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**A Strategy to Promote Italian Manufacturers of Thermal Underwear in the
Ukrainian Market**

by


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I certify that in this thesis, there are no borrowings from the works of other authors without
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SUMMARY

The object of the study is the analysis and forecast of the business activity of the Italian ACCAPI in the Ukrainian market.

The subject of the research is the promotion strategy of Italian thermal underwear manufacturers in the Ukrainian market.

The study aims at summarizing the theoretical foundations of the development of companies' promotion strategies, outlining the process of promotion strategy formation, evaluating the Ukrainian thermal underwear market, and forecasting the market's future development. The focus is on the current market position of the Italian company ACCAPI, and on developing a promotion strategy for the underwear manufacturer in the Ukrainian market.

The objectives are to

- analyze the Ukrainian thermal underwear market and forecast its development by conducting a thorough study of both macro and micro environmental factors affecting the market
- study performance of ACCAPI and its current position in the market
- determine competitive advantages of the company and identify significant factors of the main market players
- explore the company's current strategy and promotional tactics
- develop a promotion strategy for an Italian brand ACCAPI in the war context.

Based on the results of the study methodological recommendations have been formulated for ACCAPI on the implementation of a marketing strategy to strengthen the competitive position of this Italian company in the Ukrainian thermal underwear market.

Due to the ongoing war in Ukraine, all the rules of doing business in the country have been dramatically changed. Thus, a promotion strategy for the Italian brand ACCAPI was developed to help the company to survive in this challenging and uncertain environment. The strategy is proposed to be developed based on the customers and their needs. The company should highlight the way its products can be used in the new environment. By showing its customers that the company's products are not only of high quality but also multifunctional usage, ACCAPI can attract more of its target audience and increase its sales. In addition, the communication strategy of the company should actively promote the company, its values, and position in order to increase brand awareness and gain a foothold in the minds

of consumers. Additionally, cooperation with domestic producers and coverage of this in social media can have a positive impact on a company's market position.

ACCAPI can effectively use the results of the research to strengthen its position in the Ukrainian thermal underwear market, attract new customers and increase profits.

The thesis consists of 117 pages, 30 tables, 20 figures, a list of 70 references, and 2 appendices.

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INTRODUCTION

The current reality, particularly the escalation of the military conflict in Ukraine, has led to a significant change in the business environment, consumer behavior, supply chains and more. This has forced companies to quickly adapt to the new realities. The impact of war on different markets can be significant, with some industries experiencing a downturn in business while others may present opportunities for growth. For example, industries such as retail and tourism may be severely impacted, making it challenging for companies to continue their operations. However, in contrast, some markets, such as the thermal underwear market, may experience growth during the war.

Thermal underwear is important in war conditions because it provides reliable protection against cold and moisture, which can lead to flooding and hypothermia. The military needs thermal underwear to protect against extreme weather conditions that can range from freezing temperatures to rain and snow. Without proper thermal underwear, the military may be unable to perform their duties, which could have serious consequences for military operations. In addition, thermal underwear can provide additional protection against injuries and other traumas. For example, some types of thermal underwear have reinforced pockets and knees, which help protect military personnel from impacts and friction. Moreover, thermal underwear can provide protection against ultraviolet rays, which can be harmful to the skin and eyes.

Thermal underwear is important not only for the military but also for the civilian population. War conditions are characterized by a decrease in the population's purchasing power, deteriorating economic indicators, increasing problems with heating, frequent power outages, etc. In such circumstances, people are looking for alternative ways to keep warm. Thermal underwear is becoming one of the best options for this purpose, as it is cheaper than heaters and more practical than blankets or sweaters.

Thus, thermal underwear has become a necessary product for a large part of the Ukrainian population. The demand for it has increased, which has given companies a push to develop in the market. However, since each player is trying to win their own share of the market, they try to come up with something new, and differentiate themselves from other competitors. Developing a quality promotion strategy can be a key factor for a company to strengthen position in the market.

Promotion helps companies attract more customers and increase turnover. This is especially important in a competitive market, where many companies are competing for the attention and money of customers. Promotion helps the company stand out from other market participants, increase its presence, and build a positive image in the minds of customers. It is also important to build a relationship with customers and provide them with high-quality service.

Only a few research companies have studied the thermal underwear market. And there are even fewer of those who have studied the Ukrainian market. At the same time, their works focused more on statistical data than on the analysis of promotion strategies, consumer behaviour, etc. Thus, this paper will study the Ukrainian thermal underwear market and the customers' behaviour. Furthermore, the main purpose of this study is to investigate the main trends of the market to help companies build a proper promotion strategy. It will explore the ever-changing preferences and behavior of consumers as well as the ways to influence them.

For the purposes of this study would be used such research methods:

- General scientific methods of knowledge:
 - Method of analysis and synthesis: Gathering information about the thermal underwear market in Ukraine will allow to analyze its growth, determine the condition, and design opportunities for development
 - Abstraction: This method will allow to choose from the vast amount of data that are relevant to this study, from which some conclusions about the state of the market in Ukraine could be made

- Unity of history and logic: Analysis of the marketing development of large manufacturers of thermal underwear over several years, combined with an analysis of what happened in the country will reveal the reasons for the success of some marketing strategies and the failure of others
- Rationale (content analysis): Analysis of the data provided by the main players of the market on the site, in social media, or other platforms will give an understanding of their positioning in the market, their promotion strategy, etc.
- Economic and statistical analysis: This analysis will show the state of the market, as well as allow to make predictions about its development. In addition, this method can be used to analyze the activities of enterprises.
- Methods of quantitative and qualitative analysis: Analysis of existing quantitative and qualitative information will enable to evaluate the state of the Ukrainian market and the prospects for the companies to perform on it.
- Specific methods of learning:
 - Market research (survey): High-quality survey among the Ukrainian population can provide the necessary information about consumer preferences, consumer behavior, etc., based on which a marketing strategy for the studied enterprise will be developed.
 - Comparative analysis: Comparing the various data provided by the main players in the market, as well as the various research companies, will allow us to determine which company has been more successful, as well as to understand why.
- and others.

The success factors of marketing companies identified in this study can be applied to the companies which are operating in the Ukrainian market. At the same time, a unique

well-developed marketing strategy will improve the competitiveness of the company and allow them to perform better in the market.

The practical value of this paper is the study of the marketing strategies of the main players in the Ukrainian thermal underwear market. And, also, in the development of a promotion strategy for the Italian company Accapi to operate in the Ukrainian market.

The key findings of this work will be presented in the formation of the diploma thesis.

The main scientific and practical results of the promotion activities and strategy of enterprises were represented in the international and domestic scientific works, in particular, F. Kotler, M. Porter, G. Armstrong, J. Saunders, W. J. Stanton, O. C. Ferrell, M. D. Hartline, A. Ordanini, G. Guido, I. Ansoff, A. Thompson, G. Bertoli, E. G. McCarthy, G. Troilo, A. Mattiacci, and others. Among domestic authors, this topic was studied by O. Paschuk, N. Kochkina, A. Starostina, O. Kanischenko, V. Zhurilo, A. Drapinska, O. Saginova, V. Belyansky, O. Kratt, S. V. Karpova, and others.

On the other hand, the practical part of the research on the thermal underwear market was developed by different research companies.

The scientific work consists of an annotation, introduction, three sections, conclusions, a list of used sources of names, and appendices. The total volume of work 117 pages, of which the main text is set out on 96 pages containing 30 tables and 20 figures.

CHAPTER 1 THEORETICAL FOUNDATIONS OF PROMOTION STRATEGY DEVELOPMENT

1.1 The essence of promotion strategies

Promotion has always been an important element of the marketing mix. It is mentioned in the works of many outstanding scientists such as P. Kotler, M. Porter, J. McCarthy, and others [1-13, 67]. In current conditions of deeply interrelated economic relations, if a company intends to position itself in an external market and win its share of customers, it must in some way distinguish itself from existing market players in this localization of the market. In other words, the customers must be enabled to see the difference between various companies and brands. Promotional strategies play a key role in this, allowing businesses to consider their target audience and build their interest and brand loyalty. It is obvious that this brand localization should be based on a meticulously elaborated promotion strategy, which takes into account the fact that the created platform for this local promotion must be flexible enough and provide an effective level of brand differentiation in the market. This in turn strengthens a company's position in the market and increases profits.

There are plenty of books, papers, and essays on how companies should promote themselves, their products, or their services. The idea of promotion is often confounded with various other concepts such as advertising, positioning, or marketing communications. To a certain extent, one can agree that all these concepts have common features and characteristics, though they still mean different things. To compare various understandings of the promotion as an idea, the versatility of explanations of the concept is listed in Table 1.1.1.

Table 1.1.1

The structure of the “promotion” category in the approaches of different authors

No	The author, year	The essence of the notion	The content of the notion	The results of the notion
1	McCarthy E. J., 1960	Any method of informing, persuading, or reminding customers – wholesalers, retailers, users, or final consumers – about the marketing mix of Product, Place, and Price	which has been assembled by the marketing manager	-
2	Stanton W. J., 1984	The element in an organization's marketing mix	that serves to inform, persuade, and remind the market of the organization and/or its products	in hopes of influencing the recipients' feelings, beliefs, or behavior
3	Bové, C. L., Arens, W. F., 1986	-	a marketing-related relationship between seller and buyer	-
4	Kotler, P. T., Armstrong, G., Saunders, J., & Wong, V., 1999	Activities	that communicate the product or service and its metrics to target customers and persuade them to buy	-
5	Belch, G. E., Belch, M. A., 2003	The coordination of all seller-initiated efforts	to set up channels of information and persuasion	to sell goods and services or to promote an idea

No	The author, year	The essence of the notion	The content of the notion	The results of the notion
6	Connett B., 2004	The collective activities, materials, and media used by a marketer	-	to inform or remind prospective customers about a particular product offering and to attempt to persuade them to purchase or use it
7	Ferrell, O. C., Hartline, M. D., 2008	Coordination of all promotional activities (media advertising, direct mail, personal selling, sales promotion, public relations, packaging, store displays, website design, and personnel)	to produce a unified, customer-focused message	-
8	Turchenyuk M. O., Shvets, M. D., 2010	Any form of communication used by an enterprise	-	to inform, persuade or remind consumers about its products, images, ideas, social activities, or impact on society
9	Ryan D., 2014	-	everything you do, online and offline	to get your product in front of your prospects, acquire new customers, and retain existing ones

No	The author, year	The essence of the notion	The content of the notion	The results of the notion
10	Karpova S. V., 2018	Any form of communication used by a firm	-	to inform, persuade or remind consumers about its products and their merits
11	The Economic Times	Set of activities	which communicates the product, brand, or service to the user	to make people aware, attract, and induce to buy the product, in preference over others.
12	Merriam-Webster Dictionary	-	the furtherance of the acceptance and sale of merchandise through advertising, publicity, or discounting	-
13	Cambridge Academic Content Dictionary	The activity	of advertising products and services, or a department of a company that does this work	-

Source: Compiled by the author based on the data [1-13]

At the first glance, most of the presented definitions seem to have similar components such as “activities”, “communication”, “to inform, persuade or remind consumers”, etc. At the same time, most of the terms lack the result or the component of the notion. The most impressive definitions are the concepts of W. J. Stanton, G. E. Belch, M. A. Belch, M. O. Turchenyuk, M. D. Shvets, and B. Connett. Their concepts constitute the most comprehensive understanding of what "promotion" is.

Based on the collected concepts, a new definition of promotion was formed. So, promotion is the set of the company's activities on communication with consumers for the company to achieve its marketing goals.

The main function of the promotion is to achieve the marketing goals of the company. Based on this, the main objectives of this activity are to build.

Any promotion goals may differ as the marketing targets depending on the specifics of the business, product or service, market features, strategic goals of the company, etc. Thus, the promotion goals can include:

- increase profits
- increase demand
- launch a new product in the market
- increase the advertising effectiveness
- build an image of the trademark, brand
- increase consumer loyalty
- increase consumer awareness of the brand, product, service
- distinguish the products in consumers' perception from those of the competitors
- attract new customers
- increase brand awareness
- etc. [4]

Notwithstanding what exactly the promotion's goal pursues, its main functions remain unchanged. As is seen in the definitions of different authors, the promotion has five main functions:

- *Informing*

The promotion aims to raise awareness of customers about goods, services, enterprises, their activities, etc. There should be constant communication between the producer and consumers through which the company could provide customers with information about

new offers, prices, benefits, etc. This in turn is part of the formation of a positive image of the company and customer loyalty.

– *Persuasion*

Just information is not sufficient for a customer to buy a product or service. The customer must be convinced to make a purchase. The customers must trust the product and be convinced that this is the right choice. Companies must provide their customers with information on why this product is better than others, what benefits it may bring, and why it should be purchased.

– *Reminding*

The market is almost always dynamic. New technologies, equipment, products, and competitors appear. Each market participant wants to capture as much of the market as possible, to get as many customers as possible, and as a result profits. This encourages all market players to look for various methods to attract the attention of potential customers. This creates a continuous flow of information among which any company could simply get lost and be forgotten. That is why companies need to remind themselves about themselves, their products or services, and their advantages.

– *Encouragement/assurance*

Due to the large volume of offers from different manufacturers, consumers often hesitate about which product or service to choose. And even after making a purchase, the feeling of uncertainty remains. That is why companies should focus on the fact that their consumers have made the right, rational choice in favour of the best products, of their products.

– *Positioning*

As there are almost always many players in the market, each of which wants to consolidate its position and get as many customers as possible, companies have to invent many different ways to differentiate themselves from competitors and gain a foothold in the consumers' minds. That is why each of them forms its market image of the

product/brand by conveying the company's value proposition to the target audience to form a unique perception of the product/brand in their minds.

To achieve all the defined goals and functions companies should use different promotion tools. Various promotion tools are actively used to disseminate information about the product. Conventionally, there are two sets of marketing communications “Above the line” (ATL) and “Below the line” (BTL). However, in recent years, there has also been a shift to “Through the line” (TTL) [14]. This concept is not generally accepted and it could be very rarely found in the scientific literature, but at the same time, it is widely used in practice to generalize communication methods. And although this issue is debatable, it was decided to include it in this paper for a clearer description of the promotion system. Figure 1.1.1 shows a general scheme of promotion tools.

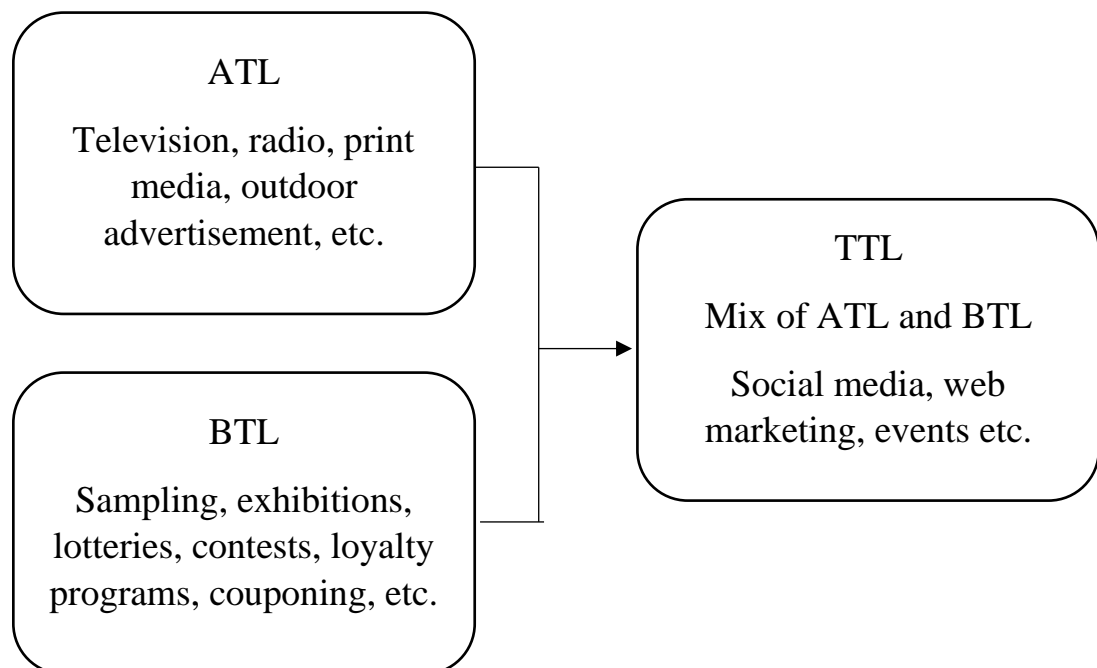


Figure 1.1.1 Scheme of promotion tools

Source: Compiled by the author based on the data [14]

A complex of the so-called traditional types of advertising is above the line (ATL). In other words, it is advertising through mass media. This type of communication is characterized by the coverage of a large audience and repeated repetition of the message.

They are more predictable and suitable for all types of businesses. ATL complex aimed at increasing brand and product awareness. This group includes:

- Outdoor advertising (billboards, citylights, signs, video screens, shop windows, facades, etc.)
- Advertising on vehicles
- Print media (newspapers, magazines, leaflets, posters, booklets, catalogues, books, maps, etc.)
- Radio
- Television.

In contrast to ATL, the below-the-line (BTL) is characterized by direct contact with the consumer. BTL provides for the formation of long-term relationships with consumers, increasing their loyalty to the brand or product, and forming the company's image. This type includes:

- Promotions, lotteries, contests
- Exhibitions
- Tastings, demonstrations, sampling
- Content marketing
- Loyalty programs
- Couponing
- Word of mouth
- Webinars, online conferences
- Sponsorships etc.

In modern realities, the division of communications only into BTL and ATL no longer works. They are not enough to attract the attention of the consumer. That is why competitors are developing new approaches to promote their products. That is how the term “Through the line” (TTL) appeared. TTL is a combination of ATL and BTL. This complex is aimed at mutually reinforcing effects with the simultaneous use of different

types of advertising. Thus, the biggest advantage of TTL is the mass involvement of the target audience. TTL is also classified as integrated marketing communications or Promotion or Communication mix.

However, within the framework of this concept of distribution of promotional tools, it will not be correct to call TTL as Promotion or Communication mix. TTL is a set of specific tools, while the promotion mix is a broader concept, which implies a set of approaches divided into groups. Other different elements are included in the promotion mix, but they all converge on these four:

1. Advertising

Philip Kotler defines advertisement as "any paid form of non-personal presentation and promotion of goods, services, or ideas by an identified sponsor" [4]. Thereby, advertising is one of the components of a complex of marketing communications, which provides information about products, prices, terms of purchase, consumer preferences, etc. to the consumer through various media channels.

2. Sales promotion

According to Philip Kotler: "Sales promotion consists of a diverse collection of incentive tools, mostly short-term, designed to stimulate faster and/or greater purchase of particular product/services by consumers or the trade" [15]. In other words, sales promotion involves encouraging consumers to purchase a product or service. They are designed to encourage customers to act quickly, make larger purchases or repeat purchases. Means of sales promotion could be discounts, coupons, free shipping, gifts, postal offers, etc.

3. Public Relations (PR)

Public relations are aimed at forming a positive image, and reputation of the company, forming the opinion of the target audience, and achieving the business goals of the enterprise with the help of mass media. This complex of communications helps enterprises to increase brand visibility and to establish a relationship of trust with the customers. It could include advertising, press releases, press conferences, presentations, awards, etc.

4. Personal selling

Personal communications involve interaction between the seller and the consumer or several potential customers for the purpose of further concluding a contract for the purchase of goods or services. This type of promotion focuses on building relationships with customers, understanding their needs, and demonstrating the value of the product or service to the consumer. This complex is considered the most effective among all the above, but it is also the most expensive one.

Sometimes scientists include direct marketing and Internet marketing in the promotion complex. So, it is worth mentioning them as well.

- *Direct marketing*

This element involves direct interaction with consumers to convey information to them through the Internet, catalogues, e-mail, phone calls, SMS, etc. In contrast to personal selling, direct marketing involves simultaneous interaction with many people. The communication of direct marketing is often interactive and provides feedback from customers. However, since this method is quite intrusive, many consumers simply ignore such messages.

- *Internet marketing*

This type of promotion is aimed at applying traditional components of promotion but on the Internet. Internet marketing requires much lower costs while covering a very wide range of audiences. At the same time, the components, and tools of online marketing are constantly changing as there is a constant development of technology, new platforms, innovations, etc.

1.2. Classification of the promotion strategies

Promotion is a crucial component of any marketing plan, as it involves communicating with customers and stakeholders to inform, persuade, and remind them about a product or service, with the ultimate goal of increasing sales. This can be achieved through various

means, including advertising, sales promotions, personal selling, public relations, and direct marketing. However, promotion cannot be considered in isolation, as it is closely related to other marketing concepts, such as positioning and communication strategy. Positioning determines how a product or service is perceived in the market and how it stands out from competitors, while communication strategy focuses on the message being communicated and the channels and tools used to convey it effectively. Understanding the interplay between these concepts is essential for developing effective promotion strategies that can drive business success. Thus, this section will examine all of the strategies mentioned earlier to provide a comprehensive overview of the overall situation and how they contribute to the development of a promotion strategy.

1. Promotion strategies

There are three main promotion strategies: push, pull, and combined strategies. All three promotion strategies are quite extensive and explain the interaction of producers with distributors and consumers on the market. Figure 1.2.1 illustrates graphically the principle of the push and pull strategies.

– *Push strategy*

Push strategy is focused on stimulating sales by involving the resellers, and distributors to quickly sell their products in any available way. Thus, the burden of sales is shifted to sales agents, but at the same time, they gain more power over the manufacturer. Resellers could demand from producers promotion costs, lower prices for goods, and special conditions when concluding contracts, as well as decide whether to extend sales contracts.

This strategy is characterized by the focus of efforts on the recognition of goods, and brand, increasing market presence, and constant promotions for the goods. This strategy is suitable for testing new products on the market.

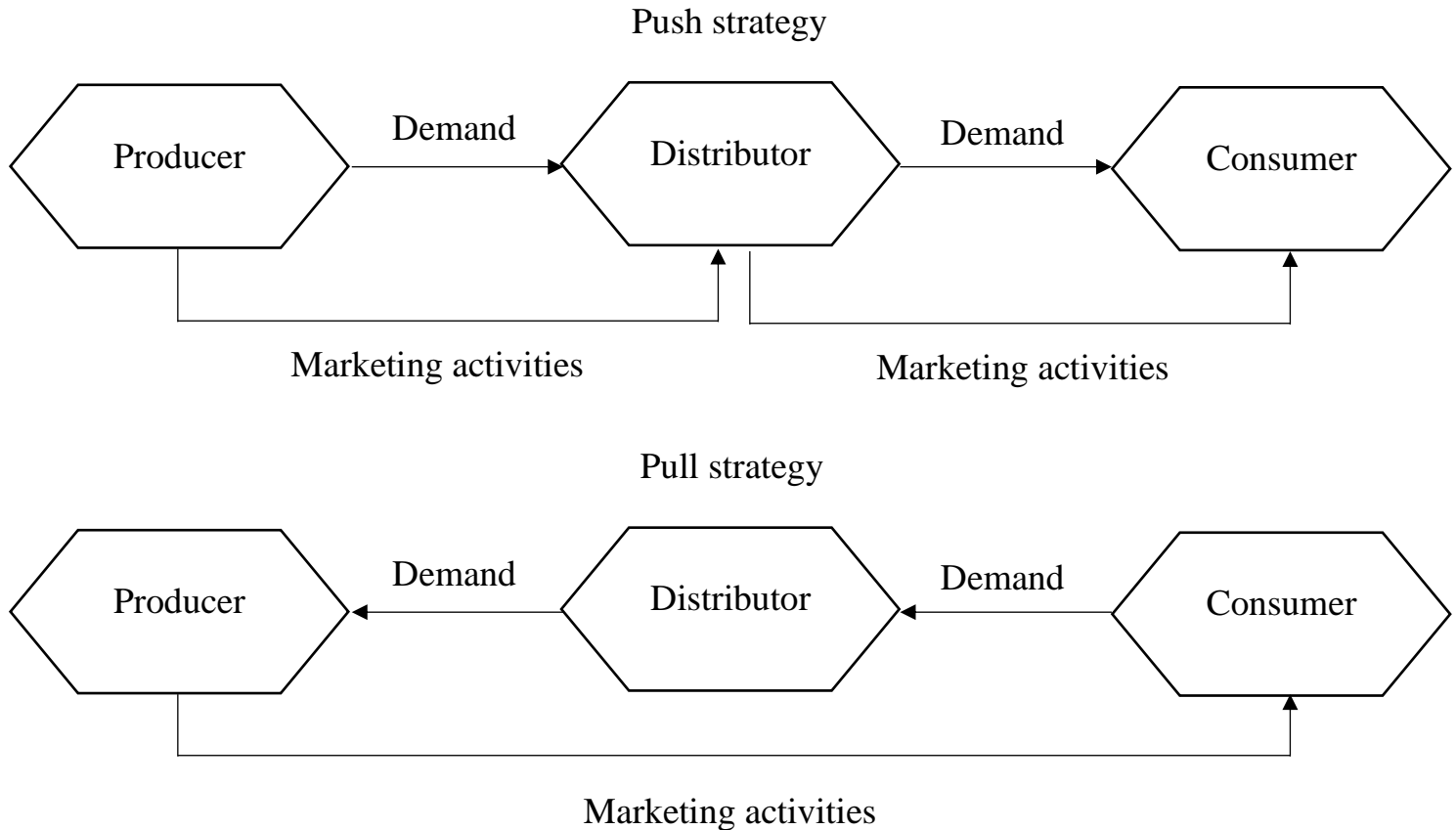


Figure 1.2.1 Push and pull strategies

Source: Compiled by the author based on the data [4]

– *Pull strategy*

Unlike the previous strategy, this one is oriented to influence the consumer. Manufacturers draw attention to their products and make distributors compete for the opportunity to sell their products. Producers concentrate on an advertising campaign, which will require them to spend a lot of resources. This strategy is aimed at the long-term perspective, at building relationships with consumers and increasing their loyalty. At the same time, this strategy stimulates more small orders than wholesale ones. The pull strategy is more suitable for the mass consumption of goods. It may include sampling,

loyalty programs, bonus systems, gifts, etc. With this strategy, promotion on the Internet and through social networks will be effective. It will also create more potential for word of mouth.

– *Combined strategy*

The combined strategy involves the union of push and pull strategies. It was typical for small businesses that are limited in resources. However, in the modern world with the development of technology and the transition to the online environment, this strategy is more profitable because it provides a comprehensive assessment of the market and a quick response to changes in it and the needs of the target audience for all types of businesses.

2. Positioning strategies

There are many approaches to the classification of positioning strategies. Each scientist distinguishes them based on their own vision and general interpretation of positioning. Some of them try to complement the approaches of other authors by adding their developments. Thus, there are no common principles by which positioning strategies could be distinguished. And as a result, there are many strategies. For example, P. Kotler identifies the following criteria for classifying positioning strategies: by attributes, advantages, methods or situation of use, consumer, in relation to competitors, product category, and price/quality ratio [15].

At the same time, according to the concept of J. Wind, which was later supplemented by P. Temporal, positioning strategies could be divided by product functions, benefits, solving a problem or needs, the method of use, category of users, against another product, product class dissociation, and strategies based on emotions and emotional values inherent in target consumers [16, 17].

Graham Hooley and John Saunders, in their book "Marketing Strategy and Competitive Positioning," present an alternative classification of positioning strategies. They propose five different strategies that businesses can use to position their products or services in the marketplace: benefit positioning, user positioning, competitive positioning, problem/solution positioning, and cultural symbol positioning [18].

Thus, it can be seen that all classifications have both common and distinctive characteristics. This leads us to the fact that each company should consider positioning as a complex concept and make a choice about the positioning strategy based on the peculiarities of its activities, market conditions, and its goals.

Therefore, it makes sense to analyze the approach of Philip Kotler, the main provisions of which could be traced in most modern theories [15].

– *Positioning by attributes*

This type of positioning involves an emphasis on the unique characteristics of the product, its functional features, and its attributes. But with this strategy, there is no comparison with competitors.

– *Positioning by benefits*

The method of positioning by benefits aims to show consumers what benefits and opportunities they will receive from buying and using the product. Thus, additional value for customers is formed.

– *Positioning by methods or situation of use*

This type of strategy involves demonstrating an unusual use of a traditional product. Consumers are shown how else the product could be used besides the usual, familiar method.

– *Positioning behind the consumer*

In this positioning, the user of the product and the features of his behavior become the foreground. Manufacturers have to show how consumers could stand out among other members of society thanks to the product.

– *Positioning in relation to competitors*

This type of positioning is formed based on comparison of goods with competitors' products or with some usual/standard goods. In the process of this comparison, producers could focus the attention of consumers on the unique characteristics of their product, which could not be found in the competitors' products.

– *Positioning by product category*

This type of strategy aims to explain the difference between a given category of goods and substitute goods. Consumers are provided with information about the advantages of this class relative to others and arguments in favour of using this category of products. These strategies are typical for new products on the market to simplify their recognition of it by consumers.

– *Positioning by "price/quality" ratio*

The essence of price/quality positioning is to convey to the consumer the arguments for using the appropriate price and quality. For example, goods could be very expensive but also have very high quality. Or just high-quality at a reasonable price. And other options.

When forming a positioning strategy, producers should pay special attention to the methods they use, because in case of insufficient, excessive, mixed, or dubious positioning, the consumer may have a wrong perception of the product, or brand. In some cases, the consumer will simply not be able to differentiate the product from others, and in some cases, customers will lose trust to the manufacturer because they will have an ambiguous idea about it.

3. Communication strategies

Like positioning strategies, marketing communication strategies could be classified according to different characteristics. But unlike the first, communication strategies are more dynamic. In the modern world, with the advent of Internet marketing, communication strategies have undergone significant/tangible changes. Thus, new means and methods of communication have appeared. And if earlier communication strategies were divided depending on the properties of the product, the use of rational and emotional motives, functional characteristics, peculiarities of the information and image content of communication messages and goals of the enterprise, the degree of market conquest, etc., in recent years, scientists have begun to distinguish the traditional complex of marketing communications and the complex of Internet communications. Internet marketing began to include not only advertising, PR, sales promotion, direct marketing, and personalized

advertising on the Internet, but also more specific tools such as display advertising, advertising on widgets, product placement in online games, viral marketing, social media marketing, etc.

That is how Chris Leck developed in 2015 and improved in 2019 the content marketing periodic table. In it, he combined 8 sections: content marketing strategies, format, content type, platform, metrics, goals, sharing triggers, and a general checklist. These 8 areas group all the necessary categories that entrepreneurs should consider when developing their communication strategy in the context of online marketing. This table is not complete and may be modified depending on new developments, market, company, or product specifics, but it contains the basic categories. For a better understanding of each section, it is worth considering them separately [24].

– *Content marketing strategy*

This is a general content marketing plan. In other words, it is all the actions that a company should take, starting with what they want to publish and ending with what results they want to get. Thus, the strategy the company chooses must be in line with the long-term goals of the company.

– *Format*

Format refers to how information will be communicated to consumers. The choice of message format should be based on the company's goals, chosen marketing strategy, implementation tools, budget, etc. Thus, the message could be in the format of an article, webinar, game, press release, video, social media post, etc.

– *Type of content*

This item is somewhat similar to the previous one, but at the same time, it is more extensive. So conditionally it could be called subcategories of the format. Thus, this group contains a list of tools that will help consumers better understand the information that companies are trying to convey. That is the tone of the message, additional materials

(polls, infographics, quizzes, etc.), and visual design of the content could be described here.

– *Platform*

The platform implies the place of content placement. It could be both offline and online media. The first ones include newspapers, magazines, leaflets, radio, television, billboards, etc. The second ones include websites, social networks, blogs, etc. The choice of platform depends on the characteristics of the target audience of the enterprise.

– *Indicators*

This category helps to evaluate the effectiveness of the implemented content. Having determined the indicators for the period under study, the company will be able to adjust the content depending on whether it was successful or vice versa bringing the company losses. Each company defines its metrics, but in general, they could be the number of clicks on the link, the number of likes, reposts, comments, the number of unique visitors, etc.

– *Goals*

For an effective content strategy, it is necessary to define the main goals that the company wants to achieve after the implementation of the strategy. These goals should correspond to the overall long-term goals of the company. These objectives could be increasing traffic to the website, increasing customer loyalty or awareness, increasing sales, etc.

– *Content-sharing triggers*

This item involves determining the reasons why people share your content, as well as identifying the main pain points of consumers to use them in the content and to create the necessary mood and tone of the message. This category is aimed at determining the emotional component of the message.

– *General checklist*

The general checklist involves checking and editing content before it is published. This list may include checking the accuracy of facts, the availability of links to sources, the presence of keywords and links, the ease of reading the text, the clarity of the information message, the compliance of the content tone with the brand tone, etc.

1.3. The process of the promotion strategies formation

For the successful formation of the enterprise promotion strategy, it is necessary to determine the main components of this process. By breaking the strategy formation into more specific tasks, it will be easier to understand and implement this strategy. The process division into tasks is not unambiguous. Some scientists, and entrepreneurs distinguish 10 steps to create a strategy, others only six. Having analyzed different approaches, a general scheme was formed and presented in Figure 1.3.1. This scheme consists of six steps: setting the promotion goals, analyzing the current state of the market and the enterprise, identifying the target audience, choosing the promotion strategy, forming a budget, and developing a system for evaluating the effectiveness of the promotion. Let's take a closer look at each step.

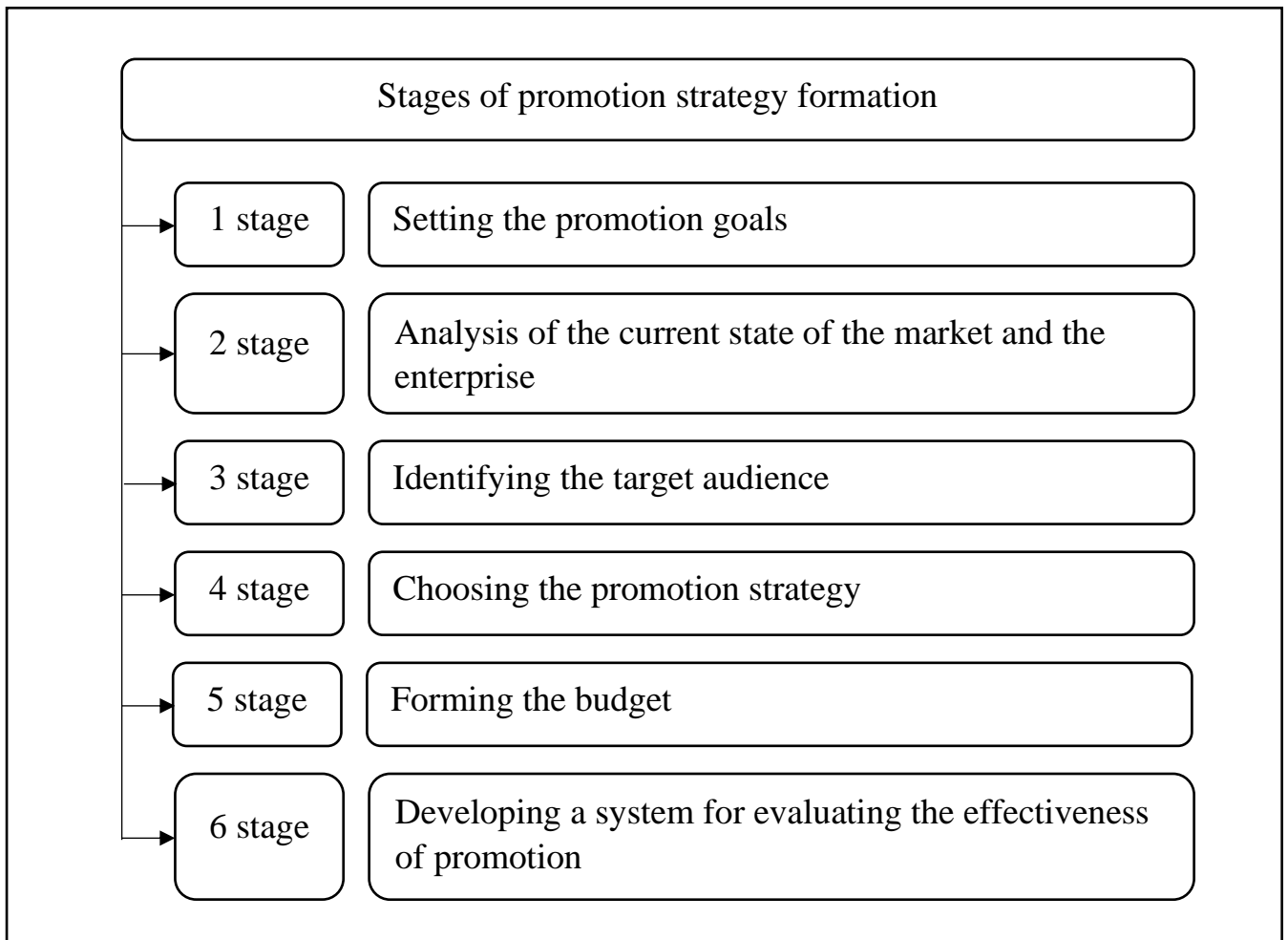


Figure 1.3.1 Stages of development of a promotion strategy

Source: Compiled by the author based on the data [1-15]

1. Setting the promotion goals

The goals of promotion should be consistent with the goals of the enterprise. At this stage, it is necessary to define both short-term and long-term goals. It is necessary to identify what desired effect the company intends to achieve. At the same time, goals should be formed according to the SMART goals methodology, which will help to make them more rational, clear, and achievable. Companies should focus only on the most important goals and form a strategy for each one separately.

For the first time, the concept of SMART goals was mentioned in 1981 in an article by George Doran in the Management Review, although the general concept was described earlier by Peter Drucker in his work "Management by Objectives" [25, 26].

The methodology of forming SMART goals involves setting goals in accordance with five parameters: specific, measurable, achievable, relevant or realistic, and time-bound. Let's look at each parameter more closely.

– *Specific*

Goals should be specific, clear, and unambiguous. They should describe the outcomes that companies seek to achieve. Sometimes it is very useful to use a brief description of how this goal should be reached, with the help of which means and specialists. When formulating a specific goal, entrepreneurs should ask themselves the following questions:

- What exactly do we want to do? What do we want to achieve?
- Why is this goal important?
- Who should participate in its achievement?
- What are the requirements and limitations?

– *Measurable*

Measurability implies that there are criteria for assessing progress toward the goal. It allows understanding whether the goal has been achieved or not. For a goal to be measurable, it must describe the result in quantitative terms. When formulating a measurable goal, entrepreneurs should ask themselves the main question: How could we know that the goal has been achieved?

– *Achievable*

Goals should be realistic and achievable. The goals should be based on the number of resources (time, human, financial, etc.) that the enterprise has or could attract. When checking the goal for achievability, companies should ask themselves several questions:

- How could this goal be achieved?
- Does the company have enough resources to achieve the goal?
- Do employees have all the necessary knowledge and skills to achieve the goal?

– *Relevant or realistic*

Relevance conveys that the goal is in line with the overall strategy of the enterprise and that there are currently favourable conditions for its achievement. In other words, the goal should be up to date. Companies should ask themselves the following questions:

- Is this goal worthy of attention?
 - Is the time right to achieve this goal? Are the external conditions favourable?
 - Is the goal consistent with the company's global plans?
- *Time-bound*

The goal should have a time limit for its achievement for better organization of the work process. The presence of a deadline helps employees to focus on the work and have time to complete it in the allotted time. Entrepreneurs should clearly understand in what time frame they could complete the task so that they are realistic.

Sometimes in the literature, different variations and additions to the SMART goals methodology could be found. For example, there is a SMARTER scheme, which provides for 2 more stages of goal formation (evaluation and revision) in addition to the already defined ones. This methodology provides for constant evaluation of goals and their adjustment under new conditions, and changes in the external or internal environment.

2. Analysis of the current state of the market and the enterprise

Before developing a promotion strategy, companies should conduct market research, analyze their competitors, as well as conduct an internal audit, to clarify the current situation and identify the ways of development.

– *Market research*

This stage involves the use of general scientific and specific research methods for the study of micro- and macro-environments, peculiarities of market development, identification of the main trends, and forecasting of its further activities.

General scientific research methods such as the method of analysis and synthesis, induction, deduction, the unity of history and logic, system analysis (systematization and classification), logical reasoning, economic and statistical analysis, etc. are more often used in desk research. Desk research involves the analysis of data available in open

sources, the use of own reports and previous studies, as well as paid data sets. This information may be slightly outdated and incomplete, and it is sometimes difficult to determine the reliability of its origin. At the same time, the collection of this information is much less costly and can be obtained more quickly.

Specific research methods such as surveys, expert interviews, experiments, focus groups, observations, etc. are used in field market research. Field research is aimed at collecting primary information that gives more accurate information about the market and target audience. The main drawback of these studies is the complexity of their implementation and the limited resources of enterprises.

– *Research of the competitive environment*

Analysis of the competitive environment involves identifying the main players in the market and their segmentation by selected characteristics. Having identified their direct competitors, companies will be able to highlight the main differences and advantages of their brand, product, or service over other firms. This in turn will increase the company's competitiveness in the market.

To identify the main competitors, the company should, first of all, collect all available information on the market about the main players on it or conduct its research to collect this data. Such data may include information on the dynamics of the main performance indicators of companies, their product range, prices, communications, sales strategy, etc. Analysis of this information will identify the main advantages and disadvantages of competitors. The next step is to build a map of strategic groups of competitors. This scheme clearly shows the position of enterprises in the market, which makes it possible to identify groups of competitors with similar positions, competitive advantages, and strategies and combine them into a strategic group. Thus, it will be possible to determine the place of the researched company in the market and its main competitors. Further, by comparing the competitors of the defined group with the researched company, it will be possible to identify the strengths and weaknesses of the company concerning competitors.

– *Research of the enterprise*

To research an enterprise, it is necessary to conduct its internal audit to understand the specifics of its activities, current state, and characteristics of products or services, as well as what promotion measures have already been used and which of them were successful. Very common methods of company research are SWOT and PESTEL analysis. However, there are many other models for studying various components of enterprises such as BCG matrix, ABC analysis, DPM model, SPACE analysis, etc.

3. Identifying the target audience

This stage involves market segmentation, identification of potential consumer groups, and compilation of customer profiles. Defining the target audience involves identifying not only its basic characteristics such as age, gender, income, etc. but also understanding their needs and problems, what they want to get from the purchase, what additional value they would like to receive, etc.

Since market segmentation by consumers could be carried out according to different characteristics, each company before starting segmentation should clearly define the segmentation criteria that are important for them. Thus, segmentation could be carried out by geographical factors, socio-demographics, economic, psychographics, consumer behavior, consumer motives, etc. By choosing priority areas, it is possible to segment the market and choose the segment that is most attractive to the company. It means, determining the target audience of the enterprise. An effective method for structuring all information about the target audience is to create a portrait of the consumer. This method involves the development of a model of a certain person, which is endowed with the characteristics inherent in a particular group of the target audience. A separate portrait is developed for each group. Each portrait should contain general information about the consumer, his lifestyle, habits, preferences, fears, pains, how he makes purchases, etc. Sometimes, if separate market research was conducted to study consumers, the most common phrases of consumers could be added. Creating such a portrait or several portraits will allow firms to better understand their consumers and offer them exactly what they are looking for.

4. Choosing the promotion strategy

This stage involves the development of a promotion strategy. As mentioned earlier, this stage also involves determining the positioning of products and methods, tools, and communication channels. A properly chosen promotion strategy could improve the company's position in the market, attract new customers, increase profits, etc.

5. Formation of the budget

Based on the chosen promotion strategy, the company must form its cost estimate. A cost estimate is a list of all the costs that a company may incur during its activities. It may include costs for materials, labor, taxes, etc.

There are two main approaches to the formation of estimates: "bottom-up" and "top-down". The first involves determining the costs of implementing each element of the strategy and then calculating the total cost. The second method is to determine the total amount of costs and distribute it among the components of the promotion strategy. The second method is more common because enterprises have limited resources, namely a clearly defined marketing budget, only part of which could be allocated for promotion.

There are also other methods of budgeting: the method of calculating the budget based on the goals and objectives of promotion, the method of determining the promotion budget as a percentage of sales, the method of parity with competitors, the method of determining the budget per unit of production, the method of calculating the budget from available funds, etc.

6. Developing a system for evaluating the effectiveness of promotion

There is no single system for evaluating the effectiveness of promotion and marketing in general. Different scientists define the necessary indicators in different ways.

Some scientists divide the performance indicators by marketing functions, some by components, some believe that the effectiveness should be measured as the return of funds invested in these activities, some consider from the standpoint of financial and non-financial components, etc. Recently, BSC (Balanced Scorecards) and KPI (Key Performance Indicators) methods have gained popularity.

BSC, balanced scorecard, or Kaplan-Norton method provides for the formation of indicators based on the company's goals in 4 areas, namely financial component, customer component, internal business processes, training, and development. This table shows the causal relationship between the goals. Performance indicators are presented here to make the goals more specific. These indicators become KPIs. [29]

KPI provides quantitative measurement of the achieved results. A group of KPI indicators is formed based on the company's goals, or in this case, strategy. This methodology does not specify particular goals and causal relationships between them, but they are formed based on them. KPIs could be lagging and leading. The lagging ones show the results of activities after the end of the specified reporting period. Leading ones are based on a shorter reporting period and are aimed at achieving smaller goals to track and adjust the plan to achieve the final result.

In addition to these six stages of promotion strategy formation, the implementation of the strategy and its adjustment and optimization can also be distinguished. These two points can not be attributed directly to the formation process, but they are also important because they help companies to respond quickly and adjust their strategy to changes in the environment.

Chapter 1 conclusions

This paper's first section establishes the foundational principles for developing a promotion strategy. The extensive research on various scholars' works, including P.Kotler, M. Porter, J. McCarthy, W. Stanton, G. Armstrong, S. Karpova, M. Turchenyuk, and others, was conducted to create the definition of the concept of promotion strategy. Additionally, this paper provides a comprehensive overview of the essential components, functions, and types of promotion strategies. Based on the data gathered during the research, a set of stages that should be followed to develop a promotion strategy successfully was created.

Thus, promotion is a crucial component of a company's marketing efforts that involves various activities aimed at communicating with consumers and achieving the company's marketing goals. There are three main promotion strategies: push, pull, and combined strategies. Each of these strategies involves different activities and tactics aimed at fostering interaction between producers, distributors, and consumers in the market.

To create an effective promotion strategy, several stages must be considered. First, the promotion goals must be set and aligned with the company's overall marketing objectives. The current state of the market and the enterprise must then be analyzed to identify opportunities and challenges. This analysis includes understanding the strengths and weaknesses of competitors, the target audience, and consumer behavior.

Once the target audience has been identified, the company can choose the most suitable promotion strategy based on its marketing objectives, budget, and the characteristics of the product or service, and other factors. This selection process requires a deep understanding of each promotion strategy's strengths and weaknesses and how it aligns with the company's overall marketing goals.

After selecting the promotion strategy, the company must allocate a budget for its implementation and establish a system for evaluating the strategy's effectiveness. The effectiveness of the promotion strategy can be measured through various metrics, such as sales volume, market share, brand awareness, and customer loyalty.

In conclusion, developing a promotion strategy requires a comprehensive understanding of the market, target audience, and the company's overall marketing objectives. A successful promotion strategy involves several stages, including goal setting, analysis of the current state of the market and the enterprise, identifying the target audience, choosing the promotion strategy, formation of the budget, and developing a system for evaluating the effectiveness of the promotion.

CHAPTER 2 ANALYSIS OF THE ITALIAN BRAND ACCAPI IN THE UKRAINIAN MARKET

2.1 Trends of macroenvironment of the Ukrainian thermal underwear market

A macroenvironment is a set of external environmental factors that form the environment in which companies must operate and which they cannot influence. These factors have a crucial impact on the performance of businesses in the market. The macroenvironment includes political, economic, social, technological, environmental, and legal factors. Understanding each of these factors, their current state and the way they are expected to evolve helps businesses to maintain their market position, stay competitive, retain customers, increase profits, etc. Thus, in the context of this work, it is worth to analyze the external factors affecting the Ukrainian thermal underwear market. For this purpose, PESTEL analysis will be used.

The first group of factors is political ones. They include various factors that influence the political environment in a country, its stability, and development. A number of new threats and opportunities have arisen in Ukraine because of Russia's invasion in February 2022. Among the biggest threats are the instability of the political situation and the active support of domestic businesses by the state. Among the opportunities are the accelerated entry of Ukraine into the European Union and the strengthening of relations between Ukraine and Italy. A more detailed description of the factors, as well as some others, are presented in Table 2.1.1.

Table 2.1.1

Preliminary assessment of political factors

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
1	War in Ukraine since 24.02.2022	The war in Ukraine has led to many issues with international trade as well as led to general instability in the country. If compare Ukraine's position on the Political Risk Map in 2014 and now, the political risk has risen from just high to extremely risky, unstable levels. This makes it difficult for companies to do business in this uncertain environment.	Threat	Demand, Supply
2	Active government support for domestic business	Because of the war, the government is trying to devote a significant portion of its resources to supporting domestic businesses to avoid the country's economic collapse. This creates new barriers for foreign companies in the Ukrainian market.	Threat	Supply
3	High corruption level in Ukraine	In 2022, Ukraine was ranked 116th on the Corruption Perceptions Index with a score of 33 (0 is highly corrupt, 100 is very clean). Since 2013, Ukraine's score has increased by 32% (from 25 to 33). However, this score is still too high and shows a high corruption level in the country. At the same time, it is noteworthy that the anti-corruption movement has intensified during the war. This could result in a decrease of corruption in the country after the war.	Threat, Opportunity	Supply
4	High bureaucracy level in Ukraine	Ukraine has a high level of bureaucracy, which makes it difficult for companies to do business in the country. In 2021, the government's effectiveness score was -0.41 (-2.5 very weak, 2.5 very strong). Compared to 2014, the values have remained virtually unchanged. In 2014, this indicator was -0.4. The implementation of the Diia app has greatly facilitated the process of obtaining documents, but there are still many other administrative barriers.	Threat	Supply
5	Accelerating Ukraine's entry into the EU	Speeding up Ukraine's accession to the European Union will strengthen the political and economic ties between EU countries and Ukraine.	Opportunity	Supply

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
6	Improvement of relations between Italy and Ukraine	Italy and Ukraine have been cooperating for quite a long time. In terms of Ukraine's trade with the EU, Italy ranks third. Both countries have imported various goods from each other, with the amount of imports in 2021 increasing by 1.5 times compared to 2014. This shows that the countries have built strong relationships and have a certain level of trust to each other. This will make trade between them easier.	Opportunity	Supply

Source: Compiled by the author based on the data [31-38]

The regulatory environment in which a company operates is significantly influenced by political factors, making them crucial for the company's success. Changes in government policies, political instability, and international trade agreements can all impact various aspects of the company's operations, such as production, marketing, and supply chain. Therefore, keeping abreast of political developments is essential to maintain a competitive advantage and minimize the risks associated with changes in the political environment. Table 2.1.2 presents an assessment of the factors outlined above and divides them into threats and opportunities for the company.

Table 2.1.2

Final assessment of political factors

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
Threats					
1	War in Ukraine since 24.02.2022	No problems with supply or sale	Some issues that complicate supply or sale	A lot of issues that make the supply or sale impossible	8
2	Active government support for domestic business	The government has no initiatives to help domestic business	The government has some initiatives to help domestic business	The government protects domestic business with different acts	8

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
3	High corruption level in Ukraine	Companies don't have to have a lot of connections to access the market	Companies should have to have some connections to access the market	Companies must have a lot of connections to access the market	6
4	High bureaucracy level in Ukraine	Companies can easily obtain the necessary documents. The system is transparent and easy to understand	The system is not perfect and getting documents is a bit complicated	The system is completely incomprehensible	5
Opportunities					
1	High corruption level in Ukraine	No change in the country's level of corruption is foreseen	Some changes are foreseen in the country with regard to the level of corruption	Significant changes are foreseen in the country with regard to the level of corruption	5
2	Accelerating Ukraine's entry into the EU	The process will take more than 10 years	The process will take several years	The process will take several months	7
3	Improvement of relations between Italy and Ukraine	They had never interacted before	The countries have interacted on several occasions	Close relations have been established between the countries	8

Source: Compiled by the author based on the data [31-38]

The second group of factors in the PESTEL analysis is the economic ones. They show the overall economic state of the country and its impact on businesses. These factors can include exchange rates, taxes, import tariffs, inflation, level of economic development in the country, etc.

The war in Ukraine has caused an unstable economic situation characterised by many factors such as high inflation, high poverty level, declining GDP, decreasing purchasing power of the population, and many others. On the one hand, this has had a negative impact on the level of imports of products to Ukraine. On the other hand, war has increased the

demand on thermal underwear. Also, there are some other opportunities for companies in the thermal underwear market. The most important of them are economic support from other countries aimed at the economic recovery of Ukraine and recovery of import rates to almost pre-war level. These factors, as well as some others, are presented in Table 2.1.3.

Table 2.1.3

Preliminary assessment of economic factors

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
1	Economic instability in Ukraine	<p>By the forecast of the World Bank, the Russian invasion will shrink the Ukrainian economy by 45%. This will be clearly seen in many issues such as</p> <ul style="list-style-type: none"> • high inflation (Which has increased by more than 9 times compared to 2020. In February 2023 it was 24,9%, when in January of the same year 26%) • high poverty level (By the forecast of the United Nations Development Programme 30% of the Ukrainian population to fall below the poverty line, while a further 62% would be at risk of also falling into poverty within a year) • decrease in GDP (According to the International Monetary Fund Ukrainian GDP will decrease from a minimum of 10% to a maximum of 35%) • decrease in the purchasing ability of Ukrainians • etc. 	Threat	Demand, Supply
2	Recovery of import levels to almost pre-war levels	Imports to Ukraine have decreased from 6,1 USD billion in February of 2022 to 1,8 USD billion in March 2022. It declined by 70%. Now imports have started to increase and in January 2023 were 5 USD billion. During this period, there have been no spikes in values and the overall trend is positive.	Opportunity	Supply

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
3	Increase of exchange rate (uah to eur)	Due to the National Ukrainian Bank since the beginning of 2022, the exchange rate has changed significantly. It was 30,9226 in January 2022 (01.01.2022) and in January 2023 (01.01.2023) became 38,951. That means the exchange rate has increased by 25,96%. The exchange rate continues to rise and even after the war is over, it will take time for it to decrease.	Threat	Supply
4	Increase in thermal underwear sales	The war led to an increased demand for thermal underwear. A lot of people bought thermal underwear to survive the difficult cold winters with blackouts, power cuts, etc.	Opportunity	Demand, Supply
5	Support initiatives for the Ukrainian economy	Financial support from different countries all over the world will help Ukraine to deal with the situation and its consequences. Also, it is worth mentioning the EU-Ukraine Textile Initiative (EUTI), which serves as a point of contact for Ukrainian companies who are looking for assistance and partnership with their counterparts in the European Union, and vice versa. It was launched before the war, but it is still active today.	Opportunity	Supply
6	Logistics issues due to the war in Ukraine since 24.02.2022	During the war in Ukraine, about 24,000 kilometres of roads, 305 bridges, 6.3 kilometres of railway tracks were damaged or destroyed, checkpoints and inspections were set up, curfews were announced, etc. All these and many other factors make transporting goods much more difficult. Each company has to have several routes built in advance and must quickly adapt to changes.	Threat	Supply

Source: Compiled by the author based on the data [39-47]

Table 2.1.4 assesses the above factors and divides them into threats and opportunities.

Table 2.1.4

Final assessment for economic factors

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
Threats					
1	Economic instability in Ukraine	No trading consequences	Some trading consequences	Trading is practically impossible	7
2	Increase of exchange rate (uah to eur)	The rate is practically the same	The course changes significantly every few months	The rate changes significantly several times a month	6
3	Logistics issues due to the war in Ukraine since 24.02.2022	No major changes in logistics	There are some changes in logistics, but companies can quickly adopt new methods without significant losses	Logistics has changed completely. Companies must look for new ways to transport their products	8
Opportunities					
1	Recovery of import levels to almost pre-war levels	Imports are in decline, and there is almost no foreign trade	The country's imports have recovered by about half	The country's imports have fully recovered to pre-war levels	8
2	Increase in thermal underwear sales	No increase in sales	Slight increase in sales, no more than 2 times	Significant increase in sales, more than 2 times	9
3	Support initiatives for the Ukrainian economy	Lack of assistance to the Ukrainian economy from other countries	A little help for the Ukrainian economy from other countries	Significant help for the Ukrainian economy from other countries	8

Source: Compiled by the author based on the data [39-47]

The next group of factors is social. They describe the demographic situation in the country as well as the general values of society, their culture, traditions, habits, and changes in behavior. At the moment, Ukraine is experiencing a significant decrease in population, as well as changes in consumer habits due to the pandemic and war. Table 2.1.5 presents the most relevant social factors for the thermal underwear market.

Table 2.1.5

Preliminary assessment for social factors

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
1	A population decrease in Ukraine	As the last census of Ukraine was conducted in 2001, it is difficult to give an accurate estimate of Ukraine's population, but according to the State Statistics Service of Ukraine, the population was around 41 million in 2021. At the same time, the war resulted in the deaths of about 20,000 Ukrainians. Also, about 8 million Ukrainians went abroad to escape the war. Thus, only 80% of the population remained in Ukraine. Also, if one compares the population in 2021 and 2002, the number of people decreased by 14.58% (from 48 million to 41 million). Thus, the population decline and losses during the war will lead to a decrease in the number of people who will consume any type of goods.	Threat	Demand, Supply
2	Increase of preferences of Ukrainians for Made in Ukraine products	At the moment the level of patriotism in the country is very high, which manifests itself in the tendency of Ukrainians to give preference to locally produced goods.	Threat	Demand
3	Changes in consumer behaviour during the war	There has been a shift in consumer behavior towards more rational decision-making when it comes to purchasing goods. Instead of making impulsive purchases, buyers are becoming more focused on purchasing goods that offer long-term value, durability, and quality.	Opportunity	Demand, Supply

Source: Compiled by the author based on the data [48-49]

Table 2.1.6 provides an assessment of the threats and opportunities of social factors for the Ukrainian thermal underwear market. The biggest threat is a significant population decrease in Ukraine, while the greatest opportunity is change in consumer behaviour during the war.

Table 2.1.6

Final assessment for social factors

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
Threats					
1	A population decrease in Ukraine	The decrease in the population is insignificant	The slight decrease in the population	The decrease in the population is significant	9
2	Increase of preferences of Ukrainians for Made in Ukraine products	Ukrainians treat home-made and foreign-made products equally	Ukrainians prefer home-made products, but still consume foreign goods in large quantities	Ukrainians prefer home-made products to foreign goods	7
Opportunities					
1	Changes in consumer behaviour during the war	There are no changes in consumer behaviour	There are some changes in consumer behaviour, but they cannot affect the overall performance of companies in the market	There are significant changes in consumer behaviour that force companies to adapt to new demand, needs	7

Source: Compiled by the author based on the data [48-49]

Technological factors come next. They demonstrate the level of development and implementation of innovative technologies in the country. The world is currently witnessing the fourth industrial revolution in the world. This phenomenon has not left the apparel industry untouched. Many innovations have been invented such as laboratory made fabrics, nanotechnology materials, knitting robots, needle-free sewing, 3D printed sustainable apparel, etc. Implementation of these technologies would enable companies in the industry to increase their productivity. Table 2.1.7 presents the technological factors that affect Accapi [50-52].

Table 2.1.7

Preliminary assessment for technological factors

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
1	Development of new types of fabrics	In addition to the development of new fabrics with better characteristics (elasticity, breathability, etc.), there are also fabrics that can change colour, track human biometric data, etc.	Threat, Opportunity	Demand, Supply
2	Scientific and technological progress and development of robotics	The development of new equipment and the use of artificial intelligence allow to optimise production and improve the quality of goods. For example, there are already machines that can cut fabric, process easily deformable materials, speed up laundry, etc. The use of 3D printing also makes production much easier and faster. Knitwear production and design development using this technology is now available.	Threat, Opportunity	Supply
3	Development of e-commerce and mobile technologies	The shift of consumers to the online environment is leading to an increase in the popularity of online retailers. The popularity of online shopping means that companies also have to move their sales to the online environment.	Opportunity	Demand, Supply

Source: Compiled by the author based on the data [50-52]

Table 2.1.8 presents an assessment of the technological threats and opportunities that may affect the company's operations. The company must be proactive in identifying and addressing these threats in order to maintain its competitive advantage in the marketplace. Some of the technological threats that the company may face include rapid technological advances, high innovation costs and difficulty adapting to new technologies. Dealing with these threats may require significant investment in research and development, as well as employee training programmes to improve their technological skills. On the other hand, technological advances can also create opportunities for the company, such as developing new and innovative products, optimising manufacturing processes and improving supply chain management.

Table 2.1.8

Final assessment for technological factors

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
Threats					
1	Development of new types of fabrics	Nobody uses new types of fabrics in their production	Some manufacturers use new types of fabrics in their production	Everybody uses new types of fabrics in their production	5
2	Scientific and technological progress and development of robotics	Nobody uses new technologies in their production	Some manufacturers use new technologies in their production	All manufacturers use new technologies in their production	5
Opportunities					
1	Development of new types of fabrics	There is no opportunity to implement new fabrics in production	New fabrics can be implemented in production, but this will require significant investment	New fabrics are easy to implement in production without significant costs	5
2	Scientific and technological progress and development of robotics	There is no opportunity to implement new technologies in production	New technologies can be implemented in production, but this will require significant investment	New technologies are easy to implement in production without significant costs	5
3	Development of e-commerce and mobile technologies	There is not a single online retailer in Ukraine	There are several online retailers in Ukraine	There are many online retailers in Ukraine	9

Source: Compiled by the author based on the data [50-52]

Another equally important group of factors are environmental ones. This group includes the level of use of natural resources as well as the ecological situation in the country. The world is currently experiencing global climate change. This is affecting all areas of life, and the thermal underwear industry as well. Changes in temperature regime lead not only to changes in the way the materials for the products are grown but also to changes in the demand for goods. Table 2.1.9 presents the environmental factors affecting the selected enterprise.

Table 2.1.9

Preliminary assessment for environmental factors

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
1	Climate change	Global climate change can lead to changes in the cultivation of components for the production of thermal underwear (cotton, wool, silk, etc.), which will increase the cost of end products. Moreover, an increase in the average temperature in Ukraine will lead to the changes in the demand for thermal underwear, as well as the types of materials and technologies used in production.	Threat, Opportunity	Supply
	Natural disasters	Natural disasters such as hurricanes, floods, and earthquakes can disrupt the production and supply chains of the thermal underwear industry, leading to shortages and increased costs.	Threat	Supply

Source: Compiled by the author based on the data [53-54]

Table 2.1.10 presents an assessment of threats and opportunities from environmental factors. Environmental factors are highly unpredictable and can pose significant risks to companies operating in certain industries. For example, natural disasters, climate change, and resource scarcity can impact production, supply chain, and overall profitability.

Table 2.1.10

Final assessment for environmental factors

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
Threats					
1	Climate change	No effect on component quality, as well as on transport or storage conditions	Little effect on the quality of the components, transport or storage conditions	Strong effect on component quality, transport or	9

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
				storage conditions	
2	Natural disasters	Disasters do not affect the production of goods	Disasters have a slight impact on the production of goods, but not enough to stop production completely	Disasters have a major impact on the production of goods, can lead to delays in production and increased costs	8
Opportunities					
1	Climate change	The company had never heard of the problem before. They don't how to deal with it	Companies know something about this issue and have started looking for ways to overcome the problem	Companies have been aware of this problem for a long time and have ways to overcome it	5

Source: Compiled by the author based on the data [53-54]

Last but not least are legislative factors. These factors include the existing legal regulation of various issues that may in any way influence the company's operations. In Ukraine, these factors may include the existence of consumer protection laws, laws on product quality and safety, patent laws, and also the fact that most certificates obtained in the European Union are recognized by Ukraine. The factors of this group are presented in Table 2.1.11.

Table 2.1.11

Preliminary assessment for legal factors

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
1	Customer protection law	Consumer protection laws protect purchasers of goods and services from low-quality products and deceptive, dishonest business practices. There are many certifications and inspections as well as the limitations of doing business that products must pass before they can enter the market.	Threat	Supply

№	Factor	Factor description	Threat/ Opportunity	Demand/ Supply
2	Copyright and patent law	A patent is a registered right that gives the owner exclusive right to features and processes of inventions. The method of making some fabrics, as well as the appearance of goods can be considered unique and fall under the protection of these laws.	Opportunity	Supply
3	Product safety regulations	There are many laws that are aimed at assessing the quality of products. To be able to sell any products, companies must obtain the appropriate quality certificates. But at the same time by providing a proper certificate of product quality, the company will be able to place a certain designation on the packaging, which may increase sales. In apparel industry in terms of product safety goods may be checked on the content, flammability, etc.	Threat, Opportunity	Demand, Supply
4	Acceptance of European certificates by Ukraine	Since Ukraine recognizes European certificates, a company can apply certificates obtained in Europe without spending money or time on obtaining new ones. This will significantly save resources of the company.	Opportunity	Supply

Source: Compiled by the author based on the data [55]

Table 2.1.12 provides an assessment of threats and opportunities from legal factors. Legal factors are unique in that they are specific to the industry in which a company operates and are influenced by the regulatory environment in the country or region.

Table 2.1.12

Final assessment for legal factors

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
Threats					
1	Customer protection law	There are no laws protecting the consumer	There are few laws protecting the consumer	There are many laws protecting the consumer	9

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
2	Product safety law	There are no product safety laws	There are few product safety laws	There are many product safety laws	8
Opportunities					
1	Copyright and patent laws	There are no copyright and patent laws	There are few copyright and patent laws	There are many strict copyright and patent laws	9
2	Product safety law	There is no way to show the customer the quality of the product by providing a certification mark	There are only a few certificates that could be placed on the packaging	All certificates could be placed on the packaging	9
3	Acceptance of European certificates by Ukraine	European certificates are not accepted in Ukraine	Some of the European certificates are accepted in Ukraine	European certificates are accepted in Ukraine	9

Source: Compiled by the author based on the data [55]

Thus, the various factors of the macroenvironment that affect the operations of the selected company have been analyzed. Table 2.1.13 below provides an assessment of the significance of all the groups of factors mentioned. The most significant are political and economic as there is a war going on in Ukraine now, which determines the possibility of doing business in the country at all. Next are social factors that determine the demand for products. And then there are technological, environmental, and legal factors. The assessment of the significance of macroenvironmental factors is crucial for understanding the potential impact on the company's performance and competitive position in the market.

Table 2.1.13

The weighting of macro factors

The group of factors	Weight
Political factors	0,25
Economic factors	0,25
Social factors	0,2
Technological factors	0,1
Environmental factors	0,1
Legal factors	0,1

Source: Compiled by the author

Tables 2.1.14 and 2.1.15 present the final score for all the factors mentioned above. It has been derived by multiplying the score by its weight. Since there are many factors presented, only those factors whose final score exceeds 1.5 will be selected to facilitate further work. Among the threats these factors include war in Ukraine, active state support of domestic production, economic instability in the country, logistics issues and population decrease. Opportunities include the acceleration of Ukraine's entry into the EU, improved relations between Italy and Ukraine, recovery of import levels, increased thermal underwear sales, and support initiatives for the Ukrainian economy.

Table 2.1.14

Market threat analysis

№	Factor	W	CE	WE
Political factors				
1	War in Ukraine since 24.02.2022	0,25	8	1,75
2	Active government support for domestic business	0,25	8	2
3	High corruption level in Ukraine	0,25	6	1,5
4	High bureaucracy level in Ukraine	0,25	5	1,25
Economic factors				
4	Economic instability in Ukraine	0,25	7	1,75
5	Increase of exchange rate (uah to eur)	0,25	6	1,5
6	Logistics issues due to the war in Ukraine since 24.02.2022	0,25	8	1,75
Social factors				
7	A population decrease in Ukraine	0,2	9	1,8
8	Increase of preferences of Ukrainians on Made in Ukraine products	0,2	7	1,4
Technological factors				
9	Development of new types of fabrics	0,1	5	0,5

№	Factor	W	CE	WE
10	Scientific and technological progress and development of robotics	0,1	5	0,5
Environmental factors				
11	Climate change	0,1	9	0,9
12	Natural disasters	0,1	8	0,8
Legal factors				
15	Customer protection law	0,1	9	0,9
16	Product safety law	0,1	8	0,8

Source: Compiled by the author based on Tables 2.1.1 - 2.1.13

Table 2.1.15, in contrast to Table 2.1.14, presents the main opportunities for companies in the Ukrainian thermal underwear market.

Table 2.1.15

Market opportunities analysis

№	Factor	W	CE	WE
Political factors				
1	High corruption level in Ukraine	0,25	5	1,25
2	Accelerating Ukraine's entry into the EU	0,25	7	1,75
3	Improvement of relations between Italy and Ukraine	0,25	8	2
Economic factors				
4	Recovery of import levels to almost pre-war level	0,25	8	2
5	Increase in thermal underwear sales	0,25	9	2,25
6	Support initiatives for the Ukrainian economy	0,25	8	2
Social factors				
7	Changes in consumer behaviour during the war	0,2	7	1,4
Technological factors				
8	Development of new types of fabrics	0,1	5	0,5
9	Scientific and technological progress and development of robotics	0,1	5	0,5
10	Development of e-commerce and mobile technologies	0,1	9	0,9
Environmental factors				

11	Climate change	0,1	5	0,5
Legal factors				
12	Copyright and patent laws	0,1	9	0,9
13	Product safety law	0,1	9	0,9
14	Acceptance of European certificates by Ukraine	0,1	9	0,9

Source: Compiled by the author based on Tables 2.1.1 - 2.1.13

Thus, the main factors that can negatively affect the Ukrainian thermal underwear market are political, economic and social factors. These factors can be the biggest threat and obstacle for businesses in this market. However, at the same time, political and economic factors can also be the biggest opportunities for companies. The way enterprises will be able to recognize the opportunities and overcome the threats will determine their future in the market.

2.2 Specific features of microenvironment of Ukrainian cloth market

In the current market environment, there are significant changes happening in the structure and function of product markets, especially due to the increasing internationalization of these markets. The management systems of international and national markets are being transformed in the context of modern globalization, with changes in priorities for competitors, consumers, suppliers, and distributors as they become more involved in international competition and cooperation. However, the development of commodity markets has been impacted by the war, economic sanctions, and other restrictions.

The Ukrainian thermal underwear market is part of the apparel market and shares common trends, but it has unique characteristics. Despite facing economic and political crises and changes in consumer behaviour, the thermal underwear market has been constantly evolving and experiencing growth. Although domestic producers struggle to compete with foreign brands, there has been a significant increase in the number of producers in recent years. Moreover, while thermal underwear was not previously an

essential commodity, the demand for it has quadrupled since the war started [56]. Therefore, this market is interesting to study as it presents opportunities despite the obstacles created by the war.

The analysis of the microenvironment of a specific thermal underwear market should be considered in the complex of factors of influence from competitors, products, consumers, suppliers and distributors, whose operations form the conditions for doing business in the market [57].

First of all, competitors: the thermal underwear market is not new, and its largest players are foreign brands such as Rough Radical, Craft, Smart Wool, Lasting, Icebreaker and others. Apart from them, there are many smaller players on the market. And since the beginning of the war, not only funds, equipment, essential goods and much more have been coming to Ukraine as part of the humanitarian aid, but also thermal underwear. For example, the Vatican launched a fundraising campaign to send thermal underwear to Ukraine in December 2022 to help Ukrainians survive the winter [58]. Thus, the market can be called very saturated and highly competitive. This situation affects the behaviour of all market players. Companies have to pay more attention to differentiation, offer something unique, develop a new marketing campaign, look for niches, etc. to maintain their market position. However, it is worth noting that during the war, the focus shifted slightly from product appearance and marketing campaigns to simplicity and quality of the product. The population's ability to pay has also decreased. And although demand is strong, manufacturers should look for ways to reduce the price of their products to attract a wider audience. This situation makes it difficult for new companies to enter the market, as existing players create high barriers to entry, which can be costly to overcome. But on the other hand, this large number of players increases the level of competition, which has a positive impact on the development of the sector, encouraging manufacturers to improve production and product performance. Figure 2.2.1 and Figure 2.2.2 represent the current market state of the thermal underwear market from the competitor's perspective.

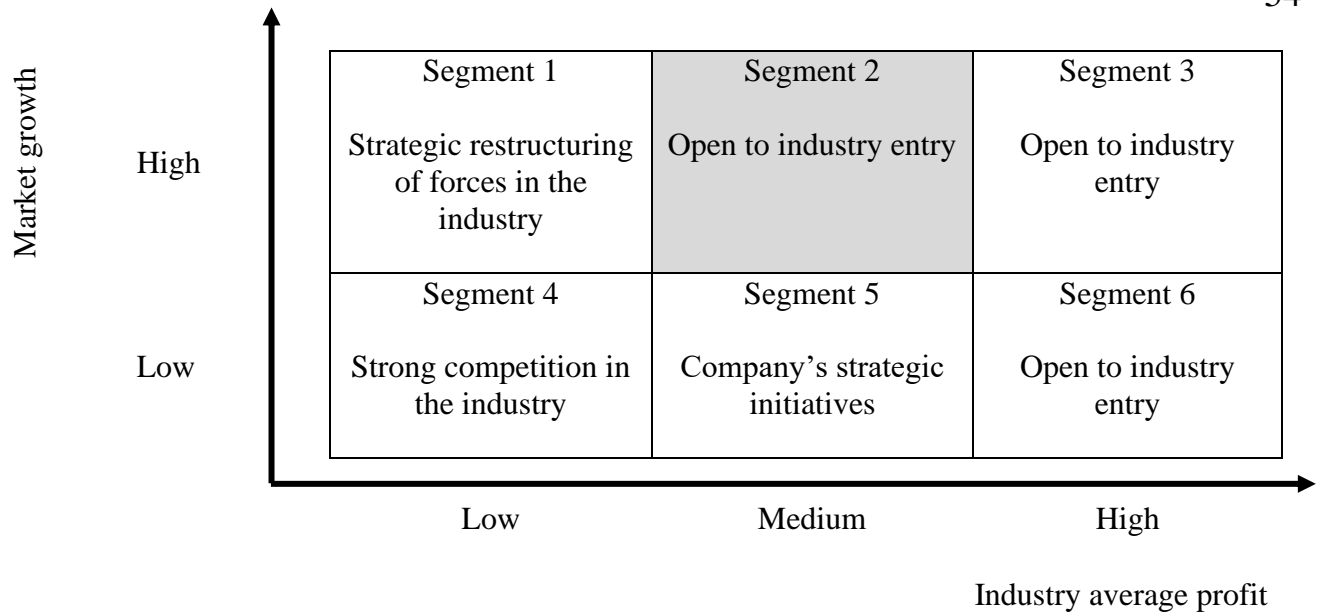


Figure 2.2.1 Matrix for assessing the intensity of competition in the industry

Source: Compiled by the author based on the data [57, 68]

Figure 2.2.2 illustrates the current state of the Ukrainian thermal underwear market with respect to the competitors, their dominance in the market, and the obstacles they create for new entrants or existing firms trying to leave the market. A more detailed competitive analysis is presented in subsection 2.3.

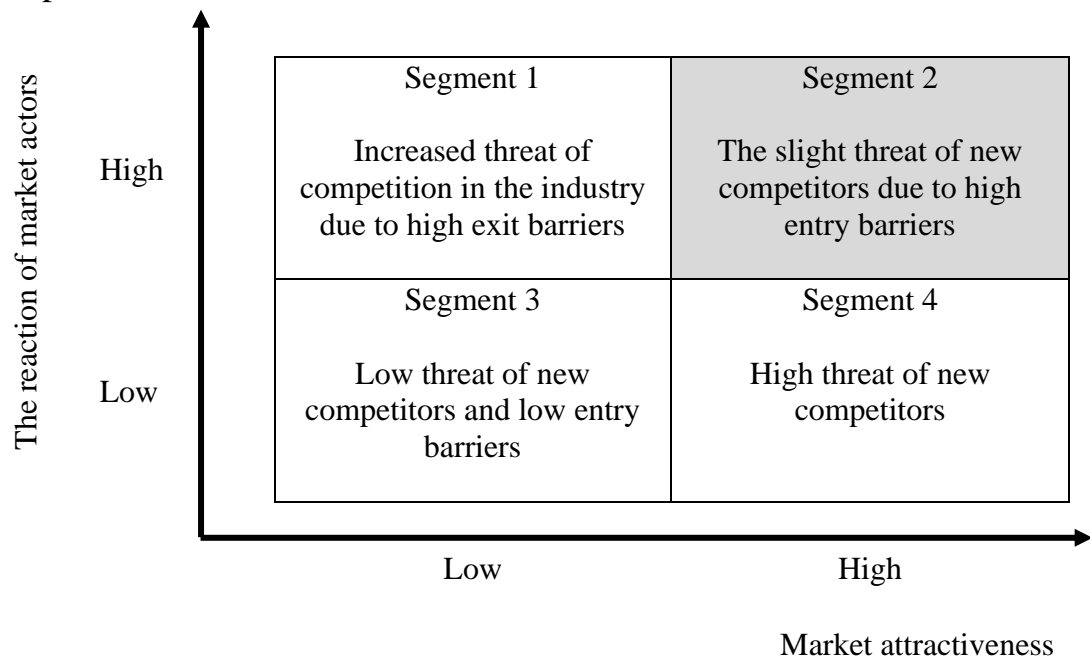


Figure 2.2.2 Threat assessment matrix on the side of new competitors

Source: Compiled by the author based on the data [57, 68]

Secondly, the position of the product in the market: this means not only the level of product diversification, but also the number of substitute products. Due to the large number of competitors, there is a huge variety of products on the market that differ in their characteristics. Due to the high level of product diversification, it is difficult to enter the market with a new idea. Thus, there are already products made of different materials (cotton, wool, polyester, synthetic materials, etc.), different types (sets, skirts, tops, socks, etc.) and purposes (men's, women's, children's) [58]. Before the war, manufacturers were constantly coming up with new ways to improve their products. But now Ukraine has slightly different priorities and manufacturers should focus more on basic thermal underwear sets and their high quality. If in terms of basic substitute products, there are also many of them. These include a variety of warm clothing such as socks, sweaters, vests, warm pants, etc., as well as products from other markets such as blankets, heating pads, heaters, camping stoves, etc. But this situation also encourages market players to come up with new ways to improve production, find new technologies, launch marketing campaigns, etc. On the Figure 2.2.3 is shown the market conditions of the investigated market from the product perspective.

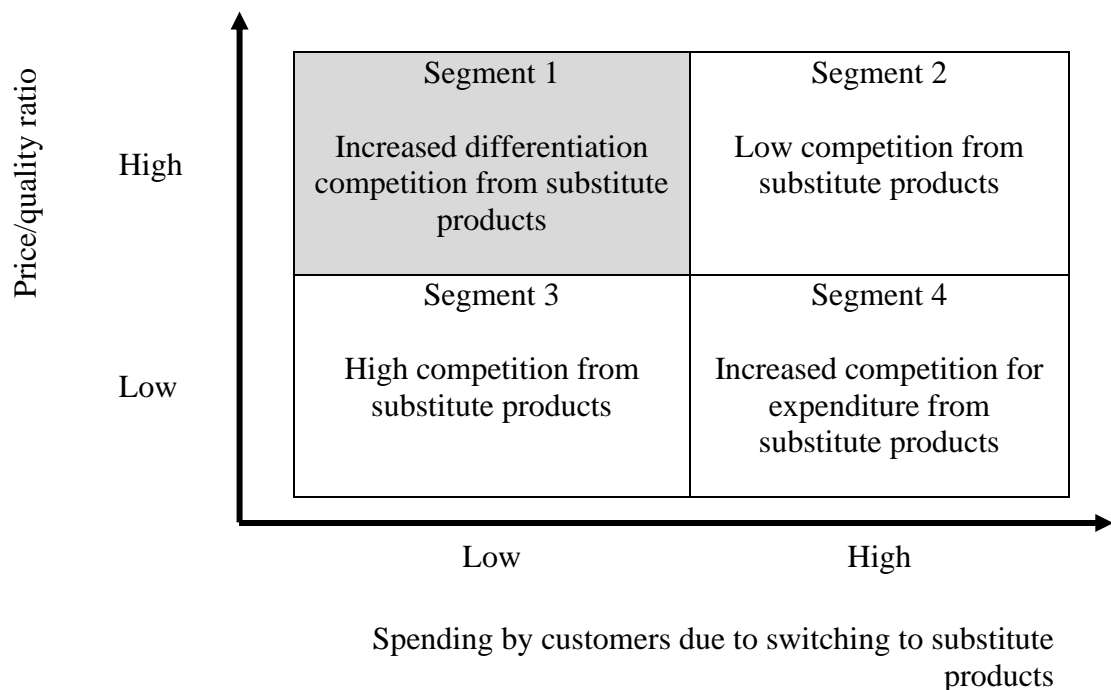


Figure 2.2.3 Threat assessment matrix on the side of substitute goods

Source: Compiled by the author based on the data [57, 68]

Thirdly, the target consumer audiences: in the thermal underwear market, buyers have a high level of power, as they can easily switch to another type of product without any losses. Thus, buyers can set their own rules in terms of price, product quality or other preferences. During the war, in the absence of electricity and heating, consumer behaviour in the thermal underwear market has changed dramatically. Whereas previously this product was bought mainly for sports, now everyone buys it to keep warm during power outages. It is also worth noting that most of the goods go to the military. Relatives, friends and people who care try to help our defenders stay warm in cold conditions by buying thermal underwear and other heating products. Figure 2.2.4 shows an assessment of the level of consumer power.

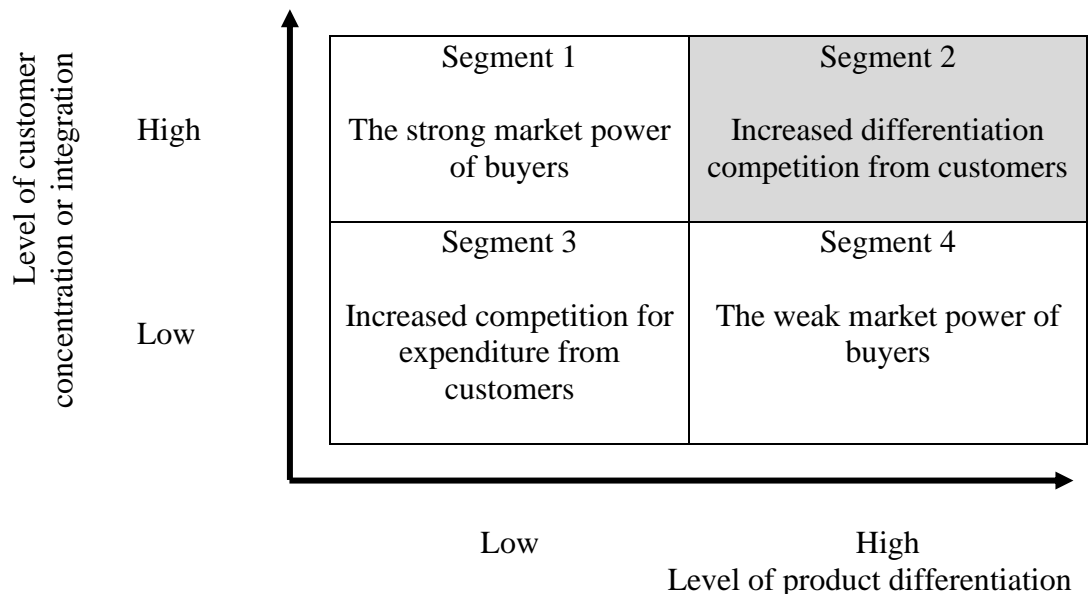


Figure 2.2.4 Market power assessment matrix for buyers

Source: Compiled by the author based on the data [57, 68]

Fourthly, supplier power: as thermal underwear producers in Ukraine are dependent on the supply of raw materials without which they cannot produce their goods, there is a high level of supplier power. Although there are quite a few options for producing thermal

underwear (cotton, polyester, synthetic fibre, viscose, etc.), the cost of switching from one to another can be too high not only in terms of material, but also in terms of changing product characteristics such as quality, visual appearance, etc. It should also be noted that for companies that manufacture their products in Ukraine, suppliers are a very valuable asset. As a large number of businesses cannot continue their operations during the war, suppliers who have not stopped their deliveries are in high demand in the market. And because they cannot physically fulfil the orders of all companies that want to cooperate with them, they are forced to supply a limited number of companies, which leads to competition for suppliers in the market. As for companies whose production facilities are located outside Ukraine, they face a greater burden of transporting their products. The war has led to logistical challenges, such as destroyed roads, dangerous areas, the risk of loss of goods during storage or transportation, the need to build several routes in advance, etc. The Figure 2.2.5 demonstrates the matrix of suppliers' market power.

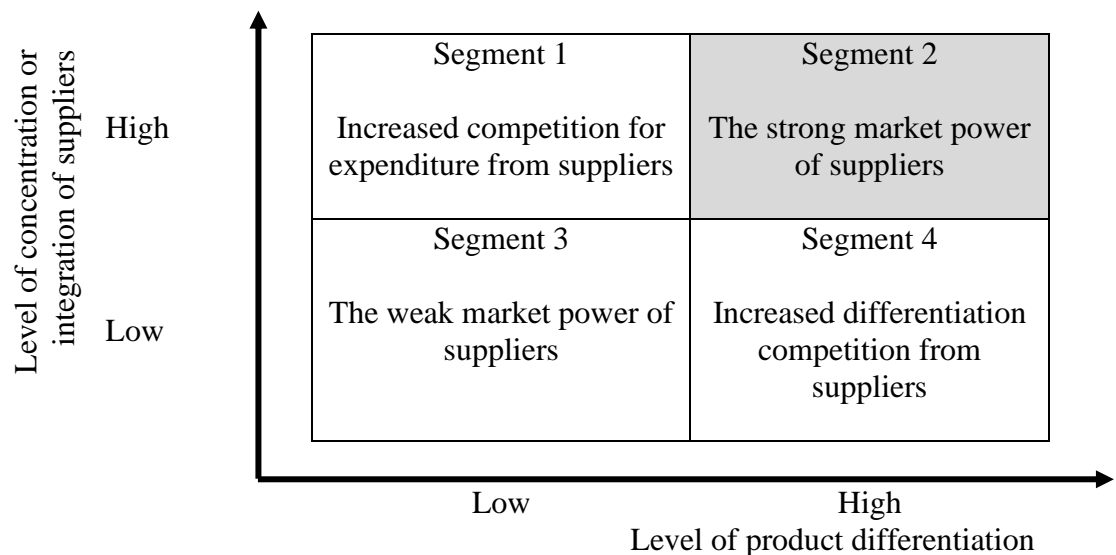


Figure 2.2.5 Supplier market power assessment matrix

Source: Compiled by the author based on the data [57, 68]

Fifthly, distributors: thermal underwear can be bought in almost any sports shop or even just a clothing store, and nowadays it is also easy to order from online retailers, so it can be said that the power of distributors in the market is not very high. Although it should be

mentioned that the image of thermal underwear manufacturers depends on the work and conditions provided by distributors, this still does not give them sufficient market power. Even before the war started, during the pandemic, the vast majority of consumption moved to the online environment. Many people barely left their homes and did all their shopping online. Martial law has only reinforced this trend. Thus, online distributors have become the best way to bring goods to consumers. However, since there are many such platforms (Rozetka, Epicentr, Prom, Bigl, Crafta, Shafa, IZI, etc.) and companies can start or use their own platforms (e.g., sell from their own website) without incurring significant costs when switching from one to another, the power of distributors is negligible [59, 60]. The described situation can be seen in Figure 2.2.6.

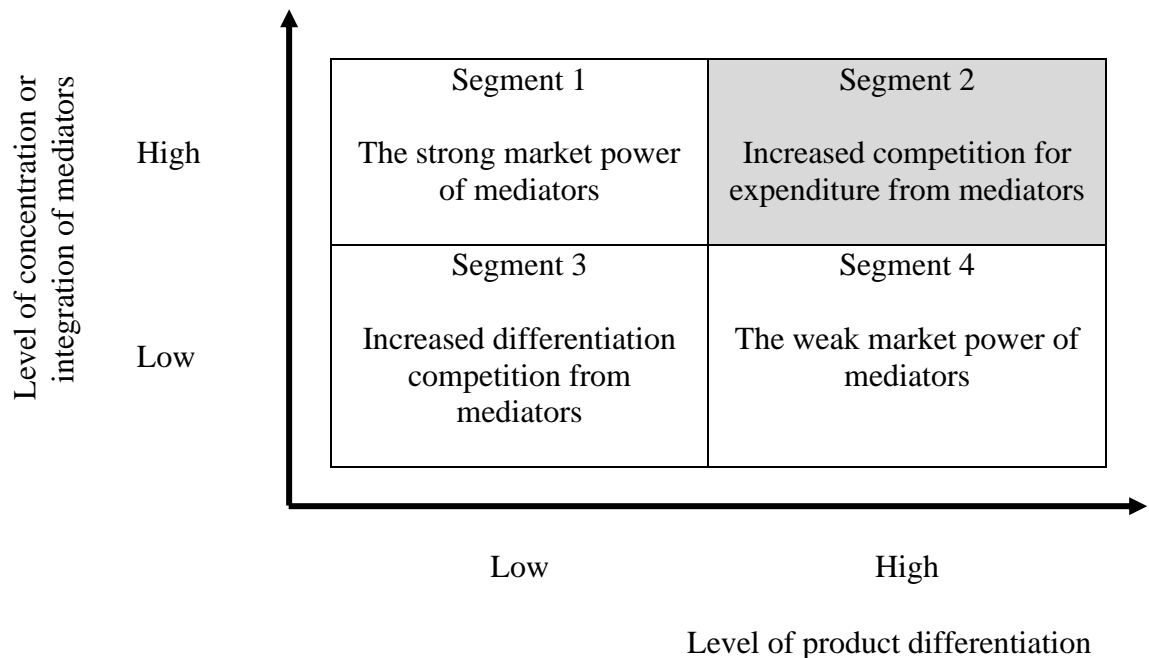


Figure 2.2.6 Market power assessment matrix for mediators

Source: Compiled by the author based on the data [57, 68]

Thus, it is clear that the thermal underwear market is characterised by a large number of competitors and substitute products, as well as a high level of power of buyers and suppliers. But at the same time, the war has created a great demand for the product, which provides many opportunities for its manufacturers. Military situation requires the development of appropriate strategic and operational and tactical measures for business

organisation. Businesses should pay more attention to the quality of goods and opportunities to reduce their prices. In addition, the development of various loyalty programmes, discount systems, etc. will allow them to attract the attention of a larger target audience. In addition, companies should actively cooperate with online platforms to sell goods, as well as look for local logistics and transport companies that are experienced in transport in modern conditions. As for the marketing environment, producers should build their communication on support for Ukraine. They should clearly express their position and cooperate with domestic companies or charitable organisations. By implementing these and other measures, producers will be able to consolidate their positions in the market and new companies will be able to make themselves known.

Following the analysis of the micro-environment, Tables 2.2.1 and 2.2.2 were compiled. The first table presents all the above-mentioned factors and briefly describes them for better perception. The second one assesses each factor in terms of whether and to what extent it is a threat or an opportunity for companies on the thermal underwear market.

Table 2.2.1

Preliminary assessments for each group of factors

№	Factor	Factor description	Threat/ Opportunity	Demand/Supply
1	Big number of competitors within the industry	There are many competitors with strong market positions who are seeking to increase their share through various methods such as high levels of product differentiation, successful positioning, etc	Threat	Supply
2	High entry barriers	It is difficult to enter this market because it is saturated not only in terms of competitors but in terms of products	Threat	Supply

№	Factor	Factor description	Threat/ Opportunity	Demand/Supply
3	Big amount of substitute products	There are a huge number of substitute products not only on the apparel market (warm clothing such as socks, pants, sweaters, vests, etc), but also behind it (blankets, heaters, heating pads, stoves, etc.)	Threat, Opportunity	Demand
5	High level of customers' power	Buyers can easily switch to another product without much cost, so they can set their terms to manufacturers on the price or quality of goods	Threat	Demand/Supply
6	The existence of potential customer segments	Because of the war, demand for thermal underwear has quadrupled. This type of product has been bought more for themselves, their loved ones and also for the military to survive the difficult winters during blackouts.	Opportunity	Supply
7	High level of suppliers' power	Since the materials used to manufacture thermal underwear determine the quality, appearance and other basic characteristics of the product, a change of supplier can result in a change in the final product, which can cause companies to suffer major losses. Thus, suppliers can dictate their terms of supply. Also with the outbreak of war, many companies were faced with a lot of logistical problems.	Threat	Supply
8	Low level of distributors' power	Distributors do not play a high role in the thermal underwear market as most sales take place on online platforms. Also the cost of switching from one online retailer to another is low.	Opportunity	Supply

Source: Compiled by the author

Table 2.2.2 provides an assessment of each factor identified in Table 2.2.1, as well as a brief description of each group.

Table 2.2.2

Final assessments for each group of micro factors

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
Market threats					
1	Big number of competitors	There are almost no competitors on the market, there are a lot of free niches	The number of competitors is small. They can coexist on the market without a significant competition	A huge number of competitors who do not want to give up their market positions	8
2	High entry barriers	The company can easily enter the market without incurring heavy losses	The company will face little loss on entering the market	The company may face serious expenses on entering the market	8
3	Big amount of substitute products	The product is unique and almost impossible to replace	There are several substitute products	There are a huge number of substitute products	7
4	High level of customers' power	Have no power to dictate their terms	Have some power, but not enough to influence the main players in the market	Have a high level of power and are free to impose their terms	8
5	High level of suppliers' power	Have no power to dictate their terms	Have some power, but not enough to influence the main players in the market	Have a high level of power and are free to impose their terms	8
Market opportunities					
1	A big amount of competitors	There are big players who control the market	There are a few big players on the market and the rest are small. This provides several opportunities to get new niches	There are many players on the market, competing to win market share	5
2	Big amount of substitute products	There are many substitute products on the market	There are several substitute products on the market, but still, there are some unique products that can't be replaced	There are few substitute products on the market and almost all products have some unique value	5
3	The existence of potential customer segments	There are no potential segments of customers for the company	There is one potential segment of customers for the company	There are two or more potential segments of customers for the company	8

№	Factor	Evaluation criteria			CE
		Low (0-3)	Medium (4-6)	High (7-10)	
4	Low level of distributors' power	The power of the distributors is great and they can dictate their rules	The power of distributors is medium, they can negotiate with manufacturers about their needs	Distributor power is low, manufacturers lose nothing by switching to another retailer and therefore businesses make their own conditions	8

Source: Compiled by the author

From Table 2.2.2 can be seen that almost all the threats are at a high level and that they outnumber the opportunities. However, for the final evaluation of the factors, it is worth considering their weight for the company, which is shown in Table 2.2.3. The most significant factors are those concerning competitors and customers, as these factors are more likely to affect the company's financial results. Product factors come next, followed by supplier and distributor factors.

Table 2.2.3

The weighting of factors (opportunity and threats analysis)

The group of factors	Weight
Competitors	0,3
Products	0,2
Buyers	0,3
Suppliers	0,1
Distributors	0,1

Source: Compiled by the author

After analyzing all factors affecting the company, it is important to have a final assessment of the opportunities and threats present in the market. In order to do this, it is necessary to consider the scores assigned to each factor in relation to their importance or weighting. By multiplying the scores by their respective weights, we can obtain a more accurate and comprehensive understanding of the potential risks and advantages the company faces. The results of these calculations are presented in Tables 2.2.4.

Table 2.2.4

Market threats and opportunities analysis

№	Factor	W	CE	WE
Market threats				
1	Big number of competitors	0,3	8	2,4
2	High entry barriers	0,3	8	2,4
3	Big amount of substitute products	0,2	7	1,4
4	High level of customers' power	0,3	8	2,4
5	High level of suppliers' power	0,1	8	0,8
Market opportunities				
1	Big number of competitors	0,3	4	1,2
2	Big amount of substitute products	0,2	5	1,0
3	The existence of potential customer segments	0,3	8	2,4
4	Low level of distributors' power	0,1	8	0,8

Source: Compiled by author based on Tables 2.2.1 – 2.2.3

Overall, the most serious threats to the company are a large number of competitors, high barriers to entry, and high consumer power, while the greatest opportunity is the presence of the potential customer segments. It is important for the company to develop a competitive advantage to distinguish itself from its competitors and create a unique value proposition that appeals to potential customers. Additionally, by continuously monitoring the market and adapting to changing consumer preferences, the company can position itself to take advantage of new opportunities and stay ahead of the competition.

2.3 Accapi's internal environment

Evaluating the internal environment of a company, the best place to start is with the general information about it. Accapi is an Italian brand of thermal underwear. The company was founded in the 1950s. At that time, it was a small factory specialising in the production of socks for men and children. Since then, the company has been constantly developing, increasing its own production, and in the 2000s, Accapi began to develop original patents, consolidating its presence first on the Italian market and then on the foreign ones. According to the company itself, Accapi means technology, ergonomics but also charm [62, 63].

Currently, the company produces thermal underwear (sweatshirts, T-shirts, trousers, breeches, shorts, and pants), thermal socks of various lengths, and accessories (hats, gloves, masks). In general, all products are divided into categories according to their intended use, namely running, trekking, cycling, skiing, gym and casual. Accapi uses about 12 technologies of its own design (EQT, CLOUD, TFT, BEAR, EXS, AEC, CTT, WAVE, etc.) and various fabric processing methods to ensure water-repellency, anti-bacterial features, as well as softening and stabilisation of the fabric. The products are made from various materials (wool, cotton, cashemire, silk, silicone, etc.), as well as from fabrics developed by the company itself (FIR ACCAPI, U-DRY, MIKRO, POLAR) [62, 63].

The next step in assessing the current state of the company is to consider its position in the Ukrainian market. For this purpose, a competitive analysis was conducted, based on which a map of strategic competitor groups was developed.

The first step in its development was to identify the company's current competitors in the Ukrainian market. As this market is very specific and narrowly focused, there are no separate studies of it. Thus, the main market players were identified by researching the assortment of the largest online retailers in Ukraine. Online distributors were chosen because thermal underwear, as mentioned earlier, is the type of product that is most often

purchased online. Thus, the largest players in the Ukrainian thermal underwear market are Rough Radical, Craft, Smart Wool, Lasting, and Icebreaker. The next step in building a map of strategic competitor groups is to select parameters for differentiation. Since these parameters should differ significantly and clearly divide the market into groups, it was chosen to evaluate companies by the width of their product range and the price of a basic set of thermal underwear. It should be noted that the first parameter will analyse the availability of different types of thermal underwear (sweatshirts, pants, sets, etc.) on the Ukrainian market without taking into account additional accessories (socks, gloves, balaclavas, etc.) or other types of clothing, while the second parameter will analyse the price of a standard set of men's thermal underwear for everyday use of size M (if the set is not available, the cost of the sweatshirt and pants together). Also, since the Smartwool and Icebreaker brands do not have their own website for the Ukrainian market, their products were analysed on the Rozetka platform, one of the largest Ukrainian online retailers. A description of these parameters is given in Table 2.3.1.

Table 2.3.1

Parameters for the differentiation of subjects of the Ukrainian thermal underwear market

Parameter	Parameter value	Parameter description
Width of the product range	Low	Less than 3 groups
	Medium	3-5 groups
	High	More than 5 groups
Price per package	Low	More than 6000 UAH (150 EUR)
	Medium	3000 – 6000 UAH (75 – 150 EUR)
	High	Less than 3000 UAH (75 EUR)

Source: Compiled by author

With regard to the first parameter, the width of the range was determined that Accapi has the largest number of different categories of thermal underwear. It has 6 different categories in its range. Next to them with a slightly smaller number of products at 5 are Craft, Smartwool and Icebreaker. Next to them, with 4 product categories is Lasting. And in the last place is Rough Radical [62-67].

As for the second parameter, the most expensive products are those of Smartwool, and Icebreaker. Their goods cost near 9000 uah. Also, price of Lasting products is at the boarder of high and middle price ranges. Their goods cost around 6000 uah. The middle price range included Craft and Accapi. And the products with the lowest price were those of the Rough Radical [61-66]. Figure 2.3.1 shows a rough interpretation of the previously described division of companies according to the selected parameters.

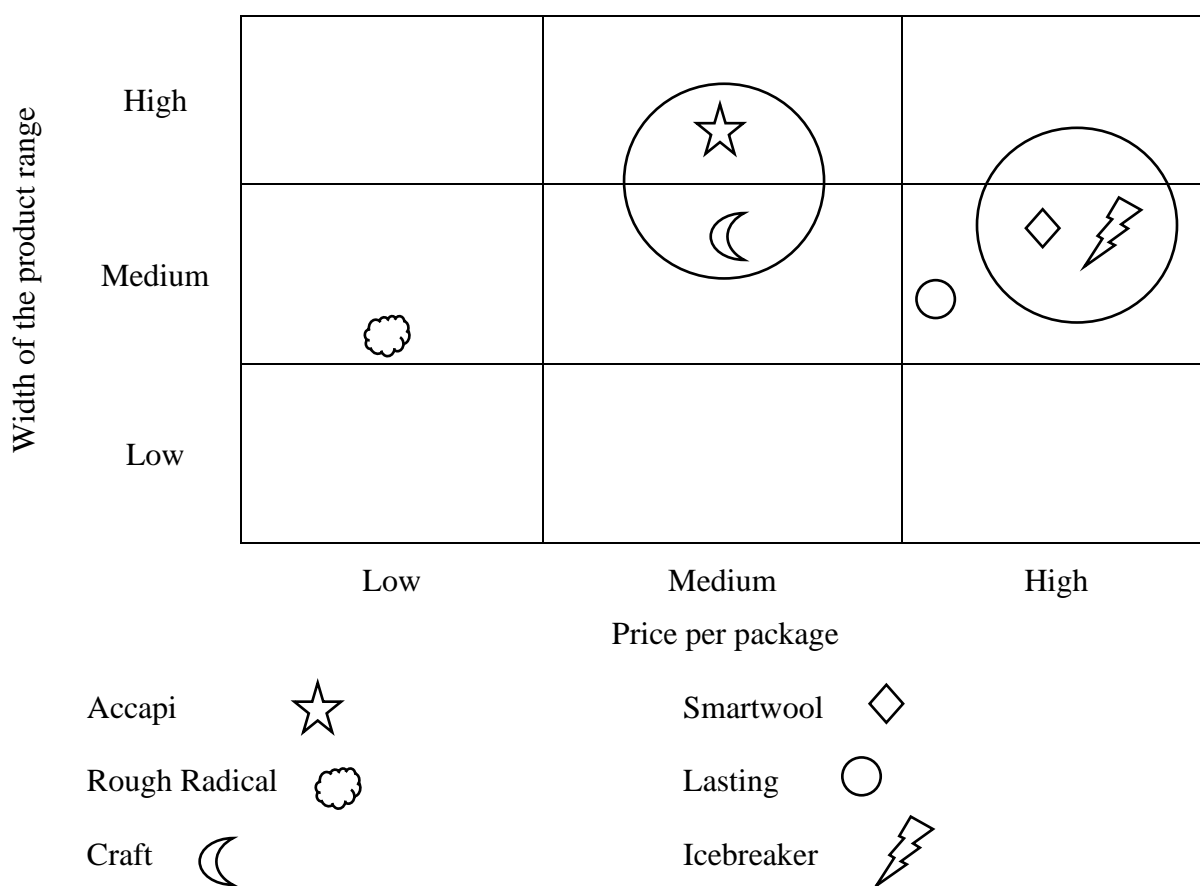


Figure 2.3.1. Map of strategic competitor groups in the Ukrainian confectionery market
Source: Compiled by the author based on the data [62-67]

Based on the map of strategic groups of competitors can be seen that the company Accapi is in the same strategic group as Craft, which means that Craft is the closest competitor to Accapi. Further analysis is made by comparing the two companies in terms of different parameters. In this case, the analysis is made on the basis of two previously selected parameters, price criteria, and the width of the product range. The comparison of

the two companies, Accapi and Craft, is presented in Tables 2.3.2 and 2.3.3. The results show that Craft outperforms Accapi in terms of price criteria. However, Accapi has an advantage over Craft in terms of the width of its product range.

Table 2.3.2

Ten-point score assessment table

Parameter	Scale of points										
	0	1	2	3	4	5	6	7	8	9	10
Width of the product range						☾	★				
Price per package							★	☾			

Source: Compiled by the author

The Table 2.2.3 presents a zero core scale, which involves comparing competitors in relation to the company being analyzed. This rating scale allows for a relative assessment of competitors based on specific criteria. The purpose of this approach is to understand the strengths and weaknesses of competitors relative to the company and to identify areas in which the company may have a competitive advantage.

Table 2.3.3

Zero core scale

Parameter	Scale of points										
	-5	-4	-3	-2	-1	0	1	2	3	4	5
Width of the product range					☾	★					
Price per package						★		☾			

Source: Compiled by the author

Table 2.3.4 was developed to assess the competitive position in more detail. It compares competitors in the same strategic group, namely Accapi and Craft, according to the other 6 indicators. Among the parameters for comparison are the availability of own production

technologies, the presence of goods made of unique fabrics, the availability of additional accessories, collaborations with different brands and opinion leaders, presence in international markets, and brand awareness in the Ukrainian market. From the analysis, it is clear that Accapi has a significant advantage over its competitor due to its own production technologies and unique fabrics. At the same time, it scores poorly in the categories of international market presence and availability of additional accessories.

For clarity, the parameters mentioned in Table 2.3.4, as well as their evaluations, are presented as a diagram in Figure 2.3.2.

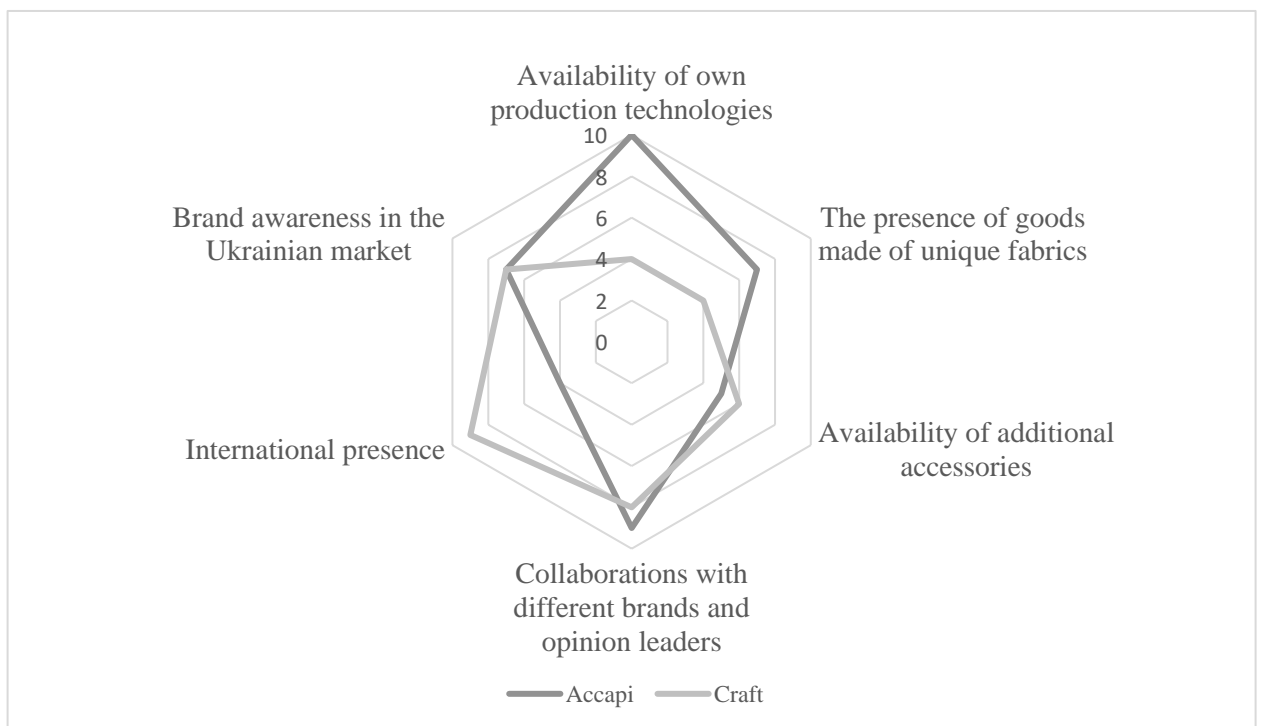


Figure 2.3.2. The polygon of competitiveness of Accapi and Craft in the Ukrainian thermal underwear market

Source: Compiled by the author based on the data [62, 63, 65]

After conducting a competitive analysis, it was found that the thermal underwear market has a lot of companies with differing positions. However, Craft was identified as Accapi's closest competitor. The analysis revealed that Accapi has a competitive edge over Craft, particularly in manufacturing capabilities and unique fabrics. Nonetheless, Accapi still needs to focus on expanding its presence in international markets and offering a wider range of accessories to better compete in the industry. Overall, this analysis provides valuable insights for Accapi to improve its competitive position in the marketplace.

Chapter 2 conclusions

The thermal underwear market in Ukraine is affected by various factors that present both threats and opportunities. The main threats to the market include war in Ukraine, economic instability, logistics issues, a large number of competitors, high barriers to entry, and high consumer power. On the other hand, the opportunities include accelerated entry into the EU, recovery of import levels, increased thermal underwear sales, and initiatives to support the Ukrainian economy.

For the company to thrive in this market, it needs to develop a competitive advantage, create a unique value proposition, and adapt to changing consumer preferences. One of the significant opportunities for the company is the presence of potential customer segments. Therefore, the company must identify these segments and tailor its marketing strategies to appeal to them. It should also continuously monitor the market and adapt to any changes in consumer preferences to stay ahead of the competition.

When comparing the company's competitors in the same strategic group, it is evident that Accapi has a significant advantage due to its own production technologies and unique fabrics. However, it scores poorly in categories such as international market presence and availability of additional accessories. Therefore, the company should consider expanding its product line by introducing additional accessories to appeal to customers who value

them. It should also focus on improving its international market presence to remain competitive.

In conclusion, while the Ukrainian thermal underwear market presents various threats and opportunities, the company can capitalize on the opportunities by developing a competitive advantage, creating a unique value proposition, and adapting to changing consumer preferences. It should also focus on expanding its product line and improving its international market presence to remain competitive.

CHAPTER 3 DEVELOPMENT OF A PROMOTION STRATEGY FOR THE ITALIAN COMPANY ACCAPI

3.1 Consumer behaviour in the Ukrainian thermal underwear market

In order to develop a positioning strategy for Accapi, it is necessary to conduct a detailed market analysis and determine its position compared to its competitors. A lot of information can be obtained from various sources, such as studies, articles, news portals, etc. However, information related to consumer preferences and needs, their pains and behaviour requires surveys, focus groups, in-depth interviews, etc. These factors require constant research, as they can change rapidly depending on the environment. In this regard, a survey was conducted among the population of Ukraine to identify the specifics of Ukrainians' behaviour when buying thermal underwear, which will help determine the appropriate positioning strategy for Accapi.

Before conducting a survey, it is important to formulate hypotheses and research questions. They define the purpose and direction of the research and help to focus on the most important aspects.

To formulate research questions, it is necessary to analyse the relevant literature, identify key issues and trends that affect the research topic. The next step is to define the objectives of the research and the main questions to be answered based on its results. From this point of view, hypotheses can help to clarify the main questions and increase the accuracy of the research.

Formulating the proper research questions is a key step in any research. This task not only helps to create a clear research plan but also helps to focus on the main aspects to be studied. Failure to formulate the questions correctly can lead to insufficient data or a misunderstanding of the research results. The research questions were identified as follows:

- What do Ukrainians use thermal underwear for?

- How often do people buy thermal underwear?
- How do people usually buy thermal underwear?
- What factors are important when choosing thermal underwear?
- Where do Ukrainians usually buy thermal underwear?
- How much money are they willing to spend on a set of thermal underwear?
- What brand of thermal underwear do they usually buy?
- Do people use Accapi brand products and if so, what is their opinion of them?

Before starting the research, several hypotheses were formed about consumer behaviour in the Ukrainian market during the war:

- Hypothesis on consumer motivation: during the war in Ukraine, consumers changed their priorities and began to buy thermal underwear to protect themselves from the cold in winter during power outages.
- Hypothesis about factors influencing the purchase decision: during the war, the focus should have shifted from environmental sustainability and material innovation to product quality and ease of use.
- Hypothesis about the price of the product: since the war has a significant impact on the income of Ukrainians, it can be assumed that people will try to save money and this trend will continue even when choosing thermal underwear.
- Hypothesis about the place of purchase: An increase in the number of online stores selling thermal underwear and a shift in consumer preferences towards online shopping.

In addition to the above hypotheses, this paper aimed to check how familiar Ukrainians are with the Accapi brand and what they think of it.

The full questionnaire and its translation are presented in the Appendices.

During the course of the study, a total of 60 people were interviewed. Of these respondents, 60% were women and the remaining 40% were men. Interestingly, the majority of the interviewees reported that their income was sufficient to meet their basic

needs, or even higher. Moreover, it was found that a significant proportion of the respondents (80%) indicated that they use thermal underwear.

By delving deeper into the consumer behavior of the thermal underwear market, several interesting trends were discovered. These trends are worth noting, as they provide insights into the preferences and behaviors of the target market. Through this information, the company can adjust their marketing strategies to better target their audience and increase sales. Ukrainians use thermal underwear for everyday use. Active leisure came in second place. And last is sports. Figure 3.1.1 shows the results of the survey on this question.

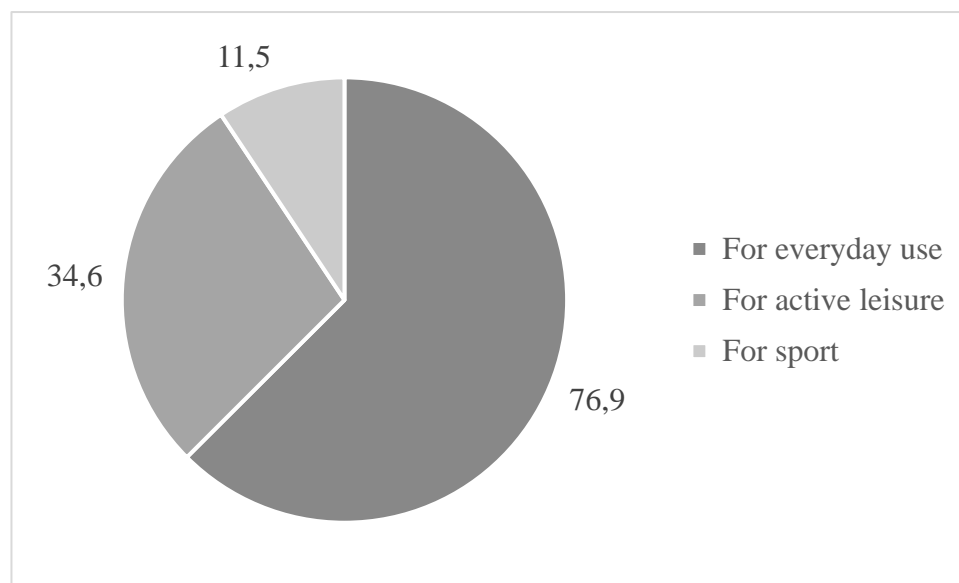


Figure 3.1.1 Survey results on the reasons of using thermal underwear by Ukrainians, %

Source: Compiled by the author based on the survey results

Ukrainians buy thermal underwear once every few seasons or even more rarely. This indicates that the product is a long-lasting item and the company should have additional accessories and offers to ensure that demand remains at a high level. Figure 3.1.2 shows the findings of the survey.

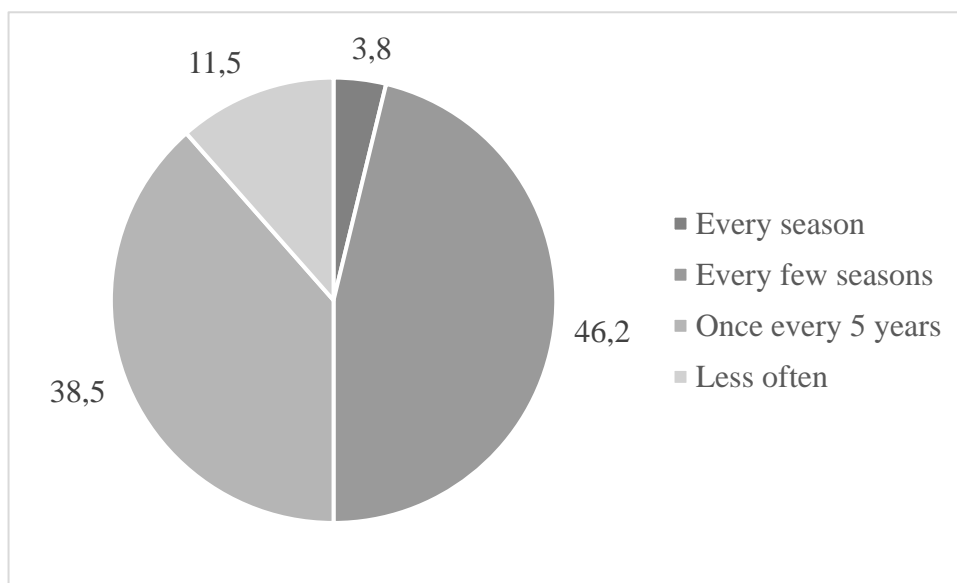


Figure 3.1.2 Survey results on the frequency of thermal underwear purchases by Ukrainians, %

Source: Compiled by the author based on the survey results

Most often, thermal underwear is bought as a set. In other words, Ukrainians buy both trousers and a top at the same time. The second place was taken by 38.5% of respondents who bought trousers more often. The reasons for this need to be investigated separately. Figure 3.1.3 shows the findings of the survey.

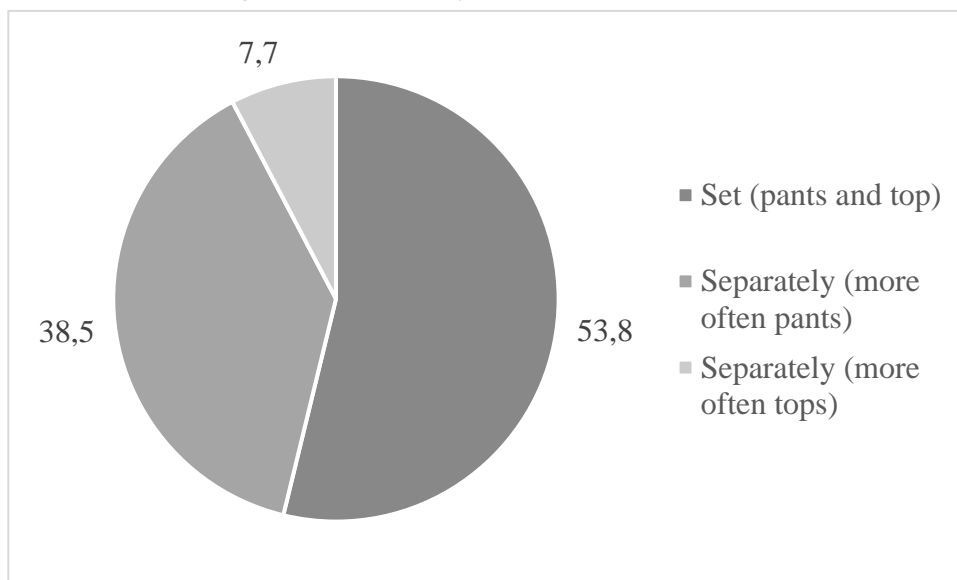


Figure 3.1.3 Survey results on the peculiarities of buying thermal underwear by Ukrainians, %

Source: Compiled by the author based on the survey results

In terms of factors, Ukrainians have indicated that the material, quality, and comfort of thermal underwear are the most important factors they consider when choosing this type of clothing, according to the survey results. On the other hand, the country of origin and brand are considered the least important. Additionally, Ukrainians place value on price, discounts, and special offers when making their purchase decisions. The thermoregulation and water-repellency of the product are also significant factors for Ukrainians. Figures 3.1.4 and 3.1.5 illustrate the study's findings, which were based on a question that asked respondents to rate the importance of these factors on a scale of 1 to 5 (1 being not important at all, and 5 being very important).

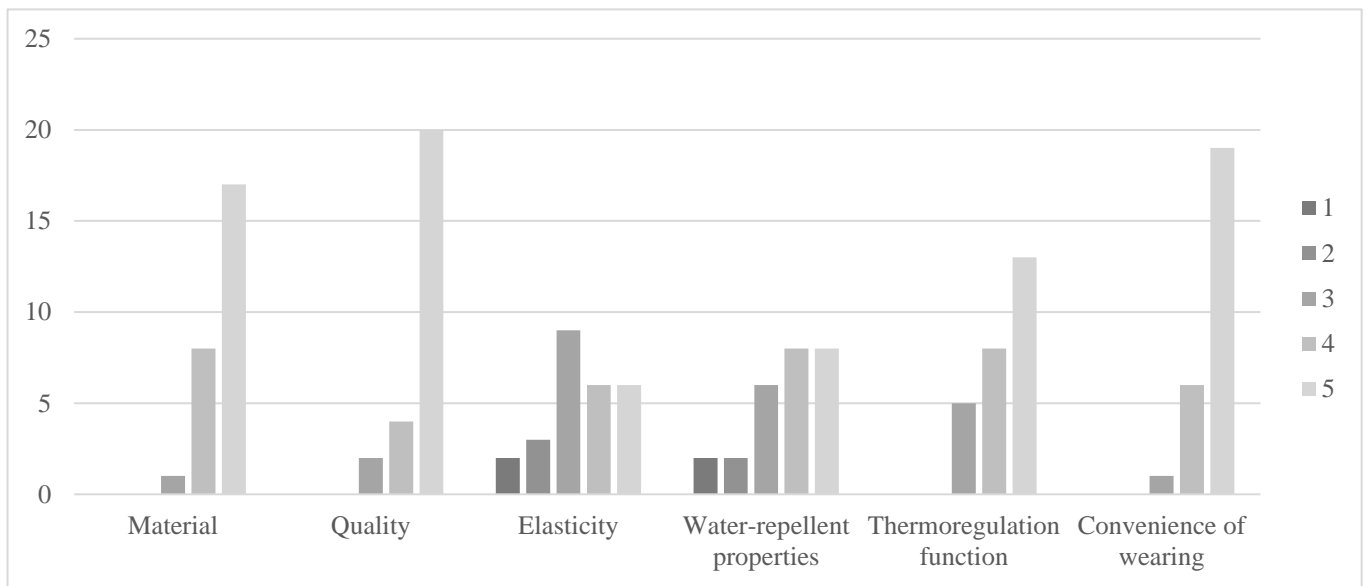


Figure 3.1.4 Survey results on the factors considered by Ukrainians when buying thermal underwear

Source: Compiled by the author based on the survey results

Figure 3.1.5 shows the second part of the factors. For the convenience of presentation, all the factors have been divided into two graphs.

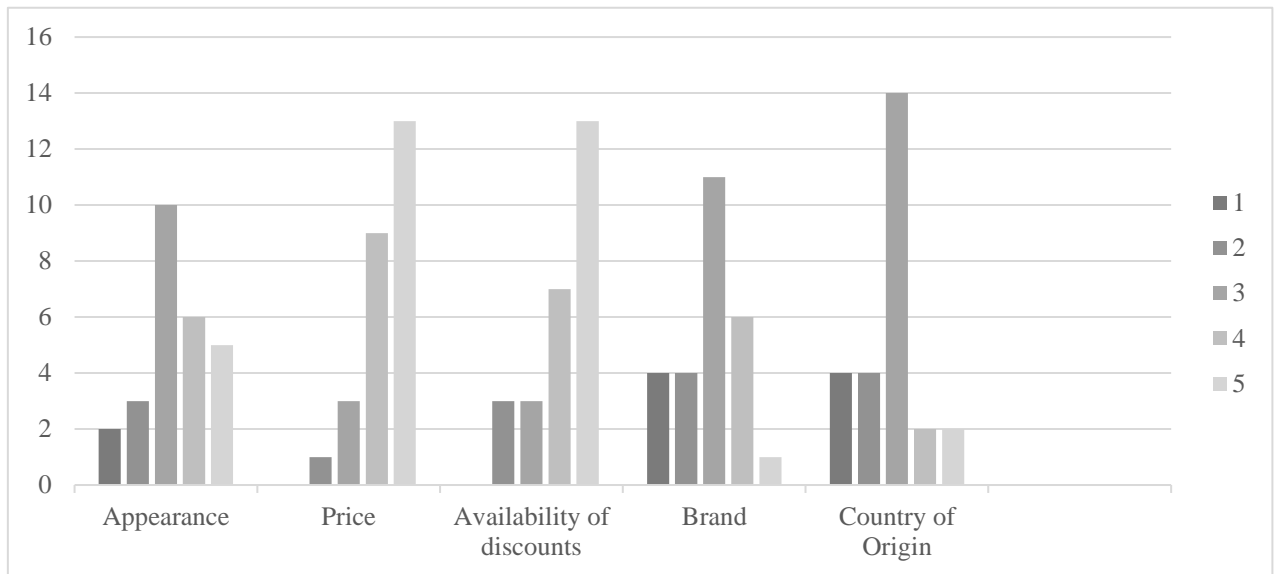


Figure 3.1.5 Survey results on the factors considered by Ukrainians when buying thermal underwear

Source: Compiled by the author based on the survey results

The survey revealed mixed opinions on the preferred place of purchase for thermal underwear among the respondents. 53,8% of the surveyed individuals favored online purchasing, whereas the other half preferred to buy from a physical store. However, it is noteworthy that a significant portion of respondents who purchase thermal underwear online stated that they tend to check out the products in a physical store before making their final purchase decision. Therefore, the company must not only consider selling their products through authorized dealers but also through physical outlets.

These findings highlight the importance of providing a multichannel shopping experience for customers. The company must ensure that they have a strong online presence, including a user-friendly website and a seamless e-commerce platform. At the same time, they should also maintain a physical retail presence in locations where their target customers are likely to visit. By having a presence in physical stores, the company can provide customers with the opportunity to see, touch and feel the products before making a purchase decision. Additionally, having a physical store can also help the

company build brand awareness and loyalty, and provide an additional touchpoint for customer service and support.

Figure 3.1.6 shows the percentage split of Ukrainians' habits in terms of the place of purchase of thermal underwear.

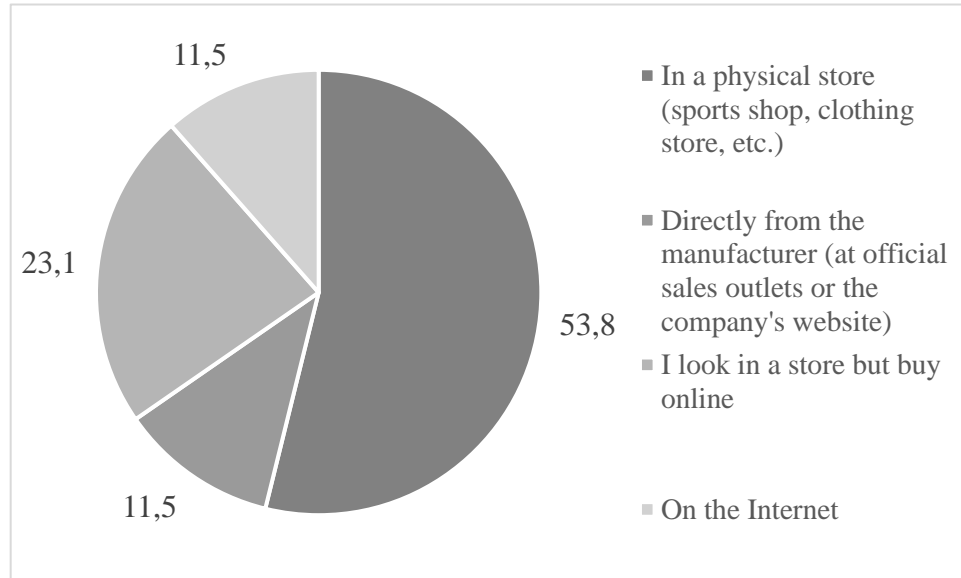


Figure 3.1.6 Survey results on the place of purchase of thermal underwear by Ukrainians, %

Source: Compiled by the author based on the survey results

The next step in the research was to determine how much Ukrainians are ready to spend on a set of thermal underwear. The survey showed that 50% of respondents are willing to spend between UAH 1000-3000. Another 26.9% are ready to spend between UAH 3001-6000. This indicates that Ukrainians are ready to settle for an average price level. This is most likely due to Ukrainians' search for high quality, which can be reflected in the price. Figure 3.1.7 shows the results of the research.

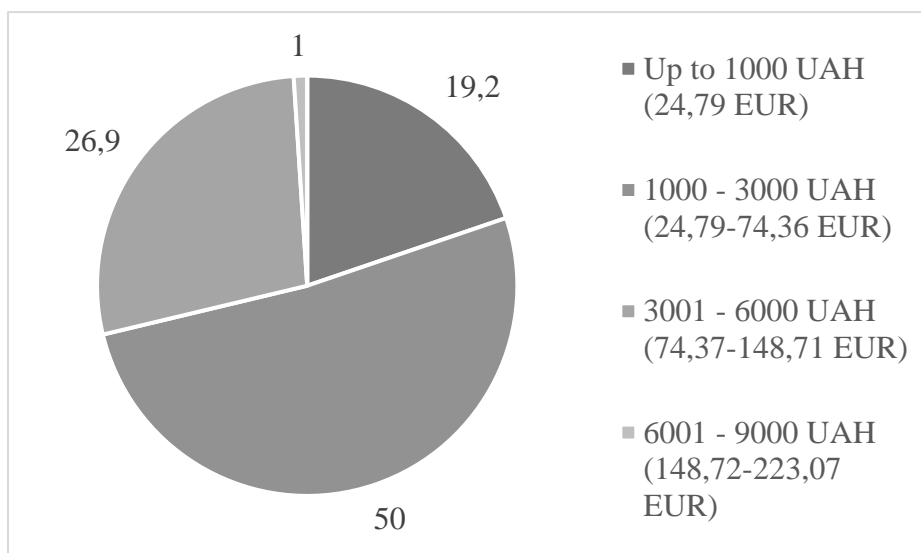


Figure 3.1.7 Survey results on the amount of money Ukrainians are ready to spend on thermal underwear, %

Source: Compiled by the author based on the survey results

34.5% of respondents do not know or do not remember the brand of thermal underwear they use. This confirms the previously mentioned hypothesis that the brand does not play a decisive role in the purchase of this type of product. Among the other brands, the votes were almost evenly distributed, with Craft and Rough Radical slightly ahead. Figure 3.1.8 shows the percentage distribution of thermal underwear of the main market players used by Ukrainians.

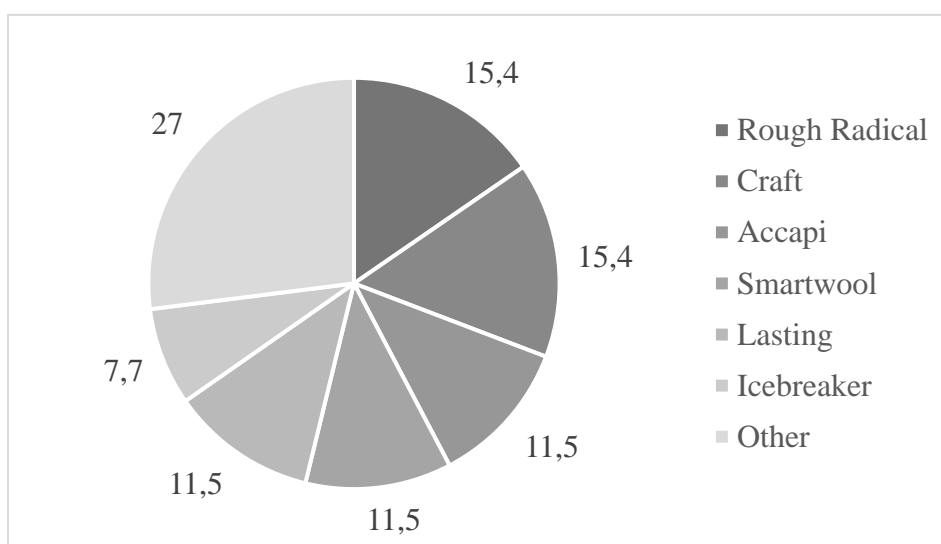


Figure 3.1.8 Results of the survey on which brands of thermal underwear Ukrainians use, %

Source: Compiled by the author based on the survey results

About 50% of respondents have never heard of the Accapi brand, and among the remaining 30.8%, they have heard of the company but have never used the brand's products. This suggests that the marketing efforts of the company were not effective in creating brand awareness among the target audience. Figure 3.1.9 represents the results of the survey.

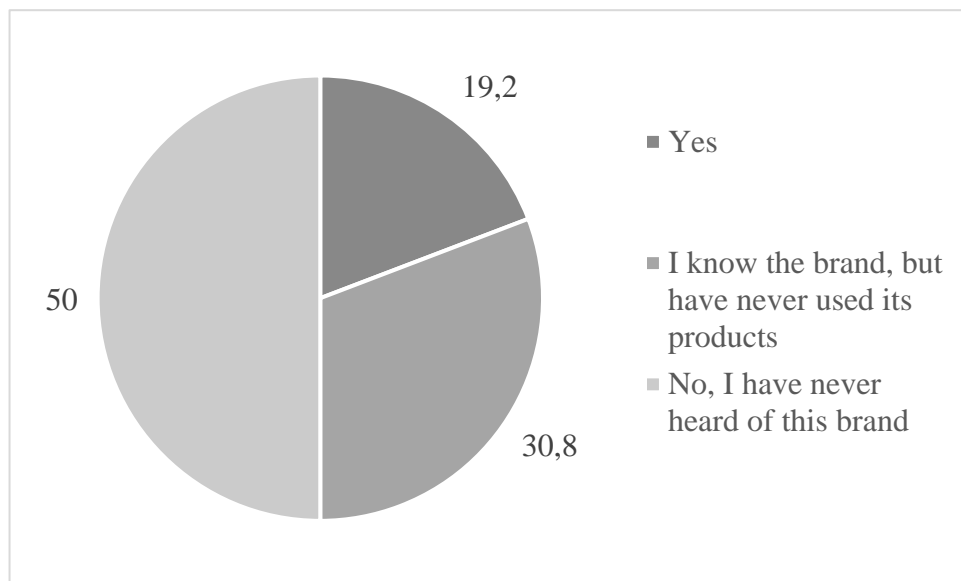


Figure 3.1.9 Results of the survey on the awareness of the Accapi brand among Ukrainians, %

Source: Compiled by the author based on the survey results

According to the feedback gathered from consumers who have used products of the Accapi brand, the primary characteristic that stands out is the quality of the product, closely followed by the lightness of the material used. Customers have expressed their satisfaction with the brand's ability to produce high-quality thermal underwear that is both comfortable and lightweight.

Thus, the hypotheses formed at the beginning were only partially confirmed during the research. For instance, the hypotheses regarding the place of purchase and price were not confirmed. The survey showed that consumers prefer to buy thermal underwear in physical stores. And even if the final purchase is made online, more people are still

inclined to come to the point of sale before making a final decision. Thus, it makes sense for Accapi to maintain physical stores and also sell its products in other retail outlets. As for the price, it was initially hypothesized that Ukrainians would be willing to spend only a minimum amount of money on such a product as thermal underwear. However, the study showed that Ukrainians are still willing to buy thermal underwear at an average price. This may indicate that Ukrainians associate the price of a product with its quality. And that is why they do not want to buy the cheapest products, as this may indicate their short product life, poor quality, etc.

After researching and identifying major market trends, it is crucial to understand which specific group of consumers the promotion campaign will be intended for. Therefore, market segmentation is a crucial step that involves dividing the market into groups of consumers with similar characteristics based on specific criteria. Since the goal is to attract end-users rather than distributors, the B2C market must be taken into consideration. As a result, it is recommended to focus on micro-factors when selecting segmentation criteria.

In this case, the potential customers were classified based on two parameters: income level and motivation to purchase. Regarding income level, four distinct groups were identified: individuals with low, middle, upper middle, and high income. It is important to note that due to the ongoing war in Ukraine, income levels may change, and it is likely that they will decrease significantly during this time. As for purchase motivation, three distinct segments were identified: those who purchase thermal underwear for everyday use, those who purchase it for active leisure, and those who purchase it for sports activities. By segmenting the market based on these factors, it is possible to tailor the promotional campaign to effectively reach each specific group of consumers and increase the chances of success. The data regarding market segmentation by two parameters is presented in Table 3.1.1.

Table 3.1.1

Segmentation of the Ukrainian thermal underwear market

Segmentation criterion	Segments
Income	Low income (under 10 000 uah (300 euro))
	Middle income (10 000 - 30 000 uah (300-900 euro))
	Upper middle (30 001 – 50 000 uah (901 – 1 500 euro))
	High income (higher than 50 000 uah (1 500 euro))
Buying motivations	For everyday use
	For active leisure
	For sport

Source: Compiled by author

Next, to determine the attractiveness of the identified segments specifically for the studied company, it is necessary to evaluate them according to different parameters. To assess the segments by revenue, it was decided to analyse them in terms of the products they buy, frequency of purchase, and purchase motives. To evaluate the segments in terms of purchase motivation, criteria such as price sensitivity, the importance of accessories, brand value, and brand loyalty were chosen. The results of the analysis are shown in Tables 3.1.2 and 3.1.3.

Table 3.1.2

Preliminary assessment of “income” segments attractiveness

Parameter	Low income	Middle income	Upper middle income	High income
Product type	Basic set (top and pants)	Basic set (top and pants)	Set (top and pants) with additional material features and accessories	Special set (top and pants) with unique fabric and technology and accessories
Frequency of buying	Every 5 years or less often	Every few years	Every few years	Every season

Parameter	Low income	Middle income	Upper middle income	High income
Motivation for buying	To stay warm in cold winters, spend less on heating, etc.	To stay warm in cold weather or for active leisure	To stay warm in cold weather or for active leisure/ sometimes for sport	For active leisure or sport. May buy because of fashion trends

Source: Compiled by author

Table 3.1.3 displays an evaluation of the segments that were identified based on the purchase motivation segmentation. The table shows how different segments of consumers are characterized by various purchasing motives and how these motives are related to their purchasing behavior.

Table 3.1.3

Preliminary assessment of “buying motivations” segments attractiveness

Parameter	For everyday use	For active leisure	For sport
Price sensitivity	Willingness to pay more for a quality product that will last longer but not ready to pay more for any additional features	Willingness to pay more not only for a quality product but also for additional benefits from the product (water-repellent properties, etc.)	Willingness to pay more for a quality product that will last longer
Importance of the accessories	Don't need them	May buy but it's not crucial for them	Very important
Importance of brand value	Low	Medium	High
Brand loyalty	Low	Medium	High

Source: Compiled by author

After segmenting the market and analyzing each group from different perspectives, more detailed conclusions can be drawn about potentially attractive segments. In the case of Accapi, which specializes in the production of thermal underwear, the most attractive consumers are middle- and slightly upper-middle-income consumers who use thermal underwear for everyday use or outdoor activities. Since Accapi focuses on producing high-quality thermal underwear, these consumers may become the company's most likely customers. In addition, the company may also be able to expand its opportunities in the future by targeting the segment of consumers who use thermal underwear for sports, such as athletes, climbers, and other active people who need high-quality equipment.

3.2 Developing a promotion strategy for Accapi

Promotion strategy is a critical aspect of any business that seeks to market and sell its products or services. It involves identifying the target audience, creating a message that resonates with them, and selecting the appropriate channels to reach them. A well-executed promotion strategy can help a business create brand awareness, attract potential customers, increase sales, and ultimately, achieve its business objectives.

Before proceeding to develop a promotional strategy and methods for achieving the goal, it is important to establish specific objectives for the company. The SMART method is a useful approach for creating these objectives. Using this method, a main goal was developed for Accapi to achieve a 15% increase in brand awareness within the next 6 months by implementing a social media advertising campaign targeting Ukrainian consumers and improve the company's online presence with the help of Google advertising. But since promotion is a complex activity, and brand awareness is a broad concept, the objectives can be specified and highlighted several. Therefore, the promotion strategy for Accapi can focus on achieving the following goals:

- Increase website traffic by 25% within the next six months through targeted online advertising and search engine optimization (SEO) strategies

- Increase social media engagement by 20% within the 3 months by launching a social media campaign that includes daily posts, user-generated content, and influencer collaborations
- Increase brand mentions on relevant blogs and websites by 30% within the next six months by reaching out to bloggers and influencers in the industry and building relationships with them
- Increase Facebook followers by 20% within the next 6 months by creating engaging posts, running contests, and advertising on the platform
- Increase Instagram engagement by 25% within the next 6 months by posting high-quality photos, utilizing Instagram Stories, and running giveaways
- Increase website traffic from Google Ads by 30% within the next 3 months by optimizing ad targeting and bidding strategies
- Increase customer retention by 20% within the next 12 months by implementing a loyalty program that rewards frequent purchases and offers exclusive discounts and promotions to members
- Generate a 15% increase in sales within the next 6 months by launching a promotional campaign that offers a free gift or discount to customers who purchase over a certain amount
- Etc.

The recommended marketing strategy for Accapi in the Ukrainian thermal underwear market is to use a combined strategy that involves various tools and sales channels to achieve maximum efficiency and success in promoting the product. The research shows that half of all thermal underwear buyers in Ukraine prefer to purchase products online, indicating that the company needs to have a strong online presence. To achieve this, the company should consider improving its website, promoting itself on Google, and using social media platforms such as Facebook, Instagram, YouTube, and TikTok to increase market awareness and expand its customer base.

Over the past year, Ukraine has seen a significant increase in social media users. According to a study by GlobalLogic, the number of users in 2021 was about 60%, while in July 2022 this figure increased to 76.6%. This shows that social media is becoming an increasingly popular source of information among Ukrainians.

According to the study, the most informative social networks are Telegram, which is used by 66% of users, YouTube - 61%, and Facebook - 58%. YouTube has more than 28 million registered Ukrainian users, Instagram - more than 16.1 million, and Facebook - 15.45 million. In addition, TikTok has more than 10.55 million Ukrainian users. Thus, social media can be a powerful tool for promoting business in Ukraine, in particular for increasing the awareness of a company and its products among a wide range of users [69].

To maximize the effectiveness of a social media campaign, Accapi can use various marketing tools, such as videos, banner ads, targeted advertising, and others. In addition, it is important to pay attention to raising customer awareness of the brand and product, which is achieved through advertising campaigns and public relations.

Company Accapi which already has social media pages should consider creating separate pages for Ukrainian consumers. This will be a key element of success in the market, as communicating with Ukrainian consumers in their native language and showing relevant products with their benefits will ensure the company's popularity among locals. Currently, the company's social media platforms feature sporting events and brand ambassadors, but for the Ukrainian market, the company should focus on the new needs of Ukrainians for thermal underwear. According to the study, Ukrainians prefer comfortable and practical clothing for everyday use to keep warm in the cool season. Thus, the company's social media should reflect the convenience and practicality of the products in everyday use.

To further enhance their reputation among Ukrainian consumers, it is suggested that the company involve local figures, volunteers, and military personnel. The promotion of national patriotism and support for the Ukrainian military can create a favorable image for the company in the eyes of Ukrainian consumers. However, the focus of advertising

campaigns should not solely revolve around military issues, as this may come across as insensitive or inappropriate.

In Ukraine, companies cannot maintain a completely neutral position in the business world and must demonstrate their stance on political, social, environmental, and cultural issues. It is crucial that these positions are transparent and understandable to customers, and that they are supported by actions that benefit people.

To increase brand awareness, the company can showcase how their products can be used in the context of war and uncertainty. This can provide added value for customers and draw attention to the brand. However, it is important to approach this topic with sensitivity and respect towards those who have been affected by conflict.

When it comes to price the average price category of the company's products may be an obstacle for a certain group of customers, the development of promotions, such as discounts, promotional code systems, loyalty programs for regular customers, gift drawings, and others, will help attract the attention of a wider audience of Ukrainians. The website of Accapi's official dealer in Ukraine has a section on discounts, but it is not sufficiently organized, as not all products have a discount for the product and how much the consumer can save. This can mislead customers and reduce their desire to buy the company's products. Therefore, in order to increase the effectiveness of promotions, the company should improve the organization of the "Discounts" section on its website so that customers can quickly and easily find the necessary information about promotions and discounts on goods.

Increasing market awareness can also be achieved through Google advertising, which allows to attract customers through search queries and show them ads when they search for relevant products or services. According to Google Trends, over the past year, the number of search queries for "thermal underwear" and similar ones, such as "winter thermal underwear", "men's thermal underwear", "underwear for men", "women's thermal underwear", etc. has increased significantly. The figures for similar queries in Russian have also increased. If we compare the number of searches for "thermal underwear" in

September 2023 with the figures for the previous year, they increased 33.5 times. Thus, advertising on Google will also allow Accapi to increase brand awareness [69].

Google advertising will be a powerful tool for Accapi, which could be used in many different ways. For example, the aforementioned queries for thermal underwear, which have gained popularity over the past year, can be used to display Accapi's ads on the first page of Google search results. This way, the company can achieve greater visibility and attract new customers.

With the help of Google advertising, Accapi can also increase its popularity and brand awareness. When potential customers see a company's ad on the first page of search results, they get the impression that it is a trusted and professional company that can meet their needs. In addition, if a company demonstrates its expertise and the quality of its products or services in advertising, it can influence a customer's decision to buy them.

Given the growing popularity of online shopping and the increasing number of people searching for products and services online, Google advertising is an important tool for promoting a business in the online environment. It can help Accapi to attract new customers, increase its sales, and raise its visibility in the market.

Another approach Accapi could take to stimulate online sales is to use advertising from online dealers such as Rozetka, Prom.ua, Bigl.ua, and other similar platforms. Advertising on these platforms will allow the company to reach new customers who are actively searching for a particular product or service on the Internet. By leveraging online advertising through popular online dealers, Accapi can increase its sales and gain a competitive edge in the Ukrainian market of thermal underwear.

In addition, since the company has not only an online presence but also physical points of sale in Lviv, Dnipro, Vinnytsia, and a currently closed point of sale in Kyiv, promotions can be developed not only for online but also for offline marketing channels [64]. For example, advertising at the point of sale can attract the attention of potential customers who are close to the physical point of sale. In addition, Accapi can use outdoor advertising on building facades or signage, which can also attract the attention of passersby.

Additionally, a company can use the presence of physical points of sale as an advantage in an advertising campaign. For example, by using a network of advertising banners at points of sale, you can attract the attention of customers who are looking for goods or services online but may be more inclined to buy in stores because of the feeling of safety and reliability. On the contrary, the opportunity to come to the store and try the product will help consumers make their final choice and make a purchase online. In any case, this will lead to an increase in demand for Accapi products.

After implementing all or part of the above promotion methods, it is important that the company systematically monitors and analyzes the results of its campaign. To do this, it is necessary to develop a system of key performance indicators that will enable the company to quantify the effectiveness of the measures taken. By analyzing these indicators, the company will be able to identify weaknesses in its strategy and adjust its actions in time to achieve better results.

The following general performance indicators can be used for these campaigns:

- The number of potential customers who became active clients. This metric indicates how successful the campaign was in attracting new customers
- Customer retention rate. This metric indicates how successfully the campaign retained its existing customers and prevented their loss
- Sales and profit. These metrics indicate how successful the campaign was in increasing sales and generating more revenue
- Number of requests and conversions. These metrics indicate how successful the campaign was in converting leads into active customers
- The level of customer feedback. This indicator shows how satisfied customers are with a product or service
- Percentage of repeat purchases. This indicator shows how successfully the campaign was able to attract customers to repeat purchases

- Cost per customer acquisition. This indicator shows how much it costs a company to attract one new customer
- Level of brand awareness. This indicator shows how successful the campaign was in raising brand awareness among the target audience

[1-18]

It is also possible to use more specific indicators to measure the effectiveness of social media advertising, such as

- Number of views: This is a metric that indicates how many times an ad has been viewed by users on social media. This metric can be important for estimating the potential audience that has seen the ad
- Click-through rate (CTR): This metric indicates how many times users clicked on an ad to go to a website or product page. This is an important indicator that helps measure the level of audience interest and the effectiveness of advertising
- Cost per click (CPC) is the cost per click on an ad. This indicator indicates how effectively an advertisement arouses the interest of users
- Cost per thousand impressions (CPM) is the cost of advertising per thousand impressions. This indicator indicates the efficiency of using the budget for an advertising campaign
- Conversion: This is a metric that indicates how many times users performed a desired action after going to a website or product page through an ad. This can include buying a product, filling out a form, or subscribing to a newsletter.
- Cost per conversion is the cost of one conversion on a website. This metric indicates how effective advertising is at driving desired actions at a relatively low cost
- Profit: This metric indicates how much profit was generated as a result of the advertising campaign. This can include revenue from product sales, increased followers, or increased brand awareness

- ROI (return on investment): This is a measure of the ratio between profit and advertising costs. It allows you to measure the effectiveness of an advertising campaign and understand whether it was profitable for the company

[1-18]

It is clear that most of these indicators need to be considered in the dynamics, comparing them with previous data. However, there are a number of indicators that are better specified by providing formulas for their calculation. For convenience, these indicators and the formulas used to calculate them are presented in Table 3.2.1.

Table 3.2.1

Performance indicators of the promotion strategy proposed for Accapi

Parameter	Units of measurement	Formula for calculation
Click-through rate	%	$\frac{Clicks}{Impressions} * 100$
Cost per click	Money (UAH, EUR, etc)	$\frac{Total\ cost\ of\ ads}{Total\ number\ of\ clicks}$
Cost per conversion	Money (UAH, EUR, etc)	$\frac{Total\ cost\ of\ ads}{Total\ number\ of\ conversions}$
Cost per 1000 impressions	Money (UAH, EUR, etc)	$\frac{Total\ cost\ of\ ads}{Total\ number\ of\ impressions} * 1000$
Cost per customer acquisition	Money (UAH, EUR, etc)	$\frac{Cost\ of\ Sales + Cost\ of\ Marketing}{New\ customers\ aquired}$
ROI	%	$\frac{Amount\ gained - Amount\ spent}{Amount\ spent} * 100$
ROMI	%	$\frac{Revenue - Marketing\ expenses}{Marketing\ expenses} * 100$

Source: Compiled by author based on the data [1-18]

3.3 Economic effects of the chosen promotion strategy

The economic justification of the promotion strategy is very important. It helps businesses avoid risks and reduce the costs of advertising and other types of promotion that do not produce the expected results. It also helps businesses determine the optimal budget for promotion and how to allocate it between different types of promotion.

Moreover, the economic justification allows to evaluate the effectiveness of different promotion strategies and choose the most optimal one. It allows to analyze risks, identify important success factors, and make the right choice of advertising channels and media formats that will be most effective for the company.

Additionally, the economic justification of the promotion strategy allows the company to more accurately predict the level of sales and profit, which allows it to plan its own financial resources more efficiently. It also helps the company to track the effectiveness of its advertising campaign and adjust the strategy in time, which allows it to increase the effectiveness of promotion.

Thus, the economic justification of a promotion strategy is important for businesses, as it helps to reduce risks and promotion costs, choose the most effective strategy, predict sales and profit, and track the effectiveness of an advertising campaign.

As mentioned earlier, Accapi should launch advertising campaigns on Instagram, Facebook, and Google. All of these channels have their own advertising accounts that help businesses set up and manage their campaigns. Also, all accounts provide access to monthly reports, which is convenient for tracking the effectiveness of advertising. In addition, Instagram, Facebook, and Google advertising campaigns allow you to customize ads with precision to the location and interests of users, which allows you to effectively communicate with your target audience and maximize the effectiveness of your advertising campaign. It is worth noting that setting the budget at a level that allows you to collect data and track campaign performance helps to reduce risks and optimize advertising costs.

Thus, based on all of the above, the advertising budget will be the following amount:

The first month's expenses will only cover the salaries of 2 marketers. Exactly two because they have to work in a team. One will be responsible for developing the content plan and searching for materials, and the other will be responsible for the advertising itself.

The costs for the next two months will consist of the salaries of the two marketers, as well as the costs of advertising promotion of organic top posts. Assuming that during this period, each of these networks will promote 1 test ad per organic top post per week for 500 UAH for the entire duration of the campaign, which will last 3 days. Thus, it will be 4 campaigns per month with a total cost of 2000 UAH on Facebook alone and 6000 UAH on Facebook, Instagram and Google. This, in turn, will be 12000 UAH for two months.

In the next three months, the current trend should be maintained but with longer campaigns and a larger budget. If the company should add 3 main campaigns costing 500 hryvnias per day, then the monthly cost of this type of campaign will be 45 000 UAH in one network. This, in turn, will be 270 000 UAH for advertising for 3 months on Facebook, Instagram, and Google.

Table 3.3.1 presents a list of various promotional activities that have been previously mentioned in the text. These activities are depicted graphically over a period of time, which is illustrated by month. The table also indicates the start time and duration of each of the promotional activities.

Essentially, this table is a visual representation of the timing and duration of the various promotional activities, which can help to better understand and plan for the promotion strategy. The table allows readers to easily identify when each activity will begin, how long it will last, and how it fits into the overall promotion plan.

Table 3.3.1

Promotion activities planed by month

	1 st month	2 nd month	3 rd month	4 th month	5 th month	6 th month
Study of advertising accounts						
Content creation						
Test advertising campaigns						
Main advertising campaigns						

Source: Compiled by author

So, the advertising budget will consist of the following expenses:

- First month: salaries of two marketers to develop content and set up advertising campaigns. According to the largest online job search platforms in Ukraine, the average salary of a marketer in Ukraine is 22 000 hryvnias per month. Ukraine also has an 18% personal income tax and a 1.5% military duty. Thus, the salary costs per employee will be 26 290 UAH. Then the first month's expenses will be 52 580 UAH.
- The next two months: the salary of two marketers and the cost of advertising promotion of organic posts. It can be assumed that during this period, each of these networks will promote 1 test ad per organic top post per week for 500 UAH for the entire duration of the campaign, which will last about three days. Thus, the total cost of advertising will amount to UAH 6,000 per month on Facebook, Instagram, and Google. Thus, the costs for the next two months will be 105 160

UAH (salaries of marketing specialists) + 12,000 UAH (organic promotion costs) = 117 160 UAH.

- The next three months: adding three main campaigns costing 500 UAH per day, advertising promotion of organic posts, and salaries for marketers. The total cost of 500 UAH per day campaigns on one platform will be 15,000 UAH per month, and on three platforms – 45 000 UAH per month. Thus, the costs for the next three months will be 45 000 UAH * 3 months + 157 740 UAH (salaries of marketing specialists) + 18 000 UAH (organic promotion costs) = 310 740 UAH.

Table 3.3.2 shows all of the above costs for Accapi's social media and Google promotion.

Table 3.3.2

Costs for Accapi's social media and Google promotion

Parameter	Cost per month, UAH	Duration of use, months	Costs for the entire period, UAH
Salaries of 2 marketing specialists	44 000	6	264 000
Personal income tax	3 960	6	47 520
Military duty	330	6	3 960
Advertising promotion of organic posts	6 000	5	30 000
3 main advertising campaigns	45 000	3	135 000
Total			480 480

Source: Compiled by author

Thus, the total advertising budget for 6 months will be 52 580 UAH (first month) + 117 160 UAH (next two months) + 310 740 UAH (next three months) = 480 480 UAH.

Of course, this is only a rough estimate, and the actual cost may vary depending on many factors, such as market competition, changes in the company's internal policies, changes in consumer behavior, economic fluctuations, and other external factors. You should also keep in mind that advertising is a dynamic process, and unforeseen situations may arise during the campaign that may affect the budget and effectiveness of the campaign. Therefore, it is important to understand that the approximate budget calculation is only a general estimate, and the actual cost may vary depending on many factors.

Let's assume that starting from the fourth month, this advertising campaign will start to bring results and, for example, 3 cheapest sets of underwear will be purchased every day. For calculations, let's take a set of men's underwear of size M. On the Accapi website, men's thermal pants cost 1 785 hryvnias, and a men's long-sleeved thermal T-shirt costs 1995 hryvnias, so the total cost of this set will be 3 780 hryvnias. Thus, the company's income for the month will be 340 200 UAH before taxes. Thus, It can be seen that the monthly income exceeds the expenses. However, at the same time, we should not forget about the overall picture, which includes production costs, maintenance of the premises, as well as profits from the sale of other kits, accessories, and other company profits in general. Thus, these calculations are only indicative.

It is also worth calculating ROMI a metric used to evaluate the effectiveness of a company's marketing campaign. To calculate ROMI, the revenue generated by the marketing campaign is divided by the cost of the campaign. Calculating ROMI is important because it helps companies understand the return they are getting on their marketing investment. By comparing the ROMI of different marketing campaigns, companies can determine which campaigns are most effective and allocate their marketing budget accordingly. If we consider the profit generated by the proposed advertising campaign only in the last two months, which is estimated to be 680 400 UAH, ROMI would be 41.6% upon completion of the campaign. It is important to note that calculating ROMI accurately requires the tracking and attribution of revenue generated specifically from the marketing campaign, which can be challenging. Additionally, ROMI should not

be the only metric used to evaluate the effectiveness of a marketing campaign, as it does not take into account other important factors such as brand awareness and customer engagement.

Additionally, in subsection 3.2, the smart goals are defined. Once these goals are set, it is important to track and monitor progress towards achieving them. This is where calculating the level of achievement becomes important. Calculating the level of achievement of smart goals involves comparing the actual results achieved to the set goals. By calculating the level of achievement of smart goals, it becomes easier to determine what worked and what did not work in achieving the set goals. This information can then be used to make necessary adjustments and improvements to the marketing strategy in order to improve performance and increase the likelihood of achieving the set goals.

Accapi may also consider using additional promotion channels to achieve its goal in the future. For example, it could explore new social networks such as YouTube, TikTok, Telegram, or use point-of-sale advertising. Although these methods may be somewhat more costly, they have the potential to allow the company to achieve a greater reach of its target audience. The next step is to use these channels in the long run to ensure sustainable business growth and recoup all the costs of the advertising campaign. It's important to understand that the success of an advertising strategy will depend on the right approach to channel selection and analysis of results.

Chapter 3 conclusions

In the third section, a survey was conducted among the population of Ukraine to study consumer behavior in the Ukrainian market and identify the key factors that influence the purchase of thermal underwear. The main trends and features of consumption were identified and analyzed, which made it possible to develop practical recommendations for Accapi.

In particular, the study conducted on thermal underwear purchasing behavior in Ukraine revealed several interesting findings. Firstly, the research found that consumers prefer to buy thermal underwear in physical stores. However, before making the final purchase decision, most of them still visit the point of sale. This highlights the importance of providing customers with the opportunity to examine the product before purchasing it.

Furthermore, the study indicated that Ukrainians are willing to spend an average amount of money on thermal underwear. The average price level that Ukrainian consumers are willing to settle for is up to 6 000 UAH.

Ukrainians use thermal underwear mainly for everyday use, and they purchase it once every few seasons or even more rarely. It is also worth noting that most often, thermal underwear is bought as a set, meaning that Ukrainians tend to buy both trousers and a top at the same time.

Regarding factors that influence the purchase of thermal underwear, the study found that quality and comfort of use are the most important to Ukrainian consumers. The country of origin and brand are the least important factors. Ukrainians also value price, discounts, and special offers, as well as the thermoregulation and water-repellency of the product.

Taken together, these findings suggest that Accapi, as a producer of high-quality thermal underwear, should focus on providing a comfortable and high-quality product that is thermoregulated and water-repellent. Additionally, offering discounts and special offers could be an effective way to attract customers. Finally, as brand loyalty does not play a decisive role in the purchase of this type of product, Accapi may need to invest in effective advertising and promotional campaigns to increase brand awareness among Ukrainian consumers.

Based on the results of the research and market segmentation, a promotion plan was developed, including the launch of advertising campaigns on Instagram, Facebook, and Google and targeting middle- and slightly upper-middle-income consumers who use thermal underwear for everyday use or outdoor activities. The total budget for such

campaigns for 6 months is UAH 480 480. In addition, it is recommended to consider using other promotion channels, for example, other social networks such as YouTube, TikTok, Telegram, email marketing, influencer marketing, or using advertising at points of sale.

To enhance customer loyalty, Accapi could also consider implementing a loyalty program that rewards customers for their repeat business. This program could offer discounts, exclusive promotions, or other incentives to encourage customers to continue purchasing Accapi's products.

Overall, by using a combination of effective promotional strategies, competitive pricing, and customer loyalty programs, Accapi can increase brand awareness, attract potential customers, and retain loyal customers. These strategies can help the company achieve its business goals and remain competitive in the Ukrainian thermal underwear market.

CONCLUSIONS

The changing business environment, evolving consumer behavior, and supply chain disruptions caused by the military conflict in Ukraine have forced companies to quickly adapt to the new reality. The impact of the war on different markets can vary significantly: some industries are facing a decline, while others are gaining growth opportunities. For example, the market for thermal underwear grew in times of war due to the need for reliable protection against cold and moisture. Thermal underwear plays an important role in military environments as it provides essential protection for the military against extreme weather conditions that can affect their ability to perform their duties. It also provides additional protection against injury and harmful ultraviolet radiation. In addition, thermal underwear has become a necessary product for a large part of the Ukrainian population during the war, when people are looking for alternative ways to stay warm. This increased demand has given companies the impetus to develop in the market and differentiate themselves from competitors by developing a high-quality promotion strategy. Promotion helps companies attract more customers and increase turnover, which is especially important in a competitive market where many companies compete for customers' attention and money. Therefore, it is important to create a positive image in the minds of customers and provide them with quality service in order to build long-term relationships with them.

The initial section of this paper lays out the fundamental principles for constructing a promotion strategy. To define the concept of a promotion strategy, the research encompasses a wide range of works by prominent scholars such as P. Kotler, M. Porter, J. McCarthy, W. Stanton, G. Armstrong, S. Karpova, M. Turchenyuk, and others. Additionally, the paper provides a comprehensive overview of the necessary components, functions, and types of promotion strategies. Based on the research data, a series of stages necessary for successfully developing a promotion strategy was formulated.

Promotion is an integral aspect of any company's marketing efforts, which includes a variety of activities to communicate with consumers and achieve marketing goals. The most common promotion strategies are push, pull, and combined strategies, each with different tactics to create interaction between producers, distributors, and consumers in the market.

To create an effective promotion strategy, a company must go through several stages. First, it should define promotion goals that are aligned with its overall marketing objectives. Secondly, it is necessary to analyze the current market and company situation to identify opportunities and challenges, including a deep understanding of competitors' strengths and weaknesses, target audience, and consumer behavior. Once the target audience is identified, the most appropriate promotion strategy should be chosen based on the company's marketing goals, budget, product or service characteristics, and other factors. The selection process requires a thorough understanding of the strengths and weaknesses of each promotion strategy and how it aligns with the company's overall marketing goals. After selecting a promotion strategy, the company should allocate a budget for its implementation and create a system for evaluating the effectiveness of the strategy. The effectiveness of a promotion strategy can be measured by various indicators, such as sales volume, market share, brand awareness, and customer loyalty.

Therefore, a successful promotion strategy requires a comprehensive understanding of the market, target audience, and overall marketing goals of the company. Developing a promotion strategy involves several stages, including setting goals, analyzing the current market and company situation, identifying the target audience, choosing a promotion strategy, allocating a budget, and developing a system for evaluating the effectiveness of the strategy.

Having identified the main stages of forming a promotion strategy, the second and third sections of this paper are intended to follow a certain path to form a promotion strategy for the Italian brand Accapi in the Ukrainian market.

To develop an effective promotion strategy for Accapi, the second section of this paper is focused on analyzing the current state of the Ukrainian market, identifying opportunities and challenges, and understanding the target audience and their behavior. This analysis will help to determine the most suitable promotion strategy for Accapi's product line and marketing goals.

The Ukrainian thermal underwear market is a complex and challenging one, but also full of opportunities for companies that can navigate its unique environment. The ongoing war, economic instability, and logistics problems are just a few of the factors that pose threats to companies operating in this market. Additionally, the intense competition, high barriers to entry, and high power of consumers make it even more challenging to succeed. However, there are also opportunities that can help companies thrive in this market. One of the significant opportunities is the accelerated entry into the EU, which can increase the demand for thermal underwear, simplify customs procedures, reduce taxes, etc. and lead to increased sales. Moreover, initiatives to support the Ukrainian economy, such as the recent trade agreements, can further boost the market's potential. The recovery of import levels is also a positive trend that can benefit companies that are ready to seize the opportunity.

To succeed in this market, Accapi needs to develop a competitive advantage that distinguishes it from other players. The company's proprietary production technologies and exclusive fabrics give it a clear advantage in this respect. However, it should also consider offering additional accessories to attract customers who value them, as this is an area where it scores poorly when compared to its competitors. Furthermore, the company should focus on enhancing its international market presence, which can increase its visibility and help it stay competitive.

Identifying untapped customer segments and creating tailored marketing strategies that appeal to them is another critical factor in achieving success in this market. Accapi should continuously monitor the market and respond to changes in consumer preferences to

maintain its competitive edge. By doing so, the company can attract customers who are looking for something unique and differentiated from what its competitors are offering.

In the third section, based on the analysis conducted in the second section, as well as taking into account the unique characteristics of Accapi's products, budget, overall marketing objectives, etc. a promotion strategy for Accapi was developed. This strategy is incorporate one of the three primary promotion strategies (combined) and includes specific tactics and activities to reach and engage with the target audience effectively.

This section of the paper focuses on understanding consumer behavior in the Ukrainian market and identifying the key factors that influence the purchase of thermal underwear. To achieve this, a survey was conducted among the population of Ukraine. The findings of the survey revealed interesting insights that are useful for Accapi to develop practical recommendations.

The survey indicated that physical stores are the preferred channel for purchasing thermal underwear, with most consumers visiting the point of sale before making a purchase. This highlights the importance of providing customers with the opportunity to examine the product before making a final decision. Ukrainians are willing to spend an average amount of money on thermal underwear, with the average price level being up to 6 000 UAH. Also, the study found that Ukrainians use thermal underwear mainly for everyday use, and they tend to purchase it once every few seasons or even more rarely. The purchase of thermal underwear is most often made as a set, with both trousers and a top being bought at the same time. Quality and comfort are the most important factors that influence the purchase of thermal underwear, while the country of origin and brand are the least important factors. Ukrainian consumers also value price, discounts, and special offers, as well as the thermoregulation and water-repellency of the product.

Based on the findings of the research and market segmentation, a promotion strategy was developed for Accapi. Using the SMART method, the main goal was developed for Accapi to achieve a 15% increase in brand awareness over the next 6 months through a social media advertising campaign targeting Ukrainian consumers and to improve the

company's online presence through Google ads. This includes launching advertising campaigns on Instagram, Facebook, and Google, targeting middle- and slightly upper-middle-income consumers who use thermal underwear for everyday use or outdoor activities. The recommended budget for such campaigns for six months is UAH 480 480. Assuming that the profit generated by the proposed advertising campaign is limited to the last two months, with an estimated amount of 680 400 UAH, the ROMI would reach 41.6% by the end of the campaign. Other promotional channels that could be considered include other social networks such as YouTube, TikTok, Telegram, email marketing, influencer marketing, or advertising at points of sale. To enhance customer loyalty, Accapi could implement a loyalty program that rewards customers for their repeat business. The program could offer discounts, exclusive promotions, or other incentives to encourage customers to continue purchasing Accapi's products.

Overall, the combination of effective promotional strategies, competitive pricing, and customer loyalty programs can help Accapi increase brand awareness, attract potential customers, and retain loyal customers. These strategies can help the company achieve its business goals and remain competitive in the Ukrainian thermal underwear market.

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APENDIXES

Anex A

Research questionnaire in Ukrainian

<p>Вітаємо!</p> <p>Ми проводимо дослідження з метою виявити, що є наразі важливим для споживачів термобілизни в Україні. І саме Ви можете нам у цьому допомогти!</p> <p>Дане опитування витратить до 5 хвилин Вашого часу, проте натомість ми отримаємо цінну інформацію, яка допоможе нам для подальшої роботи. Зібрані дані є конфіденційними та не будуть розповсюджені в мережі Інтернет, тож ми будемо вдячні за Вашу щирість.</p>		
РОЗДІЛ 1		
1	Оберіть Вашу стать	<ul style="list-style-type: none"> • Чоловіча • Жіноча • Інше
2	Вкажіть Ваш вік:	<ul style="list-style-type: none"> • Молодше 18 років • 18-25 років • 26-35 років • 36-45 років • Старше 45 років
3	Оберіть характер Вашої зайнятості	<ul style="list-style-type: none"> • Працюю • Працюю та навчаюсь • Навчаюсь • Тимчасово незайнятий/безробітний • На пенсії
4	Оцініть свій дохід	<ul style="list-style-type: none"> • Не вистачає грошей на їжу • Достатньо грошей на їжу, але не вистачає на одяг • Достатньо грошей на їжу та одяг, але не вистачає на дорогі речі • Є можливість купити дорогу річ, але грошей вистачає не на все чого хочеться • Повністю забезпечений
5	Чи користуєтесь Ви термобілизною?	<ul style="list-style-type: none"> • Так • Ні
<p><i>Якщо відповідь на 5 питання «Ні», то завершити опитування</i></p>		

РОЗДІЛ 2						
6	Для чого Ви використовуєте термобілизну?	<ul style="list-style-type: none"> • Для повсякденного вжитку • Для активного відпочинку • Для занять спортом • Інше 				
7	Як часто Ви купуєте термобілизну?	<ul style="list-style-type: none"> • Кожен сезон • Раз на кілька сезонів • Раз у 5 років • Рідше 				
8	Як Ви зазвичай купуєте термобілизну?	<ul style="list-style-type: none"> • Комплект (штани і кофта) • Окремо (частіше штани) • Окремо (частіше кофти) • Інше 				
9	Оцініть, будь ласка, наскільки важливі для Вас наступні фактори при виборі термобілизни? (1 - зовсім не важливо, 5 - дуже важливо)					
		1	2	3	4	5
	Матеріал					
	Якість					
	Еластичність					
	Водовідштовхувальні властивості					
	Функція терморегуляції					
	Зручність носіння					
	Зовнішній вигляд					
	Ціна					
	Наявність знижок					
	Бренд					
Країна походження						

10	Де Ви зазвичай купуєте термобілизну?	<ul style="list-style-type: none"> • У фізичному магазині (спортивному магазині, магазині одягу, тощо) • Безпосередньо у виробника (в офіційних точках продажу або на сайті компанії) • Дивлюсь в магазині, але купую в Інтернеті • В Інтернеті • Інше
11	Яку суму Ви готові витратити на комплект термобілизни?	<ul style="list-style-type: none"> • до 1000 гривень • 1000 - 3000 гривень • 3001- 6000 гривень • 6001 - 9000 гривень • більше 9000
12	Термобілизну якого бренду Ви зазвичай купуєте?	<ul style="list-style-type: none"> • Rough Radical • Craft • Assari • Smartwool • Lasting • Icebreaker • Інше
13	Чи користувались Ви продуктами бренду Ассарі?	<ul style="list-style-type: none"> • Так • Знаю бренд, але ніколи не користувався його товарами • Ні, ніколи не чув про такий бренд • Інше
14	Відмітьте, будь ласка, ті характеристики які на Вашу думку властиві товарам бренду Ассарі	<ul style="list-style-type: none"> • Якість • Безпечний та приємний на дотик матеріал • Легкість матеріалу • Добре зберігає тепло • Добре відводить вологу • Легкість у догляді • Довговічність • Широкий асортимент • Прийнятна ціна • Ніколи не користувався товарами даного бренду • Інше

Дякуємо за приділений час!

Anex B

Research questionnaire in English

<p>Hello!</p> <p>We are conducting research in order to find out what is currently important for consumers of thermal insulation in Ukraine. And you can help us in this! This survey will take up to 5 minutes of your time, but in return we will receive valuable information that will help us in our further work. The collected data is confidential and will not be distributed on the Internet, so we will be grateful for your honesty.</p>		
SECTION 1		
1	Choose your gender	<ul style="list-style-type: none"> • Male • Female • Other
2	Enter your age:	<ul style="list-style-type: none"> • Younger than 18 years old • 18-25 years old • 26-35 years old • 36-45 years old • Older than 45 years
3	Choose the nature of your employment	<ul style="list-style-type: none"> • I work • I work and study • I study • Temporarily unemployed/unemployed • Retired
4	Estimate your income	<ul style="list-style-type: none"> • There is not enough money for food • Enough money for food, but not enough for clothes • Enough money for food and clothes, but not enough for expensive things • There is an opportunity to buy an expensive thing, but there is not enough money for everything you want • Fully secured
5	Do you use a thermal underwear?	<ul style="list-style-type: none"> • Yes • No
<i>If the answer to question 5 is "No", then finish the survey</i>		

SECTION 2						
6	What do you use a thermal underwear for?	<ul style="list-style-type: none"> • For everyday use • For active rest • For sports • Other 				
7	How often do you buy thermal underwear?	<ul style="list-style-type: none"> • Every season • Once every few seasons • Once every 5 years • Less often 				
8	How do you usually buy thermal underwear?	<ul style="list-style-type: none"> • Set (pants and jacket) • Separately (more often pants) • Separately (more often jacket) • Other 				
9	Please rate how important the following factors are to you when choosing a thermal underware? (1 - not at all important, 5 - very important)					
		1	2	3	4	5
	Material					
	Quality					
	Elasticity					
	Water-repellent properties					
	Thermoregulation function					
	Convenience of wearing					
	Appearance					
	Price					
	Availability of discounts					
	Brand					
	Country of Origin					

10	Where do you usually buy thermal underwear?	<ul style="list-style-type: none"> • In a physical store (sports store, clothing store, etc.) • Directly from the manufacturer (in official sales points or on the company's website) • I look in the store, but I buy online • In Internet • Other
11	How much are you willing to spend on a set of thermal underwear?	<ul style="list-style-type: none"> • up to 1000 hryvnias • 1000 - 3000 hryvnias • 3001-6000 hryvnias • 6001 - 9000 hryvnias • more than 9000
12	Which brand of thermal underwear do you usually buy?	<ul style="list-style-type: none"> • Rough Radical • Craft • Accapi • Smartwool • Lasting • Icebreaker • Other
13	Have you used Accapi brand products?	<ul style="list-style-type: none"> • Yes • I know the brand, but I have never used its products • No, never heard of such a brand • Other
14	Please mark the characteristics that you think are characteristics of Accapi brand products	<ul style="list-style-type: none"> • Quality • Safe and pleasant to the touch material • The lightness of the material • Keeps heat well • Removes moisture well • Ease of care • Durability • Wide range • Acceptable price • I have never used products of this brand • Other
Thank you for your time!		