

Successful Market entry in the Nordics



Before Launch

Before entering a new market it is valuable to get a general understanding as well as an idea about the business potential. By doing a study in an early phase it will give you an indication about your business opportunity in the market. This will also give you a solid foundation for the go to market strategy when you decide to go through with a market entry. To get a qualitative overview of the market, the market research should at least include the following topics presented on the next page.



01. Potential

What is the market worth and how big share is realistic for you to take?

02. Channels

How do you reach your consumers? Is there any customer you aim to work closer with?

03. Price point

Where is your product and how sensitive is it to the price level? Understand what margin is expected from the retailer, depending on what category it is.

04. Competition

What kind of products do already exist on the market? Analyse the competitions quality, design, price and added values such as eco labels, health benefits etc.

05. Logistics

Which is the most cost-efficient route from production to shelf? Depending on your sale channels you might need to set up a mid-warehouse in the country you are exporting to. This is important to do in an early stage so you can use it when deciding your pricing strategy.

06. P&L

Calculate how much it cost you to get the product on the shelf. Do not forget to include shipment, potential tariffs when calculating the retail price and to include VAT to the consumer price.

07. Customs

To avoid any unexpected costs or unpleasant events it is important to understand if there is any customs or barriers to trade that will affect your supply chain.

Even though Nordic countries shares some similarities, they all have their unique cultures, language, and traits.

So, you have this amazing product that you really think the Nordic consumers would love? Great, but before you jump right into it, there are some important issues that you need to be aware of for a successful market entry.



The consumer must understand the product, if not, it will fail. One of our most important and perhaps least controversial lessons is that the launches based on a deep understanding of the user's problems, behaviour and needs have also been the most successful. To really understand the target audiences and consumers in depth is incredibly valuable - especially regarding what problems they need help solving in a meaningful way. Only with deep-rooted consumer understanding it is possible to create a clear, meaningful, and relevant Value Proposition for consumers. In the Nordics we are not always as rest of Europe and each Nordic country also has local variances. The product should also have an attractive design to appeal to Nordic consumers.



Reliable supply chain

Selecting the best fit external logistics partner is a key factor to success. Do a background check and choose the one who has experience of your kind of products and with whom you can work well with on a long term. It is necessary to find a logistics partner that suits your business. A good logistics partner gives its customers a competitive edge through competence and experience that creates more business. Your partner must also be a good partner to your customers.

GS1 offers a number of different standards for different purposes. In retail, the most common are GTIN for product identification and outer packaging, as well as SSCC for pallets. To offer the product to the trade your product must be compliant with the GS1 standard and all master data must be accurate with correct product specifications.

GS1 controls article information and product pictures for market and planogram. This will later facilitate logistics, order flow & invoices, e-commerce, production of product sheets, marketing, shelf planning & diet planning for the customer.



Trade window

With the aim of increasing efficiency in the industry, an industry-wide working group has prepared a recommendation for an approach regarding product range revisions in the grocery trade, service, and local trade. The revision windows occur only 2-3 times per product segment each year. It is therefore important to work proactively and to have everything in place when the launch windows open. Make sure you have validated the item information, prepared an attractive sales presentations and other sales materials. In addition, do not forget to have product samples close at hand so that you can send them to the customer after the sales presentation.

If you want to know when the next window is for your product, you can follow [this link >>](#)

Regulatory standards

- Depending on which country you want to enter, you might need to translate the product composition to the market's language.
- The regulatory framework covers design, packaging and text, even font sizes is also a necessary to check. If it is too small and/or unreadable, it may cost you your listings.
- A good start is to check the EU food legislation.



Central sales & in-store activities

Central sales

Now when you have your product adapted to the Nordic market it is time to meet the customers. First you need to make an outstanding product presentation. Here are some points you should include:

- **Market overview:** Present the market with the big brands and show what is driving the category forward.
- **Consumer Insights:** Show buyers that you have done your research and with data that proof to them that there is a spot for your product on their shelf
- **Product description:** Show the retailer why they cannot miss out on your product. List everything that is unique about your product and present how it stands out compared to your competitor.
- **Pictures:** Rather too many than too few! Remember that this probably is the first time the buyer sees the product, so invest your time in taking high quality pictures that represent your product in an attractive manner.
- **Offer:** The most important slide in the presentation. Present your offer with retailer price, a recommended shelf price and the retailer's margins. This will make it easy for them to understand their profit. Apart from presenting the price, you should also present a plan on how you are going to get your products off the shelf.

In-store activities

When you finally have your products on the shelf you need to take strong measures to keep the space. Support all in-store activities based on a set of KPIs defining your Perfect Store. Here are examples of some activities:



Promotions



Coupons

Research shows that 80% of purchasing decisions are made in front of the store shelf and a coupon is an effective tool to convince the customer to choose your product.

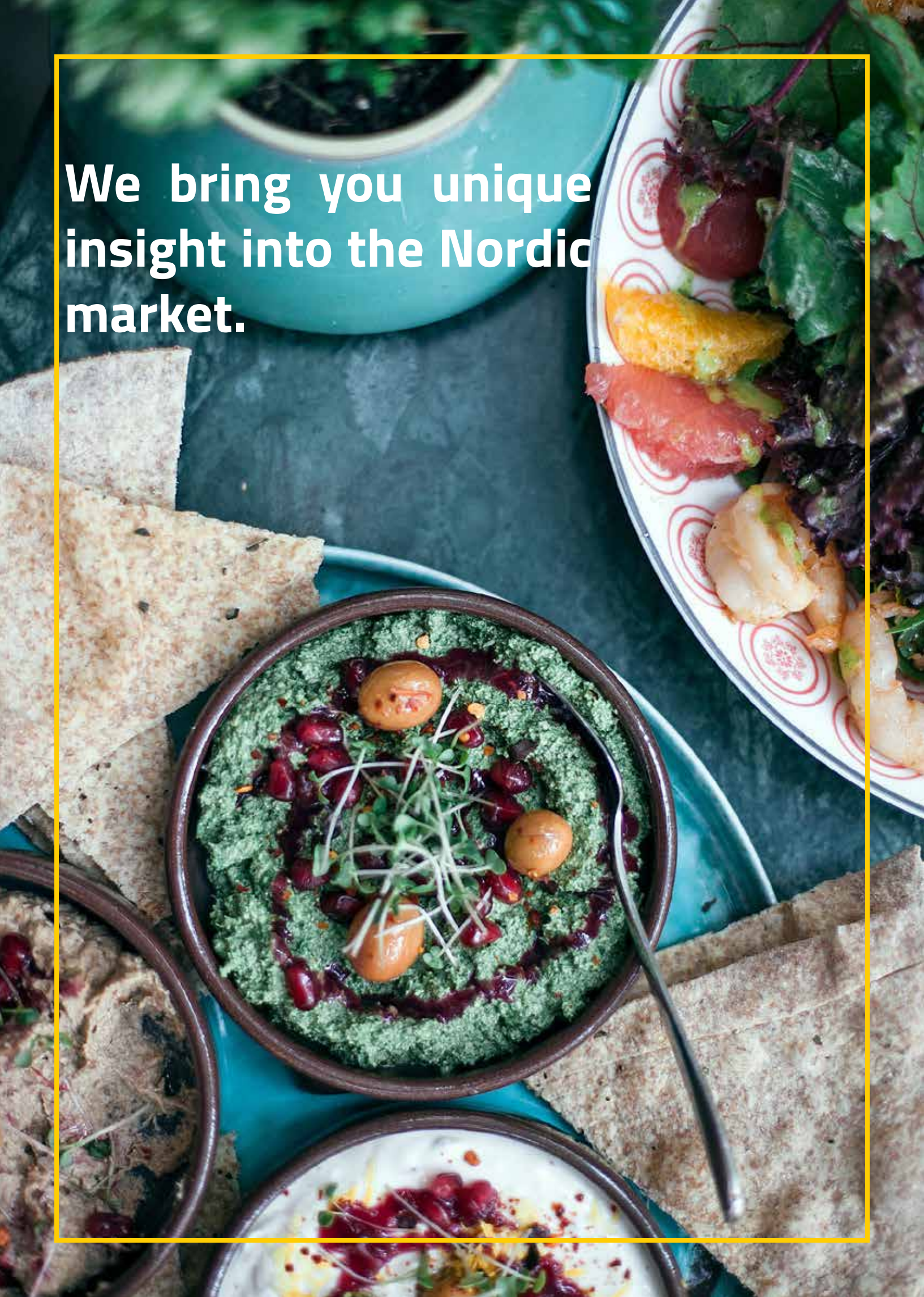
National promotions

Are agreed on central level. To get a national promotion you need to have a good distribution.

In-store execution

Local promotion is an effective tactic to encourage new customers to list your product in the store. It will also increase the rotation of your product.

**We bring you unique
insight into the Nordic
market.**



Marketing



Today's FMCG industry is a multi-billion dollar sector that is typically dominated by well-established household brands around the globe, from Coca-Cola to Kraft to Henkel. Breaking into that market as a new brand can be a serious challenge, particularly when you are up against global powerhouses that have ruled their respective niches for decades with deep pockets. Having said that though, smaller brands have more opportunities to make their impact with limited resources than they ever had before, which helps level the playing field a little!

The question is how do you move from a 'C' or 'D' tier, largely unknown, consumer product to become a recognized household brand? Success in the FMCG sector is no longer epitomized by just 'nice' logos and good packaging alone—modern consumers expect far more.

The most successful brands are consistently creating an authentic customer experience around their consumable products, one that is worthwhile and personally engaging. These brands give their core target audience a more compelling reason to buy and create brand perceptions through their brands personality, promise, values, story and total brand world per se, which their customers find irresistible.



Website

www.foodcollective.se

Contact

Phone : +46 767 615 847

Email : info@foodcollective.se

Address

Skeppsbron 28
111 30 Stockholm
Sweden