

<http://www.mekka.ru>

To: Whom it may concern at Honkamajat  
From: Alexander Repiev  
Subject: **Marketing in Russia**  
Date: 28 February, 2000

***Dear sirs,***

Andrei Voronin has introduced me to your technologies. Explaining to me their virtues took him several hours. Most of his time was spent answering dozens of questions of mine. In the process he was using the photographs bookmarked in the Honkamajat catalog.

My impression was as follows: **The Honkamajat ideas and solutions are just fantastic. They have a huge potential in Russia, a country of age-old traditions of wood building and a lot of log house museums all over the country.**

It so happened that through one of my clients, the international flower company Interflora, I had some association with country house building and landscaping in Russia. And so, I am in a position to maintain that, after several years of chaotic building of brick-and-mortar monsters in the country, many rich Russians are looking for more “nature” in their country houses. This suggests that proper promotion will generate some market in Russia.

## **Catalog**

Back home I perused a copy of the Honkamajat catalog Voronin gave me. It was some surprise! The catalog appeared to be inefficient. It is not what exactly a professional marketing and advertising man would do to promote products, especially in such a tricky market as Russia.

Even the name *The New Life of Wood/Tree* (the Russian word *derevo* means wood and tree) can have many implications having nothing to do with your company’s line of business. It may suggest some sort of forest management practice, e.g., replanting of trees to give them a new life, recycling of wood, and so forth. Research in book business suggests that a misleading cover loses much readership. I do not think you want that.

To cut the long story short, your catalog is not a good marketing and selling tool (which it should be), but rather an engineering document. There is very much room for improvement. Unfortunately, one sees many similar mistakes around. See for instance my comments on the Liebherr refrigerator catalogue (attached). If you are interested, I could give you page-by-page comments on your catalog.

**Selling solutions.** It is common knowledge that good selling is not selling things, but rather solutions and answers. In your case, what the company should sell in Russia and elsewhere is not logs, but rather

lifestyle, family health, prestige, fashion, environment, nature, traditions, the warmth of the wood, freedom, ease of adaptation, individuality, etc., etc.

The catalog does not answer many questions a potential client family would ask (see the addendum), thus suggesting an enormous imposition on the time and skills of the selling personnel (large costs of sale). Many additional advertising and informational documents will have to be drafted to cover large information gaps. If you also take into account the fact that in Russia we do not have many trained sellers, this approach is bound to lose much potential business.

**Costs.** The catalog is quite expensive and can only be used sparingly.

## Proposal

We would like to make a proposal to the Honkamajat management.

### ***About us***

We are a marketing & advertising agency Mekka Advertising, Moscow, Russia. We specialize in creative marketing and efficient advertising meant to win in the market, rather than at stupid ad award contests. UNIA (Voronin) was one of our clients. You can get some idea about us by visiting our site <http://www.horses.ru/mekka>. We also attach a package we produced for the Cannes advertising festival in 1997.

### **Marketing program for Russia**

We could produce an efficient Russian Honkamajat catalog. It would sell! We could also develop for Honkamajat and Voronin a comprehensive marketing and advertising program for Russia and the CIS. It could cover dealer recruitment & support, advertising (above- and below-the-line, Internet, articles, exhibition materials, etc.), training of the Russian selling force, etc.

### **Some advertising materials in English**

We could also produce English-language catalog to be used by Honkamajat internationally.

If you are interested, we could meet to discuss things in more detail. We look forward to doing business with you.

Sincerely yours,

***Alexander Repiev***

*Enclosures*

## **Some of the topics**

not covered in the catalog, which must elicit questions  
from any potential customer

### ***Economics***

Prices!!!

Payment schemes

Terms and deliveries

Certification by Russian competent authorities

Erection

Maintenance

Longevity (guarantees)

### ***Design & adaptation***

Ready-made (off-the-shelf) designs

Ready-made with slight modifications

Unique designs

Adaptations of brick and stone designs

Landscape adaptation (slopes, growing trees, ponds, etc.)

Attachments to existing brick and stone structures

Later expansions

### ***Construction elements***

Foundations

Facing (materials and colors)

Roofings

Balconies

Doors

Stairs

Fixtures

Built-in furniture elements

Porches (wooden and stone)

Floorings

Fire places

Heating systems

Saunas

Electricity (wiring, etc.)

Television

### ***Qualities***

Heat characteristics (seasonal)

Fire protection

Moisture protection

Reparability

Security

### ***Auxiliaries made in the same style***

Fences

Garages

Gazebos

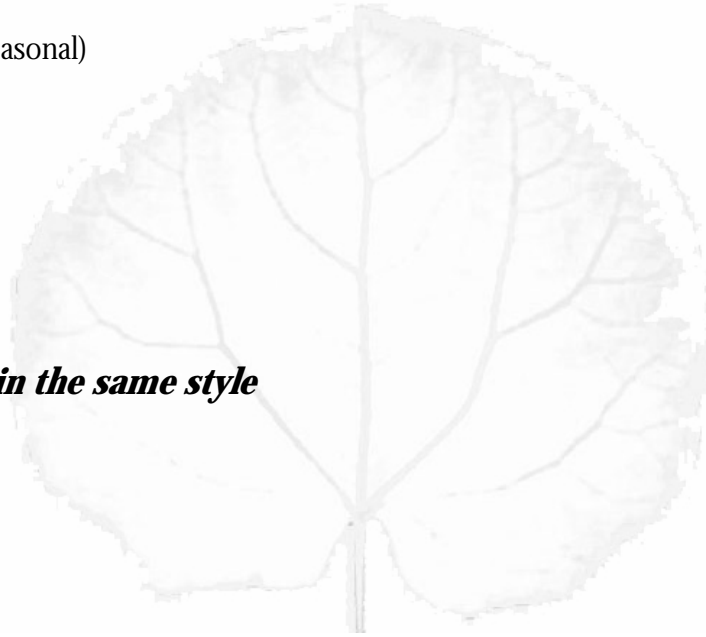
Stables

Tool and compost boxes and barns

Flower beds

Basins, swimming pools and fountains

Benches



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***These are just some of the questions. I am sure a more in-depth analysis, discussions with Honkamajat workers and experience of dealing with customers in the field will supply more questions. If the catalog or some brochures will include answers to most of them, it will pre-sell the idea to more customers, save much time of the selling force to make their work more efficient. In the final analysis, it will generate more business.***