

**Hollandia, importer, manufacturer and marketer of bedroom sleep systems has set as its goal to lead the bedding industry in Israel. Therefore, the company's central market strategy focuses on product innovation, design investment and continual improvement of quality of service**

Hollandia was founded in 1981 by farmer Isaac Barssessat from Moshav Orot who decided to enter the furniture sector following back-breaking work in farming, Hollandia imports, manufactures and markets bedroom sleep systems. The brand's first store, which opened in Dizengoff Center in Tel-Aviv, sold, in addition to beds and mattresses, sofas, armchairs, pillows, linens and blankets. Today, the Hollandia chain operates eight retail branches in Israel and several stores in the United States. A more detailed marketing history for Hollandia can be found in the 2011 edition of the Israel's Superbrands book. By the end of the 1990s, Hollandia opened up its R&D center in Sderot. Shortly afterwards, the company opened a factory in the city to manufacture and assemble adjustable beds. The transition to development and manufacturing enabled the company to expand to other countries outside of Israel. Today, Hollandia markets its products in Europe, North America, Africa and Australia. The bedding industry in Israel is considered relatively competitive. Hollandia has positioned itself in the upper

premium segment of this category.

During the last year, Hollandia has implemented several marketing measures and moves in order to differentiate itself in the category and to reinforce the brand.

### Increased Bed Width

Traditionally, the relatively small size and internal division of apartments in the local market resulted in most beds sold in Israel having a width of 1.40 meters, in contrast with other countries around the world, where the average bed width is between 1.80 and 1.90 meters.

Hollandia believes that although "sleeping close" is a good sign for romance and healthy relationship, after the partners fall asleep, it is important that both of them enjoy a sufficiently wide sleep surface to result in good, effective sleep.

The company therefore decided to educate the market to consume wide beds and now offers most of its beds at 1.80 meters wide or more, with the aim being to increase the standard in Israel to a width of 2 meters over the next

decade. In order to advance this move and to reinforce the trend of the transition to wider beds, Hollandia's points of sale employ sales personnel who present to consumers the importance of the bed in their everyday life, as well as the inherent advantages to anyone choosing to sleep comfortably and the ways they can position wider beds in their bedrooms.

### Investment in Product Innovation

Throughout the years, Hollandia has focused on product innovation designed to provide added value to the sleep experience.

This year, Hollandia has launched a solution that would allow a person who wakes up in the middle of the night in order to go to the bathroom, for instance, to do so without disturbing their partner or themselves. Hollandia beds have been connected to a sensor that activates a floor LED once the person places his leg on the floor. This is a 'cold' light that does not wake the person sleeping nearby and does not blind the person who wakes up. The sensor activates the light for about a minute and a half – enough time to allow the person to go to the bathroom and return and enables the person to return to the bed to resume his restful sleep.

The system will be introduced for the first time to the global market in January 2013 as part of the largest bed exhibition in the world, IMM, which will be held in Cologne, Germany.

### Continuing Investment in Design

This year, Hollandia is continuing its collaboration with world renown super designer Karim Rashid, who designs beds for the company.

This year, Karim designed a bed that was especially tailored to the Israeli consumer based on information provided to him by Hollandia. The new Karim Rashid-designed bed allows consumers to choose the color of the bed based on their personal preference. Furthermore, the bed base and the end tables 'float' in order to make cleaning the bedroom easier. The front of the bed incorporates the designer's signature.





[www.hollandia.co.il](http://www.hollandia.co.il)

## Multimedia-integrated Beds

As part of the Hollandia vision that a bed should not only provide a place to sleep but is a main site for relaxation and leisure for consumers, a new line of multimedia beds was launched this year under the concept that accompanies the Hollandia logo: "Let's stay in bed".

The beds in the series incorporate a 40-inch retractable television screen, Blue-Ray device for broadcasting films, anchoring points for smartphones for charging and to listen to music, a sophisticated sound system, USB port and preparation for multi-channel television supplier boxes.

The multimedia bed allows the partners to connect to a sound system through separate earphones, each of which can connect to a different listening source.

The beds also include individual focused LED reading lamps that allow one of the partners to read without disturbing the other partner who continues to sleep uninterrupted in darkness.



## Improved Service Quality

The digital world and the resulting transparency changed the balance of power between retailers and consumers, requiring companies to invest even more to improve service. Hollandia believes that quality service is a core component of the company's marketing strategy and has subsequently adopted several measures:

Every advertisement, catalog or warranty meets the specifications and requirements of the Israeli consumer protection agency, The Public Trust, to ensure transparency, clarity and elimination of the 'fine print'; The company's Customer Service operates on the concept of "Act as if you were providing the service to your mother" in order to accentuate the Extra Mile that

our service representatives must make for the customers; The company policy has always been that any customer who regrets making the purchase and wants to return the product will receive a full refund;

Quality control of the products is conducted by the company during the manufacturing process – in Israel or overseas – in order to reduce the risk of a malfunction in a bed that reaches the customer's home.

## Things You Didn't Know About Hollandia

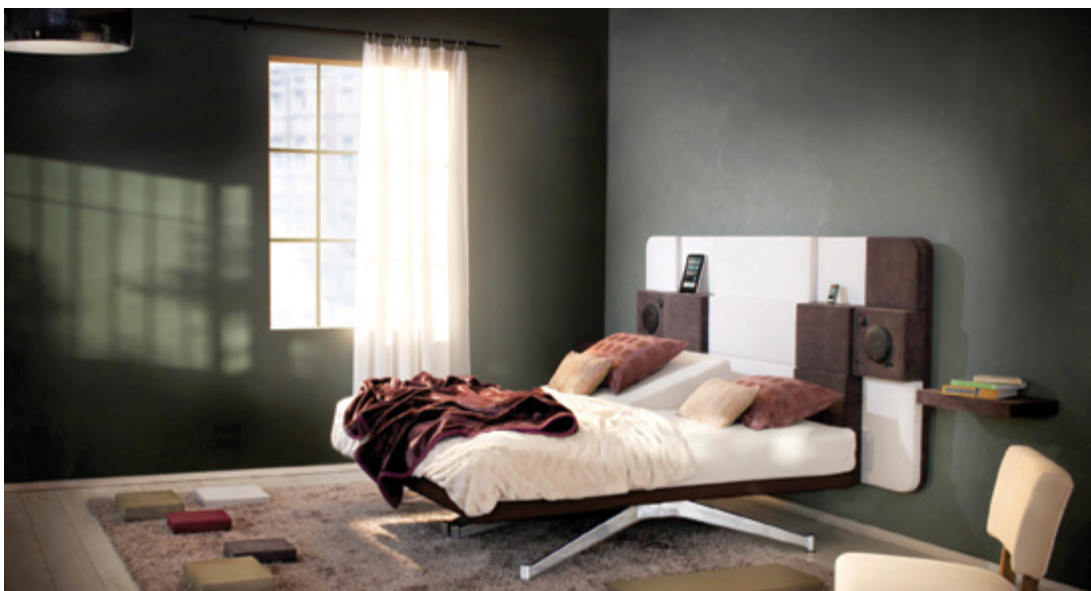
■ Most 'malfunctions' in adjustable beds that are reported by company customers are related to someone pulling the plug out of the outlet. In most cases, it turns out that the maid, for example, has used the outlet to operate the vacuum cleaner.

■ Due to the limited number of genuine malfunctions in adjustable beds that Hollandia has been selling for the past 31 years, only one technician is needed who provides service to all customers across the country.

■ The beds that Hollandia purchases from its customers as part of its trade-in policy are renovated by the company and donated to the residents of Sderot, where the factory and R&D center is located. In Sderot, Hollandia has been supporting the organization EnoshSderot for the past four years via an ecological garden it established on factory grounds, which employs Hollandia employees and Enosh patients.

■ The Company founder Isaac Barssessat, who recently celebrated his 82nd birthday, is considered a world expert on sleep and serves to this day as Chairman of the Company, which is now managed by his son Avi.

■ Hollandia recently installed a bed designed by Karim Rashid in a Manhattan apartment, owned by a couple who filled the entire apartment with furniture designed by Rashid.



**1981**

Farmer Isaac Barssessat switches professions and establishes Hollandia as a bedroom furniture store in Dizengoff Center.

**1986**

Isaac's son, Avi Barssessat, currently Company CEO, begins working in the family business as an installer of beds in customer homes.

**1998**

Hollandia establishes manufacturing plant for adjustable beds in Sderot.

**2000**

Hollandia develops its first adjustable bed, the GRAVITY ZERO model.

**2000**

The company begins exporting its products overseas.

**2008**

Hollandia launches a chain of stores in the United States.

**2009**

The first bed designed by world renown super designer Karim Rashid is launched.

**2012**

Multimedia bed is launched. Additional beds designed by Karim Rashid also launched as well as bed with automatic night light.