ISCTE ✷ Business School
Instituto Universitário de Lisboa

RETAILTAINMENT – POPOTA FUN EXPERIENCE

Filipa Inês da Graça Sousa

Master Project in Science of Business Administration

Supervisor:

Professor Pedro Dionísio, Associate professor, ISCTE Business School, Marketing, Operations and General Management Department

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SUMMARY

This project was developed in the context of master thesis, and it has the objective to develop a strategic marketing plan.

In this respect, and applying the knowledge acquired over the last four years, it is developed the "Popota Fun Experience", a retail toys store of a well-known character by Portuguese population.

Popota Fun Experience is a retail store target to children and it is based in two important concepts: entertainment and education. Having said that, the main objective is to educate children while they are playing. It is a new retail store concept with a different positioning from the main competitors and that will stimulate the market growth.

In order to support the opening of Popota Store, it is defined a marketing strategy and it is designed the retailing-mix variables.

Key words: Marketing Plan, Popota, Retailtainment, Edutainment

JEL classification: L8 Industry Studies: Services; M3 Marketing and Advertising

SUMÁRIO

Este projecto foi desenvolvido no âmbito da tese de mestrado e tem como objectivo o desenvolvimento de um plano de marketing a nível estratégico.

Neste contexto, e aplicando os conhecimentos adquiridos ao longo dos últimos quatro anos, é desenvolvida a "Popota Fun Experience", a loja de brinquedos de retalho de uma personagem bastante conhecida pelos portugueses.

A Popota Fun Experience é uma loja de brinquedos orientada para as crianças e tem como base dois importantes conceitos: entretenimento e educação. Desta forma, tem como principal objectivo educar as crianças enquanto brincam. É um novo conceito de loja com um posicionamento diferente dos principais concorrentes e que vai dinamizar e estimular o crescimento do mercado.

De forma a suportar a abertura da loja da Popota, é definida a estratégia de marketing e são desenvolvidas as variáveis do retailing-mix.

Palavras-chave: Marketing Plan, Popota, Retailtainment, Edutainment

JEL classification: L8 Industry Studies: Services; M3 Marketing and Advertising

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EXECUTIVE SUMMARY

Sonae is a Portuguese company that started its business during the sixties, with a single business area: decorative laminates. Through different strategic options, Sonae become a solid company and nowadays operates in a vast number of businesses, from retail to telecommunications and to shopping centres.

"Continente" is one of the insignias owned by Sonae that operates in retail market, a well-known and succeed hypermarkets chain, and its stores are located in major shopping centres in the main cities in Portugal. Besides the food retail sector, "Continente" sells different categories. Among them it is included the toys category that is communicated through a well-known mascot – Popota (a pink hippopotamus). However, this mascot only appears during Christmas time with different activities oriented to children.

Thereby, the challenge is to create an entertainment and pedagogic store concept associated to Popota brand. And so, it is intended to make the mascot Popota as a brand present all year long, with a strong and emotive link to children and families.

In recent years, the shopping experience has become an important factor in consumer satisfaction and consequently, in purchase process. It is expected that the in-store retail will be transformed into a new type of experience that combines glamour and information technology, where retail and entertainment are becoming even more closed and merged. In this way, it is crucial to improve the in-store experience through different variables in order to build emotional connections with customer, involving fantasy and emotions with the product usage, providing joy, excitement and a satisfied mood.

In parallel to entertainment trend, there is another one: edutainment, associating education and entertainment, where the objective is to educate children while keeping them entertained within an informal life-long learning context. That kind of environments should be attractive not only to children (the one that will enjoy it) but also to adults, whether parents or professors (the ones that decide or recommend the utilization/access to).

Therefore, the project developed has the objective of to create a strategic marketing plan for Popota Fun Experience concept, a Popota retail toys store that is based on two important and

trendy concepts: entertainment and education. In order to support the opening of this store, it is defined a marketing strategy and it is designed the retailing-mix variables.

Popota Store, located in Colombo Shopping Centre (Lisbon) has two different targets: the consumers (children) and the buyers (parents, families and friends). The consumers' target is defined as Portuguese children up to 12 years old that live in Lisbon Metropolitan Area belonging to AB/C1 and C2 social classes representing 169.302 children. The buyers' target is defined as Portuguese people that are more than 18 years old, that belong to AB, C1 and C2 social classes and that live in Lisbon Metropolitan Area, representing 950.545 people.

Popota Fun Experience, operating in toys' store market, differentiates its positioning by a strong educational connotation being a place where children live an entertainment experience trying and experiment the toys inside the store. In this way, Popota Store is positioned as a place where children want to go after school to play and learn with each other.

After defining target and positioning, it is developed the variables of retailing-mix, including atmosphere, location, assortment, services, price and promotion.

A good and structured store layout is able to attract more customers due to comfort, commodity and the ease to look-up and to choose a toy. Therefore, Popota Store is divided in two main areas: one targeted to product sell and product experience and another one targeted to provide additional services.

The first one is organised by themes and in each one, the products are organised by ages. This type of organization does not only make easy the product searching but also promotes the up and cross selling among products and services. Moreover, in this area there are two different spaces where children could play and try products sold in the store, stimulating not only the product purchase but also promotes children experience into the store.

The second one is targeted for children to have an entertainment experience, promoting entertainment through educational programmes such as workshops and birthday parties (among other services provided by the store).

Besides the entertainment and educational toys sold in Popota store, it also sells services, boosting the educational factor and strengthening the entertainment into the store, combining learning and enjoyment. The services provided are: birthday parties, sport activities, cooking

workshop, fabric workshop, painting workshop, carnival workshop, recycle workshop, material workshop, reading stories and Christmas workshop.

The product price strategy is the same as "Continente" in order to create a price strategy according to Sonae objectives and to avoid misunderstandings among clients. For services price strategy, as there is no retail competition that provides that kind of services, it is considered the price that buyers and potential buyers are willing to pay and the costs per service.

The communication strategy is based in two important points: the store and the brand / insignia. In this way, promotion aimed not only to reach and attract customers, stimulating the product and services buying and loyalty, but also to build and promote the brand image.

The strategy developed has two different targets: children (consumers) and people with more than 18 years old (buyers and potential buyers). It will be applied a bellow and above the line promotion strategy, implemented online and offline, inside and outside the store in order to reach the two different targets, developing different actions.

In order to match Sonae's strategy, the main objective would be to create a chain of Popota stores. However, the project "Popota Fun Experience" developed in this assignment aimed to create a marketing plan for the concept of the flagship store. It means that the store in Colombo will be the main one, with a higher level of grandeur and importance, with a more interactive and dynamic store ambience, aimed to take the brand concept to an extreme level.

Finally, it is concluded that it is a good opportunity to Sonae to continue its strategy, innovating and creating new concepts in order to satisfy every need of the whole family. Thereby, Sonae will create a new and innovative store concept that will foster the market and bring entertainment and edutainment to Portuguese children.

"A greater world to create. To create means to be ready to change and innovate. Our world is as large as our ideas. Our days will be created out of imagination and realization."

(Source: Sonae's website)

1. DEFINITION OF THE PROBLEM CONTEXT

Sonae is a company that operates in different businesses, ranging from retail to shopping centres and to communications. In retail business, Sonae manage different brand in different markets.

Continente is one of the insignias that operates in retail market, a well-known and succeed hypermarkets chain. During Christmas time, arises a character associated to toys that are sold in Continente called Popota (Figure 1).

Popota

Figure 1 - Popota

Popota is a pink hippopotamus that become a well-known mascot of Continente since 2007. Even with its awareness among Portuguese people, mainly among children, "Popota is an animal that only appears during Christmas time". [1] In fact, it is a powerful mascot that Sonae is not taking total advantage of it.

Thereby, the challenge is to create an entertainment and pedagogic store concept associated to Popota brand – already known by Portuguese population. In this way, it is pretended to make the mascot Popota as a brand present all year long, brand with a strong and emotive link to children and families.

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[1] TimeOut, 21 September 2011

2. LITERATURE REVIEW

2.1. Children's education

2.1.1. PEDAGOGICAL TOYS

There are different types of toys that have different influences on child's development. The Dynamic Toys – toys that a child puts it in motion, meaning, the motion of the toy depends only on the child, his/her skills and imagination - influence positively the child's development. In a physiological level, there are some neurons (called as mirror-neurons) - that are involved in speech, understanding behaviour, empathy and culture development - are being stimulated with that kind of toys, meaning that children are developing those capabilities (Abdulaeva & Smirnova, 2011).

The kinds of dynamic toys are analysed according to the following three criteria (Abdulaeva & Smirnova, 2011):

(1) **Presence or absence of an image**: Some dynamic toys are shaped as animated beings (human or animal) producing similar motions to real ones when used by children. Others have no animate image, such as humming tops;

(2) **Type of movement**: according to the type of action, toys are classified in the following groups:

(2a) Push cars: toys with wheels that they should be pulled by a rope or pushed by a child. It can include small drums, flying butterflies and rolling balls. The playing potential children should have up to 3 years old;

(2b) Walking or hopping figures: toys that show the characters' movements. It can include a squirrel hopping or a caterpillar wriggling. The playing potential children should have 2-4 years old;

(2c) Swaying or floating toys: toys whose actions are based on observing a pendulum rule or the laws of gravitation. It can include a floor-standing toy, such as a rocking-house. The playing potential children should have 2-6 years old;

(2d) <u>Rotating toys</u>: toys that move and spin around theirs axes, manifesting the centrifugation, balance and inertia laws. Is can include palmar or finger tops;

(2e) <u>Rolling toys</u>: (also also called as Kugelbahn) are a set of designs that drive, for example, a ball, to a specific path. That kind of toy could be stationary or collapsible. As it has different complexity levels, the playing potential children could have 1-10 years old;

(2f) <u>Tumbling figures</u>: toys that have an element that tumbles on the top of a hill or a ladder, showing the influence of gravitation and inertia forces. The playing potential children should have 2-6 years old;

(2g) <u>Climbing figures</u>: toys that have to be lifted with one or two hands to make it climb, overcoming the gravity forces. The playing potential children should have 3 years old (to one-hand toys) and 4-5 years old (to two-hand toys);

(2h) <u>Knocking figures</u>: toys that move reciprocatingly. It can include a hen pecking or a woodpecker pecking a three. The playing potential children should have 2-5 years old;

(3) **Complexity of movement's control**: according to their operational complexity, toys could be classified in the following levels:

(3a) <u>The first level</u>: where the action and observation are elementary, meaning the child's playing actions are minimal;

(3b) <u>The second level</u>: where there is a double-beat action;

(3c) <u>The third level</u>: that requires a more accurate movement coordination;

(4c) <u>The fourth level</u>: where there is a rhythmical actions of one or both hands (synchronically or alternating);

(5c) <u>The fifth level</u>: that requires a complicated sensory motor coordination and a control over the toy. It includes toys that are put in motion with the help of child's legs.

2.1.2. EDUTAINMENT PROGRAMMES

One of the biggest examples of successful edutainment programme (even before this word and concept exist) was Sesame Street that was embraced by children and parents. Other example is Numberjacks programme. This show taught children to solve problems using mathematics and, to keep children engaged to the show, it had a mix of adventure and comedy. Another example is Lazy Town show, focused in teaching healthy habits to children, giving importance of keeping fit and healthy with physical activity and eat habits (Pomphrey, 2007).

Other example of edutainment is Teletubies. Teletubbies is a TV programme produced by BBC that rapidly became a successful children show. The Teletubbies are happy creatures, with big eyes, television screens on their tummies and antennas on their heads. The captivating world of Teletubbies was full of "pretty flowers, lively rabbits, warm hugs, bumping tummies and high tech marvels", a world perfectly happy. (Kjos, 1999). One of the objectives of Teletubbies is to teach children a "lifelong learning". In order to do that, one of the lessons involves self-sufficiency, meaning, teach how they can be more independent, regarding eat and clean.

Another objective is to make children open-minded regarding religions and different cultures. In that way, before children become closed-mind to one religion truths, Teletubbies help them to understand more global beliefs and values, showing them a different ideology and a new paradigm. The fact is that children love and follow these captivating creatures, feeling at home with them. There are a lot of "hidden sign" that, in a certain way, make them interesting and make children learn with them. First, they are not human (or half-human, half-animal) babies, creating in children a sense of fantasy and identification with character. To reinforce this identification, actors trained to talk, run, eat and swing music like children.

Moreover, each one of Teletubbies with their peculiar antennas and the sun represent and symbolise something to teach children:

Sun in a kind of "supervisor" that reacts according Teletubbies actions. If Teletubbies do an expected and a good thing, the Sun (that is a pretty blue-eyed baby face) laughs and smiles. If Teletubbies are separated one from each other or do a bad thing, the Sun freeze.

Po (the smallest one) often jumps to express her feelings of joy and enthusiasm. Her antenna is a circle. It symbolises unity, wholeness, infinity and the feminine force.

Laa-Laa (the second smallest one) is the happiest and most smiley of Teletubbies. Her antenna is a spiral and a rod. It symbolises goddess, fertility, feminine force and evolution of universe (spiral) combined with male spirit (rod).

Dipsy (the second biggest one) has a particular way to say "hello". His antenna is a rod that symbolises the male power.

Finaly, **Tinky Winky** (the biggest one) is the gentlest of the Teletubbies and he is best friend of Po. His antenna is a triangle pointing down. It represents the homosexual community (Kjos, 1999).

Theses shapes that simply occur in nature symbolise important concepts that help children to learn the global spirit and to encourage absorbing multicultural attitudes (also including sex and gender issues). Symbols (that have different meanings) can summarise and send messages more quickly and effectively than words. In that way, it could be a support for universal behaviour modification (Kjos, 1999).

2.2. In-store experience

In parallel to edutainment trend, in recent years, the shopping experience has became an important factor in consumer satisfaction and consequently, in purchase process (Pantano & Naccarato, 2010). It is expected that the in-store retail will be transformed into a new type of experience that combines glamour and information technology, where retail and entertainment are becoming even more closed and merged.

This new type of in-store experience aims to maintain the client within the store, responding to a well-known fact: "The longer a consumer stays in a store, the more he buys. If it's not exciting, he won't stay in the store" (Marx, 1995). In this way, the retail managers are creating strategies capable to succeed in the current changing market and they are improving theirs' in-store experience so that they can entertain consumers and communicate the brand in new and more attractive ways. (Pantano & Naccarato, 2010).

In order to keep up the new trend of retail, flagship brand stores are increasing throughout the world, with new forms and new ways to implement it, mainly to take the brand concept to an extreme level. It is identified tree types of brand stores: flagship brand stores, themed entertainment brand store and themed flagship brand store.

The tree main characteristics of **flagship brand stores** are: "they carry a single brand product", "the brand manufacturer owns them" and "they are operated – at least in part – with the intention of building or reinforcing the image of the brand rather than operation to sell product at a profit" (Kozinets, Sherry, De-Berry-Spence, Duhachek, Nuttavuthist, & Storm, 2002). Also, flagship brand stores could be exclusive or nonexclusive to manufacturer's brand.

The **themed entertainment brand stores** are focused on "selling branded services rather than selling branded products and trend to have no brand history outside of the particular themed brand store outlet", always building the brand (Kozinets, Sherry, De-Berry-Spence, Duhachek, Nuttavuthist, & Storm, 2002).

The **themed flagship brand stores** are a combination of elements of the two types explained before (flagship brand stores and themed entertainment brand stores). The themed flagship brand stores promote a brand that is also sold in different other stores and also offer entertainment-oriented services, being an entertainment destination that generates revenue selling entertainment services. In addition, managers also interpret that kind of places as a really imperative complement to other media strategy, such as advertising, sponsorship, promotion and publicity (Kozinets, Sherry, De-Berry-Spence, Duhachek, Nuttavuthist, & Storm, 2002).

According to Kozinets, Sherry, De-Berry-Spence, Duhachek, Nuttavuthist, and Storm, there are four themes to themed flagship brand stores. The **landscape themes** make use of images of nature, earth, animals and the physical body. That king of theme would have, the most ordinary and common cultural orientation, a retail orientation mainly toward the purchase of goods rather than purchasing of experience, with a unidimensional brand orientation. Those characteristics should have the most extraordinary, experimental and multidimensional qualities when the theme goes to marketscape, cyberscape and mindscape (in ascending). The landscape theme, bases on natural experiences and with a nature culture, may benefit from

providing those experiences in their physical environment, such as outdoor sports, health, travel, beauty, food and medicine.

The **marketscape themes** employ images and association with different cultures, man-made places and building. The marketscape theme should have a global-local balance, reflecting the ethnic, nationalist, urban, religious, political, racial and other critical differences among people. In order to maintain the identity of the brand across multiple participants, it should be provided constructed templates so they can customised locally. The king of theme will benefit from the cultural connection to community's ideas, such as dance, music, books and coffee.

The **cyberscape themes** use associations and images related to virtual community, information and communication technology and those will become one of the hottest themes of retail development – also called as "etailing". Brand that will benefit from this theme have a cultural orientation to electronics and innovation ideas and also the ones that have a fantactic and entertainment cultural orientation, "where the impossible can made real through technolofy" (Kozinets, Sherry, De-Berry-Spence, Duhachek, Nuttavuthist, & Storm, 2002), such as toys for children.

Finally, the **mindscape themes** "draw an abstract ideas and concepts, introspection and fantasy" (Kozinets, Sherry, De-Berry-Spence, Duhachek, Nuttavuthist, & Storm, 2002), with spiritual and ritualistic inclination. The brands that will benefit from this theme are the ones that have cultural orientation to growth and development, such as education, self-improvement and training. The mindscape theme means a new way of consumption, where it is offered consumers "new ways to construct meaning that are precisely contextualised and personally relevant" (Kozinets, Sherry, De-Berry-Spence, Duhachek, Nuttavuthist, & Storm, 2002). The cyberscape and mindscape themes mixed will provide consumer a "mind-bending new experience", melding the future shop with online and offline experiences, becoming a singular and unique reality.

2.2.1. ATMOSPHERE VARIABLES

The environmental psychology theory explains the stimulus-organism response paradigm (SOR). Meaning, The atmosphere is the stimulus (S) that causes a consumer's evaluation (O) and causes some behavioural response (R). The consumer response could be approach (seen as positive, meaning desire to stay and explore the establishment) or avoidance (seen as negative, meaning not want to stay and spend time in the store).

In order to organise in a logical way this theoretical study, the independent atmospheric variables were divided in five main categories to influence the shopper behaviour: external variables, general interior variables, layout and design variables, point-of-purchase and decoration variables and human variables (Turley & Milliman, 2000).

The **external variables** include exterior signs, entrances, exterior display windows, height, size and colour of building, surrounding stores, lawns and gardens, address and location, architectural style, surrounding area, parking availability, congestion and traffic and exterior walls.

The **general interior variables** include flooring and carpeting, colour schemes, lighting, music, scenes, tobacco smoke, width of aisles, wall composition, paint and wall paper, ceiling composition, merchandise, temperature and cleanliness.

The **layout and design variables** include space design and allocation, placement and grouping of merchandise, work station placement, placement of equipment, placement of cash registers, waiting areas/rooms, department locations, traffic flow, racks and cases, waiting queues, furniture and dead areas.

The **point-of-purchase and decoration variables** include point-of-purchase displays, signs and cards, wall decorations, degrees and certificates, pictures, artwork, product display, usage instructions and price displays.

The **human variables** include employee characteristics and uniforms, crowding, costumer characteristics and privacy. (Turley & Milliman, 2000)

Atmospheric effects are also measured with a different variety of dependent: sales (that are influenced by atmospheric variables), time in the environment (that is not proved that is

influenced by environment) and approach-avoidance behaviour, a three emotional states measure in the store: pleasure, arousal and dominance that influence in-store behaviour (Turley & Milliman, 2000).

According to some studies, there are some variables that influence sales and time, but other not. For example, colour influences purchases, time spent in the store, pleasant feelings, arousal, store merchandising image and attractiveness of the retail display. However, lighting can influence store image but not the sales.

Also, shelf space has a positive relationship with unit sales. However, it is neither uniform among products nor across stores. Also, studies reveal that prominent displays of the products can significantly influence sales.

The crowding is the most studied variable of human variables. Crowding in a retail store could be divided in two mechanisms: actual shopper density and perceived crowding. Researchers reported that perceived crowding is seen as a negative influence in retail context, having a negative impact on number of purchases, postponed shopping, changing the store, shopping excitement qua perception of quality.

The appearance of retail personnel in another variable studied in this category. The retail employees' appearance is a critical element because it is a way to communicate with shoppers. Studies report that stores with more sales personnel, wearing aprons and greeting customers are perceived as providing a higher service quality than the ones that have only one salesperson in the store, wearing no apron and not offering a greeting (Turley & Milliman, 2000).

According to environment experience, there are different variables that retailers could use in order to build emotional connections with customer and encouraging the Hedonic Consumption. This concept –Hedonic Consumption - could be defined as a consumer behaviour that relate to the multi-sensory aspects (sound, taste, smell, touch, satisfaction, visual merchandising and aesthetic appeal), involving fantasy and emotions with the product usage, providing joy, excitement and a satisfied mood. (Srinivasan & Srivastava, 2010).

It was done a study aimed to identify the important factors that could affect the store experience. The main results of the study were: (1) Young girls are more interested in shopping outlets; (2) Young boys are slightly more interested in entertainment zones; (3) A

majority of the people interviewed have no idea how to define a shopping experience; (4) Shopping is becoming a family outing and (5) The important factors that affect store experience (decreasing the importance) are: more variety at good prices (42%), spending quality time (32%), brands matter (18%) and better service and staff (6%).

Music is one of the atmospheric variables that could be used, having different effects on customers' states, attitudes and behaviours. Different kinds of music could create different perceptions of the store. For example, classical music could easily be associated to prestigious image, high service and quality (Beverland, Lim, Morrison, & Terziovski, 2006).

It was done a research in order to understand if consumers experience in-store music–brand image fit and what is the effect on the consumer–brand relationship and if misfit occurs, how it impacts consumers' evaluations of the store, product, and brand. In the findings of this research, the in-store music could be fit or misfit, positive or negative, and each one of the effects have implications in costumers' decisions. If costumers have prior perceptions of the brand/ store, in-store music often reinforce the perception and unleashes an emotional response with a positive cognitive appraisal of the brand. For customers that do not have prior perceptions of the brand, music is an important retail variable that could help them to define its positioning and to create a relationship with the brand.

Furthermore, in-store music could, also, be part of a transformational experience, resulting in delight and increase loyalty. The study also includes evidences of in-store music-brand misfit. In this context, the outcomes could be: dilution or repositioning. In the case of dilution, customers already have a prior expectation and, even they like the song, they begin to reassess the brand image and quality. This could result in devaluation of the brand and decline in brand status. In the case of repositioning, the misfit could have positive outcome, in shifting costumers' perception of the brand in their mind (Beverland, Lim, Morrison, & Terziovski, 2006).

In that way, music (music tempo, volume and preference) has a significant impact on sales, arousal, perceptions of and actual time spent in the environment and in-store traffic flow (Turley & Milliman, 2000).

2.2.2. AMERICAN GIRL PLACE

One of the most important examples in this new trend of retail experience is American Girl. American Girl is a brand created by Pleasant Rowland, aimed to offer to American families two thinks that they love: storybooks and dolls, based on the various periods of the American history from the perspective of young girls living in that time. In fact, she created not a new toy but a brand with a different meaning and concept, concretized in different ways, such as dolls, books, accessories, magazine, television movies and retail store.

The American Girl Places are divided in specific focal areas, encouraging interaction among consumers and promoting the products usage: The Museum, The Salon, The Theatre, The Library, The Photo Studio and The Café.

The **Museum** emphasises the physical nature of a museum experience. In that area, it is shown vitrines with dolls and objects, representing different historical periods. This area combines a pedagogical and ludic purpose and makes the visitors imagine themselves living in another period of time. Also, this area can create a desire of physical contact due to the distance created by the time that the vitrices represent and by the encasement. The image of the home transmitted by the museum environment invokes concepts such as family identity, history and values.

The **Salon** is a representation of a public space of female socialization and a place for "girl talk". It is a beauty salon for the dolls where professional stylists groom the dolls' hair and give maintenance tips, with a high level of professionalism and seriousness. This place evokes the atmosphere of the real world hair salons.

The **Theatre** represents the "Circle of Friends" where girls play different doll characters and different scenes of American Girl stories and book, with beautiful costumes and in a unforgettable performance. The Theatre also has a pedagogical sense, teaching children to understand human values and relationships.

The **Library** is a pedagogic place where visitors can find the American Girl themed books, with historical dolls and their stories, temporary narratives and manuals about grooming, social etiquette and relationships.

The **Photo Studio** is a place where visitors have the opportunity to keep a memory for posterity of their experience in the store, taking a professional photo personalised by a American Girl theme.

Finally, the **Café** is a place where families and dolls can share a meal in a semi-formal dining room with royal treatment, in a celebration context or just experiencing the American Girl Place. The menu reflects the different ethnics and periods of time in the American Girl stories. The decoration and the entire atmosphere in The Café stimulate family interaction, promoting ethic and moral values (Borghini, Diamond, Robert, Mary Ann, Albert, & John, 2009).

As it could be observed in the previous example of retailtainment, American Girl Place has a huge and strong brand ideology. In fact, retail brand ideology is even stronger when the brand has two important characteristics. The first one is that the brand makes the world seems natural. The second one, and more important, is that the brand makes it desirable, complete and perfect. In that way, retail involvement is an essential element to create a brand ideology. In retail ideology, the store has different point of caption with different ideological elements.

The more points of caption in the physical environment, the more powerful and real will the ideological experience be (Borghini, Diamond, Robert, Mary Ann, Albert, & John, 2009). In that way, and as it was seen in American Girl Place example, there are different atmospheric variables that could influence the consumer evaluations and behaviours (Turley & Milliman, 2000).

2.3. New opportunities in order to link retail to children education

2.3.1. EDUCATION INTO A RETAIL ENVIRONMENT

Child development should be measured equally according to two main factors: academic skills (reading, writing...) and life-readiness skills (emotional, social...). (Pomphrey, 2007). In that way, and with technological evolution, there have been emerged new education concepts, such as Edutainment. It is a concept that emerged in 80's with computer games and it could

be defined as education that is associated to entertainment and playful activities. (Valinho, 2008).

This concept can be an interesting point to retailers to develop and to gamble on. "Everything in the programming starts from an educational perspective and the role of the consumer products division is to expand and enhance this experience" (Maura Regan, Sesame Street workshop's vice president in (Pomphrey, 2007). Therefore, the objective is to educate children while keeping them entertained.

There are four educational contexts identified, which one with a different pedagogical methodology and different learning processes: Formal (school); Informal (extra-curricular activities); Informal life-long learning (social life) and Accidental (Valinho, 2008). However, one of the big issues regarding the application of this concept is to understand in which contexts it should be applied and what are the weaknesses. There are enumerated three of them: (1) Inadequacies of entertainment resource in learning contexts; (2) Wrong expectations creation regarding education and (3) Trivialization of edutainment tools (Valinho, 2008).

The application of entertainment in learning contexts varies according the following factors: content, information quantity, means, education context and target. In the case of children targeting, it is necessary to assure that the development is according to child's perspective, giving attention to the way that they see, interpret and use the objects. It is presented a target segmentation according their development phases (Valinho, 2008): (a) From 2 to 8 years old: children accept challenging activities in a gradual way; (b) From 9 to 12 years old: children become more demanding and they look for difficulty on tasks and (c) From 12 years old: children become even more demanding and they look for variety and contexts more appealing.

The creation of these environments for this target should consider the child as the heart of educational process, should be challenging and should avoid too rules. Even more, that kind of environments should be attractive not only to children (the one that will enjoy it) but also to adults, whether parents or professors (the ones that decide or recommend the utilization/access to) (Valinho, 2008).

In edutainment environment development it is necessary to combine education, entertainment and technology. The technology should be a complement in education and entertainment

process in order to do not distract the content. Even more, in that kind of environments it should have a tutor to accompany and monitor children activities (Valinho, 2008).

In that way, there are defined edutainment environment's evaluation criteria: "learnability, technical requires, intuitive efficiency, tutors and education contexts adequacy, use facility and pedagogical approach, interactivity, objectivity, sociability, motivation and the value added to education" (Valinho, 2008).

2.3.2. RETAIL TECHNOLOGY

Another powerful tool that retailers should take into account is the new technologies that have an important characteristic: interactivity. Even more, there are three main advantages of using new technologies (Pantano & Naccarato, 2010): (1) Retailers have the possibility to achieve fast information on consumer behaviour; (2) Improvement of the point of sale and (3) It influences the shopping experience, mainly in decision-making process. There are three main technologies, the most used in these days.

RFID: It is a Radio Frequency Identification that supports different applications. It recognises a unique identification number (that is attached to a chip) with a particular item. In a more practical way, it could be used as a portable RFID reader that shows in its display the information of the products. As it is quite cheap and easy to manage, RFID is largely used to support consumers in the store (Pantano & Naccarato, 2010).

Shopping Assistant System: The most used shopping assistant systems are usually based on shopping trolleys available in the stores or on the consumers' mobile devices. It allows consumers to find items in the store through a graphic map, to add item to shopping list and to know more detailed information, among others. From the retailers' point of view, this system allows them to control more efficiency stocks and product on the shelves in real time. In this way, this system could influence positively the service level and the quality of the product, store and brand perception (Pantano & Naccarato, 2010).

Smart mirror: It is a mirror with a software system that recognises consumer's face and body through a webcam and reproduces her/his image while wearing a certain product. This new technology is already used in optical and shoes market (Pantano & Naccarato, 2010).

Other powerful tool is the in-store event, providing engagement the customers. In-store retail events are defined as a "structured, retailer-controlled environment in which a retailer provides a recognisable temporary activity within the store that creates a memorable experience for the participating customers" (Leischnig, Schwerteger, & Geigenmüller, 2010). Examples of in-store events could be school holidays entertainment, exhibitions or celebrity appearances. It was done a qualitative study with in-depth interviews with four retailing professionals and a questionnaire to 155 costumers of a cosmetic retailer, who recently experienced an in-store event, aimed to study the impact of in-store retail events on costumer's shopping enjoyment and satisfaction and their attitudes toward the retail brand.

It could be concluded with this research that event effectiveness and event adequacy positively affects customer enjoyment. Moreover, the shopping enjoyment positively affects the event satisfaction; both positively impacting on attitude toward the retail brand. However, it is not statistically proved that the event appropriateness has a positive effect on shopping enjoyment (Leischnig, Schwerteger, & Geigenmüller, 2010).

3. CONCEPTUAL FRAMEWORK OF REFERENCE

According to literature review, it could be understood that there are important variables that managers, specifically retailers, really need to take into account to develop a successful business. The retail store is a physical place, with a fixed location, that represents a brand (or a combination of brands), that includes not only the sale of products but also, and more important, sale of services, ideologies, values, lifestyles, and so on.

In fact, it is the brand place that has the higher contact and interaction with consumers and customers, meaning that it should be planned with more details possible in order to implement the whole strategy within a physical attractive environment.

The following scheme (Figure 2) represents a reference framework to develop the project.

Reference Framework
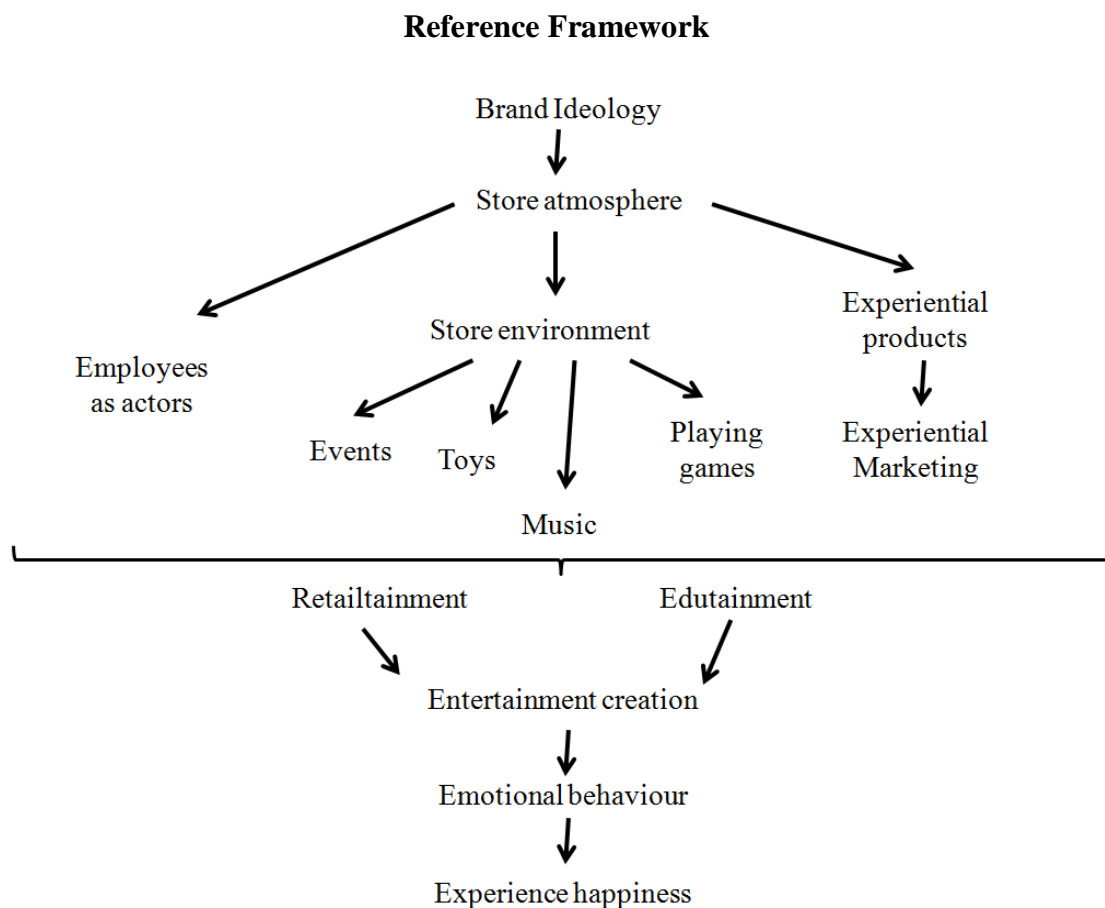
Figure 2 - Reference framework

Source: The author

4. METHODOLOGY

Aimed to provide relevant information and to understand the Portuguese behaviour choosing a toys' store and buying a toy for a child, it was made a benchmark analysis, mainly international successful examples that it is present in literature review.

Moreover, in order to analyse the stores and its positioning, it was visited the Portuguese' competitors, meaning Disney, Toy'r'us and Imaginarium stores. With this research, it was intended to obtain information about store environment within multiple criteria, type of assortment and service, and their positioning.

Additionally, in this project scope, it was made a market research. It had as objectives:

- ✓ To know what are the stores that people prefer to buy a toy
- ✓ To know when people buy a toy
- ✓ To know the importance of criteria when choosing a store
- ✓ To know how people evaluate competitors
- ✓ To know the main toys' characteristics that people look for
- ✓ To know if people would visit the store
- ✓ To know which services people would like to have in a toys store
- ✓ To know how to position services in terms of price
- ✓ To know the receptivity of the store

The collection of information was made through a questionnaire, designed specifically for this research. It was structured into four dimensions: information about usually buying of toys; information about important criteria choosing a store and a toy; information about the impact of the new store and finally the respondents' characterisation.

It was gathered 311 questionnaires (Annex 1 - Questionnaire), through a convenience sampling (online). The universe is: men and women, in Portugal, that bought at least 1 toy during the last 12 months. The filter process was made through the questionnaire. They were processed by simple descriptive statistics (Annex 2 - Market research).

5. ENVIRONMENTAL ANALYSIS

According to (Armstrong & Kotler, 2005) "marketing does not operate in vacuum, but rather in a complex and changing marketplace environment". In fact, there are other actors and forces that can operate with or against the company, affecting its business.

5.1. External analysis

Companies operate in a large macro environment where there are several forces that cannot be controlled by companies but influence their opportunities and threats (Armstrong & Kotler, 2005). This way, it is analysed the most important forces that could affect the retail store concept. Moreover, it is analysed the main competitors and it is done a brief overview of the market.

5.1.1. PESTEL

By using the PESTEL framework it is analysed different factors in a firm's macro environment that affect strategy and marketing decisions. The PESTEL model is analysed in the following table (Table 1), according to political, economical, social, technological, environmental and legal factors.

Table 1 – PESTEL Framework

FACTORS	Analysis		Impact			Occurrence probability		
POLITICAL / LEGAL / ECONOMICAL	T	O	H	M	L	H	M	L
Portugal fiscal policy is forecast to be negative. [2]	x			x		x		
Political instability due to the "Stability and Growth Programme" approval. Measures: increase of taxes (VTA, IRS, IRC), reduction of wages. [3]	x		x			x		
Retail market in Portugal represents 9% of GDP, which 6% of them represents non-food retail market. [4]		x		x			x	
Aimed to ensure the toys' security, increase the manufacturers and importers' responsibility and reinforce the national market supervision, there are European toy safety directives (Directive 2009/48/EC) that member starts must apply. [5]		x	x			x		
Value-added Tax (VTA) of products (toys) is 23%.	x			x		x		
TECHNOLOGICAL								
Technology associated to entertainment has been increasing (manly through mobile phones and social networks)	x	x					x	
Trend to increase social networks to disclose brands information	x	x					x	
SOCIAL / ENVIRONMENTAL								
The Economic Sentiment Indicator (ESI) declined by 3.4 points in both the EU and the euro area.	x				x		x	
Sentiment in the retail trade sector dropped in both the EU (-2.4) and the euro area (-1.1). [6]	x			x			x	

[2] http://ec.europa.eu/economy_finance/publications/european_economy/2011/pdf/ee-2011-3_en.pdf
[3] http://ec.europa.eu/economy_finance/publications/european_economy/2011/pdf/ee-2011-3_en.pdf
[4] "Prós e Contras" Televison Program
[5] http://ec.europa.eu/enterprise/sectors/toys/documents/directives/index_en.htm
[6] http://ec.europa.eu/economy_finance/db_indicators/surveys/documents/2011/bcs_2011_09_en.pdf

	T	O	H	M	L
It is predicted a children decrease in Portugal until 2050. [7]	x		x		x
According to 2001 census, rate of early school leavers is 2,79% in Portugal in this years. [8]	x		x		x
The Economic Adjustment Programme devalues the education, decreasing GDP to 0,4% [9] and decreasing the educational incentives through scholarship education reduce. [10]	x	x			x
Non-formal education, such as museums, started to raise prices and diminishing incentives. [11]	x	x			x
39% of Portuguese population will spend the same or more in entertainment [12]	x	x			x
51% of Portuguese population will spend the same or more in education [13]	x	x			x

Source: The author

Legend: T: Threat, O: Opportunity, H: High, M: Medium, L: Low

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[7] http://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaques&DESTAQUESdest_boui=71779&DESTAQUESmodo=2

[8] http://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_indicadores&indOcorrCod=0000978&contexto=bd&selTab=tab2

[9] http://www.sprc.pt/upload/File/PDF/Propostas/AnaliseOrcamentoEstado_2011.pdf?phpMyAdmin=9033e71b31d0eaa90c4d4cbcdab2870b

[10] http://economico.sapo.pt/noticias/estou-preocupado-com-reducao-do-numero-de-bolseiros_111122.html

[11] http://economico.sapo.pt/noticias/museus-deixam-de-ser-gratuitos-ao-domingo_128512.html

[12] http://www.deloitte.com/assets/Dcom-Portugal/Local%20Assets/Documents/pt(pt)_Natal%202011_08112011.pdf

[13] http://www.deloitte.com/assets/Dcom-Portugal/Local%20Assets/Documents/pt(pt)_Natal%202011_08112011.pdf

5.1.2. MARKET OVERVIEW

The retail market of cultural and recreational goods in specialised establishment has 9.656 companies operating, with 1.799.611.000 euros business volume, 20.007 personnel employed, representing 6,6% of the retail market, as it is shown in Figure 3. [14]

Main Products of Retail Business
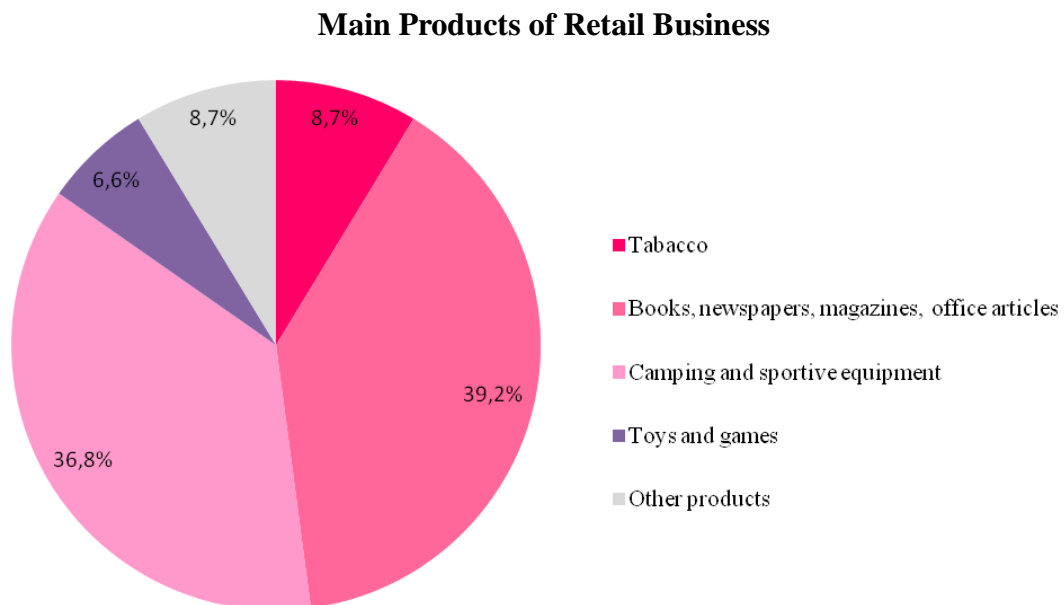
Figure 3 – Business Trade Companies: main products of retail business

Source: INE, Business Trade statistic, 2010

More specifically in Portugal toys' market, according to a research conducted by Marktest, it was concluded that 3.632.000 Portuguese people bought children toys during the previous 12 months which represents 54,3% of mainland population, between the ages 15 and 64 (Figure 4)**.**

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[14] INE, Business Trade statistic, 2010, page 19:
http://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_publicacoes&PUBLICACOESpub_boui=121043953&PUBLICACO ESmodo=2

Children toys purchase during the previous 12 months
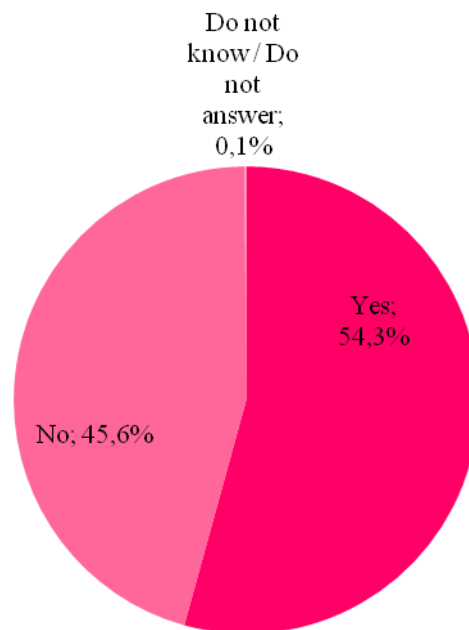
Figure 4 – Children toys purchase

Source: Marktest, GCI, 2009

Analysing the indicator according to buyer ages, as it could be observed in Figure 5, the higher percentage belongs to people between 35 and 44 years old, meaning that 70,6% bought children toys during the previous 12 months.

Additionally, by region, the Lisbon Metropolitan Area and the South represents the highest values 58,4% and 57,2%, respectively. Among social groups, 62,8% of upper class. 55,7% of middle class and 50,4% of lower class bought children toys during the previous 12 months.

Among toys' buyers, TGI (Target Group Index – a research conducted by Marktest) indicates, also, that 62% of them buy with a frequency lower than 1 time per 2/3 months, spending between 26€ and 50€. Moreover, about the children target, 47% of buyers buys to children bellow the age 3, 51,5% to children between 4 and 7 years old, 25,9% to children between 8 and 12 years old and 4,9% to children upper than 12 years old. [15]

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[15] Marktest: http://www.marktest.com/wap/a/n/id~158a.aspx

Buyer characteristics - Children toys purchase during the previous 12 months
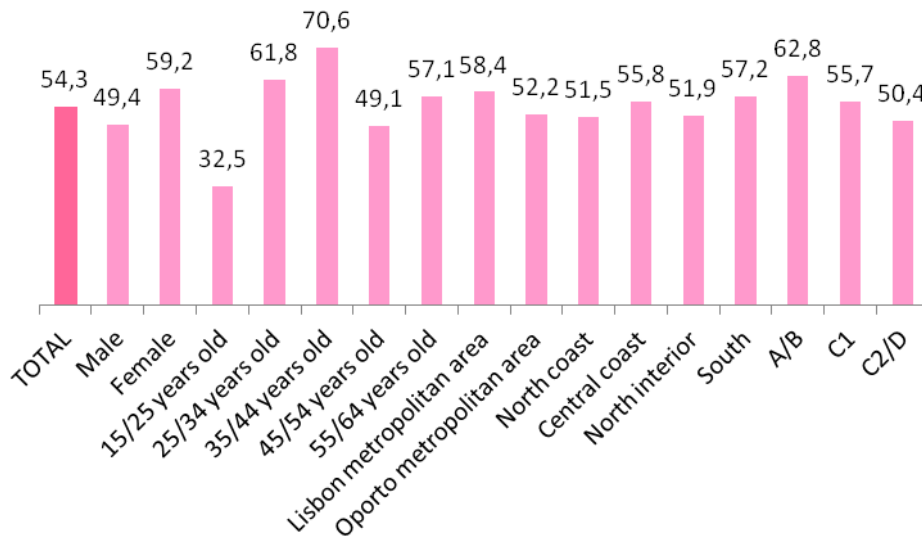
Figure 5 – Children toys: Buyers characteristics

Source: Marktest, TGI, 2009

5.1.3. COMPETITORS

Competitor Analysis is an important part of the strategic marketing planning. The main objective is to track the competition, in order to adapt our strategy as an opportunity in the market. That way, competitor analysis is important to help to understand their competitive advantages and to try to predict future strategies.

As main competitors, it is identified Disney, Toys'r'us and Imaginarium. Their deeper analyses are described in Table 14, Table 15 and Table 16, respectively in Annex 3 – Competitors analysis. However, it is described the main conclusion of each store.

The Disney store is divided into different Disney films. In each film, there are different types of products, including not only toys but also clothes and shoes. There is also a specific area to highlight promotions since the store is mainly to sell products. This way, the experience in the

store occurs mainly due to the magical atmosphere and the brand awareness, positioning the store as "The dreamer space".

The Toys'r'us store is divided in several areas: promotions, films, games, pre-school, building, science, dolls, bicycle, sports, cars, videogames and costumes. There is also a specific area with clothes to pregnant women and children (organised by ages) and another specific area to babies, called "baby'r'us". It is a hard selling, focused mainly in product and the store experience comes mainly from the quantity and diversity of products presented. It is positioned as "Supermarket of toys".

The Imaginarium store, positioned as "Common ground between parents and children" it is the store with a higher educational connotation among these three competitors. In this way, store experience comes mainly from educational products. Moreover, the store is organised in two categories: ages and themes. In age category, there are specific products to "0-12 months" and "12-36 months". The rest of the store is organised by themes, such as: games, science, arts and books, among others. Contrary to other two competitors, the products have an educational connotation according to different ages.

5.1.4. CRITICAL SUCCESS FACTORS

Critical success factors are elements required to a company or a project, applied in a certain market, in order to ensure its success. These factors, as market critical ones, are applicable to specific market players and each company should control them so that they could be competitive.

In the children retailtainment market, it was identified four critical success factors that are really indispensable to have success in this business, that are described in the following table (Table 2).

Table 2 – Critical Sucess Factors

CRITICAL SUCCESS FACTOR	DESCRIPTION
Location	The location is a crucial factor in retail store market. In this way, the location choice in one of the most important factors that will influence the customers attainment and, consequently, to business profitability.
Human Resources	First, in retail services providing, another main issues is related to employees in the store. In fact, they are the ones that have direct contact with consumers and they represent the store brand. When thinking about children, those concerns increase. In that way, the good appearance and the relational capabilities enhance the clients' loyalty and the trust in the store and brand. Moreover, they should be professionals of children area so that they could have knowledge dealing with them.
Place/environment	In retailtainment, one of the critical factors within the store is the environment created. It will influence the time spent in the store and, consequently, the frequency and the purchases. It is important to ensure the basic conditions but it is essential to create an attractive and dreamed environment. Moreover, it is important the way that the store is organised in order to have an attractive, clean and easy way to search the products.
Innovation	One of the trends in this new retail world is, effectively, the innovations. It includes not only the technology innovation, but also logistics, point of sale improvements, development of new entertainment and educational methods, among other, that ensure the enjoyment, entertainment and education.

Source: The author

5.2.Internal analysis

It is presented an overall company's analysis, describing the main organisational characteristics. In this way, the internal analysis includes Sonae's strategy, Sonae's competitive advantages and Popota evolution since 2007.

5.2.1. SONAE ANALYSIS

Sonae is a company that started its business during the sixties, with a single business area: decorative laminates. Through different strategic option, such as vertical integration, acquisitions, expansion to other business units and even international expansion, Sonae became a solid company operation in a vast number of businesses, from retail to telecommunications and to shopping centres.

Sonae's mission is "To create long-term economic and social value, bringing the benefits of progress and innovation to an ever increasing number of people." [16]

As Sonae has been growing significantly, it is organised in different business areas. More specifically in retail business, Sonae owns different food and non-food well succeed brands within different markets (Table 3).

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[16] http://www.sonae.pt/en/sonae/values-and-mission/

Table 3 – Sonae's brands

BRAND	MARKET
Bom Bocado	restaurants
Book.it	book shop/stationery
Continente	hypermarkets
Continente Modelo	supermarkets
Continente Bom Dia	convenience stores
Continente Horeca	business area for public and private institutions, traditional retail, Free Service Stores, Convenience Stores and Franchise
Continente Ice	frozen products
Well´s	para-pharmacies
Loop	footwear
Modalfa	clothing
SportZone	sports clothing and equipment
Vobis	computer equipment
Worten	white goods and consumer electronics
Worten Mobile	mobile telecommunications
Zippy	clothing for babies and children

Source: Sonae's website: http://www.sonae.pt/en/brands/

As it could be observed, Sonae is already operating in several and different markets, mainly due to its main driver – innovation – in order to have a complete portfolio able to reach all needs of families.

During Christmas time, "Continente" (the insignia of hypermarkets) is strengthened by toys' market through a known character among Portuguese population – Popota. During this time, "Continente" organise a "Toys' fair", where the main attractive factor for children is Popota, making the fair space a "toys' enchanted world" of "Continente". Moreover, until now, there are no toys with Popota brand. However, during Christmas time, "Continente" sells Popota plushies.

Even during the full years, in hypermarkets it could be found toys, however with less display area. The toys' are organised by the following categories: babies, girls, boys and games (mainly board games that are designed for both genders).

Moreover, "Continente" adopts a multi-brand policy, selling different product brands including mainly leader brands and with a less diversity, two private labels, each one for a different segment: "Baby Bear" that has toys only for babies and "Quero" that has toys designed for both genders, such as skipping ropes, flutes, soup bubble makers, among others.

This way, Sonae is already operating in toys' market with a well-known character, however always associated to hypermarket insignia.

5.2.2. POPOTA ANALYSIS

Drawn by the Portuguese tattooer Hugo Martins, or Makarov (his artistic name)[17], Popota's first showed up on November of 2007 associated to "Causa Maior", a Modelo (now Continente Modelo) and Cruz Vermelha's charity project. Since then, this nice and friendly female hippo comes to light every year around Christmas (November/December)[18] mostly through catchy and showy TV spots.

In November 2007 Popota launched her first recipes' book "Sabores de Natal da Popota" which included both Hélio Loureiro's (Chef of the National Team) recipes and a Sónia Araújo's (campaign's ambassador) tale. The book was available for sale at Modelo, Continente and Bonjour hypermarkets at a price of 2€ (Figure 6). Half of the money reversed to Cruz Vermelha Portuguesa targeted to specific projects which promoted the integration and a more active life of elderly people (Causa Maior's aim)[19].

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[17]http://blogs.dinheirovivo.pt/falecomamariana/2012/01/23/este-tatuador-desenhou-a-popota/
[18]http://www.ositedonatal.com/quem-e-a-popota/
[19]http://juventudecvpleiria.blogspot.com.br/2007/11/popota-ajuda-cruz-vermelha-portuguesa.html

First recipes' book launch

Figure 6 – "Sabores de Natal da Popota" and its ambassador

One year later, 2008, the CD "Popota - A Estrela deste Natal" was released. It also contributed to raise funds for "Causa Maior" and it was made in partnership with Tony Carreira (the Portuguese most romantic singer) which sponsored the campaign. He wrote the majority of the 12 songs on the album and recorded a duet with the hippo[20]. Tony, Popota and many other known figures were present at this campaign's launch party.

From 2009 on, Popota's TV spots have included famous and well-know artist and songs whose lyrics are adapted to Modelo's Christmas campaigns. On 2009 the chosen song was Buraka Som Sistema's "Wegue Wegue".

Additionally, by that year a new recipe's book was released "Receitas do Mundo da Popota" and RTP (Portuguese TV channel) associated itself to Causa Maior with a TV gala that was broadcasted on 7th December[21].

2010 was a year fulfilled of Popota initiatives. A new book (Figure 7) was launched (both a story book and a stickers' collection book)[22] and it's launching party included many activities for children: some examples are Popota's Dressing Room, Dance Floor, Popota Cupcakes'

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[20]http://fama.sapo.pt/noticia/popota-seduz-tony-carreira-2
[21]http://www.marktest.com/wap/a/n/id~1488.aspx
[22]http://a-lupa-de-alguem.blogs.sapo.pt/tag/causa+maior

Workshop and Popota Jewellery's Workshop[23]. An interview with Popota was also published on Modelo's newspaper.

The partnership with RTP is still on and 2010's campaign included some Portuguese presenters' statements appealing to people on TV spots in favour of Causa Maior[24].

Popota's new 2010 book

Figure 7 – Popota's New 2010 book

Popota performed a Dance Tour, with two hippo friends: a show in which she presented, together with "Popota Cool" (her adaptation of Boney M's "Daddy Cool" music that appeared on the year's TV spots), a new choreography created exclusively for the tour. After each show, an autograph session is held and Popota is available to take pictures with her fans[25].

The same year, an association of Modelo with Optimus created "Optimus Vegas Popota": a release of a new Optimus mobile phone, specifically designed for younger people usage (Figure 8). It was exclusively sold on Modelo's shops and it came together with a mobile phone's bag, a stickers' sachet, wallpaper and the "Popota Cool" music[26].

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[23]http://ww1.rtp.pt/blogs/programas/sovisto/?k=A-Popota-esta-de-volta-com-a-Causa-MAIOR.rtp&post=12418
[24]http://ww1.rtp.pt/icmblogs/rtp/solidariedadertp/?Campanha-CAUSA-MAIOR-2010.rtp&post=28805
[25] http://algueirao-memmartins.blogspot.pt/2010/11/popota-dance-tour-mem-martins.html
[26]http://www.t3.com.pt/noticias/a-popota-tambem-faz-chamadas

Optimus Vegas Popota Mobile Phone

Figure 8 – Popota Mobile Phone

Last Christmas it was also a fulfilled time of the year for the mascot. She came back on the rhythm of Jennifer Lopez's "On the floor" music: this campaign claimed that "with Popota at Continente, the Christmas is fun" and it was present all over the TV, radio, press, internet and outdoors[27]. Just like 2010, there was a Dance Tour.

With the reorganization on Continente's structure, on 2011 Popota was the mascot present on Continente's Christmas brochure toys[28] and a special area dedicated to her was created on Continente's website (Figure 9)[29]. Also on this area, PopoPostal was available for users to create Christmas postcards which can be customized with pictures when connected to facebook[30].

Popota's website

Figure 9 – Popota's website

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[27]http://www.meiosepublicidade.pt/2011/11/03/popota-esta-de-regresso-ao-som-de-jennifer-lopez-com-video/
[28]http://a-lupa-de-alguem.blogs.sapo.pt/232885.html
[29]http://popota.continente.pt/#home
[30]http://www.meiosepublicidade.pt/2011/12/21/popota-ja-tem-uma-app-de-jogos/

The same year, Continente launched PopoFun, an app with games (such as PopoDescida, PopoDetective, PopoTalk and PopoEstilista) and others activities, available for iPhone and iPad[31].

Another innovative event was "Na Cozinha com a Popota", a Workshop designed for parents and their children to go and learn how to cook simple dishes[32].

It seems that this more recent, fierce and diversed advertising campaigns have been showing themselves to be successful. By the end of 2011 year, Continente's brand kept the 2nd position on the most referred to brands when people were asked the question "Which adds do you remember to have seen recently?"; however just 0,5 percentual points away from the first place (Meo).

Considering the 10 best classified brands, references to Popota, Continente's Popota or Modelo's Popota, showed up to be at the 8th place in the end of December 2011 (5 places ahead of the same month one year before)[33].

5.2.3. COMPETITIVE ADVANTAGES

Competitive advantage could be define as a specific and durable (difficult to copy) competence that enable a company to have an advantage over the competitors (Lindon, Lendrevie, Lévy, Dionísio, & Vicente Rodrigues, 2004). In this child retailtainment market, it were identified the competitive advantages of Sonae, implementing this project.

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[31]http://www.meiosepublicidade.pt/2011/12/21/popota-ja-tem-uma-app-de-jogos/
[32]http://kids.sapo.pt/descobrir/agenda/artigo/na_cozinha_com_a_popota
[33]http://www.marktest.com/wap/a/n/id~1911.aspx

✓ High know-how in the retail market

✓ Huge knowledge about their clients, due to the data base – with Continente loyalty card – that holds the most of the Portuguese families (all the Continente clients are Popota store potential clients) (biggest loyalty programme with more than 1 million of Portuguese families)

✓ Existence of different synergies at a commercial and technologic level (human resources, processes, suppliers) with the other SONAE's business units

✓ Popota is a well-known mascot, with a high notoriety in the market

✓ Popota is a brand present in the market since 2007 and it is know not only as a mascot but also as product and experience (Popota mobile phone and Popota cooking in Feira dos Sabores)

6. STRATEGIC STORE GUIDELINES

Strategic store guidelines enclose an ambitious strategy for the medium and long terms that enable the Popota store implementation. Therefore, it is defined the vision, mission, culture and values. Moreover, in order to reach mission and vision, it is defined the main strategic guidelines of the store.

6.1. Vision

To be the most innovative retail store in Portugal, providing entertainment and edutainment to children, being the first place that they want to go after school, creating value to stakeholders.

6.2. Mission

Inspire happiness, entertaining and educating children within a non-formal, fantastic and magical store environment, where they will have fun together. Provide a differentiated service, developing the most creative, innovative and profitable entertainment experiences and developing a long term relationships with customers, based on trust, learn and integrity.

6.3. Culture and Values

The cultural organizational definition is based on Quinn and Cameron Model (1996). This model explores four areas: Clan, Adhocracy, Hierarchy and Market. It is recommended that the culture should be balanced of four quadrants, as it is represented in Figure 10.

However, even with a balanced result, it is highlighted the Clan quadrant, enhancing the human relations, participation and human resources, clients and society development. Other

quadrant highlighted is the Adhocracy, with a particular emphasis on innovation, adaptability to market changes and to future trends. This way, it was identified a set of values that should orient the store's practices (Table 4).

Quinn and Cameron Model of Popota Store
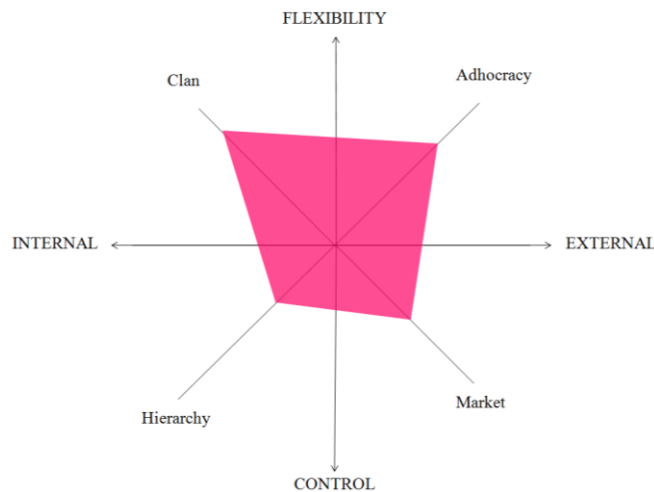
Figure 10 - Quinn and Cameron Model of Popota Store

Table 4 – Popota Store's Values

VALUES	DESCRIPTION
Integrity	The interpersonal relations should be built up with respect among people. Respecting each other and their ideas, everyone could contribute, assuming different experiences and valuing other perspectives.
Commitment and excellence	Excellence in human resources recruitment. It is intended for employees to act like actors and be part of the magical environment. Moreover, it is intended to ensure the quality of provided services, through entertain and educational ways.
Adaptability, learning and innovation	It is privileged the adaptability, acceptance and prediction of different situation, and the capability to act having a positive impact on brand and/or society. Moreover, it is privileged the experience gained every day, so that it could help to innovate and improve in the future.

Life-long learning	It is intended to promote non-formal education combined with entertainment. It should be clearly different from formal education in order to do not create wrong expectations for children. In this field, employees acting like actors and meaningful and educational toys are crucial.
Safety and security	The products are produced according to European legislation, in order to ensure safety and security of children. Moreover, in the in-store environment, the events and the educational entertainment have also a concern to ensure safety.
Kindness and Happiness	It is intended to sell experiences and happiness, promoting the interacting among children in a way that they will have memories of the brand, playing and learning within the store.

Source: The author

6.4. Strategic guidelines

Strategic guidelines are key orientations so that the vision and the mission could be accomplished in a long term view. This way, there are identified key orientations to the store and its description (Table 5)

Table 5 – Strategic Guidelines

STRATEGIC GUIDELINES	DESCRIPTION
Value added through know-how and synergies	It is intend to create value for the company, to customers and to society, taking advantages on several areas already worked by the company. First, because of the know-how in the retail market. Second, because of the huge knowledge about their clients, due to their data base. Finally, because of the existence of different synergies at a commercial and technologic level within the company.

Create experiential marketing, combining entertainment and education within a retail store	It is intend to create a magical environment within the retail store, in a way that children could have an experience full of magical sense. The products and the experiences aimed to educate children while keeping them entertained.
Provide integrated products and services, promoting education and happiness among children	To promote a good pedagogic children habits, presenting an integrated solution that include products and additional services. This strategic guideline is intended to create happiness while children are being educated.
Satisfy needs online and offline	In the new era of technologies, it is important not only the physical retail store, but also the online brand presence, whether through official website or social networks.
Life-long learning	In an educational point of view, it is indent to educate children in a non-formal way, meaning values and personalities. Moreover, it is intend employees to learn with their experience so that they can contribute to develop new ways, products and play games to educate children.
Provide a complement product and service to what is offered in "Continente" hypermarkets	As "Continente" already operates in toys' market, the objective is to create a complement store that sells not only products but also services with a more premium environment and with a strong educational connotation.

Source: The author

7. MARKETING PLAN

After the analysis performed, it is developed a strategic marketing plan for Popota store – Popota Fun Experience. In order to support the opening of this store, it is defined a marketing strategy and it is designed the retailing-mix variables.

7.1. Marketing Strategy

"Consumers stand in the centre. The goal is to build strong and profitable customer relationships" (Armstrong & Kotler, 2005). Thereby, the marketing strategy aims to define which customers to serve (segmentation and targeting) and to define the positioning of the store taking into account the competitors.

7.1.1. SEGMENTATION AND TARGETING

"Companies cannot connect with all customers in large, broad or diverse markets. But they can divide such markets into groups of consumers or segments with distinct needs and wants. A company then needs to identify which market segments it can serve effectively." (Kotler & Keller, 2009)

Popota Store has a targeting differentiated strategy considering that it divides the market in two different segments: the consumers (children) and the buyers (parents, families and friends).

In buyers' segmentation, it is considered the following segmentation criteria: age, social class and region. Taking into account the criteria defined, the target represents 950.545 people. Having that, it could be defined the target as Portuguese people that are more than 18 years old, that belong to AB, C1 and C2 social classes and that live in Lisbon Metropolitan Area, as it is shown in the Figure 11.

There are some buyers' characteristics related with behavioural criteria that are also important. This buyers' segment seeks for required advantages such as a store that provides not only products but also a pedagogic and educational component to children. It means that the educational value plays an important role choosing a store and a toy for children. Moreover, this segment also seeks for an entertainment factor so that children could learn in a funny way.
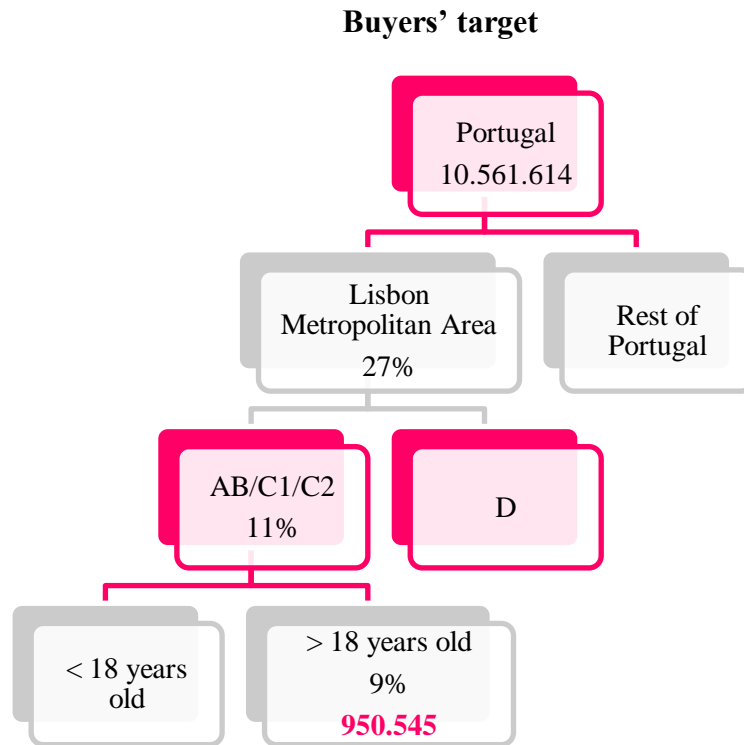
Buyers' target

Figure 11 – Buyers' target

Source: geographic data: INE; social classes data: establishment survey, GFK, 2011; age data: INE 2009

The consumers' segmentation is made according to age and region and taking this into account, defined as relevant in consumers' segmentation, it could be identify the target as Portuguese children up to 12 years old that live in Lisbon Metropolitan Area belonging to AB/C1 and C2 social classes, which represents 169.302 children, as it is shown in Figure 12.

Consumers' target
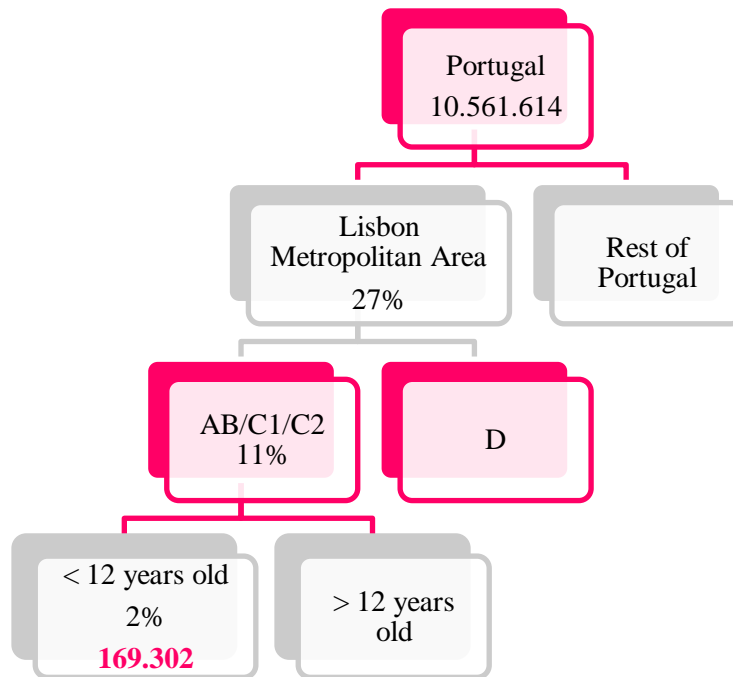
Figure 12 – Consumers' target

Source: geographic and age data: INE

Moreover, considering the children target, they are too sensitive and responsive to advertising and fantasy world, meaning that it is a good strategy to take advantage of this opportunity and put efforts on communication, not only to children but also to parents and people that have contact with children. It is also known that children are even more creative in this economic, social and financial crisis. Additionally, it is a new era that put an end of individualism, meaning that they want to work together, they want to participate in group activities and they want to be part of something. [34]

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[34]   http://inovacaomarketing.com/2012/02/11/inovacao-10-tendencias-do-consumo-e-do-retalho-para-os-proximo-anos/?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+BlogInovacaoMarketing+%28Portal+Inovacao+%26+Marketing%29

7.1.2. POSITIONING

Positioning is the "act of designing the company's offering and image to occupy a distinctive place in the minds of the target market." The main objective is to maximize the potential benefit, clarifying the brands' essence. (Kotler & Keller, 2009)

In order to define Popota Store positioning, first it is taken into account the three main factors that are represented in Figure 13: Consumers' expectations, positioning of competitors and company's differentiation.

Gold positioning triangle

Company

Competitors   Customers
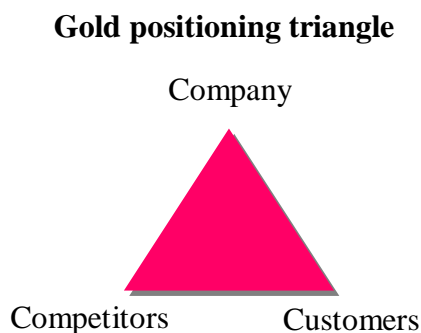
Figure 13 – Gold positioning triangle

According to the study developed by the author (Annex 2 - Market research), it is identified the main characteristics that customers are looking for in two different situation. In case of choosing a store, the main factors that influence the choice are: price, security, quality, location and store ambience. When choosing a toy, the main required characteristics are: educational, secure, quality, price, and attractive.

Also according to the study developed by the author (Annex 2 - Market research), it is identified the main advantages of Popota Store: Experimentation, entertainment, location and educational.

According to the external analysis, it could be defined the positioning of the three main competitors analysed. The Disney Store is positioned as "The dreamer space", the Toys'r'us Store is positioned as "Supermarket of toys" and the Imaginarium store is positioned as "Commom groud between parents and children".

Additionally, and according to the study developed by the author, it is possible to draw a competitive frame of reference (perceptual map) as it is presented in the Figure 14. As the store ambience in one the main benefits that people give importance when choosing a store,

the perceptual map is designed according two main factors that influence it: educational and entertainment.

Perceptual map (Disney, Toys'r'us and Imaginarium)
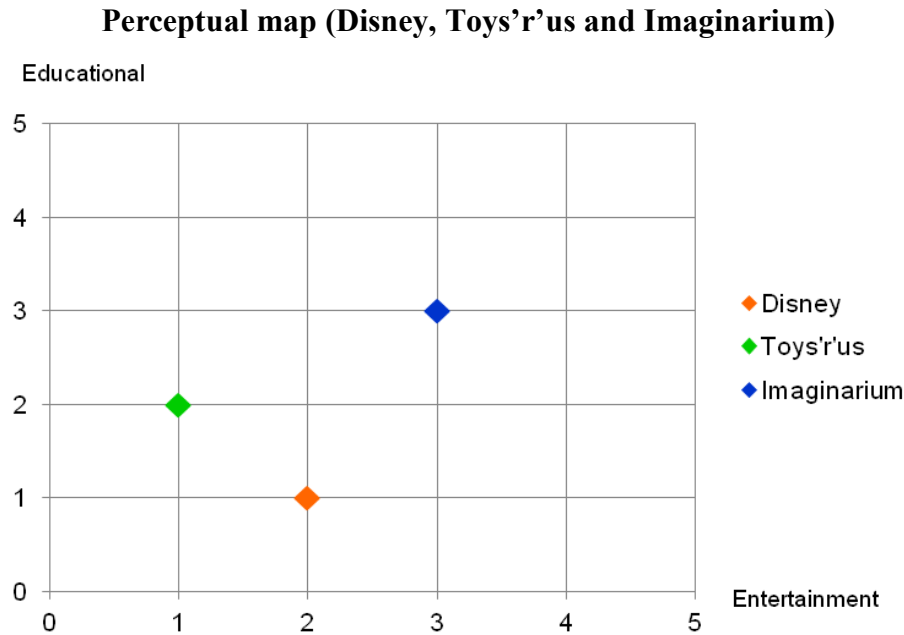
Figure 14 – Perceptual map

Source: The author

As it could be observed, Imaginarium is positioned as the most educational (mainly due to type of products sold) and with the higher level of entertainment (because it is the only store with a specific area dedicated to children to play).

Therefore, after the positioning analysis, the identification (category in which the company operates) and differentiation (points-of-difference: distinctive characteristics) for Popota Store is defined in the Table 6.

Table 6 – Popota Store Identification and Differentiation

Identification	Toys' store
Differentiation	Entertainment combined with: ✓ Experimentation (opportunity to try toys into the store) [35] ✓ Educational connotation about the store and its products [36]

Source: The author

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[35] According to the study conducted and implemented by the author, "Experimentation" is considered as main advantage of the Popota store (it has the highest percentage: 29,6%)

[36] According to the study conducted and implemented by the author, "Educational" is the fifth main benefit considered for the Popota store

Moreover, in order to position Popota Store according the two same benefits, it is also presented a perceptual map (Figure 15), now comparing competitors to Popota Store.

Perceptual map (Disney, Toys'r'us, Imaginarium and Popota)
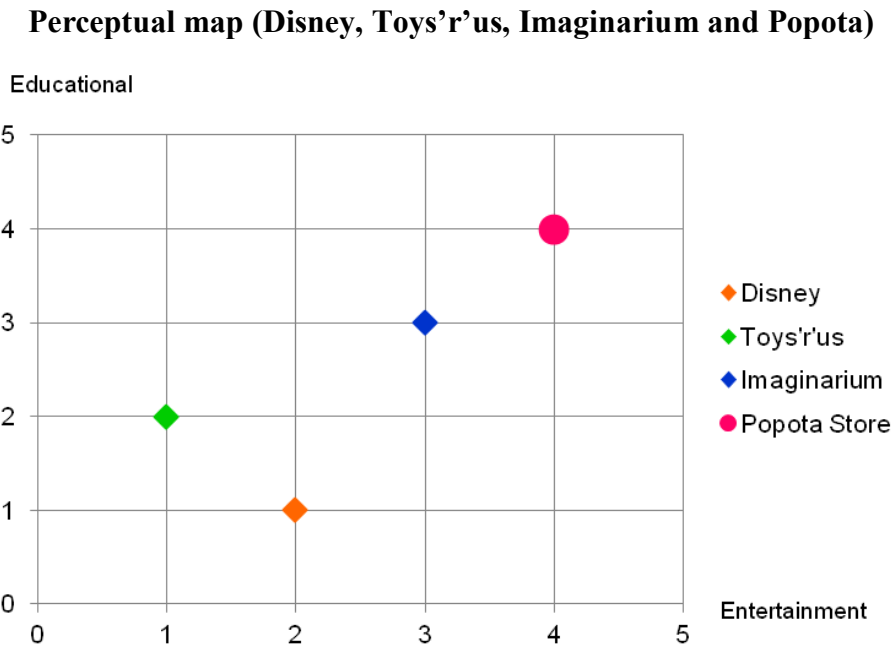
Figure 15 – Positioning Popota Store in a Perceptual map

Source: The author

As it could be observed, Popota Store is positioned with a higher level of entertainment, and with higher educational factor. This positioning is supported not only by types of products but also by specific areas that promote children's learning while keep them entertained.

Concluding, Popota Store is identified as a toy's store with a strong educational connotation and where children live an entertainment experience trying the toys into the store. In this way, Popota Store is a place where children want to go after school to play and learn with each other.

7.2.Retailing Mix

Defining a marketing strategy, there are several decisions that have to be made in order to accomplish the target needs. In this way, these set of decisions include the following items: atmosphere, location, assortment, services, price and promotion.

7.2.1. ATMOSPHERE

The store atmosphere is one of the main important variables in the creation of a retail store with particular emphasis on entertainment and edutainment. Even more, considering Popota Store as the flashship store, the atmosphere is one of the main attractiveness, reflected in more interaction, large dimension and a toys' enchanted world.

When referring to store atmosphere, it is consider store organization, decoration, design, architecture, lighting, colours, music, including visual communication and other factors that influence satisfaction, comfort and pleasure of being in the store.

A good and structured store layout is able to attract more costumers due to comfort, commodity and the ease to look-up and to choose a toy. In this way, Popota Store is divided in two main areas: one targeted to product sell and product experience with approximately 300 square meters and another one with approximately 200 square meters targeted to provide entertainment through additional services, such as workshops and birthday parties, which are developed further along. The layout proposed for the Popota Store is presented in Figure 16.

Popota Fun Experience layout
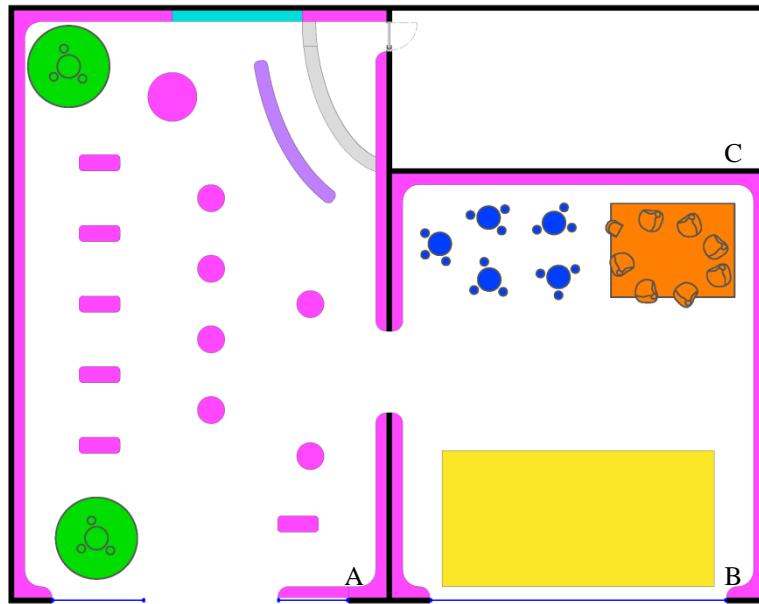
Figure 16 – Popota Fun Experience layout
Source: The author

Legend:

A: stores are targeted to product sell and experience

B: entertainment and edutainment area

C: storage area

Checkout

Product displays

Product experimentation areas

Mini display along the balcony

Display "Back to childhood"

Playground

Story telling area

Workshops area

The area "A" is target to product sell and experience, meaning the shopping area of the store. This area is organised by themes and in each one, the products are organised by ages. This type of organization by themes does not only make easy the product searching but also promotes the up and cross selling among products and services.

Moreover, there are some themes that are present during all years however there are other seasonal themes that are present only in specific periods. Additionally, in each theme there are different types of products according to the main benefit of each one that is developed further along.

Therefore, as full year themes, it is suggested the following ones:

- ✓ "Popota goes to sport":
- ✓ "Popota plays professions"
- ✓ "Popota wants to play"
- ✓ "Popota takes a shower"
- ✓ "Popota likes reading"
- ✓ "Popota wants to paint and draw"
- ✓ "Popota at home"
- ✓ "Popota plays with dolls"
- ✓ "Popota plays outdoors"
- ✓ "Popota is the milk teeth fairy"

Moreover, as seasonal themes, it is suggested the following ones:

- ✓ "Popota goes to the beach"
- ✓ "Popota plays in the snow"
- ✓ "Popota is masked"

These themes should gradually evolve according to customers' needs. Furthermore, as it was defined in targeting, there are two different segments: the consumers (children) and the buyers (parents, families, friends, among others). The themes described above are directed to children. However, the store has a special and full-year display targeted to buyers segment with the following theme: "Popota back to childhood". In this display, buyers (typically with more than 40 years old) can find toys of their childhood, making them to remind those happy years of their lives. These products are positioned in a strategic area that they need to see when they go to the payment area (checkout). In this way, the "cold zone" is changed into a "hot area" which ensures the attractiveness of that area.

There are displays all around the store where products are presented by themes as it was defined previously. Besides this type of displays, there are different displays distributed along the store. As the main target are children, these displays are smaller than the usual ones, so that they could choose, pick up and touch the products. Another important characteristic of all displays is that all of them have rounded corners in order to avoid that children hurt, mainly

the youngest ones. The display positioned right after the payment balcony is even smaller (approximately 60 cm in height) and it aimed to stimulate the sales by impulse, making available products that do not need a choice process planned.

The product characteristics and the age adequacy are important factors when buyers are choosing a toy. In this way, in order to facilitate the information given to them, it will be installed information terminals where buyers could pass a bar code of a product and they can have detailed information of it. Moreover, buyers could search for a specific product (through key words) in the information terminal and, besides the characteristics of the products, terminal also could give information about what the products location is into the store. Additionally, it is also a good tool to stimulate up and cross selling through product and services suggestions.

Furthermore, there are two specific areas designed in order to children have an entertainment experience. It is composed by children furniture (table and mini seats - the same type as presented in Figure 17), where children could play and try products sold in the store. The type of products could be puzzles, books, electronic games, among others and it could have a periodic product change (for instance, there is one product per month that children could try meaning that every month this place has a new product available). This experimentation area, located in two opposite corners, stimulates not only the product purchase but also promotes children experience into the store. Beyond that, the store corners (that typically are "cold zones") are changed into a "hot area", promoting the attractiveness of this area.

Children furniture type

Figure 17 – Children furniture type

The area "B" aimed to provide entertainment through educational programmes such as workshops and birthday parties. The area nearest the store front has a playground the same type as the Figure 18. On the opposite site, there are two different spaces, with mini tables, mini seats and beanbags (puffs) prepared to have workshops targeted to children.

Playground

Figure 18 - Playground

The area in between intends to be a versatile space so that it could be adapted to different situation. For instance, at a children birthday party it is possible to use that area to organise the refreshment.

In both areas, it is recommended different, warm and cool colours to create a children ambience. Also, it should be used music as background music, with balanced volume (for instance, pedagogic music from Popota CD – developed further along).

As the store front is the first impact when customer is passing in front of it, Popota store has a wide entrance, stimulating the clients' entry. Moreover, the right side has a storefront display where it could be placed a specific product, depending on the time of the years of the products that should be highlighted. The left side has a storefront glass display where the passers-by have the opportunity to see children in experimentation area, playing and having fun with each other. Furthermore, the area "B" has a wide glass storefront so that the playgroup is observable by outside of the store.

In order to create a good and harmonised environment, it is crucial to have a strong workers involvement. In fact, they will have direct contact with customers and, more important, with children, and they really need to know how to deal with them. This way, they have to act like an active agent of the process, being actors in an entertainment and edutainment dimension.

7.2.2. LOCATION

Location, and as it was defined previously, is a critical success factor talking about retailing. In fact, and as it is a not easy to change characteristic, leads to a very important decision defining marketing strategy and consequently its success. For that reason, location should take into account two important factors: consumers (mainly accessibility requirements and attraction zone) and competitors.

Popota Store is located in Lisbon Metropolitan zone, more specifically in Colombo Shopping Centre (Lisbon) that was considered as the best solution due to several advantages. First, due to a convenience lifestyle that people's live nowadays, it is crucial to be present in a space where they can enjoy shopping saving time – typically shopping centres. Moreover, this shopping centre is a reference icon to shopping centre industry at a national and international level, considered as a modern shopping and leisure destination that are always try to offer a unique experience to clients and surprise them. Leader in its business area, Colombo has about 25 million annual visitors which is a real indicator to potential clients. [37]

"A good location choice implies a zone attraction study, in terms of its potential and competitive pressures". (Lindon, Lendrevie, Lévy, Dionísio, & Vicente Rodrigues, 2004) In this way, it in defined three attraction areas:

Primary zone is considered Lisbon, Amadora, Oeiras, Carnaxide, Algés and Linda-a-Velha of Oeiras municipality, representing 8% of Portuguese population (790.949) [38]. In this defined area it could be found 60% to 80% of clients.

Secundary zone: it could be considered Cascais, Sintra municipalities and Barcarena, São Julião da Barra, Paço de Arcos, Cruz Quebra-Dafundo, Porto Salvo, Queijas and Caxias of Oeiras municipality, representing 7% of Portuguese population (688.203).) [39].

Tertiary zone is comprised by Lisbon Metropolitan Area which incorporate the four municipalities of Great Lisbon that are not considered as primary zone (Loures, Mafra, Odivelas e Vila Franca de Xira) and Alcochete, Almada, Barreiro, Moita, Montijo, Palmela,

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[37] http://www.sonaesierra.com/pt-PT/pressroom/news/2011/1453/Centro_Colombo_eleito_Melhor_Centro_Comercial_em_Portugal_pela_segunda_vez_consecutiva.aspx
[38] http://www.ine.pt/scripts/flex_provisorios/Main.html
[39] http://www.ine.pt/scripts/flex_provisorios/Main.html

Seixal, Sesimbra and Setúbal municipalities. This zone represents 13% of Portuguese population (1.342.547) [40]. Typically with a low level of representativeness and with a seasonality trend.

Popota Store, as product and experience seller, practice indirect sell due to several intermediates within the system. In fact, working with several national and international brands, inevitably they interact in a complex and dynamic system within an indirect and long distribution channels.

Moreover, it is important to define the store functions in terms of distribution. The first function is product storage. Even working with a warehouse, where most of the products are stored, the back office of the store functions also as storage. The second function is the assortment constitution, meaning that the store is able to choose the best products to sell. Also, the store functions as information management, collecting and providing it whether ascending or descending. The store also works as a communication form when dealing directly with customers. Finally, the store has as main function to sell and, consequently, after sale service.

Additionally, in the new era of technology, a brand only survives if it is also present in internet whether official or facebook page. Consumers' needs satisfied online are completely different from the ones satisfied offline. Due to that, it is a crucial factor that is deeper analysed in communication.

7.2.3. ASSORTMENT

Product assortment is other variable that has to be defined strategically. Offer the best mix of products to customers is essential to long-term success and customer satisfaction, dealing to profit maximize, risk minimize and overall sales increase.

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[40] http://www.ine.pt/scripts/flex_provisorios/Main.html

Popota Store sells consumer products and services. It means that it work in a system called Business to Consumer where products are bought by final consumer in order to satisfy personal or familiar needs.

The products sold in Popota Store are classified as major consumer products, with a durable usage time. According Kotler, those products are denominated as Shopping Products, characterised by less frequent buy and product information gather.

The assortment is composed by a large product category within children entertainment market and by a good range of products in each product category. Thereby, the assortment constitution is defined by as large (width) and reasonably deep (depth) policy, dealing to Attraction Assortment Strategy, as it will be described further along.

The product offered to consumers could be defined within three different levels, as it could be observed in Figure 19.

Popota Store's Product Levels
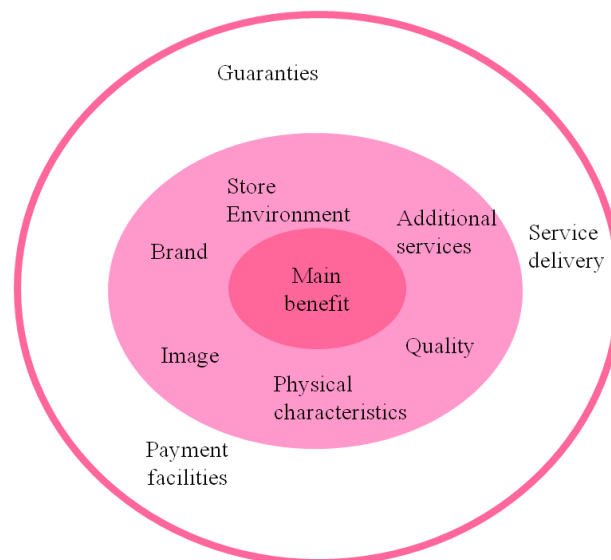
Figure 19 – Popota Store product level

Source: Mercator XXI (Lindon, Lendrevie, Lévy, Dionísio, & Vicente Rodrigues, 2004) adapted by the autor

In the first level, the main benefit is to sell children entertainment and edutainment products that is considered the base product. However, Popota Store sells much more than products. Besides the utility function, products also have a symbolic content related to entertainment and education.

The second level is the extended product tangible in which are considered physical characteristics, store environment, image, quality, brand and additional services. The physical characteristics are closely linked to store environment and image that, in certain way, will influence the image of the store. In this way, the Popota Store has a store environment full of experiential marketing, combining entertainment and education and promoting happiness among children. Also, Popota Store provides additional services in order to fulfil customers need. The additional services include children birthday parties, sport activities and different materials workshops, among others. This topic is developed further along.

In terms of brand, Popota store adopts a multi-brand policy, selling different product brands, even its own brand. In that way, Popota store sells premium, leaders and Popota brands with different importance levels, as it is represented in Figure 20.

Popota Store's Brands
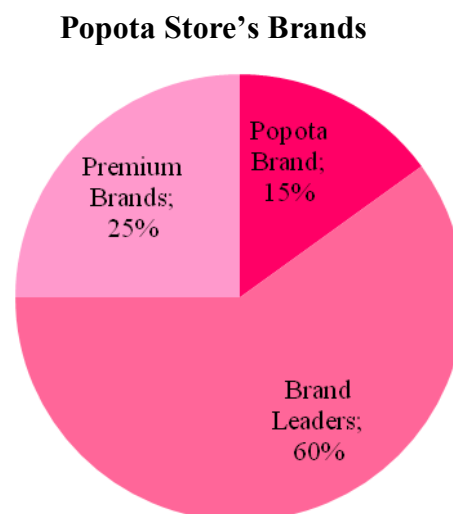
Figure 20 - Popota Store's Brand
Source: The author

As it could be observed, the largest slice corresponds to Brand leaders that represent approximately 60% of the whole. Moreover, the Premium brand corresponds to 25%. Those two types of brands are important to attract consumers and to allow products already implemented in the market and knew by customers to be present in the store.

Furthermore, the Popota brand represents about 15% of the whole. In fact and align to strategy, to sell distributor's brand (Popota Brand) increases the internal competition with leaders' brands. However, with the same service quality, the price could be important decision

criteria. Moreover, to sell Popota Brand is also a way to avoid competition by price, to attract clients and to make them loyal.

The third level encloses the services associated to main benefit and tangible product, such as attendance and payment facilities, that are included in product price.

When purchasing a toy, there are some required characteristics that products should have in order to fulfil the customers' needs. In this way, Popota Store sells educational products which are the preferred ones by 76% of Portuguese population when purchasing a toy. [41] Moreover, the toys sold in Popota Store are also innovative products, in order to fulfil the young people needs that place more importance on this characteristic. [42]

Moreover, and thinking as a macro level, there are two main toys' targets – children and parents - as it is represented in Figure 21.

Popota Store's Targets
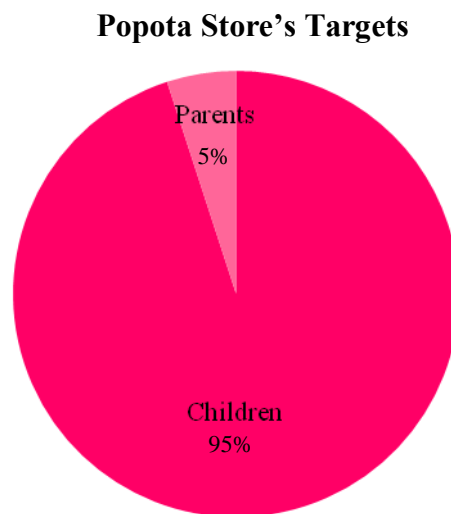
Figure 21 – Popota Store's Targets

Source: The author

To each target, there are different objectives and consequently different range of products. For children, that are the main target representing approximately 95% of the whole, the main objective is to educate and to entertain through didactic toys. In that way, the set of products sold in Popota Store includes infant/ preschool toys, games/ puzzles, books, dolls, building

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[41] http://www.deloitte.com/assets/Dcom-Portugal/Local%20Assets/Documents/pt(pt)_Natal%202011_08112011.pdf
[42] http://www.deloitte.com/assets/Dcom-Portugal/Local%20Assets/Documents/pt(pt)_Natal%202011_08112011.pdf

sets, video games, plushies, games for school, toupies, vehicles, CD's, youth electronics, outdoor and sport toys. Those products take part of Portugal top 10 preferred gifts to buy to anyone under the age of 12 according to a study developed by Deloitte, being the leading choices and showing the tendency to select toys as gifts for educational value. [43]

The type of products is displayed according to themes defined in store environment. The following table present the type of toy in each store theme (Table 7).

Table 7 – Assortment by themes

THEMES	TYPES OF PRODUCTS
"Popota goes to sport":	Balls, skipping ropes, sportive clothes
"Popota plays professions"	Typical kit instruments according different professions such as doctor (stethoscope, white costume, first aid kit), musicians (instruments, sheet of music), engineers and architects (whiteboard, draw instruments), professors, among others.
"Popota wants to play"	This theme includes board games, puzzles, games for school, building sets, plushies. These themes, according to ages, also include games for the little ones, to teach them to count, to teach colour, numbers, and so on. Moreover, it is also included video games, CD's and other youth electronics.
"Popota takes a shower"	The main products of this theme are more directed to babies. It includes mainly rubber toys so that they can put it in the water with different shapes.
"Popota likes reading"	Books for different ages, associated to different stages of learning.

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[43] http://www.deloitte.com/assets/Dcom-Portugal/Local%20Assets/Documents/pt(pt)_Natal%202011_08112011.pdf

"Popota wants to paint and draw"	Painting and draw instruments: colour boxes, paints, brushes, pencils, chalks, boards, "godets", characters to paint, among others.
"Popota at home"	Products such as pillows, mini inflatable sofas, playing carpets, among others.
"Popota plays with dolls"	Dolls and characters for different ages.
"Popota plays outdoors"	It includes toupies, vehicles, sun glasses, caps, roller skates, rockers, among others.
"Popota is the milk teeth fairy"	Typically small toys, in order to fit under the pillow and with a more tendency to an impulse buying. It includes mini pencil cases, hairpins, rings, bracelets, mini cars, mini puzzles.
"Popota goes to the beach"	This seasonal theme is composed by plastic beach toys such as bucket, spades, rake, plastic shapes, racquets and inflatable balls.
"Popota plays in the snow"	It includes some typical products to bring to snow holidays such as sled, snow slides and some simple equipment (gloves, snow glasses).
"Popota is masked"	During carnival, this section is constituted by simple masks and some accessories such as face paintings, hairpins, hair elastics, nailpolish.

Source: The author

However, for parents, that represent about 5% of the whole, the objective is to make them back to childhood. For them, the set of products include typically more handcraft products, such as toupies, spinning tops, yoyos, mecano building sets, mini train and car sets. In that way, Popota Store is attractive not only to children but also to parents, fulfilling one of the Sonae premise "For the whole family".

7.2.4. SERVICE

In retail environment it is important not only the assortment strategy but also the services associated with products. The service policy also influences the clients' perception of quality, costs and prices. In that way, it could be seen as differentiator factor from competitors and an element of attraction to the store.

Popota Store has two different types of services: the ones that are included in product price and the ones that clients pay additional value in order to satisfy their need.

As it was defined in assortment strategy, there are several services included in the third level that are already included in price products. In the following table, there are identified those services according to the three main purchasing process stages (Table 8).

Table 8 – Services included in price products according to purchasing process stages

PURCHASING PROCESS STAGES	SERVICES' IDENTIFICATION
Purchase preparation	✓ Clients host (meaning the way clients are welcomed) ✓ Convenience (mainly due to its location) ✓ Advice (topically with employees, when asked for special information)
Purchase	✓ Payment types
After sale	✓ Security (mainly ensuring the best product choice) ✓ Product guarantee (child products produced according the law) ✓ Complaining treatment (in case of some product or service issue)

Source: Mercator XXI (Lindon, Lendrevie, Lévy, Dionísio, & Vicente Rodrigues, 2004) adapted by the author

Moreover, there are some additional services that clients pay per each one if they want to take advantage of it. In that way, clients are the ones that have the power to decide according to their needs and service's benefits. In Table 9 are identified and described the additional services. However, those services should gradually evolve according to customers' needs.

Table 9 – Additional services

ADDITIONAL SERVICES	DESCRIPTION
Birthday parties	Service available in order to provide a local to organise children birthday parties. The party has approximately 2h30m. Depending on ages and number of children, the store organises different games and entertainment activities with store facilitators. It is also include refreshment. Moreover, the material needed to activities is provided by the store. It is designed to children with more than 3 years old (preferably).
Sport activities	Sport activities workshop has the main objective of promote healthy and sportive habits among children. It is where children could try different kind of sports, such as gymnastics, hip hop dance, among others. The workshop has approximately 45 minutes and it is designed to children with more than 6 years old (preferably).
Cooking workshop	Cooking workshop aimed to teach children to "Cook like a little child". It is where children learn to cook with a professional. This workshop is designed to children with more than 3 years old (preferably). The material needed is provided by the store and, depending on ages and number of children, the workshop has approximately 1h30m.
Fabric workshop	Fabric workshop where children draw and paint their clothes (cap, t-shirt, apron, bad, among others). Depending on ages and number of children, the workshop has approximately 1h30m. Also, the material needed is provided by the store. Moreover, this workshop is designed to children with more than 6 years old (preferably).

Painting workshop	Painting workshop where children develop their ability to paint. This painting could be in different materials such as canvas and paper. The workshop has approximately 1h30m and material needed is provided by the store.
Carnival workshop	Carnival workshop where children make their mask. The mask could be done in two different materials – paper or plaster. Paper (the simpler one) is designed to children with more than 6 years. Plaster (the more complex one) is designed to children with more than 10 years (the mould would be their face). It includes the mould and the painting. Depending on ages and number of children, the workshop has approximately 1h30m. Also, the material needed is provided by the store.
Recycle workshop	Recycle workshop where children make a toy recycling different materials. The material needed is provided by the store and this workshop is designed to children with more than 6 years. Depending on ages and number of children, the workshop has approximately 1h30m.
Material Workshop	Material workshop where children make different works depending on material. It could be felt, wood, plasticine, polymer clay, costume jewellery, among other. The material needed is provided by the store and, depending on ages and number of children, the workshop has approximately 1h.
Reading Stories	Where children listening a storybook and, in a didactic way, after that they talk about the same story so that they can interpret them and to promote reading habits. It has approximately 1 hour.
Christmas workshop	Christmas workshop where children help parents in decoration of their homes. With different materials, children make their decoration work pieces. Moreover, this workshop is designed to children with more than 6 years old (preferably) and has approximately 1h30m (depending on ages and number of children). Also, the material needed is provided by the store.

Source: The author

Concluding, Popota Store differentiation in educational and entertainment from competitors is materialised in those services described above. The availability of that kind of services not only boosts the educational factor through pedagogic activities, but also strengthens the entertainment into the store, combining learning and enjoyment.

7.2.5. PRICE

Price is not just a number. It is one of the main retail decisions, complex and difficult to make, influenced by a wide range of factors.

In order to choose the price strategy, it is crucial to select the pricing objective. The toys and entertainment market are becoming more price sensitive, mainly due to Portugal austerity situation. In that way, and in order to fill a gap in this market, the main objective is maximise market share, practicing market-penetration price.

As it was defined in assortment strategy, there are three different brands: the Premium, Leader and Popota brands.

The price strategy for Premium brand is the same as competitors, meaning that the price will be similar. In the case of Leader brands, the price strategy is the same as "Continente" in order to create a price strategy according to Sonae objectives and to avoid misunderstandings among clients. Additionally, the price positioning of Popota brand strategy is above "Continente" and below Disney, Imaginarium and Toys'r'us, as it is presented in Figure 22. This price strategy will make this brand significantly competitive in this market. Therefore, it is expected that the lower prices will stimulate market growth and discourage actual and potential competition.

Price positioning of Popota brand products
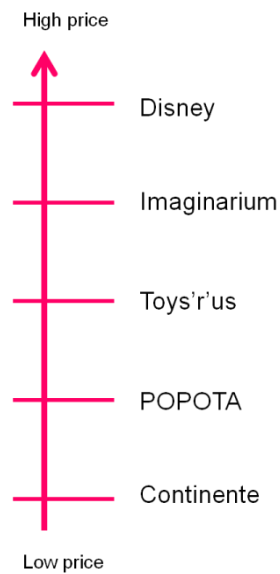
Figure 22 - Popota price positioning
Source: The author

Besides the products sold in Popota Store, one of the differentiator factors is the educational services provided in the store, as it was already defined in services.

The price decision has to take into account three important factors: costs (in order to realise a profitable business), competitors' price strategy and costumers within a several ways. In this case, as there is no retail competition that provides that kind of services, it is consider the price buyers and potential buyers are willing to pay (Annex 2 - Market research) and the costs per service.

In order to have a more accurate estimation of costs, it was considered that:

✓ Each workshop has a minimum of 4 children in order to be preformed and a average of 7 children

✓ Costs considered for workshops: facilitators and materials (that are included in price)

✓ Costs considered for birthday parties: facilitators, materials (of the activities agreed) and refreshment

✓ Costs considered for sport activities and reading stories: facilitator

✓ Price is defined per activity and per child, in Euros

In this way, the price positioning for each service provided is presented in Table 10.

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Table 10 – Servisses price positioning

ADDITIONAL SERVICES	PRICE POSITIONING
Birthday parties	20 €
Sport activities	12 €
Cooking workshop	15 €
Fabric workshop	15 €
Painting workshop	15 €
Carnival workshop	15 €
Recycle workshop	15 €
Material Workshop	15 €
Reading Stories	6 €
Christmas workshop	15 €

Source: the author

In order to be integrated in Sonae's promotion policy, clients of Popota Store have the possibility to use the "Continente" loyalty card in order to take advantages of promotion campaigns. Those promotions are publicised as "Continente" ones: in-store and personalised information.

7.2.6. PROMOTION

Popota Store promotion is based on two important focal points: the store and the brand / insignia. Therefore, promotion aimed not only to reach and attract customers, stimulating the product and services buying and loyalty, but also to build and promote the brand image.

In fact, Popota is a well-know character by Portuguese population and it has been advertised during Christmas time since 2007. However, the promotion was always associated to "Continente" insignia because the toys' fair happens annually in hypermarkets. In this way, the main objective in promoting the brand image is to position Popota as an entertainment and education icon materialised not only in a new store concept but also in an extensive entertainment concept embracing the children's world.

There are two main communication targets: children and people with more than 18 years old (as it was defined in targeting) considered as buyers and potential buyers. In this group, it is included parents, families, friends, among others.

Therefore, in order to reach the targets, the promotion strategy for Popota Store is bellow and above the line, implemented online and offline, inside and outside the store. Thereby, there are developed different communication actions with different objectives that are organised by the two targets defined previously. Thus, in the following tables, it is presented the communication strategy for children and people with more than 18 years old targets (Table 11 and Table 12 respectively).

Table 11 – Communication actions - children

CHILDREN		
OBJECTIVE	COMMUNICATION ACTION	**DESCRIPTION**
To involve children making them part of Popota world	Website	Dynamic and interactive website with pedagogic games where children learn while playing, associating entertainment and education.
	Facebook page	It works as a platform where children have the opportunity to play and share with their friends, spreading the word more efficiently and in a funny way.
	Facebook applications	
	Magazines posters and games	Poster pages to advertise the store or specific products and didactic games such as "crossword puzzles" and "learn to count" in children magazines such as "Visão Junior".
To create curiosity and to reach more children	Banners	Special banners developed and placed in websites visited by children forwarded to website or facebook.
To enhance the entertainment and educational factors	Activities in different schools	Entertainment activities targeted to children where they could live an experience unforgettable. As the flagship store is located in Colombo Shopping Centre, the schools chosen should also be in Lisbon.
To keep Popota in the mind of children	Slogan and jingle	To create a strong and easily-remembered slogan and jingle to involve children and to make them to remain and sing with friends. It is also a way that they can quickly associate to the store, with musical and visual codes.

Source: the author

Table 12 – Communication actions – people with more than 18 years old (buyers and potential buyers)

PEOPLE WITH MORE THAN 18 YEARS OLD (BUYERS AND POTENTIAL BUYERS)		
OBJECTIVE	**COMMUNICATION ACTION**	**DESCRIPTION**
To create a communication platform	Website	The website and the facebook page should be designed for both targets, even with a different objective.
		Consumers satisfy needs online that they are unable to meet in store, such as reviewing the opinions and to make product comparison. According to a study developed by Deloitte, 47% of Portuguese population prefers to know the consumers opinion online. [44]
	Facebook page	In this way, the website combined with facebook page should perform as a platform where they can have information about the store, products and services and where they can share opinions.
To make known the new store and to enhance the entertainment and educational factors	Radio commercial	Store and Popota advertise, emphasising the education combined with entertainment in a retail store. It could also advertise products and services.
	Advertising and articles in magazines	Mainly in local magazines, such as "Time Out Lisbon" and even in "Continente magazine". The articles should reinforce the importance of children's education and the advantages of combining education and entertainment.

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[44] http://www.deloitte.com/assets/Dcom-Portugal/Local%20Assets/Documents/pt(pt)_Natal%202011_08112011.pdf

	Banners	Special banners developed and placed in websites visited by this target forwarded to website, such as news, magazines websites, "Continente" and Sonae websites.
To create buzz for Popota brand and store	Public relations	Press release to public relations so that they can spread the word of the new and revolutionary store concept and the new era of Popota.
To make known the new store and to encourage Continente's client to go there	Posters in Continente stores	Posters along the hypermarket, announcing the new store and the new world of Popota. Moreover, the objective is to encourage them to take their children to the store.

Source: the author

8. IMPLEMENTATION TIMETABLE

In order to implement this store, it is presented a chronogram (Table 13) to guide the different steps that should be taken. This timing organisation is prepared to open the store in October, considered as an opportunity and ideal time due to Christmas shopping.

Table 13 – Project chronogram

Actions and activities	1st year Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2nd year Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	3rd year Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Strategic and financial plan development						■	■	■	■																											
Internal approval								■	■	■																										
Market research									■	■	■																									
Marketing plan development											■	■	■																							
Popota labeling creation													■	■																						
Popota packaging creation															■	■	■																			
Contact and negociation with suppliers (toys)													■	■	■	■	■																			
Choice of the area													■																							
Interior architectutal and decoration project															■	■	■																			
Implementation of architectural project																			■	■	■															
Sales force recruitment and selection															■	■	■	■																		
Sales force training																			■	■																
STORE OPENING																						■														
COMMUNICATION																																				
Slogan and jingle																		■																		
Website development																			■	■	■															
Facebook page development																			■																	
Website and social networks management																						■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Facebook aplication development																						■						■						■		
Facebook aplication implementation																						■							■						■	
Banners development																						■												■		
Banners application																																			■	
TV commercial development																			■	■	■															
TV commercial implementation																						■												■		
Radio comercial development																						■														
Radio comercial implementation																						■	■						■					■	■	■
Popota CD																						■	■												■	■
Cartoons																						■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Magazines posters and games																						■														
Outdoors																						■	■													
School activities																										■			■				■	■		
Public relations																						■	■	■												

9. LONG TERM APPROACH

The project "Popota Fun Experience" developed in this assignment aimed to open a flagship store. It means that the store in Colombo will be the main one, with a higher level of grandeur and importance, with a more interactive and dynamic store ambience.

However, in order to match Sonae's strategy, the objective is to create a chain of Popota store, considering Colombo as the main one. For instance, the most attractive shopping centres that should be considered to develop this chain are: LeiriaShopping, CoimbraShopping and Norteshopping. This flagship store could also be a test store so that the chain project could be adapted and improved according to real insights.

In this way, the project development should be adapted to a chain store, mainly in the following subjects:

- ✓ Targeting should take into account the different attractive zones of each shopping centre
- ✓ Location has to be developed according attractiveness zones in each shopping centre
- ✓ Assortment should be adapted to different stores and it should take into account the toys sold in "Continente"
- ✓ Services provided depend on store dimension and consequently depends on the creation of an "area B" (aimed to provide entertainment through educational programmes such as workshops and birthday parties, defined in Atmosphere)
- ✓ Promotion also should be adapted locally, mainly in magazines, outdoors and activities in school

Thereby, Sonae will create a new and innovative store concept that will foster the market and it will bring entertainment and edutainment to Portuguese children.

10. PROJECT CONCLUSIONS

Nowadays, customers are getting more of what they increasingly demand from retailers. They want to have more entertainment and interaction from retail stores than ever before. Moreover, they are giving more importance to the idea that learning can be fun, and fun can promote learning. It is starting to develop a new concept that combines entertainment and education: edutainment.

The creation of Popota Fun Experience arises from a market and company opportunities and it is aimed to provide entertainment and edutainment into a retail store. In this way, Popota store operates in toys and entertainment market changing Popota (a well-known mascot associated to "Continente" toys fair) to a happy brand, a kind of a brand that is very well receipt by consumers in an austerity context.

In a long term view and in order to match Sonae's strategy, the objective is to create a chain of Popota store in the most attractive Sonae's shopping centres. However, the project developed intends to create marketing plan for the concept of the flagship store located in Colombo Shopping Centre.

After the analysis, it is concluded that it is a good opportunity to Sonae to continue its strategy, innovating and creating new concepts in order to satisfy the all need of the whole family. Sonae is already operating in several and different retail markets and owns different succeed brands. Implementing this new store concept, Sonae is able to continue to grow and has the opportunity to add another insignia to its portfolio (Figure 23).

Figure 23 – Sonae's new insignia portfolio

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ANNEXES

ANNEXES

Annex 1 - Questionnaire

My name is Filipa Sousa and I am developing a study which goals is to evaluate the act of buying gifts for children and young people in Portugal, namely toys.

No personal identification will be asked and all information collected will be treated in anonymity and confidentiality is guaranteed.

The questionnaire will take about 10 minutes to be filled.

Your contribution is highly valued for this research.

I hereby thank you for your valuable collaboration filling the questionnaire.

I hereby thank you for your valuable collaboration filling the questionnaire.

To answer to this questionnaire, consider that toys are an object or a playful activity, focused only and especially for leisure, including games, puzzles, dolls, legos, electronic games, stuffed animals, tricycles, skates and others.

1. In the last 12 months have you bought any toy for children/youngster between 0 and 18 years old?

☐ Yes

☐ No

2. To whom do you usually buy toys?

☐ Son/daughter

☐ Nephew

☐ Other family member

☐ A friends' son/daughter

☐ Other: _____

3. How old are the children / Youngster(s) to whom you usually buy?

☐ Less than 3 years old

☐ Between 3 and 7 years old

☐ Between 8 and 14 years old

☐ Between 15 and 18 years old

4. When you think of toys, what is the first word that comes to your mind?

_____

5. Evaluate your preference in the type of gift to offer to a children/youngsters to each age level (in a scale between 1 and 5 in which 1 stands for not favourite at all and 5 the most favourite)

	Less than 3 years old	between 3 and 7 years old	between 8 and 14 years old	between 15 and 18 years old
Books				
Money				
Clothes/Shoes				
Cosmetics/Fragrances				
Toys				

6. How frequent do you buy toys?

☐ Once a week

☐ Once a month

☐ Every 3 months

☐ Twice a year

☐ Once a year

☐ Other: _____

7. In which special occasions do you buy toys??

☐ Children/youngster anniversary

☐ Children's day

☐ Christmas

☐ Other: _____

8. In average, how much do you spend in one buying ticket? _____

9. What stores do you usually buy from?

☐ Mass market product stores (Supermarkets, hypermarkets,...)

☐ Online stores

☐ Disney

☐ Toys'r'Us

☐ Imaginarium

☐ Other

10. Evaluate these next choice criteria for store to buy a toy (in a scale of 1 to 5 in which 1 is low important and 5 very important)

Criteria	Evaluation
Localization	
Price	
Quality	
Safety/Hygiene	
Brand recognition	
Brand publicity	
Store environment	
Additional services	
Store comfort	

11. Have you visited a Disney store?

☐ Yes

☐ No

12. Evaluate the Disney store (In a scale of 1 to 5 in which 1 is bad and 5 very good) the following criteria:

Criteria	Disney Evaluation
Localization	
Price	
Quality	
Safety/Hygiene	
Brand recognition	
Brand publicity	
Store environment	
Additional services	
Store comfort	

13. Have you visited a Toys'R'Us store?

☐ Yes

☐ No

14. Evaluate the Toys'R'Us store (In a scale of 1 to 5 in which 1 is bad and 5 very good) the following criteria:

Criteria	Toys'R'Us Evaluation
Localization	
Price	
Quality	
Safety/Hygiene	
Brand recognition	
Brand publicity	
Store environment	

Additional services	
Store comfort	

15. Evaluate the following characteristics that you look for in a toy (in a scale from 1 to 5 in which 1 is low importance and 5 high important)

Criteria	Evaluation
Educational/pedagogical	
Innovator	
Safe (safety usage)	
Attractive	
Price	
Quality	
Brand recognition	
Toy/brand publicity	
Design	

Now imagine that there is a company willing to open a toys' store that aims to support children's entertainment and education. This store would have two main spaces: one in which products would be exposed and where children could try an educational experience, having the possibility to try products; In another space a mini fun park would take place, where children could share a moment of happiness between them. This store would be located in an urban area, in a commercial space. Price would be a competitive factor, characterized below the market's average price policy.

16. What do you think would be the main advantage of this store?

_____

17. Indicate your interest level in buying the following services to children/youngsters at this store (in a scale from 1 to 5 in which 1 is not interesting and 5 very interesting)

Criteria	Evaluation

Birthday parties	
Learn to cook	
Sports activities	
Clothing painting	
Painting workshop	
Carnival workshop – make your own mask	
Recycling workshops	
Different materials workshop – wood, felt, plasticine	
Story telling	
Christmas workshop – Christmas decorations with different materials	

18. How much would you be willing to pay for each of the following services? (Consider price per person, per activity)

Criteria	< 10€	11€ - 20€	11€ - 20€	31€ - 40€	< 40€	NA
Birthday parties						
Learn to cook						
Sports activities						
Clothing painting						
Painting workshop						
Carnival workshop						
Recycling workshops						
Different materials workshop						
Story telling						
Christmas workshop						

19. With what frequency would you visit this store to buy toys for children/youngsters?

☐ Never

☐ Rarely

☐ Sometimes

☐ Frequently

☐ Always

20. With what frequency would you visit this store to buy additional services?

☐ Never

☐ Rarely

☐ Sometimes

☐ Frequently

☐ Always

Respondent characterization

21. How many people have your household? _____

22. From those, how many people are:

Less than 3 years old _____

From 3 to 7   _____

From 8 to 14   _____

From 15 to 18   _____

From 19 to 35   _____

From 36 to 55   _____

More than 55   _____

23. How old are you?

_____

24. Gender:

☐ Female

☐ Male

25. What is your average household net income, based in the following options:

☐ Less than 1000€

☐ From 1000€ to 2000€

☐ From 2000€ to 4000€

☐ More than 4000€

26. Are you who most contributes to the household income?

☐ Yes

☐ Same as other person

☐ No

In case you answered "Yes" or "same as other person" in the previous question, answer the following (and last) two questions about you.

In case you answered "No" in the previous question, answer the next following questions about the person who most contributes to the household income.

27. What are the qualifications (yours or from who most contributes to the household income)

☐ No studies / First grade incomplete

☐ First cycle complete

☐ Preparatory cycle

☐ 5th year of highschool / Current 9th grade complete

☐ 7th year of highschool / Current 12th grade complete

☐ Bachelor

☐ Superior education / University

☐ Do not know / Does not answer

28. What is your occupation?

☐ Occupation of the armed forces

☐ Representatives of the legislative and executive bodies, officers, directors and executive managers

☐ Experts in intellectual and scientific activities

☐ Technical and professional level through

☐ Administrative staff

☐ Workers' personal services, protection and safety and sellers

☐ Farmers and skilled workers in agriculture, fisheries and forest

☐ Skilled workers in industry, construction and craftsmen

☐ Plant and machine operators and assemblers

☐ Unskilled workers

Annex 2 - Market research

Respondent characterization

Statistics

Age

N	Valid	286
	Missing	5
Mean		34,96
Median		34,50
Mode		23
Sum		9998

Statistics

Family

N	Valid	287
	Missing	4
Mean		3,33
Median		3,00
Mode		4
Sum		957

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	F	198	68,0	68,0	68,0
	M	93	32,0	32,0	100,0
	Total	291	100,0	100,0	

Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1000€	30	10,3	10,3	10,3
	Between 1000€ and 2000€	95	32,6	32,6	43,0
	Between 2000€ and 4000€	129	44,3	44,3	87,3
	More than 4000	37	12,7	12,7	100,0
	Total	291	100,0	100,0	

Statistics

Income

N	Valid	291
	Missing	0
Mean		2,59
Median		3,00
Mode		3
Sum		755

Statistics

		FamilyUp To3y	Family 3to7y	Family 8to14y	Family15 to18y	Family19to 35y	Family36to 55	FamilyMore Than55
N	Valid	291	291	291	291	291	291	
	Missing	0	0	0	0	0	0	
Mean		,20	,27	,34	,17	,84	1,23	,25
Median		,00	,00	,00	,00	1,00	2,00	,00
Mode		0	0	0	0	0	2	0
Sum		57	78	98	50	245	359	74

Respondents are 35 years old and their family is constituted by 3 persons on average. 68% are female and 32% are male. Most of them have a income level of between 1000€ and 4000€ (76,9%), where 32,6% have between 1000€ and 2000€ and 44,3% have between 2000e and 4000€.

$BuyTo Frequencies

		Responses		Percent of Cases
		N	Percent	
$BuyTo[a]	SonDaughter	116	24,6%	39,9%
	Nephew	104	22,1%	35,7%
	OtherFamiliar	122	25,9%	41,9%
	SonOfaFriend	115	24,4%	39,5%
	ToOther	14	3,0%	4,8%
Total		471	100,0%	161,9%

a. Dichotomy group tabulated at value 1.

$BuyToYears Frequencies

		Responses		Percent of Cases
		N	Percent	
$BuyToYears[a]	UpTo3y	129	29,1%	44,5%
	Between3and7y	175	39,4%	60,3%
	Between8and14y	118	26,6%	40,7%
	Between15and18y	22	5,0%	7,6%
Total		444	100,0%	153,1%

a. Dichotomy group tabulated at value 1.

$Ocasions Frequencies

		Responses		Percent of Cases
		N	Percent	
$Ocasions[a]	Birthday	278	43,3%	95,5%
	ChildsDay	75	11,7%	25,8%
	Christmas	264	41,1%	90,7%
	OtherOcasion	25	3,9%	8,6%
Total		642	100,0%	220,6%

a. Dichotomy group tabulated at value 1.

$WhereToBuy Frequencies

		Responses		Percent of Cases
		N	Percent	
$WhereToBuy[a]	ConsumerGoodsStores	245	39,8%	84,2%
	OnlineStores	17	2,8%	5,8%
	DisneyStore	33	5,4%	11,3%

	ToyrusStore	163	26,5%	56,0%
	ImaginariumStore	108	17,5%	37,1%
	OtherStore	50	8,1%	17,2%
Total		616	100,0%	211,7%

a. Dichotomy group tabulated at value 1.

PurchaseFrequency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 time per week	2	,7	,7	,7
	1 time per month	51	17,5	17,5	18,2
	every 3 months	83	28,5	28,5	46,7
	2 times per year	122	41,9	41,9	88,7
	1 time per year	22	7,6	7,6	96,2
	other	11	3,8	3,8	100,0
	Total	291	100,0	100,0	

Statistics

PurchaseSpend

N	Valid	291
	Missing	0
Mean		26,52
Median		20,00
Mode		20
Sum		7716

They buy mainly for a son of a friend and to a son or daughter. Children are mainly up to 14 years old and respondents usually buy two times per years, in two important occasions: birthday and Christmas. Moreover, they usually buy in consumer goods stores, Toys'r'us and Imaginarium, spending on average 26€.

Statistics

		PrefBookUpto3y	PrefMoneyUpto3y	PrefClothesUpto3y	PrefCosmetUpto3y	PrefToysUpto3y
N	Valid	291	291	291	291	291
	Missing	0	0	0	0	0
Mean		3,24	1,45	3,18	1,37	4,49
Median		3,00	1,00	3,00	1,00	5,00
Mode		3	1	3	1	5
Sum		943	423	926	400	1307

Statistics

		PrefBook3to7y	PrefMoney3to7y	PrefClothes3to7y	PrefCosmet3to7y	PrefToys3to7y
N	Valid	291	291	291	291	291
	Missing	0	0	0	0	0
Mean		3,94	1,68	3,16	1,58	4,31
Median		4,00	1,00	3,00	1,00	5,00
Mode		5	1	3	1	5
Sum		1147	488	921	459	1254

Statistics

		PrefBook8to14y	PrefMoney8to14y	PrefClothes8to14y	PrefCosmet8to14y	PrefToys8to14y
N	Valid	291	291	291	291	291
	Missing	0	0	0	0	0
Mean		4,31	2,63	3,35	2,34	3,18
Median		5,00	3,00	3,00	2,00	3,00
Mode		5	1	4	3	3
Sum		1254	766	974	681	924

Statistics

		PrefBook15to18y	PrefMoney15to18y	PrefClothes15to18y	PrefCosmet15to18y	PrefToys15to18y
N	Valid	291	291	291	291	291
	Missing	0	0	0	0	0
Mean		4,35	3,60	3,47	3,23	1,86
Median		5,00	4,00	4,00	3,00	1,00
Mode		5	5	4	4	1
Sum				1265	1049	541

The most preferred gift to children up to 3 years old is a toy, followed by book, clothes, money and cosmetics (in this importance order). The most preferred gift to children between 3 and 7 is also a toy, followed by book, clothes, money and cosmetics. The most preferred gift to children between 8 to 14 years old is a book, followed by clothes, cosmetics, toys and money. Finally, the most preferred gift to children between 15 and 18 years old is a book, followed by money, clothes, cosmetics and toys.

Statistics

		Location Store	Price Store	Quality Store	Security Store	Brand Recognition Store	Brand Advertising Store	Store Ambience Store	Additional Services Store	Store Comnfort Store
N	Valid	291	291	291	291	291	291	291	291	
	Missing	0	0	0	0	0	0	0	0	
Mean		3,74	4,38	4,38	4,38	3,11	2,40	3,19	2,67	3,00
Median		4,00	5,00	4,00	5,00	3,00	3,00	3,00	3,00	3,00
Mode		4	5	4	5	3	3	3	3	3
Sum		1089	1276	1275	1275	904	699	929	778	873

When choosing a store, customers follow the criteria in that importance: Price, Security, Quality, Location, Store ambience, Brand recognition, Store comfort, Additional services and Brand advertising.

Statistics

		Location Disney	Price Disney	Quality Disney	Security Disney	Brand Recognition Disney	Brand Advertising Disney	Store Ambience Disney	Aditional Services Disney	Store Comnfort Disney
N	Valid	209	209	209	209	209	209	209	209	
	Missing	82	82	82	82	82	82	82	82	
Mean		3,73	2,58	3,95	4,01	4,41	3,85	4,19	3,17	3,83
Median		4,00	3,00	4,00	4,00	5,00	4,00	4,00	3,00	4,00
Mode		4	3	4	4	5	4	5	3	4
Sum		779	540	825	839	922	804	876	662	801

Statistics

		Location Toysrus	Price Toysrus	Quality Toysrus	SecurityToysrus	BrandRecognitionToysrus	BrandAdvertisingToysrus	StoreAmbienceToysrus	AditionalServicesToysrus	StoreComnfortToysrus
N	Valid	273	273	273	273	273	273	273	273	
	Missing	18	18	18	18	18	18	18	18	
Mean		3,77	3,42	3,64	3,57	3,76	3,56	3,24	2,90	3,09
Median		4,00	3,00	4,00	4,00	4,00	4,00	3,00	3,00	3,00
Mode		4	3	4	4	4	4	3	3	3
Sum		1030	933	995	974	1027	972	884	792	844

According to the respondents' evaluation, the most preferred characteristics of Disney store are brand recognition, store ambience and security. Respecting Toys'r'us store they prefer location, quality and price.

Statistics

		Educational Toy	Innovative Toy	Secure Toy	Atractive Toy	Price Toy	Quality Toy	Brand Recognition Toy	Brand Toy Advertising Toy	Design Toy
N	291	291	291	291	291	291	291	291	291	
	0	0	0	0	0	0	0	0	0	
Mean		4,63	3,99	4,61	4,12	4,22	4,36	2,86	2,56	3,41
Median		5,00	4,00	5,00	4,00	4,00	4,00	3,00	3,00	3,00
Mode		5	4	5	4	5	4	3	3	3
Sum		1346	1160	1341	1200	1229	1269	832	744	991

When choosing a toy, the most preferred characteristics are: educational, secure, quality, price and attractive.

FirstWordTOY

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	OtherWord	13	4,5	4,5	4,5
	Educational	33	11,3	11,3	15,8
	Toy	110	37,8	37,8	53,6
	Entertainmet	90	30,9	30,9	84,5
	Store	13	4,5	4,5	89,0
	Child	26	8,9	8,9	97,9
	Price	6	2,1	2,1	100,0
	Total	291	100,0	100,0	

When asked for the first word that comes to their mind when they think of toys, the most referred words were: a specific toy, entertainment and educational.

MainAdvantage

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Other Advantage	28	9,6	9,6	9,6
	Location	23	7,9	7,9	17,5
	Entertainment	76	26,1	26,1	43,6
	Experimentation	86	29,6	29,6	73,2
	Innovative	20	6,9	6,9	80,1
	Price	33	11,3	11,3	91,4
	Educational	25	8,6	8,6	100,0
	Total	291	100,0	100,0	

After a brief description of the Popota store, they referred entertainment and experimentation as main advantages of the store.

Statistics

		BirthdayParty	LearnToCook	SportActivities	FabricWorkshop	PaintingWorkshop
N	Valid	291	291	291	291	291
	Missing	0	0	0	0	0
Mean		3,63	3,11	3,76	3,33	3,68
Median		4,00	3,00	4,00	3,00	4,00
Mode		4	4	4	4	4
Sum		1055	906	1093	969	1072

		CarnivalWorkshop	RecycleWorkshop	MaterialsWorkshop	ReadingHistories	ChritmasWorkshop
N	Valid	291	291	291	291	291
	Missing	0	0	0	0	0
Mean		3,50	3,95	3,73	3,80	3,65
Median		4,00	4,00	4,00	4,00	4,00
Mode		4	4	4	4	4
Sum		1019	1148	1086	1107	1063

Statistics

		BirthdayPartyPrice	SportActivitiesPrice	LearnToCookPrice	FabricWorkshopPrice	PaintingWorkshopPrice
N	Valid	291	291	291	291	291
	Missing	0	0	0	0	0
Mean		2,24	2,20	1,94	1,84	1,86
Median		2,00	2,00	2,00	2,00	2,00
Mode		2	2	1	1	1
Sum		653	639	565	536	542

Statistics

		CarnivalWorkshopPrice	RecycleWorkshopPrice	MaterialsWorkshopPrice	ReadingHistoriesPrice	ChristmasWorkshopPrice
N	Valid	291	291	291	291	291
	Missing	0	0	0	0	0
Mean		1,80	1,75	1,91	1,66	1,87
Median		1,00	1,00	2,00	1,00	2,00
Mode		1	1	1	1	1
Sum		525	510	556	483	543

Among services presented, the most preferred ones are: recycle workshop, reading stories, sport activities, materials workshop, painting workshop, Christmas workshop, birthday party, carnival workshop, fabric workshop and learn to cook.

When asked for prices, they said that they are willing to pay more for birthday parties, sport activities and learn to cook. However, the service that they are not willing to pay so much is reading stories.

FrequencyVisitStore

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	1	,3	,3	,3
	Rarely	39	13,4	13,4	13,7
	Sometimes	191	65,6	65,6	79,4
	Frequantly	55	18,9	18,9	98,3
	Always	5	1,7	1,7	100,0
	Total	291	100,0	100,0	

FrequencyBuyServices

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	14	4,8	4,8	4,8
	Rarely	100	34,4	34,4	39,2
	Sometimes	152	52,2	52,2	91,4
	Frequantly	21	7,2	7,2	98,6
	Always	4	1,4	1,4	100,0
	Total	291	100,0	100,0	

Finally, they would visit this store to buy toys for children/youngsters "sometimes" (65,6 %) and also "sometimes" to buy additional services (with 52,2%).

Annex 3 – Competitors analysis

Table 14 – Disney analysis

Disney
Background
The Walt Disney Company, founded in 1923, started it business with animated features and live-action motion pictures and its name quickly became synonymous of quality entertainment for the whole family. Over the years, Disney expanded its business to different and several markets, in particular to consumer products. Disney merchandising began in 1929, ranging from apparel, toys, home décor, books, magazines, foods, beverages, stationery, electronics and fine art, through Disney stores retail chain and more recently sold also on disneystore.com - the company's official shopping portal.
Vision
To make people happy
Mission
To be one of the world's leading producer and provider of entertainment and information. Using its brand portfolio to differentiate content, services and consumer products, Walt Disney Company seeks to develop the most creative, innovative and profitable entertainment experiences and related products in the world.
Values
Diversity, Respect, Openness, Courage, Integrity, Honesty, and Balance
Positioning
The dreamer space
Way of selling
Non-assisted selling with employees mainly in payment area. There is also one employee in the entrance of the store to give a shopping basket, in order to incentive customers to buy into the store.
Assortment
The store is divided into different Disney films. In each film, there are different types of products, including not only toys but also cloths and shoes. There is also a specific area to highlight promotions.

Store experience
The store is mainly to sell products. There is no specific area so that children could play with the toys. In this way, the experience in the store occurs mainly due to the magical atmosphere and the brand awareness. Also, some of the displays are smaller than the usual ones, so that children could pick up the products.
Number of stores in Portugal
Two stores (Lisbon and Oporto)

Table 15 – Toys'r'us analysis

Toys'r'us
Background
Toys'r'us was founded in 1948 in Washington by Charles Lazarus, where the core product started to be baby furniture. However, over the times, Toys'r'us expanded its range of products to children toys due to clients needs at that time. In that way, Chales started a business model dedicated to children, during baby boom era lived in United States. Since then, Toys'r'us Company and its mascot Geoffrey giraffe started company's expansion, opening new stores and acquiring electronic business.
Vision
To be a children's friend and parents' allied
Mission
To offer a variety of children and baby's products, with a constant improvement of competitive advantages, such as product and service quality, always thinking in client satisfaction. The two key pillars of Toys'r'us – Entertainment and Security – will help to maintain a world's reference in children's toys, clothes and accessories, highlighted by quality, originality and diversity of products and services.
Values
Security, Leadership, Team Spirit and Innovation
Positioning
Supermarket of toys

Way of selling
It is a hard selling, focused mainly in product.
Assortment
The store is divided in several areas: promotions, films, games, pre-school, building, science, dolls, bicycle, sports, cars, videogames and costumes. There is also a specific area with cloths to pregnant women and children (organised by ages) and another specific area to babies, called "baby'r'us".
Store experience
The corridors wide and the displays are tall, such as the supermarket ones (or even taller). Also, the wall footprint is tall and the posters indication the area and the promotions are hung in the ceiling. In this way, the store experience comes mainly from the quantity and diversity of products presented to the detriment of real experience.
Number of stores in Portugal
Nine Stores (Lisbon, Oporto, Braga, Aveiro, Setúbal and Faro).

Table 16 – Imnaginarium analysis

Imaginarium
Background
Imaginuarium is a toys' store chain with more than 384 points of sale in 28 countries that offers learning and enjoyment with maximum quality and secure to parents and children.
Imaginarium was founded in October 7th 1992 by a group of professionals with a extensive experience in toys' world and distribution. Félis Tena Comadrán, actual president, manage this group since the beginning.
Vision
To promote better playtime, education and development for children
Mission
To promote added value to clients, treating them as guests, according to company's values. To help children learn, imagine and discover through engaging toys. To develop a store concept based specialised and managed by professionals.

Values
Quality, Secure, Training value, Leisure value, without sexism, Without aggressive content
Positioning
Common ground between parents and children
Way of selling
It is a careful sale, assisted when required. The employees have a good and clean external appearance and they are very friendly and helpful to customers.
Assortment
The store is organised in two categories: ages and themes. In age category, there are specific products to "0-12 months" and "12-36 months". The rest of the store is organised by themes, such as: games, science, arts and books, among others. Contrary to other two competitors, the products have an educational connotation according to different ages.
Store experience
The store experience comes mainly from educational products. However, there is an area (approximately 3 square meters) dedicated to children's entertainment, with two mini seats and a whiteboard. Moreover, the entrance is a differentiator factor because it has two different doors: one for adults and another one (smaller) for children.
Number of stores in Portugal
Thirty four stores (Lisbon, Oporto, Braga, Coimbra, Faro, Leiria, Castelo Branco, Madeira, Santarém, Setúbal, Vila Real and Aveiro).