Czech University of Life Sciences Prague

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Diploma Thesis

Influence of cultural factors on marketing strategy in E-shopping. Case study of ASOS in Russia

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Faculty of Economics and Management

DIPLOMA THESIS ASSIGNMENT

Evgeniya Volodina

European Agrarian Diplomacy

Thesis title

INFLUENCE OF CULTURAL FACTORS ON MARKETING STRATEGY IN E-SHOPPING. CASE STUDY OF ASOS IN RUSSIA

Objectives of thesis

The aim of the thesis is to help improving the knowledge about Russian market, as well as to understand the expectations and needs a Russian customers has on online clothing shops.

The following objectives have been set in order to fulfil this aim: reveal the peculiarities of the Russian market and local customers profile, analyse cultural factors influencing the consumer behaviour, compare ASOS marketing strategy between Russia and considered European country (The UK), consider barriers and difficulties in entering Russian market encountered by the global online clothing giant ASOS. This research could be useful for other foreign companies who will be able to assess their readiness to enter Russian market and adjust the marketing strategy specifically for the cultural characteristics of the population.

Also, the analyze of the current marketing strategy of ASOS in Russian market and influencing cultural factors may be useful for the company to improve their strategy and make it more effective.

This research as well tries to review the literature on whether or not culture has any role in international marketing, marketing strategy and if yes, how does it impact on it.

Methodology

The quantitive data for the research are taken mostly from UN database, click-streams (Google Analytics, Yandex metrica), annual reports of the company (ASOS). The timeframe is the period from 2011 to 2016 (the latest available data). For theoretical analysis data are gathered from marketing strategy, E-commerce related literature, recent newspaper articles, interviews of the experts, dimensional models of national culture (Hofstede, Hall). For gaining consumer insights about performance of online clothing brand ASOS a survey questionnaire is written. The respondents are Russian consumers who are interested to cooperate. The primary data are collected from the respondents (100 Russian consumers). The data analysis of this research is mostly represented on quantitive manner. However, there are few qualitative solutions. This approach to research allows to increase significance of the current analysis.

The proposed extent of the thesis

Approx 60 – 70 pages

Keywords

cultural factors, marketing strategy, E-commerce, E-shopping, online marketing, Russian consumer profile

Recommended information sources

HOFSTEDE, G. – MINKOV, M. – HOFSTEDE, G J. *Cultures and organizations : software of the mind : intercultural cooperation and its importance for survival.* New York: McGraw-Hill, 2010. ISBN 978-0-07-166418-9.

CHAFFEY, D. *Digital business and e-commerce management : strategy, implementation and practice.* Harlow: Prentice Hall, 2015. ISBN 978-0-273-78654-2.

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Declaration

I declare that I have worked on my diploma thesis titled "Influence of cultural factors on marketing strategy in E-shopping. Case study of ASOS in Russia" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the diploma thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 31st March   _____

Acknowledgement

I would like to thank Ph.D. Richard Selby for his time, valuable advices and support during my work on this diploma thesis. My gratitude also goes to my mother. Last but not least thanks goes to all respondents taken part in the research for their help.

Influence of cultural factors on marketing strategy in E-shopping.

Case study of ASOS in Russia

Abstract

The principle purpose of this diploma thesis is to help to improve the knowledge about Russian market through the theory as well as to understand the expectations and needs a Russian customer has on online clothing shops. The first part of this diploma thesis introduces the topic in general concept and chapter after chapter precise the topic by reviewing the literature. The second part of this diploma thesis is own practical work where at least 100 responders answered questionnaire, which was designated to gain good understanding of Russian consumers shopping online. Assembled questionnaire assessed individually and all together providing consumer insights about performance of online clothing brand ASOS. By having studied the results of this work other foreign companies will be able to assess their readiness to enter Russian market and adjust the marketing strategy specifically for the cultural characteristics of the population. Also, the analyze of the current marketing strategy of ASOS in Russian market and influencing cultural factors may be useful for the company to improve their strategy and make it more effective.

Keywords: ASOS, clothing brand, cultural factors, marketing strategy, E-commerce, E-shopping, digital marketing, online clothing company, online marketing, Russian consumer profile, Russian market, Russian customer.

Vliv kulturních faktorů na marketingovou strategii v elektronickém nakupování.
Případová studie ASOS v Rusku

Abstrakt

Cílem této diplomové práce je získat podrobnější informace o ruském trhu prostřednictvím teorie a pochopit očekávání a potřeby ruského zákazníka v online obchodech s oděvy. První část této diplomové práce přináší téma v obecném pojetí a kapitolu po kapitole, téma za tématem přezkoumává literaturu. Druhá část této diplomové práce je vlastní praktickou prací, kdy alespoň 100 respondentů odpovědělo na dotazník, který byl určen pro dobré porozumění ruským spotřebitelům, kteří nakupují online. Shromážděný dotazník byl vyhodnocen jednotlivě a společně poskytuje spotřebitelům informace o výkonu online značek oblečení ASOS. Studiem výsledků této práce budou moci zahraniční společnosti posoudit svou připravenost ke vstoupení na ruský trh a budou moci přizpůsobit marketingovou strategii specificky pro kulturní charakteristiky obyvatelstva. Také analýza současné marketingové strategie společnosti ASOS na ruském trhu a ovlivňování kulturních faktorů může být užitečné pro to, aby společnost zlepšila svou strategii a zvýšila její účinnost.

Klíčová slova: ASOS, elektronický obchod, E-komerce, digitální marketing, kulturní faktory, marketingová strategie, online marketing, online oděvní firma, oděvní značka, ruský spotřebitelský profil, ruský trh, ruský zákazník, spotřebitelské informace.

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List of abbreviations

FOM – "Fond Obschestvennoe Mnenie", Russian Public Opinion Foundation

GPRS – General Packet Radio Service

GPS – Global Positioning System

PC – Personal Computer

RBC – Russian Business Consulting

SDK – Software Development Kit

SMS – Short Message Service

SPSS – Statistical Package for Social Sciences

UNCTAD – United Nations Conference on Trade and Development

1 Introduction

One of the turning points in strategic management in recent years is that, in order to achieve success, it is not enough for a company to choose the right direction and simply apply it to every market going to the international level, it is necessary to learn the specifics of the regions in which you operate creating favorable conditions for your activities.

The Russian economy is in line with global trends and is included in the overall globalization process. By analyzing the e-commerce market in Russia, it became obvious that this is a territory with huge potential and rapid development, so this topic is an up-to-date for online clothing companies that want to expand their business in Russia.

This thesis is devoted to the study of the features of online clothing company's marketing strategy in Russia and the influence of cultural factors on it. The main elements of the marketing strategy and its importance for the company, the distinctive features of online marketing as well as the features of the Russian model of it and the factors of its development should be considered.

The subject of this research is Russian market, customers and factors influencing their shopping decisions. This study investigates these influencing factors from the point of view of international online clothing company ASOS. The object of the study is ASOS – the international online clothing company.

This thesis is divided into 5 chapters as follows: the first chapters is dedicated to the introduction of the diploma thesis. The second one is aimed to describe methodology and objectives to be applied.

The third chapter reveals the content of key concepts, understanding of which is necessary for the disclosure of the topic of this thesis. Theoretical knowledge and understanding of the concept of marketing strategy and its typology in terms of international marketing are crucial cause it helps marketers to formulate their goals and expectations from marketing activities. Marketing mix represents famous "4P's" and related "4C's". Notably, in-depth marketing research must be established and relevant data gathered and evaluated. Today's trend is to focus on consumer's life time value rather than the value of a single sell. Since the object of the study is online clothing company, it is crucial to know how do E-commerce and Internet marketing fanction, to concentrate more on the marketing strategies of e-commerce companies. Cause the one of the subjects of the

research is Russian market, it is reasonable to evoluate e-commerce within the framework of conditions of Russian market. It is important to be aware of the functioning mechanism and the features of e-commerce in Russia, as well as its current potential, as this assessment allows to make a decision in choosing a marketing strategy and the readiness of an international company to enter the Russian market. The last part of the literature overview is dedicated to cultural factors and their influence on consumer behavior. An important object of study in marketing research is the consumer. The purpose of the study of consumers is to study the process of making purchasing decisions, reactions to purchasing, the factors that determine their behavior. Knowing the customers is necessary for the company to better adapt to their requirements and to operate on the market more efficiently, that's why there was an attempt to decribe Russian customer profile and consumer behavior by using literature overview regarding to this topic.

The fourth chapter is the practical section. It is remarkable that, as an example of international clothing company entering to Russian market, the author chose ASOS and its online marketing strategy respectively. This part is started with company introduction aimed to make reader to become acquainted with ASOS. But before researching any information about its expanding into Russian market, the auther focuses more on company's marketing strategy in the UK as the origin one. It is possible to do by the analysing marketing mix related to the company and its public relations. In the next part the description of some points of author's marketing research for online clothing company (ASOS) on Russian market is given, before following ASOS marketing strategy in Russia. After a brief analysis of ASOS' position on Russian market in the previous part, the results of comparison of marketing strategies in the UK and Russia are revealed. This chapter is finished with the preparation of the SWOT analysis of the ASOS performance on Russian market.

The fifth chapter is dedicated to own survey and analysing of its results. The questionnaire created for purposes of this thesis will be distributed among Russian customers of ASOS and received relevant data will be processed and assessed.

2 Objectives and Methodology

2.1 Objectives

The main aim of this diploma thesis is to help to improve the knowledge about Russian market, in terms of online shopping, through the theory and own research as well as to define the influence of cultural factors on marketing strategy of the online clothing company by analyzing of the marketing strategy of the global online clothing giant ASOS in Russia.

In order to achieve this goal, the following objectives must be reached:

1. Revealing the essence of the concepts of cultural factors influencing consumer behavior and marketing strategy and its features for e-commerce;
2. Analyzing the state of e-commerce in Russian reality, its potential and the pace of development;
3. To define Russian customer profile and consumer behavior;
4. To give a short characteristic to the marketing strategy of ASOS in the UK and its comparison with Russia;
5. To introduce own marketing research overview of online clothing company (ASOS) in Russian market;
6. To create a questionnaire;
7. To transform the results using statistical software;
8. To analyze the results of the survey;
9. To identify the main features of consumer behavior in Russia in terms of clothing e-shopping;
10. To check the effectiveness of ASOS' marketing strategy with revealing its weaknesses;
11. To determine the relationships between socio-cultural factors and consumer behavior which affecting marketing strategy of the company.

2.2 Methodology

The first part of this diploma thesis introduces the topic in general concept and chapter after chapter precise the topic by reviewing the literature. The secondary data for the extensive research are gathered by using various sources: marketing strategy, cultural

factors related literature, recent newspaper articles, interviews of the experts, annual reports of the company, overview of statistics research.

The second part of this diploma thesis is own practical work where 100 responders answered questionnaire, which was designated to gain good understanding of Russian consumers shopping online, who has ordered from ASOS at least once. The questionnaire consists of 24 questions including the part of the quiz is aimed to identify the social factors such as a gender, age, academic qualification, rage of income and the main part providing consumer insights about performance of online clothing brand ASOS and an estimate of the consumer behavior, preferences, barriers and difficulties encountered by ASOS. The questionnaire was created with the usage of the website my.survio.com. Assembled questionnaire assessed individually and all together by statistical analysis. The connection between social factors and opinions of Russian consumers concerning to performance of online clothing brand to shop was found out by using SPSS statistical software.

3 Literature overview

3.1 Concept of marketing strategy

In today's world there is a steady trend of growth and development of enterprises in completely different spheres. Consequently, the level of competition is also growing. Companies need to make maximum efforts to develop and optimize the business, to create an effective plan for implementing the tasks. All of it dictates such conditions that it is important for each organization to pay special attention to the development and improvement of its marketing strategy regardless of the size of the company (Velichko, 2014, p.88). This statement is supported by the following reasoning.

First of all, it should be noted that understanding the marketing strategy of the company as a long-term marketing plan that is aimed at achieving marketing goals (for example, such as becoming a market leader), it becomes evident that each organization must have a detailed strategic plan and a set of activities in order to achieve the objectives (Kotler, 2000, p. 46). Moreover, a company of any size should have clear goals of its own marketing strategy in order to formulate a route to achieve them, cause the result of the marketing strategy is a marketing plan of concrete actions aimed at strengthening the position of goods in the industry, reducing possible risks and threats from competitors and maximizing profits.

The development of a marketing strategy involves setting clear goals and objectives, within which the basis for creating a policy for marketing activities of the company is set. Only after the company develops its own marketing strategy, it has the opportunity to plan daily operational activities and tactics to achieve goals.

Secondly, marketing is one of the most important functions in the company. Peter Drucker once wrote in his article: "In business there are two main areas, functions namely marketing and innovation. Marketing and innovation produce results, and all others produce costs". Moreover, David Packard, the founder of the world-famous company Hewlett Packard, said, that "marketing is too important to exist in the company only within the marketing department" (Solomon, Marshall, Stuart, 2006, p. 34-36).

A few years ago, strategic marketing was presented primarily as a definition of the general direction of the company's activity oriented to the future and responding to changing external conditions. Recently, the main emphasis has been placed on the

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formation of a market-oriented effective organizational and managerial system and the distribution in accordance with this of the management resources of the firm. In other words, the marketing strategy is viewed as a unified system for organizing the entire work of the firm.

Analyzing the various definitions of the term "marketing strategy", it is important to note that they do not observe a cumulative trend towards the generalized concept of marketing strategies. Despite on the fact that there are many differences between the existing conceptual apparatus, it is possible to define certain elements, whose characteristics are similar in the authors' research, namely such aspects of the marketing strategy as:

1. An important and crucial constituent for the global market (Perrault, McCarthy, 1996, p. 57);
2. Action plan, including the development of marketing activities (marketing mix, especially when launching a product into foreign markets) (Nashwan, Wang, 2016, p.7);
3. Process / method of achieving the organization's goals;
4. Defining of target market (Nashwan, Wang, 2016, p.8);
5. Meeting customer needs and creating values for them (Velichko, 2016, p. 40).

Effective marketing strategy of the company helps to answer the questions (identifying, anticipating, satisfying, profitably) (Hanlon, Chaffey, 2013):

1. To whom do we sell?
2. What do we sell?
3. How to sell effectively?
4. When and where to promote the product?
5. What are the properties of the product to develop?
6. On which new markets to go?

3.1.1 Typology of marketing strategies within the international marketing

When entering foreign markets, the company first of all has to decide whether it should develop a "standard product" suitable for all foreign markets, or adapt the product to the specific features of each market, creating a sufficient number of modifications of the

"standard product" ? In the first case, we are dealing with standardization, in the second case, with the adaptation of the goods to the external market (Hanlon, Chaffey, 2013).

The standardization strategy - the company transfers its commodity position (quality, trademark, design, packaging) to the international markets applicable for the domestic market (Jain, 1989, p. 73). The thesis of standardization extended by Levitt (1983), based on three hypotheses:

1. World needs of larger technologies, transport and communications;
2. Consumers are ready to choose a lower price and good quality of goods over specific preferences;
3. Standardization, the resulting homogenization of world markets, allows to reduce the costs.

The benefits of this strategy include (Jain, 1989, p. 74):

1. reduction of costs for production, commodity circulation, sales and service;
2. unification of elements of international marketing;
3. acceleration of the return on investment;
4. convenience of monitoring the implementation of marketing activities.

At the same time, the following negative aspects are inherent in the standardization strategy:

1. incomplete using, in comparison with the adaptation strategy, of the potential opportunities of foreign markets;
2. insufficiently flexible reaction of the company to changes in market conditions;
3. difficulties in introducing innovations required by the foreign market.

The adaptation strategy allows to overcome these disadvantages. It is associated with the modification of products specifically for foreign markets.

Depending on the reasons, there are forced and necessary adaptation (Vrontis, Thrassou, 2007, p. 16). Forced adaptation is due to laws and local regulations that can not be avoided (standards of hygienye, safety standards, technical regulations).

The necessary adaptation is conditioned by the specific requests of consumers of a particular market to which the company thinks to enter. In most cases, the failure in selling goods in the foreign market can be explained by incorrect estimates of the market situation. If you do not know the consumer, then the output of the goods on the market is a lottery. A more reliable course is an understanding of the value system of potential customers.

The necessary adaptation is determined by such factors as:

1. Tastes of consumers which, above all, are related to cultural differences;
2. Level of the consumer's income that determines his purchasing power;
3. General level of technical literacy of the population, which may cause the need to simplify the goods;

In sum, the adaptation strategy is based on existing differences between markets. Three groups of factors help differentiate markets (Keller, 2003):

1. Differences in the behavior of customers, not only in terms of social demographics, income level or living conditions, but primarily in terms of consumption, habits, customs, culture, etc.
2. Differences in the organization of the market, including the structure of marketing networks, the availability of information, the availability of regulatory rules, climatic conditions, means of transport, etc.
3. Differences in the competitive environment, in the degree of concentration of competition, in the presence of local rivals, in a competitive climate, etc.

Obviously, there are important differences between markets and these differences will persist in the future.

As for marketing management, the most important consequence of globalization is the need to define a geographic target market, to think globally, but based on local reality.

3.1.2   Marketing Mix and 4C's

Jerome McCarthy in 1960 developed the "4P's" of marketing: Product, Place, Price, Promotion. Based on this theory, success of a company can be achieved if you will produce the right product at the right price, selling it in the right place with competent advertising support. Until the middle of 1990's, the concept of the "4P's" (with some clarifications) was relevant, but later market researchers (Lauterborn, 1990) proposed a different approach, entitled "4C's": Consumer corresponding to Product, Cost corresponding to Price, Convenience corresponding to Place, Communication equivalent to Promotion. The main idea was that the "4P's" model of McCarthy was obsolete - this model was created in other economic conditions and no longer meets the real needs of marketers. Extremely high competition, which is conducted not only on the shelves of stores, but also in all mass media, requires a different marketing. Marketing, focused primarily on the consumer (Image 1).

Image 1. The marketing mix
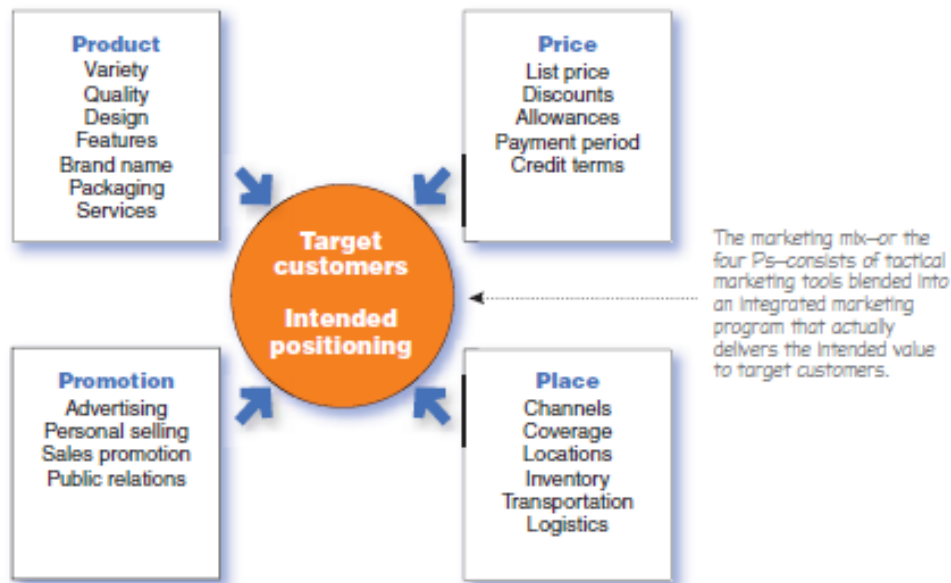
Source: Kotler and Armstrong, 2014

These marketing systems differ in their approach: in the first case, the entrepreneur is more concerned with the properties of the product and its promotion in the market, while in the second priority the needs of the buyer are more important. It must be said, that "the movement to the people", taking into account the characteristics of the consumer at all stages of production and sale of goods, is today an actual world trend in the development of marketing.

Kotler and Armstrong (2014) also noticed that companies could not look at the product only through their lens but especially from customer perspective. That's why for more customer-centric way marketers use the "4C's" in the marketing mix to market:

1.   *Customer wants and needs*. This element forces to study more carefully consumer preferences, and it is closely related to the correct perception of the target audience in its niche.

2.   *Cost to satisfy*. As in any field of activity costs are divided into direct and indirect costs. Direct costs are, first of all, material and financial costs, and indirect costs are psychological, time, as well as other non-material costs. If it's easier, the costs are not only money spent on the purchase of goods or services but also the efforts made during the acquisition: the costs of which resources the potential buyer is willing to go, having spent time, nerves and other efforts, to come to a certain company, and finally get a product or service.

3.   *Convenience to buy.* The availability of goods for the consumer is not only the ability to satisfy one or another need (for example in nutrition, safety, recreation), but the ability to bear additional benefits intended for the potential consumer. Customers have less and less need to go to a place (Place), in our time, online stores, catalogs, home delivery, payment systems are increasingly being integrated into everyday life.

4.   *Communication.* The last P - "Promotion" was viewed by Lauterborn (1990) as manipulative, one-way system with communications pushed from company to consumer. This element is firmly connected with the degree of awareness of the potential client. Success for the most part will depend on the most effective marketing communication policy of the company, which includes a variety of tools: PR, methods of sales promotion, direct marketing and etc. The most effective advertising is the creation of a dialogue.

3.1.3 Internet marketing

One of the main driving forces of the revolutionary changes in today's methods of doing business are information technologies. They have become an indispensable means of interaction between all market participants, a business tool used to implement most business processes of companies.

The emergence and rapid growth of e-commerce led to the development of a new trend in the modern concept of marketing interaction - Internet marketing, which is understood as the theory and methodology of organizing marketing in the Internet environment.

One of the reasons for the rapid development of Internet marketing is the growth of the Internet audience (Table 1 and Table 2).

Table 1. Number of Internet users worldwide from 2009-2017 by region, (in million)

	Asia	Europe	North America	Latin America / Caribbean	Africa	Middle East	Oceania / Australia
2009	764.4	425.8	259.6	186.9	86.2	58.3	21.1
2010	825.1	475.1	266.2	204.7	110.9	63.24	21.3
2011	1,016.8	500.72	273.07	235.82	139.88	77.02	23.93
2012	1,076.68	518.51	273.79	254.92	167.34	90	24.29
2013	1,265.14	566.26	300.29	302.01	240.15	103.83	24.8
2015	1,563.21	604.12	313.86	333.12	313.26	115.82	27.1
2016	1,792.16	614.98	320.07	384.75	339.28	132.59	27.54
2017	1,938.08	659.63	320.06	404.27	388.38	146.97	28.18

Source: STATISTA. The statistical portal, 2017

Table 2. TOP 20 countries with the highest number of Internet users

#	Country or Region	Population, 2018 Est.	Population 2000 Est.	Internet Users 31 Dec 2017	Internet Users 31 Dec 2000	Internet Growth
1	China	1,415,045,928	1,283,198,970	772,000,000	22,500,000	3,331 %
2	India	1,354,051,854	1,053,050,912	462,124,989	5,000,000	9,142 %
3	United States	326,766,748	281,982,778	312,322,257	95,354,000	227 %
4	Brazil	210,867,954	175,287,587	149,057,635	5,000,000	2,881 %
5	Indonesia	266,794,980	211,540,429	143,260,000	2,000,000	7,063 %
6	Japan	127,185,332	127,533,934	118,626,672	47,080,000	152 %
7	Russia	143,964,709	146,396,514	109,552,842	3,100,000	3,434 %
8	Nigeria	195,875,237	122,352,009	98,391,456	200,000	49,095 %
9	Mexico	130,759,074	101,719,673	85,000,000	2,712,400	3,033 %
10	Bangladesh	166,368,149	131,581,243	80,483,000	100,000	80,383 %
11	Germany	82,293,457	81,487,757	79,127,551	24,000,000	229 %
12	Philippines	106,512,074	77,991,569	67,000,000	2,000,000	3,250 %
13	Vietnam	96,491,146	80,285,562	64,000,000	200,000	31,900 %
14	United Kingdom	66,573,504	58,950,848	63,061,419	15,400,000	309 %
15	France	65,233,271	59,608,201	60,421,689	8,500,000	610 %
16	Thailand	69,183,173	62,958,021	57,000,000	2,300,000	2,378 %
17	Iran	82,011,735	66,131,854	56,700,000	250,000	22,580 %
18	Turkey	81,916,871	63,240,121	56,000,000	2,000,000	2,700 %
19	Italy	59,290,969	57,293,721	54,798,299	13,200,000	315 %
20	Egypt	99,375,741	69,905,988	48,211,493	450,000	10,613 %
TOP 20 Countries		5,146,561,906	4,312,497,691	2,937,139,302	251,346,400	1,068 %
Rest of the World		2,488,196,522	1,832,509,298	1,219,792,838	109,639,092	1,012 %
Total World		7,634,758,428	6,145,006,989	4,156,932,140	360,985,492	1,051 %

Source: Internet World Stats, 2018

However, the general theory of Internet marketing has not been formed yet, the description of Internet marketing is still fragmentary. For example, in Kotler's textbook (2011, pp. 777-804), despite on the recognition of the revolutionary nature of changes in marketing under the influence of e-commerce development, only one chapter is devoted to its description. And methods of Internet marketing are casually mentioned there as a special case of direct sales. Russian authors generally consider Internet marketing as a private application of separate marketing functions. For example, Kalinina identifies Internet marketing with the activity of placing and analyzing electronic publications in the Internet (2004, p. 61-64). Whereas Krymsky and Pavlov identify Internet marketing and Internet advertising (2007, pp. 164-170), and Virin understands Internet marketing as "the construction of marketing communications over the Internet" (2010, p. 12).

Such interpretation had the right to exist, when the Internet was an insignificant communication channel in the traditional industrial economy. But when the market itself, its participants, and methods of product promotion moved into virtual space, the situation has been changed radically. Internet marketing turned into full-fledged marketing, carried out by virtual participants in virtual space. Marketing has always been interpreted not as a banal set of sales tools, but as a "purposeful, streamlined process of understanding consumer problems and regulating market activity" (Kotler, 2011, p. 21).

In a networked economy and virtual forms of doing business Internet marketing is the same marketing activity, but only under the new conditions and on a new systemic level of self-organization. On the one hand, Internet marketing acts as an informal institution of the networked economy which includes the traditions, customs and rules of economic activity in the new conditions. On the other hand, Internet marketing is an integral function of e-commerce, responsible for all interactions between a company andexternal environment.

Therefore, if before Internet marketing was associated mainly with Internet communications, today it gradually acquires the features of an independent scientific discipline. For example, American marketing theorist P. Doyle (2001) classifies Internet marketing as the fourth stage in the evolution of marketing (according to his own classification), defining it as "managing relationships with individual buyers". This interpretation is fundamentally different from the previous stage, which Doyle calls "marketing as management of trademarks" (2001, p. 423). It reflects the institutional changes in economic relations that occur under the influence of e-commerce. It is no

accident that the marketing classic Kotler also calls these changes "revolutionary" (2011, p. 781).

According to Doyle, before e-commerce, the management of trademarks meant the allocation of target segments of the consumer market, and then the development and promotion of the brand separately for each segment. This approach was focused on the goods, but not on the consumer (2001, p. 425). With the development in the mid-1990s. e-commerce has the opportunity to "establish relationships with individual buyers and precisely meet their needs through customized goods and specialized services", and this opportunity considers a distinctive feature of Internet marketing (Doyle, 2001, p. 425).

However, the interpretation of P. Doyle is also vulnerable to criticism. The peculiarity of the American marketing approach is that the properties of the product and its brand are considered more important than the preferences of consumers. It was believed that if the product is generally available, has an acceptable price and good quality, then it is guaranteed a wide market sale. This is the specificity of the US economic model, which is oriented toward foreign economic expansion and extensive development through mass production of consumer goods. In such kind of conditions, the more standard and better the product, then it is easier to sell it to a mass buyer (Kaluzhsky, 2012, pp. 24-25).

Around 10-15 years ago, the promotion of the goods took place on a long chain of goods movement (distributors, wholesalers, retailers, etc.). Trademark owners controlled, using the marketing "retraction strategy", sales channels and converted transaction costs into their profits. Financial institutions (banks and securities issuers) made a profit by lending market participants at all stages of the chain of commodity circulation. However, at the same time production was transferred, and then left to Asian producers, who did not have access to external markets. First of all, it was China (Chen, Hui, Seong, 2012). With the development of e-commerce, Asian (mainly Chinese) producers have the opportunity to directly access foreign consumer markets. A fundamentally new approach to the organization of marketing activity has been formed, so named, "the Asian approach" (Kaluzhsky, 2012, pp. 26-27). Asian producers did not have access to foreign sales infrastructure, and trading chains did not imply anything more than direct contracts with buyers. A new Asian approach to organizing marketing is based on minimizing transaction costs, when through the Internet the goods reach the end user by avoiding traditional intermediaries. E-commerce has allowed Asian manufacturers to go with direct supplies to the most remote corners of the globe and protect their market from foreign influence. This

was the reason for the phenomenal growth of e-commerce in China. According to McKinsey & Comany (Chen, Hui, Seong, 2012), the Chinese e-commerce market annually doubles.

Due to the development of e-commerce, the overall vector of economic development has been reoriented in the direction of reducing transaction costs and reducing the role of state regulation in the economy. This statement can be applied equally to all countries and continents. For example, empirical studies of the e-commerce market in the United States show that e-commerce also demonstrates greater competitiveness in comparison with traditional retail trade (Alleman, Rappoport, 2007, pp. 9-10).

As a result, the methods of competitive behavior have been changed. The territorial monopoly of sellers has remained in the past. Now it is enough to type the name of the desired product in the search engine, and the buyer immediately receives tens or even hundreds of competitive offers. Accordingly, the competition has shifted from the sphere of quality, price and advertising to the sphere of service, information and assortment.

E-commerce technologies are evolving towards cheaper services as well as increasing the availability of purchases and sales technologies. Therefore, the main dividends from e-commerce are received by producers and buyers and not by trade intermediaries, banks and investors, as it was before.

American marketers M. Christopher and H. Peck (2003, p. 139) defined three directions for qualitative changes in the organization of business in the conditions of e-commerce:

- Changing the orientation of marketing from functions to processes;
- Changing the orientation of marketing from goods to consumers;
- Changing the orientation of marketing from profit to efficiency.

Three concepts of traditional marketing theory, formed in 1930-1940, characterize the stages of this path (Kaluzhsky, 2012, p. 22):

1. *The distribution concept of marketing* - links the effectiveness of marketing activities with ensuring the optimal availability of goods on the market. In conditions of a lack of competition (as in traditional marketing) or a constant inflow of new customers (as in Internet marketing), distribution plays a decisive role in the organization of sales.

2. *The institutional concept of marketing* - links the effectiveness of marketing activities with the effectiveness of interaction of all parties interested in the transaction.

Despite on some examples of Internet-leading companies, the general rules of market behavior that make this concept generally accepted have not been worked out yet.

3. *The functional concept of marketing* - links the effectiveness of marketing activities with the implementation of a standard set of generally accepted marketing functions, strategies and tools. This concept will become relevant in the period of the final development of Internet marketing, when all its main tools and methods will be described, and the e-commerce market will form an established structure.

At present time, the distribution concept dominates in Internet marketing, the potential for further development of which is far from exhausted. Almost every year on the Internet there are new ways of promotion (social networks, blogs, etc.) and related target markets. The experience of using them still does not change from quantity to quality.

3.2 E-commerce

Modern conditions of intensification of competition in most business sectors prompt companies to constantly search for effective solutions that take into account the realities of market development. One of such realities is the active usage of information technology in business processes.

Electronic commerce as the purpose of economic efficiency between the entities of various national economies in the exchange of goods, distribution and transfer of goods through the use of computer technology as a tool of information exchange becomes a natural consequence of scientific and technological progress, as well as profound changes in the structure of global consumption.

3.2.1 Reasons of development, definition and advantages

A key influence on the development of e-commerce had two factors. First, the use of global electronic networks for the transfer and exchange of data in conducting business transactions. It became the norm at the end of the 1960's. Appearance and distribution of the Internet affected the business as a whole allowing to expand the range of commercial relations through the Internet (Sapir, 2012, p. 170). From this point on, e-commerce has become part of everyday relationships between individuals and legal entities of various national jurisdictions. In the field of international commerce, in particular, global information technologies and the electronic high-speed data transmission networks formed on their basis, form new forms of public relations between producers, intermediaries and

consumers of goods and services on the international arena. For example, e-commerce allows companies to more efficiently and flexibly implement cross-border operations, to interact more closely with global suppliers and to respond more quickly to customer requests and expectations. Companies have the opportunity to choose suppliers regardless of their geographical and political boundaries, as well as the opportunity to enter their global markets with their goods and services.

Secondly, consumers in the conditions of a single global economic space have formed new, heightened expectations about the offered goods and services, so-called individualized needs. Each individual consumer makes demand only for products that are (Kobelev, 2002, pp. 23-24):

1.　adapted and configured in such a way as to satisfy the specific needs of the given consumer (individualization of the need);

2.　delivered in a way that is most suitable for the consumer (service individualization);

3.　delivered only when the consumer wants to receive it (individualization of the time for satisfying the need).

E-commerce is rapidly changing the way of doing business. Today the number of online transactions is growing rapidly, and in any market of the world companies are trying to include e-commerce in their business plans. It enables even the smallest business to engage in business with foreign partners and also allows increasing the competitiveness of companies, becoming closer to the consumer. Using electronic communication tools, companies can obtain detailed information about the requests of each individual consumer and services and solutions that meet their requirements (Golovcova, Mirzoev, Yastrebov, 2007, p. 12).

The authors of the UNCTAD in the "E-commerce and Development Report" (2004) defined E-commerce as the sphere of global realization of goods in the form of product and (or) service mainly through the Internet, and also with the help of a number of other information and telecommunication facilities and technologies.

To sum it up, using commercial online channels gives entrepreneurs certain advantages:

1. Rapid adaptation to market conditions. The companies were able to instantly add new products to the proposed assortment to change prices and descriptions of goods.

2. Cost reduction. In trade through a computer network, there are no expenses for building a store or rent, insurance, etc. On the replacement of printing and dispatch of usual catalogs electronic catalogs come, which are much cheaper.

3. Building relationships. Sellers are given the opportunity to analyze customer responses, obtain additional information, to provide consultations, to send out free versions of computer programs, advertising materials and etc.

4. Audience coverage. The number of visitors of the website of the company and the most interested topics are easily taken into account. The received information allows improving offers and making adjustments to the advertisement.

3.2.2   Types and models of E-commerce

There are several popular types of e-commerce. The main types of e-commerce are (Kaluzhsky, 2014, p. 328):

- Electronic Data Interchange (EDI) - refers to the automated transfer between participants in a transaction of various documents, files, etc., which facilitates the simplification and automation of information flows.

- Electronic Funds Transfer (EFS) - conducting cashless payments, transferring funds. Electronic capital movement is classified by the content of transactions (debit, credit), by the scope of their application (for example, business transactions) or by types of operators (banks, providers). At the same time, "virtual organizations" can act as transaction operators (for example, services for exchanging virtual money).

- E-trade - the implementation of various types of transactions (purchase, sale) on the worldwide network from the moment of demonstration / selection of the product, purchase, payment / receipt of the application, delivery registration, until the goods are received.

- E-marketing - marketing actions aimed at increasing sales of goods through advertising campaigns, management of information on the websites.

- E-banking - the traditional opportunities for working with the bank, implemented in the Internet.

- Electronic money (E-cash) is an electronic counterpart of real bills, through which a quick cash settlement can be made.

As for the models of e-commerce organization, there are distinguished their following types (Beynon-Davies, 2004):

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- Business-to-Business (B2B) model. Models of this type are characterized by an automatic interaction of business processes of companies using the network when ordering suppliers, receiving invoices and payment. By means of special gateways, the system of business processes is automatically connected to the Internet;

- Buasiness-to-Consumer (B2C) model. This model characterizes a sector oriented towards the work of companies with individual consumers of goods or services;

- Business-to-Administration (B2A) model. This model includes all types of transactions between companies and government organizations.

- Consumer-to-Administration (C2A). This model is currently in the initial stage of functioning. Its implementation will provide an opportunity to expand electronic interaction in such spheres of life, as, for example, social security.

Recently, experts analyze the Consumer-to-Consumer (C2C) model (Meyer, 2007, p. 30), which is a sector that covers the communication of consumers, united by visiting a certain website. It is believed that any e-store can be attributed to this area of e-commerce. Around the websites there is a certain community of visitors united by common interests. An example of such a community is electronic auctions held at specialized sites on the Internet.

3.2.3 Mobile commerce (M-commerce)

Today, the user of the Internet works, searches for information, reads, communicates, buys on the network, not imagining life without a smartphone or tablet. In this regard, brands need to learn and implement m-commerce in their business. This is the implementation of sales via the Internet on mobile devices, through a website or application.The collocation "Mobile commerce" was firstly used by Kevin Duffey (Global Mobile Commerce Forum, 1997). The process is carried out by using handheld computers, cell phones or smartphones via a remote (Internet, GPRS, etc.) connection. There are two global understandings of the term m-commerce as a part of e-commerce. The first, broader definition, is any trading transactions committed or initiated via the Internet using a mobile device (phone, smartphone, tablet). The second definition is much narrower - these are trade transactions, the payment of which was made from the account of the cellular operator or from the account of a bank tied to a mobile phone.

Appearance of the Apple AppStore and Android Market radically changed the paradigm of using mobile devices. The open SDK and built-in iTunes billing allowed

thousands of developers to compete, creating mobile applications (Parker, Wang, 2016), and the phone became a device for all occasions.

It is clear that online retailers are also looking to this channel, because there are reasonable advantages and disadvantages. On the one hand, there is a number of limitations (Hillman, 2012):

- Costly development;
- The variety of platforms for which an application needs to be adapted;
- Applications are still less popular than using the browser.

On the other hand, applications have much closer than browsers contact with additional functions of the mobile device (access to the internal functions of the phone - contacts, calendar, GPS, accelerometer, camera, etc.), thereby giving an extraordinary level of customer involvement in the purchase process (Hillman, 2012), for example:

- Using GPS, you can determine the location of the buyer by offering him unique applications in the nearest stores.
- Using the camera makes it possible to read barcodes and quickly compare prices between products.
- Applications allow you to embed the modules of other services (Facebook, twitter), what allows users to respond to purchases immediately.

Since the mobile device has a completely different, much higher level of user involvement in the purchasing process, then there are new technologies and approaches in mobile marketing. If this is mobile advertising, then you need to consider the diversity of browsers (now about 60 versions), speed limits, screen resolutions - all this plays a critical role. If this is an SMS distribution, then there is a restriction on the number of characters, the need to monitor the time zone, and etc (Schejter, Serenko, Turel, 2010, p. 93). All these are new, sometimes undiscovered steps in mobile marketing and promotion that need to be thought through, implemented and then evaluated.

3.2.4 E-commerce in Russia

The development of the e-commerce market implies the existence of a target audience that has sufficient level of education and equipment with. It should be noted that this fact is a disadvantage for the Russian market. In Russia the situation is clearly traced: the use of Internet resources and automation means by individuals depends on their level of knowledge in the field of information technology.

According to Russian Public Opinion Foundation (FOM), in autumn 2014, 72.3 million people aged, 18 and over, or 62% of the adult population of Russia were connected to the Internet monthly, of these 59.9 million people used the network daily (Eisen, Bagoёe, Jacquet, 2015).

The Internet began to gain popularity in Russia much later than in developed European countries - in 2003 only 8% of the adult population was connected and 20% in 2007 (Figure 1).

Figure 1. Dynamics of Internet penetration in Russia 2003-2017, (in %)
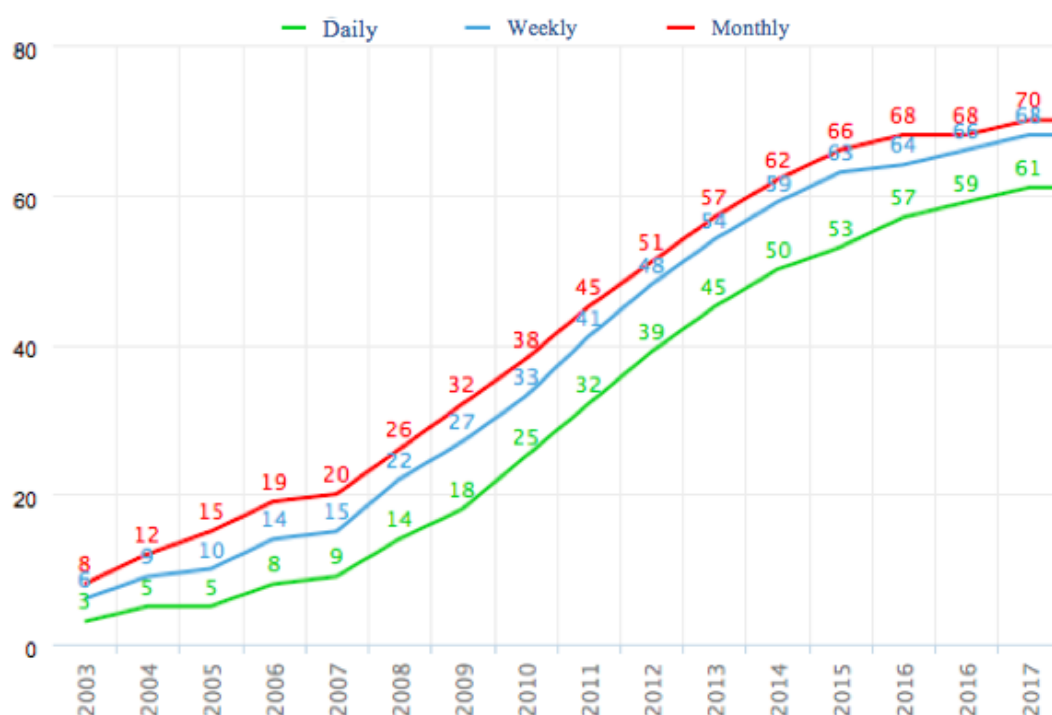
Source: Russian Public Opinion Foundation (FOM), 2017

The penetration of the Internet in Russia is still uneven. The number of Internet users in capitals (Central and Northwestern districts) and certain regions may differ significantly. Almost three quarters of all Internet users in Russia live in the European part of Russia (Image 2). The spread of the Internet and the intensity of its use are interrelated: the higher the percentage of Internet users, then the higher the level of Internet activity and vice versa.

According to Internet trading in Russia report in 2014 (Eisen, Bagoёe, Jacquet, 2015), Internet penetration in Moscow (Central district) and St. Petersburg (Northwestern district) is 77% out of whole district's population, compared with 68% in cities with population over 1 million and only 50% in villages. Among the key factors explaining these regional differences are the difference in living standards, purchasing power and the

development of broadband and wireless Internet access, as well as in computer and Internet literacy.

Image 2. Distribution of Internet users by districts of Russian Federation in 2017

Source: Russian Public Opinion Foundation (FOM), 2017

Note: Russia as a whole country – 100% (approx. 109,552,842 million users in Russia). Common percentage for South District and North Caucasus.

Electronic commerce in Russia is the basis of the electronic information business. An important condition for the progressive development of commercial activities in the country is an analysis of the main problems and issues, analysis and identification of the structural elements will also help to promote business in the network to a high level.

E-commerce is business processes that are based on information technology or activities on the Internet to generate income on the Internet. However, this term should be considered in the narrow notion as a process of remote acquisition of physical and non-physical services and goods directly through the telecommunications network.

Table 3. TOP 10 largest e-commerce markets in the world by country in 2016

	Country	Annual online sales ($, bln)	E-commerce share of total retail sales (%)
1	China	672	15,9
2	United States	340	7,5
3	United Kingdom	99	14,5

4	Japan	79	5,4
5	Germany	73	8,4
6	France	43	5,1
7	South Korea	37	9,8
8	Canada	30	5,7
9	Russia	20	2
10	Brazil	19	2,8

Source: Edquid, business.com, 2017

In the most developed countries the e-commerce market has already formed, not only the leaders appeared, but also niche online stores are firmly in their positions. The last few years in the e-commerce market in Russia there has been an increase in the number of online stores. More and more product segments are moving to online sales. Many off-line stores began to open their trading platforms in the network. The growth of the e-commerce market indicates a great potential for development.

The development of the Russian e-commerce market is also influenced by the development of mobile applications and mobile Internet, taking into account the growth in the total number of users of smartphones and таблеты, the total active mobile Internet base of over 150 million subscribers is expected to increase by the end of 2018 (Kaluzhsky, 2014).

This is facilitated by the decline in the cost of mobile Internet and the introduction of new technologies for high-speed data transmission. Instead of PCs young people prefer compact mobile devices, which contributes to changing Internet traffic, as well as the development of additional mobile services.

In the long term, the development of the Russian e-commerce market will be conditioned by the following factors (Milonova, Arbatov, 2015):

- Growth of multichannel marketing strategy of trading companies;
- Growth of the regional infrastructure of express delivery of goods;
- Growth of postamate's network - terminals with automatic cells for storage and delivery of goods;
- Growing popularity of mobile applications and mobile Internet.

Due to the significant backlog of the Russian e-commerce sector from China, Europe and the USA, the e-commerce market has a great potential for development, but

this development directly depends on the progressive development of the entire economy of Russia. But even now Russia takes the ninth place in the TOP 10 largest e-commerce markets in the world (Table 3).

Among the 30 largest e-commerce operators in Russia there are several foreign companies (Groupon, Otto Group, La Redoute, Yves Rocher), as well as companies with foreign shareholders and management (KupiVIP, Lamoda, Ozon) (Ovchinnikov, Virin, Data insight, 2015, p. 165). This suggests that foreign retail companies can operate on the Russian market on a significant scale, but relying on a strong local team, and also fully taking into account local specifics, from marketing to payment and execution of orders. At the same time, under certain conditions, these companies may need to spend considerable amount of money to develop their own logistics capacities. Some foreign companies believe that they can begin to realize significant volumes of sales to Russian consumers from abroad just expanding their existing business. This is possible, as shown by the experience of AliExpress, eBay, Amazon, ASOS and a number of other sites. Cross-border online sales to Russia are booming; their volume reached about 5 billion US dollars in 2014 (Ovchinnikov, Virin, Data insight, 2015, p. 166). However, cross-border sales in significant volumes are possible only if the offer of a foreign online store or brand is perceived by local consumers as having significant and distinctive advantages (for price and assortment in particular) and adapted to the specifics of the Russian market, taking into account the expectations of local consumers.

According to Internet trading in Russia report in 2014 (Eisen, Bagoëe, Jacquet, 2015), key tendencies in the Internet trading in Russia are:

- Until 2014 inclusive, the market grew at least 25% annually in rubles. In 2015 the growth continued, but with a lower rate in the context of the economic crisis.

- Although the development of e-commerce is higher in Moscow and St. Petersburg, the market is growing primarily at the expense of the regions. Stores can already significantly increase sales in the regions due to optimization of delivery.

- The quality of the Russian Post services remains low. But, at the same time, alternative services continue to develop delivery.

- Cash remains the main option of payment on delivery of physical goods and. But using of bank cards and other electronic means of payment is growing from year to year.

- The lack of qualified staff is one of the most negative issues that hinders the development of the entire Internet industry.

3.3 Cultural factors as a key concept of consumer behavior

Culture is always a collective and social phenomenon, cause it is shared with people within the same social environment (Hofstede, Minkov, 2010, p. 6). Cultural factors are understood (House, 2004) as complex of values, ideas and perceptions inherent in a homogeneous group of people and transmitted from generation to generation. Tracking cultural trends is a very important element of marketing activities. The population of the country, the geographic region, as a rule, is committed to certain cultural traditions and values. It's not just about national traditions. Significant impact on consumer behavior is also affected by changes in secondary cultural values: fashion for clothing, hairstyles, hobbies. The behavior of buyers and their decision to buy is under the influence of the marketing environment and a combination of factors. The cultural level factors have the biggest influence on consumer behavior. Culture is the main root cause, determining the needs and behavior of a person. Human behavior is a thing basically acquired. The child learns the basic set of values, perceptions, preferences, manners and deeds, characteristic of his family and the basic institutions of society.

Cultural factors have a significant impact on a person's decision to buy. Everyone has different sets of habits, beliefs and principles that evolve from his gender, education, marital status and background. Cultural factors cover almost all aspects of human life. In each of the countries the coexistence of people has its own traditions, values and attitudes, mentality and habits, means of communication and living conditions. Therefore, when entering a particular foreign market, one can't be guided by the experience of its activity in the domestic or any other foreign market. It is necessary to carry out a study of the socio-cultural environment of each of the attractive countries and only on the basis of the results of such a study it is possible to decide on the possibility of entering the relevant foreign market.

As already emphasized, the socio-cultural environment is determined by all aspects of human life that results in a significant number of elements of the culture. At the same time, most often in the international marketing, there are considered such elements of culture as (House, 2004, p. 113): languages; values and attitudes; habits and traditions; education; aesthetics; ethics.

Language. First of all, the type of context culture (the balance between the verbal and the non-verbal communication) needs to be considered. There are a high context culture and a low context culture introduced by antropologist Edward Hall in 1976. In a low context communication (what is said is what is meant) people much more rely on an explicit, spoken language in the transmission of thoughts and messages. For this reason, they tend to encourage the ability to express their position accurately in a verbal way. The examples of it are the USA, the Great Britain, Germany and Scandinavian countries. The high context communication (what is said may not be what is meant) means communication in which most of the information is presented in the physical context (body language), verbal communications tend not to carry a direct message. The examples of it are Japan, Arabic countries, China, Korea, Vietnam.

The *level of education* varies in each international market, it is impacting on the type of advertising or channel of message to consumer. For example, in the countries with lower level of education (for e.g. lack of literacy) company would rather use advertising with an audio message or visual media.

Aesthetics is extremely important cultural factor, especially when it concerns to international clothing company, because it refers to the ideas in a culture concerning beauty and good taste as expressed in the a particular appreciation of color and form, local style and fashion. Aesthetic differences affect design, colors, packaging, brand names and media messages (Rugman, Hodgetts, 2003). Aesthetic values vary depending on the country. International companies who want to expand globally need to be aware of the different taste in culture, because what is generally accepted in one country may be a taboo in another country. So, it means that aesthetic values have an impact on the production of manufacturing industries and advertising strategies that operates abroad. International managers of the companies need to know the taste in colors and symbols when packaging and distributing their products.

If a company is planning to lay a product or service abroad, it should make sure that it knows the locality well before entering the market, because values and attitudes can vary between the countries or even within one. May be it would be necessary to create altering promotional material or subtle branding messages or managing local employees.

The prediction of Harvard University professor Levitt (1983) about worldwide convergence of consumers', leaded by technology and modernity, should enable global companies to develop universal marketing strategies and advertising (Hofstede, Minkov,

2010, p. 410). But in 1990's this prediction was doubted in marketing literature and marketing researches reffered to Hofstede's culture indexes to explain persistent cultural differences.   One of the examples when the company didn't take into account the cultural factor of the country while developing the advertising component of the marketing strategy: in 2004, China banned a Nike television advertisement showing U.S. basketball star LeBron James in a battle with animated cartoon kung fu masters and two dragons (the ad insults Chinese national dignity) (BBC News, 2004). That's why Hofstede's cultural dimensions theory is actual in nowadays. The Dimensions of national cultures are:

- Power Distance Index (PDI). According to Hofstede (Hofstede, Minkov, 2010, p. 55), this dimension does not characterize the level of distribution of power in a given culture, but, rather, analyzes its perception by society. A low index of distance from power means that culture expects and takes democratic relations with the authorities, and members of society are treated as equal. A high index of distance from power means that the members of society with less power take their place and realize the existence of formal hierarchical structures.

- Individuallism versus collectivism (IDV). Cultures for which individualism is inherent, attach greater importance to the attainment of personal goals. In societies for which collectivism is characteristic, social goals and well-being are set higher than personal ones (Hofstede, Minkov, 2010, p. 99).

- Masculinity versus femininity (MAS). This dimension characterizes the level of importance of traditional possession, such as assertiveness, ambition, desire for power and materialism, and traditionally female values, such as human relations. Cultures with a more "male" type are usually characterized by more distinct differences between the sexes and tend to competition and achievement of goals. The smaller index in this dimension means that the culture is characterized by more significant differences between the sexes and the higher value of the relationship (Hofstede, Minkov, 2010, p. 138).

- Uncertainty avoidance index (UAI). This dimension characterizes the reaction of society to unfamiliar situations, unforeseen events and the pressure of change. Cultures for which this index is high, are less tolerant to changes and tend to avoid the anxiety that uncertainty carries in it by establishing strict rules, regulations and / or laws. Societies with a low index are more open to changes and use fewer rules and laws, and their customs are less strict (Hofstede, Minkov, 2010, p. 190).

- Long-term and short-term orientations (LTO). This index describes the time horizon of society. Short-term oriented cultures appreciate traditional methods, devote much time to developing relationships, and generally view time as a vicious circle. This means that the future and the past are linked to each other, and what can not be done today can be done tomorrow. The opposite of this approach is a long-term orientation toward the future, in which time is viewed as a vector, and people tend to look to the future more than to be interested in the present or to recall the past. Such a society is focused on achieving the goals and highly appreciates the results (Hofstede, Minkov, 2010, p. 259).

- Indulgence versus restraint (IND). This dimension characterizes the ability of culture to satisfy the immediate needs and personal desires of members of society. In societies where restraint is a value, strict social rules and norms prevail, within which the satisfaction of personal desires is constrained and discouraged (Hofstede, Minkov, 2010, p. 280).

Successful companies understand that aesthetics is more common than ever. Moreover, the plenty of Aesthetic variety created by companies generates the new challenges for international businesses, because customer's expectations become higher (Postrel, 2003).

Companies have to develop sustainable international marketing strategies to compete successfully in the global market, they need to know cultural differences existing among countries and to be aware how to manage them. To sum it up, I would like to highlight that cultural factors have a greater impact on an organization, than non-cultural factors and this is clearly demonstrated by the failed one marketing strategies applied on different international markets excluding cultural differences.

3.3.1 Consumer behavior

At the beginning of the XXI century, the study of consumer behavior began to be based on the convergence of cultural, economic and social approaches, which more fully can reveal the peculiarities of this phenomenon and the factors that influence it.

M. Weber (1962) uses the term "lifestyle" in developing the theory of stratification of society based on three indicators: property, power and prestige. Life styles are attributes of status groups, social classes, characterizing the behavioral characteristics of their members: manners, tastes, food, everyday life, slang, etc.

A significant contribution to the study of consumer behavior was also made by the French sociologist Pierre Bourdieu (Swartz, 2012), who continued the idea of multifactorial stratification. Bourdieu divides the social structure of society into classes, but uses his own system of criteria. A class is defined as a collection of agents occupying a similar position and possessing similar practices, styles of life and habitus. Differences in the conditions of existence, different sets of social practices, and most importantly - the different structure and volume of total capital determine agents in different classes. The set of agent practices generated by its habitus is a lifestyle. The habitus (Swartz, 2012, p. 95) is responsible for the taste - a system of schemes of perception and evaluation of one's own and others' practices. "Taste underlies the system of distinctive features, which is intended to be perceived as a systematic expression of a particular class of conditions of existence, that is, as a special lifestyle" (Swartz, 2012, p. 143).

Social space (Swartz, 2012, p. 145) is the totality of processes, relationships and interdependencies in the social sphere, hierarchically interconnected. Social space is sporadic and is characterized by an unequal distribution of opportunities for entities located in different parts of it. Its large unit is a social field - a section of social space that, as a result of an increased level of internal interaction, has a special atmosphere that has a power character in relation to the individuals who are there. Social fields correlate with each other on the basis of a system and a subsystem. So, one social field is a subsystem of another and itself includes smaller social fields. Thus, the behavior of the individual (including the consumer) is the result of the influence of a more or less large number of factors.

Baudrillard (2006, p. 263) points out that the consumption society is not necessarily a rich society, but a certain level of excess is necessary. Consumer society makes a change in attitudes toward values, spreading attitudes toward them as empty signs. The consumer society cultivates people with a special mentality based on signs, with the belief that signs (things-signs, relations-signs, values-signs) help to find happiness, to master the world around, whereas in fact a person dives into the surreal world of signs.

Consumer behavior is considered (Blackwell, Miniard, Engel, 2007, p. 35) as a science about "why people buy" - in the sense that it is easier for the seller to develop strategies for influencing consumers when he knows why people buy certain products or brands. The definition of consumer behavior includes three basic types of actions (Blackwell, Miniard, Engel, 2007, p. 36): purchase, consumption and disposal. *Purchase* is

the actions leading to buying the goods and services, and including the order of the product. Some of these actions include searching for information about product features, evaluating alternative products or brands, and actually purchasing. *Consumption* is how, where, when and under what circumstances consumers use the goods. For example, consumption questions include decisions about whether consumers use goods at home or in the office. *Disposal* is how consumers get rid of goods and packaging. Analysts can investigate consumer behavior from environmental positions: how do consumers get rid of packaging or product residues? can products biodegradable? can they be reprocessed? It is also possible that consumers will want to extend the life of some products by giving them to children, donating to charity stores or selling via the Internet.

These three types of actions are reflected on the Image 3, which shows how many different variables affect the behavior of consumers, how "individual and unique" the behavior of consumers can be, and how these factors of influence can explain why you take consumer decisions.

Image 3. Consumer behavior and influencing factors
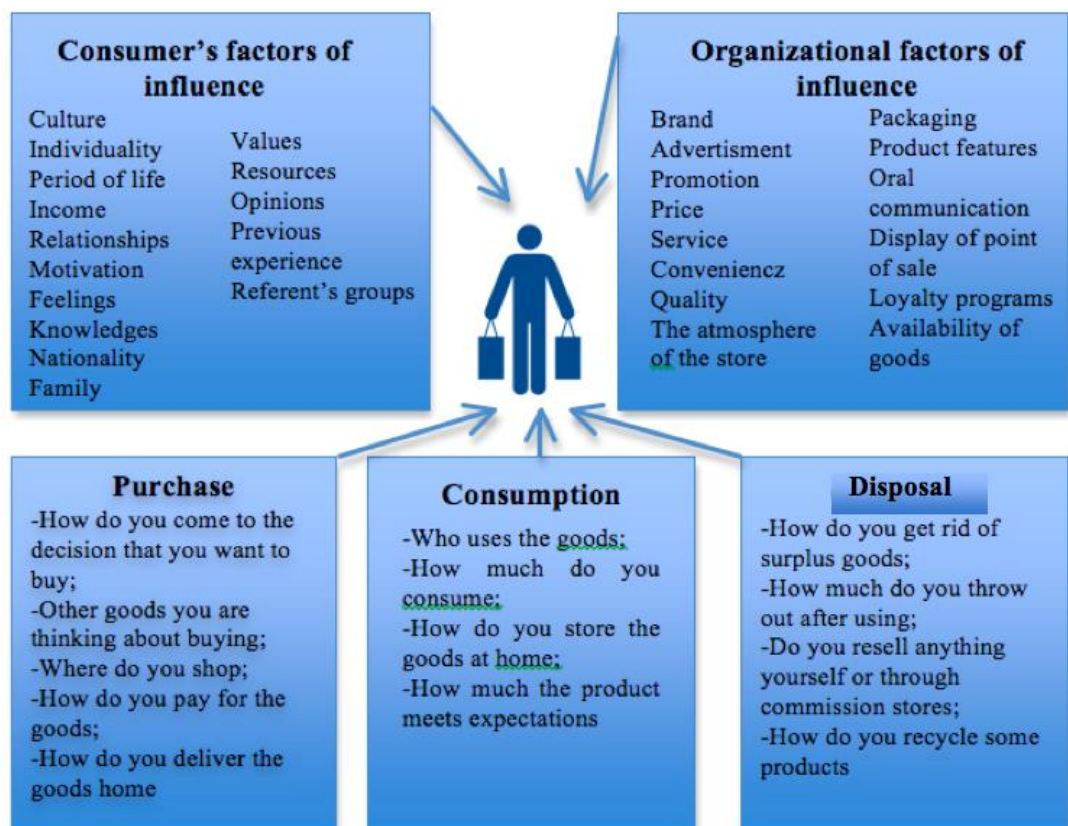
Source: Blackwell, Miniard, Engel, 2007

Factors affecting consumer behavior are divided into two groups (Solomon, 2009, p. 33): internal and external. External factors include demographic, geographic, economic and cultural factors. The influence of social stratification (social classes and status), groups and group communications, families and households is also noted. Internal factors include information processing and perception, learning and memory, motivation, emotions, personal values, the concept of life style, consumer resources, knowledge and attitudes. A separate group of factors is formed by situational factors. These include the physical environment, the social environment, the time perspective, the purpose of consumption and the previous state. In summary, it can be noted that the internal factors are translators of consumer behavior as individuals and relate mainly to the psychological aspects of consumer behavior. In turn, external factors affect the behavior of the buyer as a member of the social group and, accordingly, the social aspects of the buyer's behavior.

Having arisen in the middle of the 20th century, the consumer society is experiencing a noticeable influence from the new conditions of the world community: globalization of the economy, network forms of organization of public life, informatization of all social and production processes, increasing the role of the knowledge component in all social processes. These technical and technological and social shifts form new characteristics of the consumer society, to which today can be attributed the following statements (Blackwell, Miniard, Engel, 2007):

1. The qualitative differentiation of goods and services that meets a variety of needs is increasing; multiply increases the variety of properties of the same type of goods and services that meet a variety of needs; the variety of properties of the same type of goods and services multiplies manifold, which in response generates new needs and forms new categories of consumers.

2. The rates of specific and functional renewal of commodity markets are increasing. The forms and means of satisfying many material and non-material requests of consumers are being renewed very quickly. In other words, what has recently been looked impossible from the point of view of satisfying needs and material and other benefits is becoming available to most solvent consumers.

3. An essential part of the assortment of material and technical goods and services has been updated, and a basis for constantly accelerating renovation is not only the consumer market, but also consumer preferences and habits and consumption methods proper.

4.	The complexity of the provision of goods and services is increasing, integrated commodity systems are being created that ensure the "systematic" satisfaction of human needs. The service component in the commodity supply is being strengthened, due to which the share of labor for housekeeping is continuing to decrease and the time for consumption of spiritual, cultural, recreational and similar services is released. That is, consumption begins to be invested not only in money, but also in the released time.

5.	Another fundamental feature of the modern consumption process is that a rapid change in the material factors of the organization of the social and living environment leads to a fairly rapid change in the satisfaction of spiritual, aesthetic and other similar needs. Changes that occurred in information and communication technologies, in essence, created new conditions for satisfying spiritual and social needs through enhanced socialization of various groups of the population, increasing the accessibility of many territorially remote types of services. All of it changes the entire process and the landscape of the consumer environment, and we can now identify a number of trends based on the changes that arise in consumer habits and preferences.

All these factors lead to an increase in the rate of consumption in general, to a change in the attitude to the already accumulated material values. In addition, increasing consumption becomes an instrument of new forms of social control, prescribing certain forms of action to a person (Marcuse, 2013). Often the consumer does not simply make decisions based on the price-performance ratio of the product and service, but is guided by considerations of maintaining or enhancing status positions endowed with a certain level of prestige.

Image 4. Who decides which products will be given to consumers?

Consumer impact

Law   High

	Wholesaler →	Producer →	Retailer →	Consumer
USA	1750-1850	1850 - World War II	1970 - 2000	2000+
Europe	1560-1760	1760 - World War II	1970 - 2000	2000 +

Orientation on production

Orientation on trade

Orientation on marketing

Complex orientation on consumer
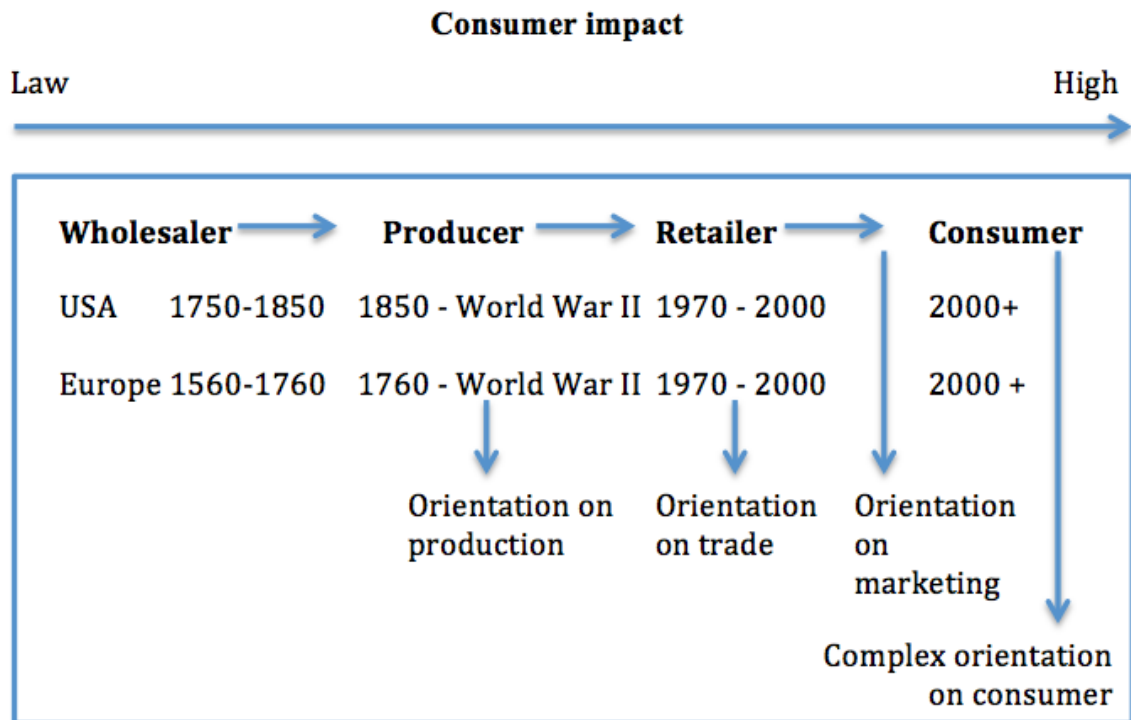
Source: Blackwell, Miniard, Engel, 2007

All organizations forming an offer to consumers create a chain of retail offerings. It includes all organizations involved in the delivery of the product from the manufacturer to the end user. These organizations usually include producers (handle raw materials and produce products); wholesale sellers (or other distributors that supply products, store them and deliver them to the point of sale); retailers (sell them to end-users through shops, through direct sale or via the Internet) and consumers (buy and consume products). The supply chain also includes many promotional organizations: advertising and research organizations, financial institutions, transport and logistics companies. As in any structure, within the supply chain, the center of forces has historically changed, and the right to determine what will be offered to consumers was passed from hand to hand (Image 4).

3.3.2 The matrix of models of consumer behavior

The traditional marketing model of interaction between the buyer and the supplier is quite simple: the seller seeks to maximize his income by offering the buyer the goods that best suit his needs and building long-term relationships with his audience (Kotler, Armstrong, 2014). However, in modern conditions, the functions of the buyer have become more complicated. If historically he made a decision to purchase goods by directly

assessing his own consumer qualities at the point of sale, at the present time the buyer can make a purchase decision exclusively on the basis of the information without acquaintance with the goods themselves (thanks to this, various forms of distance trading function successfully). The main sources of information are:

- the company itself;

- competitors (for example, conducting, when trying to sell their products to a given buyer, comparing the consumer properties of their goods and the company's goods);

- mass media;

- other consumers who bought this product earlier.

Information disseminated by the company itself, for obvious reasons, causes consumers not so much trust today as the information offered by competitors. The information, placed in the media, is also perceived by buyers with skepticism due to the established persistent stereotype that the publication of relevant materials takes place only on a fee basis. The reviews of other buyers have much greater authority. Currently, the development of electronic means of communication allows potential customers to easily access these reviews, and people who have already bought the goods, to ensure the wide dissemination of their opinions. This means that the buyer, in addition to his function as a source of income for the company, significantly strengthened the function of forming a consumer opinion on goods and services. Since this opinion determines the perception of the company and its products by consumers and directly affects the income, it is important for a company to be able not only to ensure customer satisfaction and form their loyalty, but also to manage the behavior of consumers as sources of public opinion. In fact, companies are forced to confine themselves to creating an imitation of a positive opinion through paid materials in blogs and social networks.

In modern conditions, we should not talk about managing certain aspects of the interaction between the company and the consumer, but about the integrated management of the consumer, which should include:

- Formation of a specific need;

- Ensuring the consumer's choice of the product or service of the company in order to meet this need;

- Formation of customer satisfaction;

- Formation of loyalty (Vasin, Lavrentiev, Samsonov, 2005), readiness on own initiative and in the presence of the offer of similar goods or services from other suppliers to give preference to the goods or services of this company;

- Ensuring the client's contribution to creating a positive opinion about the company.

To solve these problems, it is necessary to have a strategic model of consumer behavior. In other words, a company should identify typical behavioral options for its customers and develop for each of these options typical customer exposure strategies, in order to encourage it to continue to follow this behavior (if it is profitable for the company), or to change it to another one, which is more acceptable for the company.

Today, a lot of experience has been accumulated in the field of consumer behavior modeling. A lot of studies have been published in which consumer behavior has been studied in a wide variety of angles: marketing (Blackwell, Minard, Engel, 2007; Lindstrom 2008), territorial (Sachuk, 2005). A significant number of strategic matrices have been developed, the most famous of which is probably the matrix of "involvement-the presence of differences between brands" (Kotler, Armstrong, 2014, p. 286). The "loyalty-satisfaction" matrix (Tsysar, 2002, p. 11), because it is built according to two out of three criterias corresponding to the three last objectives of consumer management formulated above (the formation of satisfaction, loyalty and readiness to promote the company). Thus, a logical step will be the addition of this matrix with another criteria - the participation of the buyer in the promotion.

Once again, there is a list of the analized problems:

- Ensuring customer satisfaction;

- Formation of loyalty;

- Ensuring the consumer's readiness to participate in disseminating positive information about the company (the most difficult task).

Since these problems are independent of each other in the sense that the solution of one of them does not automatically solve the others (although, of course, in the general case, they are closely related), then the criterion for the quality of the solution of each of these problems can be used as the basis for classifying consumers' behavior patterns, which is most convenient in the form of a matrix (Table 4):

- Consumer is satisfied - yes / no;

- Consumer makes repeated purchases of the goods of this company - yes / no (it is well known, that it is more appropriate in the primary classification of behavior patterns to talk about repeat purchases rather than loyalty, the fact is that "the customer makes repeated purchases" is easier to identify than the presence of loyalty);

- Information disseminated by the customer about the company - positive / negative / the client does not disseminate information about the company.

Table 4. The matrix of models of consumer behavior

		Consumer is satisfied					
		Yes			No		
		Disseminated information about the company			Disseminated information about the company		
		Positive	Absent	Negative	Positive	Absent	Negative
The customer makes repeated purchases	Yes	Absolutely loyal customer	Reservedly loyal customer	Customer with hidden loyalty	Customer with hidden hostility	Conditionally hostile customer	Limited hostile client
	No	Limited loyal customer	Conditionally loyal customer	Customer with disguised loyalty	Customer with disguised hostility	Restrained hostile customer	Absolutely hostile customer

Source: Kotlyarov, 2012

The most valuable for the company, obviously, are *absolutely loyal customers* - the presence of a significant layer of such consumers in the company serves as an undoubted confirmation of the success of the marketing strategy. The creation of such a layer, however, depends not only on advertising (which makes it possible to form an image of the high quality of the product and its prestige) and consumer characteristics of the product (which, of course, must meet the expectations of customers), but also on the specifics of the client audience. If it consists of socially active people who often use the means of network communication and seekers to share their opinion, then it is relatively easy to form such an interlayer in it. On the contrary, if the target audience of the enterprise consists of low-active people who do not aspire to share their opinions about their actions (and purchases), the formation of such a layer can be very difficult.

Reservedly loyal customers are customers who are satisfied with the company's products and are ready to buy it again, but because of their lifestyle and character traits,

they do not want and do not consider it necessary to share their positive perception of the company and its products with other people. Companies should hold them and increase their number at the expense of other categories of consumers - except, of course, absolutely loyal consumers.

An interesting group is represented by *customers with hidden loyalty* satisfied with the goods, and ready to buy it again, but spreading negative information about it. Such consumer behavior may seem paradoxical, but it is relatively common, and typical for goods, which in society have a negative view. A person who buys such goods is extremely rarely ready to admit this in public - on the contrary, he will often be inclined to distance himself from them, including through the dissemination of negative information. Unfortunately, the only way to counteract this behavior of consumers is full rebranding and repositioning of the respective enterprises and the goods they offer. An example is McDonald's, the foodstuffs offered in its restaurants are considered harmful (provoking obesity, stomach diseases, etc.). McDonald's does not try to directly convey to its customers the idea that its products are harmless, or even useful, since such reports are unlikely to be accepted with confidence, but it talks about how carefully and conscientiously the raw materials are selected before being cooked, and how technological processes are strictly complied.

A *limited loyal customer* is satisfied with the products of the company and recommends it to his acquaintances, but does not make repeated purchases. This can be caused by a lack of money (because of which the client is forced to constantly buy a cheaper but less suited analogue product), and the lack of the need for subsequent purchase - for example, if it is a question of expensive goods, such as, for example, as a residential property.

A *conditionally loyal customer* differs from a limited loyal customer only in that it does not disseminate positive information about the company and its products. Motives for refusing repetitive purchases from him may be the same as for a limited loyal customer. This level of loyalty is quite acceptable for a company that sells expensive long-term goods (because they do not have to count on the repeated purchase of their products by the same consumer, but will not distribute negative information about the company).

A *customer with disguised loyalty* is satisfied with the company's products, but refrains from repeated purchases and spreads negative information about it. This behavior can be represented in the case if a person who has purchased a product with a bad

reputation in the society (from which, for this reason, it is necessary to distance itself), and faced with budgetary restrictions that prevent re-purchase. It is also possible that the customer purchased a more expensive and high-quality product than he usually buys and was satisfied with it, but not being able to buy it again (due to lack of money), is forced to spread negative information about him to preserve his dignity.

A *customer with hidden hostility* is dissatisfied with the goods, but suggests buying it again and spreading positive information about him. For all its apparent paradoxicity, this situation is typical for buyers with budgetary restrictions that do not allow them to buy more expensive and high-quality goods. These customers are useful for the company, but will be lost immediately with an increase in their income level.

A *Conditionally hostile customer* differs from the client with hidden hostility by not informing anyone about any product that does not suit him. Motives that encourage him to re-buy this product are the same - budget constraints. Such clients admit to themself that the goods are bad, but they are not ready to talk about this to their acquaintances.

A *Limited hostile customer* is dissatisfied with the available goods, and shares his dissatisfaction with acquaintances. Such a model of behavior is atypical - people tend to either give up goods that do not satisfy them, or pretend that these goods are satisfied them (or at least keep silent about their dissatisfaction). It can be a situation where the buyer for a certain period of time is forced for some reason to refuse to buy the familiar goods and switch to a less suitable analog of product. At the first opportunity, he will return to the previous satisfied product.

A *customer with disguised hostility* is dissatisfied with the goods he bought, and in the future he does not plan to buy it again, but he spreads positive information about it. A buyer who adheres to such a model of behavior is forced to show his dignity that his decision to buy this product was not erroneous. A possible counteraction strategy consists in competent after-sales work with the consumer to convince him of the correctness of his choice, and to make him special individualized proposals for re-purchasing the goods. It is not excluded that the client will wish to give the company a second chance.

A *restrained hostile customer* also must continuously receive information from the company that the decision to purchase is correct. Perhaps, due to this influence, he will change his point of view and wish to re-purchase the goods from this company.

An *absolutely hostile customer* is not satisfied with the goods, does not want to buy it again and actively shares his dissatisfaction with others. This client is most likely lost to

the company. The company can only minimize the number of this category of customers. This task can be solved by fair advertising (not exaggerating the dignity of the goods) and high-quality customer service at the point of sale, and in case if after the purchase it becomes known that the customer expressed his dissatisfaction, try to enter into contact with him and take measures to eliminate this (and then publicly report on these measures so that the maximum number of buyers received information about it and could verify the company's diligent behavior towards its customers).

3.3.3 Russian customer profile and consumer behavior

There is a big variety of large-scale studies on consumer behavior of Russians:

- The study "Consumer behavior through the prism of trust and responsibility", the analytical solution for studying the opinion of the Levada Center (Russian independent sociological research organization), commissioned by the Center for Macroeconomic Research of Sberbank of Russia (2012);

- Research "Consumer behavior in the Russian market of instant noodles", conducted by the agency RBC research (2012);

- Study "Features of modern consumer behavior of Russians", conducted by the laboratory of economic and sociological research of the Higher School of Economics (2007);

- Study "Consumer behavior of owners of small domestic animals", conducted by marketing agency RODEMAX (2017).

The main conclusions that have been made by research laboratories and agencies in the process of studying various aspects of consumer behavior of Russians can be considered the following:

1. In consumer behavior, the Russian economy is protected by priority payments on a daily basis and expensive purchases over investments and savings. The Russian consumer is characterized by demonstrative consumption, when cars and other goods and services are purchased not by functional but by image signs, however, only one out of three is ready to pay for them; two-thirds demonstrate an increased interest in sales and discounts (Levada Center, 2012; the Laboratory of Economic and Sociological Research of the Higher School of Economics, 2007).

2. Consumer demands of Russians are mainly limited to the need for food, clothing, household goods (Levada Center, 2012; "RBC research" agency, 2012).

3. There is no long-term planning of family budgets (Levada Center).

4. Consumer behavior of Russians is characterized by caution (fear of being deceived) (Levada Center, 2012; Laboratory of Economic and Sociological Research of the Higher School of Economics, 2007).

5. There is a direct relationship between the quantity of advertising and the knowledge of the label, the inter-collation of advertising and the number of purchases (the laboratory of economic and sociological research of the Higher School of Economics, 2007; the agency RBC research, 2012; the marketing agency RODEMAX, 2017).

6. For the Russian consumer, the factor of service and product quality increases with a decrease in the price factor (the laboratory of economic and sociological surveys of the Higher State Economic University, 2007; the marketing agency RODEMAX, 2011).

7. The nature of the purchase of the item may be indicated as an emotionally rational one: approximately half of Russians go to the store with a list, and the same amount make spontaneous purchases (the laboratory of economic and sociological research of the Higher State Economic University, 2007; the agency RBC research, 2012; the information and marketing agency RODEMAX, 2017).

8. Orientations on taking care of self-sufficiency, healthy living, healthy nutrition and environmental protection theoretically have taken a firm place in the minds of Russians, but have not yet turned into everyday practice (the laboratory of economic and sociological research of the Higher School of Economics, 2007).

9. Russians characterize innovative and traditional behavior in approximately equal proportions: half of the population is oriented to the traditional style of consumption (older people are oriented to traditional format stores, do not seek new products, preferring proven traditional things), the second half is innovative (young people and people with high incomes are oriented to new formats of commerce (e.g. e-commerce), food establishments, new technology, fashionable things) (laboratory of economic and sociological research of the Higher School of Economics, 2007).

Russians are well educated, demanding and skeptical in relation to the information provided. An Example: Russian consumers read the labels on shampoos more than any other in the world. The 45% of Russian women have higher education degree Russian consumers have very strong loyalty to premium brands. The level of luxury consumption is very high and not only by the wealthy class (Lehtinen, 2014).

4 Practical part

4.1 Company introduction

ASOS is a global online retailer of fashion and beauty products. On the website of ASOS.com, in the sections of men's and women's clothing, footwear, accessories, jewelry and cosmetics, more than 80,000 products of various brands are offered, including products of its own brand ASOS. About 1,500 new lines appear on the site every week. ASOS has localized sites for the UK, USA, France, Spain, Italy, Australia, Russia and China, and the distribution centers in the UK, US, Europe and China send goods to more than 160 countries.

The history of ASOS began in 1999, when founders Quentin Griffiths and Nick Robertson, who is still the executive director of the company, decided to create an online store where people could buy the clothes and accessories seen on celebrities. In August 1999, the website www.asseenonscreen.com was registered, which was launched in March 2000 and officially opened for visitors in June 2000 under the name AsSeenOnScreen (ASOS, 2017).

The *aim of the company* is "to build an increasingly desirable, defendable and differentiated business model, with a customer experience to match. From fashion advice, stories and inspiration, to more than 85,000 products available to buy across any device, ASOS, with its unbeatable service, is a true home for young fashion lovers" (ASOS PLC, 2017). The *mission* statement is to be the world's no.1 fashion destination for "20 somethings". In this way, mission helps to identify the target market of ASOS. The *target audience* defined by the company are young fashion lovers, "20 somethings", who, on average, stay connected to the Internet 24/7.

In terms of market share, ASOS took the 17th place in the online retailing market (Table 5). The company's revenue for 2015 increased by 18% compared to the previous period and exceeded \$1.7 billion (ASOS Annual Report, 2015). Retail sales in 2017 are £1,876.5 million, an increase of 34% on 2016 (ASOS Anual Report, 2017).

Table 5. Market share in the online retailing market

	Retailer	Retailer type	2012 %	2013 %	2014 %	% point change 2013-14
1	Amazon UK	Pureplay	16.1	15.9	15.3	-0.6
2	Tesco	Store-based	9.8	9.7	10.2	0.5
3	John Lewis Partnership	Store-based	3.8	4.1	4.4	0.3
4	Shop Direct Group	Catalogue	5.2	5.1	4.4	-0.7
5	Next	Store-based	3.9	4.3	4.2	-0.1
6	Sainsbury's	Store-based	3.8	3.7	3.7	0.0
7	Asda	Store-based	3.5	3.5	3.7	0.2
8	Dixons Carphone	Store-based	2.9	2.9	3.6	0.7
9	Ocado	Pureplay	2.7	2.7	2.9	0.2
10	Kingfisher	Store-based	1.8	1.9	2.2	0.3
11	M&S	Store-based	2.1	2.2	1.9	-0.3
12	Home Retail Group	Store-based	1.9	1.9	1.8	-0.1
13	N Brown Group	Catalogue	1.7	1.7	1.5	-0.2
14	AO World total	Pureplay	1.1	1.3	1.4	0.1
15	Debenhams	Store-based	1.0	1.3	1.3	0.0
16	Apple	Store-based	1.3	1.3	1.3	0.0
17	Asos	Pureplay	0.8	0.9	1.1	0.2
18	Sports Direct	Store-based	1.0	1.1	1.1	0.0
19	Arcadia Group	Store-based	1.1	1.1	1.1	0.0
20	Boots	Store-based	0.9	1.0	1.0	0.0
21	The Hut Group	Pureplay	0.6	0.6	0.7	0.1
22	JD Sports	Store-based	0.5	0.5	0.6	0.1
23	House of Fraser	Store-based	0.4	0.5	0.6	0.1

Source: Mintel, 2015

4.2 Marketing strategy of ASOS

4.2.1 Marketing mix

Hypothesis: ASOS has made a shift from 4P's of marketing to 4C's (Image 5).

Image 5. The shift from traditional 4P's of marketing to 4C's

Source: Pantano, Nguyen, Dennis, 2016

Consumer wants and needs versus Product

At the very centre of the ASOS masterplan is an undying commitment to trend – "newness drives the business", cause the site receives between 2,500 and 7,000 new products every week (ASOS PLC, 2017). This suggests that clothing sold at the ASOS

expresses a rapid update of the brand assortment several times a season – Fast fashion. This trend has evolved from a concept where the driving force is a *product* that is based on the production model of the "quick response" developed in the US in the 1980's (Hines, Tony, Bruce, 2001).

Continuous release of new products makes clothes a very cost-effective marketing tool that manages consumer visits, increases brand awareness and leads to higher rates of consumer purchases. For example, traditional fashion seasons alternate with the natural cycle in summer, autumn, winter and spring, but in cycles of fast fashion cycles are compressed in shorter periods. However, ASOS is not exactly a fast fashion brand – it's an online retailer that sells clothes from different brands (including fast fashion brands). Unlike most mass market brands, ASOS breaks up its collection according to the types of body shape, clothes are cut to suit their characteristics and therefore sit better. The scale of ASOS own-brand products, 1/3 of the assortment (Image 6), with petite, tall, plus size and maternity lines, along with premium and recycled vintage allows the company to have a greatly extend its *consumer* reach. The branded strategy has focused on unique product over price point. Therefore, ASOS study consumer wants and needs and then attract consumers with something they want.

Image 6. ASOS brand versus other brands
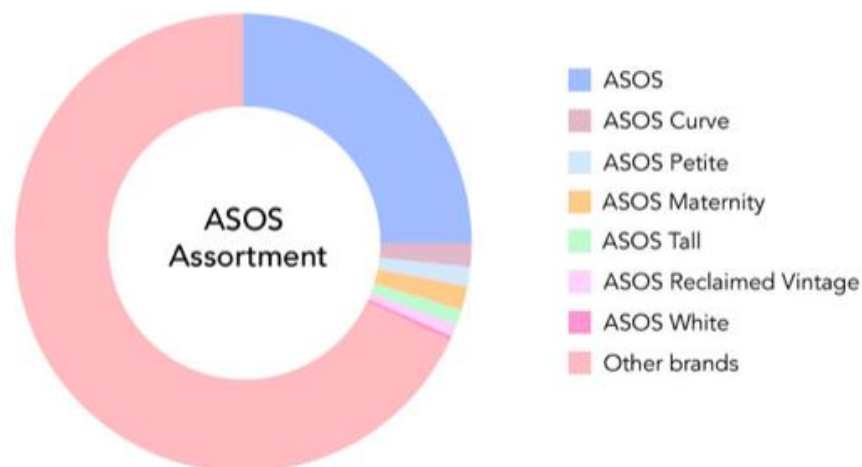
Source: ASOS PLC, 2017

Note: Based on products availiable in 2017, July

Cost to satisfy versus Price

As data shows (Image 7) ASOS price architecture is very different from other trend-led fast-fashion retailers (ZARA, Boohoo, Forever 21, H&M, Forever 21), the company does not try to be the cheapest. Instead of it, ASOS opts to have exclusive product at any cost.

Image 7. ASOS price architecture

Price points USD	Zara	Boohoo	Forever 21	H&M	ASOS	La Redoute	Next	Topshop
$0-10	20.9%	25.4%	25.0%	30.1%	7.3%	5.3%	5.2%	13.1%
$10-20	37.4%	48.4%	38.0%	32.5%	23.1%	13.2%	16.4%	20.4%
$20-30	21.2%	19.9%	15.0%	22.0%	22.5%	14.4%	16.1%	16.6%
$30-40	10.7%	4.9%	10.3%	5.6%	16.7%	14.1%	18.4%	16.1%
$40-50	5.5%	0.7%	6.5%	5.5%	9.7%	9.8%	11.0%	9.9%
$50-60	2.2%	0.4%	2.1%	1.8%	6.0%	8.9%	8.4%	9.9%
$60-70	0.9%	0.1%	1.5%		2.8%	6.4%	4.1%	3.2%
$70-80	0.4%	0.1%	0.7%	1.0%	3.0%	5.3%	4.4%	3.9%
$80-90		0.0%	0.1%	0.4%	1.8%	2.9%	3.2%	1.5%
$90-100	0.4%	0.1%	0.4%	0.4%	1.7%	3.2%	2.1%	1.1%
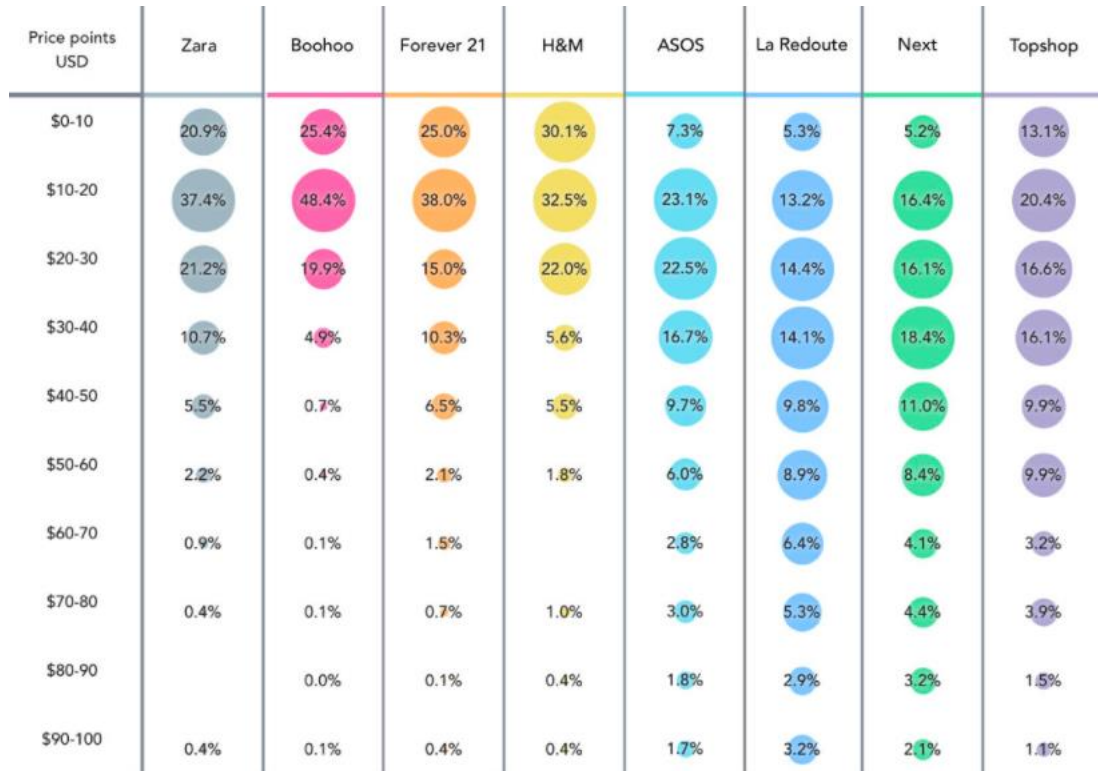
Source: ASOS PLC, 2017

Note: Based on products availiable in 2017, July

Thus, ASOS own brand is affordable for most of their target consumers. They also offer a range of higher end brands (Table 6), which their customers can aspire to. It also enables the brand to appeal to a wider target audience and therefore allows them to access all levels of the "Pyramid Model" (Image 8).

Image 8. Pyramid model

Source: Riley, 2011

Table 6. Pyramid model explanation, ASOS case

Exclusive products	Brands such as Vivvienne Westwood and French connection, retailing at a high price points, which the ASOS target consumer could aspire to purchase. It also allows ASOS to attract a larger audience.
Expensive goods available in stores	The slightly more exclusive brands such as Whistles and Paul&Joe, which the "20 something" target consumer would purchase for a one off occasion, although rather than "in store" it simply means "more accessible price point" when associated with ASOS.
Mass produced goods	ASOS' own brand products, including accessories and clothing, as well as other high streer brands that are available on the website such as River Island and New Look.

Source: Own analysis of Pyramid model, 2017

ASOS works directly with brands to produce product with its own consumer in mind to differentiate its assortment with best, most unusual, unique products of their

brands stock. As a result, at least 5% of the branded offering is merchandised as an'exclusive' (Hobbs, 2017), but the prices of those exclusives are higher than the rest of the products, by that the company drives specific trends it's focusing on. As for general price policy for non-ASOS brands, the company set so-called price promise where it "promises to match the price of any non-ASOS item being sold at a lower price elsewhere (not that it happens often). If a customer sees a branded item cheaper on another website, it will match the price" (ASOS PLC, 2018).

Moreover, the company uses "zonal pricing" mechanism (Hobbs, 2015), which allows to adjust prices according to each international market individually. It allows company to maintain their international price competitiveness among concumers from developing countries (e.g. Russian and Chinese markets).

Reduced product put into an outlet section (instead of saturation of main offering with too many price slashes) and introducing new branded product directly into the outlet section show the strong position of ASOS on discounting (ASOS, 2017). It becomes obvious that ASOS does not strictly rely on price to compete, because then the company becomes vulnerable to competition.

Convenience to buy versus Place

As it has been mentioned before, ASOS target audience is defined by the company is young fashion lovers, "20 somethings", who, on average, stay connected to the Internet 24/7. Thus, it means that purchasing products online is the most convenient way to buy for their consumers. ASOS sells online and ships to more than 160 countries worldwide. In the UK, ASOS partner up with various distribution points including small kiosks and lockers situated in popular place to enable easy access for consumers in order to enchance their shopping experience.

To make shopping online even more convenient, ASOS uses precise detailed description of the goods. It began to consider how to solve the main problem of selling clothes through the Internet - the discrepancy between the picture and reality. Photos on the Internet rarely convey all the details of the thing. The decision was revolutionary: for every thing the video was taken on the podium so that the buyer could see how it looks in motion and on the real person.

Express delivery and real-time tracking of purchase are also the tools to satisfy the customer. By the end of the 2000's Robertson realized that the development of the

company was completely dependent on the delivery. The more convenient and faster it will be, the more customers will come. Representatives of the company started negotiations with delivery services on how to speed up the process. Soon in some countries there was an option of delivering goods from ASOS the next day after the order. In 2013, the store became the first retailer to offer real-time tracking of purchases (Hobbs, 2015). In 2017, ASOS launched the new offer of free returns worldwide, it also allows customers to avoid the fears of mismatch in sizes and extra costs and difficulties with sending the product back. The biggest varieties of free delivery and returns services are in the UK (In Post 24/ 7 Lockers, Pass my Parcel, toyou at ASDA, Collect Plus, Doddle, Hermes Collection and Store, Royal Mail) (ASOS, 2018).

Communication versus Promotion

Celina Burnett, head of marketing analytics at ASOS, highlits, in her interview with Marketing Week, that brands should use social media not to promote themselves but build a loyal community, and it will create an exchange "where a brand and its customers spend their time rewarding one another" and the key to success in social and digital channels is a balance between mass reach and targeting (Hobbs, 2017).

ASOS uses progressive personalization by taken into account the specifics of each customer: size, gender, favourite brands. Asos is trying to apply innovations in personalisation to boost growth in the international markets. For examle, 'ASOS Likes' (news feed feature) or a new mobile personalization that creates product recommendations based on a shoppers' saved history, purchase history, price and favourite brands. The company plans to launch personalised product ideas based on previous browsing and shopping behaviour (ASOS PLC, 2017).

The company rarely uses above the line methods of advertising, however, when the brand was initially launched, they predominantly targeted their promotion to cities and popular student areas using billboards (Retail Week, 2009) to gain attention of their target consumer. ASOS does not advertise in magazines or on TV. However, ASOS publish high-quality content in their own magazine in English. It is read regularly by 486,000 readers and 820,000 subscribers online (ASOS Annual Report, 2016). The company produces 2 versions of the magazine: electronic and printed. In the online version, they abandoned the PDF format. This is a clickable magazine that allows readers to make purchases directly from the pages.It is often sent out to loyal consumers in order to raise awarness of the current offerings.

Below the line the tactics are used by the brand in order to focus on the relevant market. ASOS uses direct mail and the newsletter to engage their consumer more; using their name and providing them with the current discounts allows them to feel special and therefore enter the 'loyality loop'. For example, in June and December, sales are driven by email discount codes.

The millennial generation is becoming more engaged on the Internet. The "through the line" strategy has been developed, which consists of reaching mass audience as well as targeting a cohort. ASOS practice this throughout their social media platforms. The continuous increase in social media users encourages ASOS to rely on through the line advertising methods, targeting Instagram users and advertising their products through banners on Facebook. Instagram users can use the hashtag "#AsSeenOnMe" to showcase their outfit and gain inspiration from others. This allows consumers to promote the products and as a result allows the brand to save costs on advertising (Hobbs, 2017).

ASOS has over 7 million followers on Instagram, almost 5.4 million on Facebook and over a million on Twitter (Image 9). ASOS has recently launched its "Digi Dating" series on its YouTube channel in hope of boosting views.

Image 9. Social media statistics of ASOS

SOCIAL MEDIA

- ASOS Instagram   7 million followers
- ASOS Facebook   5.4 million followers
- ASOS Twitter   over 1 million followers
- ASOS Pinterest   600 thousand followers
- ASOS Google plus   almost 2.5 million followers
- ASOS YouTube   80 thousand subscribers

Source: ASOS PLC, 2017

Note: Based on data availiable in 2017, December

As a tool the company also applies using marketing leaders of opinions. ASOS didn't want to create another marketing campaign. They wanted to create an authentic way of communicating with customers. To do this, ASOS created a community of insiders. These are 20-year-old opinion leaders. They place their fashionable outfits in social networks, each of them has its own style. All insiders are marketers of ASOS. Interested customers can purchase actual items directly from accounts on social networks. For e.g. on

Instagram, users see the product code in the header. They can also go through a referral link. On Pinterest, images are directly linked to the product page.

ASOS A-list is a loyalty scheme that was introduced in 2016. It encourages repeat purchases with the enticement of rewards in the formo f vouchers and other treats. The concept is that there are 3 different levels, and when you buy a certain amount of products from the website, you earn points and move up the rankings. Each level offers a reward. However, this promotional aktivity operates with tactic of placing "fear of missing out" in the consumer.

Previously, ASOS used an interactive marketing technique with a music video featuring famous singers. The idea of these music videos was to style the celebrities in ASOS clothing and throughout every scene of the video, the items would appear on a carousel across the screen which the viewer could click on and shop the products. The marketing method was an interactive way for users to enjoy a new music video whilst being able to directly shop for the latest celebrity look. This allowed an increase in word of mouth promotion because customers were excited about the new concept. Following on form this, the brand created another interactive video in 2014 called 'color control ft. Juice' which allowed the user to click the different colour bars and change the whole setting of the video with different clothing and colours. The video generated over 360,000 views in a week and pushed up sales by 34% to £472 million (Hobbs, 2015).

The ASOS magazine is digitally transferred to its 'ASOS Likes' page, similar to a blog, in which they post interviews and look books, among others. They post regular podcasts under the title 'My Big Idea' which addresses issues such as mental health and ethical clothing, where customers can feedback.

ASOS focuses on M-commerce, making the mobile experience faster and easier helped boost conversion. The online retailer stated that 51% of orders in 2016 came through mobile. It relaunched the iOS app for ASOS with a new design, better search and 3D touch. And the company has improved the ASOS' app on Android, it became more responsive and faster. The CEO Nick Beighton said "we have to make the experience more personal to compete with all the other apps and content so useful that it feels like a best friend recommending you try something new" (Vizard, 2016).

All of this methods and tools are aimed at driving interest and engagement with the brand and helping customers make smarter purchases in convenient conditions. To sum it up, ASOS considers communication instead of promotion which is manipulative. The

company makes its advertising mostly 'interactive' and it understands that communication requires a give and take between the buyer and seller.

In the review, after defining of Marketing mix related to ASOS, it should be noted that company is tend to "4C's" of marketing, therefore the hypothesis stated by author is proved true. It means that company is trying to meet customer's needs, and it plays a role in the overall product marketing strategy.

4.2.2 Public relations

ASOS insiders

ASOS has a unique marketing tool – the blogger phenomenon. Many bloggers are now considered celebrities and are used as brand ambassadors (Wiley, 2014). The ASOS stylists are a group of bloggers who frequently wear ASOS items and post them on their social media channels, specifically on Instagram where they are under an ASOS pseudonym. Each blogger targets an average of over 30,000 potential consumers (Instagram, 2017). This serves the purpose of getting their products tried, tested, styled and allows to consumer to buy in to the bloggers aspirational lifestyle. ASOS has purposely chosen their bloggers, each with a significantly different style and attitude, representing a vast amount of ASOS' target market.

Collaborations

In 2016, ASOS announced its collaboration with London-based designer Christine Mhando as part of the relaunch of ASOS Africa line. The collaboration was designed in house and manufactured in Kenya using local craftsmanship to aid communities in developing skills. The entire collection was developed under the fair trade law. It markets itself as sustainable, which is an upcoming trend in the fashion industry and can be marketed effectively to target an eco-conscious consumer base (Enfield, 2016).

Emphasis on social responsibility

ASOS thinks of being useful for community in which it is acting (or, at least, about the image). The brand focuses on social assistance. They founded a project for disadvantaged youth. The emphasis on social responsibility led the company to create the ASOS Foundation. They built infrastructure, base educational initiatives, and conduct joint programs. For example, the foundation has a development program for teenagers who want to work in the fashion industry. ASOS continues to cooperate with charitable

organizations. Prince's Trust and SOKO Community Trust are part of social responsibility (ASOS PLC, 2017).

4.3 ASOS' marketing strategy in Russia

ASOS launched a website in Russian language in May, 2013 (The Guardian, 2013), what have been done: product descriptions in Russian following the style of the ASOS website; frequently asked questions (FAQs), providing the information in Russian about ordering, delivery, returns; website navigation and search in Russian; delivery options (free delivery by Russian Post and chargeable private courier service by SPSR) It should be noted that this is their first localized site in an "emerging market" country.

This marketing research overview for online clothing company (ASOS) on Russian market was made by the author to define the reasons to enter an "emerging market" country.

1. Choose a commodity group and estimate the demand.

For this step the local service Yandex Wordstat and Google Keyword Tool were used: choose a region (Russian Federation), enter the categories of goods (clothes) and get the number of impressions per month in the context network of search engines. Results of Yandex Wordstat: 1st place - clothes – 12,991,163 views per month, 2nd place - clothing shop – 3,025,640 views per month, 3rd – online shop of clothes – 2,115,785 views per month. Results of Google Keyword Tool: online shop of clothes – 560,200 views per month, clothes – 290,660 views per month, clothing shop – 160,300 views per month.

2. Assess competition.

Enter the selected product category in the search engine and see how many online stores in this segment are already working, assess their competitiveness and market capacity. Two searching systems were used (Yandex (local search engine in Russian) and Google) by putting in the searching engine "online shop of clothes". Results of Google: 1st – ASOS.com/ru/, 2nd - otto.ru, 3rd - lamoda.ru, wildberries.ru, bonprix.ru. Results of Yandex: 1st wildberries.ru, 2nd – quelle.ru, 3rd – lamoda.ru, 4th - bonprix.ru, 5th - ASOS.com/ru/, otto.ru. As we can see the results, ASOS.com/ru/ takes only fifth place by local searching system and the leader by worldwide Google. Also, by analysing the results of Tendencies of online shopping in Russia research (Digital Insight, 2015), in the category of clothes the first place are taken by wildberries.ru, second – lamoda.ru, third –

kipiVIP.ru. Top 5 brands which Russians buy online are: 1st place – Ostin, 2nd – ZARA, 3rd – Mango, 4th – H&M, 5th – Savage (Digital Research, Esper group, 2015).

3. Unique selling proposition.

ASOS suggests more than 850 different brands including their own one, which is impossible to find somewhere else in Russia. Also they are selling special lines of clothes that take into account the features of the body: CURVE (till 70+ size), PETITTE, TALL, MATERNITY (for pregnant women) and extra (bigger) size of shoes for men and women.

4. Determine the target audience.

Age of ASOS buyers is 18-29 years old. They are active people, watching fashion and loving to experiment with clothes. The statistics are: 70% of the brand's sales come from women's clothing and 30% from men's. From the beginning company was more oriented on the two biggest cities of Russia: Moscow and Saint-Petersburg, but now their growth is mainly due to the regions. According to the interview with the head of ASOS's Russian department Vladimir Dolgopolov (RBC, 2013), the sales in the Krasnodar territory has risen, they are good in Kazan, Samara and Khabarovsk as well. The brand is very actively bought in the Far East part of Russia, despite on the close location of China with very cheap clothes. Russian customers are very fond of brands, the pursuit of labels is similar to the national sport. Also from the interview the style preference of the Russian target audience is defined. Dolgopolov tells that it's better show on comparison of Russian and British customer's taste preferences. In Britain, women prefer more monotonous clothes and comfortable to wear, they choose more "boyish", androgynous things. Russian girls still prefer all feminine: floral prints, fitted dresses, clothes of all colors of the rainbow. As for the difference in the tastes of British and Russian men, the British more likely prefer suits and blazers all year round. Russians basically buy these things for certain holidays. Sales hits for men in Russia are leather jackets, Calvin Klein underwear and watches. Russian men are still very conservative, they love popular brands. Moreover, it is very typical for Russia that women pick up and order clothes for their men. By the way, ASOS has on their site a special section "premium", where the brands like Ralph Lauren or PS by Paul Smith are represented, which are more popular among Russian men. There is such a regularity: men buy things that will be worn long enough, women tend more to buy a trendy outfit for one season.

5. Delivery service.

The main advantages of ASOS in front of most other online stores is free shipping to all countries of the world (including Russia). In Russia the regular delivery service is carried out by "Russian Post" - only this service covers the entire territory of Russia, any city or village (average delivery time 2-4 weeks). For Express delivery in Russia they have partnership with "SPSR-Express", Pony Express, DHL Express by which people can receive their packages within 7 days. It already costs money, but when ordering from 8 thousand rubles (approx. 113 euro, exchancge rate on March, 2018), delivery is free.

According to statistics, every month Russians spend more than 10 hours in social networks (2nd place in the world), which presents excellent opportunities for advertisers. But it is important to know that Russian social medias are different and while Facebook, Twitter, YouTube and Instagram dominate in the rest of the world, 82% of Russian population using social media accounts prefer domestic social networks. This difference is extremely importance for brands, including ASOS, who use social media sites for advertising, as it can completely change a marketing strategy that is used in other parts of the world. The statistics of TOP 8 most popular social media in Russia (Smith, 2016):

1.   VK.com (over 46.6 million monthly users). The combination of Facebook and a file sharing platform, more popular among younger users (ages 18-34).

2.   OK.ru (over 31.5 million viewers a month). For older social media users, because the main aim of the site was to find your classmates from the past, the connection with whom was lost.

3.   Facebook (over 21.6 million Russian visitors each month). Now Facebook is becoming popular in Russia because of business conversations or to keep contacts with foreign friends.

4.   Moi Mir (over 16.6 million people use Moi Mir each month). The Russian equivalent of Google +.

5.   Livejournal (over 15.1 million user's visits each month). The blogging platform in Russia.

6.   Instagram. It has become extremely popular in the last few years in Russia and currently has 12.3 million monthly users (77% of whom are younger females).

7.   Twitter (approx. 7.7 million/month). Among Russian users it takes only 6th position while in the world TOP it is situated on the 4th position.

8.   Rutube (approx. 6.2 million/mounth). It is video sharing platform, analog of YouTube.

Image 10. Gender of social network users in Russia
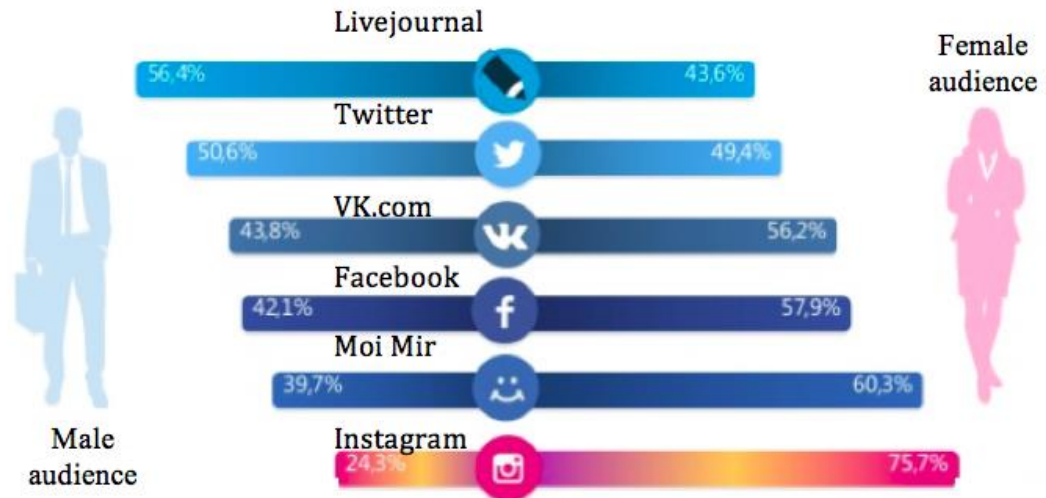
According to this TOP 8 rate and the percentage ratio between genders of social network users in Russia (Image 10), it becomes obviously that the main social networks as a source of advertising for ASOS is VK.com and Instagram. VK.com it is the most popular social media site in Russia and correlated with their target audience. Instagram is the social network with the big potential of development in Russia and covering the target audience as well (the biggest percentage of female users – 75.7% out of total).

In order to expand its audience in Russia, the British online store ASOS hired the British digital marketing agency Forward3D. The agency was tasked with the shortest possible time to increase the recognition of the ASOS brand in the Russian market with a fairly limited budget. The main target audience are women, aged 18-29, living in Moscow and St. Petersburg.

Having already launched a local website and a social media page on VK.com, ASOS wanted to scale their online presence in the region. The main purpose of Forward3D - turn social media not only into a key customer acquisition channel, but one that had a positive impact on search too. As for numbers, it was necessary to get 65,000 new subscribers of the ASOS public group on VK.com in just 4 months in order to increase the number of visits to the Russian site of the store and, accordingly, the number of sales in Russia. As a result, the goal was achieved in 3 months, each user costing $0.97, which exceeded the customer's expectations by several times. First of all, they concentrated on attracting fans by using the minimum budget. The second goal is to turn these fans into regular visitors of the brand site and buyers. To achieve the first goal, a whole arsenal of

methods and targeting tools was used, from the "cost-per-click" option in VK.com, which allowed to advertise the brand in people's news feed, to paid publications (Paid Post Marketplace tool) in separate groups and communities. Forward3D closely cooperated with the client, so that all content in the social network coincided with the content on the website of the store and promotions (Forward3D, 2015). Due to the advertising campaign in VK.com it was possible to attract new potential buyers to ASOS site and make their page in social network the main tool for attracting new fans. Today, the number of subscribers of the ASOS' VK.com group is 236,682 (VK.com, February 2018).

ASOS complained about the complexity of logistics organization in Russia. In Russia, the percentage of lost parcels is one of the highest in comparison with other countries in which ASOS operates (RBC Daily, 2013). But the main task for the company is to make the customer experience of buying from the ASOS website as successful as possible, therefore the seller take the risks of lost parcels. This helps to increase customer loyalty, and they come to the company again. As for the return, then in any online business, things that do not fit are a risk. Therefore, the main problems are delivery and customs. One of the main advantages of ASOS in front of most other online stores is free shipping to all countries of the world. In this country, in this regard, it is impossible to escape from Russian post - only this service covers the entire territory of Russia, any city or village. Its disadvantages are unpredictable delivery times and the inability to track parcels, which influence on customer's loyalty and willing to buy from online international retailer.

4.4 Comparison of ASOS' marketing strategy in the UK and Russia

The results of comparison of the websites

The appearance of the websites is the same. The same models are used, and absolutely the same assortment of clothes (ASOS, 2017). This is due to the phenomenon of fashion. The language of fashion becomes international. It becomes increasingly difficult to connect fashion with a particular country or a fashionable capital. There is no longer an explicit division between foreign and "domestic" fashion. In the near future there will be a unification of fashion. The same trends, color solutions and styles will be simultaneously considered fashionable all over the world. There is an international exchange of talents, ideas and materials. Each country contributes to the fashion industry, trying to expand its markets through exports, so that brands become world-famous. As a result, our society

receives global common fashion trends, because fashion rejects any frames, including geographical borders.

At the same time, there is a slight difference in the ranking of goods. This is especially well-shown in the case of the Russian site, where in the clothing section, before putting of any filters, accessories are first shown, in the English version of the site basic clothes are shown on the first page. This difference is explained by an interview with the head of the Russian branch of the ASOS, Vladimir Dolgopolov, who says that in the overall picture of sales in Russia, one of the best-selling categories is accessories, it has the highest indicators from the all regions. Hits are always women's and men's bags, very popular jewelry (RBC daily, 2013).

In the "Fashion and Beauty Feed" section there are different contents of news connected with domestic IT-girls, fashion bloggers, celebrities and taste preferences in fashion. But there are some common news based on global fashion trends and worldwide known celebrities

Delivery and return policy

The conditions of returning policy to these countries have some similarities and differences as well. The similarity: opportunity to return the order for free. In Russia: return to the points of issue Boxberry: more than 1,000 offices throughout the country or it is possible to make a refund on their website by using the link for creating returns, return processing time – 21 days. In the UK: return the order through any of the more than 3,000 offices of Pass My Parcel, over 1,100 locations of InPost 24/7, and six more delivery companies, return processing time – 7 days. This kind of service helps to increase the trust and loyalty of customers. But, as we can see, the returning procedure in Russia takes the biggest amount of time, 3 times more than in the UK. Probably, it is because of big distance, but after checking the return processing time for Australia, which is the same as for the UK, it becomes more or less obvious that the problem is in the mechanism of delivery system and customs relations between Russia and the UK.

The delivery service of ASOS has different variants of shipping: Standard Delivery, Standard Click & Collect, Express Delivery, Next-Day Delivery, Precise Delivery, Evening Next-Day Delivery, Next-Day Click & Collect. But in Russia only two of them are available: Standard Delivery and Express Delivery. But conditions for even two of them differs from the analogical one in the UK. It's longer and more expensive. While you can get the express delivery for £3 or for free from over £20 ordering in the UK, in Russia

it costs £22 or for free from over £100 ordering (over 8 thousand rubles, exchancge rate on March, 2018), when delivery time is 3-4 weeks for Standard and for Express is 7-9 days.

Buy on the Internet is profitable and comfortable, which is why the format of Internet trading is becoming more and more popular among customers. But for the survival of a business, a clear and fast delivery of goods from the seller to the customer is absolutely essential. Free shipping and free return of goods - this is what distinguishes ASOS from other major fashion retailers who work online. And the costs for free delivery and return are considered by the company as marketing expenses.

Collaborations with domestic designers

ASOS enables brands from different countries and vintage boutiques to sell things on their ASOS Marketplace platform. This platform is a great start. After all, often, successful British brands that show a good level of sales and interesting products are put by ASOS on its main site. But, unfortunately, none of Russian brands was taken to the main website, ASOS has no partnership with Russian designers. Although the launch of services such as the ASOS Marketplace, allowing small boutiques and independent designers to sell their goods on ASOS, showing products that ASOS sometimes does not even sell, but which may be interesting to ASOS customers, is an example of how a company tries to attract buyers and as a consequence - to increase traffic.

Communication tools

By social networks ASOS built effective system of communication with their customers. On all sites there are hyper-links of their official accounts in all main social medias, also there is the section ASOS insiders (described in the Marketing mix part), but among 21 insider there is no Russian speaking one. It means that ASOS does not apply using marketing leaders of opinions as a tool, which effectively works in the UK. On the Russian site they only put Russian description to every person's style, but it creates language barriers, because potential customer wants to get information about the product in his/her native language which increases the level of trust and conversion due to the lack of a language barrier.

There are only two ASOS' profiles in Russian language via the social networks - in VK.com and Instagram, while ASOS' profiles in English exist in each worldwide social network. It is explained by the status and prevalence of English language. The audience reach of the ASOS Russia profile on Instagram is 123,000 followers, on VK.com - 236,682 subscribers.

The company does not use the blogger phenomenon as a marketing tool in Russia, while other foreign companies actively cooperate with Russian YouTube and Instagram bloggers (Vedomosti, 2017).

ASOS does not use above the line methods of advertising in Russia at all: the content of ASOS magazine, both electronic and printed is published only in English. In the UK when the brand was initially launched the company used billboards (Retail Week, 2009) to gain attention of their target consumer, when ASOS officially launched the brand in Russia in 2013 it did not use any of the above the line methods of advertising for the same purpose.

Table 7. Comparison of communication tools used in the UK and Russia

Communication tool	Russia	The UK
Cooperation with bloggers	No	Yes
ASOS insiders	No	Yes
Social network's profile	VK.com, Instagram	Facebook, Instagram, Google+, Twitter, Pinterest, YouTube, Snapchat
ASOS magazine	No	Printed and electronic versions
App for smartphone	Android, IOS	Android, IOS
Progressive personalization system	Yes	Yes
'ASOS Like'	No	Yes
Direct email with discount codes	Yes	Yes
'A-list' loyalty scheme	No	Yes
Videos with celebreties	No	Yes

Source: Own analysis of ASOS' communication tools, 2017

The similarities are the big accent on m-commerce, launched apps for IOS and Android in English and in Russian as well, applying of progressive personalization system. To attract new customers, ASOS also entered into partnership agreements with various local cashback services: cashback.ru, letyshops.ru, kopikot.ru in Russia; topcashback.com, lyoness.com, shopbuddies.co.uk in the UK. Cashback sites enter into partner agreements with stores, through which the store pays the site a certain percentage of the purchase for

attracting a new buyer. Well, cashback-site in turn returns some of this money directly to the buyer. The only conditions for the operation of this scheme is that the buyer should go to the online store not through a direct link, but through an affiliate link that is posted on the cashback site.

The comparison of communication tools in the UK and Russia (Table 7) shows that the company does not use all the same marketing tools in the foreign market.

Costs of the products, price policy and ways of payment

Russia is one of the most important international markets with the United States, Australia, France, Germany and China and, according to Dolgopopov's interview, the launch of the new website in May 2013 has brought a substantial increase in orders and the growth in Russia was initially strong, but slowed down during the second half of 2013-2014. The ruble / pound sterling ratio affected sales (RBC Daily, 2013). As a result, the overall increase in prices for Russian users was 20-25%. Sales of ASOS amounted to under £1 billion, and pre-tax profit fell by 14% (ASOS Annual Report, 2014). One of the reasons again was the exchange rate fluctuations and the appreciation of the pound sterling, in particular in the markets of Russia. Now, in order to resume growth, ASOS began to reduce prices. The company uses "zonal pricing" mechanism (Hobbs, 2015), which allows to adjust prices according to each international market individually. It allows company to maintain their international price competitiveness among concumers from developing countries. And now when you compare the prices and making currency exchange process, you can see that prices in rubles are lower 10-20% than in pound sterling. But ASOS has special 10% discount for British students, which the company does not give to Russian students.

And the last difference, which should be mantioned by comparison of these sites is different ways of payment. The best variety of opportunities to pay is in the UK: Visa, Mastercard, PayPal, American Express, Visa Electron, Maestro, Delta, DK and etc. But by the Russian site domestic customers are able to pay only by Mastercard, PayPal (not in rubles), Visa Electron, Maestro, American Express. It is important to know in Russia there are lots of other local ways to pay which trusted by people, for e.g. QIWI, because for customers from Russia, there is no way to pay in convenient ways, for example, in cash, through an electronic wallet, from a mobile phone account.

4.5 SWOT analysis

A SWOT analysis of the brands marketing communications mix was produced in order to gain a further understanding of the brand as a whole, as well as to facilitate the production of future recomendations, focusing particularly on the opportunities.

Table 8. SWOT analysis of ASOS in Russian market

Strengths	Opportunities
- Wide range of sizes, styles and exclusive brands; - Free shipping and returns; - Free mobile application and website in Russian language; - Good description of the products (catwalk videos, size guide, product details); - Prices are cheaper and less dependent on exchange rate; "zonal pricing" mechanism.	- Bring out more ranges (children's clothes); - Develop Instagram and Rutube/YouTube in Russian; - Advertise offline (through their magazine, make Russian version); - Cooperate with Russian popular bloggers; - Get the Russian speaking ASOS insider; - Collaboration with Russian designers; - Use of celebrity endorsement so that the consumer can relate a celebrity back to the brand; - Open distribution center in Moscow.

Weaknesses	Threats
- No above the line and below the line campaigns in general; all on social media; - Only online performance (no offline stores); - No advertisement in Russian magazines (even in their own) which the 20 something consumer enjoys reading; - No click & collect and next-day delivery; - Russian size range is not taken into account; - Expensive cost of an express delivery.	- Economic uncertainty of Russia – people may be less likely to spend money due to recession; - Big variety of domestic multibrand online shops, which are more trusted and well-known; - Influence of exchange rate; - Problems with Russian post; - Lack of customer's trust; - Competitors have physical visual merchandising in their physical stores; - Competitor brands have celebrities that are immediately related back to the brand (e.g. Topshop has world-famous model and actress Cara Delavigne); - Custom's barriers.

Source: Own analysis, 2017

5 Survey, Results and Discussion

5.1 Methodology of the survey

The basic research method of the online shopping among Russian customers in terms of purchasing on ASOS was the electronic questionnaire created in English. The questionnaire was created based on detailed questions to assess socio-cultural factors influencing clothes online buying behavior of Russians.

The questionnaire was created and placed online by the website survio.com and named "Online shopping (ASOS case) among Russian customers". The sample respondents of the questionnaire were specific and consist of Russian consumers who at least once have purchased on ASOS. That's why the author sent and allocated these questionnaires on various Internet platforms such as ASOS groups on VK.com, ASOS' consumers forums and YouTube channels of bloggers who filmed the review on ASOS purchased products. The survey was held from December 2017 till February 2018.

The main aim was to define the specifics of Russian consumer behavior in terms of clothing e-shopping. The next aim was to check the effectiveness of ASOS' marketing strategy in Russia with revealing its weaknesses to compare the results with the previous analysis of ASOS' marketing strategy in Russia, which has been made in this work before (Chapter 4.3). And the final aim was to determine the relationships between socio-cultural factors and consumer behavior which affecting marketing strategy of the company.

The respondents were required to fulfill the demographic questions such as gender, age, income and the permanent residence in Russia, in total there were 24 questions consist of closed questions with both single and multiple choice. Data from the 100 questionnaires were evaluated from the total 110 questionnaires that were received due to limited conditions of use of this website. The first section contained basic questions on age, education, income, and place of residence. Section two asked questions regarding financial expenditure, activity in social networks, preferences in style and attempted to identify any potential trends with regards to spending habits. The third part focused on their experience of purchasing clothes online on ASOS and other online stores. Received data are more valuable for the research, because the respondents are targeted into the group "Internet users".

After data collection following step was descriptive statistics, particularly Cross tabulation and Chi-square tests created with the statistical programme SPSS. Chi-square tests serve to determine the relationship between socio-cultural factors and consumer behavior. The evaluation of results of the tests was the last step of the survey, which shows if there is a dependency between social-cultural factors and consumer behavior or if there is no relationship between these variables.

The tools, which were used to check the relationships between variables, are Cross tabulations and Chi-Square tests. Statistics, which is given in numbers, changes raw data into the clear content. This type of data analizing makes the results of the questionnaire more understandable. Chi-square tests' results show directly how the two variables relate to each other. Each test has two hypotheses. One says that there is a relationship between a socio-cultural factor and consumer behavior of Russians; another says there is no relationship between the two factors.

The degree of statistical evidence needed in order to prove the alternative hypothesis is the confidence level. The level of significance is the probability of rejecting the null hypothesis when the null hypothesis is true. The typical level of significance is 0.05 corresponds to a 95% confidence level: accepting a 5% chance of rejecting the null even if it is true. The p-value is the probability of obtaining a result as extreme as, or more extreme than, the result actually obtained when the null hypothesis is true.

Regardless of the level of significance and p-value, any hypothesis test has only two possible outcomes:

1.   Reject the null hypothesis (if P-value is less or equal to level of significance) and conclude that the alternative hypothesis is true at the 95% confidence level.

2.   Fail to reject the null hypothesis (if P-value is more than level of significance) and conclude that not enough evidence is available to suggest the null hypothesis is false at the 95% confidence level.

5.2   Evaluation of the results

5.2.1   Respondent's profile

Based on the results it can be stated that the average respondent was a female – 78% (Chart 1[1]), in the age of 25-34 – 59% (Chart 2) or 15-24 – 35% (Chart 2), with

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[1] Note: Chart 1 and other following charts and tables, started from this part, are in Appendix.

completed Master – 41% (Chapter 3) or Bachelor – 26% (Chapter 3) degree. This could be explained by the activity of people of this age group on the Internet.

There was no the strongest representation in terms of income cause 20 % each were gained by the respondents who have approximate mounthly household income 21,000 – 30,000 RUB and 51,000 – 70,000 RUB (Chart 5). The big differences in the results concerning to income are not surprising, cause the average salary in Russia depends on the region of the country and differs a lot within the country. Average monthly wages in Russia in nominal terms in January 2017 amounted to 35,369 RUB or 30.8 thousand rubles after deduction of income tax of 13% (Federalnaya sluzhba gosudarstvennoy statistiki, 2017).

The overwhelming majority of the respondents are from Central district, Moscow - 48% (Chart 4). It can be explained by dynamic lifestile of metropolitan, higher average rate of income, geographical and mental proximity to Europe, openness to novelty, lack of time, all fashion events (e.g. Mercedes-Benz Fashion Week Russia) are held in Moscow.

5.2.2 Analysis of relationship testing results

It was found out that gender highly influences the consumer behavior of Russians in terms of online shopping. The result was 5 out of 7 proven relationship links between. There is a proved by Chi-Square tests relationship between gender and: frequency of searching for fashion items online (Table 1.2), preference in style of clothes (Table 4.2), importance of clothes and fashion to consumer (Table 5.2), influence of ASOS Promo Codes, Coupons, Cash Back services and deals on consumer to buy more (Table 6.2) and interest in Russian designers collaborations with ASOS (Table 7.2). There is no relationship between gender and: activity on social networking websites (Table 2.2), preference in brand segment on ASOS (Table 3.2).

The results of Cross tabulation shows that:

1) Women are more than men tend to search for fashion items online (Table 1.1).

2) Both man and woman prefer casual style in clothes the most, but the 2nd place is different. While women prefer classic style, which are suitable for formal dress code, men would reither wear sportive clothes, cause the comfort is the most important for them (Table 4.1).

3)   Women are more than men influenced by ASOS Promo Codes, Coupons, Cash Back services and deals on consumer to buy more (Table 6.1).

4)   In shopping women mostly influenced by social media, bloggers opinions and magazines, while men by friends opinions and social media (Table 31).

5)   The main fear for both men and women is delivery system in Russia (Table 32).

6)   Saving time is the main reason making both men and women shopping online. But the second reason is different, for men the 2nd place was taken by advertising, while for women it is accessibility and relaxation (Table 33).

7)   In terms of buying other brands instead of ASOS, women's preferences were given to Lamoda.ru, and men's – Aliexpress.com (Table 34).

8)   The main reason to choose domestic brands for both women and men is domestic delivery, it can be explained by the main deremined fear for both – delivery system in Russia. While you order on the domestic website you have a big variety of services and options to get your purchase, even to take it by you own from the pick-up point in your city (Table 35).

9)   While men are more inclined to be not interested in Russian designers collaborations with ASOS, women express, with the certain majority in this question, their interest in such kind of collaborstions (Table 7.1).

The next variable is region of Russia where the respondents permanently live. There is a proved by Chi-Square tests relationship between region of Russia and: method of shopping fashion items (Table 8.2), importance of clothes and fashion to consumer (Table 11.2). There is no relationship between region of Russia and: frequency of searching for fashion items online (Table 9.2), activity on social networking websites (Table 10.2), influence of ASOS Promo Codes, Coupons, Cash Back services and deals on consumer to buy more (Table 12.2).

The results of Cross tabulation shows that:

1)   The main method of shopping fashion items for all regions of Russia (except Northwestern district, Saint-Petersburg) is visiting the store. For Northwestern district, Saint-Petersburg it is shopping online via the website. Also it should be noticed that in Moscow m-commerce (shopping online via the app) is thriving and prevailing over shopping via the website. The results of other regions of Russia are unreliable due to the lack of the respondents living there. (Table 8.1)

2)   Fashion and clothes are very important for the respondents from Central district (Moscow), Northwestern district (Saint-Petersberg), Ural district and Siberian district. It could be explained by the high income of these regions (Table 11.1).

3)   The main things influencing on consumers to shop online for Central District (Moscow) are 1st – social media, quite a bit behind bloggers, the 3rd – magazines, for Northwestern district (Saint-Petersberg) 1st – social media and quite a bit behind bloggers as well, magazines and friends share the third position. As for Ural district, the 1st place was taken by magazines, 2nd – social media, in South district, with a small margin, leading position is taken by friends category, in Siberian respondents are influenced by, in sequence, social media, bloggers and magazines (Table 30).

4)   Among the all regions the main fear of shopping online is delivery system in Russia, size table differs from Russian one and third reason is cheap quality of products. It should be noted that among the regions, which are far away from Europe, the fear of unsafe payments by the Internet and preference in paying by cash has a significant value (Table 36).

5)   For the respondents from Central District (Moscow) and Northwestern district (Saint-Petersberg) the main reasons for online shopping are saving time and relaxation. It could be explained by the dynamic lifestyle of metropolis citizen. For the other regions the main reason for shopping online remains the same – saving time, as one of the most advantage of shopping online, but the second reason is advertising. It means that people from provincial regions of Russia are more tend to advertising influence (Table 27).

6)   The same like gender correlation with reasons to choose domestic brands, among the all regions the main reason is domestic delivery (Table 28).

The correlation between household income of respondents and consumer behaviour is not representable, because of the big differentiation of the first variable (Table 29). There is no relationship proved by Chi-Square tests between quantity of income spending on shopping for fashion and: preference in products purchased online (Table 13.2), usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends (Table 14.2), importance of clothes and fashion to consumer (Table 15.2).

There is no relationshop proved by Chi-Square tests between frequency of searching for fashion items online and activity on social networking websites (Table 16.2), but there is a relationship between frequency of searching for fashion items online and

following ASOS on social media (Table 17.2). Cross tabulation shows that people searching for fashion items more frequent answered affirmatively to the question about following ASOS on social media. Also activity on social networking websites and following ASOS on social media do not have any significant link with usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends (Table 18.2). But there is a relationship between the usage social networks as a source for ideas 'what to wear/buy', follow the latest fashion trends and importance of clothes and fashion to consumer. Cross tabulation shows that people for whom fashion and clothes are important use the social networks as a source for ideas 'what to wear/buy', follow the latest fashion trends or do it from time to time, while people for whom fashion and clothes are not so important do not use the social networks as a source for ideas 'what to wear/buy', follow the latest fashion trends (Table 21.2).

The style of clothes which respondents like to wear and preference in brand segment on ASOS have no relationship proved by Chi-Square tests (Table 22.2), as well as importance of clothes and fashion to consumer (Table 24.2).

But there is a proved by Chi-Square tests relationship between influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more and importance of clothes and fashion to consumer (Table 23.2). Cross tabulation shows that people for whom fashion and clothes are extremely important or very important are tend to influencing of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more (Table 23.1).

Cross tabulation of importance of clothes and fashion to consumer and preference in other brands instead of ASOS shows that people for whom fashion and clothes are extremely or very important prefer Lamoda.ru, the 2nd place was taken by Aliexpress.com (Table 25).

According to Cross tabulation of interest in Russian designers collaborations with ASOS and the reasons of choosing domestic online shop, around 38,7% of respondents, who picked as a reason of chhosing domestic online shop – Russian brands, are interested in Russian designers collaborations with ASOS (Table 26).

5.2.3 Conclusion of the questionnaire

The main aim, described in Chapter 5.1, was achieved by the author. The respondent's profile and specifics of consumer behavior in terms of clothing e-shopping

were introduced according to the research. The gotten respondent's profile coincide with the target audience determined by the auther in the own marketing research overview for online clothing company (ASOS) in Russian market conditions (Chapter 4.3) and with the ASOS' target audience in Russia defined by British digital marketing agency Forward3D: the main target audience are women, aged 18-29, living in Moscow and St. Petersburg.

Concerning to the specifics of Russian consumer behavior, It should be highlited that such factors as a gender and region of Russia have a big influence on consumers, their preferences and behavior in terms of shopping clothes. It is confirmed by the fact that hired by ASOS digital marketing agency determine from the beginning Russian target audience by gender and region of Russia, and, as it is seen from the results of the research, their marketing strategy works and allows to meet their target audience, cause 78% of the respondents (ASOS consumers) are female (Chart 1) and 48% are from Central district (Moscow) and 17% Northwestern district (Saint-Petersberg) (Chart 4). Moscow and Saint-Petersburg: Western-oriented, income of the population living there is twice bigger than national average one. Moscow and St. Petersburg represent 15% of the country's population, they account for ~ 60% of Russian e-commerce sales (Lehtinen, 2014). This is due to:

- Higher broadband penetration;
- Higher disposable household income;
- Higher population density;
- Better postal and logistics infrastructure.

This means that for the rest of the regions another marketing strategy should be developed with taking into account their specific features. The differences between Central district (Moscow), Northwestern district (Saint-Petersberg) and other regions in terms of shopping online, founded by the current research are:

- The main method of shopping fashion items is visiting store, due to problems with Russian delivery system in the regions, differences in size tables and lack of trust in safety of payments by the Internet.
- For Ural district and Siberian district fashion and clothes are more important than for others. The possibility of distortion of the results due to a lack of respondents from other regions is permissible.
- The main things influencing on consumers to shop online are social media, magazines and friends (public opinion).

- The main reason for shopping online remains the same – saving time, as one of the most advantage of shopping online, but the second reason is advertising. It means that people from provincial regions of Russia are more tend to advertising influence.

The second aim – to check the effectiveness of ASOS' marketing strategy in Russia with revealing its weaknesses – was achieved by the author as well. As it has been mentioned before, ASOS' marketing allows to meet its target audience. The target audience defined by the company are young fashion lovers, "20 somethings", who, on average, stay connected to the Internet 24/7. The 50% out of whole respondents dteremined the fashion and clothes as an important one, while 13% determined fashion and clothes as an extremely important, so this confirms the fact that Russian consumers of ASOS are mostly fashion lovers (Chart 16). The overwhelming majority are extremely (38%) or very (42%) likely to use social networks, which confirms that the audience is active on the Internet (Chart 11). Also, according to the results, ASOS marketing strategy in Russia works in sales stimulation, cause there is a relationship between female consumers for whom fashion and clothes are important and the influence of ASOS Promo Codes, Coupons, Cash Back services and deals on them to buy more. But there are several weaknesses which were founded by the current research:

- ASOS does not use communication tools which, according to the research, have a significant influence on the consumers behavior in terms of shopping online. For example, cooperation with bloggers which is important tool of marketing for female category from Central district (Moscow), Northwestern district (Saint-Petersberg) and Siberian district; ASOS magazine published in Russian or/and advertising in popular magazines in Russia; active promotion via social media, which is determined as a most influential tool in all regions.
- There is a significant number of people who appreciates as an advantage the presence of Russian brand via to online retailer website and possibility to buy it. According to the research, 75% of the respondents express their interest in collaboration of Russian designers with ASOS (Chart 24).
- Russian delivery system is still a big threat for the company, which could be the reason of repulsion of potential customers.Also the Russian size table should be introduced on the Russian version of the website, cause the difference in size tables is one of the significant fear of Russian customers.

The final aim was to determine the relationships between socio-cultural factors and consumer behavior which affecting marketing strategy of the company. This goal was achieved by the defining relationships between variables by Chi-Square tests and Cross tabulation. Based on the resuts, the author can conclude that tural factors have the strongest influence on consumer behavior, especially its general level, belonging to a certain subculture and social class. Culture is the determining factor of the needs and behavior of a person who, from childhood, assimilates in the family and through other social institutions a certain set of values, stereotypes of perception and behavior. And knowing that consumer behavior has influence on marketing strategy of the company, the strong influence of cultural factors on marketing strategy as well becomes evident. In most cases, marketers can not manage these factors, but they need to know and take into account in creating of marketing strategy of a company.

6 Conclusion and Recommendations

The main aim of this study was to gain more knowledge about the specifics of creating a marketing strategy for Russian market, evaluate how the different cultural factors influence on it. Furthermore, this paper describes Russian consumer behavior based on the theory and own survey. Final results show that a marketing strategy is influenced by cultural factors and it was examined in the theoretical and practical part of this thesis. In the empirical part of the research the goal was to define the specifics of ASOS' marketing strategy in Russian market, find out on the certain example the influence of cultural factors on customers behavior. The study investigated these factors from the view point of online clothing company.

The findings of this research showed that the different cultural factors discussed in the work clearly have an influence on the marketing strategy of the company: in prices, communication tools and ways of advertising, range of goods, special promotions and discounts, conditions of delivery.

Also the setted objectives were reached. In the literature overview chapter, the essence of the concepts of cultural factors influencing consumer behavior and marketing strategy and its features for e-commerce were revealed, the state of e-commerce in Russian reality, its potential and the pace of development were analized, and Russian customer profile and consumer behavior were defined on the theoretical basis. The characteristics of the marketing strategies in the UK and Russia were given and its comparison showed a significant differences in prices, delivery and return policy and communication tools. The list of questions for the own survey were created and put into the online questionnaire. Received data are more valuable for the research, because the respondents are targeted into the group "Internet users". After the data collection it was transform into the results by using statistical software SPSS and analyzed by the author. In the conclusion of the survey the main features of consumer behavior in Russia in terms of clothing e-shopping were identified, effectiveness of ASOS' marketing strategy with revealing its weaknesses was checked and relationships between socio-cultural factors and consumer behavior were determined.

The specifics of Russian market and, at the same time, the significant dificulty which marketers have to take into account developing a marketing strategy for a company

are the differences in consumer behavior within the country. It can be explained by the specifics of the country. Russia is the biggest country in the world with federal structure, it is divided into the regions which differs from each other by different socio-cultural factors and having their own features. If companies are able to analyze these features, they will be in a better position to adapt the marketing strategies. From the begining of entering Russian market ASOS concentrated on the two key districts and the specificity of consumers living there. This strategy was successful, cause, as it was defined in the work, company meet their target audience and its expectations.

It can be good additional information, how to imrove marketing strategy in Russian market, based on ASOS experience. The given by author recommendations are devided into 4 parts related to marketing mix.

Recommendations concerning to the place - ASOS' website: Russian size table should be added in the description of the clothes on the website, cause, according to the results of own survey, different size table was one of the prevailing fear of shopping online.

The special attention should be taken to the problem of delivery service in Russia. As for solution of fast and secure delivery and returns, it is quite hard to deal with it. But it is necessary to open click & collect delivery, because it is the favorite and customary way to return purchases bought online for Russian customers. It could be helpful to open the office of ASOS in Moscow or at least free technical support line, which can promptly help with an ordering process, solving difficulties, answering questions, and also informing about current promotions and proposals. For example, the Chinese company Alibaba, which owns the online retailer AliExpress, has registered an official representative office in Russia (The Moscow Times, 2017), and, according to the research, AliExpress.com is the leader among the respondents in terms of online clothing shops where else they prefer to do shopping, what automatically makes it a strong competitor of ASOS in Russian market.

Because feedback with a person, not with technology, is necessary in case of increased loyalty and trust for Russians.

Recommendations concerning to the product – clothes and accessories: expand the assortment with Russian branded clothes, cause there was a significant number of people who appreciates as an advantage the presence of Russian brand via to online retailer website and possibility to buy it, according to the results of own survey.

Recommendations concerning to the price: since the company uses "zonal pricing" mechanism (Hobbs, 2015), which allows to adjust prices according to each international market individually, fluctuations of the national currency do not influence on prices and respectively on consumers a lot. That's why this point could be replaced by the recommendations in terms of the way of payment. The company should pay attention to the level of trust in secure of payment by the Internet, according to the results of the research there is a lack of trust in safety of payment by the Internet, especially among the consumers from the regions which are far away from the capital city. In case of secure payment, it could be suggested the solution, for e.g. partnership with QIWI, as this excludes payment by bank cards, but it is made by transfering cash (the target audience of the ASOS includes young people, mostly students, who may not have a bank card or have a social bank card, with which online payments are impossible).

Recommendations concerning to the promotion: First, according to the Hofstede scale (Hofstede, 2017), individualism in Russia is at a relatively low level (39 out of 100), what means that people are dependent on someone else's opinion and are accustomed to follow the trend "to be dressed like everyone else", the phenomenons of imitation and public opinion are quite spreaded. Advertising on the Internet is still comparatively uncommon, but it is growing fast. So, ASOS should continue the campaign of "ASOS insiders" Instagram accounts (the social network with the fastest development rates for today in Russia), but add some Russian speaking of them. I will be useful not only for customers from Russia, but from other Russian speaking countries as well like (Kazakhstan, Belarus and etc.). In confirmation of these statements, the results of own survey show that popular bloggers is important tool of marketing for female category from Central district (Moscow), Northwestern district (Saint-Petersberg) and Siberian district, which also could be used in the form of cooperation. Also ASOS magazine could be published in Russian or/and the company can have advertising in popular magazines in Russia, cause, according to own survey results, magazines remain a significant tool for customers of ASOS, especially among the consumers from the regions which are far away from the capital city.

Russian people are quite patriotic and get patriotic education in schools (FOM, 2017), and the partnership with Russian designers could also be a good promotion for the company. Moreover, according to the research, overwhelming majority of the respondents express their interest in collaboration of Russian designers with ASOS.

Therefore, to compete successfully in the global market, online clothing companies have to develop sustainable international strategies of their business but first of all, they need to be aware of cultural differences that exist among countries and even within country, and learn how to manage them.

The findings in this research can be kept as directional surveys to the subject. In the future it would, perhaps, to be good to add the more precise research about the influence of cultural factors on the marketing strategy in m-commerce, which is actively developing all over the world.

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8 Appendix

8.1 Questionnaire and Results

Online shopping (ASOS case) among Russian customers

1. What is your gender?

- Female
- Male

Chart 1. Gender

# ▲	Вариант ответа	Ответы	Доля
●	Female	78	78 %
●	Male	22	22 %
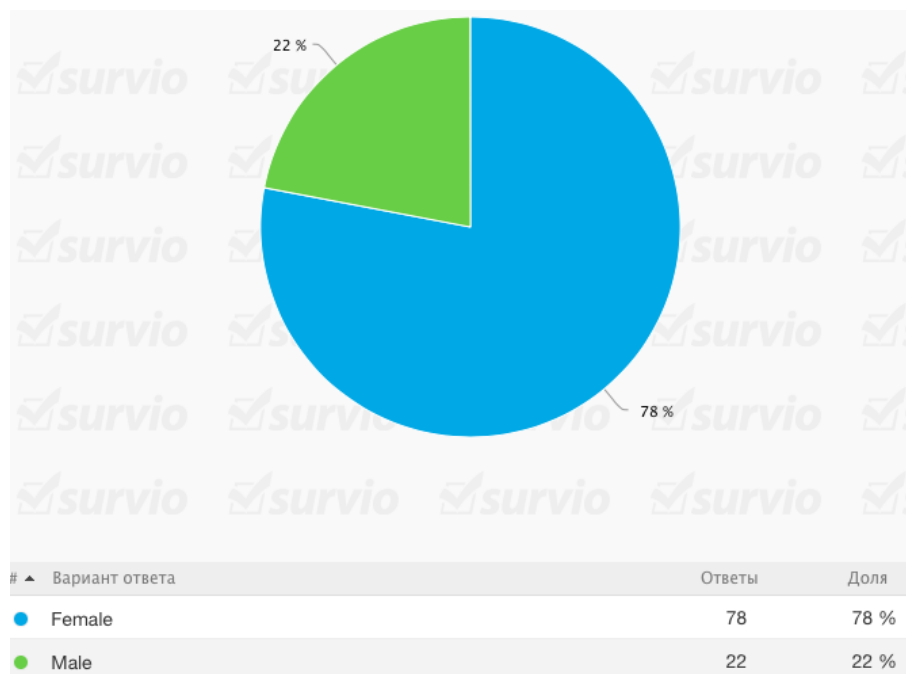
Source: Self-made research, 2018

2. What is your age?

- 15-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65-74
- over 75

Chart 2. Age group

Вариант ответа	Ответы	Доля
● 15-24	35	35 %
● 25-34	59	59 %
● 35-44	5	5 %
● 45-54	0	0 %
● 55-64	1	1 %
● 65-74	0	0 %
● over 75	0	0 %
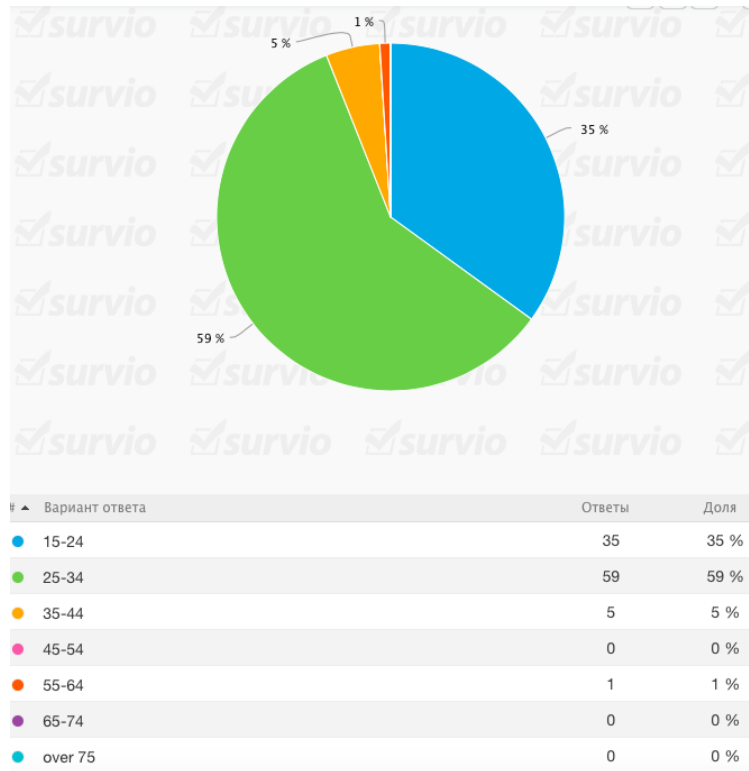
Source: Self-made research, 2018

3. What is the highest level of school you have completed or the highest degree you have received?

- Less than high school degree
- High school degree or equivalent
- Some college but no degree
- Bachelor degree
- Master degree
- PhD

Chart 3. Education

Вариант ответа	Ответы	Доля
● Less than high school degree	8	8 %
● High school degree or equivalent	13	13 %
● Some college but no degree	7	7,0 %
● Bachelor degree	26	26 %
● Master degree	41	41 %
● PhD	5	5 %
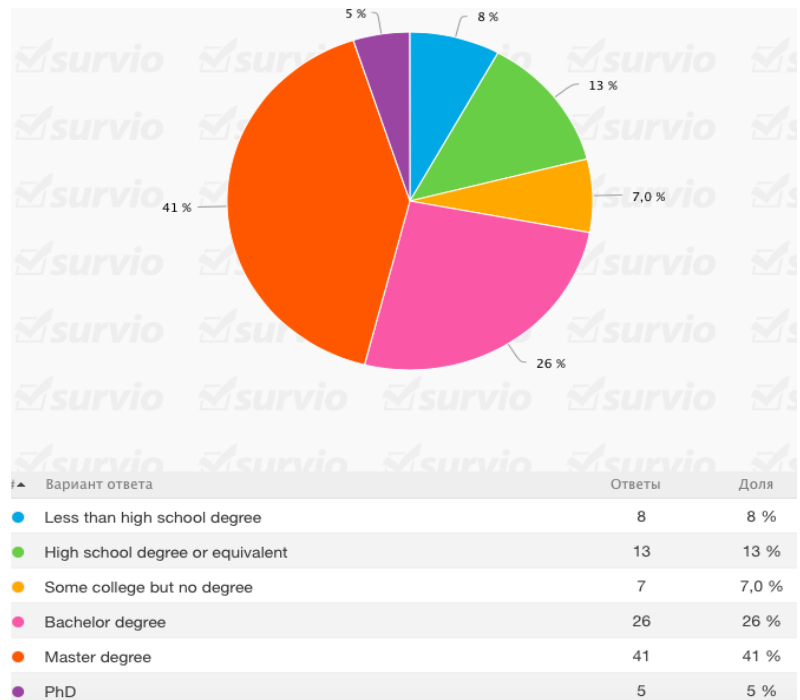
Source: Self-made research, 2018

4. In which region of Russia do you live?

- Central district (Moscow)
- Northwestern district (Saint-Petersburg)
- Ural district
- North Caucasus
- Far Eastern district
- Siberian district
- Volga district
- South district

Chart 4. Region in Russia

# ▲	Вариант ответа	Ответы	Доля
•	Central district (Moscow)	48	48 %
•	Northwestern district (Saint-Petersburg)	17	17 %
•	Ural district	12	12 %
•	North Caucasus	2	2 %
•	Far Eastern district	2	2 %
•	Siberian district	13	13 %
•	Volga district	1	1 %
•	South district	5	5 %
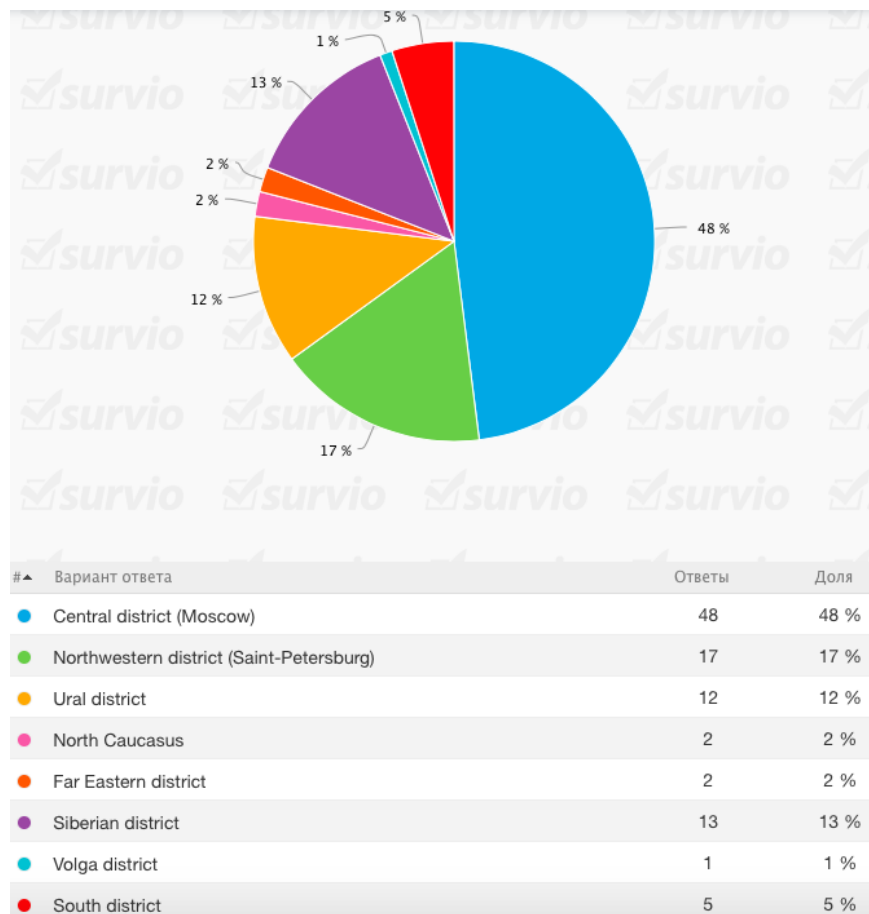
Source: Self-made research, 2018

5. What is your approximate monthly household income (after tax)?

- Less than 20,000 RUB
- 21,000 to 30,000 RUB
- 31,000 to 40,000 RUB

- 41,000 to 50,000 RUB
- 51,000 to 70,000 RUB
- 71,000 to 100,000 RUB
- 101,000 to 150,000 RUB
- More than 150,000 RUB

Chart 5. Monthly household income (after tax)

#▲	Вариант ответа	Ответы	Доля
●	Less than 20,000 RUB	14	14,0 %
●	21,000 to 30,000 RUB	20	20 %
●	31,000 to 40,000 RUB	11	11 %
●	41,000 to 50,000 RUB	17	17 %
●	51,000 to 70,000 RUB	20	20 %
●	71,000 to 100,000 RUB	11	11 %
●	101,000 to 150,000 RUB	4	4 %
●	More than 150,000 RUB	3	3 %
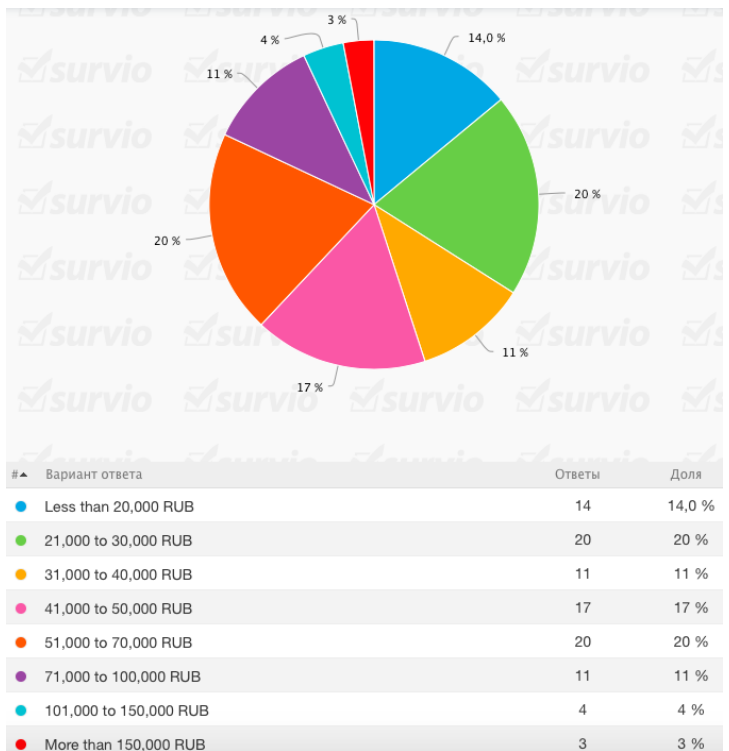
Source: Self-made research, 2017

6. The information on the site written in Russian language is a big advantage for me

- Disagree   Neither
- Disagree nor agree
- Agree

Chart 6. Site written in Russian is a big advantage

# ▲	Вариант ответа	Ответы	Доля
●	Disagree	7	7,1 %
●	Neither Disagree nor agree	29	29,3 %
●	Agree	63	63,6 %
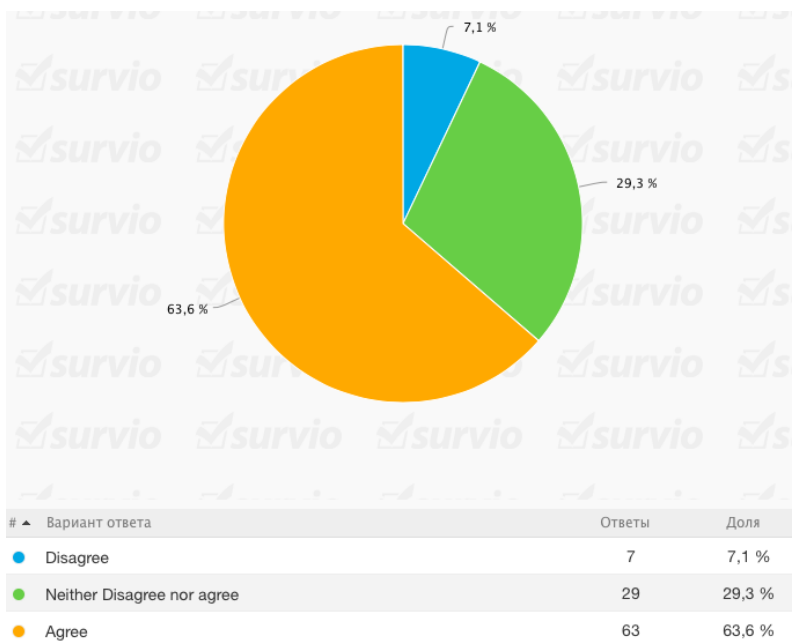
Source: Self-made research, 2018

7. What types of product do you typically buy online?

- Shoes, Clothes, Accessories
- Electronic products, Gadgets, Tech
- Beauty products, Cosmetics
- Health Products
- Home items

Chart 7. What types of product do you typically buy online?

#▲	Вариант ответа	Ответы	Доля
●	Shoes, Clothes, Accessories	60	60 %
●	Electronic products, Gadgets, Tech	12	12 %
●	Beauty products, Cosmetics	20	20 %
●	Health Products	4	4 %
●	Home items	4	4 %
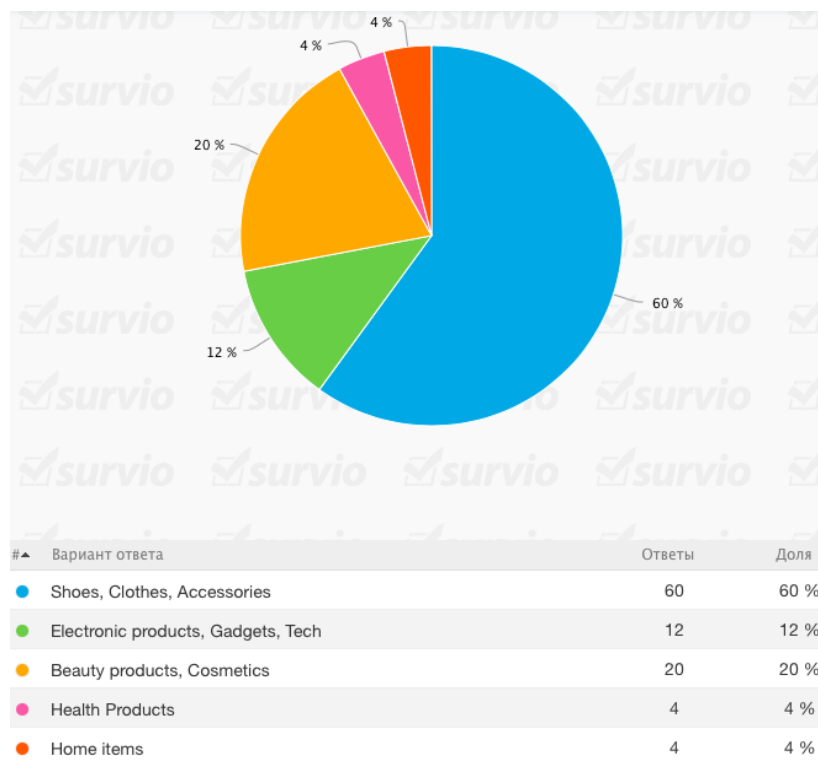
Source: Self-made research, 2018

8. How much of your income do you spend on shopping for fashion?

- 0-9%
- 10-19%
- 20-29%
- 30% and more

Chart 8. How much of your income do you spend on shopping for fashion?

#▲	Вариант ответа	Ответы	Доля
●	0-9%	20	20 %
●	10-19%	37	37 %
●	20-29%	17	17 %
●	30% and more	26	26 %
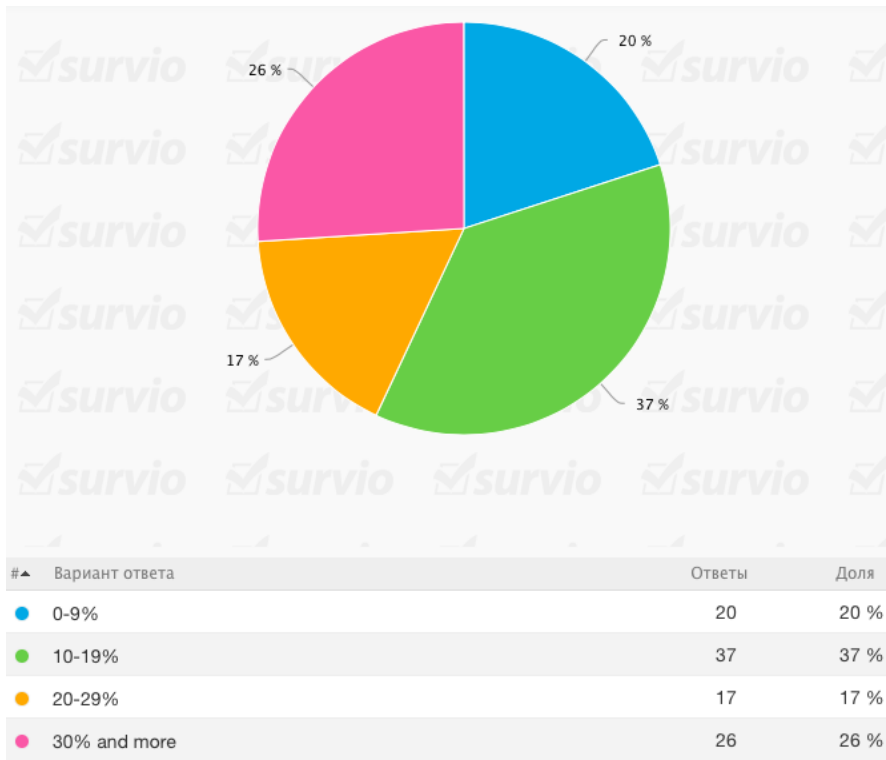
Source: Self-made research, 2018

9. What is your usual method of shopping fashion items?

- Visiting the store
- Shopping online via the website
- Shopping online via the app

Chart 9. What is your usual method of shopping fashion items?

#▲	Вариант ответа	Ответы	Доля
●	Visiting the store	53	53 %
●	Shopping online via the website	26	26 %
●	Shopping online via the app	21	21 %
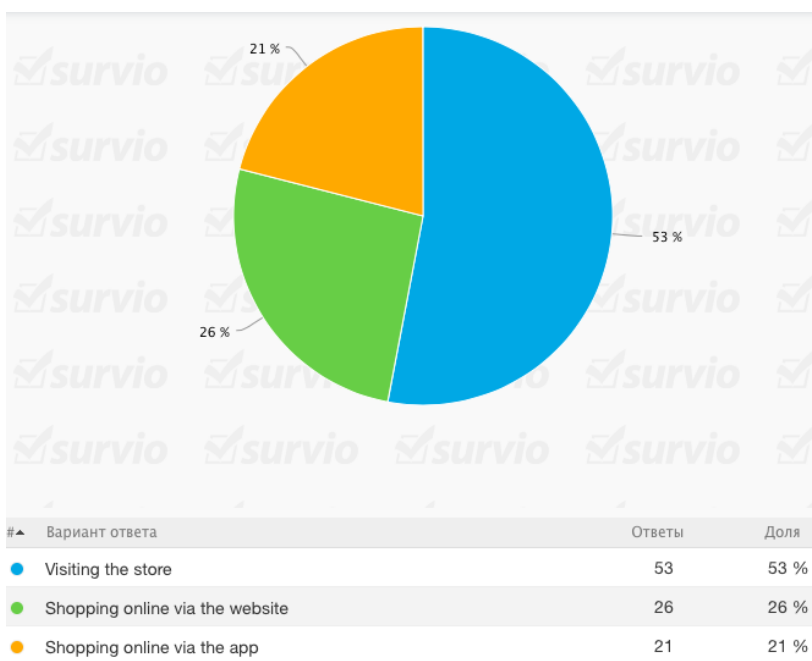
Source: Self-made research, 2018

10. How often do you search for fashion items online?

- Everyday

- Twice a week

- Once a week

- Once a month

- Every couple of months

- Rarely

- Never

Chart 10. How often do you search for fashion items online?

# ▲	Вариант ответа	Ответы	Доля
●	Everyday	28	28,0 %
●	Twice a week	19	19 %
●	Once a week	22	22 %
●	Once a month	16	16 %
●	Every couple of months	7	7,0 %
●	Rarely	8	8 %
●	Never	0	0 %
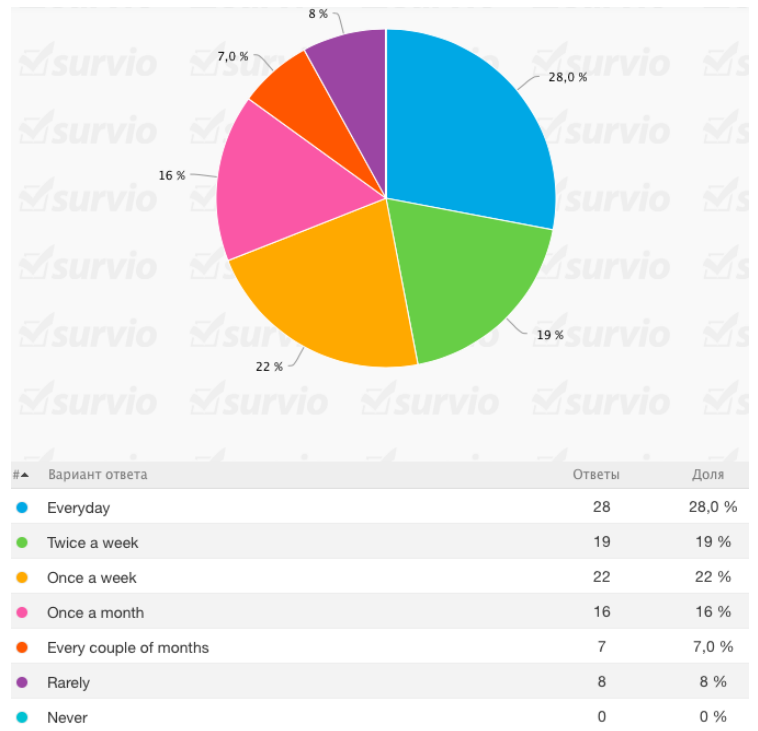
Source: Self-made research, 2018

11. In typical day, how likely are you to use social networking websites (e.g. Facebook, Vkontakte, Instagram, Twitter, YouTube, etc.)?

- Extremely likely
- Very likely
- Moderately likely
- Slightly likely
- Not at all

Chart 11. In typical day, how likely are you to use social networking websites?

#▲	Вариант ответа	Ответы	Доля
●	Extremely likely	38	38 %
●	Very likely	42	42 %
●	Moderately likely	15	15 %
●	Slightly likely	3	3 %
●	Not at all	2	2 %
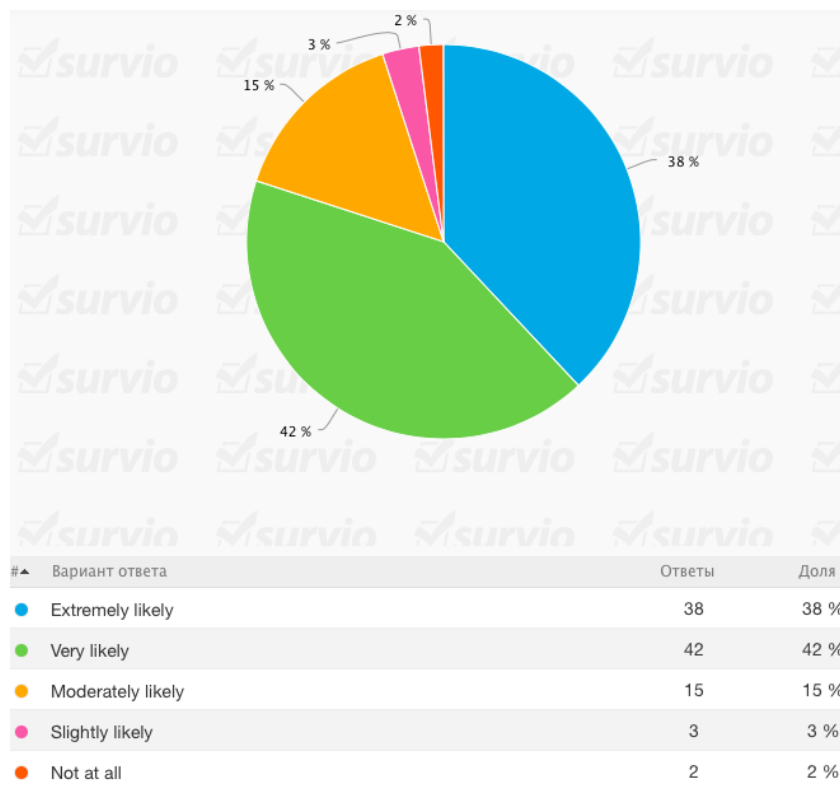
Source: Self-made research, 2018

12. Do you follow ASOS on any of the following social media: Facebook, Vkontakte, Instagram, Twitter, YouTube?

- Yes
- No

Chart 12. Do you follow ASOS on any of the social media?

▲	Вариант ответа	Ответы	Доля
●	Yes	61	61 %
●	No	39	39 %
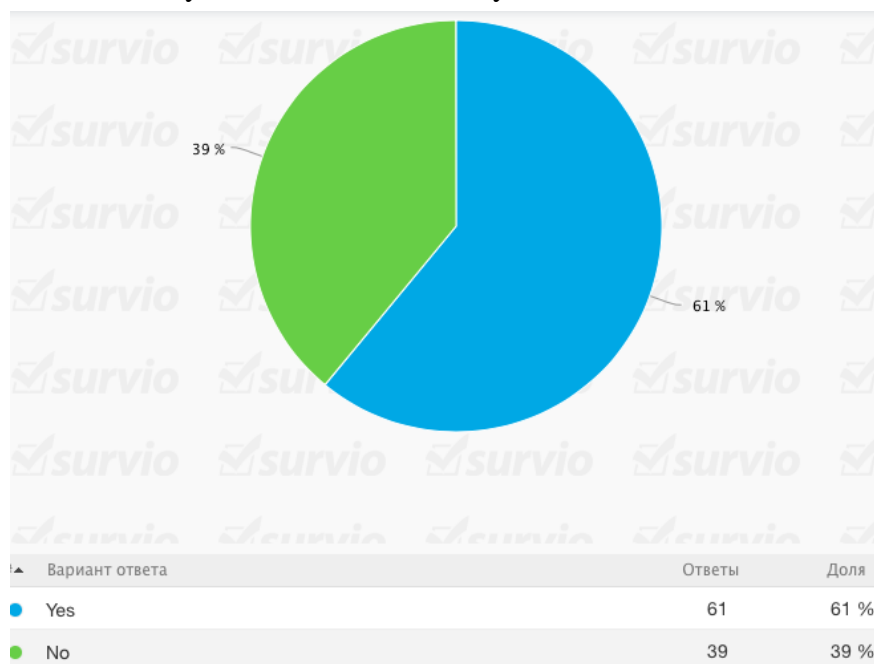
Source: Self-made research, 2018

13. Do you use the social networks to get the ideas "what to wear/buy" and follow the latest fashion trends?

- Yes
- From time to time
- No

Chart 13. Do you use the social networks to get the ideas "what to wear/buy" and follow the latest fashion trends?

#▲	Вариант ответа	Ответы	Доля
●	Yes	30	30 %
●	From time to time	59	59 %
●	No	11	11 %
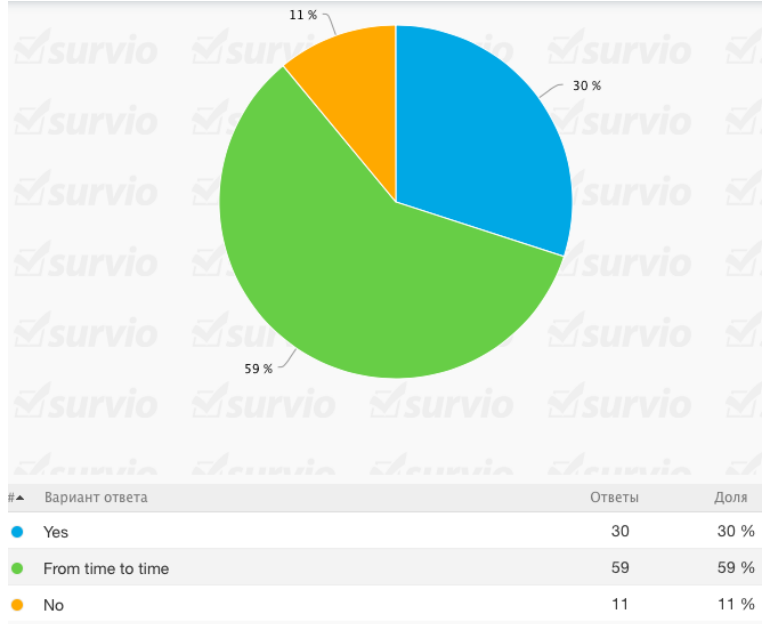
Source: Self-made research, 2018

14. Which of the brand segment do you prefer to buy on ASOS?

- ASOS brand
- Unique brands which are impossible to buy offline in Russia
- Luxurious brands
- The brand doesn't matter for me

Chart 14. Which of the brand segment do you prefer to buy on ASOS?

▲	Вариант ответа	Ответы	Доля
●	ASOS brand	23	23 %
●	Unique brands which are impossible to buy offline in Russia	33	33 %
●	Luxurious brands	11	11 %
●	The brand doesn't matter for me	33	33 %
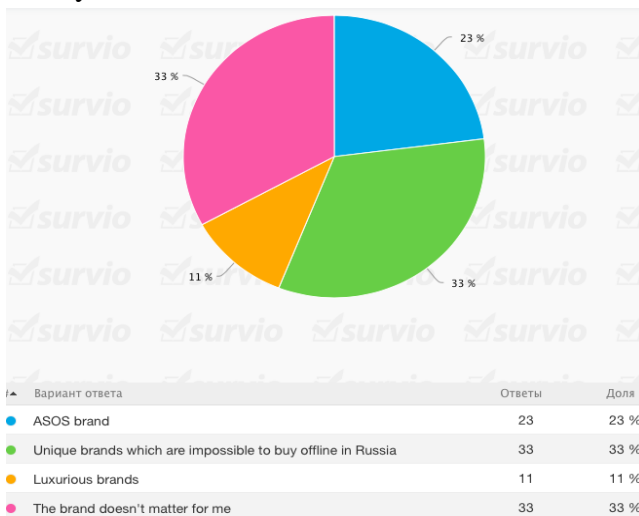
Source: Self-made research, 2018

15. What style of clothes do you like to wear?

- Classic (which is suitable for office/formal dress code)
- Sport style (comfort is the most important)
- Casual   Fashionable (following the latest trends, comfort is less important)
- Old fashioned (vintage clothes)

Chart 15. What style of clothes do you like to wear?

#▲	Вариант ответа	Ответы	Доля
●	Classic (which is suitable for office/formal dress code)	21	21 %
●	Sport style (comfort is the most important)	15	15 %
●	Casual	48	48 %
●	Fashionable (following the latest trends, comfort is less important)	14	14,0 %
●	Old fashioned (vintage clothes)	2	2 %
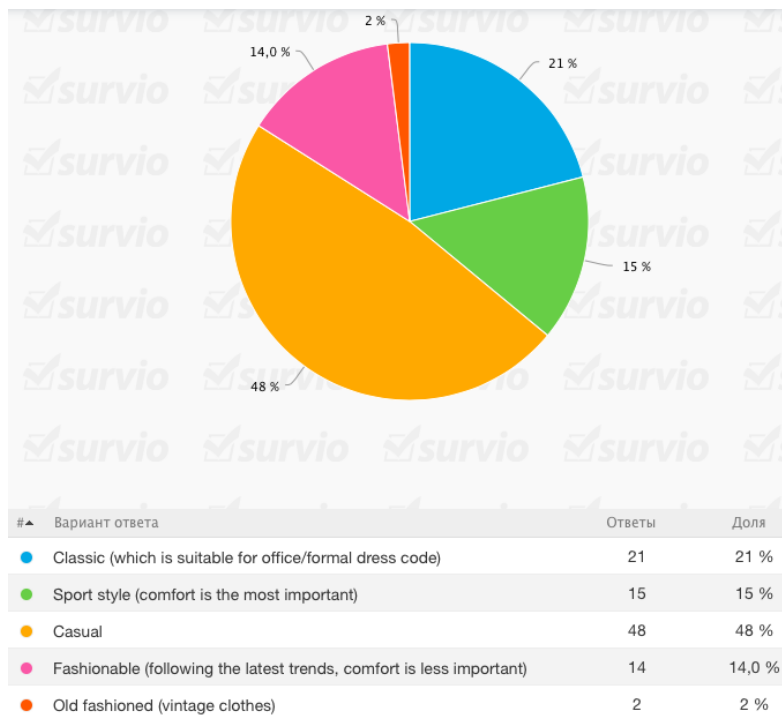
Source: Self-made research, 2018

16. How important are clothes and fashion to you?

- Extremely important
- Very important
- Somewhat important
- Not so important
- Not at all important

Chart 16. How important are clothes and fashion to you?

#▲	Вариант ответа	Ответы	Доля
●	Extremely important	13	13 %
●	Very important	50	50 %
●	Somewhat important	26	26 %
●	Not so important	10	10 %
●	Not at all important	1	1 %
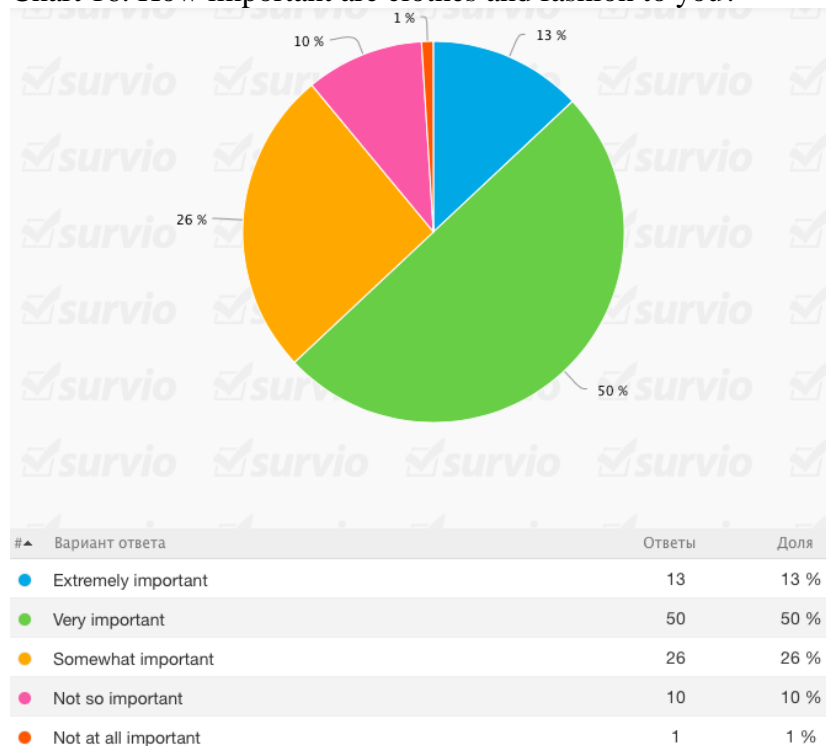
Source: Self-made research, 2018

17. Do you use any of the following options on ASOS website:

- Shop the look
- You might also like
- Save for later
- FAQ
- No

Chart 17. Do you use any of the following options on ASOS website

#▲	Вариант ответа	Ответы	Доля
●	Shop the look	11	11 %
●	You might also like	42	42 %
●	Save for later	66	66 %
●	FAQ	17	17 %
●	No	13	13 %
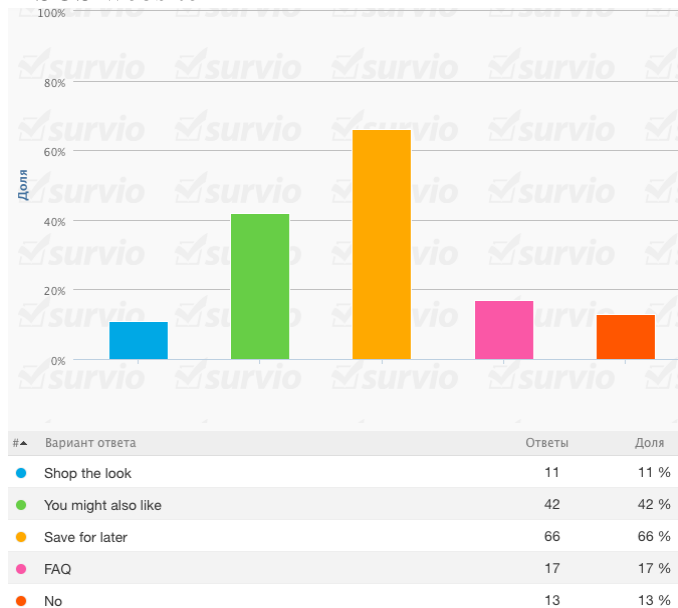
Source: Self-made research, 2018

18. Which of the following things influence your shopping?

- High street retailers
- Magazines
- Bloggers/Blogs
- Friends
- TV advertisements
- Social media

Chart 18. Which of the following things influence your shopping?

#▲	Вариант ответа	Ответы	Доля
●	High street retailers	24	24 %
●	Magazines	43	43 %
●	Bloggers/Blogs	54	54 %
●	Friends	32	32 %
●	TV advertisements	7	7,0 %
●	Social media	60	60 %
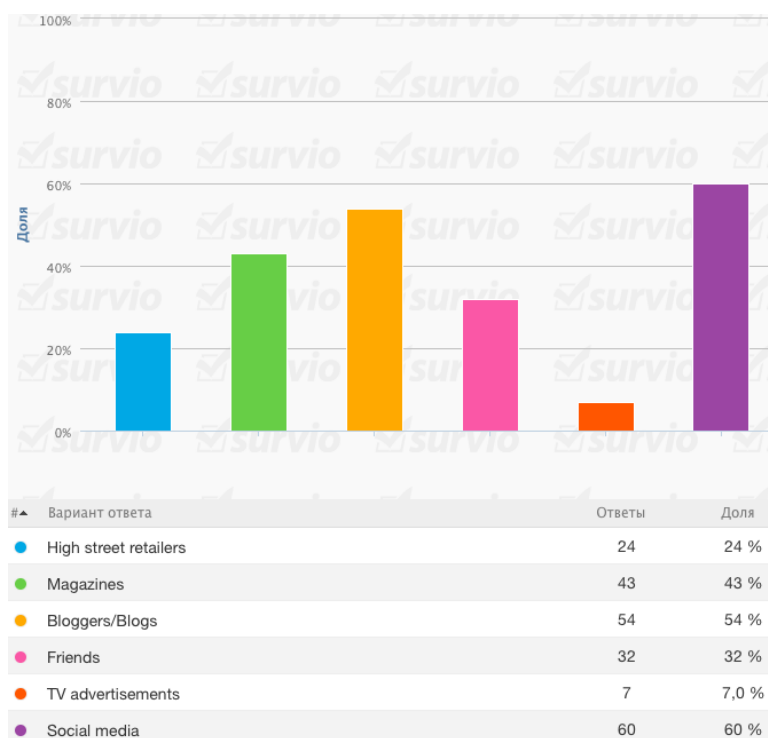
Source: Self-made research, 2018

19. What are your main fears of shopping online?

- Delivery system in Russia (delay or non-delivery)
- Cheap quality of product
- Product damage
- Chargeable return policy
- Size table differs from Russian one
- Unsafe payments by the Internet (prefer paying by cash)

Chart 19. What are your main fears of shopping online?

#▲	Вариант ответа	Ответы	Доля
●	Delivery system in Russia (delay or non-delivery)	63	63 %
●	Cheap quality of product	43	43 %
●	Product damage	24	24 %
●	Chargeable return policy	22	22 %
●	Size table differs from Russian one	46	46 %
●	Unsafe payments by the Internet (prefer paying by cash)	16	16 %
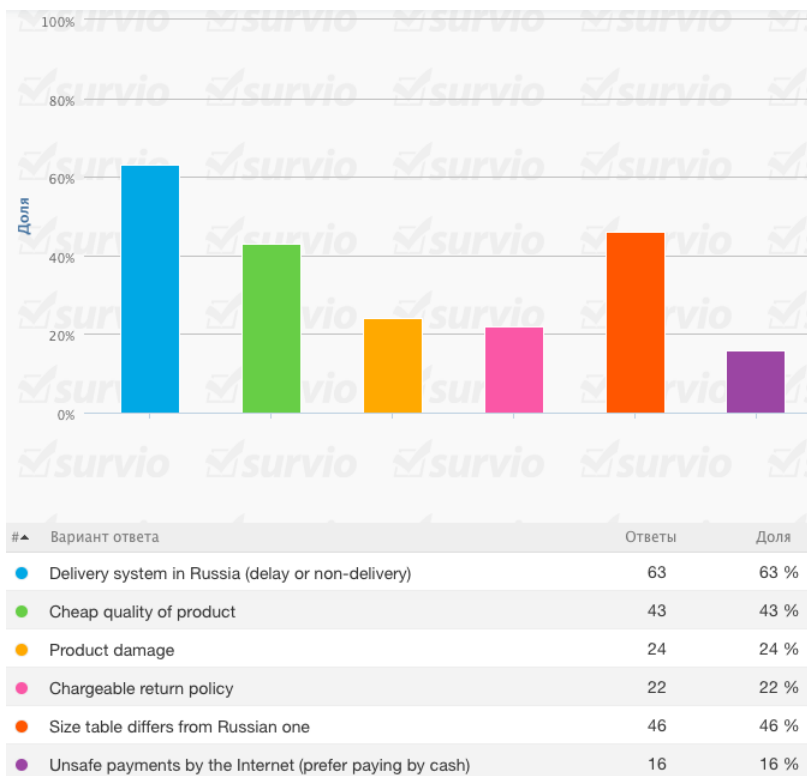
Source: Self-made research, 2018

20. What are the reasons that make you shop online?

- Advertising
- Saving time
- Saving money
- Accessibility
- Relaxation

Chart 20. What are the reasons that make you shop online?

#▲	Вариант ответа	Ответы	Доля
●	Advertising	29	29,0 %
●	Saving time	66	66 %
●	Saving money	30	30 %
●	Accessibility	43	43 %
●	Relaxation	38	38 %
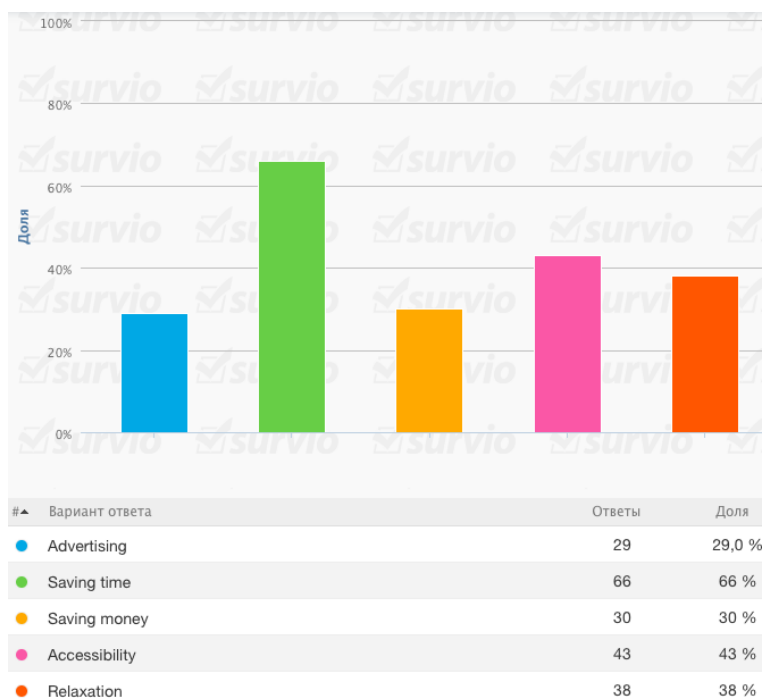
Source: Self-made research, 2018

21. Do ASOS' Promo Codes, Coupons, Cash back service and Deals make you to buy more?

- Yes
- No

Chart 21. Do ASOS' Promo Codes, Coupons, Cash back service and Deals make you to buy more?

#▲	Вариант ответа	Ответы	Доля
●	Yes	73	73 %
●	No	27	27 %
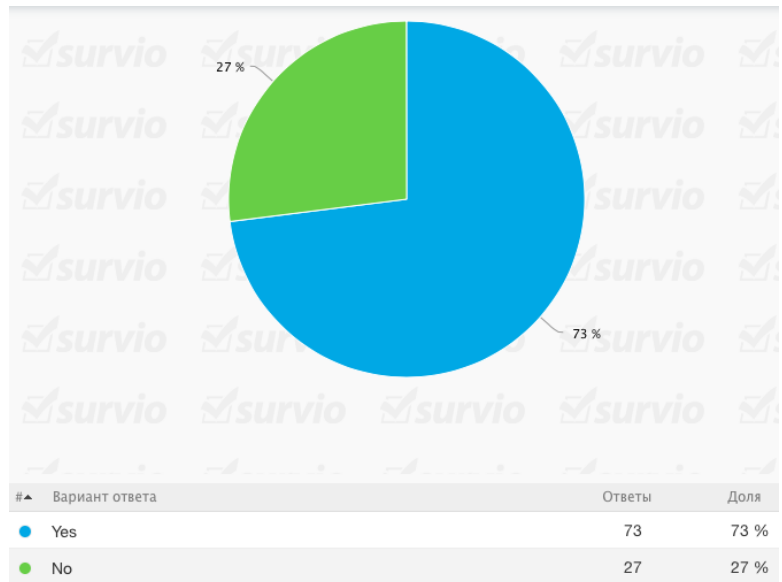
Source:Self-made research, 2018

22. Choose online clothing shops where else you prefer to do your shopping

- Lamoda.ru
- Aliexpress.com
- Wildberries.ru
- Quelle.ru
- KupiVIP.ru
- Laredoute.ru
- Shopbob.com
- Topbrands.ru

Chart 22. Choose online clothing shops where else you prefer to do your shopping

#▲	Вариант ответа	Ответы	Доля
●	Lamoda.ru	54	54 %
●	Aliexpress.com	46	46 %
●	Wildberries.ru	32	32 %
●	Quelle.ru	6	6 %
●	KupiVIP.ru	35	35 %
●	Laredoute.ru	3	3 %
●	Shopbob.com	11	11 %
●	Topbrands.ru	6	6 %
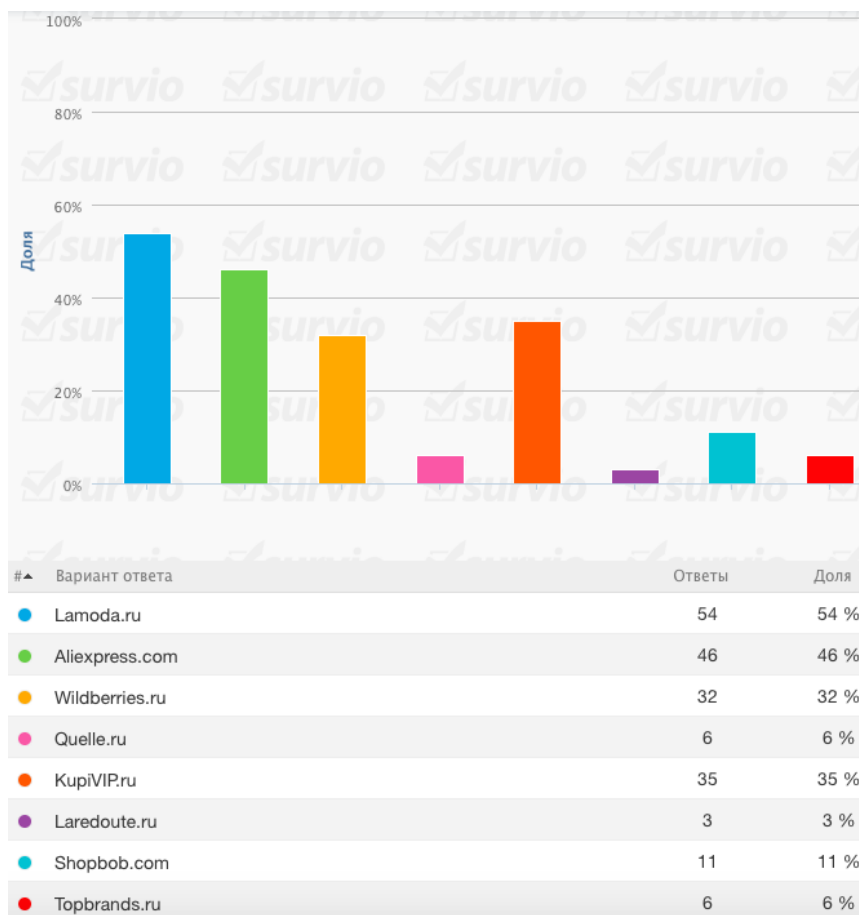
Source: Self-made research, 2018

23. What could be the reasons of choosing Russian online clothing shop instead of foreign one (e.g. ASOS) for you?

- Possibility to pay by cash
- Domestic delivery (faster and more reliable)
- No customs duty
- Support a domestic business
- Russian brands

Chart 23. What could be the reasons of choosing Russian online clothing shop instead of foreign one (e.g. ASOS) for you?

# ▲	Вариант ответа	Ответы	Доля
●	Possibility to pay by cash	44	44 %
●	Domestic delivery (faster and more reliable)	74	74 %
●	No customs duty	20	20 %
●	Support a domestic business	37	37 %
●	Russian brands	30	30 %
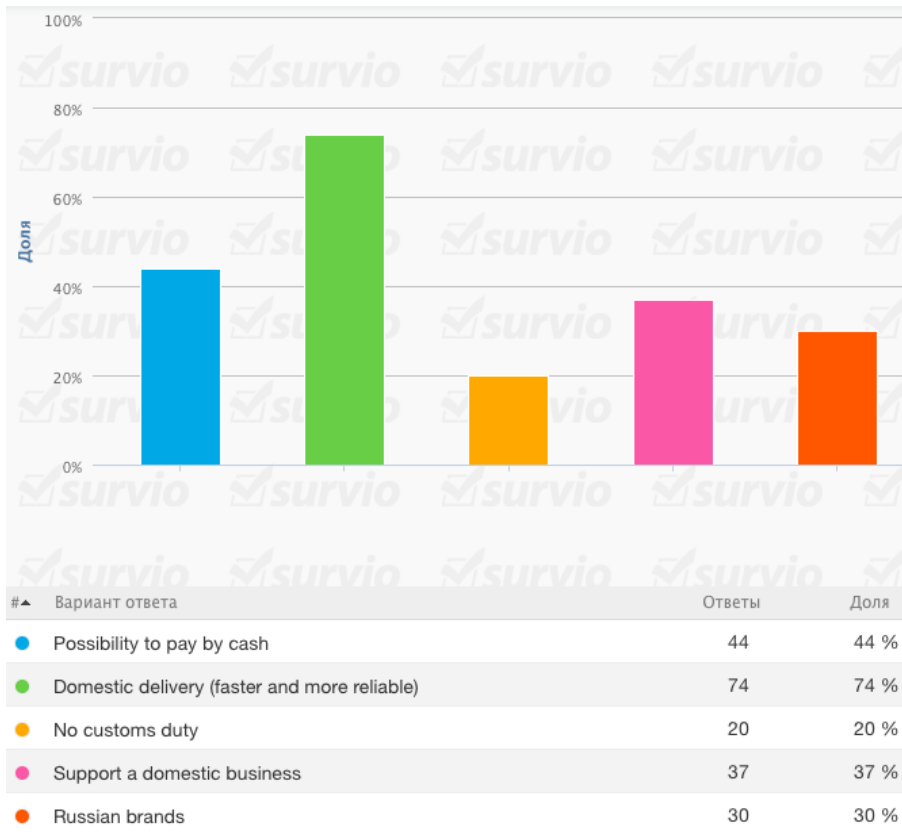
Source: Self-made research, 2018

24. Are you interested in Russian designers collaborations with ASOS?

- Yes
- No

Chart 24. Are you interested in Russian designers collaborations with ASOS?

# ▲	Вариант ответа	Ответы	Доля
●	Yes	75	75 %
●	No	25	25 %
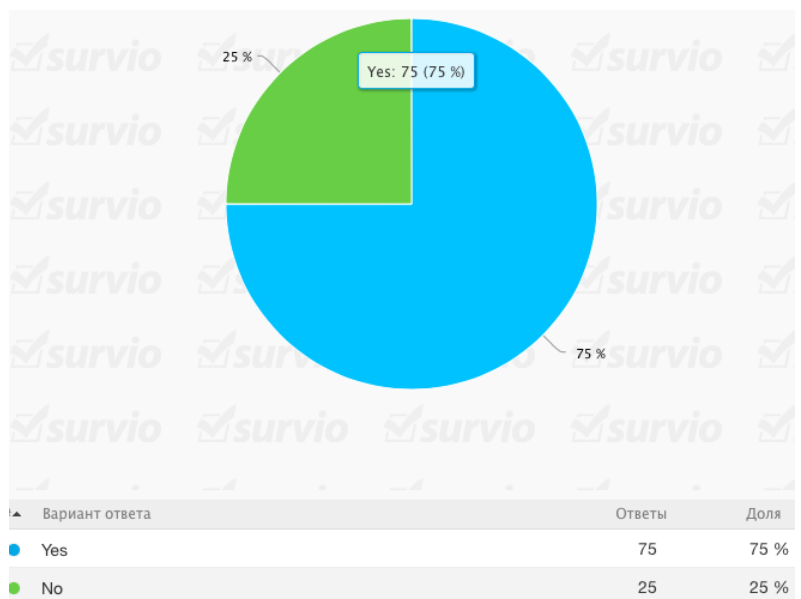
Source: Self-made research, 2018

8.2 Relationship testing

1) Relationship testing between gender and frequency of searching for fashion items online

H0: There is no relationship between gender and frequency of searching for fashion items online. The variables are independent.

H1: There is a between gender and frequency of searching for fashion items online. The variables are not independent.

Test at .05 level of significance; P value (.026) according to the table 1.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is a relationship between these two variables

Table 1.1. Cross tabulation of gender and frequency of searching for fashion items online

| | | How often do you search for fashion items online? | | | | | | |
		Everyday	Twice a week	Once a week	Once a month	Every couple of months	Rarely	Total
What is your gender?	Female	26	17	16	10	3	6	78
	Male	2	2	6	6	4	2	22
Total		28	19	22	16	7	8	100

Source: Self-made research, 2018

Table 1.2. Chi-Square tests of gender and frequency of searching for fashion items online

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	12,736[a]	5	,026
Likelihood Ratio	12,675	5	,027
Linear-by-Linear Association	8,245	1	,004
Number of Valid Cases	100		
a. 5 cells (41,7%) have expected count less than 5. The minimum expected count is 1,54.			

Source: elf-made research, 2018

2) Relationship testing between gender and activity on social networking websites

H0: There is no relationship between gender and activity on social networking websites. The variables are independent.

H1: There is a relationship between gender activity on social networking websites.
The variables are not independent.

Test at .05 level of significance; P value (.755) according to the table 2.2

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables

Table 2.1. Cross tabulation of gender and activity on social networking websites

		In typical day, how likely are you to use social networking websites (e.g. Facebook, Vkontakte, Instagram, Twitter, YouTube, etc.) ?					
		Extremely likely	Very likely	Moderately likely	Slightly likely	Not at all	Total
What is your gender?	Female	30	32	12	3	1	78
	Male	8	10	3	0	1	22
Total		38	42	15	3	2	100

Source: Self-made research, 2018

Table 2.2. Chi-Square tests of gender and activity on social networking websites

	Value	Df.	Asymp.Sig. (2-sided
Pearson Chi-Square	1,895a	4	,755
Likelihood Ratio	2,378	4	,667
Linear-by-Linear Association	,012	1	,911
Number of Valid Cases	100		
a. 5 cells (50,0%) have expected count less than 5. The minimum expected count is 44.			

Source: Self-made table, 2018

3) Relationship testing between gender and the preference in brand segment on ASOS

   H0: There is no relationship between gender and the preference in brand segment on ASOS. The variables are independent.

   H1: There is a relationship between gender and the preference in brand segment on ASOS.

The variables are not independent.

Test at .05 level of significance; P value (.003) according to the table 3.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is no relationship between these two variables

Table 3.1. Cross tabulation of gender and the preference in brand segment on ASOS

		Which of the brand segment do you prefer to buy from ASOS?				Total
		ASOS brand	Unique brands which are impossible to buy offline in Russia	Luxurious brands	The brand doesn't matter for me	
What is your gender?	Female	22	29	8	19	78
	Male	1	4	3	14	22
Total		23	33	11	33	100

Source: Self-made table, 2018

Table 3.2. Chi-Square tests of gender and the preference in brand segment on ASOS

	Value	Df.	Asymp.Sig. (2-sided
Pearson Chi-Square	14,254[a]	3	,003
Likelihood Ratio	14,901	3	,002
Linear-by-Linear Association	13,843	1	,000
Number of Valid Cases	100		
a. 1 cells (12,5%) have expected count less than 5. The minimum expected count is 2,42.			

Source: Self-made table, 2018

4) Relationship testing between gender and preference in style of clothes

H0: There is no relationship between gender and preference in style of clothes.

The variables are independent.

H1: There is a relationship between gender and preference and style of clothes.

The variables are not independent.

Test at .05 level of significance; P value (.016) according to the table 4.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is a relationship between these two variables.

Table 4.1. Cross tabulation of gender and preference in style of clothes

		What style of clothes do you like to wear?				
		Classic (which is suitable for office/formal dress code)	Sport style (comfort is the most important)	Casual	Fashionable (following the latest trends, comfort is less important)	Old fashioned (vintage clothes)
What is your gender?	Female	19	10	36	13	0
	Male	2	5	12	1	2
Total		21	15	48	14	2

Source: Self-made table, 2018

Table 4.2. Chi-Square tests of gender and preference in style of clothes

	Value	Df..	Asymp.Sig. (2-sided
Pearson Chi-Square	12,171[a]	4	,016
Likelihood Ratio	11,888	4	,018
Linear-by-Linear Association	1,144	1	,285
Number of Valid Cases	100		
a. 5 cells (50,0%) have expected count less than 5. . The minimum expected count is ,44.			

Source: Self-made table, 2018

5) Relationship testing between gender and importance of clothes and fashion to consumer

H0: There is no relationship between gender and importance of clothes to consumer.

The variables are independent.

H1: There is a relationship between gender and preference and style of clothes.

The variables are not independent.

Test at .05 level of significance; P value (.000) according to the table 5.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is a relationship between these two variables.

Table 5.1. Cross tabulation of gender and importance of clothes and fashion to consumer

| | | How important are clothes and fashion to you? | | | | | |
		Extremely important	Very important	Somewhat important	Not so important	Not at all important	Total
What is your gender?	Female	12	41	22	2	1	78
	Male	1	9	4	8	0	22
Total		13	50	26	10	1	100

Source: Self-made table, 2018

Table 5.2. Chi-Square tests of gender and importance of clothes and fashion to consumer

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	22,566[a]	4	,000
Likelihood Ratio	18,858	4	,001
Linear-by-Linear Association	9,439	1	,002
Number of Valid Cases	100		
a. 4 cells (40,0%) %) have expected count less than 5. The minimum expected count is ,22.			

Source: Self-made table, 2018

6) Relationship testing between gender and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more

H0: There is no relationship between gender and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more.

The variables are independent.

H1: There is a relationship between gender and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more.

The variables are not independent.

Test at .05 level of significance; P value (.000) according to the table 6.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is a relationship between these two variables.

Table 6.1. Cross tabulation of gender and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more

| | | Do ASOS's Promo Codes, Coupons, Cash back service and Deals make you to buy more? | | Total |
		Yes	No	
What is your gender?	Female	65	13	78
	Male	8	14	22
Total		73	27	100

Source: Self-made table, 2018

Table 6.2. Chi-Square tests of gender and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more

	Value	Df..	Asymp.Sig. (2-sided)	Exact significance (2-sided)	Exact vakue (1-sided)
Pearson Chi-Square	19,207[a]	1	,000		
Correction for continuity	16,898	1	,000		
Likelihood Ratio	17,523	1	,000		
Fishers exact test				,000	,000
Linear-by-Linear Association	19,015	1	,000		
Number of Valid Cases	100				

a. 0 cells (0)have expected count less than 5. The minimum expected count is 5,94.
b. Calculated only for the table 2x2

Source: Self-made table, 2018

7) Relationship testing between gender and interest in Russian designers collaborations with ASOS

H0: There is no relationship between gender and interest in Russian designers collaborations with ASOS.

The variables are independent.

H1:   There is a relationship between gender interest in Russian designers collaborations with ASOS.

The variables are not independent.

 Test at .05 level of significance; P value (.000) according to the table 7.2

 P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

 There is a relationship between these two variables.

Table 7.1. Cross tabulation of gender and interest in Russian designers collaborations with ASOS

		Are you interested in Russian designers collaborations with ASOS?		Total
		Yes	No	Total
What is your gender?	Female	66	12	78
	Male	9	13	22
Total		75	25	100

Source: Self-made table

Table 7.2. Chi-Square tests of gender and interest in Russian designers collaborations with ASOS

	Value	Df.	Asymp.Sig. (2-sided)	Exact significance (2-sided)	Exact vakue (1-sided)
Pearson Chi-Square	17,483a	1	,000		
Correction for continuity	15,229	1	,000		
Likelihood Ratio	15,725	1	,000		
Fishers exact test				,000	,000
Linear-by-Linear Association	17,308	1	,000		
Number of Valid Cases	100				
a. 0 cells (,0%) have expected count less than 5. The minimum expected count is 5,50.					
b. Calculated only for the table 2x2					

Source: Self-made table, 2018

8) Relationship testing between region of Russia and method of shopping fashion items

 H0: There is no relationship between region of Russia and method of shopping fashion items.

The variables are independent.

H1: There is a relationship between region of Russia and method of shopping fashion items.

The variables are not independent.

Test at .05 level of significance; P value (.002) according to the table 8.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is a relationship between these two variables.

Table 8.1. Cross tabulation of region of Russia and method of shopping fashion items

| | | What is your usual method of shopping fashion items? | | | |
		Visiting the store	Shopping online via the website	Shopping online via the app	Total
In which region of Russia do you live?	Central district (Moscow)	21	12	15	48
	Northwestern district (Saint-Petersburg)	4	9	4	17
	Ural district	10	2	0	12
	North Caucasus	0	1	1	2
	Far Eastern district	2	0	0	2
	Siberian district	12	1	0	13
	Volga district	0	0	1	1
	South district	4	1	0	5
Total		53	26	21	100

Source: Self-made table, 2018

Table 8.2. Chi-Square tests of region of Russia and method of shopping fashion items

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	33,626[a]	14	,002
Likelihood Ratio	39,767	14	,000
Linear-by-Linear Association	10,349	1	,001
Number of Valid Cases	100		
a. 18 cells (75,0%) have expected count less than 5. The minimum expected count is ,21.			

Source: Self-made table, 2018

9) Relationship testing between region of Russia and frequency of searching for fashion items online

H0: There is no relationship between region of Russia and frequency of searching for fashion items online.

The variables are independent.

H1: There is a relationship between region of Russia and frequency of searching for fashion items online.

The variables are not independent.

Test at .05 level of significance; P value (.324) according to the table 9.2 in the appendix

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables.

Table 9.1. Cross tabulation of region of Russia and frequency of searching for fashion items online

| | | How often do you search for fashion items online? | | | | | | |
		Every day	Twice a week	Once a week	Once a month	Every couple of months	Rarely	Total
In which region of Russia do you live?	Central district (Moscow)	14	9	10	9	2	4	48
	Northwestern district (Saint-Petersburg)	7	1	5	2	1	1	17
	Ural district	3	3	4	0	2	0	12
	North Caucasus	0	0	1	0	1	0	2
	Far Eastern district	0	0	1	1	0	0	2
	Siberian district	4	5	0	2	0	2	13
	Volga district	0	1	0	0	0	0	1
	South district	0	0	1	2	1	1	5
Total		28	19	22	16	7	8	100

Source: Self-made table, 2018

Table 9.2. Chi-Square tests of region of Russia and frequency of searching for fashion items online

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	38,250[a]	35	,324
Likelihood Ratio	42,936	35	,168
Linear-by-Linear Association	1,696	1	,193
Number of Valid Cases	100		
a.44 cells (91,7%) have expected count less than 5. The minimum expected count is ,07.			

Source: Self-made table, 2018

10) Relationship testing between region of Russia and activity on social networking websites

H0: There is no relationship between region of Russia and activity on social networking websites.

The variables are independent.

H1: There is a relationship between region of Russia and activity on social networking websites.

The variables are not independent.

Test at .05 level of significance; P value (.578) according to the table 10.2

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables.

Table 10.1. Cross tabulation of region of Russia and activity on social networking websites

		In typical day, how likely are you to use social networking websites (e.g. Facebook, Vkontakte, Instagram, Twitter, YouTube, etc.) ?					Total
		Extremely likely	Very likely	Moderately likely	Slightly likely	Not at all	
In which region of Russia do you live?	Central district (Moscow)	21	19	5	2	1	48
	Northwestern district (Saint-Petersburg)	5	7	5	0	0	17

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Ural district	5	5	1	1	0	12
North Caucasus	1	1	0	0	0	2
Far Eastern district	0	1	1	0	0	2
Siberian district	5	6	2	0	0	13
Volga district	0	0	1	0	0	1
South district	1	3	0	0	1	5
Total	38	42	15	3	2	100

Source: Self-made table, 2018

Table 10.2. Chi-Square tests of region of Russia and activity on social networking websites

	Value	Df..	Asymp.Sig. (2-sided)
Pearson Chi-Square	25,903[a]	28	,578
Likelihood Ratio	21,283	28	,813
Linear-by-Linear Association	1,018	1	,313
Number of Valid Cases	100		
a. 33 cells (82,5%) have expected count less than 5. The minimum expected count is ,02.			

Source: Self-made table, 2018

11) Relationship testing between region of Russia and importance of clothes and fashion to consumer

H0: There is no relationship between region of Russia and importance of clothes and fashion to consumer.

The variables are independent.

H1: There is a relationship between region of Russia and importance of clothes and fashion to consumer.

The variables are not independent.

Test at .05 level of significance; P value (.004) according to the table 11.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is a relationship between these two variables.

Table 11.1. Cross tabulation of region of region of Russia and importance of clothes and fashion to consumer

| | | How important are clothes and fashion to you? | | | | | |
		Extremely important	Very important	Somewhat important	Not so important	Not at all important	Total
In which region of Russia do you live?	Central district (Moscow)	3	26	16	2	1	48
	Northwestern district (Saint-Petersburg)	5	9	2	1	0	17
	Ural district	2	8	2	0	0	12
	North Caucasus	0	0	0	2	0	2
	Far Eastern district	0	1	0	1	0	2
	Siberian district	3	5	4	1	0	13
	Volga district	0	0	0	1	0	1
	South district	0	1	2	2	0	5
Total		13	50	26	10	1	100

Source: Self-made table, 2018

Table 11.2. Chi-Square tests of region of region of Russia and importance of clothes and fashion to consumer

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	52,038[a]	28	,004
Likelihood Ratio	38,575	28	,088
Linear-by-Linear Association	2,578	1	,108
Number of Valid Cases	100		
a. 34 cells (85,0%) have expected count less than 5. The minimum expected count is 01.			

Source: Self-made table, 2018

12) Relationship testing between region of Russia and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more

H0: There is no relationship between region of Russia and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more.

The variables are independent.

H1: There is a relationship between region of Russia and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more.

The variables are not independent.

Test at .05 level of significance; P value (.502) according to the table 12.2

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables.

Table 12.1. Cross tabulation of region of region of Russia and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more

		Do ASOS's Promo Codes, Coupons, Cash back service and Deals make you to buy more?		Total
		Yes	No	
In which region of Russia do you live?	Central district (Moscow)	35	13	48
	Northwestern district (Saint-Petersburg)	15	2	17
	Ural district	9	3	12
	North Caucasus	1	1	2
	Far Eastern district	1	1	2
	Siberian district	9	4	13
	Volga district	0	1	1
	South district	3	2	5
Total		73	27	100

Source: Self-made table, 2018

Table 12.2. Chi-Square tests of region of region of region of Russia and influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	6,326[a]	7	,502
Likelihood Ratio	6,445	7	,489
Linear-by-Linear Association	1,446	1	,229
Number of Valid Cases	100		

a. 11 cells (68,8%) have expected count less than 5. The minimum
expected count is ,27.

Source: Self-made table, 2018

13) Relationship testing between preference in products purchased online and quantity of income spending on shopping for fashion

H0: There is no relationship between preference in products purchased online and quantity of income spending on shopping for fashion.

The variables are independent.

H1: There is a relationship between preference in products purchased online and quantity of income spending on shopping for fashion.

The variables are not independent.

 Test at .05 level of significance; P value (.304) according to the table 13.2

 P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

 There is no relationship between these two variables.

Table 13.1. Cross tabulation of region of preference in products purchased online and quantity of income spending on shopping for fashion

		How much of your income do you spend on shopping for fashion?				
		0-9%	10-19%	20-29%	30% and more	Total
What types of product do you typically buy online?	Shoes, Clothes, Accessories	14	19	9	18	60
	Electronic products, Gadgets, Tech	4	4	3	1	12
	Beauty products, Cosmetics	1	11	2	6	20
	Health Products	0	2	1	1	4
	Home items	1	1	2	0	4
Total		20	37	17	26	100

Source: Self-made table, 2108

Table 13.2. Chi-Square tests of region of preference in products purchased online and quantity of income spending on shopping for fashion

	Value	Df.	Asymp.Sig. (2-sided)

Pearson Chi-Square	13,951ª	12	,304
Likelihood Ratio	16,008	12	,191
Linear-by-Linear Association	,004	1	,948
Number of Valid Cases	100		
a. 14 cells (70,0%) have expected count less than 5. The minimum expected count is,68.			

Source: Self-made table, 2018

14) Relationship testing between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and quantity of income spending on shopping for fashion

H0: There is no relationship between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and quantity of income spending on shopping for fashion.

The variables are independent.

H1: There is a relationship between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and quantity of income spending on shopping for fashion.

The variables are not independent.

Test at .05 level of significance; P value (.681) according to the table 14.2

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables.

Table 14.1. Cross tabulation of region of usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and quantity of income spending on shopping for fashion

		Do you use the social networks to get the ideas "what to wear/buy" and follow the latest fashion trends?			
		Yes	From time to time	No	Total
How much of your income do you spend on shopping for fashion?	0-9%	5	11	4	20
	10-19%	12	23	2	37
	20-29%	5	9	3	17
	30% and more	8	16	2	26
Total		30	59	11	100

Source: Self-made table, 2018

Table 14.2. Chi-Square tests of region of region of usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and quantity of income spending on shopping for fashion

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	3,965ᵃ	6	,681
Likelihood Ratio	3,856	6	,696
Linear-by-Linear Association	,308	1	,579
Number of Valid Cases	100		
a. 4 cells (33,3%) have expected count less than 5. The minimum expected count is 1,87.			

Source: Self-made table, 2018

15) Relationship testing between importance of clothes and fashion to consumer and quantity of income spending on shopping for fashion

H0: There is no relationship between importance of clothes and fashion to consumer and quantity of income spending on shopping for fashion.

The variables are independent.

H1: There is a relationship between importance of clothes and fashion to consumer and quantity of income spending on shopping for fashion.

The variables are not independent.

Test at .05 level of significance; P value (.008) according to the table 15.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is no relationship between these two variables.

Table 15.1. Cross tabulation of region of importance of clothes and fashion to consumer and quantity of income spending on shopping for fashion

		How important are clothes and fashion to you?					Total
		Extremely important	Very important	Somewhat important	Not so important	Not at all important	
How much of your income do you spend on shopping for fashion?	0-9%	2	4	12	2	0	20
	10-19%	5	20	9	3	0	37
	20-29%	2	9	1	4	1	17
	30% and more	4	17	4	1	0	26

	13	50	26	10	1	100
Total	13	50	26	10	1	100

Source: Self-made table, 2018

Table 15.2. Chi-Square tests of region of region of importance of clothes and fashion to consumer and quantity of income spending on shopping for fashion

	Value	Df..	Asymp.Sig. (2-sided)
Pearson Chi-Square	27,078[a]	12	,008
Likelihood Ratio	25,144	12	,014
Linear-by-Linear Association	3,509	1	,061
Number of Valid Cases	100		
a. 13 cells (65,0%) have expected count less than 5. The minimum expected count is ,17.			

Source: Self-made table, 2018

16) Relationship testing between frequency of searching for fashion items online and activity on social networking websites

H0: There is no relationship between frequency of searching for fashion items online and activity on social networking websites.

The variables are independent.

H1: There is a relationship between frequency of searching for fashion items online and activity on social networking websites.

The variables are not independent.

Test at .05 level of significance; P value (.179) according to the table 16.2

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables.

Table 16.1. Cross tabulation of region of frequency of searching for fashion items online and activity on social networking websites

		In typical day, how likely are you to use social networking websites (e.g. Facebook, Vkontakte, Instagram, Twitter, YouTube, etc.) ?					
		Extremely likely	Very likely	Moderately likely	Slightly likely	Not at all	Total
How often do you search for fashion items online?	Everyday	14	13	1	0	0	28
	Twice a week	10	6	2	1	0	19
	Once a week	6	11	4	1	0	22

Once a month	3	8	4	1	0	16
Every couple of months	2	2	2	0	1	7
Rarely	3	2	2	0	1	8
Total	38	42	15	3	2	100

Source: Self-made table, 2018

Table 16.2. Chi-Square tests of region of frequency of searching for fashion items online and activity on social networking websites

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	25,620[a]	20	,179
Likelihood Ratio	23,933	20	,245
Linear-by-Linear Association	9,965	1	,002
Number of Valid Cases	100		
a. 22 cells (73,3%) have expected count less than 5. The minimum expected count is,14.			

Source: Self-made table, 2018

17) Relationship testing between frequency of searching fashion items online and following ASOS on social media

H0: There is no relationship between frequency of searching fashion items online and following ASOS on social media.

The variables are independent.

H1: There is a relationship between frequency of searching fashion items online and following ASOS on social media.

The variables are not independent.

Test at .05 level of significance; P value (.010) according to the table 17.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is a relationship between these two variables.

Table 17.1. Cross tabulation of region of frequency of searching fashion items online and following ASOS on social media

		Do you follow ASOS on any of the following social media: Facebook, Vkontakte, Instagram, Twitter, YouTube?		Total
		Yes	No	Total
How often do you search for fashion items online?	Everyday	22	6	28
	Twice a week	14	5	19
	Once a week	10	12	22
	Once a month	10	6	16
	Every couple of months	4	3	7
	Rarely	1	7	8
Total		61	39	100

Source: Self-made table, 2018

Table 17.2. Chi-Square tests of region of region of frequency of searching fashion items online and following ASOS on social media

	Value	Df..	Asymp.Sig. (2-sided)
Pearson Chi-Square	15,123ᵃ	5	,010
Likelihood Ratio	15,677	5	,008
Linear-by-Linear Association	10,038	1	,002
Number of Valid Cases	100		
a. 4 cells (33,3%) have expected count less than 5. The minimum expected count is 2,73.			

Source: Self-made table, 2018

18) Relationship testing between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and activity on social networking websites

H0: There is no relationship between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends.

The variables are independent.

H1: There is a relationship between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends.

The variables are not independent.

Test at .05 level of significance; P value (.063) according to the table 18.2

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables.

Table 18.1. Cross tabulation of region of usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and activity on social networking websites

| | | Do you use the social networks to get the ideas "what to wear/buy" and follow the latest fashion trends? | | | |
		Yes	From time to time	No	Total
In typical day, how likely are you to use social networking websites (e.g. Facebook, Vkontakte, Instagram, Twitter, YouTube, etc.) ?	Extremely likely	15	19	4	38
	Very likely	9	28	5	42
	Moderately likely	3	11	1	15
	Slightly likely	3	0	0	3
	Not at all	0	1	1	2
Total		30	59	11	100

Source: Self-made table, 2018

Table 18.2. Chi-Square tests of region of usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and activity on social networking websites

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	14,816a	8	,063
Likelihood Ratio	14,438	8	,071
Linear-by-Linear Association	,495	1	,482
Number of Valid Cases	100		
a. 10 cells (66,7%) have expected count less than 5. The minimum expected count is,22.			

Source: Self-made table, 2018

19) Relationship testing between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and following ASOS on social media

H0: There is no relationship between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and following ASOS on social media.

The variables are independent.

H1: There is a relationship between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and following ASOS on social media. The variables are not independent.

Test at .05 level of significance; P value (.001) according to the table 19.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is no relationship between these two variables.

Table 19.1. Cross tabulation of region of usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and following ASOS on social media

| | | Do you use the social networks to get the ideas "what to wear/buy" and follow the latest fashion trends? | | | |
		Yes	From time to time	No	Total
Do you follow ASOS on any of the following social media: Facebook, Vkontakte, Instagram, Twitter, YouTube?	Yes	24	35	2	61
	No	6	24	9	39
Total		30	59	11	100

Source: Self-made table, 2018

Table 19.2. Chi-Square tests of region of usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and following ASOS on social media

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	13,099[a]	2	,001
Likelihood Ratio	13,566	2	,001
Linear-by-Linear Association	12,061	1	,001
Number of Valid Cases	100		
a. 1 cells (16,7%) have expected count less than 5. The minimum expected count is 4,29.			

Source: Self-made table, 2018

20) Relationship testing between the preference in brand segment on ASOS and following ASOS on social media

H0: There is no relationship between the preference in brand segment on ASOS and following ASOS on social media.

The variables are independent.

H1: There is a relationship between the preference in brand segment on ASOS and following ASOS on social media.

The variables are not independent.

Test at .05 level of significance; P value (.001) according to the table 20.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is no relationship between these two variables.

Table 20.1. Cross tabulation of the preference in brand segment on ASOS and following ASOS on social media

		Which of the brand segment do you prefer to buy from ASOS?				
		ASOS brand	Unique brands which are impossible to buy offline in Russia	Luxurious brands	The brand doesn't matter for me	Total
Do you follow ASOS on any of the following social media: Facebook, Vkontakte, Instagram, Twitter, YouTube?	Yes	20	21	8	12	61
	No	3	12	3	21	39
Total		23	33	11	33	100

Source: Self-made table, 2018

Table 20.2. Chi-Square tests of region of the preference in brand segment on ASOS and following ASOS on social media

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	15,665[a]	3	,001
Likelihood Ratio	16,523	3	,001
Linear-by-Linear Association	13,335	1	,000
Number of Valid Cases	100		
a. 1 cells (12,5%) have expected count less than 5. The minimum expected count is 4,29.			

Source: Self-made table, 2018

21) Relationship testing between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and importance of clothes and fashion to consumer

H0: There is no relationship between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and importance of clothes and fashion to consumer.

The variables are independent.

H1: There is a relationship between usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and importance of clothes and fashion to consumer.

The variables are not independent.

Test at .05 level of significance; P value (.000) according to the table 21.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is no relationship between these two variables.

Table 21.1. Cross tabulation of usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and importance of clothes and fashion to consumer

		How important are clothes and fashion to you?					
		Extremely important	Very important	Somewhat important	Not so important	Not at all important	Total
Do you use the social networks to get the ideas "what to wear/buy" and follow the latest fashion trends?	Yes	8	17	4	1	0	30
	From time to time	5	30	20	3	1	59
	No	0	3	2	6	0	11
Total		13	50	26	10	1	100

Source: Self-made table, 2018

Table 21.2. Chi-Square tests of usage social networks as a source for ideas 'what to wear/buy' and follow the latest fashion trends and importance of clothes and fashion to consumer

	Value	Df..	Asymp.Sig. (2-sided)
Pearson Chi-Square	36,888[a]	8	,000
Likelihood Ratio	27,839	8	,001

Linear-by-Linear Association	18,407	1	,000
Number of Valid Cases	100		
a. 8 cells (53,3%) have expected count less than 5. The minimum expected count is ,11.			

Source: Self-made table, 2018

22) Relationship testing between preference in style of clothes and the preference in brand segment on ASOS

H0: There is no relationship between preference in style of clothes and the preference in brand segment on ASOS.

The variables are independent.

H1: There is a relationship between preference in style of clothes and the preference in brand segment on ASOS.

The variables are not independent.

Test at .05 level of significance; P value (.168) according to the table 22.2

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables.

Table 22.1. Cross tabulation of preference in style of clothes and the preference in brand segment on ASOS

		Which of the brand segment do you prefer to buy from ASOS?				
		ASOS brand	Unique brands which are impossible to buy offline in Russia	Luxurious brands	The brand doesn't matter for me	Total
What style of clothes do you like to wear?	Classic (which is suitable for office/formal dress code)	7	3	5	6	21
	Sport style (comfort is the most important)	4	5	1	5	15
	Casual	9	21	2	16	48

Fashionable (following the latest trends, comfort is less important)	3	4	3	4	14
Old fashioned (vintage clothes)	0	0	0	2	2
Total	23	33	11	33	100

Source: Self-made table, 2018

Table 22.2. Chi-Square tests of preference in style of clothes and the preference in brand segment on ASOS

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	16,529[a]	12	,168
Likelihood Ratio	16,857	12	,155
Linear-by-Linear Association	,692	1	,405
Number of Valid Cases	100		
a. 14 cells (70,0%) have expected count less than 5. The minimum expected count is,22.			

Source: Self-made table, 2018

23) Relationship testing between influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more and importance of clothes and fashion to consumer

H0: There is no relationship between influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more and importance of clothes and fashion to consumer.

The variables are independent.

H1: There is a relationship between influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more and importance of clothes and fashion to consumer.

The variables are not independent.

Test at .05 level of significance; P value (.015) according to the table 23.2

P value < Level of significance H1 hypothesis is true, H0 hypothesis is rejected

There is no relationship between these two variables.

Table 23.1. Cross tabulation of influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more and importance of clothes and fashion to consumer

		Do ASOS's Promo Codes, Coupons, Cash back service and Deals make you to buy more?		Total
		Yes	No	
How important are clothes and fashion to you?	Extremely important	12	1	13
	Very important	41	9	50
	Somewhat important	14	12	26
	Not so important	5	5	10
	Not at all important	1	0	1
Total		73	27	100

Source: Self-made table, 2018

Table 23.2. Chi-Square tests of influence of ASOS Promo Codes, Coupons, Cash Back services and Deals on consumer to buy more and importance of clothes and fashion to consumer

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	12,407[a]	4	,015
Likelihood Ratio	12,709	4	,013
Linear-by-Linear Association	8,517	1	,004
Number of Valid Cases	100		
a. 4 cells (40,0%) have expected count less than 5. The minimum expected count is,27.			

Source: Self-made table, 2018

24) Relationship testing between importance of clothes and fashion to consumer and preference in style of clothes

H0: There is no relationship between importance of clothes and fashion to consumer and preference in style of clothes.

H1: There is a relationship between importance of clothes and fashion to consumer and preference in style of clothes.

Test at .05 level of significance; P value (.115) according to the table 2.2

P value > Level of significance H0 hypothesis is true, H1 hypothesis is rejected

There is no relationship between these two variables

Table 24.1. Cross tabulation of importance of importance of clothes and fashion to consumer and preference in style of clothes

		What style of clothes do you like to wear?					
		Classic (which is suitable for office/formal dress code)	Sport style (comfort is the most important)	Casual	Fashionable (following the latest trends, comfort is less important)	Old fashioned (vintage clothes)	Total
How important are clothes and fashion to you?	Extremely important	5	2	2	4	0	13
	Very important	9	6	28	6	1	50
	Somewhat important	6	6	13	1	0	26
	Not so important	1	1	5	2	1	10
	Not at all important	0	0	0	1	0	1
Total		21	15	48	14	2	100

Source: Self-made table, 2018

Table 24.2. Chi-Square tests of importance of importance of clothes and fashion to consumer and preference in style of clothes

	Value	Df.	Asymp.Sig. (2-sided)
Pearson Chi-Square	22,957[a]	16	,115
Likelihood Ratio	20,701	16	,190
Linear-by-Linear Association	1,257	1	,262
Number of Valid Cases	100		
a. 18 cells (72,0%) have expected count less than 5. The minimum expected count is ,02.			

Source: Self-made table, 2018

Table 25. Cross tabulation of importance of clothes and fashion to consumer and choice of domestic online shop

			How important are clothes and fashion to you?					
			Extremely important	Very important	Somewhat important	Not so important	Not at all important	Total
Choose online clothing shops where else	Lamoda.ru	Quantity	8	29	13	4	0	54
		In %	61,5%	58,0%	50,0%	40,0%	0,0%	
	Aliexpress. com	Quantity	7	24	11	4	0	46
		In %	53,8%	48,0%	42,3%	40,0%	0,0%	
	Wildberries .ru	Quantity	5	17	8	2	0	32
		In %	38,5%	34,0%	30,8%	20,0%	0,0%	
	Quelle.ru	Quantity	0	2	2	2	0	6
		In %	0,0%	4,0%	7,7%	20,0%	0,0%	
	KupiVIP.ru	Quantity	7	16	10	1	1	35
		In %	53,8%	32,0%	38,5%	10,0%	100,0%	
	Laredoute. ru	Quantity	1	2	0	0	0	3
		In %	7,7%	4,0%	0,0%	0,0%	0,0%	
	Shopbob.c om	Quantity	0	6	3	2	0	11
		In %	0,0%	12,0%	11,5%	20,0%	0,0%	
	Topbrands .ru	Quantity	1	4	1	0	0	6
		In %	7,7%	8,0%	3,8%	0,0%	0,0%	
Total		Quantity	13	50	26	10	1	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 26. Cross tabulation of interested in Russian designers collaborations with ASOS and reasons of choosing domestic online clothing shop

			Are you interested in Russian designers collaborations with ASOS?		Total
			Yes	No	
What could be the reasons of choosing domestic clothing shop?	Possibility to pay by cash	Quantity	33	11	44
		In %	44,0%	44,0%	
	Domestic delivery (faster and more reliable)	Quantity	53	21	74
		In %	70,7%	84,0%	
	No customs duty	Quantity	16	4	20

			21,3%	16,0%	
	Support a domestic business	Quantity	31	6	37
		In %	41,3%	24,0%	
	Russian brands	Quantity	29	1	30
		In %	38,7%	4,0%	
Total		Quantity	75	25	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 27. Cross tabulation of the reasons that make you shop and regions of Russian

			What are the reasons that make you shopping online?					
			Advertising	Saving time	Saving money	Accessibility	Relaxation	Total
In which region of Russia do you live?	Central district (Moscow)	Quantity	10	33	20	22	21	48
		In %	34,5%	50,0%	66,7%	51,2%	55,3%	
	Northwestern district (Saint-Petersburg)	Quantity	5	12	4	8	7	17
		In %	17,2%	18,2%	13,3%	18,6%	18,4%	
	Ural district	Quantity	6	7	2	4	4	12
		In %	20,7%	10,6%	6,7%	9,3%	10,5%	
	North Caucasus	Quantity	1	0	0	1	0	2
		In %	3,4%	0,0%	0,0%	2,3%	0,0%	
	Far Eastern district	Quantity	0	2	0	2	2	2
		In %	0,0%	3,0%	0,0%	4,7%	5,3%	
	Siberian district	Quantity	5	8	3	5	3	13
		In %	17,2%	12,1%	10,0%	11,6%	7,9%	
	Volga district	Quantity	1	0	0	0	0	1
		In %	3,4%	0,0%	0,0%	0,0%	0,0%	
	South district	Quantity	1	4	1	1	1	5
		In %	3,4%	6,1%	3,3%	2,3%	2,6%	
Total		Quantity	29	66	30	43	38	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 28. Cross tabulation of the reasons of choosing domestic online clothing shops and regions of Russia?

			What could be the reasons of choosing domestic online clothing shop?					
			Possibility to pay by cash	Domestic delivery (faster and more reliable)	No customs duty	Support a domestic business	Russian brands	Total
In which region of Russia do you live?	Central district (Moscow)	Quantity	17	39	12	20	19	48
	Northwestern district (Saint-Petersburg)	Quantity	8	11	5	7	3	17
	Ural district	Quantity	7	8	1	2	3	12
	North Caucasus	Quantity	1	1	0	0	0	2
	Far Eastern district	Quantity	2	1	0	0	0	2
	Siberian district	Quantity	7	9	2	6	4	13
	Volga district	Quantity	0	1	0	0	0	1
	South district	Quantity	2	4	0	2	1	5
Total		Quantity	44	74	20	37	30	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 29. Cross tabulation of of the monthly household income and things influencing consumer's shopping

			Which of the following things influence your shopping?						
			High street retailers	Magazines	Bloggers/Blogs	Friends	TV advertisements	Social media	Total
What is your approximate monthly household income (after tax)?	Less than 20,000 RUB	Quantity	2	5	7	5	1	7	14
	21,000 to 30,000 RUB	Quantity	6	8	9	10	0	12	20
	31,000 to 40,000 RUB	Quantity	4	4	4	4	2	6	11

			High street retailers	Magazines	Bloggers/Blogs	Friends	TV advertisements	Social media	Total
	41,000 to 50,000 RUB	Quantity	3	9	8	3	2	8	17
	51,000 to 70,000 RUB	Quantity	4	10	13	6	1	13	20
	71,000 to 100,000 RUB	Quantity	5	5	8	3	1	10	11
	101,000 to 150,000 RUB	Quantity	0	1	3	1	0	2	4
	More than 150,000 RUB	Quantity	0	1	2	0	0	2	3
Total		Quantity	24	43	54	32	7	60	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 30 Cross tabulation of the things influencing consumer's shopping and regions of Russia

			Which of the following things influence your shopping?						
			High street retailers	Magazines	Bloggers/Blogs	Friends	TV advertisements	Social media	Total
In which region of Russia do you live?	Central district (Moscow)	Quantity	13	18	29	15	3	31	48
	Northwestern district (Saint-Petersburg)	Quantity	4	6	8	6	2	9	17
	Ural district	Quantity	2	9	5	4	1	7	12
	North Caucasus	Quantity	0	0	2	0	0	0	2
	Far Eastern district	Quantity	1	0	1	2	0	1	2
	Siberian district	Quantity	3	7	8	2	0	10	13
	Volga district	Quantity	0	1	0	0	0	0	1
	South district	Quantity	1	2	1	3	1	2	5
Total		Quantity	24	43	54	32	7	60	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 31. Cross tabulation of gender and things influencing consumer's shopping

| | | | What is your gender? | | |
			Female	Male	Total
Which of the following things influence your shopping?	High street retailers	Quantity	21	3	24
	Magazines	Quantity	39	4	43
	Bloggers/Blogs	Quantity	46	8	54
	Friends	Quantity	21	11	32
	TV advertisements	Quantity	6	1	7
	Social media	Quantity	49	11	60
Total		Quantity	78	22	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 32. Cross tabulation of gender and fears of shopping online

| | | | What is your gender? | | |
			Female	Male	Total
Fears of shopping online	Delivery system in Russia (delay or non-delivery)	Quantity	50	13	63
	Cheap quality of product	Quantity	34	9	43
	Product damage	Quantity	20	4	24
	Chargeable return policy	Quantity	18	2	20
	Size table differs from Russian one	Quantity	40	7	47
	Unsafe payments by the Internet (prefer paying by cash)	Quantity	15	1	16
Total		Quantity	78	22	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 33. Cross tabulation of gender and reasons for online shopping

| | | | What is your gender? | | |
			Female	Male	Total
reasons for online shopping[a]	Advertising	Quantity	20	9	29

			Female	Male	Total
	Saving time	Quantity	51	15	66
	Saving money	Quantity	27	3	30
	Accessibility	Quantity	35	8	43
	Relaxation	Quantity	34	4	38
Total		Quantity	78	22	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 34. Cross tabulation of gender and other brands preferences

			What is your gender?		
			Female	Male	Total
Other brands preferences	Lamoda.ru	Quantity	47	7	54
	Aliexpress.com	Quantity	34	12	46
	Wildberries.ru	Quantity	29	3	32
	Quelle.ru	Quantity	4	2	6
	KupiVIP.ru	Quantity	29	6	35
	Laredoute.ru	Quantity	3	0	3
	Shopbob.com	Quantity	8	3	11
	Topbrands.ru	Quantity	5	1	6
Total		Quantity	78	22	100

Percentages and results are based on respondents

a. The group of dichotomies is tabulated at the time of the value 1.

Source: Self-made table, 2018

Table 35. Cross tabulation of gender and reasons to choose domestic brands

			What is your gender?		
			Female	Male	Total
Reasons to choose domestic brands	Domestic delivery (faster and more reliable)	Количество	58	16	74
	No customs duty	Quantity	17	3	20
	Possibility to pay by cash	Quantity	31	13	44
	Support a domestic business	Quantity	33	4	37
	Russian brands	Quantity	29	1	30
Total		Quantity o	78	22	100

Source: Self-made table, 2018

Table 36. Cross tabulation of fears of shopping and regions of Russia

			Fears of shopping						
			Delivery system in Russia (delay or non-delivery)	Cheap quality of product	Product damage	Chargeable return policy	Size table differs from Russian one	Unsafe payments by the Internet (prefer paying by cash)	Total
In which region of Russia do you live?	Central district (Moscow)	Quantity	28	21	11	10	24	5	48
	Northwestern district (Saint-Petersburg)	Quantity	12	8	2	4	7	1	17
	Ural district	Quantity o	8	4	5	2	5	6	12
	North Caucasus	Quantity	0	2	0	0	0	0	2
	Far Eastern district	Quantity	1	0	1	1	2	0	2
	Siberian district	Quantity	11	5	3	2	7	4	13
	Volga district	Quantity	0	1	0	0	0	0	1
	South district	Quantity	3	2	2	1	2	0	5
Total		Quantity	63	43	24	20	47	16	100

Source: Self-made table, 2018