

This year Electra continued to strengthen its brand in the air conditioning market by investing in new product development and increase integrated marketing communication. A flash marketing initiative presented by Ninet Tieb and Amir Dadon succeeded in spreading optimism during the COVID-19 quarantine and at the same time gaining extensive public exposure and preference among consumers

Electra was founded in Israel in 1945 as a small home appliances repair shop. In 1961 the company founded the country's first A/C manufacturing plant and began to develop and manufacture air conditioning systems. Electra developed Israel's first window air conditioner, the electronic and remote controlled split air conditioner, mobile air conditioners and inverters. Over the years the company continued to grow and began importing Westinghouse and Daikin air conditioners.

In 1973 the company moved to a new industrial area in Rishon LeZion where it established a state of the art manufacturing plant spanning an area of 55 dunams, considered one of the most advanced of its kind in the Middle East. In 1991 Electra was acquired by Elco Holdings owned by Gershon Zelkind, and began expanding globally by procuring companies and selling products in Europe, South America, Australia and other global destinations.

Today Electra Consumer Products operates via 3 main divisions: the Air Conditioning and Climate Division that develops, manufactures and sells Air Conditioning systems; The Electrical Retail Division that imports leading brands including Philips, Miele, Sauter, Breville and more; and a nationwide retail channel operates with Mahsaney Hashmal and Shekem Electric.

Things You Didn't Know About Electra

- In its 75 years of operation Electra sold over 5 million air conditioners in Israel, and hundreds of thousands around the world.
- Electra is Israel's first air conditioning manufacturer and the developer of the country's first split A/C.
- Over half of the company's income is generated from products manufactured in Israel.
- Electra's is the only A/C manufacturing plant in Israel using robotic technology in its manufacturing process.
- During the extreme heat wave in May this year, the company's sales rocketed by 300%.

The Competitive Environment

Israel's A/C industry is a highly competitive arena that is controlled by two leading players, with additional smaller players and brands, the vast majority of which are manufactured in the Far East. In recent years, new players entering the market have led to changes in consumer habits, expressed in a substantial growth in the two poles of the market – the premium segment, relying on product innovation, power, energetic efficiency and excellent service; and the lower priced segment – leveraging itself mostly based on pricing.

About 70% of the turnover of Israel's A/C industry comes from the professional market, which is still not institutionalized and its entry barriers are considered low. Electra – which operates in all segments of the market, is working to increase the regulation in this sector, as well as continuously ensuring the highest possible products' quality, innovation and uncompromising service. As the leading brand in the industry, operating the largest A/C manufacturing plant in the Middle East, Electra is working to promote licensing legislations for technicians and gas transporters, as well as stricter quality and safety standards.

The Marketing Challenge

Global warming, alongside a growing consumer understanding of the importance of air quality, require the development of effective solutions that will not only heat and cool but will also be energetically efficient and contribute to improving air quality.

Electra's marketing challenge focuses on differentiating the brand using product and technological innovation, bringing added value to private and professional customers alike.

The Creative Solutions

In the past year, Electra's ongoing environmental efforts have taken center stage in the company's operations, led by an understanding that today more than ever consumers demand solutions that also consider air quality. Electra believes that by making technology accessible to all and creating an improved buying, maintenance and service

experience, the company is better positioned to address its customers' true needs and in the process make their lives more enjoyable.

Electra Magic Air. Over the past two years, as part of a strategic process, the company has invested in the development of products that control the quality of the air. This year Electra launched its Electra Magic Air product line with the ionizer component that infuses into the air ions that charge the oxygen molecules with a positive and negative charge. This innovative component reduces the amount of germs in the room by up to 95%, based on a study conducted by a Ministry of Health certified laboratory. The component also neutralizes bacteria in the air, reduces dust and mold particles in the room and reduces static electricity and unpleasant odors.

Electra Eco Water. A new regulation prohibiting installation of electrical boilers in new buildings has come into force this year. Consequently, Electra began developing new water boilers operated by a heat pump. The new product – Electra Eco Water – is more energetically efficient and economical.

New visibility. As part of the strategic focus on products that improve air quality and the ongoing investment in the development of green technologies, this year the company has revised its marketing visibility. The visual language has changed to one that incorporates values of prestige, innovation and environmental considerations.

Electra Academy. The company established a college for installers, offering training in a range of professional disciplines and providing eligibility for a governmental certificate in line with the standards of the Ministry of Labor and Commerce.

In parallel, Electra founded the first laboratory of its kind that offers training on the use of the R32 refrigerant gas which will be introduced in the market as of next year and requires a specific training certificate and license. Among the topics offered by the college: industrial electronics, electricity, cooling and air conditioning for systems, work on heights, first aid, fire safety, handling IOT based systems and a practical course in the identification and handling of typical failures.

Quality and Customer Service. This year Electra launched its new PRO app, offering a range of features that increase the efficiency of installers' work. For instance, installers can purchase products directly from the app, order spare parts, activate warranties, obtain updates on technical and professional information, instantly communicate with the company and accumulate points eligible for gifts.

In parallel the company continued to improve its Electra Prime service, offering longer hours



of service by its customer service and technical centers – responding to calls till 22:00 in summer. In addition, further channels were added to the call center, including SMS, Whatsapp, Chat bots, email and more.

In addition, the company has improved its SMART app that enables full operation of air conditioners from the app, including remote activation and deactivation, temperature adjustments for each room separately, ventilator speed adjustments, operating

modes, and more, as well as an exclusive Hebrew voice command feature.

The app also includes a delayed programming option, receipt of failure warnings, and even telephone assistance from the call center or digital support via the online chat, leading to remote repairs of the unit when possible.

Marketing initiative with Ninet Tieb and Amir Dadon. During the COVID-19 quarantine, the company launched a marketing initiative aimed at increasing

solidarity and spreading optimism, during which musicians Ninet Tieb and Amir Dadon performed a duo version of the song "Big light". The campaign gained extensive exposure and public support.

Digital mobility. The various initiatives – both in terms of product innovation and entry into new content worlds, as well as improved customer communication – were accompanied by relevant content communicated and promoted via the various media channels and especially social media.