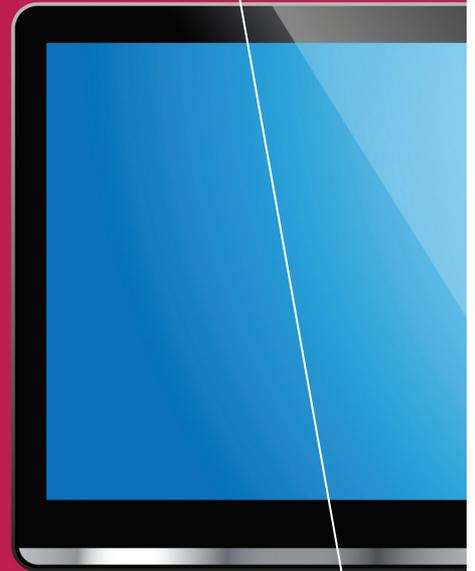




Flanders
State of the Art



HOME APPLIANCE MARKET IN FINLAND

FLANDERS INVESTMENT & TRADE MARKET SURVEY

Paper: Home appliance market in Finland

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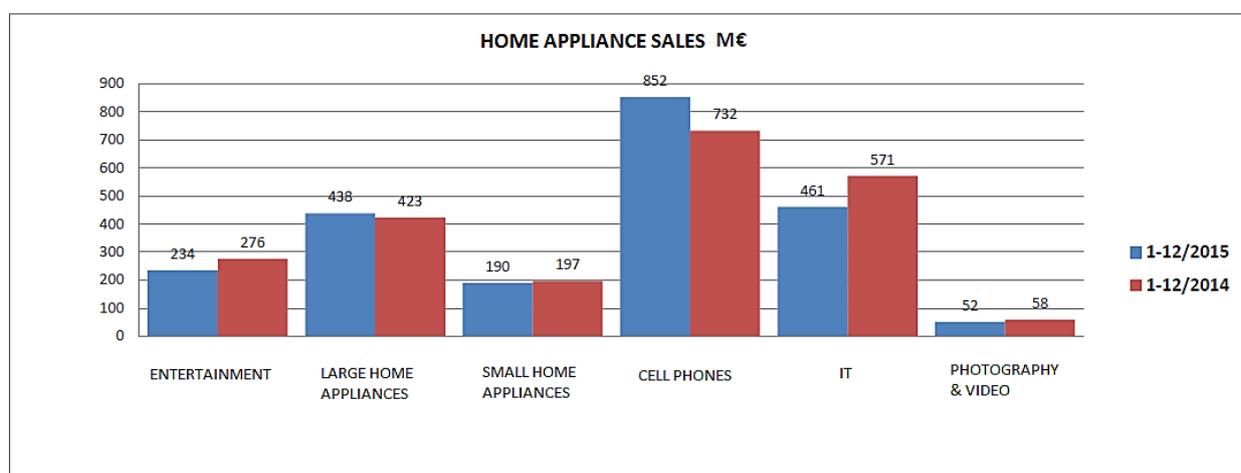
Market Trends

According to Balance Consulting, the development in home appliance sales is weak and the prospects are even weaker. Although more appliances are sold, less euro flow in. This is due very tight competition, which reduces profits. In general, the market is less profitable and various retail companies have disappeared. To balance this, the giants in the field, such as Gigantti, Verkkokauppa.com and Expert have had larger sales and their market shares have also grown. It has been estimated that in the future the market will be split even more harshly into winners and losers.

Verkkokauppa.com's turnover grew the most, by one quarter to 344 million in 2015. However, Verkkokauppa also sells other items than just electronics and home appliances. A Norwegian company bought Expert's brand rights in 2014 and the chain has been split in two so that half of the stores remain as Expert and half of them changed into Power stores. 52 former Expert shop keepers did not agree with the new arrangements, so they revived the Veikon Kone chain. It was estimated that there were 1520 home appliance stores in Finland in 2015.

The sales in home appliances diminished in 2015 by 1,4% to 2,2 billion euro. The trend was similar in 2014. Hypermarkets and department stores were the ones who lost the most sales. The sales value of large home appliances was affected by the paucity of building, renovating and housing sales. Nevertheless, the sales value of large home appliances grew by 3,3%. Dishwashers (7,9%), washing machines (6,3%), and tumble dryers (10,25) had the most success within large home appliances. The largest growth in sales value was seen in smartphones (18,3%), video cameras (26,7%) and dentistry products (11,6%).

The price differences are small between different companies and profit is made through installation services and insurances. Clients are also ready to pay for more service. This favours entrepreneurs, who's shop is often in small or medium sized location, where customers know the shopkeeper. The significance of online stores is growing, although their impact has not been as deep as had been expected. Nevertheless, it has become evident that retailers need more than only one sales channel. Customers purchase their items online, but pick them up from the store, where they also receive advice and installation services.



Source: Elektroniikan Tukkuuapppiaat ry.

Most Popular Kitchen Stores in 2013

1. **Puustelli** - www.puustelli.com/en.
2. **Topi-keittiöt** - www.topi-keittiot.fi - T +358 (08) 469 5500 - Fax +358 (08) 460 768
3. **Domus** - www.domus.fi/keittiot - T +358 207 100 200 - keittiot.myynti@domus.fi
4. **Keittiömaailma** - www.keittiomaailma.fi. Has two kitchen brands: **A la carte** and **Petra**.
Keittiömaailma is part of Novart - www.novart.fi, which is part of the international Nobia group - www.nobia.com - T +358 207 730 730 - novart@novart.fi.
5. **Ikea**, has become more and more prominent on the kitchen market.
6. **Kalustetukku** - www.kalustetukku.fi - T +358 10-5832323 - Kalustetukku.tammisto@kalustetukku.com

Other Kitchen Stores

- **Keittiötukku** - <http://keittiotukku.com/yhteystiedot/>
- **Unique home** - <http://uniquehome.fi>, kitchen store and wholesaler - T +358 2 880 0160 - myynti@uniquehome.fi

Largest Home Appliance Stores

All have online stores

- **Expert** - www.expert.fi/, part of Norwegian mother company Expert ASA, purchases centralized. T +358 305 0305
- **Power** - www.power.fi/, part of Norwegian mother company Expert ASA, purchases centralized. T +358 305 0305
- **Gigantti** - www.gigantti.fi mother company is Norwegian Elkjöp, which is part of English DSG International. Purchases are centralized. T +358 20 321 321.
- **Tekniset** - www.tekniset.fi/ & **Euronics** www.euronics.fi, are part of Euronics, the largest European buying group. In Finland Tekniset and Euronics are managed by the retailer cooperative Kauppiasosuuskunta Tekniset. T +358 9 42579800.
- **Kodin1** - www.kodin1.com/shop/fi/kodin1, part of the Anttila group. T +358 10 66300.
- **Veikon Kone** - www.veikonkone.fi, purchases from Finnish wholesalers, run by retailer cooperative Kauppiasosuuskunta Veikon Kone. T +358 20 1124200.

- **Tokmanni** - <https://yritys.tokmanni.fi/about-tokmanni-group>, is a low-cost store, sells a bit of everything, also operates as a wholesaler.

Hardware Stores That Also Sell Household Appliances

Finnish DIY-chains serve also the professional building sector!

STARK - www.stark-suomi.fi/fi/stark/briefly-in-english is part of the largest construction-sector enterprise in the Nordic countries, DT Group and the global Wolseley Group. STARK's (DT Finland Oy/ Starkki-Puukeskus) taxable sales in 2014 amounted to EUR 780 million, with the headcount being approximately 1300.

STARK serves its customers in Finland through a network of 35 stores, and via its online store. They have one store in Estonia. Their product range is geared towards serving professionals in construction and industry, as well as in new development, renovation and repair projects. T +358 44 475 3000

The **K-rauta** chain - www.k-rauta.fi and www.kesko.fi, which is part of the Kesko group, consists of 42 stores, with some 66 % of sales going to consumers. All Finnish K-rauta stores are run by retailer entrepreneurs. T +358 10 53032

Netrauta - www.netrauta.fi, is a DIY webshop. They work together with suppliers and do not want to have own import. They have many products from Central Europe and are familiar with Belgian products. T +358 800 390 020

Bauhaus - www.bauhaus.info the German "do-it-yourself" department store was established in Germany in 1960 and it has more than 200 stores in 14 European countries. Bauhaus started operating in Finland in 2001. T +358 958 411 100

In 2014 the Head of Purchases informed FIT Helsinki about their procedures. Bauhaus in Finland is an independent company that makes own decisions about the purchases for both Finland and Estonia. What concerns the imports they often use the existing contracts negotiated by the mother company in Germany. These are called Europe Contracts and they are valid in all Bauhaus countries. If a Belgian company has this contract it will make it much easier to establish a channel to Bauhaus in Finland. Bauhaus in Finland wants that all their suppliers have the capacity to deliver goods to all Bauhaus stores in Finland at supplier's expense. They do not have a warehouse so all the goods need to be delivered in small quantities to the stores.

Kodin Terra - www.kodinterra.fi/fi/terra part of the S Group, offers expert hardware store service. Division Manager T +358 10 76 81640

Home appliance wholesalers

- **Suomen Sähkötuonti Oy.** Importer and distributor. Does not handle large home appliances! www.sahkotuonti.fi/english - T +358 20 7411 660 - info@sahkotuonti.fi
- **Suomen Kodinkonetukku Oy.** Clients are grocery stores that sell home appliances, hardware stores and local low cost stores. www.kodinkonetukku.fi/index.php - T +358 44-337 9610

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