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## **Case Study: Pricing Strategy for Thirsty Clothing**

**Pricing Strategies [KAN-CCMVV1449U]**

Written Product for Exam

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## **ABSTRACT**

This case study aims to determine the most effective pricing strategy for a sustainable clothing brand, following the introduction of a new collection. In this context, the launch of a new collection based on more minimalistic designs holds paramount significance for a company that is mainly focused on hoodies and T-shirts which transmit to the people a story with the designs. The predominant methodology employed for finding the optimal strategy is the value-based approach leveraging secondary data obtained from a survey and a report conducted by a consulting group and complemented with the company's cost structure. The findings reveal that the storytelling collection should be priced higher due to more added value through the designs, while the basic collections is opening the market for new customers with lower willingness to pay and with more minimalistic designs.

## **I. INTRODUCTION**

Thirsty Clothing is a brand whose main focus lies in sustainability. The company was founded by three university students who identified a gap in the market for affordable yet ethically and sustainably produced clothing. Their original mission was to convey the stories of endangered regions in the world through their designs. Moreover, a portion of the profits is donated to a charity related to a sustainable cause. Currently, they have released two Storylines: Aral Sea and Greenland, consisting of T-shirts and hoodies with designs inspired by the issues facing those regions. The clothing is designed to make a bold fashion statement while raising awareness about these critical global issues. These collections go beyond clothing; it includes interviews with experts who provide insight into the challenges faced by these endangered places, further emphasising the company's commitment to environmental consciousness.

However, as the company is growing, they are planning to introduce a basic collection. The 'basic' collection constitutes a range of clothing items, encompassing T-shirts and hoodies that are ready to be shipped. This collection has been conceived as a response to the ever-growing demand for sustainable and unassuming apparel in the market. It appeals to individuals who seek clothing that reflects sustainability values without drawing unwanted attention to themselves by wearing exclusive designs, allowing them to blend in and contribute to a more environmentally conscious fashion industry, but also to have a substitute for basic clothing made in a sustainable way.

## **II. RESEARCH PROBLEM**

The aim of this research is to explore the pricing strategies that can effectively meet the varied needs of both collections. Therefore, the question is: *What is the pricing strategy of the company after the introduction of the basic collection?*

## **III. DATA**

The research relies on a variety of data sources that will enable to make informed decisions about pricing. Firstly, a comprehensive report was provided, which was assembled by a consulting group with the cooperation of Thirsty. This report was designed with the primary goal of establishing the key customer type of the brand. The report is an outcome of a survey with 153 respondents, which captured insights from various segments of the customer base. Its multifaceted analysis enables us to assess the customer preferences and behaviours which then translate to its target demographic.

Furthermore, a document was prepared and provided by the company, which presents the details of the cost structure. This document offers a breakdown of both variable production costs and the end-to-end expenditure incurred. This detailed cost analysis will be a key driver in the cost analysis segment of this paper.

Furthermore, market research was undertaken, with a particular focus on benchmarking the brand against similar competitors. Notable names in the sustainable clothing industry were considered, including global brands such as Patagonia and H&M (sustainable line). In a more detailed perspective, Bigger Picture, a Dutch company based in Tilburg, the Netherlands, emerged as a primary competitor of Thirsty Clothing in the Dutch market and served as the main subject of our analysis. The analysis provided a better understanding of the comparable brands within the industry which is a crucial step to ensure that the recommended pricing strategy is in tune with the current market dynamics.

#### **IV. METHODOLOGY**

To analyse the current pricing strategy of the company, the focus of this study will be on the value creation for customers, due to the ethos and mission of Thirsty. By definition, value-based pricing is a pricing strategy that provides a complete understanding of the economic value of the product that is being delivered to the buyers (Nagle & Muller, 2018). Bowman and Ambrosini define ‘perceived use value’ as subjective, defined by customers, and based on their perceptions of the usefulness of the offered product. The total ‘monetary value’ is described as *“the amount the customer is prepared to pay for the product”* (Bowman & Ambrosini, 2000).

When determining the strategic price, the main focus will be on value-based pricing, as defined above. Additionally, the costs and competitors will be considered, ensuring that the price not only covers production costs but also allows for a profitable margin while maintaining the market share.

Moreover, the study will also include the concept of market segmentation, where the goal is to *“divide a market into subgroups whose members have common criteria that differentiate their buying behaviours”* (Nagle & Muller, 2018). In the case of this study, it has been explored the feasibility of implementing a different pricing structure tailored to a specific segment, the students.

Furthermore, the strategy of offering bundles will be discussed in order to see if *‘selling two or more products as a package’* (Stremersch and Tellis, 2002), is a viable strategy that would

result in higher revenue and market share, which has been applied to the ‘basic’ collection in this study.

## **V. ANALYSIS**

### ***V.I TARGET CUSTOMERS***

Thirsty Clothing aims to target a market segment characterised by a strong interest in promoting sustainable practices in the clothing industry, intending to demonstrate that sustainable products can be offered at affordable prices. Students and young adults are considered as their primary target audience. This customer type is assumed to have a limited disposable income compared to other groups, but it is also characterised by a high degree of interest in sustainability. The results of the survey, where 77% of the respondents were students, indicate that 68% expressed interest in a fashion brand that promotes sustainability. (180 Degrees Consulting Tilburg)

The strategic objective of introducing the basic collection is to expand the customer base of Thirsty by offering products to customers who have a lower willingness to pay and also to consumers who prefer more minimalistic clothing. An introduction of simple designs is catered towards consumers for whom sustainability plays a crucial role, but the unique designs and messaging do not create additional value. Furthermore, the basic collection offers an alternative for budget-conscious customers seeking everyday affordable clothing without resorting to conglomerate options. Thirsty’s strategic move recognises a market niche that values simplicity and sustainability, providing a distinct choice for consumers who prioritise both affordability and ethical considerations in their apparel choices.

When discussing the target customers, it is also crucial to mention, three price sensitivity drivers behind their purchasing decisions which are defined by Nagle & Muller (2018). Firstly, there is an “importance of end-benefit” which means that the product’s cost is a small proportion compared to the benefit obtained by multiple factors such as the psychological value in our case, this will be discussed in Section V.V. Secondly, there are “price-quality perceptions” where buyers are less sensitive to the price if the product is or appears to be good quality. Thirsty prides itself in offering good quality clothing that results in their customers’ trust. Thirdly, “perceived fairness” implies that if the relationship between quality and price seems fair, the customers will be less sensitive to the price of the product. This is a critical point when setting the prices and communicating the value to the customers concerning both the storytelling and basic collection.

## ***V.II SEGMENTATION***

When a company attempts to serve all customers with a single price, it does not effectively communicate value to the customer. This approach may potentially exclude some buyers from the market while providing others with a high-value product at a price below their willingness to pay, leaving potential revenue uncollected. Price segmentation comes into play to help design a pricing strategy that can effectively minimise this trade-off. (Nagle & Muller, 2018)

As stated in the previous section, part of the target customers are students, who typically have limited disposable income. To increase its market share and attract a broader audience, Thirsty Clothing might consider implementing third-degree price discrimination for the students, which is defined by *“a strategy that exists when different prices are charged to individuals who can be grouped according to their characteristics”* (Marburger, 2012). By incorporating demographic segmentation and offering different prices for the targeted audience, the company could be able to expand its market share. Therefore, it would be viable to consider a discount valid for all purchases, for those users who can prove that they are students.

Due to the fact that the company operates online, it should be easy to implement the price segmentation described above. The proposed approach is to offer a special discount to students who verify their identity by presenting a valid student ID during the profile creation process on the company's website. This can be achieved through a user-friendly interface that requests students to upload a photo or scan of their student ID for verification. Once validated, the system can automatically apply the exclusive discount to their purchases, ensuring a smooth and customised process.

## ***V.III PRICING OBJECTIVES***

Introducing the basic collection implies that Thirsty Clothing is now expanding its product range with the intention of capturing more customers and increasing its market share, while also serving its current customers with a wider offer.

As presented earlier in this report, the targeted customers of the company can be described as individuals interested in supporting sustainable practices within the clothing industry, a fact that is reflected in the ethos of Thirsty Clothing, but with limited disposable income. It is presumed that Thirsty's products create value with a positive impact on customers, attributed to the physiological value they provide. This perceived added value is expected to differentiate Thirsty's products from other non-sustainable alternatives in the market, potentially justifying

higher prices. However, pricing must remain affordable to the targeted audience, given their limited disposable income.

Another aspect that was considered when defining the pricing objectives is that the consultancy report concluded that the company should increase their product range and consider lowering its prices. Based on that, Thirsty Clothing is planning on setting prices for the basic collection lower than the storytelling, transforming the collection with unique designs and higher created value as a premium product offered by the company. This decision is further explained in section V.V Analysis of different pricing orientations

Competitors' prices are also taken into account when setting price targets. As stated in Thirsty Clothing's ethos and earlier in this report, they aim to provide sustainable products at affordable prices. In order to achieve this, the pricing objectives are in line with the willingness to pay identified in the consultancy report provided without deviating too far from other alternatives in the market.

#### ***V.IV VALUE COMMUNICATION***

Communicating the value of the products can have a significant impact on sales and improve the price realisation process (Nagle & Muller, 2018). In the case of Thirsty, a robust strategy of setting and introducing the prices to the consumers can further solidify for the existing customers. While it is also crucial to introduce the new customers to the non-material value that the purchase of the product will provide them.

To define the value communication strategy, two dimensions must be evaluated to provide a comprehensive description of how the product is perceived by the customer. In terms of value delivered or benefits received, the product can provide either economic benefits; which are measurable monetary values, such as cost savings and/or profit; and psychological benefits; which are non-quantifiable, such as comfort, status, etc. In terms of the buyer's involvement with the product prior to the purchase decision, it can be a low or high-searched good, with a causality where the effort of a potential buyer increases with a higher price. (Nagle & Muller, 2018)

Figure 1 presents a value communication matrix where the dimensions previously defined are presented, allowing products to be categorised based on the type of benefits they provide and the relative cost of searching for them. Thirsty products are identified as goods that offer high psychological benefits to the target audience, helping customers to have more than just a product; but also, the satisfaction of knowing that the goods they buy are aligned with their

beliefs. It is assumed that potential customers spend a great deal of time searching for products and detailed information about the raw materials used and the production methods employed. When this information is presented in a clear and concise manner, the purchase decision is made faster, reducing the time and effort required. For returning customers and those who are already familiar with the brand, the cost of searching for information is low because they recognise the value of the product and do not need to search for additional information. However, some customers can also experience a relatively high cost of searching for goods when making a purchase decision for higher-priced products, as can be the storytelling collection.

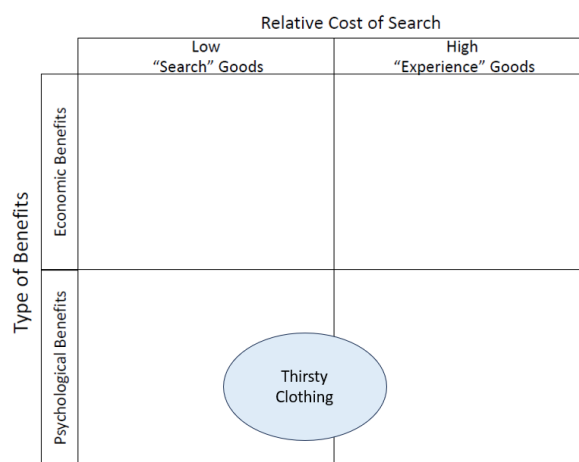


Figure 1: Value communication matrix.

## V.V ANALYSIS OF DIFFERENT PRICING ORIENTATIONS

Considering the survey conducted by the 180 Consulting Group, the results underscore an evident trend in customers' willingness to pay for Thirsty Clothing products after being introduced to the company's mission. The survey examines a T-shirt from a storytelling collection. The maximum amount that the customers are willing to pay for a sustainably produced T-shirt without knowing the brand is €30 while the lowest is €10. After getting to know the brand, the minimum value stays the same while the maximum increases to €40. However, more notably, the willingness to pay demonstrates an upward change, with the mean willingness to pay increasing from €17.19 to €24.38 when customers are introduced to the company's mission. Based on that result, a conclusion can be drawn that the value of the clothing is not only associated with the product itself but the company's objectives and ethos, enhancing the value perception of them. Based on the survey results, only 25% of the customers are willing to pay the price that is currently set for a t-shirt from a storytelling collection (€32,95). (180 Degrees Consulting Tilburg)



Following the survey findings, the optimal characteristics of an ideal fashion brand encompass durability, cost-effectiveness, aesthetic appeal, and comfort. These attributes constitute the primary value-driving factors for the identified target demographic of Thirsty. Consequently, the company is strategically positioned in relation to these criteria as the clothes are characterised as being durable, and the cost per wear is quite low because of the good quality materials being used. When it comes to aesthetic appeal and comfort, it cannot be measured as it is a highly individual feeling. However, the survey results suggest that the aesthetic appeal is questioned in some cases; women are mentioning an issue with the unisex solution of T-shirts seems to be only catering towards men.

When analysing the pricing dynamics of the ‘basic’ collection, the goal is to set inclusive price points without compromising the brand’s exclusive identity. Maintaining this delicate balance is crucial to avoid undermining product quality and ethical perception, essential pillars of customer trust. Marakanon & Panjakajornsak (Marakanon, 2017) found that perceived quality has an indirect effect on customer loyalty, through customer trust. The ‘storytelling’ collection is exclusive and can only be ordered during a limited period; afterwards, it is no longer available. While the basic collection is permanently available in stock, it does not provide the same exclusivity which consequently sets the price for the basic collection lower compared to the storytelling collection.

The made-to-order production process of the storytelling collection, with its longer waiting times, adds an element of rarity to the products but can also have a negative impact on new customers who are not familiar with the company, its quality, and its mission. Meanwhile, the on-the-shelf, ready-to-be-shipped items of the basic collection enable capturing the market for customers who are not willing to wait as long. However, it is vital to avoid letting extended waiting times dominate the pricing narrative. Instead, the emphasis should be on the inherent value the products bring. The ‘storytelling’ collection, with its clear dedication to detail and rich artistry, warrants a pricing strategy that reflects the elevated craftsmanship and value intrinsic to each piece in comparison to the ‘basis’ collection.

The ‘storytelling’ collection stands out as a symbol of uniqueness, representing a differentiation from the ordinary clothing items. This exclusivity should be reflected in its pricing, emphasising the investment in creativity and the story itself. Essentially, the ‘basic’ collection stands for affordability and accessibility, while the ‘storytelling’ collection embodies the company’s mission emphasising the company’s values, which also involve raising awareness of the covered places. Therefore, the pricing strategy should mirror this narrative.

The pricing of the basic collection being lower comes from the fact that it guarantees the sustainability and charity aspects, while the storytelling builds on top of that adding the curated story and designs. Therefore, the time and financial expenditure are higher as the designs change with every collection. Furthermore, the market for sustainable and minimalistic clothes is much greater with many more alternatives and a higher level of competition; therefore, it should also be reflected in their prices.

With respect to costs, based on the document received from the company, the variable production cost is €12 and €24 for T-shirts and Hoodies, respectively. Additionally, there are costs for the preparation for paint and embroidery, which are one-off costs incurred by the brand. These costs will be distributed over the quantity of the items sold, amounting to €15 and €30 for T-shirts and hoodies, respectively. Assuming that the company is selling around 200 items per ‘drop’, and in the last collection, there were three products of each kind with four distinguished designs in paint and one in embroidery, the overall additional cost comes up to €90. This results in an extra cost of €0.45 per item. Consequently, the current profit margins are €20.5 and €41.5 for T-shirts and hoodies. Moreover, the basic collection will still feature embroidery with the Thirsty name on it, and there will be no paint fee for any of the designs. Therefore, the one-off fee for the preparation of painting can be omitted. Following the same calculation strategy as before, the overall cost of the embroidery preparation comes down to €0.08 per item. Transportation costs were not provided, so we will assume they are negligible, considering the brand is still establishing its position in the market and does not sell large quantities that are easy to transport. Moreover, the costs of shipment to other countries than the Netherlands and Poland are paid by the customer so it also should not be included. Similarly, there will be no warehouse cost for the same reasons mentioned above.

Based on that, the cost analysis of the price floors is listed in **Error! Reference source not found..**

	Basic	ST
T-shirt	12,08	12,45
Hoody	24,08	24,45

*Table 1: Price floors for a T-shirt and hoodie in the Basic and Storytelling collection.*

Regarding the competitor analysis, according to the report of 180 Degrees Consulting Tilburg, some of the most important companies in the sustainable industry are Patagonia and the sustainable line of H&M. Nonetheless, in this study only products made with sustainable materials have been considered.

**Error! Reference source not found.** shows the prices of T-shirts and hoodies of the Storytelling collection, Bigger Picture, and Patagonia. In the case of H&M, the selection comprises items from their basic collection, and for Patagonia, the choices are from their most classic designs.

However, even though there can be observed similarities in the products, Thirsty is considered a business primarily oriented to students, which aims to offer clothes at as affordable prices as possible, as stated in the survey. As a result, Bigger Picture company has been picked as the primary competitor.

	ST	Bigger Picture	Patagonia	H&M
T-shirt	32,95	39,95	45,00 <sup>1</sup>	11,84 <sup>2</sup>
Hoody	65,95	69,95	100,00 <sup>3</sup>	32,76 <sup>4</sup>

Table 2: Prices for a t-shirt and a hoodie of Storytelling Collection (current), Bigger Picture, Patagonia, and H&M.

A research of Bigger Picture' products has been performed, and it can be observed that they do not have a wide range of products, they only sell t-shirts and hoodies as Thirsty Clothing. In terms of prices, they are slightly higher than Thirsty, 21% in T-shirts and 6% in Hoodies. However, the distinct designs of Thirsty products introduce a crucial factor influencing the final pricing strategy. Moreover, in the upcoming "basic" collection products will also differ significantly from Bigger Picture, since they are not selling fully minimalistic t-shirts and hoodies.

## V.VI BUNDLING

The concept of bundling, defined as the '*sale of two or more separate products in one package*' according to Stremersch and Tellis (2002), is considered in light of previously mentioned: customer segmentation, price analysis, and the mission of the company.

As previously emphasised, Thirsty's primary customer demographic, students, faces financial constraints, yet exhibits a strong inclination towards sustainability, therefore, the proposition of bundling emerges as a strategic approach aligning with these considerations. According to Stremersch and Tellis (2002), 'price bundling' involves '*selling two or more products at a*

<sup>1</sup> Price for a classic t-shirt with Patagonia logo made with 50% recycled cotton and 50% recycled polyester.

<sup>2</sup> Price for a basic oversized t-shirt made with 25% of recycled cotton.

<sup>3</sup> Price for a classic hoody made with 55% postconsumer recycled polyester and 45% of recycled cotton fleece.

<sup>4</sup> Price for a basic hoody made with 32% of recycled polyester and 29% of recycled cotton.

*discounted rate*'. This strategy is crucial, as the simple combination of products does not inherently generate additional value for the customers, necessitating a discount to incentivise consumer adoption (Stremersch and Tellis, 2002).

Furthermore, a comprehensive price analysis reveals that the current pricing structure, when compared to both direct and indirect competitors, registers as relatively high. Insight gained from the survey indicates that only a quarter of the market is willing to pay the previous price point for a Storytelling T-shirt. Acknowledging that willingness to pay does not invariably translate to actual sales, as a 'willingness to pay' is not a direct translation of 'willingness to accept' (Hausman, 2012). Therefore, a dual strategy encompassing product expansion and lower pricing incentives through bundling is proposed. This approach is anticipated to boost revenue generation for the company while rendering the basic collection more financially accessible.

Lastly, the company's mission underscores the dual principles of sustainability and affordability in clothing - an association not always easily reconciled. Therefore, the strategic integration of discounting through bundling, aligning with the commitment to offering more affordable clothing, is deemed viable and coherent initiative.

The main objective of this proposed price bundling is to highlight the accessibility of the basic collection, so we are proposing three bundling possibilities and their respective prices:

- Two basic T-shirts – €50
- Three basic T-shirts - €70
- Basic T-shirt + Basic Hoody – 5% discount (€73)

Choosing to primarily focus on bundling Basic T-shirts centres on a practical approach, focusing on versatility and mass appeal. These T-shirts, with their neutral design, cater to a broader demographic, making them suitable for various occasions and personal preferences. Taking into account sustainability and affordability, the widespread presence of this staple in people's wardrobes necessitates making them more accessible and also makes the brand more competitive in the market. Moreover, the exclusivity of the storytelling collection remains, even after the introduction of this strategy.

## VI. FINAL PRICING STRATEGY

Based on the analysis above, the pricing strategy for the Basic and Storytelling collections can be found in Table 3:

	Basic	New ST
T-shirt	26,95	34,95
Hoody	49,95	64,95

Table 3: Final prices for the Basic and Storytelling collection

## VII. FINANCIAL IMPACT OF THE PRICING DECISION

An introduction of the basic collection is not only serving the purpose of accommodating customers who have a preference for more minimalistic clothing but also expanding the customer base through lower prices. The rationale presented thus far justifies our recommendation for the implementation of distinct pricing strategies for the ‘basic’ and ‘storytelling’ collections.

To get a more concrete analysis of the impact generated by the defined pricing strategy, a financial analysis was performed based on the information provided by the company regarding costs and past sales levels. As presented in previous sections, it was possible to determine the total production costs for T-shirts and hoodies. Using that information and the number of units sold during the last Storytelling campaign, the financial analysis output a € 5.500 profit for the company when selling a total of 200 units (130 T-shirts and 70 hoodies<sup>5</sup>), as shown in Table 4

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Product	Price (€)	Units sold	Costs(€)	Revenue (€)	Profit (€)
T-shirts	32,95	130	12,45	4.283,50	2.665,00
Hoodies	65,95	70	25,45	4.616,50	2.835,00

<b>Total profit (€)</b>	<b>5.500,00</b>
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Table 4: Financial analysis based on the “Greenland” storytelling collection results.

To have a comprehensive analysis and the potential financial impact of implementing the new pricing strategy explained in this report, the financial analysis was repeated. It included the

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<sup>5</sup> Information provided by the company.

strategies presented in previous sections like market segmentation and the possibility of bundling.

The analysis is based on the following assumptions:

- Due to the pricing strategy and the introduction of the new collection, demand is estimated to increase by 50% during the year (from 200 units to 300 units in total)
- Students represent 50% of the customers.
- There are three bundling options:
  - Option 1 represents 15% of the basic T-shirt sales.
  - Option 2 represents 10% of the basic T-shirt sales.
  - Option 3 represents 10% of the basic T-shirt sales, representing 30% of the sales from basic hoodies.
- Due to segmentation, students get a 10% discount on all purchases.

Following the outlined assumptions, the financial result of adopting the new strategy shows an estimated profit of €6.581 as shown in Table 5.

Products	Units sold	Students	Other	Price students (€)	Price other (€)	Costs(€)	Revenue (€)	Profit (€)
Bund. Option 1	9	5	4	45,00	50,00	24,16	425,00	207,56
Bund. Option 2	4	2	2	63,00	70,00	36,24	266,00	121,04
Bund. Option 3	12	6	6	65,70	73,00	36,16	832,20	398,28
Basic T-shirts	78	39	39	24,26	26,95	12,08	1.997,00	1.054,76
Basic Hoodies	28	14	14	44,96	49,95	24,08	1.328,67	654,43
ST T-shirts	60	30	30	31,46	34,95	12,45	1.992,15	1.245,15
ST Hoodies	80	40	40	58,46	64,95	25,45	4.936,20	2.900,20
<b>Total profit (€)</b>								<b>6.581,42</b>

*Table 5: Financial analysis of applying the proposed pricing strategy.*

In the financial analysis, it was expected that the Storytelling collection may experience a decrease in units sold in comparison to the past year, as some customers may now prefer the basic collection due to its lower prices or simpler designs. However, the introduction of the basic collection is expected to increase Thirsty's market share and attract new customers who did not previously purchase from the company due to the absence of a basic clothing offering. By expanding the customer base, the company will be able to reach a broader audience, potentially leading to an increase in units sold in the coming years.

## VIII. CONCLUSIONS AND DISCUSSION

A pricing strategy of a company has a crucial impact on the consumers' decisions which translate to sales. This strategy focuses on opening the market to new customers through the introduction of a new type of clothing – a basic collection. When setting the prices for the new products it is vital to re-visit the pricing of the already existing products to have them placed well relatively to each other in order to maximise profits. Therefore, this research focuses on establishing prices for the new clothing pieces but also revisiting the prices for the 'storytelling' collection. The non-negotiable when launching the new strategy is aligning it with the mission of the company which is to provide affordable yet sustainable products.

As the designer of the storytelling collection is one of the founders and it is a very young company, rather a side project of the students, there are no major costs associated with the creation of the designs. Therefore, the costs between the basic and the storytelling collections are marginal. Even with the costs being extremely similar, the pricing strategy is to set the prices for the storytelling collection higher than the basics. It is justified by the value creation for the customers of the first one, while the following one's primary objective is to open the market to the customers that have a lower willingness to pay and are looking for minimalistic designs. This case study predicts that the most popular product would be the basic T-shirt, it is based on the fact that it is the cheapest and the most popular product in general.

On top of that, the possibility of bundling to boost sales is explored alongside a discount for the primary customers – students. Three possibilities of bundling are being considered, the choice is to only introduce bundling for the basic collection, in order to not to devalue the perceived value of the storytelling products. The strategies focus on the t-shirts primarily, as they are the products with the highest turnaround, so the customer would need the most of them. The discount for the students is a response to the low willingness to pay and low disposable income represented by this segment of the customer base.

## **IX. LIMITATIONS**

When addressing the limitations of our study, the primary concern was the lack of information in the survey provided regarding hoodies. This was because all the questions were oriented towards t-shirts. Therefore, it was not possible to review the minimum and maximum prices that a customer is willing to pay before and after learning about the company's story, a factor that is crucial setting the final price. Hence, the launch of a new survey asking about t-shirts and hoodies, might enhance the accuracy and reach of the price that clients would afford.

Furthermore, conducting market research brought a challenge due to the scarcity of direct competitors. Apart from Bigger Picture, no other company offering t-shirts and hoodies at affordable prices, crafted from 100% organic and certified company, was identified. Consequently, H&M and Patagonia have been used solely as points of reference, recognising the need for a broader analysis to find more competitors and improve the scope of the research.

## X. OTHER RECOMMENDATIONS

As an additional recommendation to enhance the value creation aspect and counteract greenwashing, Thirsty Clothing may consider adopting a strategy akin to that employed by the Parisian brand, Attire The Studio. This involves introducing a Price Transparency Tab, a measure aligned with the ethos of both companies (Sonia V-Neck Sweater Blue, n.d.). Attire The Studio, similarly to Thirsty Clothing, is driven by a commitment to affordability, producing timeless, high-quality clothing with sustainability as a central consideration.

Despite variations in approach, particularly in terms of design philosophy and material choices, both brands share a common commitment to combating greenwashing and a dual pursuit of affordability and quality. Attire The Studio, founded by a high-fashion and luxury influencer, distinguishes itself by positioning its brand and products differently from Thirsty Clothing. Nevertheless, because of underlying similarities it would be worth considering.

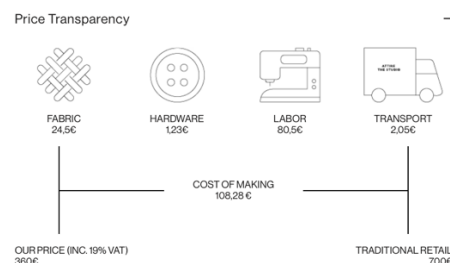


Figure 2: Attire The Studio price transparency.



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