

# Hollandia

Hollandia has chosen to respond in a unique way to the emerging market conditions that resulted from the Corona outbreak. Instead of sending employees home on furlough, the entire work team was shifted to the company's online operations, a step which in turn led to a wave of orders from consumers wishing to improve their sleeping solutions while spending more time indoors

Hollandia specializes in sleep engineering, selling designed sleeping solutions through its branches located throughout the country. Next year Hollandia will celebrate its 40th anniversary.

The brand's story begins in 1981, when Isaac Barsessat, a farmer from Moshav Orot, who suffered from frequent back pains, searched for a special bed to ease his suffering – and found it in Holland. The bed that he purchased improved his quality of life, and in a short while he ordered

similar beds for his entire family. Later on, with their encouragement, Barsessat opened a small shop within a large Kitchen design store in Tel Aviv's Dizengoff Center shopping mall, where he sold the beds and mattresses that he imported from Holland.

In 1987 Barsessat opened his first independent sleeping solutions store in Ramat Gan. His son, Avi Barsessat, joined the business in 1986 and the company continued to grow, with the chain's seventh store opening in Rishon LeZion in 1992.

Today Avi continues to manage the company and is considered a global expert in sleep quality. He is the Israeli representative of the World Sleep Society, frequently lectures on the topic, and has published three books – "The slumber of kings", "NAP" and "Hollandia, the book". Every year he organizes an event marking World Sleep Day.

The name "Hollandia" was born by chance, when Barsessat senior was asked to write his company's name in a form he was filling to obtain an import license at the Dutch embassy. He invented the name on the spot, inspired by circumstances.

The company currently owns and operates a factory and R&D center in Israel's southern city of Sderot, and over the years has transitioned from being an importer to becoming a manufacturer and exporter.

The company's products are currently exported to 24 countries worldwide.

Today the company sells adjustable beds and sofas, youth beds, mattresses, pillows, blankets, seating systems, hospitality solutions, and more, positioning itself as a leading and qualitative sleep engineering expert.

## The Competitive Environment

The Israeli beds and mattresses market is controlled by five large retail chains, in addition to a number of smaller chains, importers of foreign brands, personal online importers and a few hundred private stores. All players in the industry offer a range of mattress brands and accompanying furniture. The Israeli market is highly competitive, leading consumers to demand frequent discounts and special offers. Hollandia is one of a short list of premium brands.

## The Marketing Challenges

This year the company has had to cope with a number of exceptional challenges, including the need to restore its Sderot warehouse, which was hit by a rocket fired from Gaza Strip and demolished. Added to this was of course the Corona virus outbreak and the economic crisis that accompanied it. Even before the outbreak of the pandemic, Hollandia had set itself a goal of increasing its sales by adding more branches and personally tailoring the service offered to each customer.

## The Creative Solutions

In the past year, Hollandia has embarked upon a number of marketing directions:

Branding – this year the company published a brand book telling the story of the Hollandia brand. The book is targeted at both existing and potential customers.

Marketing – Avi Barsessat founded a Facebook group called "Sleep Forum", for people interested in discussing the topic of sleep. In parallel, Avi began broadcasting on the "Kol Rega" radio station, where he has a program about sleep, during which he discusses the topic with listeners and professionals. Advertising – the company launched a year-round campaign on all media channels, with the slogan "the best sleep in the world". In parallel another campaign is being presented to the Arab population, among whom consumer trends have changed significantly over the past years.

Expansion – the company's eighth shop is expected to open in Kiryat Ata later this year. The new shop will span a very large floor space, suited to public preferences and demand. The ninth store is scheduled to open in 2021 at the new design center in Mishor Adumim industrial park.

Multi Branding – Hollandia stores offer many imported brands, and the company emphasizes the importance of offering a wide range of different brands and products to provide solutions suited to diverse market requirements and needs.

Adjusting to Corona times – when the corona crisis began, Hollandia transformed its operating method to adjust to the changing market conditions. At the onset of the crisis, when many businesses sent employees home on furlough, Avi Barsessat decided that despite the difficulties and restrictions, this will not be the case at Hollandia. Instead, the stores' operations turned digital, and its employees began operating a full time telemarketing service. They called new customers who had expressed interest online, and initiated calls to existing ones. The calls led to a wave of orders from customers seeking new sleeping

Hollandia the Sleep Engineering Center

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solutions while under social distancing restrictions. Company employees also worked in transporting the products and installing them at customers' homes. To ensure that customers enjoy the best possible deal, the company began offering a trial period of 277 days – exactly 9 months – which the company branded as the nine months of creation.

In parallel, the period was utilized for daily training for employees via Zoom, with classes and lectures held on a daily basis, in the morning and evening. In April, when stores were reopened, workers made the necessary preparations for conforming to the "purple standard". Rebuilding – in November 2019 the company's main

warehouse was demolished after being directly hit by a rocket fired from the Gaza Strip. Renovations were underway when the Corona crisis began, and the company decided not to stop the work. Now, following extensive investment of funds and labor, the warehouse has been reinstated to its previous condition and is once again operative.