

How did market integration shape Marimekko's business environment?

- Free flow: goods, capital, people, service
- Finland joined in 1995
- Reduced obstacles to internationalization
- Harmonized and standardized
- Increased competition

Is European integration a benefit for Marimekko or rather a challenge?

- Bigger market → growth
- Increased purchasing power
- Intense competition
- Domestic production
- Regulation and protection

Compare Marimekko's net sales development and report your findings

- a. The company benefited of the free trade agreements and the lifting of important restrictions for the EFTA members.
- b. Later on, Finland joined the EU (1995) and further growth was facilitated as operations could now easily cross borders
- c. The integration of the group to the EU market was enhanced when € was put in place as common currency helped to reduce transactional costs
- d. The EU accepted new members which put additional pressure on prices

Does Marimekko's expansion strategy follow the Uppsala model? Could outsourcing be a benefit?

- They should NOT outsource as they prioritize high quality over low priced production (quality over quantity)

For Marimekko, was the euro a benefit or a challenge during the economic crisis and following it?

The pro's

- Reduction of transactional costs
- Price transparency
- Stable cross-border trade
- In a wholesale point of view prices became more uniform
- Depreciation of the euro will promote exports expansion

Contra's

- During the financial crisis as it lost value against other currencies
- Dependence on economic situation of member states
- Countries have different monetary requirements e.g. Greece and Germany