



HVAC & BUILDING INSTALLATIONS

MARKET REPORT
ENTRY AND GROWTH



ENTRY AND GROWTH

MARKET ACCESS SCANDINAVIA

- HOW TO NAVIGATE IN THE PROFESSIONAL MARKET
FOR HVAC AND BUILDING INSTALLATIONS

MARKET REVIEW

The purpose of the report

This report focuses on the professional market for HVAC and building installations in Scandinavia. The DIY market for HVAC and building installations is not included. By providing comprehensive information throughout the distribution chain from manufacturer to installation, we provide access to bespoke market segments.

By matching market knowledge to products, solutions and company strategy in areas such as, district energy, heating, cooling, potable water, solar and new energy, we enable companies to successfully enter or grow the Scandinavian market.

GENERAL ABOUT THE MARKET

In general, the Scandinavian market is stable and building a strong position requires focussed efforts and investments.

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MARKET SIZE

HOW BIG IS THE SCANDINAVIAN MARKET?

The Scandinavian wholesale market is a very stable market, and the distribution of goods to the professional market is mainly through established wholesalers. Among other things they provide:

- Stock and day-to-day deliveries
- Knowledge and service
- Related project and sales services

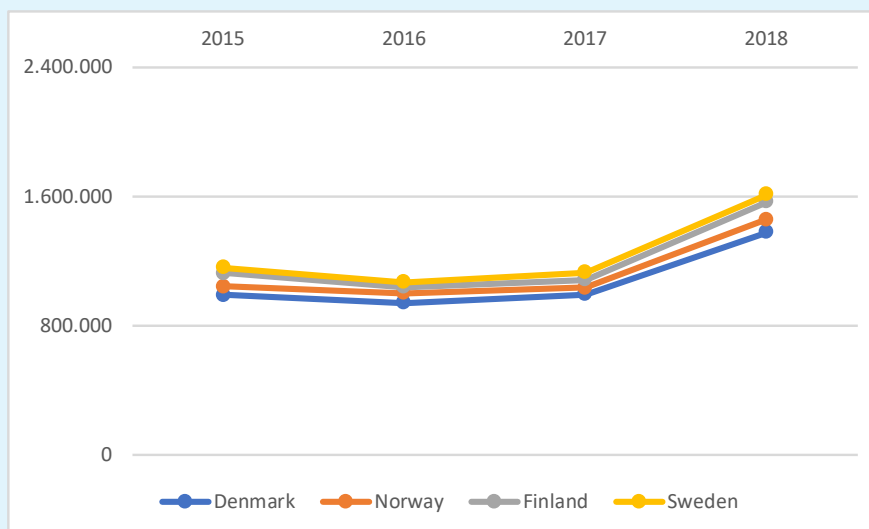
TOTAL SALES VOLUME

The total sales volume in the Scandinavia market

(Measured on the net sales from wholesalers to the market)

NET SALES IN 1.000 EURO WHOLESALE DISTRIBUTION TO PROFESSIONAL INSTALLERS

- Denmark
- Norway
- Finland
- Sweden



SOURCE: RGF (FOR DETAILED SPECIFICATIONS CONTACT ALMAX)



TURNOVER in 1.000 EUR	2018	2017	2016	2015
Denmark	1.157.230	1.124.811	1.040.622	988.021
Norway	1.070.136	1.038.967	1.001.086	941.248
Finland	1.128.306	1.084.910	1.035.995	994.020
Sweden	1.613.356	1.566.365	1.458.415	1.378.411

SOURCE: RGF (FOR DETAILED SPECIFICATIONS CONTACT ALMAX)

THE TOTAL TURNOVER IN THE MARKET, IS SPLIT INTO THE FOLLOWING SECTORS:



Market drivers:

- Free market forces
- Increased transparency
- New entrants
- New services

Private
&
Commercial
approx.

38%



Market drivers:

- Social housing and maintenance
- Energy renovation project
- Public tenders

Public
&
governmental
approx.

16%



Market drivers:

- Large public tenders
- Increased demands for documentation
- Regulated and stable market

Public
&
governmental
approx.

46%

ROUTE TO MARKET

MARKET KNOWLEDGE IS THE KEY
TO ANY MARKET.

HOW WELL DO YOU KNOW THE REAL MARKET
DRIVERS FOR YOUR PRODUCTS AND SERVICES IN
THE SCANDINAVIAN MARKET?

The wholesalers

Access to the market is dominated by national and cross Scandinavian wholesalers.

Below the important topics are listed and the the key players can be found on the following page.

WHAT IS IMPORTANT?

– ACCESSIBILITY IS THE KEY TO SUCCESSFUL DISTRIBUTION
IN SCANDINAVIA.

The Scandinavian wholesalers add knowledge and value to their offer.

Examples are:

- Fast deliveries
- Quick services, such as delivery within 1-2 hours
- Calculations and specification help
- Local stock services cross country
- Software and business systems

A strong wholesaler cooperation is the key to successful penetration in the Scandinavian market.

ROUTE TO MARKET

MARKET KNOWLEDGE IS THE KEY TO ANY MARKET

How well do you know the real market drivers for your products and services in the Scandinavian market?
 Access to the market is dominated by national and cross Scandinavian wholesalers.

Below are some of the key players.



SWEDEN	DENMARK	FINLAND	NORWAY
Ahlsell	Dahl	Onninen	Ahlsell
Bra Gross AB	AO Johansen	Ahlsell	Dahl
Dahl	Lemvig-Müller	Dahl	Solar
Onninen	Sanistål	Solar	Heidenreich
	Solar		
	DJ Supply		

SOURCE: ALMAX (FOR DETAILED SPECIFICATIONS CONTACT ALMAX)

WHAT IS IMPORTANT?

Local representation – Building a strong brand

Sales, service and local back up is necessary, when you want to build or uphold a strong brand in Scandinavia. Despite having a strong wholesaler cooperation, you need to be visible in the market and have local speaking representatives, who communicate and respond to questions, enquires etc. Also, day to day delivery of products not stocked by wholesalers are expected.

PRODUCT OFFER AND MARKETING MATERIAL ADAPTED TO LOCAL MARKET




The offer of products - Needs to be focussed and applicable to the Danish, Swedish, Norwegian or Finish market. If your company currently is not represented in Scandinavia it is better to have narrow product offer to the market, which is easy to communicate, rather than a wide range.



[WHAT ARE THE FOCUS AREAS? - SEE THE OVERVIEW ON NEXT PAGE](#)

3 IMPORTANT FOCUS AREAS

The overview below, explains the main focus areas and activities, which you need to address for successful start-up in the Scandinavian market.

 <p>STOCK & DISTRIBUTION</p> <p>Local service stock Set up min. stock for buffer delivery and service</p> <p>wholesaler cooperation Set up cooperation platform and ideally stock</p> <p>Product codes & registration Product range needs to be registered by local reference codes (NRF, RSK and VVS number)</p>	 <p>PRODUCT RANGE & MARKETING</p> <p>Focused product range Product setup adapted to local market</p> <p>Marketing material adapted to the market Marketing, website and SoMe-content in local language</p> <p>Documentation Technical datasheets and catalogues in local language</p>	 <p>SALES & BACKOFFICE</p> <p>On market representation Specification work with consultants and key players</p> <p>Sales back-up Local exhibitions, trade shows and on site support</p> <p>Back-office Sales back-up, specification and technical support</p>
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PRODUCT CODES AND REGISTRATIONS

Own coding systems – The Scandinavian market has its own coding system.

If you are not in, your products are not available through the search and select systems and software, which are used by the market.

DATA DRIVEN LOGISTIC & MARKETING

Effective data reuse - The Business segment coding systems are used together with ERP-, Logistic and warehouse systems. As a supplier through the wholesale channel it is expected any manufacturer will provide a comprehensive set of supply chain and product related information.



WHICH CODES ARE NECESSARY? - SEE THE OVERVIEW ON NEXT PAGE

REGISTRATION & CODES

Find the overview below for the important codes & registrations to be considered in the Scandinavian market.



SWEDEN	DENMARK	FINLAND	NORWAY
Business segment codes	Business segment codes	Business segment codes	Business segment codes
RSK-NR	VVS-Nr	Own wholesale codes	NRF-Nr
		Manufacturer codes	

SOURCE: ALMAX (FOR DETAILED SPECIFICATIONS CONTACT ALMAX)

EXAMPLES ARE

- EAN codes on various levels
- Logistic dataset (Weight level 1,2 & 3)
- Package data (size 1, 2 & 3)
- Datasheet in local languages
- Product pictures including business segment code reference
- Product text in local languages (level 1, 2 & 3)



REGISTRATION & CODES

In order to distribute and market product for potable water and draining systems relevant approvals are required. The approvals for Scandinavia are independent for each of the Scandinavian countries - however they are all linked to the EU registration system and usually tests, documentations etc. can be used. If your company distributes products without the above, you do not have market access. Since the late 90' EU has tried to make regulations, which could apply across Europe. This campaign never succeeded. However, another output occurred; The 4MS cooperation between Germany, Holland, France and England, who chose to convert the EU directives to local compliance. Most likely this means DVGW, Kiwa, NF and WRAS will issue approvals based on the guidelines in the 4MS cooperation.

* 4MS is based on "Positive lists for organic materials"

If you are uncertain, which approvals you need, and you need help how to get the right approval scheme, find a local partner to assist you or contact Almax.

OVERALL MARKET DRIVERS

All the effort we put into specifying technical features and benefits will, of course, still be needed, but the ability to connect and adapt to systems, software and other integration will have the upper hand.

Why? Because the in Scandinavian HVAC and building installations is one of the single, stand alone, areas where the potential to save energy adds value to the offer

Adding integration with communication service providers, the chain of value in this sector has the capability and the solutions at hand. The only things it requires to tap into this area, is an open mindset, which enables your company and organisation to build strong partnerships.

EXAMPEL

MAKING EXITING ENERGY INFRASTRUCTURES SUPPLY INTELLIGENT

The overview below, explains the main focus areas and activities, which you need to address for successful start-up in the Scandinavian market.

COLLECTING AND PROCESSING



Heating supply based directly and instant consumer behaviour
Today we have access to massive amounts of data. The tools to convert data to optimise at all levels in the energy supply, are available.

Market focus
HVAC and building installations need to enable higher levels of connectivity in products, values and components at all levels.

REALTIME ENERGY DEMANDS OVERVIEW



IOT – Internet of things convert to real time regulation
Communication service provider for wireless communication for:

Merging data between energy sectors
(if no water or electricity is used it is most likely no body is home)
Motion sensors to identify if people are in the building

Market focus
Find partners and co-operations within this area.

OVERALL MARKET DRIVERS

CONNECTIVITY



Increase in wireless monitoring and measuring
Installation of wires in existing buildings is expensive. A survey made, set a price between EURO 150,00 – 170,00 pr. meter wire installed.

The demand for data collection of temperatures, pressure, Delta T etc. will increase heavily. A direct impact will be increase in wireless monitoring and measuring.

Market focus
Enable your systems, services and product to connect

WHY FOCUS ON ENABLING YOUR SYSTEMS, SERVICES AND PRODUCTS TO WIRELESS MONITORING AND MEASURING?

This will be the key to energy saving and your ability to adapt.

This will drive the sales in HVAC and building installations business segment. I.e. sales of components, fittings, valves, services etc.

WHY DO YOU NEED TO BUILD A STRONG POSITION IN SCANDINAVIA?

- SPEED OF IMPLEMENTATION
- STABIL ECONOMY
- FIRST MOVERS IN SUSTAINABLE ENERGY SOLUTIONS



THE WINNING STRATEGY

WHICH MARKET SEGMENT WITHIN THE MARKET HAS YOUR ORGANISATION DECIDED YOU WANT TO WIN?
FOCUS ON ONE OR MORE HVAC AND BUILDING INSTALLATIONS SEGMENT AND DOMINATE IT.

THE 3 MAIN FOCUS AREAS FOR A WINNING STRATEGY

1



ADAPTABILITY

HVAC and building installations need to enable higher levels of connectivity in products, values and components at all levels. The tools to collect and convert data are available.

2



CONNECTIVITY & DATA

Enable your systems, services and products to connect and integrate to our systems.
Merging and collecting data will a
Key performance indicator

3



USABILITY

Matching market knowledge to products, solutions & services, which are easy to use and implement in existing systems and installations

WHAT IS YOUR ACU-STRATEGY?

ADAPTABILITY • CONNECTIVITY • USABILITY

1

Formulating and adapt your own products, services and sales to the above 3 bullets. Easy adaptability to systems, partners and markets will be a strong competitive force.

2

Creating a link between your organisation, cooperate brand or any of your product brands to Adaptability, Connectivity or Usability is a must do.

3

Your ability to match your companys 360° communication and services to business segments will have a strong impact on your future market position.

KEY THE KEY PERFORMANCE AREAS, WHICH YOU NEED TO COMPLY TO ARE:

KNOW THE DETAILS IN THE BUSINESS SEGMENT YOU WANT TO WIN

CONTEXT IS KING – INVEST IN CONTEXT AND COMMUNICATE IT

OFFER “PRODUCT AS A SERVICE” IN THE BUSINESS SEGMENT YOU WANT TO WIN

EXECUTION, IMPLEMENTATION AND DOMINATION OF YOUR BUSINESS SEGMENT

WANT TO KNOW MORE?

Our focuses at Almax are;
Market Knowledge – Market Access - Implementation

We offer services, which can help your company to answer to all of the above-mentioned questions and actions, which need to be taken.

This will allow your company rapidly to act in the professional market for HVAC and building installations in Scandinavia.



OUR SERVICES

MARKED KNOWLEDGE • MARKET ACCESS • IMPLEMENTATION

◆ PRODUCT / MARKETING PACKAGE

Product codes & registration

Product range needs to be registered by local reference codes.

- Translation of product texts and data
- Registration at NRF, RSK and VVS number
- Updating and submitting data

Your advantages

- Focused product range
- Marketing material in local language
- Documentation and datasheets in local language

◆ START-UP SALES ACTIVITIES

Proof of concept & startup

Test product range, communication & price setup and access to potential customers and wholesalers.

- Market survey
- Sales- & stakeholder meetings
- Customer platform

Back office & technical phone support

- Scandinavian speaking technical back-office
- Initial quotes
- Local e-mail address and phone number

◆ SCALING SALES & MARKETING

Market development & Sales

Setting up platform for developing the market, which includes sales person or organisation.

- Pushing sales
- Marketing & demo activities
- Growing the market

Target lists and campaigns

- Customer access and target list
- Contact persons incl. mail-addresses, phone etc.
- Sales

DO YOU WANT MORE INFORMATION OR KNOWLEDGE HOW SUCCESSFULLY TO ENTER OR GROW THE SCANDINAVIAN MARKET?

WE CAN PROVIDE:

MARKET KNOWLEDGE

MARKET ACCESS

IMPLEMENTATION

ABOUT ALMAX

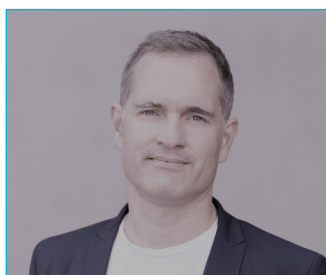
At Almax we believe development is created by doing things differently, and true value is created, when you are converting theory into practice.

Within our focus areas we collect and gather market knowledge and follow trends, which is converted to business tools.

This provides our partners and customers with the knowledge and toolbox, rapidly to make the best of their own efforts.

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