and Christmas.

During the beginning of 2017, sales rose by 7.5% which was the best January since this indicator (2007). In February, the rise was not so great but it was also notable (5.1%). All these trends can be seen in the following chart.

Graph 9. Evolution of sales of the fashion trade in the last twelve months (Year-on-year change, in percentage).



Source: Acotex.

During March, sales continued to increase but to a lesser extent and thanks to discounts and offers. Faced with this, the conclusion is that traders increasingly have lower margins, and this is very worrying for small businesses like Momo which cannot bear these low margins. It is necessary for the small business to differentiate itself in different ways and not to enter into a price war that can lead to closure.

The big segments, in which we can divide the fashion market, taking into account the type of garments and their quality, are the following:

- First, **the big haute couture firms form the cusp of this market**. These garments are sold at a very high price, are unique and have an exquisite quality. In this group of great designers we find Cristóbal Balenciaga, Maya Hansen, Carolina Herrera, etc.
- Next, we find the **fashion of good quality and design at prices more affordable** for the public with a lower purchasing power. Inside this type of fashion is the one offered by Momo. Almatrichi, Hertex SL, Denny Rose, Pepe Jeans, etc.
- In the penultimate step, we find **fashion brands more affordable and mass-produced**, that is, the large chains that make up the bulk of sales in this sector. Among these we find stores like Zara, Mango, Stradivarius, H & M, etc.
- Finally, we find **fashion brands with lower quality and lower prices**. This type of clothing has a very low quality level and very simple designs and even copies of designs of large surfaces.

2.3.2 Consumer analysis.

What?

Consumers are now much more informed about the different offers of products and services that exist in the market and this gives them a greater power in the market.

The market and the competition between the different offers have been advancing and changing in recent years in a significant way. Companies try to offer quality products in the shortest possible time for customers to choose their option. Each time they have a greater variety of products and brands in the market, as well as multiple ways to spread their opinion about them almost immediately.

Current consumers are asking for a different type of product than the one that was demanded a few years ago. Now the customer demands a different shopping

experience, which gives them a real value and that adapts to their needs (personalization).

Every time more, customers take into account the way in which are done the garments, their fabrics, from where they come and if the company puts resources to improve society and not damage the environment with its production processes. This is why Momo always bets on suppliers who certify that their garments have been manufactured in countries where child labour is not used and that their production plants have some quality certification and respect for the environment.

Therefore, in the sector of quality fashion for events owners are usually looking for products with fabrics and **quality manufacturing**, but above all a **unique, personalized and 'made-to-measure' shopping experience** for each customer. When a woman enters Momo, Pili will listen to her, understand her and advise her according to her measurements and budget the product that best suits her. Always letting the last decision is made by the client, but with exquisite attention.

When the clothes you want to acquire are for day to day, the type of experience that demands is different, you look more at the price and the amount of different clothes that you can find. For this reason, Momo decided to leave this type of business for the leading supermarkets in it and focused on this type of product more personalized and special for their clients.

Who?

The consumers who usually acquire this type of products belong to an average age of about 30-60 years, the people of a mature age that take into account more than simply the quantity and the price.

The younger people prefer to have more variety of products and a lower price to be able to acquire more and to be able to change of style continuously, but the adults give more importance to the treatment and the exclusivity that certain stores like Momo offer. However, on the most special occasions these younger people, usually guided by their mothers, aunts, etc., also opt for these types of establishments to find their perfect dress for the graduation ceremony, for the communion of their little brothers, etc.

So the people who opt for this type of product are, in the case of Momo, middle-aged women who need advice to find the model that suits their tastes and proportions.

Why?

The vast majority of people who are looking for this kind of garments are because they need them because some event, party or special occasion is near. Therefore, most of the times that a product of Momo is acquired is for this reason: the need to wear a new dress appropriate to a certain occasion. We conclude that the main reason for this type of purchase is the need to acquire the garment suitable for a certain occasion, and for this many factors are taken into account. One of the most important factors is the service and the sensation of the client when she is offered a unique and integral and exclusive treatment. For this reason, Momo focuses its main distinction on this type of service and shopping experience, this is to create loyalty among its customers and be the first choice for them when they have some type of event for which they need some special outfit.

How?

The process of buying these types of products is longer than buying clothes for day to day. This type of purchase arises with the need created by the celebration of some special event. This makes the client feel that she needs a certain outfit to dress appropriately for the occasion and decides to set a budget for it.

Once the consumer thinks that she needs a certain dress for an occasion, she begins to consider which the right place to make this purchase is. They weigh the different options. For this, it is usually taken into account the variety of products, price range, quality of fabrics and customer service.

Once this is decided, the customer approaches the establishment and after trying on different models, they choose whether to acquire some or none if they do not convince them. After having clear the dress, they move on to the choice of accessories, clothing repairs, etc.

In Momo, clients who enter and decide on a dress have a personalized advice to the client and at her choice, that is, they include the clothing repairs in the price (marked in the same store) and the following tests are also performed on her when the dress is already arranged. They also help to decide on accessories, both from their own store and from others, in the case of shoes. Sometimes Pili herself is the one who moves to the shoe store and presents several options for this set. You can be sure that you have made all the necessary purchases and have everything ready for the marked day.

How much?

The amount of clothes that are acquired when you go in search of something special for an event is usually just what it is necessary for that event. Therefore, the amount of garments of this type that are usually acquired are reduced.

This is totally different on large areas where consumers buy a greater quantity and variety of different garments. When a customer approaches Momo to get the look for a party in particular does not end up acquiring 5. It goes with the dress chosen for the occasion and that is all.

This is the main reason why these types of establishments have to offer a differentiating service, so that in next events they would have this store as the first option to find what they need. It is clear that in the same purchase they are not going to buy 5 shirts or 5 dresses, for this the owner has to create to the client the need to return, to return to feel unique and cared for.

3 SWOT analysis.

After conducting the internal and external study of the company, we proceed to perform the SWOT analysis taking into account the factors studied previously to draw the conclusions on the external and internal situation of Momo.

Below we show the summary table of the conclusions of this analysis, and then we will explain each one of them.

Table 3. SWOT analysis of Momo.

INTERNAL ANALYSIS

EXTERNAL ANALYSIS

INTERNAL ANALYSIS	EXTERNAL ANALYSIS
<p style="text-align: center;">WEAKNESSES</p> <ul style="list-style-type: none"> - Lower variety of products, qualities, prices and stock in comparison with the competition. - Does not have a well-positioned website or an online store. - It does not count on long periods of discounts. 	<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> - Instability, changes of government, need for coalitions to form government. Policies. Corruption. - Tendency to save by the crisis. - Lower household size, lower birth rate and aging population. - Sale on-line and new App. - Greater opening hours. - Great bargaining power of customers (small business).

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"> - Intensive use of social networks from which your company and its products are made known. - Good image in your locality and surroundings. - Design of the store very studied and relaxing. - Shop well located in the locality. - Social commitment and powerful tools of MK to demonstrate it (parades, certificate of quality ...) - Comprehensive customer service and commitment not to sell this same dress for the same occasion → Momo's competitive advantage. - Only shop with these brands in the locality. 	<ul style="list-style-type: none"> - Positive evolution of GDP, CPI and employment. - Current consumption system despite the tendency to save in recent years. → New business opportunity: the rental of clothing. - Good weather to celebrate in the open air. - Fashion of the American celebrations. - Great reach of social networks. - There are no competitors offering the same comprehensive service to the consumer.

Source: Own elaboration.


→ INTERNAL ANALYSIS

WEAKNESSES

- Momo has a **smaller variety of products than other competing stores**, due to its size, sales level, etc. Momo has decided to focus on less variety in exchange for offering customer value in different ways.
- **It does not have a well-positioned website in the market or with an on-line shop**, since it sets as the main value of their establishment the personalized and human, service and this cannot be achieved by this type of sale. Although it does rejects to enter this type of sale in the future.
- **It does not count on long sales or special discounts all year round like other stores** of the competition. Momo believes that if they offer many discounts to the customer, this will ultimately detract from their product and this is what it is intended to avoid.

STRENGTHS

- Momo is aware of the great reach that social networks can have at present, for this reason, **it carries out an intensive use of the social networks** from which its company and its products are made known. Each day adds about 7 publications so that their clients are up to date with their novelties.

- Thanks to its good service and over the years, **Momo has achieved a very good image in its town and surroundings.** So much so that it even has clients from nearby localities who prefer to go to Onda to enjoy the products and especially the service offered by Momo.
- **Design of the store is very studied and relaxing.** As we have highlighted in our study of resources and capabilities, Momo has studied every detail of the environment of the shop and this is another reason why clients get away with a pleasant feeling of the store and feel comfortable using the fitting rooms.
- **Shop well located in the locality.** It is located in the commercial area, where we also find its main competitors, and also very close to where the market is located every Thursday in the locality.
- Momo has a **strong commitment to society and environment** and lets know to its clients through initiatives such as those of the parades, which, in turn, are a powerful tool of MK. It also has a quality certificate that guarantees that all its garments and facilities respect the environment and social commitment.
- Comprehensive customer service and **commitment not to sell this same dress for the same occasion.**  Momo's competitive advantage: Momo knows how important it is for their customers to be unique on each occasion, for this reason it was designed this type of service dedicated to them.
- When negotiating with their suppliers, Momo makes sure that these are not going to sell these same brands to any establishment of the locality. In this way it ensures to be **the only one that has these brands in Onda.**

➔ EXTERNAL ANALYSIS

THREATS

- **Instability, changes of government, need for coalitions to form a government, policies (taxes, cuts ...), and corruption.** All these political factors negatively affect Momo's business, as they cause some uncertainty and do not assume certain risks that could be positive for the company.
- The **severe economic crisis** that has crossed the country in recent years has been one of the reasons why **many families have decided to save most of their income** and not spend it on products that are not essential (such as those marketed by Momo).

- **Smaller household size, lower birth rate and aging population.** The new social structure of the country is not very positive for Momo, since there are fewer weddings, baptisms, communions, birthdays, etc.
- **On-line sales and new App.** This type of new sale is having a great expansion among consumers and may pose a threat to Momo's sales.
- During the last few years, most of the **laws** approved imply a **greater amplitude and freedom of opening hours.** This has been a great opportunity for large supermarkets, but for small establishments such as Momo, a great threat.
- **Great bargaining power of customers with the small trade** caused by the wide variety of offers offered by the market (prices, quality, types of distribution, payment terms, after-sales services, etc.).

OPPORTUNITIES

- **There is a positive evolution of GDP, CPI and employment.** The positive evolution of these indicators presents an opportunity for growth for any company, but more for businesses that sell quality products that are not of first necessity. These products are the first to stop buying when the economy stagnates and the ones that grow the most in sales when this trend is positive.
- **Current consumption system is very strong** despite the **tendency to save that has been experienced in recent years.** This reluctance to spend can lead to a new business opportunity: **the rental of clothing.** Through this service, Momo will be able to offer cheaper clothes to its customers with the condition that a few days after the celebration are returned to the store.
- The area we are in is the ideal to organize **outdoor events.** The **good climate** of the area encourages families to carry out more and more different celebrations. This is a great opportunity for the garment sector and for Momo in particular.
- At present, **American-style celebrations** have become very fashionable. The different television series, media and social networks have aroused this new interest of the population. An example is the 'American' birthday celebrations in which all the guests wear their best finery to celebrate the coming of age of one of the family members.

- **The greatness of social networks** is one of the greatest opportunities that Momo exploits daily through its publications.

- **There are no competitors that offer their same integral service to the consumer.** As we have detailed above, this is the great competitive advantage of Momo.

4 Market segmentation.

As we have defined in previous sections, Momo's business focuses on the sale of fashion and quality accessories, basing its offer on an integral and complete customer service.

Momo divides its portfolio of products into two large groups: **clothing used in events and celebrations and accessories**. Apart from these two groups, it also has a single brand of clothing more 'sport' rather expensive and with very few sales. So, let's focus on dress fashion and accessories.

Momo focuses its audience on private consumers, **middle-aged women (between 35-65 years, especially)**, but it also sells to younger girls to their graduations, etc. But this type of consumer is attracted by the mothers themselves who are the clients of the establishment. Because it has a small variety of dresses for younger girls, and above all, it acquires them during times of graduation.

Table 4. Markets to which Momo is addressed.

CLOTHES AND ACCESSORIES USED IN EVENTS.

Girls / Boys.

	Kids	Young (18-35 years)	Middle age (35-65 years)	Older
Low-cost and low quality				
Good quality and middle price				
Great brands and designers				

Source: Own elaboration.

As it can be seen in this representation, it is aimed at a macro segment of women divided into two segments: Young people (up to 35 years old) and middle aged women (up to 65 years old). We also note how the tone of the segment of middle-aged women is stronger than that of young women, since it has more presence and a better positioning in this sector. Then we proceed to synthesize these two segments of consumers.

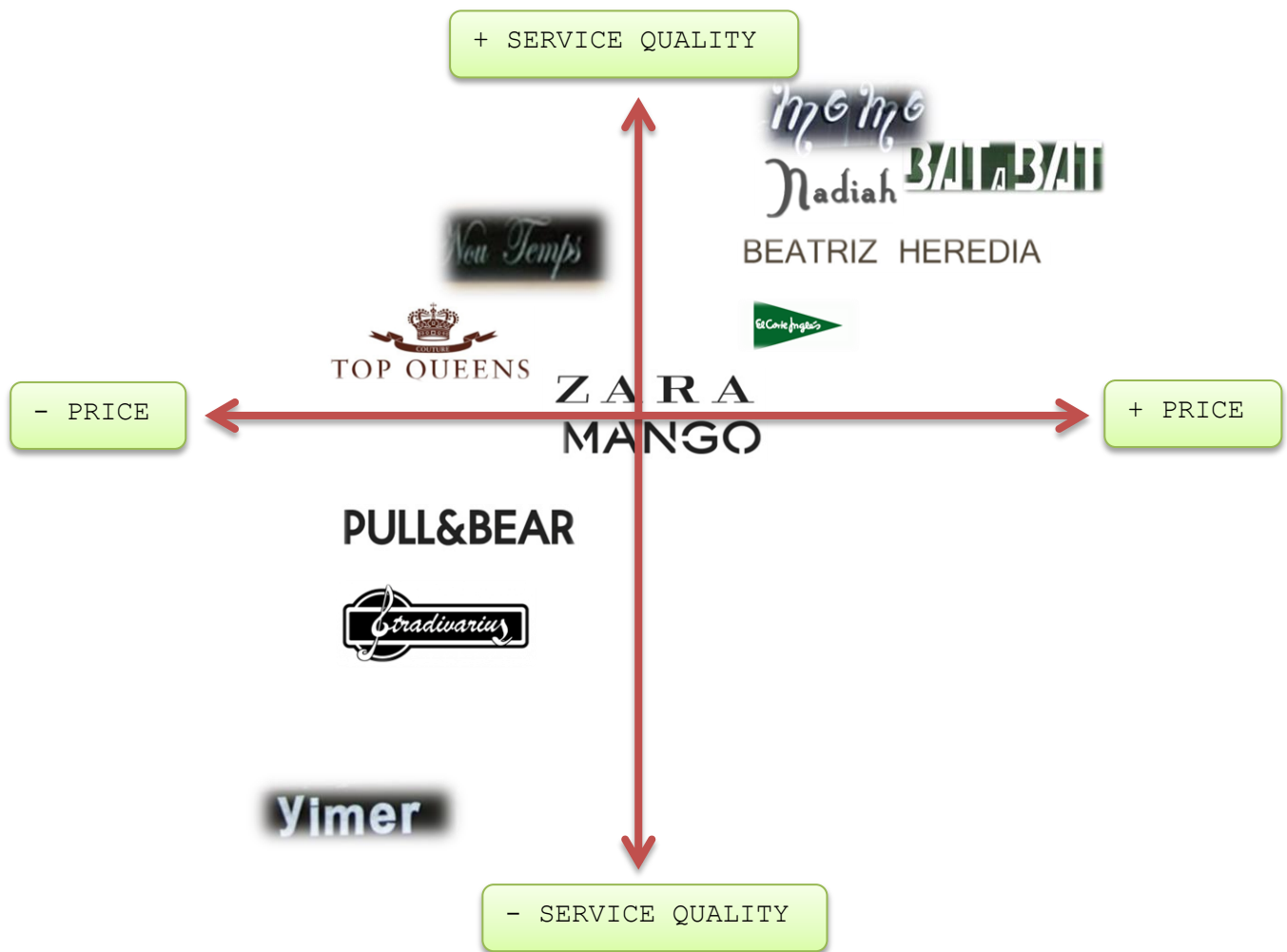
As for its positioning in the segment of **women aged 18-35**, we can see represented how it is a more dispersed type of public, which uses many more tools for the purchase of this type of garments. They are people who know and use to a greater extent the on-line purchase and in large areas that offer them a greater variety of clothes, and with the situation lived in the last years have formed their pattern of consumption in the low cost. For these reasons Momo is not one of your first buying options. They do not take into account customer service and exclusive attention.

As for the segment of women of middle age (**up to 65 years**), we find a different public to the previous, mainly by two factors. The first of these is the lack of trust or use of the web as a normal form of purchase, and less in this type of acquisitions. On the other hand, this type of public pays much more attention to customer service and personalization of their purchase. Unlike younger women, they prefer to have fewer clothes to choose from and spend a little more money if they have a care and a saleswoman to guide them about their purchase and to trust them about the quality of their products and their attention.

4.1 Positioning.

We now proceed to represent, through two positioning maps, how Momo is positioned in this sector, one taking more into account the price and quality of customer service, and another one more focused on the quality and breadth of product offered.

Graph 10. Map of positioning about Price and Service Quality.



Source: Own elaboration.

Graph 11. Map of positioning about Product Quality and Variety.



Source: Own elaboration.

5 Marketing objectives.

Now, we are going to explain the main objectives which Momo want to achieve during the next year. We can separate them into three groups: customer relationships, marketing and financial activities.

The first main group of objectives will be the basis of actions which Momo are going to implement in order to achieve his marketing and financial objectives.

Objectives of customer relationships:

- 1) Increase visits of new customers by 15% to the physical store in the next 12 months.
- 2) Re-activate the online store for the younger audience and get it to become 10% of your sales in the next year. Using social networks in order to make it known.
- 3) Start with the business of renting clothing, to get dress 150 people during the first 12 months since the implementation of this service.

4) Improve customer satisfaction by getting 98% of customers. And achieve that these consumers consider buying their clothes at Momo in future.

Management objectives of marketing activities:

5) Increase sales of clothes and complements by 10% in the next year.

Objectives of financial activities:

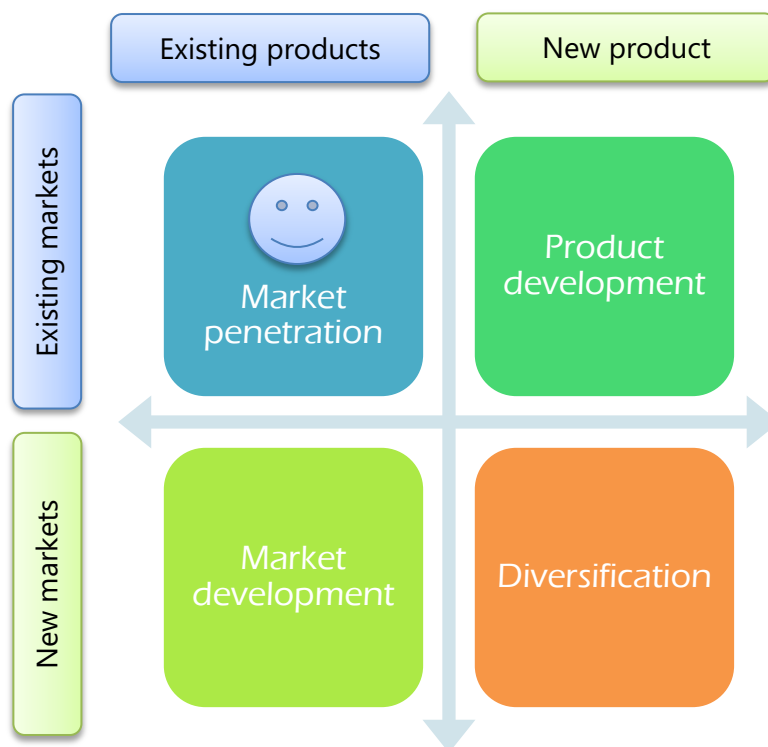
6) Increase the company profits by 10% over the next 12 months.

6 Marketing strategies.

6.1 Growth and diversification strategy.

These types of strategies can be analyzed by studying the Ansoff Chart. In this chart we can distinguish four types of strategy that a company can adopt depending on the markets and products on which it wants to base its strategy.

Figure 7. Ansoff's Matrix.



Source: Own elaboration.

The strategy that best defines the line of business that Momo wants to follow in the future is the **penetration in a specific niche market**, already existing through existing products, but with a different offer to the others for all the services that these products have adhered. It does not seek to create new products or focus its activities on the creation of a new market. It simply intends to focus on its niche and exploit it to the maximum through various actions.

As it is clear who its star clients are and the niche that it has to exploit is that of **middle-aged women** and an **average purchasing power**. And, as for the products, it is based on a **high quality** line with an **average price of about 120 € / dress**.

6.2 Competitive strategies.

Within the market we can distinguish between companies that have different positions and can use various strategies depending on the position they occupy and want to occupy in the future. In order to analyze this type of strategy we will base ourselves on the proposals by Kotler and Singh (1981).

Figure 8. Strategies of Kotler and Singh (1981).



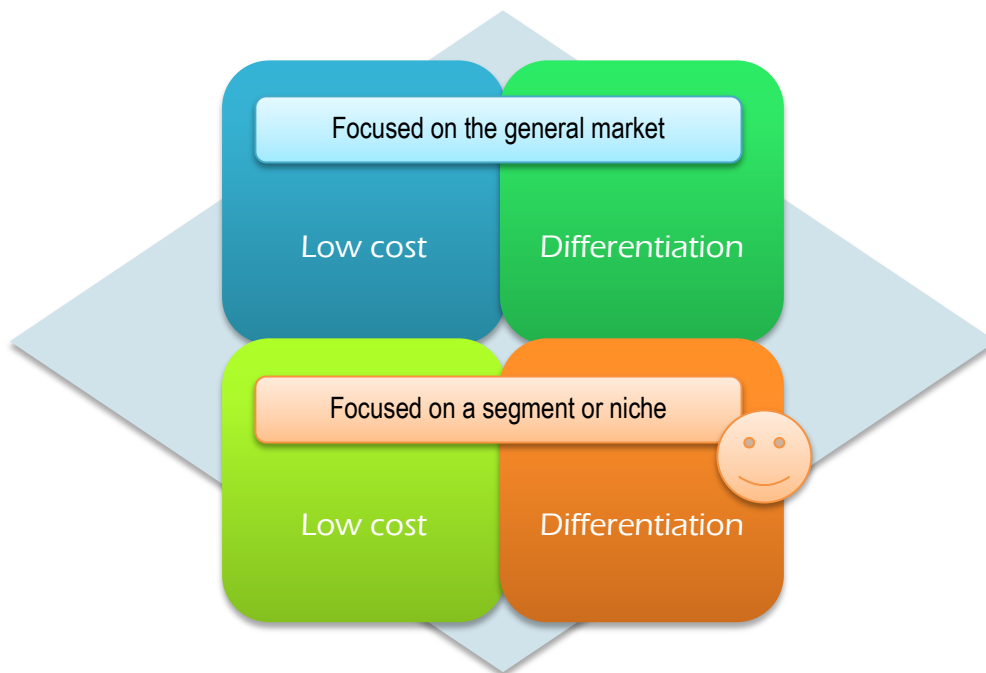
Source: Own elaboration.

Within this classification, Momo aims to focus on leading its small part of the market and offering services very different from those offered by the leader. In this way, they become a **specialist in their small part of the market** and can lead them

6.3 Strategy as competitive advantage.

Within these types of strategies we can be based on the classification that makes Porter to differentiate them.

Figure 9. Competitive strategies of Porter.



Source: Own elaboration.

As for the diverse competitive strategies that we know we can situate the strategy of Momo within those that focus in a niche of specific market. Within these we find the strategy based on the low cost and the one based on the differentiation. Momo intends to rely on the second of these strategies to achieve its objectives. It does not pretend to be a leader in prices since it is not part of its definition as a company. It intends to bet on the differentiation by its product of quality closely linked to its star product: its attention and customer service.

By what we define the competitive strategy of Momo as the one of **Differentiation within a specific niche of the market.**

7 Action Programs.

Now, we proceed to establish the MOMO ACTION PLAN with more concrete actions regarding the 4Ps of the Marketing Mix (Product, Price, Promotion and Distribution) and taking into account the general strategies that have been fixed previously.

7.1 Summary of action plans.

Table 5. Summary of action plans.

Actions	Objectives
1) Improve the non-repetition service of clothes with the creation of a dynamic and visual database.	4) Improve customer satisfaction by getting 98% of customers. 6) Increase the company profits by 10% over the next 12 months.
2) Start with a new clothing rental business.	1) Increase visits of new customers by 15% to the physical store in the next 12 months. 3) Get dress 150 people during the first 12 months since the implementation of clothing rental business. 4) Improve customer satisfaction by getting 98% of customers. 6) Increase the company profits by 10% over the next 12 months.
3) Create an appropriate and reliable complaint management method.	4) Improve customer satisfaction by getting 98% of customers. 6) Increase the company profits by 10% over the next 12 months.
4) Invest in good quality and average price in its sector.	4) Improve customer satisfaction by getting 98% of customers. 5) Increase sales of clothes and complements by 10% in the next year. 6) Increase the company profits by 10% over the next 12 months.
5) Re-activate the online store to attract the younger audience to the store.	1) Increase visits of new customers by 15% to the physical store in the next 12 months. 2) Re-activate the online store for the younger

	<p>audience and get it to become 10% of your sales in the next year.</p> <p>5) Increase sales of clothes and complements by 10% in the next year.</p> <p>6) Increase the company profits by 10% over the next 12 months.</p>
<p>6) Set a minimum of daily posts on its social networks and create a new Twiter account.</p>	<p>1) Increase visits of new customers by 15% to the physical store in the next 12 months.</p> <p>2) Re-activate the online store for the younger audience and get it to become 10% of your sales in the next year.</p> <p>3) Get dress 150 people during the first 12 months since the implementation of clothing rental business.</p> <p>5) Increase sales of clothes and complements by 10% in the next year.</p> <p>6) Increase the company profits by 10%</p>
<p>7) Take a course in digital photography.</p>	<p>1) Increase visits of new customers by 15% to the physical store in the next 12 months.</p> <p>2) Re-activate the online store for the younger audience and get it to become 10% of your sales in the next year.</p> <p>5) Increase sales of clothes and complements by 10% in the next year.</p> <p>6) Increase the company profits by 10%</p>
<p>8) Create the annual fashion day party.</p>	<p>1) Increase visits of new customers by 15% to the physical store in the next 12 months.</p> <p>3) Get dress 150 people during the first 12 months since the implementation of clothing rental business.</p> <p>4) Improve customer satisfaction by getting 98% of customers.</p> <p>5) Increase sales of clothes and complements by 10% in the next year.</p> <p>6) Increase the company profits by 10% over the next 12 months.</p>

Source: Own elaboration.

7.2 Product decisions.

1) Improve the non-repetition service of clothes with the creation of a dynamic and visual database.

Momo is clear that its differential advantage over its main rivals is its exquisite and integral customer service. And one of the services that their clients most value is the control that it is carried out of the garments that are worn for each event. This control is carried out by means of a notebook in which each person is writing down what has been bought and for what celebration. The idea is to improve this service through a database in which it has, more visually, a control of this service.

We will create a tab in which you will enter data such as the date, time, place of the celebration, etc. In this way, when a customer enters to her shop and tells the celebration she goes to, if she has already sold an outfit for this, she will no longer show it to her client. She will also know the type of celebration and the schedule, which is also important when choosing the most suitable clothing.

And they can have an easier and more visual control of this service.

Implementation period: 2 weeks

We can fix the implementation period of this action in about 2 weeks. The computer that Momo has in its shop has Office installed; therefore, we can use the tools that Microsoft Excel offers to create this interactive database.

During the first week, Momo can create and design the database with format and proprieties necessities from its correct use. The most recent data recorded in the notebook could be transferred to this database too.

During the second week, the idea is tester the tool and check if the new database is improving the Momo's "star service".

Budget: Free

This action will be free because the licence of Microsoft is already paid. On the other hand, it's important to consider the fact that Pili will spend a lot of time on this implementation, check and improvements which she need to implement.

Using filters you can take control of all purchases that have been made by celebration, by type of celebration, customer, etc. For this reason it can be very useful as a tool to control your sales and customers.

Image 47. Possible design of events table.

1	Celebration	Type	Date	Hour	Address	Customer	Type of gest	Dress	Shoes	Accesories
2	Daniel y Laura	Weeding	22.06.2017	12:30	Central Church		Bride's sister	Almatrichi Mod.1 Green	Liberty Mod.3 Gold	Gold colored belt
3	Major School	Graduation	25.06.2017	20:00	Major School		Graduate	Deni Rose Mod.5 Red	La Safona Mod. 20 Black	Earrings Mod. 3

Source: Own elaboration.

2) Start with a new clothing rental business.

Create a new business of renting clothing for events. In recent years, Momo has found on the web some businesses that are succeeding renting clothes for events. in major cities The problem for most consumers is that they spend a lot of money to wear this dress once or a couple times and these clothes are not worth having to spend as much as the economy is.

It is a service in which the clients would go to the store to try the different garments and could take their 'complete look' on Friday to return it on Wednesday after the event. In this way she would not have to pay the total amount of the clothes, but 40% of the total of her 'look'. For about 60 € she could wear a dress with its accessories that, if she had bought them, they would have cost 150 €. All subsequent dry cleaning services and 'invisible' arrangements to make it look as though it was designed for it are included in the price.

That can be a great opportunity for Momo's growth, and intends to start with it over the next 6 months.

Implementation period: 4 months.

During 2 months, Momo should research information about the possible suppliers and clothes which can be used to rent. After chose the suppliers and negotiate with them the business' conditions, Momo will start to promote this business online, using Twitter, Facebook, Instagram and the new shop online.

The idea it's that in 4 months this business can be already working.

Budget: 1.000 EUR

In first 12 months, the budget used to purchase clothes in order to rent it is 1.000 EUR.

3) Create an appropriate and reliable complaint management method.

Create an appropriate and reliable complaint management method. Through social networks and surveys on the web, including even surveys in the store itself for suggestions for improvements. This could be done by creating a survey in the wizard that Google has created on the web without any cost, simply by acquiring an iPad to have it located in the store and that clients can use this form to give their opinion freely.

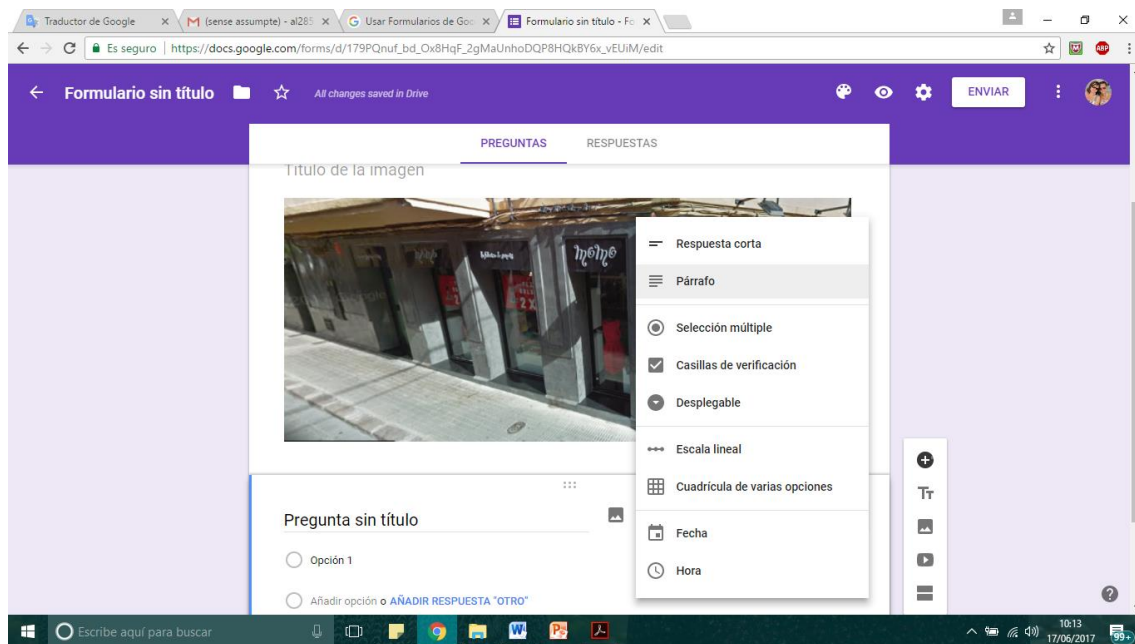
Implementation period: 1 week.

For the implementation of this action we only need one week. During that week, the form will be created using the tool that Google offers for free. It will create an easy and dynamic form designed where the customers can express their opinion from the store or anywhere.

Budget: 900 EUR.

For surveys conducted in the store, Momo will acquire an iPad. This iPad will put in a place in the store where clients do not feel observed while doing their survey and can express their opinion freely.

Image 48. Possible design of Google form.



Source: Google forms.

7.3 Price decisions.

4) Continue to invest in good quality and average price in its sector.

Price is one of the main tools of the MK Mix, but not the most important for Momo. As we have analyzed in previous sections, Momo does not carry out a discount policy, as it aims to give an image of exclusivity and luxury. Therefore, as far as prices are not going to take important measures, you will simply continue to bet on good quality and for an average price within your sector. It does not intend to increase its sales by changing this variable.

7.4 Distribution decisions.

5) Re-activate the online store to attract the younger audience to the store.

Re-activate the online store which they had at the time to attract a younger audience to their store. Although no shipments are made at the moment, they can offer their clothes and advertise them in this way. Creating an on-line tester service whereby their clients can reserve one of the fitting rooms of the store at the time chosen by the client. So

when they arrive at the store (at the set time) the clothes the customer wants to try are prepared in their fitting room and can go directly to try them on.

This can encourage the purchase of younger people or women who have a difficult work schedule and cannot spend an entire afternoon shopping looking at and comparing shops and clothing. In this way, they observe on-line the products of the store and reserve the ones that they want to try at a certain time.

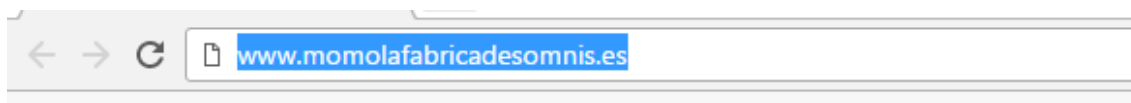
Implementation period: 2 months.

In two months, the shop online should be activate. Offering the new fitting room online service and showing the full range which Momo offers.

Budget: 30 EUR/month.

The approximate budget to re-activate shop online is 30 EUR a month. This budget can oscillate according to the characteristics which you add to shop online.

Firstly, we start with this budget and depending on the sales and the success of the shop online we can increment this amount.



7.5 Communication decisions.

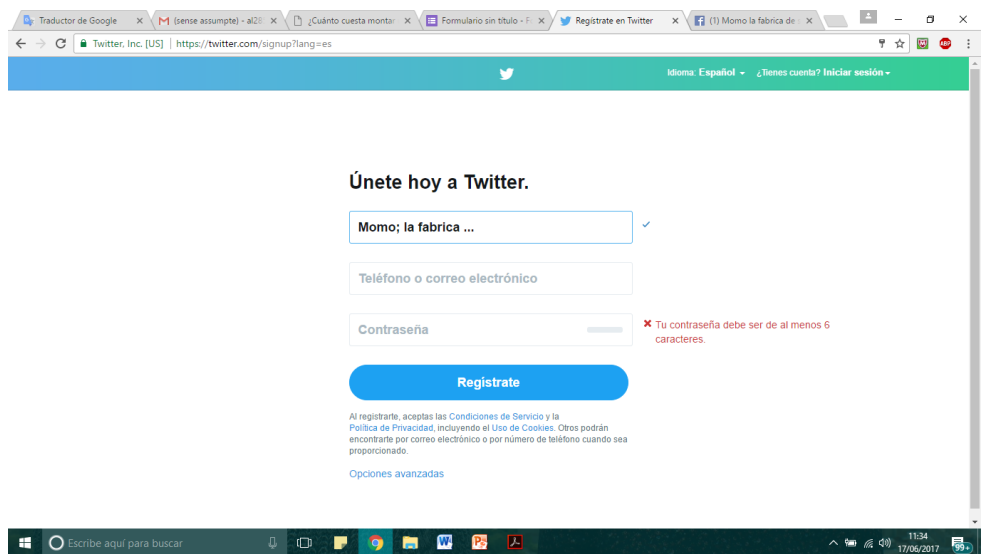
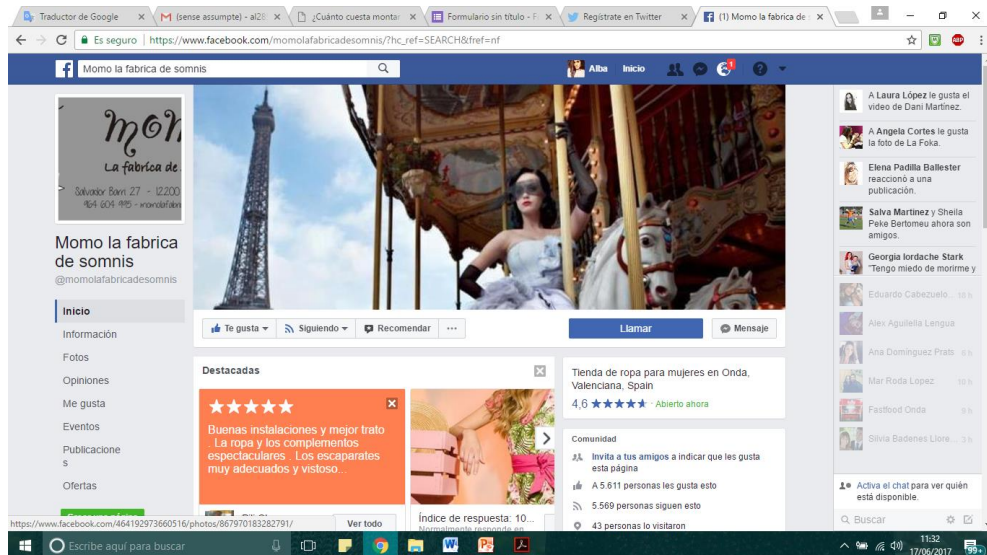
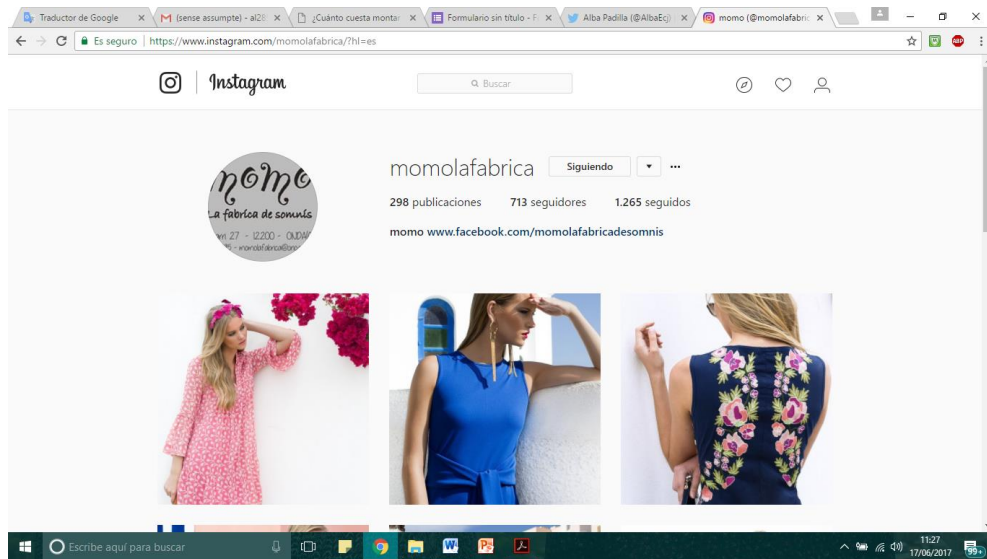
6) Set a minimum of daily posts on its social networks and create a new Twiter account.

Momo must continue with the daily activity in the social networks that already has created fixing a minimum of a daily-post and create a profile on Twitter, since it is a very powerful social network that does not use at present.

Implementation period: 1 week.

Budget: Free.

Images 49, 50 and 51. Instagram and Facebook accounts and new Twitter account.



Sources: Facebok, Instagram and Twitter.

7) Take a course in digital photography.

Carrying out a digital photography course focused on improving their position in social networks. This is a 6 month course that could improve the quality of the photography, as it is important to know how they can carry out a type of photography that catches the attention of potential and current clients. Today the view is one of the most important senses and, especially when we are talking about networks in which to fix the attention or not in a publication depends, in many occasions, on the photography attached to it.

Implementation period: 3 months.

The duration of the course is 3 months, twice a week during an hour.

Budget: 150 EUR.

The cost of this course is 50 EUR a month, so the total budget is 150 EUR.

8) Create the annual fashion day party.

Create an event with annual seasonality in which the 'fashion day' is celebrated, in which a kind of contest is prepared in which the participants can have all the sets of the store of past seasons to create their 'Perfect look', once the wardrobes are chosen by the clients, a vote will be taken in which the best style is chosen and the winning client can take it for free. And the other participants who want to stay with the 'look' they have chosen can buy it with a 20% discount. After the competition, a snack will be offered for participants and the public in the store.

Through this celebration, it is intended to create an atmosphere of celebration and joy in the store and to be able to offer and advertise their clothes in a different and original way. Therefore, they could help to sell some clothes from previous seasons that have been left in stock.

Implementation period: 2 months.

Momo will celebrate this event in two months. During this time Pili should decide the shop's distribution this day, type of music and organize the catering.

Budget: 200 EUR.

The approximate budget from this event is 200 EUR.

Image 52. Party poster.



Source: Own elaboration.

8 Timeline.

Table 6. Timeline.

Actions	1	2	3	4	5	6	7	8	9	10	11	12
Action 1. Improve the non-repetition service of clothes with the creation of a dynamic and visual database.												
Action 2. Start with a new clothing rental business.												
Action 3. Create an appropriate and reliable complaint management method.												
Action 4. Continue to invest in good quality and average price in its sector.												
Action 5. Re-activate the online store to attract the younger audience to the store.												
Action 6. Set a minimum of daily posts on its social networks and create a new Twiter account.												
Action 7. Take a course in digital photography.												
Action 8. Create the annual fashion day party.												

Source: Own elaboration.

9 Budget.

Table 7. Budget.

Actions	Who does the action?	Budget
Action 1. Improve the non-repetition service of clothes with the creation of a dynamic and visual database.	Own development	Free
Action 2. Start with a new clothing rental business.	Own development	1.000 EUR
Action 3. Create an appropriate and reliable complaint management method.	Own development	900 EUR
Action 4. Continue to invest in good quality and average price in its sector.	Own development	Free
Action 5. Re-activate the online store to attract the younger audience to the store.	Own development	30 EUR/month (It can vary)
Action 6. Set a minimum of daily posts on its social networks and create a new Twiter account.	Own development	Free
Action 7. Take a course in digital photography.	Own development	150 EUR
Action 8. Create the annual fashion day party.	Own development	200 EUR

Source: Own elaboration.

Total Budget to invest during 12 months.

1.000 EUR + 900 EUR + (30 EUR X 12 Months) + 150 EUR + 200 EUR = **2.610 EUR**

**It can vary because the cost of online shop can be different every month.*

10 Control.

In order to ensure the achievement of the objectives of this plan of marketing, we have established the next control guidelines:

Table 8. Control.

Objectives	Frequency	Method
Objective 1. Increase visits of new customers by 15% to the physical store in the next 12 months.	Biannual	People counter device at the entrance of the store.
Objective 2. Re-activate the online store for the younger audience and get it to become 10% of your sales in the next year.	Bi-monthly	Counting sales made thanks the online fitting room reserve.
Objective 3. Start with the business of renting clothing, to get dress 150 people during the first 12 months since the implementation of this service.	Monthly	With dynamic table created by Microsoft Excel. Where note every clothes which rent.
Objective 4. Improve customer satisfaction by getting 98% of customers. And achieve that these consumers consider buying their clothes at Momo in future.	Bi-monthly	Using the statistics tools of Google Form.
Objective 5. Increase sales of clothes and complements by 10% in the next year.	Quarterly	Review the annual income and compare it with the result of sales from the previous year.
Objective 6. Increase the company profits by 10% over the next 12 months.	Quarterly	Review the annual results and compare it with the result of profits from the previous year.

Source: Own elaboration.

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