

Case Study

German Cosmetics Brand Goes Live in Russia



Marketing methods and distribution channels are changing rapidly in the cosmetics industry. While market places and direct sales are interesting, traditional distribution channels can remain a major sales channel as well.

Starting situation

The company has a strong niche position in Europe and the USA and had been working with two Russian distributors for some years already. Sales went well but were still not reaching their full market potential. Hellmann was appointed as the Importer of Record to create a local stock, enabling the brand to offer same day deliveries to existing distributors and new channels. The brand had an area sales manager for Eastern Europe, but needed support with local commercial activities.

Solution

We shortlisted, contacted, and contracted additional distributors and resellers in regions where the existing distributors were not active. These companies were previously not interested to list the brand but the availability of customs cleared products from a Russian stock made them change their minds.

We also launched the product in market places for direct B2C sales. This sales channel enabled us to set a clear recommended retail price and produce some high margin transactions that financed additional local marketing.

Conclusion

By appointing Hellmann as the Importer of Record, the brand took full control of their Russian developments and price setting while facing only minimum investments, recurring fixed costs, and risks. The Hellmann commercial team further supported efforts with commercial development throughout Russia/EAEU in both B2B and B2C markets.

Contact

Wijnand Herinckx
Director Trade Solutions CIS
Phone: +7 926 301 0502
Email: wijnand.herinckx@hellmann.com
www.hellmann-hts.com