

**T.C.
İSTANBUL AYDIN UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES**



**PRICING IN RETAIL INDUSTRY AND
CASE STUDY ON PRICING**

MBA THESIS

Onur AFACAN

**Department of Business
Business Management Program**

September 2017

**T.C.
İSTANBUL AYDIN UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES**



**PRICING IN RETAIL INDUSTRY AND
CASE STUDY ON PRICING**

MBA THESIS

**Onur AFACAN
(Y1312.130049)**

**Department of Business
Business Management Program**

Thesis Advisor: Asst.Prof.Dr. Burçin KAPLAN

September 2017



T.C.
İSTANBUL AYDIN ÜNİVERSİTESİ
SOSYAL BİLİMLER ENSTİTÜSÜ MÜDÜRLÜĞÜ

Yüksek Lisans Tez Onay Belgesi

Enstitümüz İşletme İngilizce Anabilim Dalı İşletme Yönetimi İngilizce Tezli Yüksek Lisans Programı Y1312.130049 numaralı öğrencisi **Onur AFACAN**'ın "PRICING IN THE RETAIL INDUSTRY AND A CASE STUDY" adlı tez çalışması Enstitümüz Yönetim Kurulunun 24.08.2017 tarih ve 2017/21 sayılı kararıyla oluşturulan jüri tarafından **oybirliği** ile Tezli Yüksek Lisans tezi olarak **Kabul** edilmiştir.

Öğretim Üyesi Adı Soyadı

İmzası

Tez Savunma Tarihi :15/09/2017

1)Tez Danışmanı: Yrd. Doç. Dr. Burçin KAPLAN

2) Jüri Üyesi : Yrd. Doç. Dr. Vildan GÜLPINAR DEMİRCİ

3) Jüri Üyesi : Yrd. Doç. Dr. Özge EREN

Not: Öğrencinin Tez savunmasında **Başarılı** olması halinde bu form **imzalanacaktır**. Aksi halde geçersizdir.

FOREWORD

I want to thank the managers and directors who supported me during the period in preparing the thesis study. Also, I want to thank my cousin, Process Analysis and Reporting Manager who made me contact with his valuable executives. Furthermore, I want to thank my parents and my sisters for their endless support.

Especially, I want to thank and express my gratitudes to my thesis advisor and guide, Asst. Prof. Dr. Burçin KAPLAN. She guided me and showed ways through my study and expanded my views during my research.

September 2017

Onur AFACAN

TABLE OF CONTENTS

	<u>Page</u>
TABLE OF CONTENTS	vii
ABBREVIATIONS	xi
LIST OF TABLES	xiii
LIST OF FIGURES	xv
ABSTRACT	xvii
ÖZET	xix
1. INTRODUCTION	1
1.1. Background of the Research.....	1
1.2. Statement of the Problem	2
1.3. Purpose of the Study.....	3
1.4. Research Aim and Objectives	4
1.5. Research Questions	4
1.6. Significance of the Study	5
1.7. Scope of the Research	5
1.8. Limitations of the Study	6
2. LITERATURE REVIEW: RETAILING CONCEPT, AND RETAILING SECTOR	7
2.1. Retailing and Retailer Concepts	7
2.2. Retail Store Concept.....	9
2.2.1. Food Oriented Store Retailing	9
2.2.2. Product Oriented Store Retailing	12
2.3. Retail Selling	14
2.4. Functions of Retail Selling	15
2.5. Classification of the Retailing Sector	16
2.5.1. Retailing Types According to Ownership	17
2.5.1.1. Independent Retail Stores	17
2.5.1.2. Chain Stores	18
2.5.1.3. Franchising	19
2.5.1.4. Department Renting	19
2.5.1.5. Vertical Marketing Systems	20
2.5.1.6. Consumer Cooperatives	20
2.5.2. Service Retailing Types	21
2.5.3. Retailing Types Without Store	22
2.5.3.1. Direct Marketing	22
2.5.3.2. Direct Mail Marketing.....	23
2.5.3.3. Telephone Marketing	23

2.5.3.4. Marketing with Catalogue	24
2.5.3.5. Online Marketing	24
2.5.3.6. Direct Selling.....	24
2.5.3.7. Kiosks and Vending Machines.....	25
2.5.3.7.1 Selling with Mass Media Vehicles	25
2.5.3. Historical Development of Retailing	26
2.5.3.1. Historical Development of Retailing at the World.....	26
2.5.3.2. Historical Development of Retailing in Turkey.....	27
2.5.4. Retail Market Overview.....	29
2.5.4.1. Global Retail Market Overview	29
2.5.4.2. Turkish Retail Market Overview.....	30
2.5.4.3 Luxury Retail and Luxury Retail Market Overview	31
3. PRICING IN RETAIL SECTOR	34
3.1. Price Concept.....	34
3.2. Marketing Mix	35
3.2.1. Product	37
3.2.3. Promotion.....	43
3.2.4. Price	44
3.2.4.1 Factors That Affect Pricing	45
3.2.4.2 Pricing Methods	49
3.2.4.2.1. Cost Oriented Pricing	49
3.2.4.2.2. Full-Cost Oriented Pricing.....	50
3.2.4.2.3. Variable Oriented Pricing.....	50
3.2.4.2.4. Purpose Oriented Pricing.....	51
3.2.4.2.5. Demand Oriented Pricing	51
3.2.4.2.6. Competition Oriented Pricing.....	54
4. RESEARCH ON PRICING AND A CASE STUDY	55
4.1. Research Methodology	55
4.2. Beymen Company Overview.....	59
4.3. In-Depth Interviews	60
4.3.1. Participants.....	60
4.3.2. Questions.....	60
4.3.3. Procedure	61
4.3.4. Data Analysis and Results	61
4.3.4.1. Maxqda Analysis and Results	65
4.3.4.1.1. Pricing Strategies	66
4.3.4.1.2. Factors Affect Pricing.....	69
4.4. Retail Textile Sector in Turkey	82
4.4.1. Importance of the Retail Textile Sector	82
4.4.2. Differences of Luxury Textile Retailing.....	82
4.4.3. General Pricing Policies of the Textile Retail Sector	83
4.4.4. Comparison of Research Results with Retail Textile Sector in Turkey ...	84
5. CONCLUSION AND RECOMMENDATIONS	85
REFERENCES	96
APPENDIXES.....	99
1. STRATEGIES	109
1.1. Financial Strategy	109
1.2. Pricing Strategy	109
1.3. Prestige Pricing	115

1.4. Special Days	117
2. CONSUMER SATISFACTION	118
3. FACTORS AFFECT PRICING	121
3.1. Competition	124
3.2. Internet Sales	125
4. CONSUMER INCEPTION.....	127
5. BRAND	130
5.1. Luxury Brands	130
5.2. Brand's Position	130
5.3. Brands Number.....	130
5.4. Multibrand Stores	130
5.5. Brand Image	131
6. CAMPAIGNS.....	132
7. STORES.....	134
7.1. Store Areas	134
7.2. Store Based Differences	134
7.3. Store Managers.....	136
7.4. Monobrand Stores	136
8. PRICE	137
9. PRODUCT LINES.....	139
10. DISCOUNT	141
11. BEYMEN'S OFFERINGS	143
12. OBJECTIVES OF COMPANY	144
13. PSYCHOLOGICAL FACTORS AFFECT PRICING.....	145
14. DEMOGRAPHY	146
15. PRODUCTION COSTS	147
16. AIM OF COMPANY	148
17. LUXURY SECTOR.....	149
18. SEWING SERVICE	151
19. BEYMEN'S POSITION	152
20. TARGET MARKET.....	153
21. SALES BUDGET	154
22. SERVICES OFFERED	155
REFERENCES.....	96
RESUME.....	156

ABBREVIATIONS

TV	: Television
U.K	: United Kingdom
U.S.A	: United States of America
YKM	: Yeni Karamürsel Mağazaları

LIST OF TABLES

	<u>Page</u>
Table 2.1: The Biggest Global Retailers in The World.....	26
Table 2.2: Major Luxury Goods Companies' Sales and Profits.....	29
Table 3.1: Marketing Mix Elements.....	33
Table 3.2: Pricing Stages.....	44

LIST OF FIGURES

	<u>Page</u>
Figure 3.1: Marketing Mix.....	35
Figure 3.2: Product Classification.....	37
Figure 3.3: Complex and Basic Distribution Channel Models.....	40
Figure 3.4: Zero stage channel of distribution.....	41
Figure 3.5: One stage channel of distribution.....	42
Figure 3.6: Two stage channel of distribution.....	43
Figure 3.7: Three stage channel of distribution.....	45
Figure 3.8: Price Circle.....	46
Figure 3.9: Demand Curve.....	48
Figure 4.1: Pricing Strategies.....	35
Figure 4.2: Factors Affect Pricing.....	37
Figure 4.3: Customer Satisfaction.....	40
Figure 4.4: Internet Sales.....	41
Figure 4.5: Company Objectives.....	42
Figure 4.6: Price.....	43
Figure 4.7: Product Lines.....	45
Figure 4.8: Stores.....	46
Figure 4.9: Brand.....	48
Figure 4.10: Beymen's Offerings.....	35
Figure 4.11: Campaigns.....	37
Figure 4.12: Discount.....	40

PERAKENDE SEKTÖRÜNDE FİYAT BELİRLEME DURUM İNCELEMESİ

ÖZET

Bu tez çalışmasında perakende sektöründe fiyatlandırma ve fiyatlandırma stratejilerini etkileyen faktörlerin belirlenmesi amaçlanmıştır. Bu sebeple öncelikli olarak perakendecilik sektörü, perakendeci terimleri, perakende mağaza tipleri sektör bazlı olarak sınıflandırılarak literatür taraması yapılmıştır. Fiyatlandırma kavramının incelenmesinin ardından büyük perakende mağazaların finansal durumları ve özellikleri genel olarak incelenmiştir.

Literatür taramasının desteklenmesi amacıyla perakende sektöründe fiyatlandırma stratejilerini örneklendirmek için Beymen şirketi yöneticileri ile yarı yapılandırılmış derinlemesine görüşmeler yapılmıştır. Elde edilen bulgular perakende tekstil sektörü genel verileriyle kıyaslanmıştır. Veriler doğrultusunda tekstil perakende sektöründe şirketlerin fiyatlandırma konusunda izlemeleri gereken politika ve stratejiler incelenmiş, bu konuyla ilgili problem alanlarına yönelik çözümler belirtilmiştir.

Görüşmeler sonucunda elde edilen bulgular perakende sektöründe fiyatlandırma konusunda birçok faktörün belirleyici olduğunu göstermiştir. Ancak Beymen şirketi özelinde yürütülen çalışmada Beymen şirketinin fiyatlandırma stratejisinin marka değeri üzerine olduğu saptanmıştır.

Anahtar kelimeler: *Tekstil, Fiyatlandırma, Perakende sektörü*

PRICING IN RETAIL INDUSTRY AND A CASE STUDY

ABSTRACT

In this thesis study; primary aim is to define Pricing. After an overview of retail, retailing and retailer terms; retailing store concept, functions, types of the sector and classification are stated. Financial management of the stores and bigger organizations are expressed. Besides, it is mentioned about the situation in Turkey and the world. After this necessary information, 'pricing' is being defined and analyzed. Obviously pricing topic is the core of the retail industry, also this study.

Its methods are defined in detail to understand the retail sector's messy and complicated structure. In order to support the literature review, semi conducted in-depth interviews with the managers about the pricing strategies of the company is implemented. All the elements of the sector have direct relations with prices, and it is affecting both producers, retailers, consumers and the market. Findings are compared with textile retail sector's general results. According to the data, strategies and policies of textile retail sector firms on pricing are analyzed, and solutions about problem areas are described.

Following the interviews and findings, it is seen that pricing is determined by many factors. But the study shows that Beymen's pricing strategy concentrates on Brand Value.

Keywords: *Textile, Pricing, Retail Sector*

1. INTRODUCTION

1.1. Background of the Research

In the trade world of today, retailing holds a significant place with its active, innovatively changing the working environment, rules, and competitive structure. It has such a wide usage area, nearly in all sectors retailing is being used. Every organization aims to profit, so has to sell products and give service to customers. This sector is 'customer oriented' and has to answer all type of needs of them. Thus, from one individual to the whole company, fundamentals of retailing should be well understood and applied.

Retailing started with 'exchange' and go on with individual sellers, local markets and up to massive shopping centers of now. Apparently, with its so risky and competitive structure, most of the retail foundations from the smallest to the biggest, can't cope with these conditions (except pricing) and has to make changes in their product types, store locations, according to the environment; or end their works and exit the sector. Therefore, pricing is not the only reason for competition but the basis. This structure and characteristics of retail trade can also vary according to social and economic development of the environment.

These factors are population growth, age composition of the population, the variation of income levels, population mobility level and urban development. Without such an obligation of dealing with these hard conditions of the market, today's large and wealthy companies, corporations, commercial entities would not be built and occurred. Furthermore, many more factors that influence the retail sector can be listed.

The global financial crisis which occurred in 2008, has slowed down the development of the retail industry. However, retail companies which are organized in the distribution channel has come to a more stable position, so this caused them to be more resistant against such crisis rather than the other retail companies.

As a result of globalization in the industry, first line local retailers like Migros, Gima, Tansaş and Kipa's capitals are owned by foreign companies. Because of this, second line retailers were trying to get developed and also trying to compete with these global organizations. This made second line retailers get stronger and also look for alternative ways to keep stable in the industry. For instance, they started to co-operate with each other.

Globalization affects retailers so much as the traditional part of the retail chain. Their numbers began to decrease because they could not compete with those first and second line retailers.

In these harsh conditions, one of the most important decisions of all retailing actors' is the right pricing of goods and services. The right price is an amount of money which is affordable by customers and satisfy their needs; besides it is an acceptable amount for retailers so that they can make changes in their goods and services. Right price influences are attracting customers to the stores. In our world of today, pricing is not simple as adding cost values to prices as traditional methods. Pricing today has particular strategies and policies depending on different conditions. Today's retailing market is complex, and there is a rapid competition that the companies have to face with; because of this, effects of the pricing strategies in the retail sector have to be analyzed in details according to various factors.

After the foundation of Turkish Republic, textile industrialization started. Especially after 1980's textile industry took the most important role in the economy of the country. More than half of the exports were made by textile companies. Today, the textile retail industry is still having a significant position in the country's economic condition. The most dynamic and variable sector is the retail textile industry. Pricing policies of the companies determine their survival in the industry.

1.2. Statement of the Problem

Producers of the textile retail sector today have to deal with many aspects of pricing strategies. In the textile market, competition is too much, and the survival of the companies are getting harder every day. The problem that the companies face is how

to make a pricing strategy that attracts the most consumers and provides the highest benefit.

The textile retail sector has so many variables like campaigns, product types, pricing strategies, different kinds of customers, etc. Also, the employee profile is not a satisfying one. Sales representatives who work in this sector, usually make their last choice to work in the textile retail sector. In job searches, the textile is their last sector option to work. Thus, in these conditions, it is hard to imply the best pricing strategy for companies.

There are various articles, essays, and studies about pricing in the retail sector; but this study primarily focuses on how to develop or choose and imply the best pricing strategy for a company that also suits them best. Theoretical background about the general retail sector, pricing in the retail sector, and also in-depth interviews in one retail textile company including the comparisons to Turkey's general, will help to understand how to build the best pricing strategy for retail textile companies.

The company takes part not only in the Luxury Textile Retail Sector but also in regular textile retail too. Therefore, the study will provide much more benefit to any kind of textile retail company on pricing.

1.3. Purpose of the Study

This study is formed to analyze the pricing policies and present the best ways of pricing methods in the retail sector. So, in the first part, the retailing concept, retailing types, and store based retailing systems are explained in detail. In the second part of the study; pricing strategies, pricing theories, and pricing terms are examined. The research part of the survey is based on the literature review which points pricing elements and pricing strategies and formulated to find out the necessary data about product based retailing stores in luxury sector, with semi conducted in depth interviews, and through its Maxqda analysis in Beymen. Finally, findings are compared with the general retail textile industry of Turkey. Furthermore, different pricing policies of Beymen were enlightened through the comparisons.

1.4. Research Aim and Objectives

Fundamental objectives of the study are listed below:

- Forming a frame for pricing strategies in Turkish product-oriented retail company and use the emerging data for comparison in the sector.
- Finding out the pricing strategies of Turkish luxury textile retailing sector; finding the similarities and differences in the general ready-wear market due to pricing strategies.
- Finding out the key factors that affect luxury textile retailing sector pricing strategies.
- Clarifying the pricing strategies or change needs of existing strategies in the company.
- Finding out how the company differentiates from its rivals in the retail sector.
- Determining the different pricing policies of the firm through the comparison with the general retail textile industry of Turkey.
- Providing a vital source for current companies in the sector on specifying, developing and creating best pricing policies according to their variations.

In this study, to find out the pricing strategies in retailing sector, interviews were formed and conducted in Beymen. The pricing strategies of product-oriented retailing stores are analyzed, and the overview of the luxurious retailing sector is displayed. Also, the research purpose of the survey is forming an analysis according to pricing strategies in product based retailing category in Turkey. After the analysis made and findings revealed, a comparison made with Turkey's general textile retail sector policies of pricing and pricing methods.

1.5. Research Questions

In order to investigate the subject, interview questions are formed to find answers to the research questions that are listed below;

- What are the financial objectives of Beymen?
- What are the pricing strategies of Beymen?
- What are the main factors that affect the pricing strategy?

- Which pricing strategies are used in Beymen?
- Are there store based differences in Beymen pricing strategies?
- What is the reason of positioning Beymen Brand in luxury fashion sector?
- What is the importance of psychological methods that Beymen use?

1.6. Significance of the Study

Since the present is based on determining the pricing policies of the retail sector, the importance of the survey is identifying the primary factors of pricing policies in the retail sector. In order to determine and evaluate these factors, the research is conducted in a ready-wear company. Regarding the increasingly competitive environment in retail business, it has become difficult to satisfy requests and attract consumers.

Customers are aware of this situation, and demand for better. Satisfied consumer means a benefit and brand development. In this case, customer satisfaction is the most connected area with the pricing strategy of a company.

Choosing and applying the best pricing strategy is the crucial point for sector companies. In such hard economic conditions of Turkey today, mistakes which are made in pricing policies can directly cause the most negative results.

1.7. Scope of the Research

In this thesis study; primary aim is to define Pricing. After an overview of retail, retailing, and retailer terms; retail store concept, functions, types of the sector, and classification are stated. Financial management of the stores and bigger organizations is expressed. Furthermore, mentioned about the situation in Turkey, and in the world. After this basic information, ‘pricing’ is being defined and analyzed. Obviously pricing topic is the core of the retail industry, also this study.

The research targets textile and textile fashion retail companies. Especially include administrative offices, top management, and finance departments. Through this study, pricing methods, strategies, and policies in the sector will be understood, the problem areas about pricing will be solved.

The study is an excellent source of use to all retail textile companies. Fashion textile companies can benefit more because the research company is also a fashion textile company.

1.8. Limitations of the Study

The research has limitations according to the number of participants and the case. The findings are derived from only one company, and the number of participants was limited. Only three top managers and one manager's interviews were recorded. Other interviews were done without recording, through short interviews to collect the various data in short period. However, through a larger group of managers, also thoughts and the views of more customers could be integrated to make the research more extensive.

Another limitation of the study is related to the fact that it was conducted by only one company. Through the participation of more companies, the study could reflect a more comprehensive perspective.

2. LITERATURE REVIEW: RETAILING CONCEPT, AND RETAILING SECTOR

In this section of this thesis study, retailing concept and retailing sector are analyzed. First, it is tried to draw the theoretical framework of the retailing term. Then the classification, historical development and sectoral situation of retailing industry are analyzed.

2.1. Retailing and Retailer Concepts

Retailing is a broad concept which covers more than just store selling. Store oriented retailing service is also a type of retailing service. However, the retailing concept includes a broad range of area which differs from a banking service to the online shopping experience and a coiffeur service to telephone marketing. According to this vast sphere of retailing concept, definitions of retailing, retail stores and retailer should be done in detail.

The basic definition of retailing is selling products and services to end-users (Kunz, 2005:96). The retailing concept can be defined as the intermediation services between producers and final consumers (Tek, 1984:46).

A detailed definition of retailing is that the whole actions which are necessary to the satisfaction of the customers' individual and official needs (Berman and Evans, 2004:365). Retailing industry is the last platform between producers and consumers to transfer goods and services. With the help of retailing sector, the decision about the needed products and services can be made quickly (Parasız, 1999:472).

According to American Marketing Association, retailing is the combination of planning, concept creating, pricing and promotions activities. Retailing is the process of product and service marketing for individual or official object reaching (Mason vd., 1991:5). Retailing can be defined as a system which is established in end user that is the last channel of distribution channel which aims to reach the product or services to the final consumer (Gilbert, 2003:6).

As a part of a retail concept, also 'who is a retailer?' The question should be answered well.

A retailer is a commercial establishment which makes sales to end users for individual or official needs or usage (Levy and Weitz, 2004:8). The retailer is a store type that aims to reach the end users, and with this feature, it differentiates from the wholesale style.

The retailing sector has an important role in our life because retailing contains all relevant activities to reach services and goods to the end users (Kent, 2003:7). Retailing is a detailed concept and activities which include whole parts that can be useful in delivering of goods from producer to end user. According to these complicated stages, the functions of retailing can be ordered below (Berman, 2004:362):

- Product buying
- Transportation of product to the retailer
- Determining of price
- Storing of products
- Presentation of products
- The preparation of the store
- The simplification of shopping experience
- Staff management
- Credits
- Transactions
- Transactions after selling

The retailers have to satisfy the basic needs. First of all, they have to meet customers' demands and requirements. Second, they have to create a distribution channel for products and production (Kent, 2003:27). Undoubtedly, retailing is vital for consumers because it is the ultimate way to the satisfaction of end-users' needs. The retailing process is also important for producers too.

In the distribution channel, retailing activities has a principal place which is extremely important. Retailing is the most value-creating part of distribution channel system; hence it supplies a better buying experience for final customers (Evans and Berman, 2004:468).

2.2. Retail Store Concept

Retailing stores have an important role in our life, and they are established to the satisfaction of our various needs. Retailing stores take place in the last stage of the distribution channel, and they can be defined as the selling points which the products and services that presented to the final consumers. Retailing stores are the places which the goods and services offered to the customers.

However, the retailing process can be operated with stores or without stores. Except for the stores, the retailers can manage their selling process via TV, telephone, the internet, email or face to face. Avon beauty product or Amway cleaning goods are the successful examples of the retailing style without a store. The direct marketing concept is improving in Turkey in particular with the sports-oriented products selling area via TV. Despite direct marketing concept's development, the store based retailing is still growing because the final consumer can benefit from the real marketing elements in a store atmosphere. Lots of customers enjoy spending their time in stores because they can compare a lot of brands, products, and models. Also, in the buying process, the sales staffs are playing an important role in presenting more interesting ways to the consumers.

The research statistics show that the purchase percentage via telephone or internet is %15; on the other hand, the investment rate in traditional stores is higher than that. With the improvement of the informational technologies, the direct marketing channels' sale percentage will grow up rapidly in the future (Varinli, 2006:5-6).

The store based retailing type can be classified into two main areas: Food Oriented Store Retailing and Product Oriented Store Retailing (Kurşunluoğlu, 2009:2173). In the following part of this study, these two retailing store types are analyzed.

2.2.1. Food Based Store Retailing

Food based retailing stores supply food and other product services which offer the ultimate consumer satisfaction with the buying, pricing and selling processes (Özkan and Akpınar, 2003:22).

The food based retailing stores can be classified as small independent stores, traditional supermarkets, food oriented supermarkets, mixed stores, warehouse stores and the stores that supply limited products (Oyman, 2006:80).

Supermarkets are the most known types of retailing stores. Supermarkets provide various product alternatives to the final consumers. The most important feature of supermarkets is that they can also have the other type of product categories except foods. These food oriented stores are the large, low-budget, low-profit margin and high level of selling stores (Kotler and Armstrong, 2006:398).

Supermarkets were established in the United States of America (U.S.A.) in 1930's. The "super" adjective came from the investment source of Hollywood stars in those years. The supermarkets can be defined as the stores which have broad product diversity and huge-partly food departmentalized places and other product types less presented areas. The supermarkets are usually located in approximately 1000 m² selling area. The most important feature of supermarkets is that they are self - service-oriented. The final consumer chooses the product from the shelves and carries to cash point to pay the price. Supermarkets are food based stores, so the product diversity of their goods consists of %70 nourishment. The fundamental features of supermarkets are ordered below (Oyman, 2006:81):

- The supermarkets present food and food oriented products. Their key selling areas are fruit and vegetables, meat, fish, chicken, milk, and milk-based products. Additionally, they can supply cleaning, cosmetics, and draper products. They can present various goods.
- Each of the product types is provided in the departments with large quantities and various brands.
- The supermarket service is based on a self-service system. So the consumer can get the product from open shelves and carry to the cash point.
- The supermarkets offer car-parking service.
- The products are usually purchased from the producer without a negotiator and prepared for sale.
- The big supermarkets sell the products which have the supermarket own brand name.

The presentation of the goods in different shelves, many goods, self-service system, the brand variation of products and car parking opportunity are the fundamental features of the supermarkets (Tek, 1984:28).

The hypermarket is the combination of supermarkets, discount stores, and depot stores. The hypermarkets have the same working principle as the supermarkets. Their structure is self-service oriented, and the hypermarkets offer different types of products which are mostly food and less the other categories. Their selling principle is low price, and the size of the hypermarkets can vary from 2500m² to 16000m². The hypermarket size can be different in the different countries (Baş, 2007:15).

Hypermarkets can be defined as the giant retailing stores which sell mostly nutrient oriented goods and the less the other product categories (Boone and Kurtz, 1995:522). The store area size is an advantage of the decrease in effectiveness and costs. The final consumers can reach the all kinds of products with affordable prices in hypermarkets. The large size can cause the hypermarkets to be established out of cities.

The advantages of the hypermarkets are usually enticing for the customers; so that they can overcome the transportation problem. Because the hypermarket price is more affordable from the other stores, the consumers can have the chance to get to the product which they need from one place. In the United States of America, Wall-Mart and K-mart are the most known examples of hypermarkets. In Turkey, MMM Migros and Maxi Tansaş, Real and Carrefour can be evaluated in hypermarket category (Oyman, 2006:85).

Among the food retail stores, convenience stores have a unique place too. The most important specialty of convenience stores is that these stores have long-work hours each day of a week and sell the available products (Kotler and Armstrong, 2006:398). Limited product stores can be defined as the food retailing store category. Their product categories and product types are limited. They offer low prices compared to supermarkets. Their size can vary between 400m² and 800 m². Their selling aim is %20 - %30 discount according to supermarkets. The limited stores' product line is narrow and in each product line, the brands which they offer are limited. The presentation of goods is different from traditional supermarkets. The boxes are used instead of shelves, and the price tags are usually which located on boxes or shelves are not directly on the

product. The specialty of the goods is cheapness. The retailer can sell its brand or non-popular brands (Oyman, 2006:86). In Turkey, the most important sample of limited product stores is A101, BİM, Şok.

Depot stores (Warehouse stores) are the last vital type of food-oriented retail stores. They have the similarity with limited stores for the product lines because they offer limited types of products with low prices and limited service to the final consumers or small stores. Depot stores purchase goods from wholesalers in a particular discount time because they do not have a brand loyalty. The product styles and brands are changeable (Levy and Weitz, 2007:44). Depot stores can be defined as warehouse stores.

The most important feature of this type of stores is that they present limited products. The favorite brands can be purchased in high amounts and be sold to the consumers at affordable prices. In the warehouse stores, the products are presented in the boxes, and the service is limited. The selling environment is depots, and the consumers come to depots and purchase the products. The customer selects the product from boxes, carry his/her product and package it himself/herself (Arslan, 2004:46). Depot stores payment system is with cash, and usually, they do not accept credit or bank cards (Tek and Özgül, 2005:592).

2.2.2. Product Based Store Retailing

The most important types of product-based retail stores are general product retailing stores, specialty stores, department stores, pharmacy chains, category killing stores and full-line discount stores (Kurşunluoğlu, 2009:2173).

In the specialty stores, only one product line or product lines which are related to each other are presented for sales. This type of stores can sell sports products, and in the sports product category, they can sell sports shoes, bag or sports clothes. The most important features of this type of retailing stores are focusing on one product line and expertise. This retail types supply competitive advantage among rivals. In Turkey, the clothes and the shoe stores like Benetton, Sarar, Hotiç are the successful examples of this kind of stores. This type of retail stores has deep product lines, literate and

experienced staff and charming store atmosphere. The final consumers select these retail store types because of their advantaged features (Oyman, 2006:86).

The department stores usually sell the consuming goods except for food. They can be established in a single storey or multiple storeys. They are selling the product according to the product line in different departments. Their size is large and they usually created in large buildings (Tek, 1984:22). Various products can be found from cosmetics to the sports equipment in these retailing stores.

The sale area can change from 50.000m² to 80.000m². The most known samples of this stores in U.S.A. are Macy's, Bloomingdale's, Sears and and JC Penney. In Turkey; Boyner, Ender ve Çetinkaya, and YKM (Yeni Karamürsel) stores can be given as examples for this store types. The department stores are widespread all over the world. In England: Harrods and Harvey Nichols, in France: Galeries Lafayette, in Germany: Karlstadt and in Spain: El Orte Ingles are the most popular department stores in these countries (Arslan, 2004:49).

In the product-oriented store retailing, full-line discount stores are one of the most important ones. The most important features of the full-line discount stores are limited service, diversity of product and low prices. These kinds of stores offer popular brands and producer brands at the same time (Levy and Weitz, 2007:48). The specialties of the full line discount stores can be ordered below (Berman and Evans, 2011:64):

- High product capacity
- Low price
- Low product turnover rate
- Various types of products
- Centralized payment
- Centralized customer relations
- Fast-moving consumer goods which are branded by producers
- Durable goods which branded as popular brands
- The similar product line like the department stores
- Low administration costs
- Cash payment

Category killing stores get this name because of their marketing strategy and also because of presenting very diverse products in one product category (Dunne and Lusch, 1999:9). Low-price retailers can be evaluated as a part of product-oriented retail stores. This type of retailers can supply different type of products which usually belongs to a popular designer or a brand with discounted prices. The clothes, accessories, shoes, furniture and, etc. can be sold out in these types of stores. The products can have a little defect, or they can be in one size. They can be purchased from the manufacturers at the end of the season with large quantities.

These low-price goods are bought from the producers with more discounted prices than the wholesale price (Oyman, 2006:89). The pharmacy chains are not so popular in many countries, and they are specialty stores which mostly present health products (Kurşunluoğlu, 2009:2173). Factory selling stores can be evaluated in the product-oriented retail stores category. In the factory outlet stores, the production surplus and defected goods are sold. With the help of these stores, the manufacturers can have the control on the possibility of discounted products (Arslan, 2004:54).

2.3. Retail Selling

The target group of the retailers is the final consumers. The customers buy the product for their use. It is not possible that users sell the product or reproduce something from existing goods. However, the industrial buyers can sell the goods which they purchase again, or they can use these goods for production. So, the final consumers and industrial customers are different from each other. We can only define a purchase transaction as retail selling if the purchaser uses the purchased goods for buying intention. So, the buyer concept has to be explained. The customer can be defined as a consumer. The consumer can be described as the person who buys products or service for his/her use or his/her family usage. The final consumer does not intend to resell the purchased goods or use of reproduction (Varinli, 2006:6).

Retail selling is based on consumer-oriented benefits and high-level economic systems. In the industrialized countries, the retail sale rests on the ultimate advantages of this system. As a consumer-oriented selling process, retail sale has benefits for both sellers and buyers. However, the existence of lots of retailers in the retail sale system

has disadvantages in developing countries. The benefits of retail selling are ordered below (Aydın, 1992:61):

- Time bonus: Retail selling process is an advantage for seller and buyer. The final consumer can quickly reach the products which he/she demands in the retail selling process in anytime. However, the retailer has to supply the goods according to final consumers' time preferences. The right time analysis is important in this process. On the other hand, the retailer has to consider the cost of goods retention.
- Place benefit: The location of retail selling has to be oriented by consumers' demand. On the other hand, the retailer is not preferred by the consumers. So the consumers prefer the substitute product instead of retailer goods.
- Ownership benefit: In the retail selling, it is possible to sell the consumers credit goods. So, the retailer assigns the product cost, and the payment process is divided into parts.
- Formation benefit: In the retail selling, it is possible to make some changes in the selling products. The retailer can make different shelf, department or vitrine regulations.

2.4. Functions of Retail Selling

The retailing sector has various functions, and these important roles are not limited to only selling. The features of the retail selling are ordered below (Levy and Weitz, 2004:9):

- The retailer selling process supplies diverse product types for final consumers. When the final consumers go for shopping, they demand different kinds of goods with various size, color, design, and shape. The retailers are the most important mechanism for the satisfaction of these requirements.
- The final consumers want to reach different kinds of products whenever and wherever they want. The retailing system is important for the appreciation of this time and place-oriented needs.
- The retailers have the capacity of the division on a significant amount of products, and they supply these goods with small quantities. The retailers buy

substantial quantities of goods from manufacturers. On the other hand, the consumers demand few amount of goods which is based on the selling habits and product specialties.

- The retailers have stocks, and with these assets, consumers reach to the goods that they demand. Retailers have an important function in distribution channel to supply the goods that are demanded by consumers.
- The retailer's supply service for the consumers. The supplement of necessary services for the consumers is one of the retailers' mission. The service which can be demanded by consumers can be information giving, credit supplement, product shows, information about products, warranty, montage services and after-sale services.
- The retailers share information with the consumers. With the help of information technologies in today's world, the consumers can connect with the retailers about product lines, price lines and about other subjects. With these proposals, the final consumers can have the possibility to reach demanded goods. In the same way, the retailers can reach the consumers with their needs and requirements.

2.5. Classification of the Retailing Sector

The retailing sector classification differentiates according to various approaches. There are economic, technological, legal and social differences in the retailing sector; so, there are different classification types of retailing sector. At the beginning of the retailing sector, the store based retailing is more important; however, today's consumers have some expectations like time trouble, retailing without a store, the convenience projections. Because of this, the retailers focus on direct marketing and internet selling methods without stores. The retailer establishment can be ordered according to the features shown below (Oyman, 2006:79):

- General specialties (product, service, ownership, place etc.)
- Corporate marketing methods
- Service type
- Placement type

2.5.1. Retailing Types According to Ownership

The retailing stores can be classified according to ownership. In this classification, the place and the working style of stores are key points. So, the ownership is an important variable for the retail stores. In the following part of this study, the retailing types according to the ownership are analyzed.

2.5.1.1. Independent Retail Stores

The independent retail stores can be sampled as groceries, butchers, and drapers. Their size is small, and the most vital advantages of independent retailing stores are affiliation to the consumers and time. These types of stores can belong to one person or more than one. The most important features of the independent retailing stores are that the management and ownership qualifications can belong to one person. The small groceries and supermarkets without branch can be evaluated in this retail type. The independent retailers form the most important part of the retailing sector. For example, in Turkey, the number of retail stores is 2 million, and they supply %40 of total sale (Timur, 2011:105). There are some strengths and weaknesses of independent retailing, and they are ordered below (Oyman, 2006:106):

Strengths;

- This type of retailing stores is independent. They are not dependent on any chain or system. So, they do not have a complex structure. They are flexible for store choice, design or close time.
- They have a possibility for an establishment of close relationships with consumers.
- The decision-making process and the application are easier.
- They have a specialty in a determined product category.
- They have the stock control possibility.

Weaknesses;

- They are not strong in their relationships with suppliers. That is because of their limited purchase and limited bargain power.

- There are no divisions of labor in the establishment. So, there is no specialization in various working areas. According to financial limitations, one or two people have to be responsible for the stock control or vitrine arrangements.
- Most independent retailers work effort base, and they usually do not prefer technological facilities.
- They have financial limitations because they do not make promotional activities. Although the TV advertisements can reach large crowds and with its high broadcast and production costs, it is not reachable for independent retailers.
- The small retailing stores are dependent on families or owners. All decisions are taken by the owners. If this person gets sick or has a problem, there can also be problems in the management system of the store.
- Long term planning, innovation track or source distribution may not be possible.

2.5.1.2. Chain Stores

Chain stores can have many branches which are in different sizes. They can be spread all over the country. They are managed from one center, and they can produce their goods. If the production is not possible; they can buy goods from manufacturers (Tuncer, 1986:29).

In the chain stores, there can be joint ownership, and different retailers can come up together and form the chain stores. In the United States; these chain stores can be exemplified as Kroger, Safeway, K-mart, Woolworth, and Sears. These kinds of chain stores exist in Europe too. The most famous chain stores in Europe are Kaufhof, Metro, Neckermann, Herten, Marks&Spencer, Sainsbury, GB-hypermarket and Delhaize Supermarket. The chain store retailing type is popular in Turkey also; Yeni Karamürsel, Boyner, Tansaş, Real, CarrefourSA, Teknosa, Metro Gross Market, Vakko, Beymen, 7-Eleven, Levi's, Burger King, Gima, Kipa, Tesco are the most common examples of chain stores in Turkey (Tek and Orel, 2006:45).

2.5.1.3. Franchising

Franchising is based on two elements. There are two major players in franchise system as franchisor and franchisee. The franchisor is the party which gives the license of a known and fruitful product, service or knowledge type. The franchisor does the selling, distribution and administration rights to a brand and delivers these rights to benefit. Franchisor is the protector of itself and the personal franchise system for long-term. The franchisee is the party which benefits from license right. The produced goods and sold services can be done independently by this firm with a fee. In the system, there are two types of payment. First one is the "Lump Sum" payment which is done for the entrance fee. The second payment is "royalty" fee and which is done due to permanent or periodically sale percentage. Extra payments are depending on the continuation and success of the system like education, advertisement costs (Root, 1999:109).

The fundamental features of the franchising system are ordered below (Oyman, 2006:110)

- There are two sides in the franchise system. One part is the franchisor, and the other part is the franchisee.
- The relationship between two sides is based on a contract.
- The agreement can include a product, a brand or a service.
- The license type transformation is done from one side to the other in a limited period.
- The party who takes the license rights pay an entrance and royalty fee.

2.5.1.4. Department Renting

Department renting style is the renting process of a particular part of the store to an outside source. Departmental stores usually rent the departments which are based on shoes, cosmetics, and jewelry parts. For example, in Yeni Karamursel Stores (YKM) in Turkey, there are supply corners for Este Lauder and Lancome. Also, Beymen, Koton, Ipekyol, Vivid, Polo Garage's corners are in the same store (Arslan, 2004:31)

Departmental stores can benefit from the advantages of department renting like permanent earnings and cost reduction for the renters. For the renters, the biggest

advantage is performing in a stable consumer area. The renter makes disputation of some fees like advertisement and vitrine arrangement. The renter transfers a positive image from the existing brands. There can be differences in the management styles of the rented parts and general store. The rented part can not adjust the whole store image, and it can harm corporation identity. The renter can only present limited products in the rented place. The renting cost can increase highly in time, and the renter can have difficulties to afford these fees (Oyman, 2006:114).

2.5.1.5. Vertical Marketing Systems

The vertical marketing systems have a combined structure. In this structure, the wholesalers, retailers, and producers act altogether. In this system, manufacturers and retailers are usually in big sizes. The product line is limited, and there is not a choice of a possibility of the goods. Because of these factors, the distribution channel has to be controlled deeply. This system is used mostly in furniture, durable goods, and restaurant chains. In the system, all distribution and production functions can be managed by one channel, not by two channels. This distribution network can be defined as corporate vertical marketing system or whole integrated system. For example, as a large scale retailer, salers purchase more than %50 of its products from its own or partial source. This kind of illustration can be seen in Migros. Maret is a part of Koç Group, and this firm sells its products in Migros (Timur, 2011:115).

2.5.1.6. Consumer Cooperatives

These retailing organizations are consumer oriented organizations which are established according to the national laws. This ownership specialty gives democracy chance to a collaborative structure (Arikbay, 1996:9).

These cooperatives aim to protect the consumer rights and supplements of cheap products for consumers. Cooperatives protect the consumer rights more than retailers' revenue gaining. Cooperatives are the best solution for getting away from retailers' venue. Cooperative stores can be established out of cities, and the members can work part time in selling process (Cemalcılar, 2001:165).

2.5.2. Service Retailing Types

Service concept can be defined as a benefit which is untouchable and results with non-ownership of a product. The production of a service can depend on a physical product or not. With a basic statement, service can be defined as process, performance, and movements (Oyman, 2006:93)

American Marketing Association (2014) classifies the service into ten types:

- Financial service
- Educational service
- Tourism service
- Health service
- Sports, arts and entertainment service
- Telecommunication service
- Personal care service
- Channel, rent and physical distribution service
- Professional service
- Public, half-public and non-profit service

There are some differences in service product retailing. These differences are ordered below (Ulubağ, 2015:21-22):

- **Untouchability:** The most important difference between product and service is untouchability. It is possible to feel the service with five senses or percept easily.
- **Simultaneous produce and consume:** The physical goods are produced in factories, then they are sold out to retailers, and consumers buy and use them. However, service is provided and sold when consumers demand them. Sometimes they are sold out first and produced later.
- **Perishability:** There is not a stock possibility of service, and they can not be remanded. However, the product can be located in shelves and departments. The physical products have remand possibility. The empty seats in a concert or empty rooms in a hotel mean that capacity is being not-used at a particular time. In the service retailing, the supply-demand balance is important.

- **Heterogeneous Structure:** The physical goods are usually produced by machines in factories. They are mass production style created products and same of each other. However, there is a possibility of homogeneous production in service retail because the service is produced specially for consumers.

2.5.3. Retailing Types Without Store

Retail selling without stores is developing in recent years. New technological improvement in internet and purchase possibility is a major factor for the development of retailing without a store. This type of retailing means that selling process is done without a physical environment. Direct marketing, direct selling, internet marketing, kiosks, and airport retailing can be classified in retailing types without a store. Nowadays this type retailing is improving, and it is affecting traditional retailing (Arslan, 2004:34).

2.5.3.1. Direct Marketing

In direct marketing process, consumers meet the products and services from indirect ways like email, TV, radio, magazine or computer and order the products with these methods (Berman and Evans, 2001:177). Direct marketing can be defined as direct relationships which can be supplied to consumers who are in the direct market. Direct marketing can be effective in direct, fast and measurable consumer acts (Kotler and Armstrong, 2006:504).

Direct marketing has advantages and disadvantages in retailing process. These positive and negative sides can be ordered below (Berman and Evans, 2001:179):

Advantages:

- Low-cost and its reflection to the consumers
- Possibility to reach a large geographical area.
- Facilities for consumers
- Secure shopping possibility
- Flexibility in shopping time
- Reach to the target market

- Tax flexibility

Disadvantages:

- The evaluation problem of products
- High-cost possibility
- Low feed back
- Low selling (especially with catalog)
- Existence of rivals
- Non-efficient distribution channels

2.5.3.2. Direct Mail Marketing

With the direct mailing way, the retailers connect with the consumers via email or brochures. They demand the orders via email or telephone. This system is first used in the United States of America to reach rural areas. In Turkey, this system is not so popular because of the usage problems and ulterior motives (Tek and Demirci Orel, 2006:83).

2.5.3.3. Telephone Marketing

Phone marketing can be used for direct-marketing with mail. The telephone is the most important vehicle in this process. However, on its own, the phone marketing can not be efficient, and it has to be supported by other marketing tools. Nowadays, the advertisements of the products are being done on TV, and customers call the given number and order the product (Gambarov, 2007:19).

Marketing with a telephone is vital because it supplies two-sided communication and feeds back opportunity between buyers and sellers. It has advantages like giving information, getting information and reaching the high population in a limited time. With an effective planning, the unnecessary calls can be cut down, and the costs can be reduced (Oyman, 2006:135).

2.5.3.4. Marketing with Catalogue

Marketing with the catalog is similar to the direct mailing. The retailers send the product catalogs to the defined address. The catalogs contain price and product information and with this catalog; retailers aim to get orders. The catalog based marketing has common points with direct mailing; because of these similarities, the two methods can be used altogether (Tek and Demirci Orel, 2006:84).

2.5.3.5. Online Marketing

Nowadays, the rapid changes are occurring in the technological field, and the internet is becoming widespread. These changes are affecting the retail sector. The Internet is defined as a new marketing channel, and it offers a different shopping environment to the consumers. The final consumer can reach the products whichever he/she demands without feeling exhausted or hanging out stores. The most important benefit of internet marketing is the comparison possibility. In the online selling process, the consumer can connect with different people, get ideas with them and compare different product in various types. (Enginkaya, 2006:10).

The internet retailing can be done in Turkey from different web sites. The internet retailing process began according to technological improvements and worldwide trends (Tek and Demirci Orel, 2006:122). The internet marketing has been evaluated a single retailing type when it is first started to use. Nowadays, the online marketing is seen a part of various distribution channel strategies. With the better analysis of consumers, firms can develop better strategies and tactics on the Internet (Yakın, 2011:2).

2.5.3.6. Direct Selling

Direct selling is done through a personal contact with the consumer outside of the store, face to face or with a telephone. The most significant advantage which is supplied by direct selling is the publicity according to special consumer needs. The salesman can inform about the details to the consumers. Also, the final consumers feel

more comfortable at home more than store environment. The problems which affect choices of customers in stores do not exist in houses (Arslan, 2004:36).

2.5.3.7. Kiosks and Vending Machines

The kiosks or vending machines supply the goods or services via cash or credit card usage. These devices are useful for the crowded places like university campus or business centers. They contain beverages and snacks. The vending machines are common in U.S.A., and the net revenue from vending machines are worked out as 25,6 billion dollars (Levy and Weitz, 2004:61).

The most significant advantage of the kiosks and vending machines are that there is no necessity for a sales person. The knowledge and products are supplied with the help of the machine (Oyman, 2006:135).

2.5.3.7.1 Selling with Mass Media Vehicles

Mass media vehicles are used commonly, and television is the most public mass media vehicle in marketing. Selling via television can be operated in two ways (Tek, 1999:606):

- Direct reaction advertisement: In this method, a TV ad is done for 60-120 seconds, and the product/service is promoted. Then, an order number is given to a consumer, and the orders are being kept on hold. This method is common in sports equipment, clothes, shoes, etc.
- Shopping channels: A whole channel is established for shopping in this system. Detailed programs about a product are broadcasted in this channel, and the consumer can buy the products with the help of a chip which is located inside a remote controller.

Mass media base retailing can be operated via printed media (newspapers and magazines and audio media-radio) (Oyman, 2006:131).

2.5.3. Historical Development of Retailing

Retailing concept firstly started with weapon and food trade. The retailing in Anthic Greek and Roman time developed with markets and departments. In the 18th century, wholesale process and mobile trade had improved, and a standard price was used. Since the half of 19th century, retailing has started to get developed. The department store concept revealed itself at this time. The characteristics of this era are the presentation of goods in significant exposition areas and their discounted selling. At the beginning of the 20'th century, chain stores formed. The cooperatives movement started in 1980's resulting in a spread of chain stores (Cengiz and Özden, 2003:2).

2.5.3.1. Historical Development of Retailing at the World

Since the half of 19th Century; the retailing concept has started to improve. The chain store concept has just developed with the help of chain stores. Since 1950, the United States of America has begun to improve. With the diminishing of the chain stores and cooperative development; park problems, substructure issues, and other problems started to occur. People began to migrate to cities in time, workers and small family numbers increased. Because of these reasons, the consuming habits changed, and this change was significant for retailers. The similar position caused a similar change in Europe consuming habits. So, retailing points began to an adaptation process. France, Germany, and Italy took out the retailing channels out of cities in time. So, the parking problems, substructure issues, and other problems have started not to disturb consumers. This regulation caused a big retailing development and high revenues and rapid changes in the sector. These countries are still hosting the largest and most popular retailing firms in the world (Yücel, 2011).

The 1980's were the most crucial years of the development of the retail sector. The multinational firm concept formed in this term and competition improved rapidly. In this era, the industrialized countries started to produce their goods in different countries which provided better conditions and sell their products to other markets. The 1990's were the time which globalization concept has occurred. The international trade and production activities spread all over the world. The retailers have been a significant part of global trade system and competition. The competition press forced

retailers to act in the global marketplace. The globalization of retailing started in 1960's and 1970's. This movement did not make a global effect, but it was an important step. 35 years ago, as a corporate retailing store Mark&Spencer, bought the %50 stock shares of People's, D'Alliards and Walkers Clothing Stores' which operate in Canada as chain stores. So, Marks&Spencer gained an international feature with the buying of these firms.

Carrefour and Promedes entered Spain market in 1970's. The biggest movement which contains the retailers' functions in the international trade occurred in the middle of 1980's and at the beginning of 1990's. Within this process, North American, European and Japanese retailing firms entered to international markets. In this era, the retailers were active in East Europe and East Asia markets. There were not any retailers who operate in the global market in the 100 firms list of 1993. There are four retailers in the same list which was made in 1999. These retailers are Metro (Germany), Carrefour (France), Royal Ahold (The Netherlands) and Wal-Mart (U.S.A.) (Akturan, 2008: 631-642).

2.5.3.2. Historical Development of Retailing in Turkey

Modernism, urbanization and population increase factors affected the change in consuming habits. The demand for foreign goods of people who live in the major cities increased rapidly. In the 19th century, the first biggest store "Bon Marche" in Anadolu was established. Then, many passages were opened in the similar ways. The most important feature of Bon Marche store was that the customers could get inside and shop freely.

The consumers could have the possibility to examine goods and prices inside the store. The prices were adjusted in more affordable prices when it is compared to the local traders. The citizens of Istanbul called whole similar shops as Bon Marche. This event was a significant transformation for the consumers. The changes in consuming habits have also transformed the production patterns. The production structure had to shift itself from its production to presentation needs in margins due to demands. The stores like Bon Marche began to open until the first quarter of 20th Century. The Municipality Law became valid in 1930.

With this law, the responsibility and authority to open municipalities have been given to municipalities. In 1950, the municipality of İstanbul called the establisher of Migros. Due to the conclusion which is provided by that person; the first retailing stores were established. The first Migros was established with %51 by Swiss Migros and %49 by İstanbul Municipality and Meat-Fish Corporation. In 1956, GİMA stores were formed in the country, and poor province retailing was established with the help of the prime minister. In 1975, Swiss transferred all of its Migros stock shares to Koc Group. In the modern retailing, this development had affected traditional retailers badly. The development and spread of Supermarkets in 1970's caused grocery organization to take precautions. They started to make group buying and distribution for competitive advantage (Yüce, 2011).

In 1990's Turkey began to be a part of global markets. With the liberal economic approach, Migros analyzed the demands and needs of Turkish consumers and started to open larger stores. In this era, MM and MMM stores opened, and they began to work until 22.00. Migros started to make personnel education programs and full automation. Turkish consumers began to shop from consumer based cash centers, and it created the first discounted supermarket "Şok". As a retailer store Migros, provides its product brands like rice, oil e.t.c. could reach to the five district of Turkey with 74 branches in Marmara, Aegean, Mediterranean, Central and Southeast Anatolia. The company supplies were with internet based shopping possibility for the consumers. Also, the consumers can benefit from exclusive discounts with its particular consumer card (Migros, 2015).

Another prominent company in food based retail sector in Turkey is Carrefour. The company opened its first branch in İçerenköy in Turkey; then it cooperated with Sabancı Company (Carrefour, 2015). The rapid growth of Turkey's retailing sector caused the establishment of different companies. German Metro Markets started their operations in 1990 in Ankara. In İzmir, multiple partnerships established Kipa in 1992. Early 2000's has been the corporation and growing time for the retailing sector. In 2005, the CarrefourSA bought Gima and Endi. Ülker purchased Şok Markets to be active in hypermarket and supermarket area. Migros bought Tansaş which operates as a part of Doğuş Companies to enlarge its operations all over Turkey. In 2005, Turkey's

retailing sector improved and the discount spots have started to be established like Bim, A-101, DiaSA (Ulubağ, 2015:32).

2.5.4. Retail Market Overview

The retail market is developing all over the world due to technological developments of the modern world. In this part of the study, the retail market position is going to be examined in Turkey and worldwide.

2.5.4.1. Global Retail Market Overview

According to 2015 global retailing sector report; in 2013 financial year, 250 biggest retailing companies of the world gained 4.4 trillion dollars income. The %80 of this revenue was explained as income. According to the report, the largest 250 retailers' revenue percentage which is downsized in 2011, continued to decrease in 2013. The income increased %4,3 in 2012; on the other hand, the revenue increased %4,1 in 2013. The WalMart from U.S.A. is listed as the first retailer with 476,3 billion dollars revenue in the list. Costco from U.S.A. is ranked in the second place with its 105,2 billion dollars revenue. Carrefour from France has been the third in the ranking of its 98.7 billion dollars revenue. The list is continued with Schwartz and Tesco (Deloitte, 2015:1-48).

Table 2.1. The Biggest Global Retailers in The World

Store	Country	Revenue	Type	Country number operated	The Growth Rate
WalMart Stores Inc.	U.S	476,3	Hipermarket	28	%3.3
Costco Wholesale Corporation	U.S	105,156	Cash&Carry	9	%7.7
Carrefour S.A	France	98,688	Hypermarket	33	-%3.0
Schwarz Unternehmens Treuhand KG	Germany	98,662	Discount Store	26	%6.5
Tesco Plc	U.K	98,631	Hypermarket	13	%2.9
TheKroger Co	U.S	98,375	Supermarket	1	%5.3
Metro AG	Germany	86,393	Cash&Carry	32	-%0.9

Source: <http://www.themarketingsite.com/live/article/2015-deloitte-global-retailing-survey/39372/>

As it seen on Table 2-1; the international retailers continued their operations in other countries in 2013 period. Wal-Mart is operating in 28, Costco is operating in 9, Carrefour is operating 33, Schwarz is operating in 26, Tesco Plc is operating in 13 countries. The hypermarket and discount stores are the most common retailing type in global retailers. In addition to this data, U.S.A is the dominant country in the international retailing market with five stores.

2.5.4.2. Turkish Retail Market Overview

The Turkey retailing sector is proliferating. According to TOBB's report which was made in 2012, the retailing sector revenue in Turkey will be expected as 190 billion dollars, and the number of the stores will be expected to be 84.000. According to these researches, organized retailing revenue will be expected to be 150 billion dollars in 2023 (TOBB, 2012:50).

Due to the developments in the retailing sector in Turkey, the organized retailing industries shares increased when it is compared with the traditional retailing. The sale share of organized retailing reached 100,4 billion dollars and %42 market share. The organized retailing sector contains mostly hypermarkets and supermarkets in Turkey (Turkey Food Sector Report, 2010). According to the report of Competition Institution about fast moving goods; retailing sector share is increasing rapidly in this area. The organized retailing sector share in fast moving goods sector was %31,26 in 2005. However, modern retailing reached %50,86 in the first six months of the period in 2011. Due to the structural transformation of the market; the traditional channel and distribution approach began to change in 2011; the traditional retailing lost its superior power in Turkey market. In the modern retailing structure, the fast-growing retailing types are channel stores and discount stores. BIM and A-101 are the fastest retailers growing in the market (Ulubağ, 2015:33). The leader of the retailing sector in Turkey is BIM. The company has developed %22,8 between 2008-2013 years, and the company ranked as a 151st place in the biggest 250 retailers list worldwide (Deloitte, 2015).

The discount stores are improving rapidly as retailers. However, the biggest share still belongs to the supermarkets in Turkish retailing market. The local retailing is developing its place in the Turkish market. Pehlivanoglu, Cagdas, Kim, Mopas, Yunus and Uyum stores are the most known samples of local retailers. Marmara, Central Anatolia, and Mediterranean are the districts with fast moving goods and local retailing. The local Turkish retailers operate mostly as supermarkets and serve as discount stores. On the internet based retailing, Turkey's market is still improving. The total four retailers' share in this area is %13,74. When this percentage is compared with the other European countries, it can be seen that the rate is low (Ulubağ, 2015:34).

2.5.4.3 Luxury Retail and Luxury Retail Market Overview

In order to say "luxury" for a good or service, firstly the definition of it should be made. There is no direct definition for this concept, but there are some variables which show a product or a service is luxurious. Regarding perception, the consumer decides what is and what is not luxury object. Regarding production, manufacturers make sure a luxury product is the work of a careful craftsman, sold in a very sophisticated

environment, and promoted exclusively, with significant emphasis on the description of the brand and its core values. Regarding social and individual behavior, a luxury product would be described by sociologists as an item that makes its user stand out from the crowd (Chevalier, 2012).

As it seen from some aspects of luxury, exclusivity, excellent quality, high price, scarcity and uniqueness, aesthetics, ancestral heritage and brand image are the set values of a luxury brand. Customers of luxury brands pay high prices for these values. Ralph Loren, Gucci, Armani, Louis Vitton, Bvlgary are some of the examples of the worlds' luxury brands.



Figure 2.1. Characteristics of luxury brands

Source: The Concept of Luxury Brands, Klaus Heine Alleres (2003)

Luxury goods are sold in different sectors, but in this study, only fashion sector is explained. Luxury brands are especially significant for the French economy. However, also these products are sold to Russia, China, Middle East and South America. Today, China also has a significant share in this sector.

Table 2.2. Major Luxury Goods Companies' Sales and Profits (US Million Dollars)

	Sales	Net Profits
LVMH	10, 932	784
Richemont	4, 002	478
Gucci	2,258	336
Tiffany	1,668	336
Prada	1,420	190
Hermes	1,090	184
Armani	971	178
Bvlgari	669	162
Versace	390	88.4

Source: Global Luxury Goods Trend Report, Euromonitor (2001)

In Turkey, luxury retailing is overgrowing. Especially shopping centers and malls affected the percentage of luxury sales. Rather than random sale spots, people prefer shopping centers and malls for such luxury brands. For example, malls like İstinye Park, Akmerkez, Galeria, Akasya contains luxury brands and preferred by people very much. Local people of Turkey buy their luxury products mostly from Turkey, not from out of the country. In last eleven years, luxury products consuming range increased twenty times bigger.

3. PRICING IN RETAIL SECTOR

In this section of this thesis study, pricing concept is going to be analyzed as a part of a marketing mix. First, it is tried to draw the theoretical framework of pricing term. Then the pricing methods, strategies, and pricing in the retail industry will be analyzed.

3.1. Price Concept

Price term is a monetary value which defines benefit from a product or service (Akça, 2007:6). Price is a system which consists of a producer, consumer and source owners. Price works as an unseen hand in the source distribution system rationally (Gwartney and Stroup, 2008: 22).

There are different approaches to price definition in the literature. The most common feature of price definition focuses on money in the modern market. Because the price is defined and provided by money (Kasapoğlu, 2007:7). Pricing can be seen more than just a monetary value. The price contains time and efforts that can be effective in the production process of assets and services. So, price can be defined in a broader concept. Due to service marketing perspective; a person who wants to go to a journey; first select the holiday destination. After that, the same individual has to decide the transportation vehicle and choose the best accommodation option. During all this process, the consumer has to evaluate the pricing options and the service quality. This process is rigorous for the person because the consumer has to spend time and effort. Therefore, the consumer has to evaluate price in a broader concept; not only as a monetary value but also the combination of different variables like time and effort (Torlak, 2013:109).

There are different price types which are connected with supply and demand. For example, the price which is decided by producers about selling their service or products can be defined as “supply price”. On the other hand, the price which is accepted by consumers for buying goods and satisfaction of their needs can be defined as “demand price” (Keleş, 2008:521). Price can be determined due to its types and various views. However, in the pricing system, there is a negotiation which affects the producer and consumer for the transaction of a good in monetary values.

Price is a concept which can be evaluated with the economy discipline. Pricing is defining the amount of monetary value for the certain quantity of supplied goods or service. Pricing is an important term about the decision of the source types, product types and service types (Mucuk, 2012:154). Price is a vital factor which affects the distribution of sources in different sectors and the same market (Hunt and Forman, 2006:387). The price of a good of a brand is the sign of a product place when it is compared with the rivals (Parlakkaya, 2004:517). However, pricing approach according to the rivals is criticized by economists. Because in the management discipline, the rivals' condition is effective on the pricing strategy. However, economists prefer to make predictions about the market structure which contains the competition. For example, if prices of firms are different in a market; it means that the products which are supplied by different companies are distinct from each other. So, in the financial analysis, the price is an important variable to make effective and right economic predictions (Uslay, 2005:33).

Consumers may assume that higher prices are an indication of higher quality because they do not comprehend directly with the quality and qualification of a product (Mangion, 2005:46).

3.2. Marketing Mix

Marketing is a broad term which contains pricing and price efforts based on the understanding of consumer needs and demands. The marketing concept focuses on the presentation and production of goods in this context (Walters, 1992:5). Marketing concept concentrates on the important subjects which are common for all the companies such as consumer satisfaction, change, competition superiority (Simkin, 2007:157). The marketing concept can be defined as the determination of market opportunities (American Marketing Association, 2007). The marketing mix can be defined as a concept which is related to the marketing term. The marketing mix consists of the relevant variables as product, place, promotion, and price (Indounas, 2006:415). According to Philip Kotler, marketing mix is a combination of the different variables which firm can use to influence consumers' choice. Each firm demands to build up the harmony of marketing mix and reach consumer satisfaction and loyalty as a part of their organizational goals (Kotler, 1976:67).

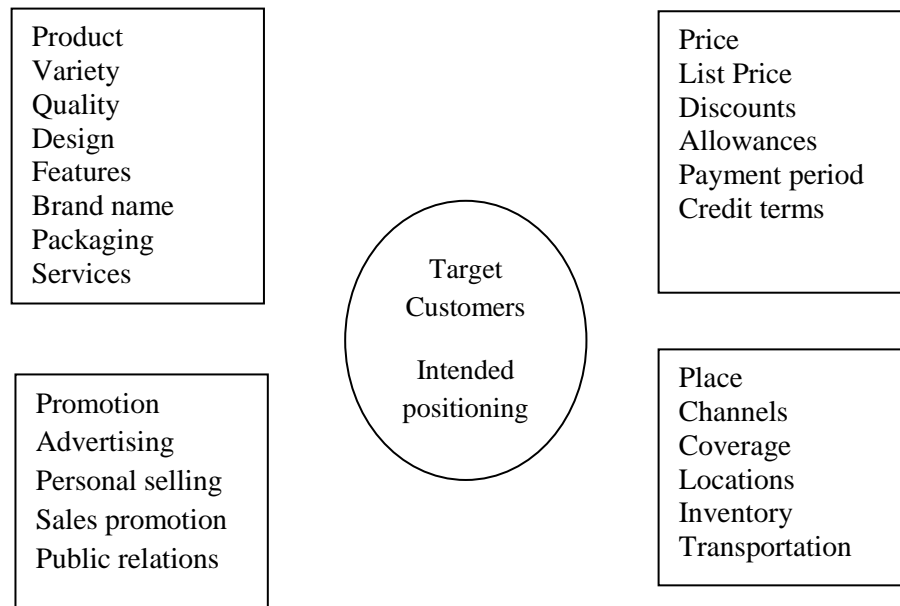


Figure 3.1.: Marketing Mix

Source: KOTLER P., ARMSTRONG G. Principles of marketing, (11th Ed.) Upper Saddle River: New Jersey: Prentice-Hall., 2006

As it can be seen in Figure 3.1, the marketing mix factors have to be combined with effective production such as production factors. The elements of marketing mix have to work together in an integrated way (Wheelen and Hunger, 2012:151).

Table 3.1.: Marketing Mix Elements

Product	Place	Promotion	Price
Design	Retail	Special offers	Strategies Skimming
Technology	Wholesale	Endorsements	Penetration
Usefulness Value	Internet	Advertising	Psychological
Convenience	Direct sales	User trials	Cost-plus
Quality	Peer to peer	Direct mailing	Loss leader
Packaging		Leaflets/posters	
		Gifts	

Source: SINGH, M., Marketing Mix of 4P'S for Competitive Advantage Meera Singh1, 1ISSN: 2278-487X Volume 3, Issue 6 (Sep.-Oct. 2012), PP 40-45

As it is seen in Table 3.1, the marketing mix is combined with controlled terms like design, technology, user trials, advertising strategy, special offers, multi-channel distribution or different price strategies.

3.2.1. Product

A product is a term which refers to goods or services that are supplied to companies. Product is the most important element of marketing mix. Also, product types can be various like a pair of shoes, a car or a tourism package. These products are bought by consumers for the satisfaction of diverse needs. The products are purchased not only for tangible benefits but also for intangible benefits. A pair of shoes can be bought to feel comfortable and to act well. On the other hand, buying a car contains many things like comfortable driving, showing status and security. Jewelry is the sign of wealth and the indication of looking good (Marketing Notes, 2015:102). Product can be defined as services or physical goods which consumers are ready to pay. Tangible goods like furniture, vegetables, fruits, bread, medicine are the main samples of product. Also, intangible products like a hair-dresser service or tourism agency counseling can be evaluated as a product too. Product is the main factor of the marketing mix (Singh, 2012:41)

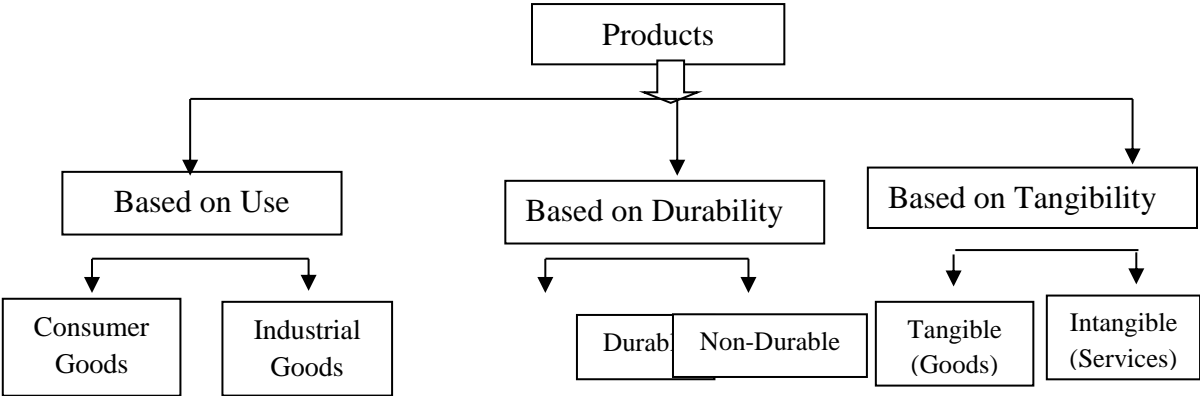


Figure 3.2.: Product Classification

Source: Marketing Notes, 2015: 107

As it can be seen in the Figure 3.2., there are different types of product classifications. Product can be ordered due to usage of goods and industrial goods. Products can be

ordered due to durability as durable goods and non-durable goods. Moreover, the products can be classified according to tangibility such as tangible goods (physical goods) and intangible goods (service). The detailed classification is sited below (Marketing Notes, 2015:105-107, Kotler and Armstrong, 2007, Winzar, 1992: 260-264, Ashel, 1972: 540-544).

The products can be classified due to usage:

- Consumer Goods: The final user of a product is called consumer, and the goods which are produced by the final producers are called consumer goods. Clothing, food, furniture and many goods can be categorized in this type. The consumer goods are classified inside this group also.
- Convenience Goods: The goods which do not require a planning or buying effort like chocolate, fruit juice, water, etc. They are consumed frequently or daily.
- Shopping Goods: These goods are consumed less frequently and usage time is longer than convenience goods. Price, quality, durability factors are effective on buying of these goods like clothes, shoes.
- Specialty Goods: People plan the purchase process of these items and they effort to get them. These goods can be exemplified as TV sets, cars, jewelry. These types of goods are more expensive, and potential consumers demand information before they make a purchase decision.
- Industrial Goods: These goods are used to produce another product or service. Because of this, they target industrial buyers, not final consumers. The industrial goods are classified inside this group also:
 - Raw materials
 - Machinery
 - Components
 - Operating Supplies

The products can be classified due to usage durability:

- Durable Goods: Durable goods are the products which can be used for long time periods. A washing machine, a bed, a cell-phone can be the examples of durable goods. Potential consumers endeavor to buy these goods. Seller

reputation, the price alternatives, and quality are important factors in durable goods purchase decision.

- **Non-Durable Goods:** These products can be used a few times or more; for example soap, shampoo, and salt. These items are obtained and consumed very fast. The profit margin of these products is low, and consumers do not think about their purchase decision for intangible goods.

Products can be classified due to usage tangibility:

- **Tangible Goods:** Most of the goods can be seen by eyes and touched by hand whether they are consumer or industrial goods, whether they are durable or nondurable goods. The tangible goods can be classified in a broad range from a refrigerator to a single soap.
- **Intangible Goods:** Intangible good term refers to the service which can be presented to final consumer or industrial buyer. Service is vital for the satisfaction of needs like repair, haircut, massage, medical treatment, educational help, etc.

3.2.2. Place

Place is an important element of marketing mix which is related to distribution channels and transportation facilities. The distribution is an important process which includes the delivery of goods from producers to final consumers or industrial buyers. A product can be produced well and get promoted to a satisfactory level. However, if the product can't be found in sale points, the marketing cycle gets damaged badly. Because of this reason, distribution has a huge effect on firm profitability and effectiveness. A firm has to consider carefully about its distribution channel and supply chain management (Singh, 2012:42).

Distribution is important for the management and operations of the marketing process. Because of this, companies should build a suitable marketing channel which can be used to reach company's goals (Kotler and Armstrong: 2014:363). Primarily a distribution channel has following functions (Marketing Notes, 2015:111):

- A distribution channel helps the establishment of a contact between producers and consumers.
- A distribution channel supplies facility for consumers by creating convenient points.
- A distribution channel makes the transfer of ownership of goods easier.
- A distribution channel creates commercial facility by connecting the producers to sale points.
- A distribution channel can supply services after sale.
- A distribution channel can assume risks which are connected to the marketing mix.

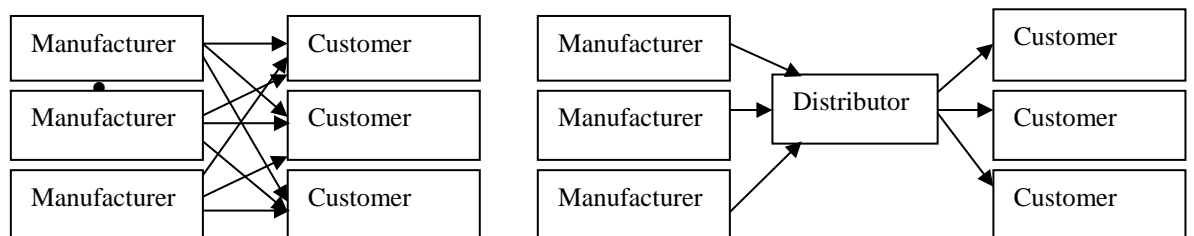


Figure 3.3: Complex and Basic Distribution Channel Models

Source: Kotler and Armstrong, 2014:364

As it is seen in Figure 3.3.; there are basic and complex distribution channel models which firms can benefit. The manufacturers have to follow complex ways to reach consumers without a distributor factor.

There are different ways which firms use for effective distribution as direct and indirect marketing tools. In direct marketing, manufacturers do not benefit from intermediaries for the distribution; however, in the indirect marketing term, the manufacturers work with different distributors (Kotler and Armstrong, 2014:365).

Different distribution channels of products are cited below (Marketing Notes, 2015:111-112):

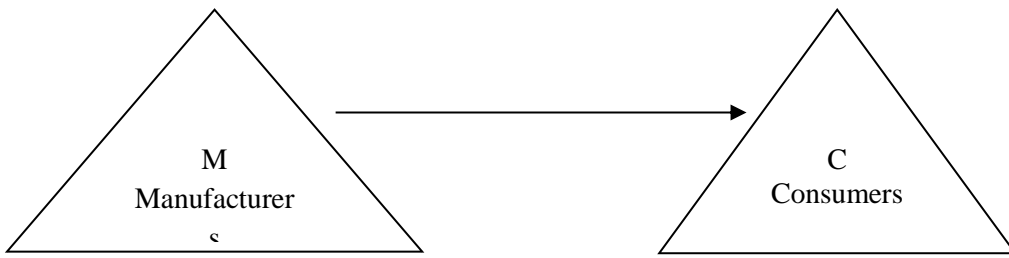


Figure 3.4: Zero stage channel of distribution

Source: Marketing Notes, 2015:111

As it can be seen in Figure 3.4, in Zero Channel of distribution manufacturers do not need any distributors and reach the final consumer by themselves. This activity can be supplied by a door salesman, direct mail or the internet.

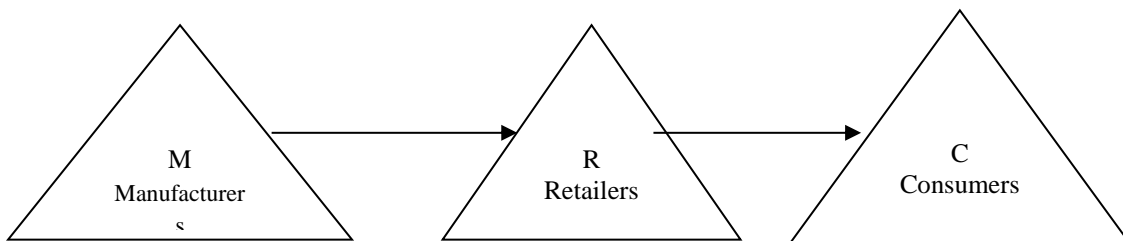


Figure 3.5: One stage channel of distribution

Source: Marketing Notes, 2015:112

As it can be seen in Figure 3.5., in One Channel of distribution manufacturers need only one middleman or distributor and reach the final consumers with the help of them. Especially in retailing sector, one middleman can be necessary for some product lines. The durable good marketing as refrigerator or air conditioner can sometimes benefit from this type of channel distribution.

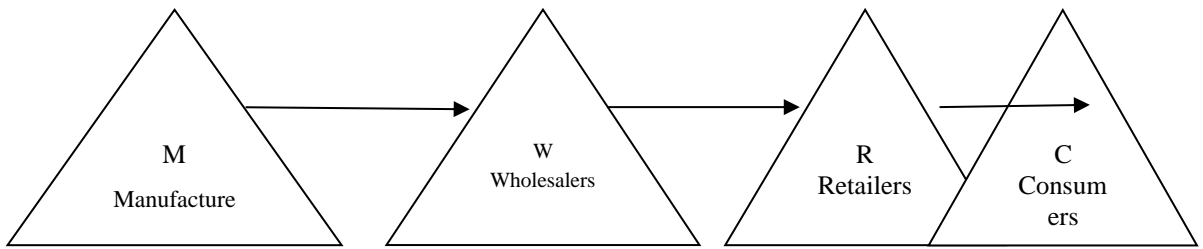


Figure 3.6: Two stages of channels of distribution

Source: Marketing Notes, 2015:112

As it can be seen in Figure 3.6, in two stages channels of distribution, manufacturers need two middlemen or distributor and reach the final consumers with the help of them. The process is more complicated from the basic one channel of distribution in this type. Producers usually sell their products to the wholesalers with a profit; then wholesalers sell the same goods with profit to small, middle and big size retailers. The most common distribution type which is preferred by companies is two channels type to reach small and middle size retailers

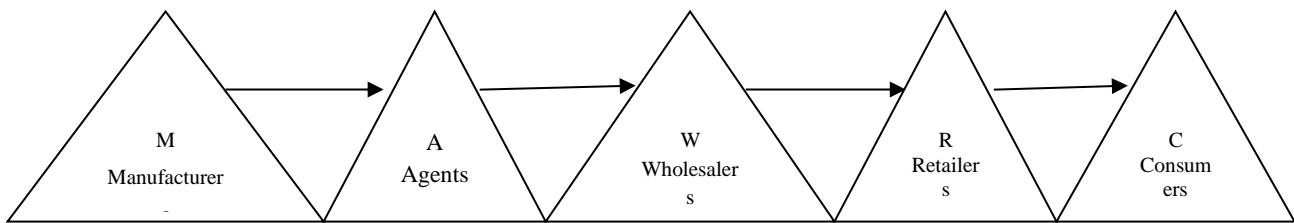


Figure 3.7: Three stages channels of distribution

Source: Marketing Notes, 2015:112

As it can be seen in Figure 3.7, in three channels of distribution, manufacturers need more than one or two middle-man. In the high quantity purchases, the big agents buy goods from consumers; then distribute to wholesalers and retailers.

Channel design decision is important for marketing mix; because it requires deeper marketing analyses. Companies should analyze consumer needs, channel objectives, best channel alternatives and evaluation of all options (Kotler and Armstrong, 2014).

3.2.3. Promotion

Promotion is an important factor for marketing mix (Anderson, 1998:126). There are various sales promotion activities like public relations, publicity, exhibition and promotion. Also, personal sales, direct marketing, sale point selling can be ordered in promotional activities. Promotion is a vital tool which helps sales force for the representation of goods. The competitive advantages, unique features and other specialties of goods can be only transferred to consumers via promotional activities. Promotion helps the manufacturer, retailer, and salesman positively affect consumers. Promotion also has a mix in itself which consists of advertising and other sale efforts. The main purpose of advertising is creating a positive brand image and awareness for the brand. Because of the high level of competition, brands have to introduce themselves to potential consumers. Promotion has positive effects if it is planned in the right way and it should not be seen as a useless cost factor (Singh, 2012:42).

The promotion mix tools can be categorized as below:

- **Advertising:** Advertising is the most known promotion tool which has a substantial effect in promotion mix. Advertising is usually done by mass media vehicles such as television, radio, newspapers, magazines. With the development of new media technologies; web sites and social media are vital vehicles for advertising. Brochures, flyers, posters can be used for advertising aims (Kotler & Armstrong: 2014).
- **Public Relations:** Public relations activities are different from advertising efforts because there is not any payment for media visibility. Public relations can be defined as building a good company image or brand image efforts. Public relationship management is vital for creating demanded publicity and control messages. On the other hand, companies have to face with rumors, stories, and events. Public relationship activities contain visibility in press, events, corporate social responsibility efforts and sponsorship activities (Peltekoğlu, 1998:2).
- **Direct Marketing:** Advertising and direct marketing target large numbers and group of people. However, direct marketing efforts focus

on individual consumers. Salesmen directly connect with the potential consumers in telephone marketing. The other methods which can be used in this strategy are e-mail marketing, messages, and face to face sale efforts (Marc, 2014:45).

- Sales promotion: In sales promotion, a product or service sale is promoted for a limited time. In this strategy, brand can benefit from gift, discount-cheques or contests (Oyman ve Odabaşı, 2011: 65).

3.2.4. Price

Price has an important place in the marketing mix as the only factor which supplies revenue (Indounas and Roth, 2012, 113). Price can be defined as the money which is paid by consumers. The pricing term can be defined as the exchange monetary value of service and products. Pricing is an important element in marketing mix and it has a crucial role. For success of a company, the price decision is entirely important. For example, if the price is high; the product quality should be high, and the promotional channels should be used effectively. If the price is low, the company can aim to reach market merely. The pricing decision should be made after thinking different factors (Marketing Notes, 2015:108).

Pricing is the first part of selling cycle, so pricing strategy is more than just giving a selling cost of products and goods. Pricing tries to get advantages and benefits through time and place efficiency of demand, consumer behaviors, consumer purchase decisions and the range of available products (Dolgui and Proth, 2010:102).

Pricing is a strategical decision which is related with marketing mix elements. The pricing strategy is beneficial due to following conditions (Talluri and Van Ryzin, 2004):

- Consumers have a heterogeneous structure, and this affects the purchase behavior. Time and other variables are important on customer decisions, and the same products offer different values and benefits to the consumers.
- Demand variability and uncertainty is high, and master pricing has an important factor in master pricing.

- Production has a rigid effect on price due to demand variables.

According to marketing mix, if a company gets developed in management development, the company can apply higher price policy (Kotler, 1976:140). The rivals can be ignored or taken seriously, and these preferences can be effective in pricing strategy (Nicolau, 2011).

3.2.4.1 Factors That Affect Pricing

There are various elements which affect the pricing decision (Cavusgil, 1996:67). These factors are effective in the pricing decisions of establishments. In the literature, cost is important, and the market share and productions' capacity is effective in price decision (Forman & Hunt, 2005:134). The rival degree of the products, the value of the competition, the quality between the consumer and manufacturer, the status of substitute products, the marketing aims of the company, and government regulations are the most important factors in the pricing decision (Kotler and Armstrong, 2013:59). The elements which are vital in the pricing decision can be ordered below (Marketing Notes, 2015: 108-109):

- Costs
- Distribution Channels
- Consumers
- Competition
- Government Regulations
- Cost: Costs are important in the pricing strategy and the production of the goods and the features of the goods are vital in cost decision (Nagle and Holden, 2002:15). Companies should take care of the cost and the changing production factors due to different conditions (Kozak, 2010:177). Cost is not the only factor in the price decision. For example, a cold drink can be sold as One Turkish Lira in a market, and the same drink could be marketed as Three Turkish Liras in a restaurant or café (Nagle and Holden, 2002:15).

- **Consumers:** Consumers' power and demands are vital in the pricing decision. The top and bottom price decisions are arranged due to consumer demand and needs (Monroe and Cox, 2001: 45). In the pricing decision, consumers can select different products from various alternatives (Kotler, 1999:472). Because of the existence of various alternatives, the companies and marketing professionals who demand high prices for their product should assure the consumers.

They have to give enough information to the consumers about the quality of the goods and the satisfaction status of the products. Even if a company produces a product which is not a substitute product in the world, for an effective sale it should induce the consumers (Stiving, 2011:29).

- **Competition:** In the pricing decision, the competitors and their pricing policy are effective. If the company is not a monopoly in the market which it operates, the responses of the rivals are effective in the pricing decision. The firm should take care of the operations about competitors (Sherlekar, 2010:193). The price of the rivals can be higher due to competitors and this situation can cause a drop in the sales dimension. However, if the company benefits differentiation strategies; it can block the sale decrease due to competition (Tasci, 2006:181). In the competition structure, the formation of markets gets important. If the market is a full competitive specialty and the firm numbers are so many in the market; a company could not reach many consumers with its price discounts (Gurbuz, 1998:53). If the company numbers are less in the market (for example an oligopoly market structure is available); a discount which is done by the firm can be effective for charming the consumers (Chung, 2000:139).
- **Distribution Channels:** Distribution Channels are effective in the pricing decision. A company could produce high-quality products at affordable prices. The same company could supply its marketing strategy with promotional activities. However, without an effective distribution channel, the final consumers can't reach to the product. Therefore, to decrease the price, the elimination of the wholesalers can be an alternative. For the service sector, elimination of the intermediaries as a coiffeur shop can be an effective way.

However, for the goods and services, the intermediaries should be used in many distribution channels (Blythe, 2005:194).

- **Government Regulation:** Price is regulated by the government and governmental institutes in the market. For example, to liberalize the economy, the steel and cement prices are decided by the government. The government can limit the production and price of some goods and services in the market (Marketing Notes, 2015:108-109).

Table 3.2.: Pricing Stages

Identification of pricing aim	Pricing purpose should be connected to the company aims. It should be defined that the company aims the increase of market share or revenue maximization.
The purchase ability of target market and its evaluation of price	The consumers can be more sensible to the different service and goods products. For example, the food price is more noteworthy compared to the alcohol price. Also, the income of the consumer is effective in the purchase decision.
Identification of the demand	When the price is increased in the service and products categories; the demand decreases. This decrease can be rapid sometimes (tourism and entertainment sector). However, the demand is not affected sometimes like bread or food sector.
The analysis of demand, cost and revenue relationship	A company should form production costs due to the needed revenue and suitable for the market.
The evaluation of competitors price and price strategies	In this stage, the market prices should be investigated and the possibility of the entrance of the new competitors should be analyzed. If the price is higher than the competitors price, the more qualified and specialty perception about the product should be established.
The development of pricing method	Firm should choose a method for pricing. This method is related to the factor which is taken seriously by the company.
The identification of the price	If the necessary steps are done appropriately, the price can be defined easily.

Source: Blythe, J. (2005). Essentials of Marketing. (3th Edition). Gosport: Pearson Education Limited. P.180-181.

3.2.4.2 Pricing Methods

There are three pricing methods which are more important in pricing strategies. First is cost based pricing that is formed as an internal pricing method, second is demand based pricing that is formed due to consumer preferences and the third one is competition based pricing which is formed according to the rivals. In the following parts of these thesis study, the pricing methods are going to be analyzed.

3.2.4.2.1. Cost Based Pricing

Companies demand to continue their profitability and continue their life. One of the most important conditions to keep going their life cycle is the determination of the costs that the company has to dare in the production process. This pricing method can be abstracted as calculating the costs and adding revenue to the costs (Courcoubetis and Weber, 2003:164). The cost oriented pricing aims to improve cost based profitability and there are researches which build up this approach (Govender, 2000:48).

Cost based pricing method is not just based on the costs; this model also consists of demand and cost functions. However, in the application, there are limitations and these limitations can be ordered as below (Mucuk, 2001:146-147):

- The other marketing mix factors are eliminated in the cost based pricing strategy. On the other hand, in real life, cost is affected by marketing mix elements.
- It is accepted that the rivals do not affect the costs. However, the competitors react differently due to competitors' various pricing policies.
- It is difficult to contemplate the cost variables.

The cost based pricing is going to be analyzed due to full cost pricing, variable cost pricing, and purpose oriented pricing.

3.2.4.2.2. Full-Cost Based Pricing

Full-cost oriented pricing is applied when the cost is maximized and the marginal cost and marginal revenue are equal. Only with this way, it is possible to maximize the revenue with determination of the cost based on cost and production. However, the marginal theory is not applied in the real life (Ulken, 1971:292). For real life pricing, the average pricing method is developed by Oxford economist Hall and Hitch (1939) as a full cost oriented pricing (Downward, 2000:213).

In full-cost oriented method, the unit cost is determined due to revenue margin which is added to the cost. Average unit cost is calculated due to average variable cost and average fix cost total (Lucas, 2003:202).



Figure 3.8: Price Circle

Source: Dolgui & Proth, 2010:103.

Unit cost consists of fix cost that includes unit cost share and price. Also, it should be compared differently with the unit cost which is calculated for each different sales volume. This situation forms a cutback in the firms which are fixed cost oriented. However, it is not understood that the fix costs are eliminated completely (Keleş, 2008:522).

3.2.4.2.3. Variable Based Pricing

Variable oriented pricing is another version of cost based pricing. This method means that the pricing decisions should be overviewed in a short time. This pricing method is lucrative for the firms who produce in different product gams (Erem, 1980:146).

In the literature, the variable oriented pricing can be stated as the following price as a company example:

- Direct raw materials and working costs=10 TL
- Variable general production costs= 3 TL
- Variable selling and management costs=2 TL

TOTAL VARIABLE SELLING COST= 15 TL

This example is given to comprehend the variable based cost. In this example, variable selling and management costs are added into direct raw materials and working costs. So, the total variable cost is calculated. The firm displays the revenue and stable costs which are added to costs, fixed costs and selling price (Kartal, 2013:191).

3.2.4.2.4. Purpose Based Pricing

Purpose oriented pricing is a cost based method which is done for fixed costs and different variables. In this analysis, the fix costs and variable costs are calculated together. In this pricing method, firms correlate firm cost and price. Firms try to find the point which they can reach revenue by analyzing the costs and price variables. The purpose point means the point which comprehends the equal place which total revenue and total costs (Mucuk, 2012:162).

Firms determine the break even point due to the cost in this approach. They decide the break even point according to “in which production cycle, my costs will be met?”. So, to reach this point, the costs are calculated and the unit cost is debated due to break even point when the production is determined. In this part, after the production quantity, the companies get revenue after each revenue price. Total revenue is equal to the unit price and sales volume multiplication. Total cost can be calculated as adding total variable cost to the total stable cost (Polat, 2015:25).

3.2.4.2.5. Demand Based Pricing

In this pricing method, demand is taken as a concept which is related to cost. Cost based pricing approaches are the standard approaches for pricing (Kotler, 2003:139). However, in the consumer preferences and behaviors, these are independent variables

from cost. The firms have to consider the price and cost altogether (Badem and Fırat, 2011:88).

The price should be defined in demand oriented pricing method due to demand which exists for the price (Kotler and Armstrong, 2012:291). Basically, economists think that a consumer is a rational person and he/she decides about consuming goods rationally. According to this approach, if price increases and the consumer gets information about this situation, the demand decreases. If the price decrease, demand would increase. This balance is called as a demand curve (Burnett, 2010:229).

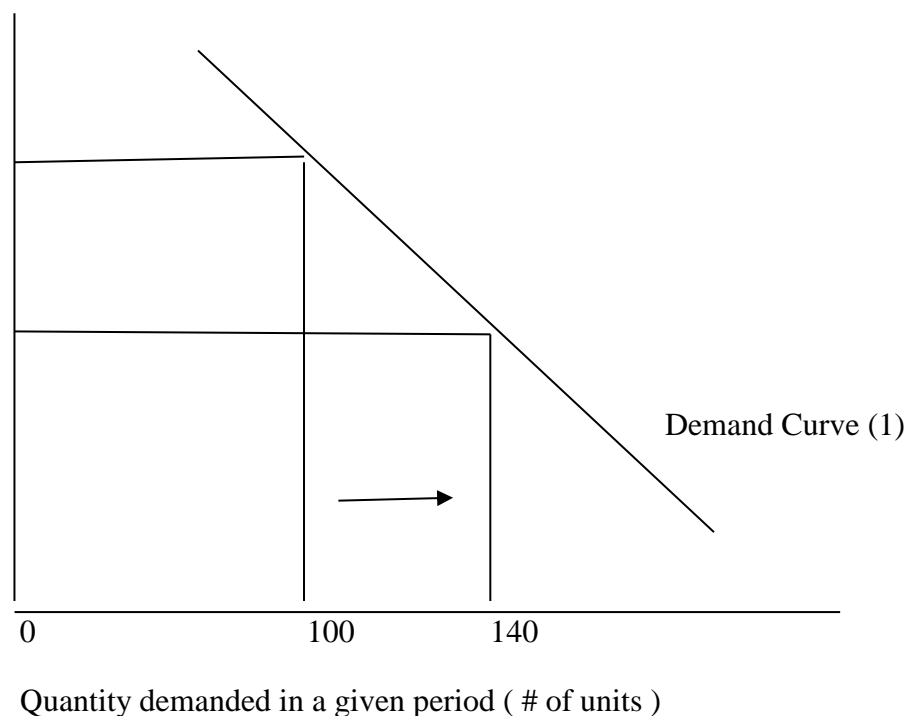


Figure 3.9: Demand Curve

Source: Burnett, 2010: 229

As it can be seen in Figure 3.9, the demand and quantity demanded in a given period of time (#of units) are interrelated with each other. Reduction in price unit would cause a 40 unit increase in the quantity demanded to assume no other changes.

The consumers' needs, requirements and their satisfaction level on products affect the demand. These factors should be considered in pricing decision (Kotler, 2002:223). The pricing stability can't be possible due to demand increase and decrease. However, changing price so much due to these variables is not evaluated true by consumers

(Hoeberichts and Stokman, 2005:14). These different factors can be effective in price changes and the cost and revenue calculation should be analyzed in detail. These changes also affect consumer behaviors. Because of this reason, consumers' behaviors should be analyzed according to price elasticity. Price elasticity can be defined as the reaction of the consumers about the price changes (Dinler, 2013:56). Price elasticity can be formulated as below (Polat, 2015:31):

$$\text{Demand-price elasticity} = \frac{\% \text{ Change in sales}}{\% \text{ Change in price}}$$

% Change in price

Elasticity issue is analyzed in 3 different perspectives: (Gurbuz, 1998:84).

Elasticity > 1; demand is elastic.

Elasticity < 1; demand is non-elastic.

Elasticity = 1; unit demand is elastic.

The firms which define their pricing policy due to price, make price differentiation. For example, if a company reduce costs to increase the sale; it sells the existing good with lower prices to the consumers who are ready to buy same product with higher price. In order to determine this problem, the same product can be supplied at different prices for different consumers (Tasci, 2006:171). The price based strategies can be ordered as below:

- Product based price differentiation: In this pricing method, there are some specialties added or deducted to the same product. For example, \$5 Formica washing machine can be sold with lower prices when it is compared to wood washing machine (Kotler, 1976:140).
- Consumer based price differentiation: The same products are sold to different consumers at different prices. For example, in hotel establishments, hotels do not give the same price all agents (Polat, 2015:32).
- Place based price differentiation: Place supplies benefit for the consumers. For example, in planes, the first-class seats are more expensive because the foods and service quality are better in first class seats (Karafakioğlu, 2011:240).

- Time-based price differentiation: Time is an important factor in price differentiation. For example, in the intensive time in tourism season, the price is high. However, out of season time, the price is low (Hacıoğlu, 2010:53).

3.2.4.2.6. Competition Based Pricing

Establishments decide it's price policy due to the rivals. This pricing strategy is called as competition oriented pricing strategy (Kotler and Armstrong, 2012:299). In this pricing method, firms try to continue a stable rate between price, cost and demand. This situation can be analyzed as the firm eliminates the cost and demand variables and focuses on only competition. However, if the firm changes its price, the competitors can change price too. Because of this reason, firms can't be sure about price changes (Karadas, 2006:45).

Competition based pricing can be analyzed into two different perspectives as current price bases pricing and closed envelope pricing (Zengin and Şen, 2009:85):

- Current price based pricing: Current price can be defined as selling a product which is never sold before or a place where is never sold by a company. For example, a company which sells traditional carpets in Turkey; wants to open a store in Germany. For the beginning, the firm should consider other carpet firms' prices (Polat, 2015:33).
- Closed Envelope Pricing: This pricing style is based on a large-scale contract (Mucuk, 2012:165). In this pricing method, companies should offer a price to get big government bids. This method is related with high revenues and revenue sacrifice ratios.

4. RESEARCH ON PRICING AND A CASE STUDY

The research of this study focuses on luxury brands in the product based retailing sector and mainly concentrates on the factors that affect pricing strategies. The main problem of the survey is the existence of different pricing policies and their effects to the store based retailing market because of the wide product range that is offered in luxurious goods category. So, in the research part of the study, a case study analysis is conducted in a growing luxury retail and fashion sector with one of most known brands of Turkey, Beymen.

The pricing strategies of the Beymen Stores are analyzed according to in-depth interview analysis with Beymen Hq store managers. Results of interviews were also analyzed by the study aims to find out the key factors that affect the main pricing strategies of the company. Following the findings, through the comparison with global textile retailing in Turkey, differences and different sides on the pricing of Beymen were tried to be enlightened. Because of the busy work environment of the company, only head managers were able to spare their times for interviews. However, their long-term experiences and knowledge about the topic have been sufficient to answer the solution ways to pricing problems. Besides interview findings, pricing tables and documents are also examined, but according to privacy policies, couldn't be shown in the thesis.

4.1. Research Methodology

In the growing luxury retail and fashion sector, Beymen Store has been showing activities for a long time. In order to find out the pricing based marketing strategies of the company, case research was structured and semi-structured in-depth interviews are conducted with three participants, senior store managers of Beymen company. Primary data come from these face-to-face interviews. After that, interviews were analyzed with Maxqda and results are also supported by quantitative findings. The other sources of data are Beymen customers, professional Beymen employees, and finance department office personnel.

Interviews are vital data sources in case studies (Yin, 2003). In the study, interviewing was the main data source.

Interviews are purposeful and guided conversations which are done to get information from others (Bogdan, 2007). Interviews are classified as highly structured, semi-structured and unstructured. This research consists of both unstructured and semi-structured interviews.

The semi-structured interviews contain seven questions, which were constructed during the research.

Field notes represent what the researcher sees, hears, experiences and thinks while collecting and reflecting on the data in a qualitative study (Bogdan, 2007). During the research, field notes were written down immediately afterwards of each observation and interview.

In this research, the aim of the case study was not to reach but to discover and describe the case. Case study consists of data collection, interviews, documents, and observations. Case study steps are explained below:

- Determination of the research questions: Case research must start with defining research questions that are theoretically and practically interesting and identifying some intuitive expectations about possible answers.
- Select case sites: The researcher should use a process of theoretical sampling to determine the case sites. Care should be taken to ensure that the selected sites fit the nature of research questions, minimize variance due to firm size, industry effect and so on.
- Create instrument and protocols: The researcher should prepare a list of questions. The questions may be open ended or close ended or a combination of both. Additional sources of data, such as internal documents and memorandums, annual reports, financial statements, newspaper articles, and direct observations should be sought to supplement and validate interview data.
- Select respondents: Select interview respondents at different organizational levels, departments, and positions in order to obtain different perspectives on the phenomenon of interest. Interviewees must be chosen based on their knowledge, their ability, and willingness to convenience at access.

- Start data collection: It is usually a good idea to electronically record interviews for future reference; however, it must only be done with relevant comments or critical observations, behavioral responses.
- Conduct within-case data analysis: Data analysis may follow or overlap with data collection. Overlapping data gathering and analysis provide the advantage of adjusting the data collection process based on themes emerging from data analysis. In the within-case analysis, the researcher should examine new concepts separately at each case site and patterns between these concepts to generate an initial theory of the problem of interest.
- Conduct cross-case analysis: Multi case research requires cross-case analysis as the second stage of data analysis. The researcher should look for similar concepts and patterns between different cases. Such patterns may be used for validating the initial theory or for refining it to develop a more inclusive and generalizable theory.
- Build and test the hypothesis: Based on new concepts and themes that are generalizable across case sites, tentative hypotheses are constructed. Also, the researcher should compare the emergent constructs and hypotheses with those reported in the prior literature to make a case for their internal validity and generalizability.
- Writing case research report: In the report, the researcher should describe very clearly the detailed process used for sampling, data collection, data analysis, and hypotheses development. So, readers can independently assess the reasonableness, strength, and consistency that the findings are not biased (Bhattacherjee, 2012).

Maxqda which was used to analyze interviews in detail is a program designed to facilitate and support qualitative, quantitative and mixed methods research projects. It allows to import, organize, analyze, visualize and publish all forms of data that can be collected electronically, including interviews, surveys, (PDF) documents, tables (Excel / SPSS), bibliographic data, pictures, videos, web pages and even tweets. (retrieved from maxqda website)

Qualitative research method concentrates on the collection of qualitative data. (Johnson and Christensen, 2007:664). A qualitative approach to the field of investigation means that researchers analyze things in their natural settings, initiating to make sense of and interpret phenomena regarding the meaning people bring to them. The immediate view is thus critical (Erickson, 1986). This understanding of qualitative research shifts our attention to the concept of voice. Qualitative research approaches are case studies, biographies, phenomenological studies, grounded theory studies, and ethnographic studies (Moen, 2006:6).

An in-depth interview is a qualitative research method and help the researchers to find out the thoughts of the participants. In this method, the participants who are going to be parts of the research has to be a specialist in the area or decision-maker position (Baş and Akturan, 2008:111).

In the study design, the questions are conceived as an understandable, not managed and open way. In interview method, initial question writing strategy starts with a question which is based on an issue that includes the fundamental aim of the research (Yıldırım and Şimşek, 2006:92). The basic question of the research is defined as "What is the pricing strategy of the Beymen Company?". According to the key issue, the other research questions are designed due to literature. The primary purpose of the present study is to determine the factors that create the pricing strategies of Beymen Company. In order to determine the pricing strategies of Beymen Company, the subgoals of the study are listed as below;

- What are the main factors which are affecting the pricing strategy of Beymen Company?
- Which pricing strategies are used by Beymen Company?
- Are there store based differences in Beymen Company pricing strategies?
- What are the key factors that affect pricing in the luxurious retail sector?
- In which points about pricing policies, Beymen differentiates from the Turkey's general textile retail sector?

4.2. Company Overview

In this part of the study; historical development, store operations, product categories and store operations of Beymen are explained.

- **History:** Beymen was built in 1971. Since then, Beymen Company is one of the most important actors in both Turkey and World's growing luxury retail and fashion sector. Today Beymen has over 400 world brands, and their collections are accepted to be best-in-class. Beymen's relations with customers and customer satisfaction are appreciated by not only by their sector but also by other industries. Besides their leading position in fashion, also 'creativity importance' makes their situation more stable in the industry.
- **Store Operations:** Today Beymen has 35.000 m² area in different locations with 60 stores. Beymen Multibrand Stores are Beymen Club, Beymen Blender, Beymen Shu, and also mono-brand boutiques like Tod's, Dior, Dolce&Gabbana, Bottega Veneta, Moschino, Christian Louboutin, Jimmy Choo and Etro is the part of Beymen Operations. The first abroad investment, Cairo Beymen Store, is on service in totally 6.000 m² area in Four Seasons Hotel.
- **Beymen Private Label:** Beymen brands represents limitless change with their entire tradition and newcomer product groups. Beymen Collection Men, Beymen Collection Women, Beymen Club, Academia, Beymen Bag and Beymen Scarf are the representers of this creative tradition.
- **World Brands:** With over 400 brands, Beymen's long-term and strategic partnerships make them World's one of the most important sale location. In Turkey, luxury brands like Dior, Saint Laurent, Valentino, Celine, Stella McCartney, Dolce&Gabbana, Etro, Balenciaga, Dsquared2, Bottega Veneta are sold in only Beymen.
- **Product Categories:** In addition to world brands and private label collections; Beymen Multibrand Stores has also Beymen Home, Beymen Kids, Beymen Blender, MTM and Beymen Bridal product categories.

4.3. In-Depth Interviews

4.3.1. Participants

In the research, three participants take part. The first participant is the Director of Private Logo and Leather Goods. The second participant is the Store Manager, and the third participant is the Director of Finance. They are both women and have been working in there at least five years. Their ages vary between 35-45. Besides, managers of finance and planning department and chosen Beymen customers also supported the study despite their busy work hours. Also during the preparation phase of the research, additional interviews were done with the same participants in irregular periods.

4.3.2. Questions

During the interviews, the questions which are asked to participants are shown below:

- What are the financial objectives of Beymen?
- What are the pricing strategies of Beymen?
- What are the main factors that affect the pricing strategy?
- Which pricing strategies are used in Beymen?
- Are there store based differences in Beymen pricing strategies?
- What is the reason of positioning Beymen Brand in luxury sector?
- What is the importance of psychological aspect in pricing??"

Consideration surrounding the timing, convenience, and the limitation; influenced the decision about the choice of the methodology to be used. In line with the above consideration, qualitative research design was chosen because it was deemed to deliver the appropriate results primarily because of the descriptive nature of this project. Research methods enabled the exploitation of the variables better than using only one method (Yin, 2003). It allows the objective and precise measurements of the dimension of the research questions as experienced by the managers (Silverman, 2000). Questions were formed to analyse pricing policies, and their effectors in the textile retail industry. According to past studies, articles, industrial data, financial data and results, the most suitable questions were specified to enlighten the topic in the best way.

4.3.3. Procedure

Interviews were conducted in the work environment privately. Through the consent papers, interviews were recorded to make more precise analyses. Interviews took nearly 4 hours in total. The data came from interviews was further supported by other office employees, customer opinions, finance documents, and finance department workers. A semi-structured interview method was used. In vital points, more questions were directed to participants. All interviews were recorded, following the decipher, analysis of the interviews were made with maxqda to support the results more precisely.

4.3.4. Data Analysis and Results

In this part of the study, these findings are found out due to the in-depth interviews with the participants. Five interview questions were asked to three Beymen Company managers, and the results of the interviews are discussed in the discussion part.

The first question was "what are the financial objectives of Beymen Company?". All of the participants emphasize that Beymen Company has annual, semiannual and quarter goals however it is also stated that Beymen Company first establishes sale budgets annually. Moreover, these sale budgets are also equal to the objectives of the company. The first participant, brand director of own logo and leather good category in Beymen states that "We have target sale goal for the each store and these objectives are calculated according to different factors. For example, the place of the store and its previous sales volume are the most important factors which determine the financial objectives of our company. Also, for each category, we have different financial goals that we are aiming to reach. There are different financial goals for various product lines as women ready-wear, women shoes, women bags, women accessory, night and beach collection. The product lines as man ready-wear, men shoes, and men accessories.". The second participant, a store manager in Beymen for two years, focuses on the stores' financial objectives and states "Our financial targets are based on the season, shopping trends and shopping consistency. In the ready-wear sector, especially in the fall-winter season-opening and summer-spring season openings, our sales are overgrowing. The special days like mother days, father's day, lovers day, new

year celebration our sales are increasing". On the other hand, the third participant, financial director of Beymen Company, emphasize that Beymen Company's most significant economic aim is in increasing store number, store square meter and sales percentage for the next year. Besides includes the importance of online stores.

The second question was "what is the pricing strategy of the Beymen Company?". All of the participants emphasize that Beymen Company's pricing strategy is mainly store based which supply different products in stores. The third participant explains the subject in detail as; "Our company forms its marketing strategy in complete customer satisfaction and qualified consumer relations. We have different pricing strategies for different stores. Psychological marketing strategy is the primary strategy which forms the basis of marketing strategy." Whereas the second participant argues the subject further with specific examples from the company; "Our store is following a fix financial policy which is determined by Beymen Management. We are selling in our store, not only Beymen branded products, but we are also supplying worldwide luxury brands in our stores.

Michael Kors, U.S. Polo Assign, Valentino, Balmain, Ralph Loren goods can be found in Beymen Stores. These brands have special pricing and marketing policies, and our pricing policy is based on according to their pricing strategies due to the product line which they belong. In the season openings, we usually offer standard luxury good product policies for the collection.". On the other hand, the first participant states that "... brand image and brand personality. The Beymen's pricing strategy is based on value-based marketing. So, the demands and expectations of our consumers are critical for us.". In other words, it can be concluded that since Beymen Company has multi-brand shops which supply The Worldwide known brands, their pricing strategy is based on the products they sell.

The third question directed to the participants was "what are the main factors which are affecting the pricing strategy of Beymen Company?". The first participant explains that "There are different factors which affect our pricing strategy. As a brand director, I can say that the consumer demands, competition and Turkey's economic status can be effective in our pricing strategy.". Moreover, adds that because of the rapid competition in the ready-wear sector, company's pricing strategy is based on the

psychological factor like the organizational identity, brand image, and brand personality. The second participant argues that the primary factor that affects Beymen Company's pricing strategy is the experience they provide for their customers. The third participant carries out the argument and states "There are different factors which affect our pricing strategy. We are supplying luxurious goods, and the service quality, promotional activities, store design and pricing policy should be compatible with the products that we sell. Competition is a major factor in our pricing policy. We have strong competitors in the market, especially in the ready-wear sector. China is getting more powerful. We are trying to reduce our costs, but it is not always possible in the qualification based production.

The economic structure of the Turkey is necessary also. In the financial stability in 2013, we targeted tourists, and we increased our sales volume with their purchase.". Moreover, adds "According to seasonal dynamics of the sector, our pricing policy can change. In order to reach the annual, semi-annual and quarter annual targets we can make special discounts and campaigns. However, the core of our pricing strategy stays stable. We are offering prestige based brands with Beymen collection and worldwide known fashion brands. Our pricing policy is not shaped in Beymen due to price based advantages. The pricing strategy of Beymen Company is formed due to the life style of consumers.". As a result, it can be concluded that the main factors that affect Beymen Company's pricing strategy are the service quality, customer satisfaction, and product quality.

The fourth question directed to the participants was "what pricing strategies are used by Beymen Company?". All of the participants' replies are consistent with previous answers, and the main pricing strategy is claimed to be value based. The first participant explains this procedure as; "Beymen company offers not only physical goods in high quality. Our company also provides a lifestyle and experience for the consumers. Our customers think that our value based pricing strategy is suitable for our qualified brand image. Sometimes, we are making sale-campaigns and reduce our prices. When we follow a cost-based pricing strategy, we are not reducing the cost so much. Because we do not want to create a thought that Beymen goods can be owned by everybody. Our pricing strategy is related to our brand image and organization identity".

The second participant describes it as; "I believe that the consumers choose our brand because of its uniqueness. Beymen supplies a luxurious lifestyle for consumers and customers come to our shops to live this experience. Because of this, we usually follow a prestige-oriented pricing strategy. Our prices are related to the prestigious lifestyle that we offer". The third participant also explains the same approach and adds "...the brand image and reputation is more important than short-term gaining". These responses indicate that Beymen Company embraces a pricing strategy based on their brand value.

The fifth question directed to the participants was "are there store based differences in Beymen Company pricing strategies?". All of the participants emphasize that Beymen is a multi-brand company and they have different product lines, brands and product categories for each store, therefore, there are store based differences in pricing strategies. The third participant explains the subject further; "As the Beymen central office, we have a rigid pricing policy which is independent of the stores. However, we are connecting the stores before we change the prices. Because the consumers' needs and demands are critical for us. We try to analyze which product is preferred by consumers and what they think about the price. The store managers are useful in explaining the customer's identity and their expectations".

The sixth question directed to participants was "what is the reason of positioning Beymen Brand in luxury sector?". Commonly they mentioned at a point of being a prestigious brand. Serving in such sector provides the brand to be more trustful and supports the brand image much.

The seventh and the last question was "what is the importance of psychological aspect in pricing?". Since the beginning of all interviews, all of the participants mentioned about this often.

From the interview results, it can be concluded that in the competitive market, Beymen Company embraces a suitable pricing strategy based on brand value. It is crucial to point out that since Beymen Company is a multi-brand company and their pricing strategy is based on brand value, it is inevitable to have store based differences of pricing strategy. However like all ready-wear companies, when the annual revenue is reached certain discounts are available to attract new customers.

4.3.4.1. Maxqda Analysis and Results

Interviews including seven questions with three participants were analyzed in MAXQDA12. In total, 128 codes were used. Those codes are under 23 main titles. The titles which have the most sub-codes are strategies, consumer satisfaction, and factors affect pricing, internet sales, consumer inception, brand, and campaigns. Detailed analysis is on Appendix-2.

According to analysis results, it is apparently seen that Beymen is one of the most challenging retail company, in luxury fashion sector of Turkey. The company has a stable pricing strategy which is specified by HQ, but on the other hand, this strategy varies depending on many factors like store basis, consumer demands, economic status, seasonal changes, boutique types, psychological factors and sewing services. Uniqueness and rareness of products are essential to maintain the luxury brand image.

In the results, the most important point is about consumers, their satisfaction, and inceptions. The company aims to create a customer profile, and also to try to be in harmony with clients' lifestyles. Targeted consumers are people who have an economically good condition. In the retail sector of Turkey, Beymen differentiates from other retailers at this point. Offering high-quality products, high status and elegance make consumers feel they are having a high level of service and so they pay high prices. The company aims to make users say " this product deserves this high price with every aspect." In the basis of this inception, company's value-added marketing strategy lays.

It is also apparently seen that company is trying to adapt the technological life and the internet. Internet sales have a critical wide area in the strategies. Online giros are overgrowing. The other most specific cause of internet usage is the elimination of store rent, store expenses, and human resources. Also, depot costs are decreasing in this way.

One other important point is campaigns. The company often use campaigns to increase the sales. Discount campaigns are the most efficient ones. There are also special days and internet campaigns which provide sales increase.

Below, sub-coded parts are seen with results:

4.3.4.1.1. Pricing Strategies

This code has twenty three sub-codes. Result's image and interview that the sub-codes took part are expressed below:

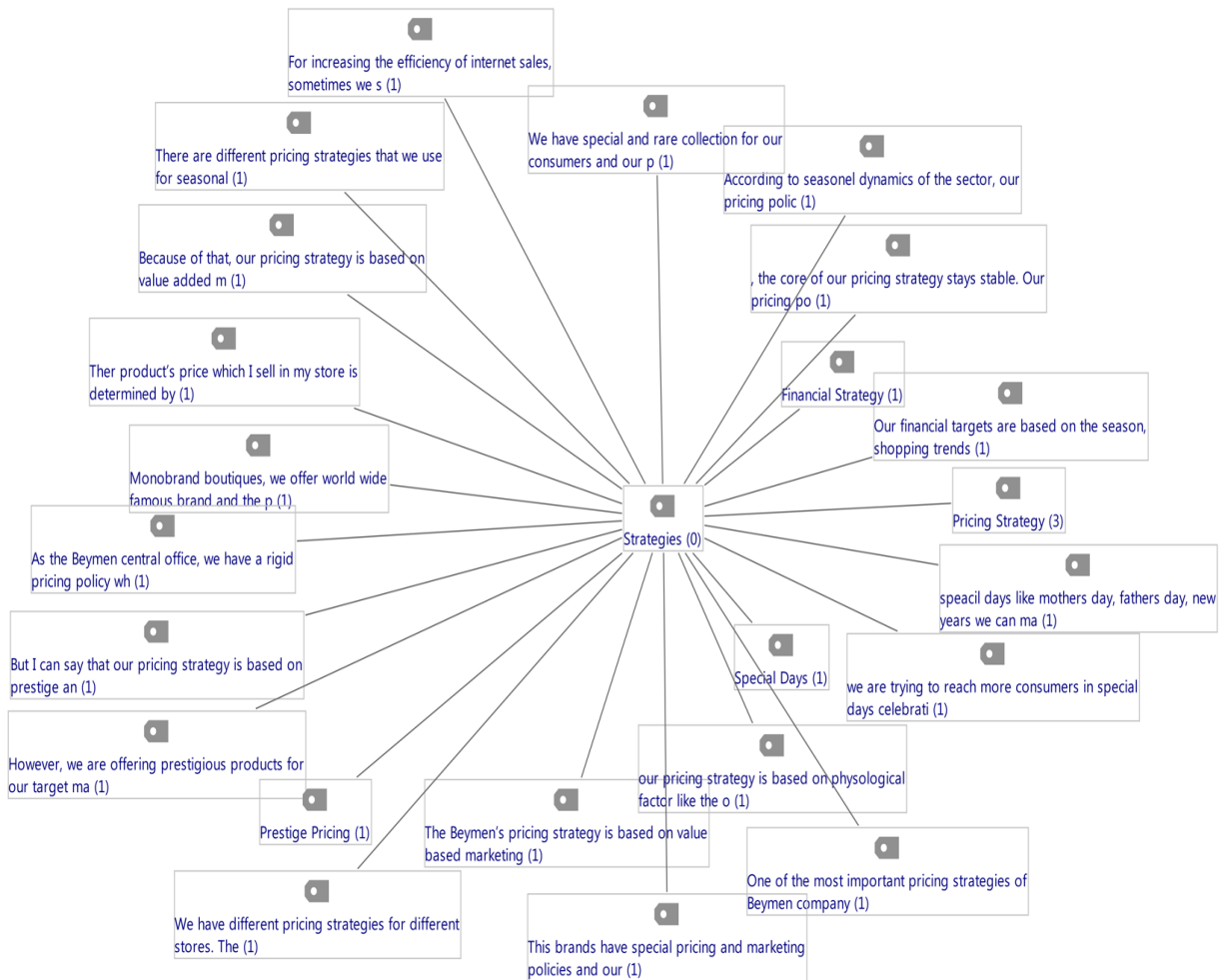


Figure 4.1: Pricing Strategies

Source: Visual Maxqda Results of the Study

- Through the results of the analysis, strategies are based on financial issues. "Our store is following a fix economic policy which is determined by Beymen Management." was said and this shows clearly that top management has fix strategies. Also, it was stated that "We have monthly, annual, semiannual and quarter based financial targets." Other participant mentioned that "We have different pricing strategies for different stores. The pricing strategy of the shops

is changing according to the products which are supplied." Here it is seen that according to stores, strategies differentiate, and the fundamental of these strategies is prestige pricing.

- By saying "We are using value based pricing strategy in the company. Because Beymen company offers not only physical goods in high quality but offers a lifestyle and experience for the consumers. Our customers think that our value based pricing strategy is suitable for our qualified brand image. Sometimes, we are making sale-campaigns and reduce our prices. When we follow a cost-based pricing strategy, we are not reducing the cost so much. Because we do not want to create a thought that Beymen can be owned by everybody. Our pricing strategy is related to our brand image and organization identity. Sometimes, we are using special price strategy too. In our collection, we have different types of our consumers." it is seen that value based pricing strategy is being followed. Also, brand image and organizational identity appear to be the primary function. Through discounts, by not reducing the cost too much, company tries to create the image of their products cannot be owned by everybody, but the special group of customers. This makes that specific group of customers feel more special and increase the company's brand value.
- "I believe that the consumers choose our brand because of its uniqueness. Beymen supplies a luxurious lifestyle for consumers and customers come to our shops to live this experience. Because of this, we usually follow a prestige-oriented pricing strategy. Our prices are related to the prestigious lifestyle that we offer. As an economic establishment, we have to gain revenue. For reaching our annual, semi-annual and quarterly targets, we can make special discount companies due to our centers' permission. It is an advantage of increasing the sales volume. In the discount or campaign period, our current consumers can purchase more products. Also, for gaining new customers, cost-oriented strategies can supply advantages for us. However, we are a company which is serving in luxury fashion market. Because of that, for not losing our current customers we are trying to continue a balanced pricing strategy. Beymen is offering not only physical goods but also a lifestyle for our consumers. Because of that, their demand is seeing Beymen product in the similar users which carry

similar features with them. So, in the discount terms, we usually follow pricing policies which can not damage brand identity." Here, again it is pointed about prestigious pricing strategy and also pointed about cost-oriented strategies. Differently, it also mentions about balanced pricing strategy, in order not to lose existing customers.

- With this following, it is being pointed to the campaigns' importance on applying the strategies. Also, the importance of seasonal dynamics is pointed. "There are different pricing strategies that we use for seasonal dynamics or special day offers. We are making brand campaigns which supply special discounts for the consumers in particular days like fathers' day or mothers' day. Also, we have seasonal discounts, and our consumers can reach high-quality Beymen products with seasonal discounts. For increasing the efficiency of internet sales, sometimes we supply special offers or discounts through the web. Also, in Beymen outlet, our consumers can reach the last season's product with more affordable prices. These are the activities that we consider cost based pricing strategy. As a commercial establishment, Beymen wants to reach the biggest profit margin that it can reach. Because of this, sometimes discount and campaigns are organized as a part of cost-oriented price strategy. However, the brand image and reputation is more important than short-term gaining. The discount campaigns are designed suitable with value-oriented marketing strategy."
- "The core of our pricing strategy stays stable. Our pricing policy is not shaped in Beymen due to price based advantages. The pricing strategy of Beymen Company is shaped due to the lifestyle of consumers." Again here, stable pricing is pointed. Also, consumers' lifestyle importance is seen obviously. Company shapes its' strategies according to their customers' lifestyles, not needs.
- "Beymen's pricing strategy is based on value based marketing. So, the demands and expectations of our consumers are critical for us. With our pricing strategy, we are trying to supply greater satisfaction with our products. Our prices are based on to the consumers' perception of our brand, and their maximal price though for similar products. We are trying to increase our market share and

trying to reach new consumers with different product types." Here, satisfaction's importance and consumers' perception is pointed.

- "Our pricing strategy is based on the psychological factor like the organizational identity, brand image, and brand personality." Shows that company takes into consideration of psychological identity factors too.

4.3.4.1.2. Factors Affect Pricing

This code has six sub-codes. Result's image and interview that the sub-codes took part are expressed below:

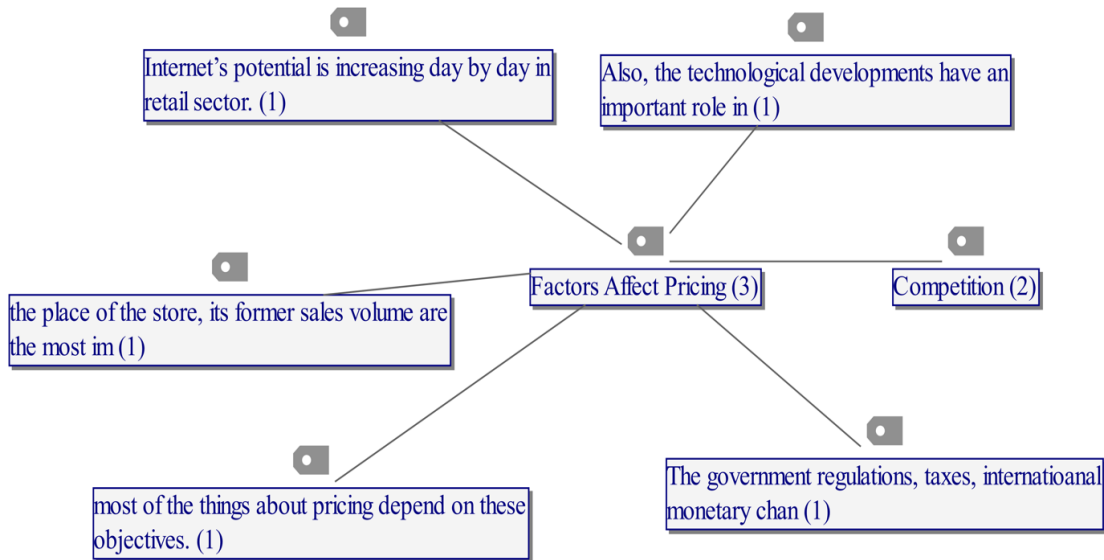


Figure 4.2: Factors Affect Pricing

Source: Visual Maxqda Results of the Study

- "There are different factors which affect our pricing strategy. As a brand director, I can say that the consumer demands, competition and Turkey's economical status can be effective in our pricing strategy. For the production of Beymen Brands, our company has to face with production costs. Also, for the retailing sector, Beymen have to pay special costs like shipping, deporting e.t.c. We are trying to reach different target markets with Internet marketing. However, the Beymen Company is based on store chain retailing. Because of that, the store rents, the employee's fees, and promotional activities are based on our costs. We have a luxurious brand image in our consumer's mind, so we

have to strengthen our image. We have to be careful the production, the supplement and the presentation of our product. All these factors can be effective in our pricing strategy. As an economical establishment, we are aiming to gain revenue from operations for the existence our company. However, I can say that our pricing strategy is based on prestige and connotations which are related to prestige in psychological basis. We are trying to create competitive priority for our company. Our brand is positioned as a luxury fashion brand in the clothing sector. We are separating our target market due to consumers who want to gain the biggest revenue from a product, consumers who see Beymen as a part of their lifestyle. Our product offer is base on the power, the rareness and the effect of luxury goods. Also, Beymen is offering quality promise for its goods in each category." Emphasize on prestige, value, luxury terms again take part. Consumer demands, competition, economical status are standard effects, but here, luxurious brand image creation is the basis.

- "There are different factors which affect our pricing strategy. We are supplying luxurious goods, and the service quality, promotional activities, store design and pricing policy should be compatible with the products that we sell. Competition is a major factor in our pricing policy. We have strong competitors in the market especially in ready-wear sector China is getting more powerful. We are trying to reduce our costs, but it is not always possible in the qualification based production. The economic structure of the Turkey is also important. In the economical stability in 2013, we targeted tourists, and we increased our sales volume with their purchase. We are trying to reach abroad markets for increasing our profit and sales volume. Beymen have international stores in Egypt and Iraq. Also, the technological developments have an important role in our pricing policy. Internet's potential is increasing day by day in the retail sector. For reaching a different target market, we have been making retail selling via internet since 2010.

The government regulations, taxes, global monetary changes, the last years saying capacity is the most important factors that affect our pricing policy. According to seasonal dynamics of the sector, our pricing policy can change.."

Technological developments, the internet, competition, the economical stability of the country, government regulations, financial changes, seasons are seen as the main titles of effects.

- "Psychological marketing strategy is the main strategy which forms the base of marketing strategy. We have offering luxury goods at reasonable prices. Our target market for the luxury goods that we supply or produce is in the A or A+ segment. Their income level is more than average in Turkey. They are working high-status jobs which we can define as white collar workers or they can have their establishment. The women dominance can be seen in the market; however, the man clothing factor is developing rapidly." As a psychological factor, high price high-quality tactic is used. When customers who have a good economic level afford more money, this makes them feel they have high-quality service.

4.3.4.1.3. Customer Satisfaction

This code has seven sub-codes. Result's image and interview that the sub-codes took part are expressed below:

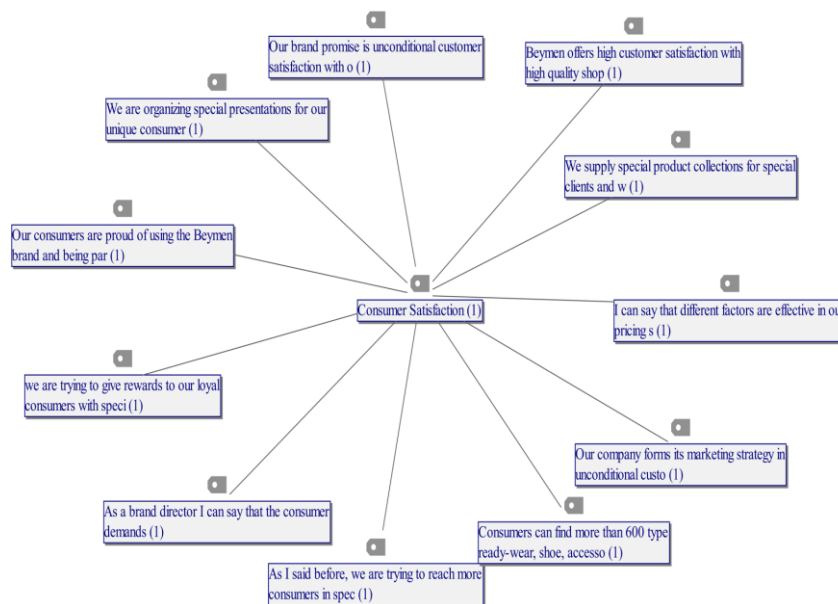


Figure 4.3: Customer Satisfaction

Source: Visual Maxqda Results of the Study

- "We are trying to supply greater satisfaction with our products. I can say that different factors are effective in our pricing strategy but the base of our marketing strategy stays same as customer satisfaction." Here the manager emphasizes satisfaction. This is consumer satisfaction. Previously, as they mentioned, customer satisfaction, inception is the core.
- "We supply special product collections for special clients and with these strategy, we can reach high profit and consumer satisfaction." Company has special customer portfolio. So according to those customer needs, special products are produced. Here the aim is to reach higher profit by holding existing customer potential in hand.
- As it is seen in the following, marketing strategy is based on value added marketing. This means high quality, high satisfaction and high prices. Customers don't change their brand preference because of company's high satisfaction based policies."Beymen offers high customer satisfaction with high quality shopping experience and products. Because of that, our pricing strategy is based on value added marketing. Beymen brand offers elegant, high status and high quality products for the consumers. So, our current customers are disposed to purchase our goods in high prices. Our brand promise is unconditional customer satisfaction with our marketing strategy. Our consumers are proud of using the Beymen brand and being part of Beymen family."
- "We are organizing special presentations for our unique consumers and private meetings with designers. In the special meetings with the most important designers of the world, consumers get the chance for talking these people and they can examine the product collection. In these activities, our special consumers can order special products for themselves also." Company has an additional service for some private customers. The aim here is to make the consumers feel they are so valuable.
- "We are trying to give rewards to our loyal consumers with special discounts. As a part of our unconditional consumer satisfaction approach, we have private shoppers who works with an appointment. The pricing of the products which are supplied by private shoppers can be higher but they supply a special shopping

experience for the consumers. We have another special service which is called present counseling with an experienced team. I have this service in my store also and I can see the positive effects of this application. As I said before, we are trying to reach more consumers in special days celebrations with special offers. Consumers can find more than 600 type ready-wear, shoe, accessories and home accessories and child clothing. Our company forms its marketing strategy in unconditional customer satisfaction and qualified consumer relations." It is expressed that campaigns are vital.

4.3.4.1.4. Internet Sales

This code has nine sub-codes. Result's image and interview that the sub-codes took part are expressed below:

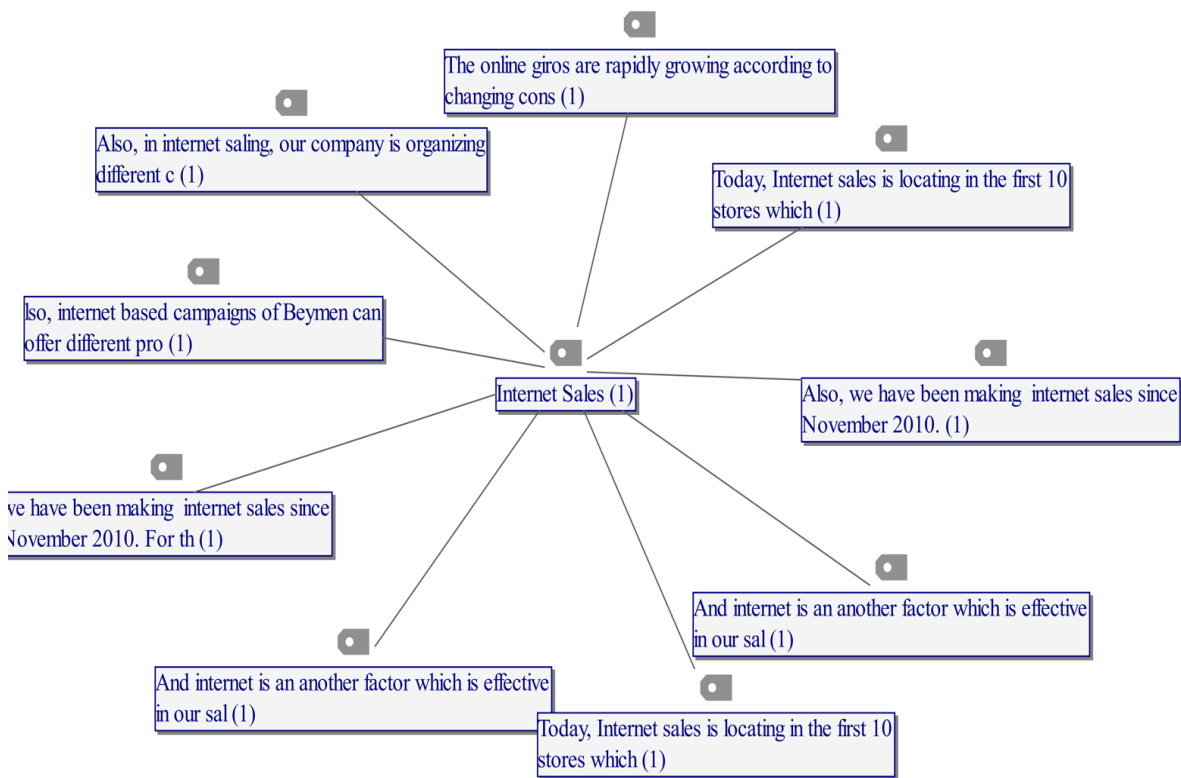


Figure 4.4: Internet Sales

Source: Visual Maxqda Results of the Study

- "And internet is an another factor which is effective in our sales aims. The online giros are rapidly growing according to changing consumer trends and increasing

internet usage. Today, Internet sales is locating in the first 10 stores which reached the high sales. Our most important financial aim is increasing store number, store square meter and sales percentage for the next year. Also, we have been making internet sales since November 2010. For the customer convenience, we can reach more people with Internet sale. Today, Internet sales is locating in the first 10 stores which reached the high sales. "The online giros are rapidly growing according to changing consumer trends and increasing internet usage" Since 2010, internet sales started to grow. As all other companies, Beymen also use this way to increase sales volume.

4.3.4.1.5. Company Objectives

Company objectives code has seven sub-codes. Result's image and interview that the sub-codes took part are expressed below:

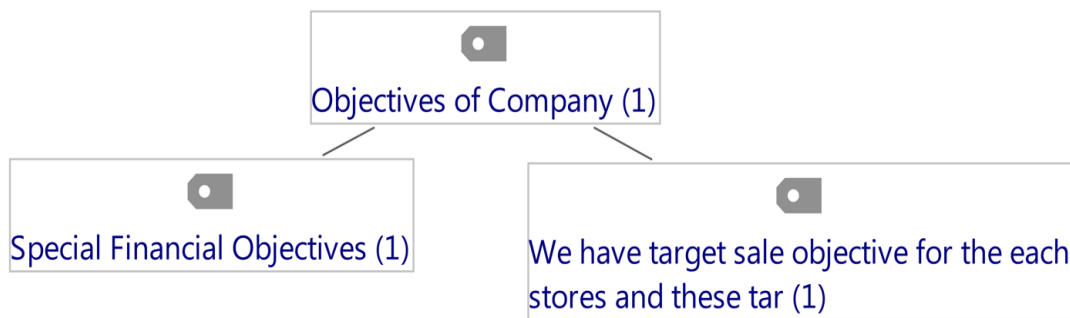


Figure 4.5: Objectives of Company

Source: Visual Maxqda Results of the Study

- "As a professional retail company, we have annual, semi-annual and quarter objectives. Beymen also has annual objectives. These objectives are made every year and most of the things about pricing depend on these objectives. So, we have special financial objectives in this product line and we are trying to reach our sales in each year. As an economical establishment, our financial aims are based on gross margin and we are trying to reach them. However, the customer satisfaction is more important for us because we believe in customer loyalty. We have target sale objective for the each stores and these targets are calculated according to different

factors. For example, the place of the store, its former sales volume are the most important factors which determines the financial objectives of our company. Also, for each category, we have different financial objectives that we are aiming to reach. There are different financial objectives for different product lines as women ready-wear, women shoes, women bags, women accessory, night and beach collection." Again here customer satisfaction is stressed.

4.3.4.1.6. Price

This code has six sub-codes. Result's image and interview that the sub-codes took part are expressed below:

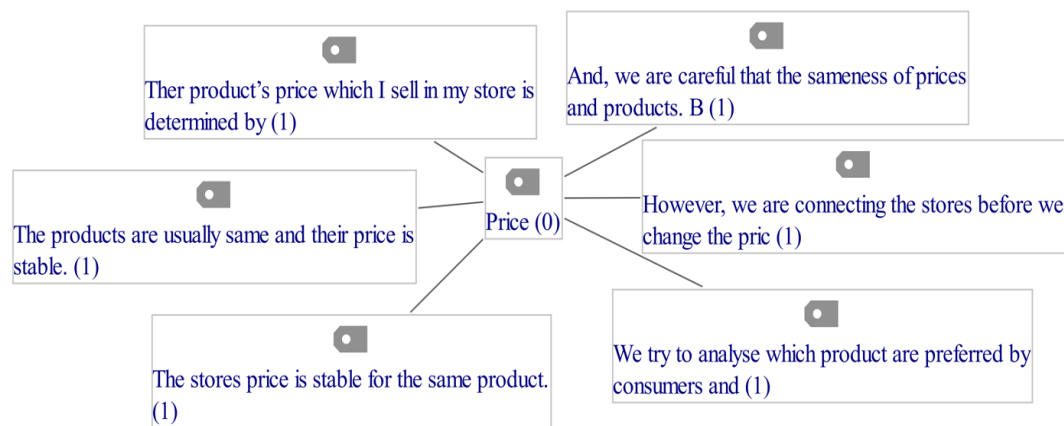


Figure 4.6: Price

Source: Visual Maxqda Results of the Study

- "We try to analyse which products are preferred by consumers and what they think about price." Prices are stable in every store. Main Hq determines the prices. Discounts are made in each of the stores. Especially most preferred products are taken into consideration.

4.3.4.1.7. Product Lines

Product Lines code has three sub-codes. Result's image and interview that the sub-codes took part are expressed below:

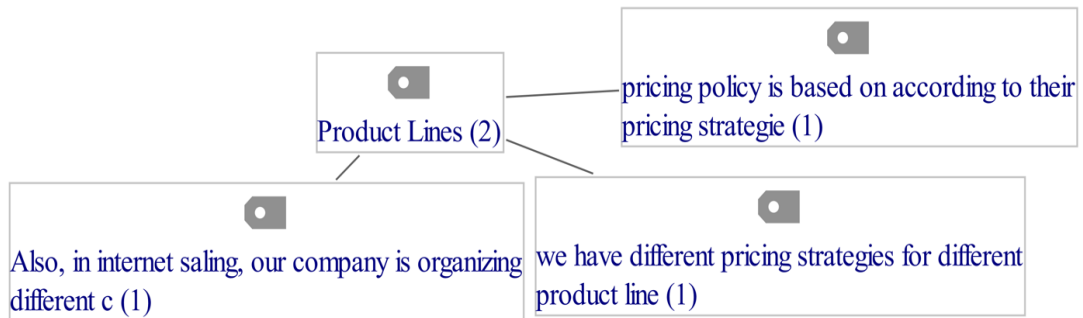


Figure 4.7: Product Lines

Source: Visual Maxqda Results of the Study

- "There are different financial objectives for different product lines as women ready-wear, women shoes, women bags, women accessory, night and beach collection. The product lines as man ready-wear, men shoes and men accessories. We have special financial objectives in this product line and we are trying to reach our sales in each year. Also, in internet saling, our company is organizing different campaigns for different product lines. We have different pricing strategies for different product lines. In the classical clothing category, our company supplies different products due to brand and product quality. As an example, the world – wide known bags price is higher than classical Beymen bags collection. We have different pricing strategies when we evaluate the special counselling or sewing services. If the consumers demand special features of the product that they want, the price will increase. However, the basic product categories there is usually a product stability. Pricing policy is based on according to their pricing strategies due to the product line which they belong." Pricing policies vary according to product lines. Every product line has its characteristics so acquires different policies.

4.3.4.1.8. Stores

Stores code has six sub-codes. Result's image and interview that the sub-codes took part are expressed below:

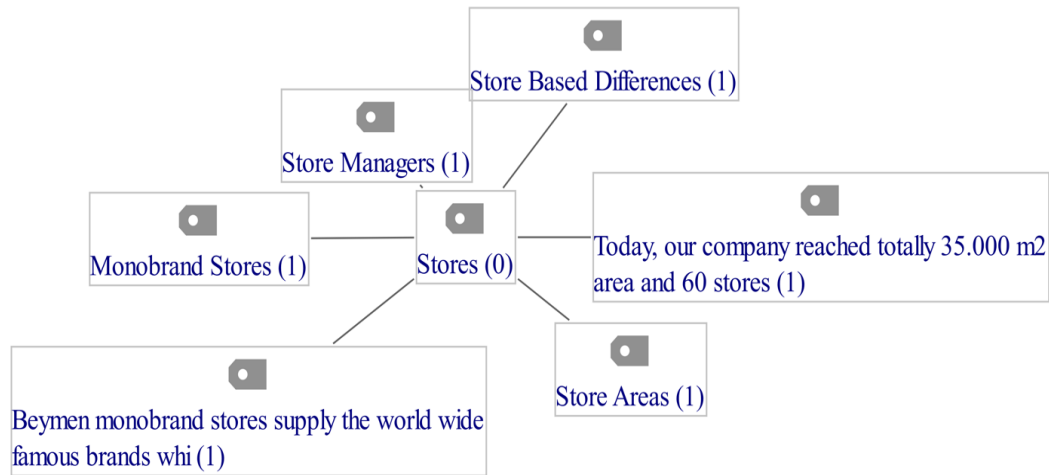


Figure 4.8: Stores

Source: Visual Maxqda Results of the Study

•" There are store based price differences in Beymen company. However, you can not see same product with different stores. The stores price is stable for the same product. If we make discount for one product, we make same discount for that product in each stores in Beymen. However, we have different product lines, brands and product categories for each stores. For example in Beymen Multibrand stores, you can find classical Beymen collection for men and women. The products are usually same and their price is stable. However, we supply different products for Beymen boutiques. As a store manager I have to be affiliated to the Beymen's center pricing policy. Their product's price which I sell in my store is determined by center and I have to act the standart pricing policy. However, it is possible to make special campaigns for my product lines. For increasing my sales volume, I can offer special discounts for a product line. But, the discounts should be approved by the Beymen Center. And, we are careful that the sameness of prices and products. Because, the consumers can be suspicious with price differences of the products that she/he buys. Because of that, Beymen sales campaigns or special discounts are organized by company. These activities are done in the same time by whole Beymen stores. However, the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns. We can be sometimes more free in season finales or outlet sales although we have to communicate and get the permission of the Beymen center. As the Beymen central office, we have a rigid pricing policy which is independent from the stores.

However, we are connecting the stores before we change the prices. Because, the consumers need and demands are important for us. We try to analyse which product are preferred by consumers and what they think about price. The store managers are useful for analysing the consumers identity and their expectations. Sometimes, a discount campaign can be necessary for the store place and sales volume. Usually, The best selling product lines we can keep our prices similar until season finale. For the product are not selling in the expected levels, it is possible to make special discount campaigns for finishing the steady stocks. Also, internet based campaigns of Beymen can offer different product when the prices are compared with store prices. Because in internet, the steady costs like store rent, store expenses and human resources are eliminated. Also, the depot cost are decreasing so we can offer products with lower prices. And I have to mention that our production and marketing strategy changes due to the stores. For example in Monobrand boutiques, we offer world wide famous brand and the pricing strategy of their brands is adjusted according to our franchise contract. On the other hand, in Beymen multibrand stores, we supply classical Beymen collections for different product categories and world wide famous brands. So, the pricing strategy can change among stores according the products which are supplied."

4.3.4.1.9. Brand

Brand code has seven sub-codes. Result's image and interview that the sub-codes took part are expressed below:

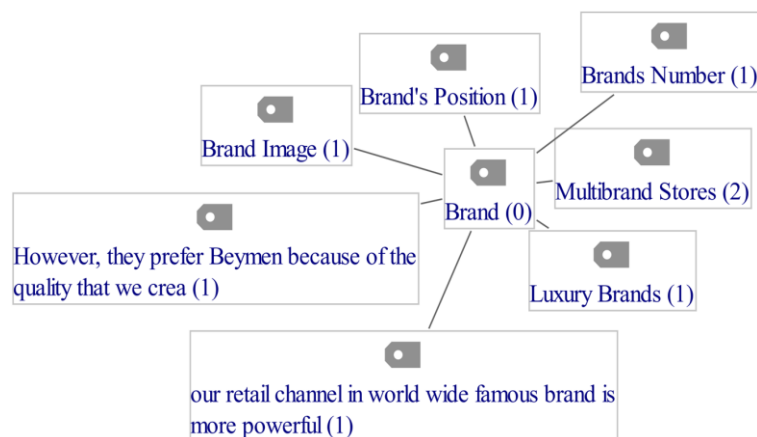


Figure 4.9: Brand

Source: Visual Maxqda Results of the Study

- "We are selling in our store, not only Beymen branded products, we are also supplying worldwide luxury brands in our stores. You can find Michael Kors, U.S. Polo Assign, Valention, Balmain, Ralph Loren goods in Beymen Store. Our company is working as a retail actor which supplies more than 600 brand. Our brand is positioned as a luxury fashion brand in the clothing sector. On the other hand, in Beymen multibrand stores, we supply classical Beymen collections for different product categories and world wide famous brands. So, the pricing strategy can change among stores according the products which are supplied. For example in Beymen Multibrand stores, you can find classical Beymen collection for men and women. The products are usually same and their price is stable. However, we supply different products for Beymen boutiques." There are different kind of stores like monobrand and multibrand stores. Monobrand stores' pricing policies depend on the brand owner company.

4.3.4.1.10. Beymen's Offerings

This code has two sub-codes. Result's image and interview that the sub-codes took part are expressed below:

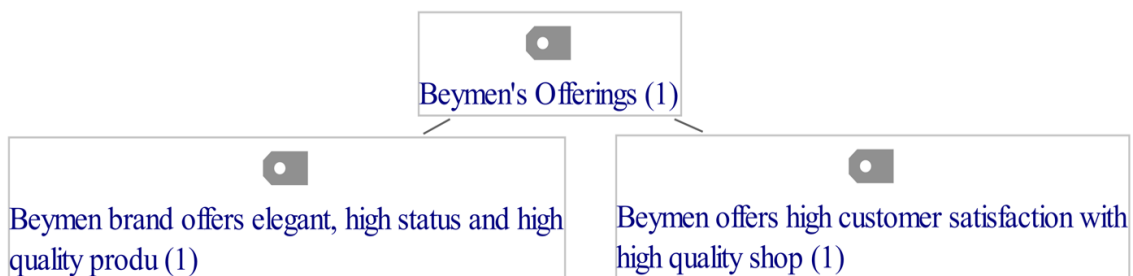


Figure 4.10: Beymen's Offerings

Source: Visual Maxqda Results of the Study

- "Our product offer is base on the power, the rareness and the effect of luxury goods. Also, Beymen is offering quality promise for its goods in each category. Beymen brand offers elegant, high status and high quality products for the consumers.

4.3.4.1.11. Campaigns

Campaigns code has seven sub-codes. Result's image and interview that the sub-codes took part are expressed below:

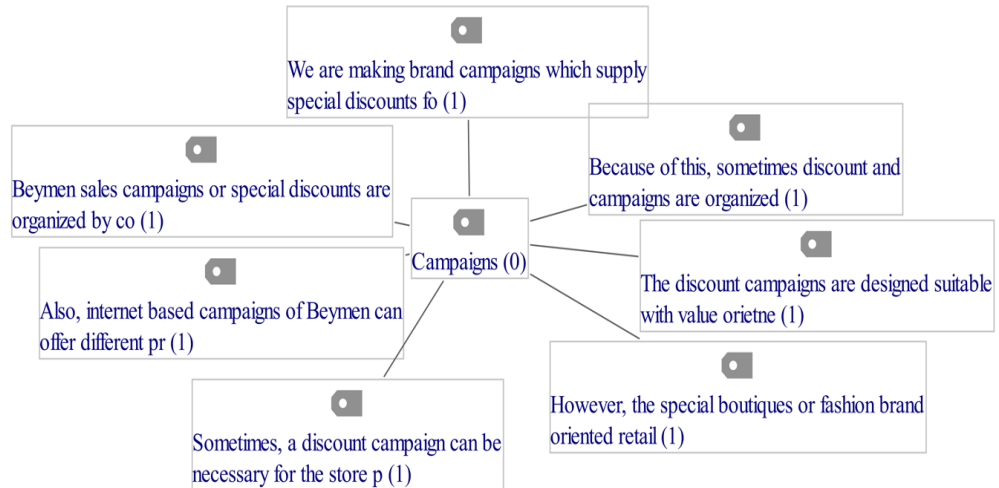


Figure 4.11: Campaigns

Source: Visual Maxqda Results of the Study

- "The discount campaigns are designed suitable with value orietned marketing strategy. However, the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns. We can be sometimes more free in season finales or outlet sales although we have to communicate and get the permission of the Beymen center. Because of this, sometimes discount and campaigns are organized as a part of cost oriented price strategy. We are making brand campaigns which supply special discounts for the consumers in special days like fathers' day or mother day. Also, we have seasonel discounts and our consumers can reach high quality Beymen products with seasonel discounts. Beymen sales campaigns or special discounts are organized by company. These activities are done in the same time by whole Beymen stores. However, the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns. Also, internet based campaigns of Beymen can offer different product when the prices are compared with store prices." "Sometimes, a discount campaign can be necessary for the store place and sales volume." As it seen in interview, discounts are also used to attract consumers. But discounts rates were not very high in order not to harm customer inception about

prestige. Also some other campaigns take part in both store and internet sales. Here again, as most companies use, special days campaigns are the vital campaigns.

4.3.4.1.12. Discount

Discount code has four sub-codes. Result's image and interview that the sub-codes took part is expressed below:

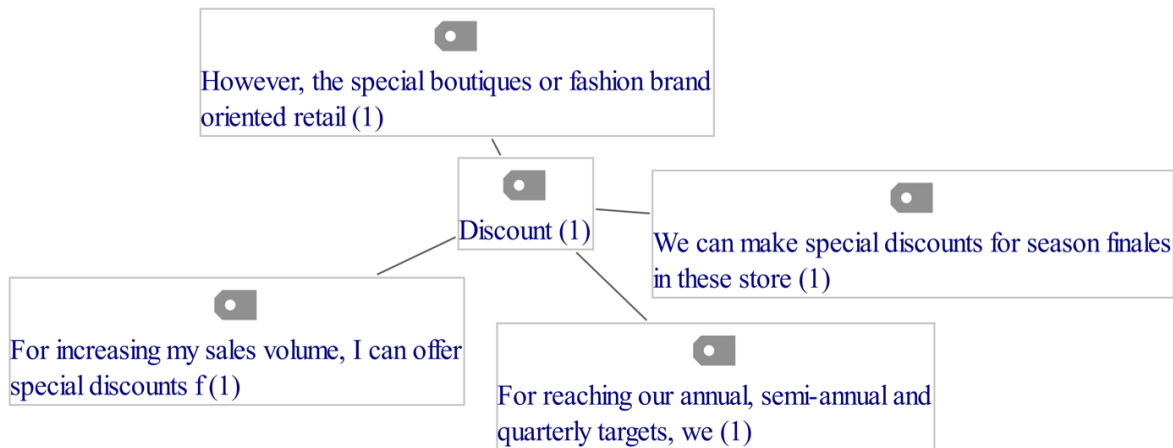


Figure 4.12: Discount

Source: Visual Maxqda Results of the Study

- "We can make special discounts for season finales in these stores. For reaching our annual, semi-annual and quarterly targets, we can make special discount companies due to our centers' permission. It is an advantage for increasing the sales volume. In the discount or campaign period, our current consumers can purchase more products. If we make discount for one product, we make same discount for that product in each stores in Beymen. However, the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns. We can be sometimes more free in season finales or outlet sales although we have to communicate and get the permission of the Beymen center. For increasing our sales volume, we can offer special discounts for a product line. But, the discounts should be approved by the Beymen Center." The importance of discounts is expressed here by managers. Campaigns are made sometimes in a merged way too.

4.4. Retail Textile Sector in Turkey

Textile sector has a massive product range and point in the global economy. Because of its employment providing structure, creation of additional value, and export revenues, textile sector is the heading industry among all others.

4.4.1. Importance of the Retail Textile Sector

Textile production in Turkey first started with the foundation of Sabancı's company Bossa in 1951 (Önem, 2003:74). Textile is called as the white gold of Turkish economy. In order to explain this importance, statistical numbers are shown below:

- Textile sector has 18% of production industry.
- The textile industry makes Turkey's entire export's 40%.
- Textile industry provides employment rate of 20% of total employment.
- Over 2.5 million people works, and 10 million people get benefit from textile sector.
- Globally Turkey is 13th in the textile industry ranking.
- After China, Turkey is the second supplier of the European Union.
- Turkey is the 6th cotton producer in the world.
- Turkey has the best technology in textile production industry of the world.

Day by day, textile sector is proliferating. With the development of technology and globalization, product variation and quality is rising. Supplying of any kind products are now easier than the past. Transportation times are less, and employment fees are not very high. Turkey produces high quality of cotton that accepted by all around the world (Öztürk, 2003:83)

4.4.2. Differences of Luxury Textile Retailing

The most specific differences are listed below:

- High-level service
- Higher customer expectations
- High level of competition

- High level of prices
- Less shopping density than other stores
- Longer sales services
- High level of customer conscious
- One on one services
- Using different systems for operational and administrative issues
- Rigid visual design standards
- More educated and presentable employees
- High importance level of company and brand image
- More developed services of after sales

According to general textile retail market overview, service quality of luxury retail is much greater. Customers who are bored of crowded stores and expecting more attention make their decisions on luxury brands like Beymen. At this point, with high prices, luxury sector's operational and pricing systems should be spared. Because of high prices, losses also means high prices. Therefore, pricing system and its' effectors must be specified very carefully.

4.4.3. General Pricing Policies of the Textile Retail Sector

In Turkey's general, pricing in textile sector is not being made very professionally. According to studies, 64% of companies' pricing decision is made by company owners. Most of the firms do not make demand analysis. Instead, market research is preferred. Observing other businesses' policies seasonally is the primary strategy. Mostly, companies have low budgets; therefore, branding concept is not very important for them. The cost and the feature of a product have the most share in pricing it. Besides, competition based pricing strategy is used 42% of the companies. Also, seasonal pricing is used by %30 of them. After cost and demand based strategies, psychological strategy methods come third. Out of 37 enterprises, 20 of them uses psychological methods. The 24% of companies use this method.

4.4.4. Comparison of Research Results with Retail Textile Sector in Turkey

Because of taking part in the same sector, in the means of pricing policies, Beymen and other textile companies have similarities and also differences. As being one of the most professional textile companies of Turkey, Beymen's strategies can be a path to other companies which take part in this competitive industry. Comparison results are shown below:

- Through the data, findings, and results, it is obvious that retail textile companies primarily take into consideration competition in the first place. This is also one of the most important factors for Beymen, but not the first one. Brand name and position is more important in Beymen.
- According to researches, in most enterprises, pricing decisions are given by owners. These are usually low-scale companies which can be seen all over Turkey. Even in some large corporations, the same issue is being implemented. Beymen has a wide structure of specifying pricing decisions. In order to give pricing decision, many different factors are taken into consideration as expressed in the study.
- One other important factor, demand analysis, due to its high cost, is not being chosen in general textile retail companies. Instead, market research takes place.
- Enterprises determine the most suitable prices according to market numbers. For example, specifying higher price than the market average will not be the firm's benefit if it is not a leading one. At this point, as a leader of luxury textile retailing, Beymen determines the prices higher, and even in the discount campaigns do not change it very much. Again here, Branding's important reveals.
- As a psychological factor, branding is preferred by textile companies as a third choice. In Beymen, as expressed, it is the first choice preferred.
- Beymen gives critical importance to customers. Providing the right product for the customers is crucial. This is even above demand research. On the other hand, textile companies do not use this option because of its high costs.

5. CONCLUSION AND RECOMMENDATIONS

In today's world retailing has a particular importance for the seller and buyer interaction. It is not possible to reach different consumers with our retailers in all over the world. The retailing sector is one of the most important economic sectors in world wide. In retail sector, there are different shop types from the chain stores to the convenience stores. In the trade world of today, retailing holds a critical place with its active, innovatively changing the working environment, rules, and competitive structure. It has such a wide usage area, nearly in all sectors retailing is being used. Every organization aims to profit, so has to sell products and give service to customers. This sector is 'customer oriented' and has to answer all type of needs of them.

The primary mission of the retail stores is supplying a place for sellers where they can sell their products and a place for buyers where they can buy products. The retail concept is based on the exchange of goods from sellers to buyers. However, in today's world's complicated market structure, the retailing sector is more sophisticated. There are many brands in the retailers' store, and the competition is rapid for the retailers.

Despite the improvement of internet technologies in the retail sector, people still demand to live shopping experience. The retail sector is important because the sector is creating places which people can find and compare the similar products. Also, the social sides of people are important for the development of the retail sector. People prefer retailing store when it is compared to the internet because they can get the chance to see, touch and put on the products. They can communicate salespeople or sales counselors and get advice about the brand or product which they want. So, the store based retailing still protects its place in the modern world when it is compared to the internet based retailing.

The most powerful retail companies are acting in the nutrition sector as supermarkets. However, the clothing sector is one of the most important retailing sectors all over the world. In today's world, consumers demand different clothes, shoes, and accessories which differentiate them and separates from others. Especially in luxury brand retailing, customer satisfaction is the key element for success. People see brands as a part of their identity and act like the brand is a sign which reflects their personality. Especially for luxury retailing, consumers prefer brands for expressing themselves and

completing their self-confidence. Luxury is usually connected with the brand identity. Customers choose luxury brands not only for their physical benefits but also their psychological advantages. Owning a luxury brand is a part of a display based consuming culture. Because of that, brands build their pricing strategy in value added pricing.

When the luxury consumption is analyzed in general, it is clear that luxury consumption is a huge market and it is related to the economic prosperity level of the company. With the overall prosperity increasing all over the world, luxury consumption started to be demanded by different target groups and as a result, a new form of luxurious demand, a new concept that is called “reachable luxury” has emerged. Because of the high demands with the emergence of reachable luxury, the retailing sector started to enter the market. The new brands, selling points, and products are being produced and launched to the market by different brands in today's markets.

The luxury brand marketing strategies are based on high price. The consumers think that the rareness of the product is related to the brand uniqueness and excellence. Because they see the product as a part of their identity and evaluate the brand as a sign which reflects their life style. For reflection of their identity and life style, people demand to buy luxury products, and brands aim to satisfy consumer needs in the best way. The luxury concept is related with the acknowledgment level of a particular brand. At this point, brand image is very effective because people consume luxury goods because of its contribution to their image.

On the other hand, because of the competitive market brands have to struggle with different barriers that can harm their luxury brand image, have to sustain their segments for the continuation of their existence. As Beymen case study results reflect, the product based retailing stores in luxury marketing segment have different marketing strategies because the retailing concept is distinct from the food based retailing stores, chain stores or discount stores.

When we analyze methods of pricing in the retail sector, different strategies are seen like cost based, demand based and competition based pricing strategies. Cost based pricing strategies are based on the profitability. All economic establishments want to continue their life and gain profit. For reaching this aim, they can calculate production

costs and add the average revenue for the products. For the nutrition based retailing companies or convenience stores, this strategy is useful. As a basic retailing pricing strategy, demand is used as a factor. The consumers' preferences and behaviors are dependent on cost, and the companies should consider the price and production cost together. The basic principle of demand based pricing in the retail sector is the rationality of the people, and according to the price decrease, the demand of people will increase. This principle can be true for some areas of the retailing sector. However, the most important gap of this pricing strategies is eliminating humans' social and psychological needs. The another pricing strategy used in the retail sector is competition based marketing strategy and determination of product to the rivals position. This is a useful strategy for tracking the rivals condition in the sector however it still eliminated the expectations of consumers.

In luxury fashion sector, the brand image is important for retailers for consumer satisfaction. Because of that, there is a rapid competition in the luxury fashion retail sector. They want to create elegance and uniqueness for the consumers, and they want to make consumers feel like a part of a privileged class. Because of this reasons the pricing policy, the marketing strategy and the production capacity of the product carries a great importance. The competitive power, product quality, service quality of luxury brands are debated every year. The most important question in luxury brand marketing is based on "Why do people more money for the similar qualified products?"

Beymen's pricing strategy in Turkey is analyzed for creating a framework of the pricing strategies of luxurious brand retailers in the ready-wear sector. The semi conducted in-depth interviews indicated that the company's pricing strategy is based on psychological factors like the brand identity, brand image, and brand personality. Beymen is not offering only physical quality goods in different ready-wear segments but also create a unique shopping experience. It is adjusting the pricing strategy due to the value-added pricing approach. Because, the brand promise is rareness, power, and image which is supplied by the brand. Another important strategy which is used by Beymen is prestige based pricing strategy. These types of pricing are based on special featured products due to quality, characteristics. This method is not used by clothing retailers in the sector, mostly. Also, according to the semi conducted in-depth interviews, Beymen is tracking its competitors and trying to adjust its tactical based

pricing strategies due to rivals. For gaining profit and tactical market share increase, the pricing strategy of Beymen is useful. However weekly discounts and different product categories can harm to the company image; because of that sometimes company is using store-based price strategies and putting different product lines to the various shops.

In today's world, people are not consuming only for their needs. People are consuming not only for the satisfaction of basic needs; they are consuming to satisfy their sophisticated needs. The quality, functionality, durability are the physical factors which affect the brand choice. However, there are more important factors which affect consumers choices like psychological factors; brand name, reputation, image, emotional satisfaction and happiness. People see brands as a part of their life style and personality. For displaying their life style preferences and carrying a sign which is related to their personality, income and social status, clothing brands are critical. Because people wear clothes, shoes, and accessories in their daily life. From work life to their social life, from special celebrations to the sport activities people need clothing industry and choose brands in this industry which reflect their identity.

People prefer luxury goods retailing stores for living an effective sale experience, and because of that, they are volunteer to pay more money for the similar products. As we can see in the Beymen sample, the in-depth interviewers claimed that the store experience which is supplied by Beymen, the service quality of the employees, the presentation of the goods and the shopping atmosphere is crucial for reaching the customer. So, the experience based marketing is affecting the value based pricing strategy of the company.

According to research finding, it is figured out that Beymen's pricing strategy is based on value addition and prestige pricing. Also, the company is considering the rivals and their pricing strategies in its pricing approach. Beymen's pricing strategy is related with the company's brand identity. Beymen is promising quality offer for each quality and demand high prices for each category line. This strategy is useful for reaching the consumers who demand high quality products. However, the value-added pricing strategy of the Beymen is focusing on the consumer's psychological needs and

requirements. With the greater consumer satisfaction through product, service quality and brand image, company aims to reach highest market share and maximal prices.

According to semi conducted in depth interviews' results, the most significant financial purpose of the company is increasing the sales volume and store square meters. Due to the economical changes in Turkey, Beymen's sales volume can change, but the company keeps its price strategy stable. As the participants mention in-depth interviews, prestige is the key word which shapes the pricing strategy of Beymen. The company aims to reach annual, semi-annual and quarter target sales for gaining profit and continue its existence. The company is organizing special campaigns and offers for special days or internet based campaigns. On the other hand, these cost oriented tactics are not arranged in the core pricing strategy.

According to in-depth interviews data of Beymen's managers, the aim of the company is carrying on the leadership position in Turkish luxury retailing sector. Beymen manufactures its products and supplies more than 600 brands in its retailing stores. The marketing strategy is mentioned as a full customer satisfaction by three participants, and the participants stress out that the psychological factors like brand identity and brand personality are the main factors in the pricing strategy. The participants define the target market features of the Beymes as A or A+ segment. They mention that they usually sell product to the white collar employees from high segment, especially women's. However, women categories dominance in the sector, in-depth interview financial manager of the company mentioned that they are trying to increase men category share in the market. As it can be seen through the in-depth interview results, Beymen is using psychological factors like feeling self-confident, being part of a privileged class, being different, being elegant and having rare products. There are different pricing strategies due to store types. Beymen have mono-brand stores which supply worldwide known brands and the financial manager and brand director of the company stressed out the pricing strategy in these stores are based due to these brands' marketing policy. On the other hand, Beymen multi chain stores have the straight pricing strategy for Beymen women, men and children collections. Also, categories are effective in the determination of the prices. The financial manager of the company mentioned on the categorical differences between sports and work or night wear clothes differences in the interview.

Beymen serves as luxury brand in retail fashion sector. The brand promises that the company take the customer satisfaction as a core. As a luxury brand, the company is not offering affordable prices for each people. Beymen offers high-quality shopping experience and goods for the consumers. The participants stressed out that the consumers prefer this brand because of this variable. The participant focused on that they usually follow value added pricing strategy. Their pricing strategy is based on the value "prestige" which is supplied by the company. Also, the participants stressed out that the brand value of the company is based on prestige and consumer satisfaction. One of the most important results which are declared by the participants is they do not change their pricing strategy due to seasonal variables or other changes. They mentioned that the company is making exclusive discounts and special offers for seasonal variations or special day activities. However, they claimed that the discount does not harm the brand image and cost oriented pricing strategies do not affect the brand's prestige based image.

It is mentioned that Beymen company is making discount for increasing the efficiency in internet sales. Also, in Beymen outlet centers, it is possible to reach past season products with more affordable costs. The participants stressed out that Beymen company is aiming to make profit as soon as possible. However, they do not want to harm the brand identity with lowering the prices. The participants focused on the discounts have to be in balance which do not disturb the existing consumers. Also, Beymen have to consider the brand identity and brand personality, and the campaigns should not harm to the corporate brand identity. The participants stressed out that short-term gaining should not harm to the long term gainings. The discount campaigns should be suitable with value-oriented marketing strategy of the company.

The participants of the in-depth interview mentioned about the factors which affect the Beymen's pricing strategy. The economic changes, competition, consumer needs and demands, the retailing trends are the side elements which are being effective in the pricing strategy. For the clothing retailing sector, Beymen has to face with different production costs like depoting, supply chain problems, etc.

As a decreasing cost factor, company is trying to manage internet sales and reaching different target markets. However, Beymen company is based on its marketing

structure on chain stores. So, they have to face with store rental, employee fees and promotional activities costs. According to the in-depth interviews, there are internal and external factors which are being effective in the company's pricing strategy. Beymen has to consider the government regulations, taxes and changing consumer expectations and it has to make its supplement strategy with internet technologies. Also, the pricing strategy should include the steady costs like employee fees and rental costs. Beymen's pricing strategy is based on luxury and luxury based connotations. The brand positioning strategy of Beymen relies on luxury brand promise and the company is separating its target market into two groups as the people who want to gain the best advantage from the company and the consumers who want to see themselves as a part of brand identity. The participants stressed out they a strong brand image in consumers' minds as a luxury brand, and they are trying to continue this picture with effective promotional activities.

The participants mentioned that they have to face with different factors which affect their pricing strategy. They also stressed out that the presentation, supplement of the products, store atmosphere, the employees' attitude and the other factors are affecting the pricing methods. They said that the economical sustainability of their company is important, and they are aiming to reach profitability. So, they are trying to retain the existing consumers and using psychological factors which are related to brand identity, brand image, and organizational identity.

Beymen stores usually prefer a fixed pricing strategy for all stores which prefer Beymen brands. However, as a retail store, company offers variable products and sometimes it is not easy to find out same products in whole stores. The participants mentioned that they have different store types like mono type, multi types store, and brand boutiques. So, the company tried to supply same product with same prices; however, the boutiques and monotype prices for luxurious brand can be different because they have to consider retailing price strategies of these luxurious brands.

With the stable price strategy of the company, the participants focused on the integration pricing approach of the enterprise. Beymen store wants to reach with price stability in different stores.

So, the company needs to reach different consumers who have various convenience facilities. The participants stressed out that the firm has a rigid pricing policy and this strategy is independent of other stores. The financial manager as a participant has mentioned about the importance of store employees for setting up an effective pricing strategy. The best selling goods and the less selling goods are separated according to the reports which come from the stores. So, the participants mentioned the effectiveness of this data for creating effective pricing tactics. For example, discounts for the products which are not performing at the expected prices can be effective as a pricing tactic. However, the participants mentioned that for best-selling goods, they try to continue existing price policy.

One of the most important results which are found out in-depth interview is the independence stress of the store manager. Store manager mentioned that company is interested store managers' idea and anticipations. The store manager stressed out that they can make offers for certain product categories or special day activities. So we can claim that the company has a fixed pricing strategy, but this strategy can be shaped according to the conditional differences. Also, participant stressed out that different factors like economic recession can decrease the sales volume; however in this situation their first choice is not decreasing of the products. The firm tries to reach different consumers with abroad stores or try to reach tourist who comes to Turkey. The participants mentioned that more than %10 percent of their sale is made by tourists. Because of this, they are employing workers who can speak different languages.

Beymen was built as a luxurious brand in 1971. Beymen is leading one of the most prominent luxury fashion actors in Turkey and world wide. The company is offering more than 600 brands today, and it is manufacturing its collection. Beymen collection supplies as a leading brand in the market and it is positioning itself as a "creative" brand. The company promise on the absolute customer satisfaction. In addition to the leading position in the market, creativity importance makes their position more vital.

According to Turkish textile retail sector overview, most of the sector companies make their pricing decisions only with owners. Besides, employee education levels are not satisfying. Because of this, turn-over rate is too high.

These factors cause companies hold hardly in the existing economic conditions. Competition based pricing strategy is mostly used, seasonal pricing method comes second. As the third, psychological pricing strategy takes place. Through the comparison results, Beymen is a crucial leader for other textile retail companies. Due to rapidly changing environment and globalization, textile companies renew their pricing methods, use more psychological methods, and try to make their own brand more special. Putting value-based pricing strategy into the first place, would provide more benefit rather than putting competition. Furthermore, applying customer satisfaction policies can also provide more benefit to the enterprises.

As a conclusion, we can say that Beymen is using psychological factors for pricing. The company aims to position itself as a luxury brand, and for reaching this positioning strategy, the firm tries to form a value based pricing strategy. So, the company tries to use prestige based marketing strategy. Beymen tries to analyze retail sector and retail marketing dynamics. There are various factors which effecting the pricing strategies and firms' position in the market.

There is a rapid competition in ready-wear retail sector, and consumers' demands are changing fast. Because of these variables, Beymen is building its pricing strategy due to these variables. The consumer demands, the brand preferences, and the competition is important in Beymen's pricing strategy. The company does not want to miss seasonal offers or special days effectiveness. Because of this, it is forming special campaigns and offers for these occasions. However, the sales discounts are not done which changes the pricing balance. The most important factor of the pricing strategy of Beymen is the brand promise.

The most important brand promise of the company is prestige, and the pricing strategy of the company is based on the prestigious products. For reaching specific target markets in luxury goods market; the relationship and experience on marketing strategies are vital for the enterprise. Beymen has strong points like the brand heritage, brand image, and effective brand reputation. So, the company has important points to reach consumers from high segments. Luxury is a symbol for uniqueness and excellence for the consumers. So, for gaining new consumers changing price policies

and creating lower price can affect the companies brand image and product apprehension badly.

Because of the target markets and unique features of the company, opening new branches in unnecessary places, changing price policy and creating unnecessary depoting is not recommended for the brand.

The pricing policy of Beymen company is suitable for company image and brand reputation. As a part of prestige based retailing company, Beymen is supplying worldwide famous brands for the consumers. With the supplement of the luxury brands besides Beymen's collection, a positive advantage for the companies prestige based pricing strategy and its high prices are being created. The company is trying to enlarge its retail channel with the help of the internet technologies. This strategy has positive advantages for the enterprise; however, the retail structure of Beymen is based on retail store chains, and the company has to continue the effectiveness of stores with innovative marketing applications.

Besides the factors that affect the strategies of the luxury brands in the ready-wear sector, it is important to point out that luxury brands prefer different pricing strategies on product-based retailing stores. In addition to the nature of products they offer, luxury brands also use prestige and experience based marketing strategies. So, the reflection of these marketing strategies to the pricing strategies can be evaluated as value added pricing strategy which is based on psychological factors. The potential target market demands the products of luxurious brands because of the in-depth satisfaction for emotional or identity needs. Because of this reality, the companies in Turkish luxury retail sector is establishing their pricing strategy according to brand value. Competition in pricing can be used by tactical attacks; however, the companies should protect their brand image and retain loyal consumers; so the discounts or high decrease can be dangerous. Therefore, they are trying to present different product lines with different prices for different consumers. However, in today's world reachable luxury is an important trend and brands are forced to act according to this trend. Thus, protection of brand image is vital.

According to the research results, it can be claimed that Beymen is using a pricing strategy which is based on value and value based factors. The general structure of the

market rests on the psychological variables, and the luxurious retailing market is using different strategies when it is compared with product-based retailing. This research is important for the future researches for comprehension of the luxurious retailing sector in Turkey. Also, with this research study, it is aimed to help future researches to do a comparative analysis and generating the framework of the retailing sector in Turkey and the pricing strategies that are used by luxury ready-wear sector.

REFERENCES

- Anderson, A.** (1998). *Best Practices. Building You Business with Customer-Focused Solutions*, New York.
- Akça, H.** (2007). *Regülasyon Ekonomisi*. Nobel Kitabevi, Adana.
- Akturan U.** (2008). *Perakendecilikte Uluslararasılaşma, Gelişim Süreci, Süreci Etkileyen Faktörler ve Giriş Stratejileri*. Marmara Üniversitesi İ.İ.B.F Dergisi.
- Arikbay C.** (1996). *Perakendecilikte Gelişmeler ve Yeni Yaklaşımlar*. Milli Prodüktivite Merkezi Yayınları, Ankara.
- Arslan, F.M.** (2004). *Mağazacılıkta Atmosfer*, Derin Yayınları.
- Aydin, K.** (1992). *Perakendecilik ve Türkiye'de Departmanlı Mağaza Müşterilerinin Sosyo-Ekonomik Özelliklerinin Araştırılması*. Basılmamış Doktora Tezi, İ.Ü. Sos. Bilimler Enstitüsü, İstanbul.
- Aydin, K.** (2005). *Perakende Yönetiminin Temelleri*. Nobel Yayıncılık, Ankara.
- Berman, B; Evans, J.** (2004). *Retail Management*.
- Blythe, J.** (2005). *Essentials of Marketing*, Gosport Pearson Education Limited.
- Bogdan, R. C.** (2007). *Qualitative Research for Education: An introduction to Theory and Methods*, Boston: Pearson/Allyn and Bacon.
- Cengiz, E. Ve Özden, B.** (2006). *Perakendecilikte Büyük Alışveriş Merkezleri Ve Tüketicilerin Büyük Alış Veriş Merkezleri İle İlgili Tutumlarını Tespit Etmeye Yönelik Bir Araştırma*. Ege Akademik Bakış Ege Üniversitesi İktisadi İdari Siyasi Bilimler Dergisi.
- Chung, K. Y.** (2000). *Hotel room rate pricing strategy for market share in oligopolistic competition - eight-year longitudinal study of super deluxe hotels in Seoul*. Tourism Management, Seoul.
- Courcoubetis, C. Ve Weber, R.** (2003). *Pricing Communication Networks*, Economics, Technology, and Modelling. England.
- Dinler, Z.** (2013). *İktisada Giriş*. Ekin Basım Yayın Dağıtım, Bursa.
- Dolgui, J.-M. Proth.** (2010). *Annual Reviews in Control*.
- Downward, P. A.** (2000). *Realist appraisal of post-keynesian pricing theory*, Cambridge Journal of Economics.
- Enginkaya, E.** (2006). *Elektronik Perakendecilik ve Elektronik Alışveriş*, Ege Akademik Bakış.
- Erem, T.** (1980). *Yönetim Açısından Pazarlama*, İstanbul.
- Evans, J Berman.** (2004). *Marketing*, International Edition.
- Gilbert, R.** (2003). *Retail Marketing Management*, Prentice Hall.
- Forman, H. And Hunt, J. M.** (1996). *Managing the influence of internal and external determinants on international industrial pricing strategies*. Industrial Marketing Management.
- Gürbüz, A. K.** (1998). *Turizmin Ekonomik Analizi*, Alem Basım-Yayın, Balıkesir.
- Hacioğlu, N.** (2010). *Turizm Pazarlaması*, Nobel Yayın Dağıtım. Ankara.

- Hoerberichts, M. Ve Stokman, A.** (2005). *Price Setting Behaviour in the Netherlands*, Results of a Survey DNB Working Paper.
- Indounas, K.** (2006). *Making effective pricing decisions*, Business Horizons.
- Indounas, K. Ve Roth, S.** (2012). *Antecedents and consequences of strategic price management*, An analysis in the New Zealand industrial service context. Australasian Marketing Journal, New Zeland.
- Karafakioğlu M.** (2011). *Pazarlama İlkeleri*, Literatür Yayıncılık.
- Kartal, A.** (2013). *Karar Alma Sürecinde Geçerli Maliyetlerin Kullanılması ve Fiyatlama Kararları*, Anadolu Üniversitesi Yayınları, Ankara.
- Kent, T;** (2003). *Retailing*, Palgrave Macmillman.
- Kotler, P.** (1976). *Pazarlama Yönetimi: Çözümleme, Planlama ve Denetim*, Bilimsel Yayınlar Derneği, Ankara.
- Kotler P. & Armstrong G.** (2006). *Principles of marketing*, Upper Saddle River: New Jersey, Prentice-Hall.
- Kozak, N.** (2010). *Turizm Pazarlaması*, Detay Yayıncılık, Ankara.
- Kotler, P., Bowen, J. Ve Makens, J.** (1999). *Marketing for Hospitality and Tourism*, New Jersey: Pearson Prentice Hall.
- Kurşunluoğlu, E.** (2009). *Mağazalı Perakendeciler ve Müşteri Servisleri*, Yaşar Üniversitesi Dergisi.
- Kunz, G.** (2005). *Merchandising: Theory, Principles, and Practice*, Fairchild Books, New York.
- Levy, M. & Weitz, B.** (2004). *Retailing Management*. Mc Graw Hill, 5th edition, New York.
- Lucas, M.R.** (2003). *Pricing decisions and the neoclassical theory of the firm*. Management Accounting Research.
- Mangion, M.L., Dubarry, R. Ve Sinclair, M.T.** (2005). *Tourism Competitiveness: Price and Quality*. Tourism Economics.
- Merriam, S.B.** (1998). *Qualitative Research and Case Study Applications in Education*. Revised and Expanded from Case Study Research in Education.
- Monroe, K.B. Ve Cox, J.L.** (2001). *Pricing practices that endanger profits*. Marketing Management.
- Mucuk, İ.** (2012). *Pazarlama İlkeleri*. Türkmen Kitapevi, İstanbul.
- Nagle, T.T. Ve Holden, R.K.** (2002). *The Strategy and Tactics of Pricing*. New Jersey Pearson.
- Orel F.D Ve H-Nakipoğlu B.** (2004). *İndirimli Market Müşterilerinin Profili*. Pazarlama ve İletişim Kültürü Dergisi.
- Oyman, M.** (2006). *Pazarlama İletişimi Yönetimi*. Mediacat Kitapları-Kapital Medya Hizmetleri A.Ş. , 6. Baskı, İstanbul.
- Parasız, I.** (1999). *Modern Ansiklopedik Ekonomi Sözlüğü*, Bursa.
- Sherlekar, S., Prasad, K. N. Ve Victor, S. S.** (2010). *Principles of Marketing*. Mumbai. IND Himalaya Publishing House.
- Simkin, L.** (2000). *Marketing is marketing*, Marketing Intelligence & Planning.

- Singh, M.**, (2012). *Marketing Mix of 4P'S for Competitive Advantage Meera Singh*. IISSN: 2278-487X Volume 3, Issue 6 (Sep.-Oct. 2012), PP 40-45.
- Stiving, M.** (2011). *Impact Pricing: Your Blueprint for Driving Profits*. Irvine Entrepreneur Press, USA.
- Simkin, L.** (2007). *Marketing Planning. A Workbook for Marketing Managers*, London.
- Tasci, A. D. A., Gurbuz, A. K. Ve Gartner, W. C.** (2006). *Segmented (Differential or Discriminatory) Pricing, and Its Consequences*. Progress in Tourism Marketing, Netherlands.
- Tek, Ömer B.** (1984). *Perakende Pazarlama Yönetimi*. Uçel Yayıncılık, İzmir.
- Tek B. Ö., Orel F. D.** (2006). *Perakende Pazarlama Yönetimi*, Birleşik Matbaacılık 1.Baskı, İzmir.
- Tek Ö.B & Özgül, E.** (2005). *Modern Pazarlama İlkeleri*, Birleşik Matbaacılık, İzmir.
- The Deloitte Times.** (2013). Ocak-Şubat.
- Timur N. Vd.** (2011). *Perakendeciliğe Giriş*, Anadolu Üniversitesi Yayınları No:1699, Eskişehir.
- Torlak, Ö., Erdoğan, B. Z. Ve Yılmaz, C.** (2013). *Bir Sosyal Pazarlama (İşletmecilik) Modeli Olarak Ahi Örgütleri*, Social Business Anadolu International Conference Proceedings.
- Tuncer, D.** (1986). *Turizmde Dağıtım Sistemi ve Türkiye İçin Bir Model Önerisi*, Hacettepe Üniversitesi, İİBF Yayınları, Ankara.
- Uslay, C.** (2005). *The Role of Pricing Strategy in Market Defense*. (Unpublished Doctoral Dissertation), Georgia Institute of Technology, US.
- Yakin, V.** (2011). *İnternet Perakendeciliği Ve Ağızdan Ağıza Pazarlama İlişkisi; Tuğla Duvarlar Yıkılabilir Mi? AKADEMİK BAKIŞ DERGİSİ Sayı: 27 Kasım – Aralık 2011 Uluslararası Hakemli Sosyal Bilimler E-Dergisi*.
- Varinli, D.**, (2006). *Pazarlamada Yeni Yaklaşımlar*, Detay Yayıncılık, Ankara.
- Walters, S.** (1992). *Marketing: A how-to-do manual for librarians*, New York.
- Wheelen, T. Ve Hunger, J.D.** (2012). *Strategic Management and Business Policy*, Pearson, New Jersey.
- Yin, R. K.** (2003). *Qualitative Research from Start to Finish*, The Guilford Press, United States of America.
- Zengin, B. Ve Şen, L. M.** (2009). *Turizm İşletmelerinin Pazarlamasında Fiyat, Turizm İşletmelerinin Pazarlamasında 7P ve 7C*, Değişim Yayınları, İstanbul.

APPENDIX 1- INTERVIEW QUESTIONS

1. What are the main financial objectives of Beymen Company?

Participant 1: I am working as the brand director of private label logo and leather goods category in Beymen. As a luxury based private brand in the retail sector, the primary aim of the company is complete customer satisfaction. Because of that, we are offering luxurious and different service for the Beymen consumers. As a professional retail business, we have annual, semi-annual and quarter objectives. Beymen also has annual goals. These targets are made every year, and most of the things about pricing depend on these aims. The company is first establishing sale budgets annually. We can say that these sale budgets are also equal to the objectives of the firm. Then the obtaining budget is being made to reach these aims. This budget contains the spendings for new products and all the stages in their production processes. We have target sale objective for the each store, and these objectives are calculated according to different factors. For example, the place of the store, its previous sales volume are the most important factors which determine the financial objectives of our company. Also, for each category, we have different financial objectives that we are aiming to reach. There are different financial goals for various product lines as women ready-wear, women shoes, women bags, women accessory, night and beach collection. The product lines as man ready-wear, men shoes, and men accessories. I am working in leather goods category brand manager in Beymen. So, we have special financial objectives in this product line, and we are trying to reach our sales in each year. As an economical establishment, our financial aims are based on gross margin, and we are working to achieve them. However, the customer satisfaction is more important for us because we believe in customer loyalty.

Participant 2: I have been working as a store manager in Beymen for two years. Today, our company reached totally 35.000 m² area and 60 stores. Our store is 1.00 m² area. Our store is one of the most important active areas in Beymen Stores. According to economic differences which affect our sales volume, the financial situation of our store is changing. We have monthly, annual, semiannual and quarter based financial targets. Our financial targets are based on the season, shopping trends and shopping consistency. In the ready-wear sector, especially in the fall-winter season

opening and summer-spring season openings, our sales are multiplying. The special days like mothers day, fathers day, lovers day, new year celebration our sales are increasing.

Participant 3: I am working as the financial manager of Beymen. Although, the stability in financial sector, our growth in sales are increasing more than %30. %10 percent more than our giro is based by tourists. We have annual, semi-annual and quarter sale aims from our stores. And internet is an another factor which is effective in our sales aims. The online giros are rapidly growing according to changing consumer trends and increasing internet usage. Today, Internet sales are locating in the first ten stores which reached the high sales. Our most important financial aim is increasing store number, store square meter and sales percentage for the next year.

2. What is the pricing strategy of the Beymen Company?"

Participant 1: We are trying to create competitive priority for our company. Our brand is positioned as a luxury fashion brand in the clothing sector. We are separating our target market due to consumers who want to gain the biggest revenue from a product, consumers who see Beymen as a part of their lifestyle. Our product offer is base on the power, the rareness and the effect of luxury goods. Also, Beymen is offering quality promise for its goods in each category. However, the rapid competition in the ready-wear sector, our pricing strategy is based on psychological factors like the organizational identity, brand image, and brand personality. The Beymen's pricing strategy is based on value based marketing. So, the demands and expectations of our consumers are important for us. With our pricing strategy, we are trying to supply greater satisfaction with our products. Our prices are based on to the consumers' perception of our brand, and their maximal price thought for similar products. We are trying to increase our market share and trying to reach new consumers with different product types.

Participant 2: Our store is following a fix financial strategy which is determined by Beymen Management. Beymen is one the leader brands in the Turkey luxury retailing sector and world luxury retailing sector. We are selling in our store, not only Beymen branded products, but we are also supplying worldwide luxury

brands in our stores. You can find Michael Kors, U.S. Polo Assign, Valentino, Balmain, Ralph Loren goods in Beymen Store. These brands have special pricing and marketing policies, and our pricing policy is based on according to their pricing strategies due to the product line which they belong. In the season openings, we usually offer standard luxury good product policies for the collection. However, in the special days like mothers day, fathers day, new years we can make special discounts or offers for the consumers. One of the most important pricing strategies of Beymen company is based on special sewing service. This service is formed for our man consumers and the suit sewing. As a privilege for our consumers, we are offering to sew special suits for our consumers from its design, color, and size. The forms are measured to the consumers' size and if they want, they can carry the first letters of their name in the jackets or shirts arm area.

Participant 3: Beymen is one of the leading companies in Turkish fashion sector, and it is the leader in Turkish luxury retailing sector. Our company is working as a retail actor who supplies more than 600 brands. Our company forms its marketing strategy in unconditional customer satisfaction and qualified consumer relations. We have different pricing strategies for different stores. The multi-brand shops which supply world wide known brands are the luxurious stores, and their pricing strategy is based on the product which they sell. These shops supply Beymen collection women, Beymen collection men and Academia collection for the consumers. Consumers can find more than 600 type ready-wear, shoe, accessories and home accessories and child clothing. Beymen mono-brand stores supply the world wide famous brands which are vital in the fashion sector. This particular shop type reflects the global identity of the famous brand. For example, we have Botto Veneta, Dolce&Gabana boutiques in İstinye Park, Dior in Zorlu Center, Dolce Gabanna Men and Dolce Gabanna Women in Zorlu Center. So the pricing strategy of the shops is changing according to the products which are supplied. In Beymen Club stores, we are trying to present daily, work life, stylish and sports products. We can make special discounts for season finales in these stores. As I said before, we are trying to reach more consumers in special days celebrations with special offers. Also, we have been making internet sales since November 2010. For the customer convenience, we can reach more people with Internet sale. Prestige pricing forms the fundamentals of our pricing strategy, and our

consumers believe that we are supplying special featured products due to quality, characteristics. This method is not used by clothing retailers in the sector, mostly. However, we are offering prestigious products for our target market, so our pricing strategy is based on the product value. We are supplying high-quality products but also supplying consumer experience with our shop design and their presentation.

3. What are the main factors which are affecting the pricing strategy of Beymen Company?

Participant 1: There are different factors which affect our pricing strategy. As a brand director, I can say that the consumer demands, competition and Turkey's economical status can be effective in our pricing strategy. For the production of Beymen Brands, our company has to face with production costs. Also, for the retailing sector, Beymen have to pay special costs like shipping, depoting e.t.c. We are trying to reach different target markets with Internet marketing. However, the Beymen Company is based on store chain retailing. Because of that, the store rents, the employee's fees, and promotional activities are based on our costs. We have a luxurious brand image in our consumers' mind, so we have to strengthen our image. We have to be careful the production, the supplement and the presentation of our product. All these factors can be effective in our pricing strategy. As an economical establishment, we are aiming to gain revenue from operations for the existence our company. However, I can say that our pricing strategy is based on prestige and connotations which are related to prestige in psychological basis. We are trying to create competitive priority for our company. Our brand is positioned as a luxury fashion brand in the clothing sector. We are separating our target market due to consumers who want to gain the biggest revenue from a product, consumers who see Beymen as a part of their lifestyle. Our product offer is base on the power, the rareness and the effect of luxury goods. Also, Beymen is offering quality promise for its goods in each category.

Participant 2: As a store manager, I am working face to face with consumers. So, I can say that they are not paying fee for not only a high-quality product. Our loyal consumers come and purchase Beymen branded goods from our store because of the experience that we offer them. The product quality of our products is a major factor

for our consumers, but the service quality that we offer them is vital, also. We have powerful competitors in the sector, and they are presenting similar quality goods with us. Although, our retail channel in world wide famous brand is more powerful and we are the representatives of a strong brand identity for more than 40 years. In the store based selling, my sale consumers are taking interest with our consumers. As I said before our pricing strategy is dependent on our the Beymen's management, we have Beymen Club cards which supply special discount and offers for our company. So, we are trying to give rewards to our loyal consumers with special discounts. As a part of our unconditional customer satisfaction approach, we have private shoppers who work with an appointment. The pricing of the products which are supplied by private shoppers can be higher, but they supply a special shopping experience for the consumers. We have another special service which is called present counseling with an experienced team. I have this service in my store also, and I can see the benefits of this application.

Participant 3: There are different factors which affect our pricing strategy. We are supplying luxurious goods, and the service quality, promotional activities, store design and pricing policy should be compatible with the products that we sell. Competition is a major factor in our pricing policy. We have strong competitors in the market especially in ready-wear sector China is getting more powerful. We are trying to reduce our costs, but it is not always possible in the qualification based production. The economic structure of the Turkey is important also. In the economical stability in 2013, we targeted tourists, and we increased our sales volume with their purchase. We are trying to reach abroad markets for increasing our profit and sales volume. Beymen have international stores in Egypt and Iraq. Also, the technological developments have an important role in our pricing policy. Internet's potential is increasing day by day in retail sector. For reaching different target market, we have been making retail selling via internet since 2010. The government regulations, taxes, global monetary changes, the last years' sales capacity are the most important factors that affect our pricing policy. Our pricing policy is based on prestige especially the product uniqueness and excellence. The Beymen brand offers specialty products which are hard to be feigned. Our consumers are proud of using the Beymen brand and being part of Beymen family. We have special and rare collection for our consumers, and our pricing strategy is

based on this rareness and uniqueness. We are supplying a life style to our consumers with our experience based applications. In the whole season, we supply special campaigns and offers for our consumers. We are organizing special presentations for our unique consumers and private meetings with designers. In the special meetings with the most important designers of the world, consumers get the chance for talking these people, and they can examine the product collection. In these activities, our special consumers can order special products for themselves also. According to seasonal dynamics of the sector, our pricing policy can change. For reaching the annual, semi-annual and quarter targets, we can make special discounts and campaigns. However, the core of our pricing strategy stays stable. Our pricing policy is not shaped in Beymen due to price based advantages. The pricing strategy of Beymen Company is shaped due to lifestyle of consumers.

4. Which pricing strategies are used by Beymen Company?

Participant 1: We are using value based pricing strategy in the company. Because Beymen company offers not only physical goods in high quality. Our company also provides a lifestyle and experience for the consumers. Our consumers think that our value based pricing strategy is suitable for our qualified brand image. Sometimes, we are making sale-campaigns and reduce our prices. When we follow a cost-based pricing strategy, we are not reducing the cost so much. Because we do not want to create a thought that Beymen can be owned by everybody. Our pricing strategy is related to our brand image and organization identity. Sometimes, we are using special price strategy too. In our collection, we have different types of our consumers. For example sports clothing, we have different pricing strategies for different product lines. In the classical clothing category, our company supplies various products due to brand and product quality. As an example, the world –wide known bags price is higher than classic Beymen bags collection. We have different pricing strategies when we evaluate the special counseling or sewing services. If the consumers demand special features of the product that they want, the price will increase. However, the basic product categories there is usually a product stability.

Participant 2: I believe that the consumers choose our brand because of its uniqueness. Beymen supplies a luxurious life style for consumers and customers come

to our shops to live this experience. Because of this, we usually follow a prestige oriented pricing strategy. Our prices are related to the prestigious life style that we offer. As an economical establishment, we have to gain revenue. For reaching our annual, semi-annual and quarterly targets, we can make special discount companies due to our centers' permission. It is an advantage of increasing the sales volume. In the discount or campaign period, our current consumers can purchase more products. Also, for gaining new consumers, cost oriented strategies can supply advantages for us. However, we are a company which is serving in luxury fashion market. Because of that, for not losing our current customers we are trying to continue a balanced pricing strategy. Beymen is offering not only physical goods but also a lifestyle for our consumers. Because of that, their demand is seeing Beymen product in the similar consumers which carry similar features with them. So, in the discount terms, we usually follow pricing policies which can not damage brand identity.

Participant 3: Beymen serves as a luxurious retailer in fashion sector. Our brand promise is unconditional customer satisfaction with our marketing strategy. As a luxury brand, we are not offering affordable prices for the general target market. Beymen offers high customer satisfaction with the high quality shopping experience and products. Because of that, our pricing strategy is based on value added marketing. Beymen brand offers elegant, high status and high-quality products for the consumers. So, our current customers are disposed to purchase our goods at high prices. For example, they can buy a sweater at lower prices than we offer. However, they prefer Beymen because of the quality that we created and brand image that we built. There are different pricing strategies that we use for seasonal dynamics or special day offers. We are making brand campaigns which supply special discounts for the consumers in special days like fathers' day or mothers' day. Also, we have seasonal discounts, and our consumers can reach high quality Beymen products with seasonal discounts. For increasing the efficiency of internet sales, sometimes we supply special offers or discounts via the Internet. Also, in Beymen outlet, our consumers can reach the last season's product with more affordable prices. These are the activities that we consider cost based pricing strategy. As an economical establishment, Beymen wants to reach the biggest profit margin that it can reach. Because of this, sometimes discount and campaigns are organized as a part of cost oriented price strategy. However, the brand

image and reputation is more important than short-term gaining. The discount campaigns are designed suitable with value oriented marketing strategy.

5. Are there store based differences in Beymen Company pricing strategies?

Participant 1: There are store based price differences in Beymen company. However, you can not see same product with different stores. The stores' price is stable for the same product. If we make discount for one product, we make the same discount for that product to each store in Beymen. However, we have different product lines, brands and product categories for each store. For example in Beymen Multibrand stores, you can find the classic Beymen collection for men and women. The products are usually same, and their price is stable. However, we supply different products for Beymen boutiques.

Participant 2: As a store manager I have to be affiliated to the Beymen's center pricing policy. Ther product's price which I sell in my store is determined by center, and I have to act the standart pricing policy. However, it is possible to make special campaigns for my product lines. For increasing my sales volume, I can offer special discounts for a product line. However, the discounts should be approved by the Beymen Center. Moreover, we are careful that the sameness of prices and products. Because the consumers can be suspicious with price differences of the products that she/he buys. Because of that, Beymen sales campaigns or special discounts are organized by company. These activities are done at the same time by whole Beymen stores. However, the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns. We can be sometimes more free in season finales or outlet sales although we have to communicate and get the permission of the Beymen center.

Participant 3: As the Beymen central office, we have a rigid pricing policy which is independent of the stores. However, we are connecting the stores before we change the prices. Because the consumers need and demands are important for us. We try to analyze which product is preferred by consumers and what they think about the price. The store managers are useful for analysing the consumers' identity and their

expectations. Sometimes, a discount campaign can be necessary to the store place and sales volume. Usually, in the best selling product lines, we can keep our prices similar to season finale. For the product are not selling at the expected levels, it is possible to make special discount campaigns for finishing the regular stocks. Also, internet based campaigns of Beymen can offer different product when the prices are compared with store prices. Because on internet, the steady costs like store rent, store expenses, and human resources are eliminated. Also, the depot costs are decreasing so we can offer products with lower prices. And I have to mention that our production and marketing strategy changes due to the stores. For example, in Monobrand boutiques, we offer world wide famous brand, and the pricing strategy of their brands is adjusted according to our franchise contract. On the other hand, in Beymen multibrand stores, we supply classical Beymen collections for different product categories and the world wide famous brands. So, the pricing strategy can change among stores according to the products which are supplied.

6. What is the reason of positioning Beymen Brand in luxury fashion sector?

Participant 1: In Beymen boutiques, our consumers can find world wide famous brand like Bottega Veneta, Brunello Cuccinelli, and Dior. The pricing of these products are higher, and it is not possible to find these products in each store. Also, in internet sales, our company is organizing different campaigns for different product lines. For stock dissolution, it is possible to make internet based sale campaign because of the lower costs of internet based retailing. Beymen sells these products because it supports our brand culture, and suits too.

Participant 2: I am responsible for pricing Beymen brands, so the brands you mention are priced by international companies. According to agreements, pricing strategies are made by those companies. All the factors used in pricing are made by those companies. Including psychological side. The foreign luxury brands we sell are very suitable to our most important vision, as far as we have a place in luxury sector.

Participant 3: Positioning in luxury sector is important because the products we sell as 'luxury' are not sold in Turkey, so by contacting a company like us, those

companies sell their brands through our stores. In this way, Beymen increases its profit and also develops its network in the world, and make possible to obtain those brands in Turkey for our people. Also, prestige pricing is a strategy that we use for our worldwide brands. We are exporting famous brands special collections to Turkey. We supply special product collections for special clients, and with this strategy, we can reach high profit and consumer satisfaction. We are offering prestige based brands with Beymen collection and worldwide known fashion brands.

7. What is the importance of psychological methods that Beymen use?

Participant 1: However, the rapid competition in the ready-wear sector, our pricing strategy is based on psychological factors like the organizational identity, brand image, and brand personality.

Participant 2: The special present counseling service is getting the physical and psychological factors which effect the present selections. It is possible to get this service from our call center or some shops. This experience based marketing applications brings up consumer satisfaction. Especially, selection of an effective presentation can be a thorny problem for men. For the people who have limited time are selecting gift Council also. I can say that different factors are effective in our pricing strategy, but the base of our marketing strategy stays same as customer satisfaction.

Participant 3: Psychological marketing strategy is the main strategy which forms the base of marketing strategy. We have offering luxury goods at reasonable prices. Our target market for the luxury goods that we supply or produce is in the A or A+ segment. Their income level is more than average in Turkey. They are working high-status jobs which we can define as white collar workers or they can have their own establishment. The women dominance can be seen in the market; however, the man clothing factor is developing rapidly.

APPENDIX 2 - CODEBOOK

1. STRATEGIES

1.1. Financial Strategy

1.

"Our store is following the a fix financial strategy which is determined by Beymen Management."

[APPENDIX 1; Position: 8-8; Author: Onur; 10.07.2017 02:04; Weight Score: 0]

1.

"We have monthly, annual, semi-annual and quarter based financial targets."

[APPENDIX 1; Position: 4-4; Author: Onur; 10.07.2017 02:19; Weight Score: 0]

1.

"Our financial targets are based on the season, shopping trends and shopping consistency."

[APPENDIX 1; Position: 4-4; Author: Onur; 10.07.2017 02:18; Weight Score: 0]

1.2. Pricing Strategy

1.

"We have different pricing strategies for different stores. The multibrand shops which supply world wide known brands are the luxurious stores and their pricing strategy are based on the product which they sell. These shops supply Beymen collection women, Beymen collection men and Academia collection for the consumers. Consumers can find more than 600 type ready-wear, shoe, accessories and home accessories and child clothing. Beymen monobrand stores supply the world wide famous brands which are vital in the fashion sector. This special shop type reflects the gloval identity of the famous brand. For

example, we have Botto Veneta, Dolce&Gabana boutiques in İstinye Park, Dior in Zorlu Center, Dolca Gabanna Men and Dolca Gabanna Women in Zorlu Center. So the pricing strategy of the shops are changing according to the products which are supplied. In Beymen Club stores, we are trying to present daily, work life, stylish and sport products. We can make special discounts for season finales in these stores. As I said before, we are trying to reach more consumers in special days celebrations with special offers. Also, we have been making internet sales since November 2010. For the customer convenience, we can reach more people with Internet sale. Prestige pricing formes the fundemantels of our pricing strategy and our consumers believe that we are supplying special featured products due to quality, characteristics. This method is not used by clothing retailers in the sector, mostly. However, we are offering prestigious products for our target market so our pricing strategy is based on the product value. We are supplying high quality products but also supplying consumer experience with our shop design and their presentation."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 02:08; Weight Score: 0]

2.

"We are using value based pricing strategy in the company. Becasue Beymen company offers not only physical goods in high quality. Our company offers also a life-style and experience for the consumers. Our consumers think that our value based pricing strategy is suitable with our qualified brand image. Sometimes, we are making sale-campaigns and reduce our prices. When we follow a cost-based pricing strategy, we are not reducing the cost so much. Because, we do not want to create a thought that Beymen can be owned by everybody. Our pricing strategy is related with our brand image and organization identity. Sometimes, we are using special price strategy too. In our collection, we have different types for our consumers. For example sports clothing, we have different pricing strategies for different product lines. In the classical clothing category, our company supplies different products due to brand and product quality. As an example, the world –wide known bags price

is higher than classical Beymen bags collection. We have different pricing strategies when we evaluate the special counseling or sewing services. If the consumers demand special features of the product that they want, the price will increase. However, the basic product categories there is usually a product stability."

[APPENDIX 1; Position: 15-15; Author: Onur; 10.07.2017 02:08; Weight Score: 0]

3.

"I believe that the consumers choose our brand because of its uniqueness. Beymen supplies a luxurious life style for consumers and customers come our shops to live this experience. Because of this, we usually follow a prestige oriented pricing strategy. Our prices is related to the prestigious life style that we offer. As an economical establishment, we have to gain revenue. For reaching our annual, semi-annual and quarterly targets, we can make special discount companies due to our centers' permission. It is an advantage for increasing the sales volume. In the discount or campaign period, our current consumers can purchase more products. Also, for gaining new consumers, cost oriented strategies can supply advantages for us. However, we are a company which is serving in luxury fashion market. Because of that, for not losing our current customers we are trying to continue a balance pricing strategy. Beymen is offering not only physical goods but also a life-style for our consumers. Because of that, their demand is seeing Beymen product in the similar consumers which carry similar features with them. So, in the discount terms, we usually follow pricing policies which can not damage brand identity.

Participant 3: Beymen serves as a luxurious retailer in fashion sector. Our brand promise is unconditional customer satisfaction with our marketing strategy. As a luxurious brand, we are not offering affordable prices for general target market. Beymen offers high customer satisfaction with high quality shopping experience and products. Because of that, our pricing strategy is based on value added marketing. Beymen brand offers elegant, high status and high quality products for the consumers. So, our current customers are disposed to purchase

our goods in high prices. For example, they can buy a sweater with lower prices than we offer. However, they prefer Beymen because of the quality that we created and brand image that we builded. There are different pricing strategies that we use for seasonal dynamics or special day offers. We are making brand campaigns which supply special discounts for the consumers in special days like fathers' day or mother day. Also, we have seasonal discounts and our consumers can reach high quality Beymen products with seasonal discounts. For increasing the efficiency of internet sales, sometimes we supply special offers or discounts via Internet. Also, in Beymen outlet, our consumers can reach the last seasons product with more affordable prices. These are the activities that we consider cost based pricing strategy. As an economical establishment, Beymen wants to reach the biggest profit margin that it can reach. Because of this, sometimes discount and campaigns are organized as a part of cost oriented price strategy. However, the brand image and reputation is more important than short-term gaining. The discount campaigns are designed suitable with value oriented marketing strategy"

[APPENDIX 1; Position: 16-17; Author: Onur; 10.07.2017 02:08; Weight Score: 0]

1.

", the core of our pricing strategy stays stable. Our pricing policy is not shaped in Beymen due to price based advantages. The pricing strategy of Beymen Company is shaped due to life style of consumers."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:55; Weight Score: 0]

1.

"According to seasonal dynamics of the sector, our pricing policy can change."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:55; Weight Score: 0]

1.

"We have special and rare collection for our consumers and our pricing strategy is based on this rareness and uniqueness"

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:54; Weight Score: 0]

1.

"For increasing the efficiency of internet sales, sometimes we supply special offers or discounts via Internet. Also, in Beymen outlet, our consumers can reach the last seasons product with more affordable prices. These are the activities that we consider cost based pricing strategy."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:45; Weight Score: 0]

1.

"There are different pricing strategies that we use for seasonal dynamics or special day offers."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:44; Weight Score: 0]

1.

"Because of that, our pricing strategy is based on value added marketing."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:43; Weight Score: 0]

1.

"The product's price which I sell in my store is determined by center and I have to act the standart pricing policy."

[APPENDIX 1; Position: 20-20; Author: Onur; 10.07.2017 02:41; Weight Score: 0]

1.

"Monobrand boutiques, we offer world wide famous brand and the pricing strategy of their brands is adjusted according to our franchise contract. On the other hand, in Beymen multibrand stores, we supply classical Beymen collections for different product categories and world wide famous brands. So, the pricing strategy can change among stores according the products which are supplied."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:38; Weight Score: 0]

1.

"As the Beymen central office, we have a rigid pricing policy which is independent from the stores."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:35; Weight Score: 0]

1.

"But I can say that our pricing strategy is based on prestige and connotations which are related to prestige in psychocological basis. We are trying to create competitive priority for our company. Our brand is positioned as a luxury fashion brand in the clothing sector. We are separating our target market due to consumers who want to gain the biggest revenue from a product, consumers who see Beymen as a part of their life-style. Our product offer is base on the power, the rareness and the effect of luxury goods. Also, Beymen is offering quality promise for its goods in each category."

[APPENDIX 1; Position: 11-11; Author: Onur; 10.07.2017 02:33; Weight Score: 0]

1.

"However, we are offering prestigious products for our target market so our pricing strategy is based on the product value."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 02:32; Weight
Score: 0]

1.3. Prestige Pricing

1.

"Prestige pricing forms the fundemantels of our pricing strategy and our consumers believe that we are supplying special featured products due to quality, characteristics. This method is not used by clothing retailers in the sector, mostly. However, we are offering prestigious products for our target market so our pricing strategy is based on the product value. We are supplying high quality products but also suppling consumer experience with our shop design and their presentation."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 02:31; Weight
Score: 0]

1.

"We have different pricing strategies for different stores. The multibrand shops which supply world wide known brands are the luxurious stores and their pricing strategy are based on the product which they sell. These shops supply Beymen collection women, Beymen collection men and Academia collection for the consumers. Consumers can find more than 600 type ready-wear, shoe, accessories and home accessories and child clothing. Beymen monobrand stores supply the world wide famous brands which are vital in the fashion sector. This special shop type reflects the gloval identity of the famous brand. For example, we have Botto Veneta, Dolce&Gabana boutiques in İstinye Park, Dior in Zorlu Center, Dolca Gabanna Men and Dolca Gabanna Women in Zorlu Center. So the pricing strategy of the shops are changing according to the products which are supplied. In Beymen Club stores, we are trying to present daily, work life, stylish and sport products."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 02:30; Weight
Score: 0]

1.

"One of the most important pricing strategies of Beymen company is based on special sewing service. These service is formed for our man consumers and for the suit sewing. As a privilege for our consumers, we are offereing to sew special suits for our consumers from its design, color and size. The forms are measured to the consumers' size and if they want, they can carry the first letters of their name in the jackets or shirts arm area."

[APPENDIX 1; Position: 8-8; Author: Onur; 10.07.2017 02:28; Weight Score: 0]

1.

"This brands have special pricing and marketing policies and our pricing policy is based on according to their pricing strategies due to the product line which they belong. In the season openings, we usually offer standart luxury good product policies for the collection."

[APPENDIX 1; Position: 8-8; Author: Onur; 10.07.2017 02:28; Weight Score: 0]

1.

"The Beymen's pricing strategy is based on value based marketing. So, the demands and expectations of our consumers are important for us. With our pricing strategy, we are trying to supply greater satisfaction with our products. Our prices are based on to the consumers' perception of our brand and their maximal price thought for similar products. We are trying to increase our market share and trying to reach new consumers with different product types."

[APPENDIX 1; Position: 7-7; Author: Onur; 10.07.2017 02:26; Weight Score: 0]

1.

"our pricing strategy is based on physiological factor like the organizational identity, brand image and brand personality."

[APPENDIX 1; Position: 7-7; Author: Onur; 10.07.2017 02:25; Weight Score: 0]

1.4. Special Days

1.

"The special days like mothers day, fathers day, lovers day, new year celebration our sales are increasing."

[APPENDIX 1; Position: 4-4; Author: Onur; 10.07.2017 02:18; Weight Score: 0]

1.

"we are trying to reach more consumers in special days celebrations with special offers."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 02:30; Weight Score: 0]

1.

"speacil days like mothers day, fathers day, new years we can make special discounts or offers for the consumers."

[APPENDIX 1; Position: 8-8; Author: Onur; 10.07.2017 02:28; Weight Score: 0]

2. Consumer Satisfaction

1.

"we are trying to supply greater satisfaction with our products."

[APPENDIX 1; Position: 7-7; Author: Onur; 10.07.2017 12:41; Weight Score: 0]

1.

"I can say that different factors are effective in our pricing strategy but the base of our marketing strategy stays same as customer satisfaction"

[APPENDIX 1; Position: 28-28; Author: Onur; 10.07.2017 13:02; Weight Score: 0]

1.

"We supply special product collections for special clients and with these strategy, we can reach high profit and consumer satisfaction."

[APPENDIX 1; Position: 25-25; Author: Onur; 10.07.2017 13:00; Weight Score: 0]

1.

"Beymen offers high customer satisfaction with high quality shopping experience and products. Because of that, our pricing strategy is based on value added marketing. Beymen brand offers elegant, high status and high quality products for the consumers. So, our current customers are disposed to purchase our goods in high prices."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 12:59; Weight Score: 0]

1.

"Our brand promise is unconditional customer satisfaction with our marketing strategy."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 12:59; Weight Score: 0]

1.

"We are organizing special presentations for our unique consumers and private meetings with designers. In the special meetings with the most important designers of the world, consumers get the chance for talking these people and they can examine the product collection. In these activities, our special consumers can order special products for themselves also."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:55; Weight Score: 0]

1.

"Our consumers are proud of using the Beymen brand and being part of Beymen family."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:54; Weight Score: 0]

1.

"we are trying to give rewards to our loyal consumers with special discounts. As a part of our unconditional consumer satisfaction approach, we have private shoppers who works with an appointment. The pricing of the products which are supplied by private shoppers can be higher but they supply a special shopping experience for the consumers. We have another special service which is called present counseling with an experinced team. I have this service in my store also and I can see the positive effects of this application."

[APPENDIX 1; Position: 12-12; Author: Onur; 10.07.2017 12:50; Weight Score: 0]

1.

"As a brand director I can say that the consumer demands"

[APPENDIX 1; Position: 11-11; Author: Onur; 10.07.2017 12:47; Weight Score: 0]

1.

"As I said before, we are trying to reach more consumers in special days celebrations with special offers"

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 12:45; Weight Score: 0]

1.

"Consumers can find more than 600 type ready-wear, shoe, accessories and home accessories and child clothing."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 12:43; Weight Score: 0]

1.

"Our company forms its marketing strategy in unconditional customer satisfaction and qualified consumer relations."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 12:43; Weight Score: 0]

3. Factors Affect Pricing

1.

"There are different factors which effect our pricing strategy. As a brand director I can say that the consumer demands, competition and Turkey's economical status can be effective in our pricing strategy. For the production of Beymen Brands, our company has to face with production costs. Also, for the retailing sector, Beymen have to pay special costs like shipping, depoting e.t.c. We are trying to reach different target markets with Internet marketing. However, the Beymen Company is based on store chain retailing. Because of that, the store rents, the employees fees and promotional activies are based on our costs. We have a luxurious brand image in our consumers mind, so we have to strenghten our image. We have to be careful the production, the supplement and the presentation of our product. All these factors can be effective in our pricing strategy. As an economical establishment we are aiming to gain revenue from operations for the existence our company. But I can say that our pricing strategy is based on prestige and connotations which are related to prestige in physocological basis. We are trying to create competitive priority for our company. Our brand is positioned as a luxury fashion brand in the clothing sector. We are seperating our target market due to consumers who want to gain the biggest revenue from a product, consumers who see Beymen as a part of their life-style. Our product offer is base on the power, the rareness and the effect of luxury goods. Also, Beymen is offering quality promise for its goods in each category."

[APPENDIX 1; Position: 11-11; Author: Onur; 10.07.2017 02:14; Weight Score: 0]

2.

"As a store manager, I am working face to face with consumers. So, I can say that they are not paying fee for not only a high quality product. Our loyal consumers come and pruchase Beymen branded goods from our store because of the experience that we offer them. The product quality of our products are an important factor for our consumers but the service quality that we offer them

is vital, also. We have powerful competitors in the sector and they are presenting similar quality goods with us. Although, our retail channel in world wide famous brand is more powerful and we are the representatives of a strong brand identity for more than 40 years. In the store based selling, my sale consumers are taking interest with our consumers. As I said before our pricing strategy is dependent on our the Beymen's management, we have Beymen Club cards which supply special discount and offers for our company. So, we are trying to give rewards to our loyal consumers with special discounts. As a part of our unconditional consumer satisfaction approach, we have private shoppers who works with an appointment. The pricing of the products which are supplied by private shoppers can be higher but they supply a special shopping experience for the consumers. We have another special service which is called present counseling with an experienced team. I have this service in my store also and I can see the positive effects of this application."

[APPENDIX 1; Position: 12-12; Author: Onur; 10.07.2017 02:14; Weight Score: 0]

3.

"There are different factors which effect our pricing strategy. We are supplying luxurious goods and the service quality, promotional activities, store design and pricing policy should be competible with the products that we sell. Competition is an important factor in our pricing policy. We have strong competitors in the market especially in ready-wear sector China is getting more powerful. We are trying to reduce our costs but it is not always possible in the qualification based production. The economic structure of the Turkey is important also. In the economical stability in 2013, we targeted tourists and we increased our sales volume with their purchase. We are trying to reach abroad markets for increasing our profit and sales volume. Beymen have international stores in Egypt and Iraq. Also, the technological developments have an important role in our pricing policy. Internet's potential is increasing day by day in retail sector. For reaching different target market, we have been making retail selling via internet since 2010. The government regulations, taxes, internatioanal monetary changes, the last years'saling capacity is the most

important factors that effects our pricing policy. Our pricing policy is based on prestige especially the product uniqueness and excellence. The Beymen brand offers speciality products which are hard to be feigned. Our consumers are proud of using the Beymen brand and being part of Beymen family. We have special and rare collection for our consumers and our pricing strategy is based on this rareness and uniqueness. We are supplying a life style to our consumers with our experience based applications. In the whole season, we supply special campaigns and offers for our consumers. We are organizing special presentations for our unique consumers and private meetings with designers. In the special meetings with the most important designers of the world, consumers get the chance for talking these people and they can examine the product collection. In these activities, our special consumers can order special products for themselves also. According to seasonel dynamics of the sector, our pricing policy can change. For reaching the annual, semi-annual and quarter targets we can make special discounts and campaigns. However, the core of our pricing strategy stays stable. Our pricing policy is not shaped in Beymen due to price based advantages. The pricing strategy of Beymen Company is shaped due to life style of consumers."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 02:14; Weight Score: 0]

1.

"The government regulations, taxes, internatioanal monetary changes, the last years'saling capacity is the most important factors that effects our pricing policy."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:54; Weight Score: 0]

1.

"Internet's potential is increasing day by day in retail sector."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:53; Weight Score: 0]

1.

"Also, the technological developments have an important role in our pricing policy."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:53; Weight Score: 0]

3.1. Competition

1.

"We have powerful competitors in the sector and they are presenting similar quality goods with us. Although, our retail channel in world wide famous brand is more powerful and we are the representatives of a strong brand identity for more than 40 years."

[APPENDIX 1; Position: 12-12; Author: Onur; 10.07.2017 12:52; Weight Score: 0]

2.

"Competition is an important factor in our pricing policy. We have strong competitors in the market especially in ready-wear sector China is getting more powerful."

[APPENDIX 1; Position: 13-13; Author: Onur; 10.07.2017 12:52; Weight Score: 0]

1.

"the place of the store, its former sales volume are the most important factors"

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 12:38; Weight Score: 0]

1.

"most of the things about pricing depend on these objectives."

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 12:37; Weight Score: 0]

3.2. Internet Sales

1.

"And internet is an another factor which is effective in our sales aims. The online giros are rapidly growing according to changing consumer trends and increasing internet usage. Today, Internet sales is locating in the first 10 stores which reached the high sales. Our most important financial aim is increasing store number, store square meter and sales percentage for the next year."

[APPENDIX 1; Position: 5-5; Author: Onur; 10.07.2017 02:02; Weight Score: 0]

1.

"Also, we have been making internet sales since November 2010. For the customer convenience, we can reach more people with Internet sale."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 12:45; Weight Score: 0]

1.

"Today, Internet sales is locating in the first 10 stores which reached the high sales."

[APPENDIX 1; Position: 5-5; Author: Onur; 10.07.2017 12:40; Weight Score: 0]

1.

"The online giros are rapidly growing according to changing consumer trends and increasing internet usage"

[APPENDIX 1; Position: 5-5; Author: Onur; 10.07.2017 12:40; Weight Score: 0]

1.

"Also, in internet saling, our company is organizing different campaigns for different product lines. For stock dissolution, it is possible to make internet based sale campaign because of the lower costs of internet based retailing."

[APPENDIX 1; Position: 23-23; Author: Onur; 10.07.2017 02:39; Weight Score: 0]

1.

"Iso, internet based campaigns of Beymen can offer different product when the prices are compared with store prices. Because in internet, the steady costs like store rent, store expenses and human resources are eliminated."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:37; Weight Score: 0]

1.

"we have been making internet sales since November 2010. For the customer convenience, we can reach more people with Internet sale."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 02:31; Weight Score: 0]

1.

"And internet is an another factor which is effective in our sales aims. The online giros are rapidly growing according to changing consumer trends and increasing internet usage. Today, Internet sales is locating in the first 10 stores which reached the high sales. Our most important financial aim is increasing store number, store square meter and sales percentage for the next year."

[APPENDIX 1; Position: 5-5; Author: Onur; 10.07.2017 02:24; Weight Score: 0]

1.

"Today, Internet sales is locating in the first 10 stores which reached the high sales. Our most important financial aim is increasing store number, store square meter and sales percentage for the next year."

[APPENDIX 1; Position: 5-5; Author: Onur; 10.07.2017 02:20; Weight Score: 0]

4. Consumer Inception

1.

"Our prices are based on to the consumers' perception of our brand and their maximal price thought for similar products."

[APPENDIX 1; Position: 7-7; Author: Onur; 10.07.2017 12:41; Weight Score: 0]

1.

"Because of that, for not losing our current customers we are trying to continue a balance pricing strategy. Beymen is offering not only physical goods but also a life-style for our consumers. Because of that, their demand is seeing Beymen product in the similar consumers which carry similar features with them. So, in the discount terms, we usually follow pricing policies which can not damage brand identity."

[APPENDIX 1; Position: 16-16; Author: Onur; 10.07.2017 12:58; Weight Score: 0]

1.

"I believe that the consumers choose our brand because of its uniqueness. Beymen supplies a luxurious life style for consumers and customers come our shops to live this experience. Because of this, we usually follow a prestige oriented pricing strategy. Our prices is related to the prestigious life style that we offer."

[APPENDIX 1; Position: 16-16; Author: Onur; 10.07.2017 12:57; Weight Score: 0]

1.

"Sometimes, we are making sale-campaigns and reduce our prices. When we follow a cost-based pricing strategy, we are not reducing the cost so much. Because, we do not want to create a thought that Beymen can be owned by everybody. Our pricing strategy is related with our brand image and organization identity."

[APPENDIX 1; Position: 15-15; Author: Onur; 10.07.2017 12:56; Weight Score: 0]

1.

"Our company offers also a life-style and experience for the consumers. Our consumers think that our value based pricing strategy is suitable with our qualified brand image."

[APPENDIX 1; Position: 15-15; Author: Onur; 10.07.2017 12:56; Weight Score: 0]

1.

"Our loyal consumers come and purchase Beymen branded goods from our store because of the experience that we offer them. The product quality of our products are an important factor for our consumers but the service quality that we offer them is vital, also."

[APPENDIX 1; Position: 12-12; Author: Onur; 10.07.2017 12:49; Weight Score: 0]

1.

"But I can say that our pricing strategy is based on prestige and connotations which are related to prestige in psychocological basis. We are trying to create competitive priority for our company. Our brand is positioned as a luxury fashion brand in the clothing sector. We are separating our target market due to consumers who want to gain the biggest revenue from a product, consumers who see Beymen as a part of their life-style. Our product offer is base on the power, the rareness and the effect of luxury goods. Also, Beymen is offering quality promise for its goods in each category."

[APPENDIX 1; Position: 11-11; Author: Onur; 10.07.2017 12:48; Weight Score: 0]

1.

"We have a luxurious brand image in our consumers mind, so we have to strengthen our image. We have to be careful the production, the supplement and the presentation of our product."

[APPENDIX 1; Position: 11-11; Author: Onur; 10.07.2017 12:48; Weight Score: 0]

1.

"Prestige pricing forms the fundemantels of our pricing strategy and our consumers believe that we are supplying special featured products due to quality, characteristics. This method is not used by clothing retailers in the sector, mostly. However, we are offering prestigious products for our target market so our pricing strategy is based on the product value. We are supplying high quality products but also supplying consumer experience with our shop design and their presentation."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 12:46; Weight Score: 0]

5. Brand

5.1. Luxury Brands

1.

"We are selling in our store, not only Beymen branded products, we are also supplying worldwide luxury brands in our stores. You can find Michael Kors, U.S. Polo Assign, Valention, Balmain, Ralph Loren goods in Beymen Store."

[APPENDIX 1; Position: 8-8; Author: Onur; 10.07.2017 02:05; Weight Score: 0]

5.2. Brand's Position

1.

"Our brand is positioned as a luxury fashion brand in the clothing sector."

[APPENDIX 1; Position: 7-7; Author: Onur; 10.07.2017 02:02; Weight Score: 0]

5.3. Brands Number

1.

"Our company is working as a retail actor which supplies more than 600 brand."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 02:29; Weight Score: 0]

5.4. Multibrand Stores

1.

"For example in Beymen Multibrand stores, you can find classical Beymen collection for men and women. The products are usually same and their price is stable. However, we supply different products for Beymen boutiques."

[APPENDIX 1; Position: 19-19; Author: Onur; 10.07.2017 02:42; Weight Score: 0]

2.

"On the other hand, in Beymen multibrand stores, we supply classical Beymen collections for different product categories and world wide famous brands. So, the pricing strategy can change among stores according the products which are supplied."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:42; Weight Score: 0]

5.5. Brand Image

1.

"However, the brand image and reputation is more important than short-term gaining."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:45; Weight Score: 0]

1.

"However, they prefer Beymen because of the quality that we created and brand image that we builded"

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 12:59; Weight Score: 0]

1.

"our retail channel in world wide famous brand is more powerful and we are the representetives of a strong brand identity for more than 40 years."

[APPENDIX 1; Position: 12-12; Author: Onur; 10.07.2017 12:49; Weight Score: 0]

6. Campaigns

1.

"However, the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns. We can be sometimes more free in season finales or outlet sales although we have to communicate and get the permission of the Beymen center."

[APPENDIX 1; Position: 20-20; Author: Onur; 10.07.2017 02:52; Weight Score: 0]

1.

"The discount campaigns are designed suitable with value oriented marketing strategy."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:47; Weight Score: 0]

1.

"Because of this, sometimes discount and campaigns are organized as a part of cost oriented price strategy."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:45; Weight Score: 0]

1.

"We are making brand campaigns which supply special discounts for the consumers in special days like fathers' day or mother day. Also, we have seasonel discounts and our consumers can reach high quality Beymen products with seasonel discounts."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:44; Weight Score: 0]

1.

"Beymen sales campaigns or special discounts are organized by company. These activities are done in the same time by whole Beymen stores. However,

the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns."

1.

"Also, internet based campaigns of Beymen can offer different product when the prices are compared with store prices."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:37; Weight Score: 0]

1.

"Sometimes, a discount campaign can be necessary for the store place and sales volume."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:37; Weight Score: 0]

7. Stores

7.1. Store Areas

1.

"Today, our company reached totally 35.000 m2 area and 60 stores. Our store is 1.00 m2 area."

[APPENDIX 1; Position: 4-4; Author: Onur; 10.07.2017 01:59; Weight Score: 0]

1.

"Today, our company reached totally 35.000 m2 area and 60 stores. Our store is 1.00 m2 area."

[APPENDIX 1; Position: 4-4; Author: Onur; 10.07.2017 02:23; Weight Score: 0]

7.2. Store Based Differences

1.

"Participant 1: There are store based price differences in Beymen company. However, you can not see same product with different stores. The stores price is stable for the same product. If we make discount for one product, we make same discount for that product in each stores in Beymen. However, we have different product lines, brands and product categories for each stores. For example in Beymen Multibrand stores, you can find classical Beymen collection for men and women. The products are usually same and their price is stable. However, we supply different products for Beymen boutiques.

Participant 2: As a store manager I have to be affiliated to the Beymen's center pricing policy. Ther product's price which I sell in my store is determined by center and I have to act the standart pricing policy. However, it is possible to make special campaigns for my product lines. For increasing my sales volume, I can offer special discounts for a product line. But, the discounts should be approved by the Beymen Center. And, we are careful that the sameness of

prices and products. Because, the consumers can be suspicious with price differences of the products that she/he buys. Because of that, Beymen sales campaigns or special discounts are organized by company. These activities are done in the same time by whole Beymen stores. However, the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns. We can be sometimes more free in season finales or outlet sales although we have to communicate and get the permission of the Beymen center.

Participant 3: As the Beymen central office, we have a rigid pricing policy which is independent from the stores. However, we are connecting the stores before we change the prices. Because, the consumers need and demands are important for us. We try to analyse which product are preferred by consumers and what they think about price. The store managers are useful for analysing the consumers identity and their expectations. Sometimes, a discount campaign can be necessary for the store place and sales volume. Usually, The best selling product lines we can keep our prices similar until season finale. For the product are not selling in the expected levels, it is possible to make special discount campaigns for finishing the steady stocks. Also, internet based campaigns of Beymen can offer different product when the prices are compared with store prices. Because in internet, the steady costs like store rent, store expenses and human resources are eliminated. Also, the depot cost are decreasing so we can offer products with lower prices. And I have to mention that our production and marketing strategy changes due to the stores. For example in Monobrand boutiques, we offer world wide famous brand and the pricing strategy of their brands is adjusted according to our franchise contract. On the other hand, in Beymen multibrand stores, we supply classical Beymen collections for different product categories and world wide famous brands. So, the pricing strategy can change among stores according the products which are supplied."

[APPENDIX 1; Position: 19-21; Author: Onur; 10.07.2017 02:16; Weight Score: 0]

7.3. Store Managers

1.

"The store managers are useful for analysing the consumers identity and their expectations."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:36; Weight Score: 0]

7.4. Monobrand Stores

1.

"For example in Monobrand boutiques, we offer world wide famous brand and the pricing strategy of their brands is adjusted according to our franchise contract."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:54; Weight Score: 0]

1.

"Beymen monobrand stores supply the world wide famous brands which are vital in the fashion sctor. This special shop type reflects the gloval identity of the famous brand. For example, we have Botto Veneta, Dolce&Gabana boutiques in İstinye Park, Dior in Zorlu Center, Dolca Gabanna Men and Dolca Gabanna Women in Zorlu Center."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 12:44; Weight Score: 0]

8. Price

1.

"We try to analyse which product are preferred by consumers and what they think about price."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:53; Weight Score: 0]

1.

"We try to analyse which product are preferred by consumers and what they think about price."

[APPENDIX 1; Position: 21-21; Author: Onur; 10.07.2017 02:53; Weight Score: 0]

1.

"We try to analyse which product are preferred by consumers and what they think about price."

[APPENDIX 1; Position: 20-20; Author: Onur; 10.07.2017 02:51; Weight Score: 0]

1.

"We try to analyse which product are preferred by consumers and what they think about price."

[APPENDIX 1; Position: 20-20; Author: Onur; 10.07.2017 02:50; Weight Score: 0]

1.

"We try to analyse which product are preferred by consumers and what they think about price."

[APPENDIX 1; Position: 19-19; Author: Onur; 10.07.2017 02:50; Weight Score: 0]

1.

"We try to analyse which product are preferred by consumers and what they think about price."

[APPENDIX 1; Position: 19-19; Author: Onur; 10.07.2017 02:50; Weight Score: 0]

9. Product Lines

1.

"There are different financial objectives for different product lines as women ready-wear, women shoes, women bags, women accessory, night and beach collection. The product lines as man ready-wear, men shoes and men accessories."

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 12:38; Weight Score: 0]

2.

"we have special financial objectives in this product line and we are trying to reach our sales in each year."

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 12:38; Weight Score: 0]

1.

"Also, in internet saling, our company is organizing different campaigns for different product lines."

[APPENDIX 1; Position: 23-23; Author: Onur; 10.07.2017 13:01; Weight Score: 0]

1.

"we have different pricing strategies for different product lines. In the classical clothing category, our company supplies different products due to brand and product quality. As an example, the world –wide known bags price is higher than classical Beymen bags collection. We have different pricing strategies when we evaluate the special counseling or sewing services. If the consumers demand special features of the product that they want, the price will increase. However, the basic product categories there is usually a product stability."

[APPENDIX 1; Position: 15-15; Author: Onur; 10.07.2017 12:57; Weight Score: 0]

1.

"pricing policy is based on according to their pricing strategies due to the product line which they belong."

[APPENDIX 1; Position: 8-8; Author: Onur; 10.07.2017 12:42; Weight Score: 0]

10. Discount

1.

"If we make discount for one product, we make same discount for that product in each stores in Beymen"

[APPENDIX 1; Position: 19-19; Author: Onur; 10.07.2017 02:49; Weight Score: 0]

1.

"For reaching our annual, semi-annual and quarterly targets, we can make special discount companies due to our centers' permission. It is an advantage for increasing the sales volume. In the discount or campaign period, our current consumers can purchase more products."

[APPENDIX 1; Position: 16-16; Author: Onur; 10.07.2017 12:58; Weight Score: 0]

1.

"We can make special discounts for season finales in these stores."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 12:44; Weight Score: 0]

1.

"However, the special boutiques or fashion brand oriented retail stores are usually not merged in the discount campaigns. We can be sometimes more free in season finales or outlet sales although we have to communicate and get the permission of the Beymen center."

[APPENDIX 1; Position: 20-20; Author: Onur; 10.07.2017 02:52; Weight Score: 0]

1.

"For increasing my sales volume, I can offer special discounts for a product line. But, the discounts should be approved by the Beymen Center."

[APPENDIX 1; Position: 20-20; Author: Onur; 10.07.2017 02:51; Weight
Score: 0]

11. Beymen's Offerings

1.

"Our product offer is base on the power, the rareness and the effect of luxury goods. Also, Beymen is offering quality promise for its goods in each category."

[APPENDIX 1; Position: 7-7; Author: Onur; 10.07.2017 02:03; Weight Score: 0]

1.

"Beymen brand offers elegant, high status and high quality products for the consumers. So, our current customers are disposed to purchase our goods in high prices."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:44; Weight Score: 0]

1.

"Beymen offers high customer satisfaction with high quality shopping experience and prodcuts."

[APPENDIX 1; Position: 17-17; Author: Onur; 10.07.2017 02:43; Weight Score: 0]

12. Objectives of Company

1.

"As a professional retail company, we have annual, semi-annual and quarter objectives. Beymen also has annual objectives. These objectives are made every year and most of the things about pricing depend on these objectives"

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 01:55; Weight Score: 0]

1.

"So, we have special financial objectives in this product line and we are trying to reach our sales in each year. As an economical establishment, our financial aims are based on gross margin and we are trying to reach them. However, the customer satisfaction is more important for us because we believe in customer loyalty."

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 02:17; Weight Score: 0]

1.

"We have target sale objective for the each stores and these targets are calculated according to different factors. For example, the place of the store, its former sales volume are the most important factors which determines the financial objectives of our company. Also, for each category, we have different financial objectives that we are aiming to reach. There are different financial objectives for different product lines as women ready-wear, women shoes, women bags, women accessory, night and beach collection."

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 02:27; Weight Score: 0]

13. Psychological Factors Affect Pricing

1.

"However, the rapid competition in the ready-wear sector, our pricing strategy is based on physiological factors like the organizational identity, brand image and brand personality."

[APPENDIX 1; Position: 27-27; Author: Onur; 10.07.2017 02:11; Weight Score: 0]

2.

"The special present counselling service is getting the physical and psychocological factors which effect the present selections. It is possible to get this service from our call center or some shops. This experince based marketing applications brings up consumer satisfaction. Especially, selection of an effective present can be a difficult problem for men. For the people who have limited time are selecting gift council also. I can say that different factors are effective in our pricing strategy but the base of our marketing strategy stays same as customer satisfaction."

[APPENDIX 1; Position: 28-28; Author: Onur; 10.07.2017 02:11; Weight Score: 0]

3.

"Physicological marketing strategy is the main strategy which forms the base of marketing strategy. We have offering luxury goods with reasonable prices. Our target market for the luxurios goods that we supply or produce are in the A or A+ segment. Their income level is more than avarage in Turkey. They are working high status jobs which we can define as white collar workers or they can have their own establishment. The women dominance can be seen in the market; however, the man clothing factor is developing rapidly."

[APPENDIX 1; Position: 29-29; Author: Onur; 10.07.2017 02:11; Weight Score: 0]

14. Demography

1.

"I am working as the brand director of private label logo and leather goods category in Beymen."

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 01:58; Weight Score: 0]

2.

"I have been working as a store manager in Beymen for 2 years."

[APPENDIX 1; Position: 4-4; Author: Onur; 10.07.2017 01:58; Weight Score: 0]

3.

"I am working as the financial manager of Beymen."

[APPENDIX 1; Position: 5-5; Author: Onur; 10.07.2017 01:58; Weight Score: 0]

15. Production Costs

1.

"Beymen Brands, our company has to face with production costs. Also, for the retailing sector, Beymen have to pay special costs like shipping, depoting e.t.c."

[APPENDIX 1; Position: 11-11; Author: Onur; 10.07.2017 12:47; Weight Score: 0]

1.

"Because of that, the store rents, the employees fees and promotional activies are based on our costs."

[APPENDIX 1; Position: 11-11; Author: Onur; 10.07.2017 12:48; Weight Score: 0]

16. Aim of Company

1.

"As a luxury based private brand in retail sector, the most important aim of company is unconditional customer satisfaction"

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 01:54; Weight Score: 0]

1.

"the most important aim of company is unconditional customer satisfaction."

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 02:20; Weight Score: 0]

17. Luxury Sector

1.

"In Beymen boutiques, our consumers can find world wide famous brand like Bottega Veneta, Brunello Cucinelli and Dior. The pricing of these products are higher and it is not possible to find these products in each store. Also, in internet selling, our company is organizing different campaigns for different product lines. For stock dissolution, it is possible to make internet based sale campaign because of the lower costs of internet based retailing. Beymen sells these products because it supports our brand culture, and suits too."

[APPENDIX 1; Position: 23-23; Author: Onur; 10.07.2017 02:11; Weight Score: 0]

2.

"I am responsible of pricing Beymen brands, so the brands you mention are priced by international companies. According to agreements, pricing strategies are made by those companies. All the factors used in pricing are made by those companies. Including psychological side. The foreign luxury brands we sell are very suitable to our main vision, as far as we have a place in luxury sector."

[APPENDIX 1; Position: 24-24; Author: Onur; 10.07.2017 02:11; Weight Score: 0]

3.

"Positioning in luxury sector is important because the products we sell as 'luxury' are not sold in Turkey, so by contacting a company like us, those companies sell their brands through our stores. In this way, Beymen increases its profit and also develops its network in the world, and make possible to obtain those brands in Turkey for our people. Also, prestige pricing is a strategy that we use for our world-wide brands. We are exporting famous brands special collections to Turkey. We supply special product collections for special clients and with these strategy, we can reach high profit and consumer satisfaction. We are offering prestige based brands with Beymen collection and world-wide known fashion brands."

[APPENDIX 1; Position: 25-25; Author: Onur; 10.07.2017 02:11; Weight
Score: 0]

18. Sewing Service

1.

"One of the most important pricing strategies of Beymen company is based on special sewing service. These service is formed for our man consumers and for the suit sewing. As a privilege for our consumers, we are offereing to sew special suits for our consumers from its design, color and size. The forms are measured to the consumers' size and if they want, they can carry the first letters of their name in the jackets or shirts arm area."

[APPENDIX 1; Position: 8-8; Author: Onur; 10.07.2017 12:42; Weight Score: 0]

19. Beymen's Position

1.

"Beymen is one of the leading companies in Turkish fashion sector and it is the leader in Turkish luxury retailing sector. Our company is working as a retail actor which supplies more than 600 brand. Our company forms its marketing strategy in unconditional customer satisfaction and qualified consumer relations."

[APPENDIX 1; Position: 9-9; Author: Onur; 10.07.2017 02:07; Weight Score: 0]

20. Target Market

1.

"We are separating our target market due to consumers who want to gain the biggest revenue from a product, consumers who see Beymen as a part of their life-style."

[APPENDIX 1; Position: 7-7; Author: Onur; 10.07.2017 02:03; Weight Score: 0]

21. Sales Budget

1.

"Company is first establishing sale budgets annually. We can say that these sale budgets are also equal to the objectives of the company. Then the obtaining budget is being made to reach these objectives. This budget contains the spendings for new products and all the stages in their production processes."

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 01:56; Weight Score: 0]

22. Services Offered

1.

"Because of that, we are offering luxurious and different service for the Beymen consumers"

[APPENDIX 1; Position: 3-3; Author: Onur; 10.07.2017 01:54; Weight Score: 0]

APPENDIX 3 – RESUME

Onur AFACAN

Agaoglu My Home Maslak B2-241

Sariyer / İSTANBUL

0532 348 4420

onur.afacan@tr.ibm.com

MA, MBA, Electronics Engineer



EDUCATION

- Istanbul Bilgi University (2017-2018)
Master's Degree (English)
Organizational & Industrial Psychology
- Istanbul Aydin University (2014-2016)
Master's Degree (English)
Business Administration
- Turkish Military Academy (2004-2008)
Bachelor's Degree
Electronics Engineering

EXPERIENCE

- G4S Site Security Manager (2017-Still Working)
- Compliance audit and implementation of all security topics of IBM Corporate Security Manual
- Physical, electrical security systems' assessment and infrastructure management
- Crisis management and team membership
- Information security support, protection of assets and intellectual property
- Risk analysis and management
- Emergency planning and management
- Security operations and security incident management
- Security educations' planning and implementation
- Data center security support
- Security equipments and systems' maintenance
- Critical utilities' security management
- Administrative security issues and documentation management
- CAS and CCTV systems management
- Security review of event locations and event security implementation

- Security personnel's management
- Investigation conduction if required
- Support to country security manager on required issues
- Officer, Mid-Level Manager, Commander (2008-2017)
 - NATO Officer, 2 NATO drills attendance in England and Greece as an exercise control officer
 - Main responsibility on facility management and maintenance
 - Physical security and security operations' management
 - Military team leadership and personnel management
 - Emergency and business continuity management
 - Location security assessments
 - Security tranings' planning and conduction
 - Administrative security issues and documentation management

TRAININGS AND COURSES

- IBM Agile Explorer
IBM – 2019
- Data Science Foundations
IBM – 2019
- Accredited Professional Coaching
Erickson Coaching International – 2016
- Middle Level Manager
Turkish Armed Forces – 2014
- Domestic Security Guidelines and Principles
Turkish Armed Forces – 2009
- Military Forces Management and Commanding Fundamentals
Turkish Armed Forces – 2008

ADDITIONAL INFORMATION

- Language: English (advanced), Serbian (beginner)
- Computer: MS Office, IBM corporate security reporting platforms
- Hobbies: Swimming, fitness, reading, researching, social events
- Membership: ASIS International
- Birth Date: 26.03.1986

REFERENCES

To be stated