

Differences and similarities in business between Latvia and Norway



Valsts aģentūra Latvijas Investīciju un attīstības aģentūra
Latvian Investment and Development Agency

March 18th, 2015

Gatis Ginters

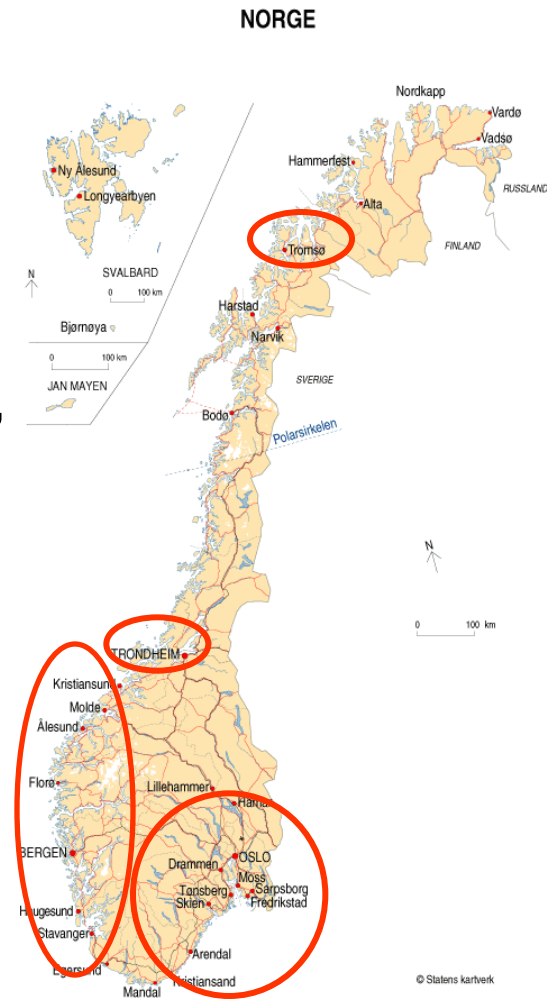
Head of LIAA representative office in Norway

Agenda

- Facts, society
- Reputation
- Consumption habits
- Retail and other sectors
- Entering Norwegian market

Basic facts

- **Inhabitants:** 5,1 million
immigration annually ~ 40 000
- **Territory:** 323 800 km²
- **Most active regions:** Oslo fjord region, Kristiansand, Stavanger, Bergen, Ålesund, Trondheim, Tromsø
- 79,5 % living in cities / towns
- Unemployment ~ 3,5 %
- Not EU, part of EEZ, customs clearance needed
- NOK currency fluctuation
- Strong unions, associations
- Retail surcharge 250%-300%



Society

- Middle class is around 80-90%
- Compulsory income declaration to everyone
- High violation reporting among private persons and companies
- Joint responsibility and liability
- Long term thinking in decision making
- Conservative consumer due to limited choice

Norwegian reputation elements (1)

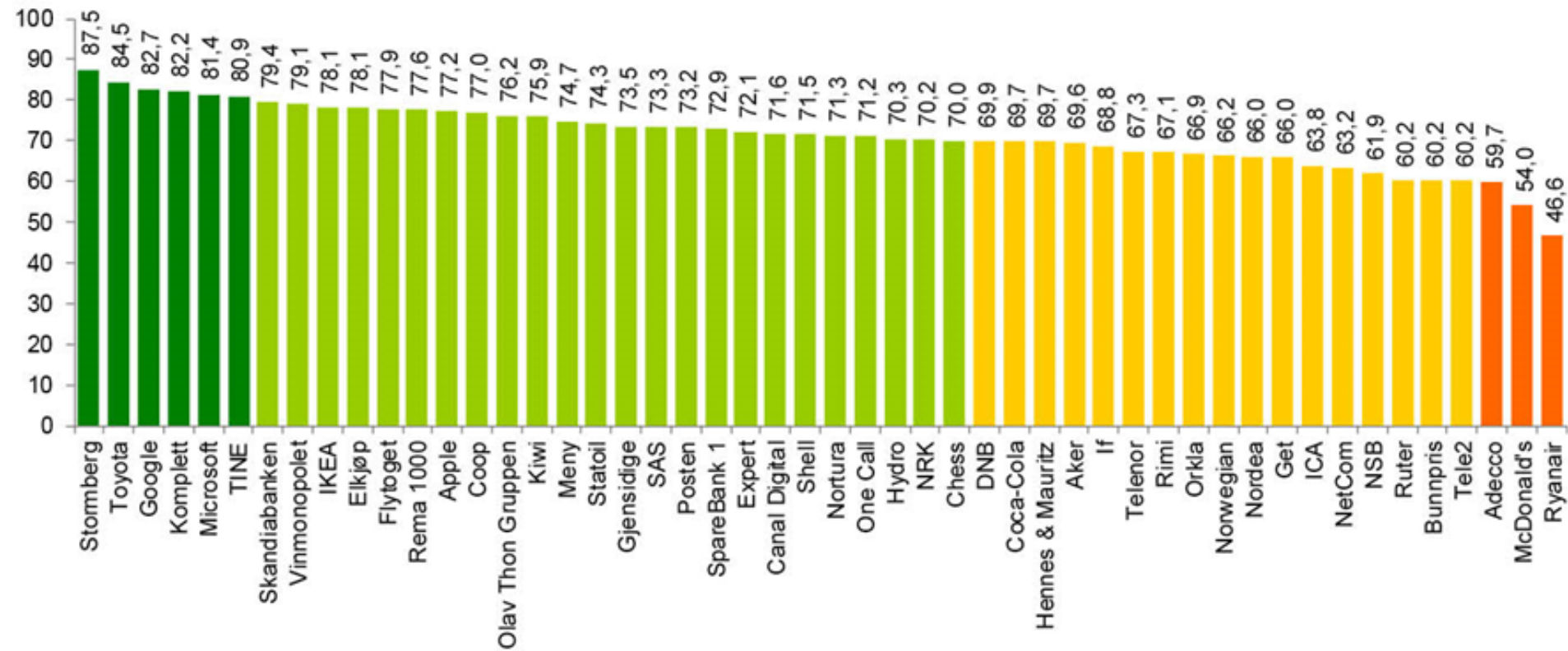
- Quality of product / service
 - High quality – long lasting
 - Guarantee
 - Installation, servicing
 - Problem solving
- Societies and fellow men responsibility
 - Access for various society groups
 - Selection of production materials and process
 - Utilization

Norwegian reputation elements (2)

- Working environment
 - Attitude towards employees
 - Working place, equipment
 - Training, certificates

- Management and Vision
 - Long term strategy
 - Stable team
 - Growth and profit compatibility
 - Synergy of management and employees

Norwegian company reputation 2014



Retail sector

Consumption

Clothing - annual consumption increase - 4%, high-end segment, stable price

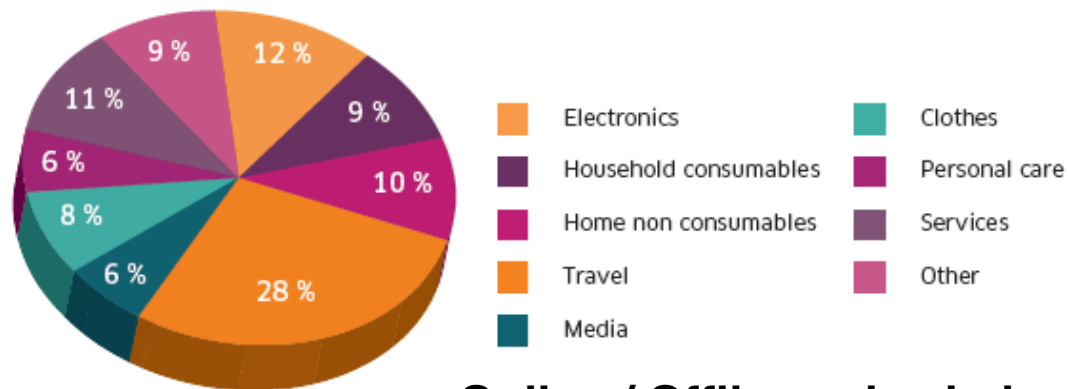
Shoes

- Collection changes fast based on weather and fashion
- 4 chains dominate the market, 70 % sales factor
- Strong competition with other sales channels

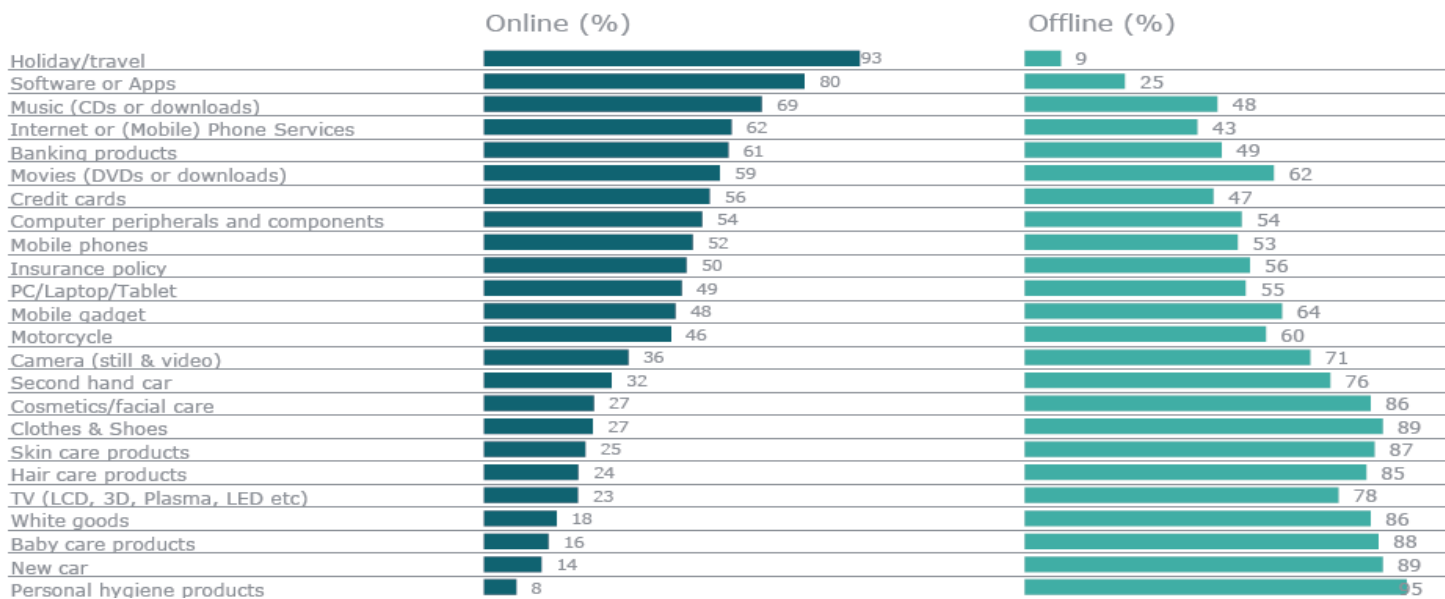
Discount retailers - Europris, Clas Ohlson, Nille

Online shopping

Goods / services bought online



Online / Offline sales balance in Norway

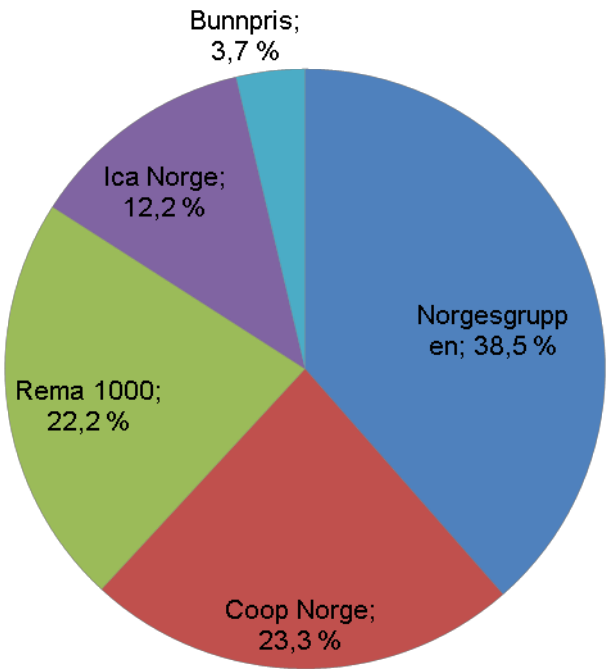


Food industry

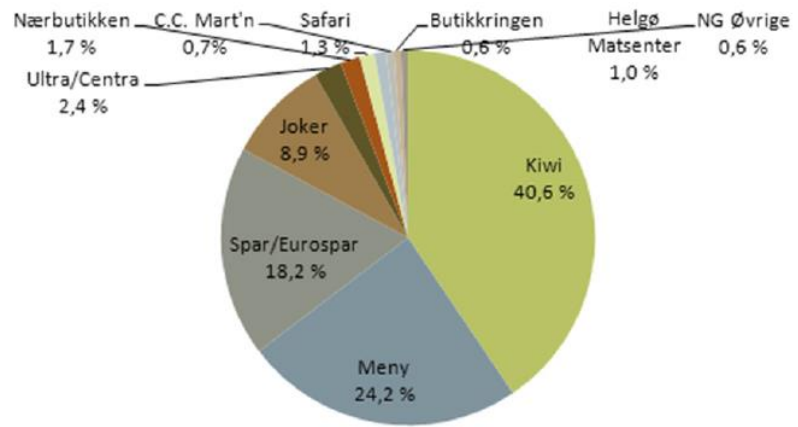
- 2nd largest industry in Norway.
- Raw materials – Norwegian origin.
- Strong governmental control of the sector and policies.
- Strong cooperatives, company groups
- Local producers mainly concentrate on local market
- Meat products – Nortura SA – 70% market share
- Dairy products – Tine – 70-100% market share
- Food relatively cheap in relation to salary level
- Retail monopoly on alcoholic drinks

Grocery

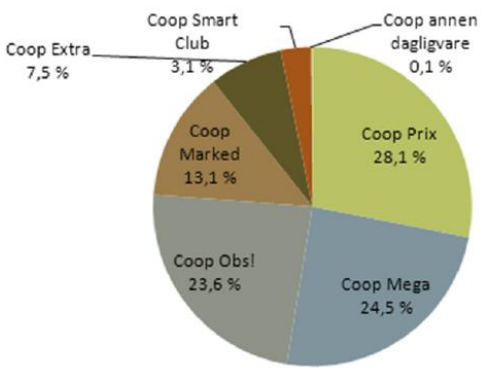
Grocery market in Norway



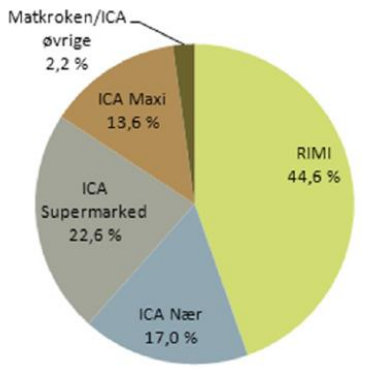
Norgesgruppen chain



COOP chain



ICA chain

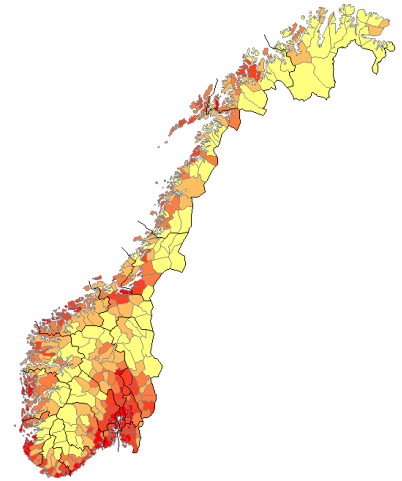


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Housing market



- Apartments 53%
- Family houses 23%
- Townhouses 10%
- Twin houses 7%
- Others < 1%



- Fluctuating price increase – 5 - 7% annually
- Annual housing increase ~ 30 000
- Stable demand due to low bank rates and accumulated savings
- Active 2nd hand market

Entering Norwegian market

- **Be prepared:** Be sure: who is your consumer, customer and cooperation partner.
- **Perform market research** before entering and adjust your business offer to Norwegian market specifics
- Getting **answers may take** time. If there is answer then there is some interest.
- Prepare **recommendations** from your customers.
- Latvian diaspora www.latviesi.no and Norwegian – Latvian chamber of commerce in Norway WWW.NLHK.NO

A scenic view of a fjord with a boat, a waterfall, and snow-capped mountains. The text "Thank you for your attention !" is overlaid in the center.

Thank you for your attention !



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