



Is it possible for Hunkemöller to enter the Suriname market?

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Executive summary

Hunkemöller is a global multi-channel retailer specialist in lingerie for women. With the headquarter in the Netherlands provides the company lingerie in 14 countries. The value of Hunkemöller is providing fashionable products at an affordable price. The Dutch company already implemented the mission of becoming international active. However the company is still expanding worldwide. The lingerie stores sells a wide range of products which exist of lingerie, nightwear, swimwear and accessories.

Hunkemöller is already active in the overseas countries Aruba and Curaçao. These Countries are near Suriname and has some similarities on several factors e.g history, culture and climate. The aim of this research is to investigate if it is possible for Hunkemöller to enter the Suriname market. Nevertheless the focus of the target group will be on those who can afford quality lingerie.

The internal analysis reflects the strengths and weaknesses of Hunkemöller as a company. The major strength is that Hunkemöller offers products which are from high quality and affordable to buy. This is exactly what the need is in the Suriname market, which can be concluded out of the questionnaire. Furthermore, the mission of Hunkemöller is becoming international active. The company is already active in 167 countries, yet its mission is to reach more countries. The internal analysis illustrates that there are possibilities for Hunkemöller to enter the Suriname market. Even though the brand and company are unknown in Suriname, the company has enough international experience to enter this market.

The external analysis gives a reflection of the existing opportunities and threats within the Suriname lingerie market. Major opportunities for Hunkemöller is the increasing interest for affordable quality lingerie. The focusing market of Suriname are considered as modern Suriname females who have a middle and upper level income, and are willing to pay a higher price for well-known and recognizable brands.

Hunkemöller is already known with franchising. Franchising will be the optional way to open a store in the Suriname market. The products are made in China and these will be distributed by plane to Suriname.

In order to create name and brand awareness amongst the Suriname population the company should promote its products in a strategic way. Hunkemöller has a variety of options in the selection of promotional activities such as television, internet, billboards and advertisements. At the same time will social media reach the younger part of the target group, thus the females in the age of 17 - 30.

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1. Introduction

The topic of the report is to clarify whether it is possible to export A quality lingerie to Suriname. This topic is an interesting topic because I have a Suriname background and a lot of my family lives there, who told me that there is a demand for quality lingerie. With this report I would like to see if the Dutch lingerie company called Hunkemöller could open a store in Suriname and satisfy their needs. Hunkemöller is already active in 14 countries. Their mission is to be internationally active. Hunkemöller has 445 stores worldwide. It is the market leader in the Netherlands, Luxembourg and Belgium. They are active in seven European countries. Furthermore, the company has strong franchise business in the Netherlands and international franchise businesses in Russia, Eastern Europe, Saudi Arabia, Egypt and the Dutch Antilles. In 2009, Hunkemöller opened 24 stores in 7 countries. In 2010, Hunkemöller opened its 100th store in Germany. Hunkemöller is now the leading lingerie chain. Internationally they have a strong market position.

1.1 Problem statement

Suriname is a small country in South America which does not have A quality lingerie. They had a store which was selling quality lingerie from Europe, however sadly the store closed after a fire and did not start up again. According to families and friends in Suriname there is demand for quality lingerie. Suriname is a country where the most inhabitants cannot spend much on quality products. Besides, not everyone needs to be fulfilled with quality lingerie. However, according to van Maarten there are inhabitants who have enough money to spend and who are travelling to the United States to buy their quality lingerie. (Maarten, 2009) Hunkemöller is already active in countries near Suriname which are Curaçao and Aruba. Hereby Hunkemöller is already familiar to export overseas. (Maxeda, 2010, p.2)

1.2 Central question

In this thesis it will be discussed if it is possible for Hunkemöller to attract the Suriname customers and open a lingerie store in Suriname. Therefore the central question is formulated as follows:

o Is it possible for Hunkemöller to enter the Suriname market?

Some relevant sub questions are the following:

o What are the strengths and weaknesses of the company Hunkemöller

o What are the opportunities and threats of the company?

o Will the Company be successful in Suriname?

1.3 Research methods

The following research methods will be used in this report: Firstly desk research and secondly field research. Through desk research the company information can be found in the annual report of Hunkemöller. Field research will be used for the external analysis. This research will contain survey's under the females of Suriname in the age from 15-70. Through this survey it can be concluded if there is a need for A quality lingerie, and if it is possible for Hunkemöller to be active in Suriname.

1.4 Justification of research

Firstly, desk research will be used in order to gain information about the internal analysis. The external analysis is based on field and desk research. The results of the field research will be discussed. Out of the internal and external analysis a conclusion can be drawn. I will present my results in the next section. Thirdly, I will discuss my results and finally a conclusion is drawn.

2. Internal analysis

Introduction

The internal analysis provides an overview of the internal factors that characterize the organization. These are mainly factors which, in the long run, can be influenced by the organization. The purpose of the internal analysis is to create insight into the strengths and weaknesses of this specific organization (Verhage, 2004, p. 102). Furthermore, in this chapter it will be discussed what the strengths and opportunities are from Hunkemöller. The strengths and weaknesses of the company will give answers on the sub question what are the strength and weaknesses of Hunkemöller?

2.1 Company description

Hunkemöller started up in Amsterdam in 1886 through Wilhelm Hunkemöller. First Hunkemöller started by producing corsets in a fabric in Amsterdam. A few years later, the family opens several stores in Amsterdam, Utrecht and Rotterdam. Later on the 12th of August 1974 the company was acquired by the subsidiary of Vroom and Dreesman. The goal of this was to expand Hunkemöller within the Netherlands and Europe. Today the company became a global multi-channel retailer specialist in lingerie for women. Hunkemöller provides lingerie in 14 countries. The value of Hunkemöller is; providing fashionable products at an affordable price. The lingerie company has a wide range of products which exist of: lingerie, nightwear, swimwear and accessories. Besides the company introduces a new line "Bodique". Bodique delivers a wide range of exclusive products which are higher priced. Hunkemöller has its presence on the internet strengthened by joining to the social media sites likes Facebook and twitter. In 2009, received the international company several awards. Furthermore they were selected through the market search firm GFK as 'Best Lingerie'. Afterwards Hunkemöller received the "Woman award". In the magazine Elsevier they were voted as the best retail chain in the Netherlands in the category of lingerie and underwear (Maxeda, 2009). Hunkemöller became successful in several countries. The in house design team of the company has been working non-stop with product innovation and product development. They ensure that the latest trends, quality and size are guaranteed. Hunkemöller has a multi-channel retail strategy to grow its business through new stores, e-commerce and international franchising. The company was a part of Maxeda. Since November 2010 sold Maxeda the lingerie company to the European private equity group PAI partners. Hunkemöller is convinced that the PAI is the right partner to implement their strategy of growth and further profitability. According to Philip Mountford, CEO of Hunkemöller: "Hunkemöller has grown yearly within the last 10 years and it is now ready to accelerate its growth strategy. PAI endorses and supports their plans and believes strongly in the strategy and the ability of

their team to achieve long term vision. Hunkemöller has been resilient throughout the current economic situation and is well positioned for growth. With PAI's experience and expertise we are confident that we will continue to develop our image, product and market penetration." (partners, 2011). Hunkemöller has an annual turnover of 250 million Euros. Furthermore, It is headquartered in Hilversum.

2.2 Company structure

Hunkemöller headquarter is in Hilversum, the Netherlands. The Company has a line-staff structure. The head of the company is a general manager who is supported by a commercial director and a management services director. In each department there is one person who is accountable for the purchase and the sales director. Furthermore, each individual department consists of employees who provide support to the head of the department.

2.3 Mission

The mission of Hunkemöller is providing satisfaction to females for their needs in a surprising manner for their body at any time and in any situation. They want to pamper, nurture and decorate their customers by offering body fashion. Therefore Hunkemöller describes themselves as “the fire” that fulfills the demands of females which make them look and feel good anytime, anywhere” With this thought want Hunkemöller to be the market leader within and outside Europe.

2.4 Vision

Hunkemöller vision is to be the number one lingerie specialist within and outside Europe. It is a Dutch company but they have an international vision. This means that Hunkemöller wants to be the first choice for their customers and partners. Furthermore they want to be the number 1 for market share, sales and profits.

2.5 Target group

The costumers of Hunkemöller are modern females who loves lingerie and who would like to look good from the outside. Wearing beautiful lingerie gives females also a boost of self esteem. The target group of Hunkemöller is varied in taste, age and shape. This group exists of females from 14 till 70 years old. To satisfy every need of from their target group, is Hunkemöller offering a wide variety of lingerie, nightwear, body fashion and swimwear. All of their products are mentioned for a young playful woman and an elegant older woman. Hunkemöller use a lot of insight research to understand customers' needs and trends. They are listening to the female body. In Holland and Germany the most sales are from the 20-29 age group as well as 12-19. Where Hunkemöller have the opportunity to earn

lifetime loyalty. After all, Hunkemöller has something for everyone.

2.6 Current Strengths & weaknesses

Strengths

- Hunkemöller pays a lot of attention to her services to the customer. The company is training their employees to help customers to buy the perfect size and give their customers the best advice.
- Hunkemöller has high quality products and are affordable to pay.
- The company is offering a wide range of products, from lingerie to swimwear and accessories.
- Hunkemöller is more than 110 years the lingerie specialist for females and uses innovations every 6 months.
- Hunkemöller is active in more than 14 countries, which contains in total 240 stores. This shows their experience in entering several markets.

Weaknesses

- The brand name Hunkemöller is unknown in Suriname.

2.7 Current Marketing mix

Product

Hunkemöller has a wide range of products which exist of: lingerie, nightwear, swimwear and accessories. Besides their products, they have also very good services. The employees are trained to give advice which shape of lingerie fits their customers.

Price

Hunkemöller is not a very cheap or expensive company. The company is providing their beautiful designed and quality lingerie for an affordable price.

Place

Hunkemöller is headquartered in Hilversum. The lingerie is made in Pakistan and India. These countries are countries where the products can be produced at an affordable price.

Promotion

Advertisement: Hunkemöller is advertising through social media. They are using twitter and Facebook as their fan base. Through these tools they would like to remain their customer loyalty.

3. External analysis

The external analysis focuses on the external environment of the organization. Therefore, an analysis of the Suriname market is given in order to illustrate Hunkemöller's possibilities of entering the Suriname market. External factors are factors which cannot be influenced by the organization but do have an influence on the product's success. Some examples of external factors are the branch, the consumers and the competitors. This analysis will provide an overview of the market potential of the Netherlands and the threats and opportunities (Verhage, 2004, p. 103).

3.1 DESTEP analyses

It is important to know for the Company Hunkemöller what is happening in the environment. The DESTEP model provides insight information about the macro-economic environment. Through this analysis it is clear how Hunkemöller can handle with the various macro-economic factors and how they can adapt their strategy to this. Furthermore, this chapter will answer the sub question whether Hunkemöller will be successful in Suriname .

Demographic factors

The total amount of inhabitants in 2012 are 560,157 thousand. Approximately 73 percent of the inhabitants are 15 years and older. 267,220 thousand of the inhabitants are females. Of the total amount are 192,060 thousand female 15+. Besides this group is the target group of Hunkemöller The life expectancy of females is 74 year. <http://www.statistics-suriname.org/index.php/statistieken/database/149-bevolking>. Around 70% of the population of Suriname lives in the districts of the capital Paramaribo and the region Wanica. The district Wanica is the Peria urban area of Paramaribo. Suriname has a different variety in population. The inhabitants of Suriname are: Indians, Hindus, Creoles, Javanese, Moroccan and Chinese people.

Economic factors

The GDP per head in 2011 was 9,600 US dollars. There is a big gap between rich and poor. the poor people are cultivating one's own vegetables on a large piece of land. This group cannot afford to pay for quality clothes. On the other hand, the rich people can spend a lot of money. Those people can afford to travel outside Suriname to buy quality and real brand clothes. There is also a middle-income group. Those people are sensitive to economic fluctuations. Demand for lingerie will stay, but if they can spend less they will easily switch to cheaper products. Suriname has yearly approximately 240,000 tourists from the Netherlands. This group of tourist spends a lot of money in the country. Because of the Dutch tourist it will be advantageous to open Dutch stores. They are already familiar

with the store and brand. Because of the new policies in 2011, (welke nieuwe policies) it had an impact on the high inflation rate. It had an impact on the exchange rate and the fuel taxes.

Suriname is also a member of the CARICOM (Caribbean Community) Since the 4th of July 1995. This organ is created for the Caribbean countries to have a stronger position on the global market. For the coming years, an increased number of world trade is expected. Furthermore the CARICOM will play a favorable position, which will have a positive effect on the economy of Suriname. The organ can help with increasing the foreign investment. This will result in an increasing number of the GDP (gross domestic product). This has further results in more employment what will increase the population purchasing power.

Social factors

There are 20 kinds of languages in Suriname. Most of the people are multilingual. Dutch is the official language. Everyone can speak "Sranantongo ". Also called as Negro English., which is the street language of Suriname. It was developed after the slave trade. This language is a binding factor between the different kind of ethnic groups.

Earlier it was normal to marry around the age of 17 or 18 years. Recently Surinamese people are marrying at an elder stage. They want to focus more on their studied and building an own carrier instead of being a housewife. This is resulting as well in having less kids compared with 30 years ago. The most men are working at an earlier stage. Most people in Suriname would like to have money, to be rich. Suriname people like to be rich and they want to show it to others. As well, family is always stimulating kids to study and to build up a career.

Technology and competitive environment

The internet is almost used daily by everyone. There is a small group who has no internet yet in their houses. Most of the time they visit the internet café in the neighborhoods. On the other hand almost everyone is using mobile smart phones. It is cheap to buy a card which gives inhabitants the opportunity to have internet access on the phone. However, there is only one Surinamese telephone provider namely Telesur which often suffers from technical problems. Almost every household in Suriname has a television. There are 15 channels in Suriname.

Ecology

Suriname is located in South America. Suriname is rich in their flora and fauna. Because of its nature it attracts a lot of tourists. Approximately 80% of the country is jungle. Furthermore, Suriname is rich because of their natural resources such as gold, wood and bauxite. The Amazons exist of natural ingredients for personal care like Aloe Vera and Bamboo. The whole year has Suriname a temperature

between the 21 and 33 degrees Celsius. They have a tropical climate, which means that there are 4 seasons in Suriname. 2 dry season and 2 rainy seasons. Because of the enormous amount of water in a short period of time it affects sometimes the infrastructure and the communication. Mobile phones are not working very well and the power can switch off all the time.

Legal, regulatory and political environment.

In the field of import, Suriname knows little to no regulation and even less control. The result is that Suriname has become a dump market for foreign products. Therefore, in the supermarkets are plenty of different kind of products and brands available. There are a lot of illegal goods in Suriname. Especially a lot of imports of clothes and products are imported out of China. The Chinese people are selling their products for a cheap price in Suriname. Most of the time they set up as a supermarket where there is a wide range of products and clothes available.

The Suriname politics are corrupt and unstable. They require high taxes. This stimulates the black circuit. The access to the CARICOM will be considered as a solution of this problem. The aim of this organ is to simplify and stimulate the trade between the CARICOM countries. Currently president is Mr.D.Bouterse.

3.2. Competition analyses

In order to estimate the opportunities for new market ideas it is important to investigate the position of the direct competitors. This chapter will examine who the main competitors are from the company Hunkemöller. The competitors of Hunkemöller are the companies who are selling the same products. In this case Suriname doesn't have similar shops like Hunkemöller. Even though the focusing customer can afford to spend on A quality products. The shops with low cost will be a competitor as well. It can be so that the group finds the cheaper products sometimes more beautiful.

Chinese stores

The following competitors of Hunkemöller are the Chinese shops which are selling cheap products. Chinese people are running their shops over the whole country. They are several kinds of products e.g. clothes, food, make up, accessories in their shops. Overall, the lingerie is very cheap. Some inhabitants cannot afford to pay for quality products. Most inhabitants will go the Chinese shops who are selling cheap products for a low price 12 SRD (Converted approximately 2,5 Euro).

The most people are buying their lingerie from the Chinese shops. This because they are selling a

wide range of lingerie products.

Suri shopping

Another shop which can be a competitor is Suri shopping. this shop is selling different kind of products range: accessories ,shoes, paper, lingerie.

Conclusion

There are no shops similar as the Hunkemöller The biggest competitor can be the Chinese stores. This because some of the products are very low priced. Furthermore, Most of the time they sell beautiful products. However these shops can only be a competitor in economic downturns. The customers where the focus lies is on those who would like to pay more for quality lingerie. This group can afford to pay the lingerie. Those people have middle-high income.

3.3 Field research analyses

Field research has been taken under the Suriname female inhabitants. These inhabitants are living, working and studying in the main city Paramaribo. Out of the 100 questionnaires which are taken, a conclusion can be drafted, if there is demand for quality lingerie. The questionnaire exist of 13 questions. Which contains 5 open questions and 8 closed questions. Below the questionnaire will be discussed.

Question 1 What is your age?

17- 60

Question 2 What is your occupation?

Question 3 What is your monthly disposable income?

€1.700

Question 4 In which place do you live in Suriname?

Paramaribo

Question 5

Is lingerie important for you?

Yes, very important		58 (58 %)
Sometimes, only on special occasions		42 (42 %)
No, not important		0 (0 %)

58% of the respondents finds lingerie important. 42% finds lingerie only important on special occasions. Out of this question it is clear how many respondents finds it important to wear lingerie.

Question 6**Would you like to have affordable quality lingerie? (If no go to question ...**

Yes		99 (99 %)
No		1 (1 %)

99% of the respondents finds it important to have an affordable quality lingerie. Out of this question it can be conducted that there is a demand for quality lingerie.

Question 7**Are you willing to spend more voor A quality lingerie then B lingerie?**

Yes		95 (96.94 %)
No		3 (3.06 %)

95 % of the respondents are willing to spend more for A quality lingerie.

Question 8

Why would you like to have quality lingerie?

Last longer		56 (56 %)
Good quality		77 (77 %)
Fits better		34 (34 %)
It is beautiful		10 (10 %)

This question makes clear what the reason is to have quality lingerie. 77% of the respondents have chosen for the good quality. 56% because it last longer. Furthermore, 34% of the respondents chose it because it fits better and 10% because it is beautiful. Out of this question it can be conducted that there is demand for A quality lingerie.

Question 9**Are you travelling outside Suriname to buy A quality clothes?**

Yes		22 (22.68 %)
No		75 (77.32 %)

22% of the respondents are traveling outside Suriname to buy quality clothes. 75 % are not traveling to the United States to buy their quality clothes.

Question 10**Would you be interested to have an lingerie store in the hermitage mall?**

Yes		95 (97.94 %)
No		2 (2.06 %)

97% of the respondents are interested in having a lingerie store in the Hermitage mall. 2% of the respondents were not interested in it.

Question 11

How often would you visit the lingerie store in a month?

0-1 keer per month		50 (50.51 %)
2-3 keer per month		53 (53.54 %)
4-5 keer per month		0 (0 %)
Meer dan 5 keer per month		0 (0 %)

50% of the respondents would visit the lingerie store 0 -1 times per month. 53% of the respondents would visit the store 2 -3 times per month. This question is relevant for Hunkemöller. to know how many times the females are thinking of visiting the lingerie store.

Question 12 : Why don't you want to have affordable lingerie?

Most of the answers to this question were that some of them sees it as a luxury product. They don't need those kind of products because basic products are necessary.

Question 13

Which amount do you spend approximately on lingerie?

0 - <20 SRD		20 (20.2 %)
20 - <40 SRD		35 (35.35 %)
40 - <60 SRD		44 (44.44 %)
60 or more > SRD		17 (17.17 %)

44% of the respondents spends approximately 10 -15 Euro on Lingerie. 17 percent spends more than 15 Euro and 55 percent spend below the 10 Euro.

3.4 Customer analyses

To estimate the company's success in Suriname, it is important to find out who the potential buyer is or who is not of the Hunkemöller. Hence, a profile of the customer has to be formed. This can be done through this analysis. The market will be divided into different segments. Further, the company can match their strengths and offerings to those customers who are responding to them. The segmentation will be based on the following criteria: geographical, demographic, psycho-graphical and behavioral criteria.

Geographical

The most inhabitants of Suriname are living in the main city: Paramaribo. In this city we can find a lot of Hunkemöller's potential customers. Furthermore, Paramaribo is a city which is very attractive for tourists. Especially the famous mall in Suriname the " Hermitage mall" is known because of its quality shops. City center would not be an option because there are a lot of shops which are selling fake brands.

Demographical

The new customers of Hunkemöller are segmented in females: Who grow up in middle class families. Those females are buying quality products. This group does not like to buy B quality products from the Chinese store.

Also the females who have an own middle class income. Those can afford the products of Hunkemöller. The age of this target group is around the 17-50.

the most elder people are not fashionable. Those were grew up in another time period. Where it was customary to spend money on consumption instead of on beautiful things.

Psyho-graphical

The target group likes to wear fashionable quality products. The customers would like to feel good while wearing good quality products. For all of the females it is the same, wearing beautiful lingerie where they can feel good. Some of these females are shopping online to buy their quality products and some are traveling to the United States to buy their quality lingerie. Furthermore the comfortable beautiful quality lingerie of Hunkemöller gives them a boost of their self-esteem.

Behavioral criteria

The costumers can be categorized in light users. Most of the females just visit the lingerie 1/2 times per month. the customers are loyal to Hunkemöller products. This because there is a demand for quality lingerie from this target group. The customers are willing to pay for this products because Hunkemöller is satisfying their needs. furthermore the lingerie will be bought when females would like to lingerie to feel beautiful and for special occasions. Hunkemöller has a wide range of different kind of products to choose from.

Conclusion:

Hunkemöller can establish in the Hermitage mall. This mall is located in the main city Paramaribo. This mall is famous because of their quality products. The customer groups are females who have a job or are living in a middle class family. This group has more money to spend. Instead of seeking

quality lingerie on the internet or traveling outside Suriname, they can find their needs in Hunkemöller.

3.5 Opportunities and threats

Oppurtunities

- There is an increasing number of females in Suriname who have middle to upper income and therefore more money to spend.
- There is demand for good quality lingerie.
- Lately, the consumers are spending more money on lingerie.
- Females are seeing lingerie as an accessory. Hunkemöller can respond to it by offering their fashion accessory.
- More sales for Hunkemöller by operating in a country where there is demand for these kind of products.

Threats

- Many consumers are loyal to cheap products. To switch to an expensive or unknown brand cost sometimes a lot of time.
- Not everyone can afford or would like to pay for a higher priced lingerie.

Conclusion:

Out of the survey which was taken under the 100 female respondents in the age of 17 till 60, can be concluded that there is demand for A quality lingerie. 95% of the respondents are willing to pay more for A quality lingerie. Furthermore will the respondents visit the lingerie store 2 or 3 times a month. Suriname females are not well known with quality lingerie. So, they are not familiar with the quality price combination. Furthermore, 95% of the respondents would like to have an A quality lingerie store in one of Suriname famous shopping mall ‘Hermitage mall’.

4. SWOT matrix

Internal	External
Strengths	Opportunities
<p>S1: Hunkemöller pays a lot of attention to her services to the customer.</p> <p>S2: Hunkemöller delivers A quality products at an affordable price.</p> <p>S3: Hunkemöller offers besides basic lingerie also a wide range of swimwear,nightwear, home wear and accessories.</p> <p>S4: Hunkemöller is more than 110 years the lingerie specialist for women.</p> <p>S5: Hunkemöller offers their products through an online shop on the internet</p> <p>S6:Hunkemöller is using innovations every 6 months</p> <p>S7:Hunekmoller is active in more than 14 countries, which contains in total 240 stores.</p>	<p>O1: There is an increasing number of women in Suriname who have a high rank and therefore more money to spend.</p> <p>O2: There is demand for good quality lingerie.</p> <p>O3: Lately, the consumer are spending more money on lingerie.</p> <p>O4:Females are seeing lingerie as an accessory. Hunkemoller can respond to it by offering their fashion accessory.</p> <p>O5:Mores sales when operating in an country where there is demand for these kind of products.</p>
Weaknesses	Threats
<p>W1: Consumers often sees Hunkemöller as expensive.</p> <p>W2: They did not reach their goal of brand awareness.</p> <p>W3: Hunkemöller has an web shop, although it is not available for every country. Only the European countries have a web shop, the countries where the web shop is available can only deliver the products within that country.</p>	<p>T1: Many consumers are loyal to cheap products. To switch to an expensive and other kind of brand cost sometimes a lot of time.</p> <p>T2: Not everyone can afford or would like to pay for a higher priced lingerie.</p>

Figure 4.1 SWOT matrix

5. Confrontationmatrix

		Extern								
		Opportunities					Threats			
		Increasing number of women in Suriname who have a high demand for good quality lingerie.	Consumer are spending more money on lingerie.	Females are seeing lingerie as an accessory. Hunkemoller can respond on it by offering their	Mores sales by operating in an country where there is demand	Many consumers are loyal to cheap products. To switch to an	Not everyone can afford or would like to pay for a higher prices lingerie.			
Intern	Strenghts	Hunkemöller pays a lot of attention to her services to the customer.								
		Hunkemöller delivers A quality products at an affordable price.	++	++	++					
		Hunkemöller offers besides basic lingerie also a wide range of swimwear.	+							
		Hunkemöller is more than 110 years the lingerie specialist for women.	++	+						
		Hunkemöller offers their products though an online shop on the internet								
		Hunkemöller is using innovations every 6 months		+		++			--	

	Hunekmoller is active in more than 14 countries, which contains in total 240 stores	+							+
Weaknesses	Consumers often sees Hunkemöller as expensive.					-			
	They didn't reach their goal of Brand awareness .	+-			+			-	

Figure 5.1 Confrontation matrix

5.1 Evaluation of the confrontation matrix

Strengths versus opportunities

Hunkemöller has years of experience in the lingerie market within the Netherlands as well as Internationally. Hunkemöller provides quality lingerie at an affordable price, therefore the company can satisfy the needs of the customers. There is a demand for quality lingerie in Suriname. People are willing to pay for the lingerie. Secondly, Hunkemöller is already internationally active. They reached the markets in Curaçao and Aruba. This can be a bridge for entering the Suriname market. Furthermore, Suriname has less import restrictions which give Hunkemöller easy access for entering the market. This will be an advantage for Hunkemöller to reach their mission, namely: entering more markets.

Strenghts versus threats

What an affordable price is for the Dutch market, does not mean this will be for the Suriname market. There is a small group of people who have not much to spend. Lingerie is a luxury product. When there is an financial setback people may stick to products which they already know. Not everyone would like to pay more for lingerie. Instead they spend it more on the basic needs of the family e.g. Consumption and clothes. Because Hunkemöller is over 110 years specialist in lingerie, they can help breaking people loyalty who are buying cheap and beautiful products. Hunkemöller can change their attitude by focusing on their quality.

Weaknesses versus opportunities

Because there is demand for quality lingerie, Hunkemöller can expect that there can be loyal customers. However the brand name is unknown. Hunkemöller can improve this by first of all to provide more information on their websites. Create a webs site for countries outside Europe.

Weaknesses versus threats

The biggest group in Suriname does not have a lot of money to spend on quality products. Those people will not buy lingerie from the store. This can be a threat because the Hunkemöller cannot expect profits out of these groups. There is a small group which will visit the lingerie store.

Conclusion:

Out of the confrontation matrix it can be concluded that there is opportunity for Hunkemöller to open a store in Suriname. To be successful in a country will take time because customers needs time to become loyal. Furthermore, the brand name is unknown. Hunkemöller must pay more attention to their online websites. Creating an website for the Suriname market can make customers more aware

about the new products. Hunkemöller is over 110 years specialist in lingerie, they can help breaking people loyalty who are buying cheap and beautiful products. Nevertheless the target group of the lingerie company will be on those who has a middle to upper income. These group can afford wuality lingerie.

6. Export marketing mix

Marketing mix

The four elements of the marketing mix; place, product, price, and promotion, are the controllable variables of the internal environment. The variable 'place' is also called channels of distribution (i.e. Cateora & Ghauri, 2000). This chapter explains how we should adopt our marketing abroad. A very important part is watching how our marketing mix the 4 P's will be formatted.

Products

Hunkemöller has a wide range of body and fashion related products. There is a wide range in Bra's, underwear, nightwear, beach fashion and accessories. Hunkemöller must adopt products which is use full for the female's in Suriname. Because of the tropical climate in Suriname must Hunkemoller sell products with thin fabrics. The products range will be the same as that from Curaçao and Aruba. Which are basic lingerie, summer nightwear, swimwear and body fashion.

Hunkemöller sets the latest trend for its customers. Also Hunkemöller promises a great shopping experience with excellent service. They are and would like to remain the leaders in the process of innovation and improvement. Hunkemöller wants to satisfy the need of their customer. Moreover, Hunkemöller proves that luxury and quality can be affordable.

Price

The collection of Hunkemöller is offered at prices from the middle segment. They have products which fall in the mid-high segment. Additionally, Hunkemöller is also offering products in the middle layer segment. The price categories of Hunkemöller has been very diverse, so they can offer something for everyone. Suriname people has also an divers income. From low to high. To leave the same prices as in Holland we can satisfy the customers.

Place

A potential place for opening an Hunkemöller store can be the Hermitage Mall of Suriname. This because the Mall is familiar with selling quality products to customers. Hunkemöller will suit in this Mall. After all, there are a lot of visitors in the Mall.

Promotion

The new name must be communicated through various advertising resources to customers. Newspaper advertisement, leaflets and commercials will reach the target group of Hunkemöller. Through this kind of marketing advertisement, it is possible to announce that there is a new lingerie

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shop in Suriname. In order to develop the brand awareness of the Hunkemöller store. And to stimulate sales. Besides, Facebook is used by the most youths. To have an own Facebook account of the Suriname Hunkemöller will be a tool for brand awareness.

7 Entry Strategy

To have success in a foreign market it is strongly dependent on the choice of the type of entry strategy. The entry strategy is sometimes called as the distribution policy, as it determines in what way the product is distributed through the sales outlets abroad or, rather via which channel the product will be sold. The distribution channel may then be described as a system of marketing organizations which links the producer with the end user abroad. (Hans Veldman)

Of all entry strategies is franchising growing the fastest. International franchising may be described as a contract of collaboration whereby the foreign producer or distributor (franchisee) is allowed to make use, wholly or partly, of the marketing strategy of the company granting the franchise. The franchisee is allowed to copy this strategy against payment. Franchising is a special form of license. The contract provides not only for the application of the production methods and the sale of the products, but also for the use of the brand name, the logo and the sales methods.

7.1 Franchising

The franchising formula is a commitment between Hunkemöller and its partners. Hunkemöller allowance the right to use the store furniture, brand, insignia and the tools of "corporate identity. Besides it offers a variety of services for outlet management leading to a stable and cost-effective relationship between the Franchisee and the company. Since 1979, Hunkemöller used a franchise program and nowadays the company has franchise stores worldwide. Franchising is an effective way to grow further and offers the company's franchisees a chance of challenging business success. The majority of the franchise stores are located outside the Netherlands. The partners can rely during the collaboration on end-to-end support, from a contract to store opening including store design and device.

7.2 Contract manufacturer

Hunkemöller is already distributing their products in China. Suriname does not have the fabrics of producing clothes. Most of the clothes in Suriname are imported from China. The best option for Hunkemöller will be to distribute their products from China. The existing manufacturer of Hunkemöller is: Shenyuan. Shenyuan is also known as a leader in the textile and clothing industry in China and worldwide. The company exports to well-known brand such as Hunkemöller, C&A, mariner, vetura and so on. And our business line covering the T-shirts (100% cotton, T/C), work wear, rainwear, polar fleece jacket, children denim pants, sleepwear, knitted pyjamas, knitted rompers, swimwear.

7.4 Distribution function

Distribution is transporting goods and services to final users. Hunkemöller produce their products in China. This must be transported to Suriname. Transport must be done by cargo. Suriname is already importing lots of Chinese products. After arrival these products will be stored in a distribution centre of Suriname.

7.5 Strategic options

The franchiser will import the goods from the factories of China. China is producing the products and this will be imported through air to Suriname. This will be the most cost-effective way instead of making use of an intermediate trade. The franchiser also selects the products which will be sold on the Suriname market,

7.6 Rules and Regulations

Franchising Formula

There are some rules and regulations which Hunkemöller need to take into account, as the Hunkemöller store in Suriname will be a franchisee there are some requirements, the requirements are as follows: The store has to be in the Hermitage mall of Suriname. This mall is a well-known mall which has brand stores. The products that need to be offered in the store has to be a complete range of lingerie, accessories, pajama and swim wear. The franchisee need to sign a contract with a duration of seven years (Hunkemöller, 2011, "Franchising"). A new franchisee pays once an amount of 14,000,- Euros. In addition, each franchisee contributes a percentage of its revenue for advertising and promotional purposes to Hunkemöller Franchiseplus, 2013). The initial investment is estimated at franchisee for a minimum of seven (Franchiseplus, 2013)

The Rental Costs

The location for the Hunkemöller store will be in the Hermitage mall of the city centre Paramaribo, to rent a store in the shopping mall with a surface of 300 square meters will cost 180,000 US dollars per year this includes the services costs.

In the Hermitage mall it is also possible to rent a stockroom this will be the best option for Hunkemöller as it is very easy to move the products from the stockroom to the store. The costs for the stockroom are 120 US dollars per square meter.

8. Conclusion

The aim of this report was to investigate if it is possible for Hunkemöller to enter the Suriname market. As mentioned in the questionnaire it can be concluded that there is demand for quality lingerie. The target group where Hunkemöller will focus on are the customers who can afford to pay the high quality products. Suriname people have money in different categories. From low to high income. Also mentioned before is that the inhabitants of Suriname are ordering lots of products from the United States. This shows the need for quality products. Suriname does not have lots of stores which are selling high quality products. Hunkemöller does not have any other competitor on the market. The low priced products which are sold in the most shops are not the competitor of Hunkemöller. This because Hunkemöller focus on those who can afford to pay for quality products. This means those customers with middle to high income. The company has to take into consideration that their brand and company name are relatively unknown in Suriname. However, Hunkemöller has enough international experience and promotional opportunities to enhance brand and name recognition. With regard to promotional activities, Hunkemöller could make use of internet, television and print media.

Suriname is not a difficult market to enter. There are no import tariffs, and restrictions. This will make it easy for Hunkemöller to enter their market. Working with a franchisee is the easiest way for Hunkemöller to enter the market. Hunkemöller is already familiar with franchising worldwide. To conclude, there are good possibilities for Hunkemöller on the Suriname market, as it is clear there is a need for such a store in Suriname and that the potential target group of Suriname is willing to buy products from well-known brands.

9. Recommendations

There are some recommendations in order to make a success of the company Hunkemöller in Suriname.

Franchising

The franchising formula is a commitment between Hunkemöller and its partners. Hunkemöller allowance the right to use the store furniture, brand, insignia and the tools of "corporate identity. Besides it offers a variety of services for outlet management leading to a stable and cost-effective relationship between the Franchisee and the company. Franchising is an effective way to grow further and offers the company's franchisees a chance of challenging business success.

Contract manufacturer

Because Suriname does not have textile industries it is highly recommended to export the products from China to Suriname by cargo. In this case Hunkemöller will make use of a contract manufacturer, This will be the cheapest and easiest way for exporting the products to Suriname. Having a storage is also important for the company. This because cargo will deliver enough products for the Hunkemöller store. Sending more products within one time will be cost effective.

Creating brand awareness

As Hunkemöller is not yet introduced in Suriname there is no information or advertising available on the Hunkemöller website. The company can keep the Dutch language, however mentioning it with a Surinamese flag will reach the customers. Launching a new Facebook page for Suriname will reach the youths within the target group. Facebook is used a lot and through this the youth can get familiar with the new company.

Product

Suriname must select some product categories. Because of the weather they will not sell products with thick fabrics, besides they will focus more on lingerie which is comfortable to wear in the warm climate. It is also known that Suriname inhabitants likes accessories. Selling products with accessories will attract customers.

Target group

Hunkemöller must reach another target group in Suriname. The elder woman from the age of 55 have an parsimonious life. This because they raised up in a bankrupted family. The generation after, so the females in the age of 20-40 are the ones who do not think about the past and are raised up in a better environment.

APA

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Appendix

Enquête Resultaten

Is lingerie important for you?



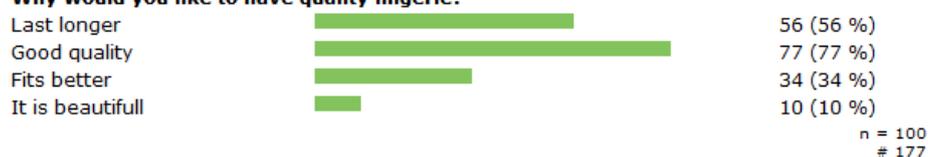
Would you like to have affordable quality lingerie? (If no go to question ...



Are you willing to spend more voor A quality lingerie then B lingerie?



Why would you like to have quality lingerie?



Are you travelling outside Suriname to buy A quality clothes?



Would you be interested to have an lingerie store in the hermitage mall?



How often would you visit the lingerie store in a month?



Which amount do you spend approximately on lingerie?



Legenda:

n = aantal respondenten dat de vraag heeft gezien
= aantal ontvangen antwoorden