




TIKKURILA

Remote Innovation Workshop

Team Russia

A modern, minimalist living room with a large white sectional sofa, a tall white floor lamp, and a large white plant hanging from the ceiling. The room has a clean, bright aesthetic with white walls and light-colored flooring. A red semi-circle is overlaid on the right side of the image, containing the text.

Imagine,
that you need
to repaint
Your room







Remote Innovation Workshop
Team Russia

Tikkurila Pop-up store



Tikkurila Pop-up store



15 -20 m2

10 Pop -Ups

in Moscow & St. Petersburg

1,6 mln EU

potential annual sales of channel
(~2% from retail Tikkurila)

located in
highly traffic
malls

launch
through
the partners'
network

inspiring &
technologically
driven
atmosphere

expert
support

online order
with delivery
to the object

We lead the consumer along the path of choice by the hand, breaking down the barriers that arise, in innovative, technologically driven atmosphere.

PURCHASE

NEED IN REPAINTING

We make thoughts about renovation easier.



Problem



Renovation is complicated.
New comer in renovation doesn't know
the process/product



To get all the information consumer
needs to visit several places and
waist a lot of time



A strong will to see in practice the
final paint result

Value proposition



The entry point for consumer is inspiration.
Among the best-in-class presentation and
consulting we give knowledge



Pop-up store as 1 point of
communication and action.
All the info here and now



Using simple Apps in Pop-up we
visualize the final interior result

Customer portrait: Tikkurila pop-up store



End-consumers

Interests:

- cozy home
- design
- renovation
- trends

Features:

- searching info in online
- plan well
- need expert advice
- make final decision offline



Professionals

Values:

- healthy lifestyle
- having sense of inner space
- self-affirmation (with the help of brands also)
- conscious consumption

Drivers of paint choice:

- quality
- variety
- recognizability
- safety & sustainability

Pop-up store service pack (Tikkurila service point)



LIVE CONSULTING

- Finding out customer needs
- Best product matching



HOW TO

- Customer training
- Tips and hints from a PRO



PAINTING SERVICE

- Finding the best painters
- Pro club connection



COLOUR SERVICE

- Colour matching
- Design support
- Paint samples (chip test-packs)



PAINT PURCHASE

- Order taking
- Delivery



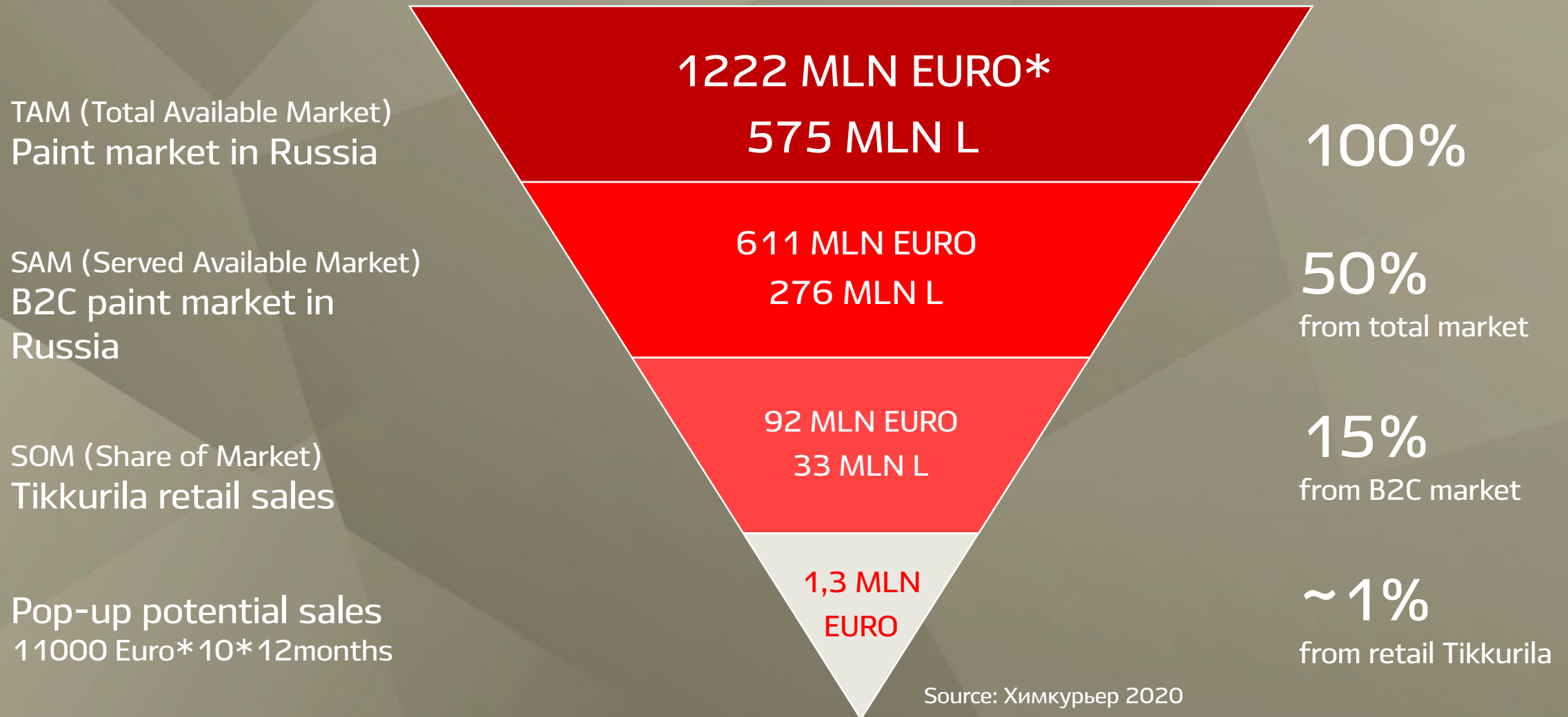
Advantages for Tikkurila

youthification
of customer
auditory

growth the pain
consumption VS
wallpaper

Tikkurila confirms
itself as inspirational
and innovative
company one more
way

Market analysis / size



Go to market plan



Concept

- Pop-up stores in malls in large cities (corners) - 15-20 sq.m;
- Seasonal mobile pop-up (portable/on wheels): can be placed to assemble/ disassemble in malls, exhibitions, independently in places where it is appropriate (next to construction areas, for example)



Customer

- Interested in their home and needs help and support to realise their big ideas
- Loves everything to do with home design& renovation, follow trends and can spend to update their home regularly
- Have professional interest



Market

- First in the market pilot will be launched by Tikkurila;
- It gives us:
 - New recruited clients;
 - New channel of communication;
 - New sales channel;
 - More impulse purchase
 - Increase paint consumption;
 - Build brand awareness.



Solution description

- Best-in-class consultation on:
 - color choice/product,
 - demonstration of color test,
 - additional service like interior-design, on-site test color application
 - AR, VR solutions;
 - ProClub registrations.
- No physical purchase of products, it provides;
- Make the color and paint choice as easy, as ordering home pizza



Costs & schedule

- Business case before budgeting
- Pilot in Moscow / St. Petersburg
- Launch - season 2022



Success criteria

- Clear KPI based on Sales funnel (how many consumers came > how many made purchase);
- Consultant, after high-quality service, should lead client towards ordering products in the partner system;
- Loyalty programs and bonus cards of partnership network



Financial issues

Cost type

ONE-TIME

Pop-up store (including equipment)

Installation/Deinstallation/delivery

MONTHLY

Rent at shopping mall

HC cost (3 FTE, incl taxes):

Consultant (2 FTE)

Promo costs

How much

22 kEUR

3 kEUR

1.6 kEUR

2.2 kEUR

1.1 kEUR x 2

0.4 kEUR

1 month

3.8 kEUR/6.5 kEUR

2.1 kEUR

-20%/60%

12 months

Tikkurila costs
for 1 pop-up

TOTAL: 26 kEUR

Partner's monthly
costs for 1 pop-up

TOTAL: 4,2 kEUR

Revenue (Sell In/ Sell Out)

GGM (56%)

ROI (12 months/24 months)

Tikkurila costs payback period



Advantages of Pop-up stores vs branded Color studios

Parameters:	Flagship store	Pop-up store	Benefits
Required space	$\geq 50\text{m}^2$	15-20m ²	Less rental costs
The need to renovate the premises	Yes	No	There is no need to make repairs to the premises
The need for a warehouse	Yes	No	Savings on rent
Opening speed	≥ 30 days	≥ 5 days	The ability to make a profit faster
Moving costs, if necessary	Max	Min	Ability to quickly and inexpensively change the location
Average pick and sell time	30 min.	20 min.	The seller doesn't spend time on tinting, delivery from the warehouse, 100% of the time is spent on consultation => the opportunity to have fewer sellers with the same traffic
Number of impulse purchases	Min	Max	More traffic will increase the share of impulse purchases



Prospects for the development of the concept

Стенд?

In the future, it will be possible to develop this concept in the following directions:

- mobile pop-up stores (folding, exhibition)
- at the object under construction
- "on wheels"
- pop-up directly from Tikkurila



The Team

Commercial team leads the project:

- Marketing – concept packaging, communication strategy;
- Sales – partners negotiations and contractuals;
- Sales support – service add-ons;
- Finance – concept P&L, payback calculation

Pop-up store concept should be part of Flagship stores sales channel

After piloting in Russia can be scaled to other countries

Какую
картинку?