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The entry strategy of JSC "Smurfit Kappa RUS" onto the Belarusian market

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Statement of a substantive character of the graduate qualification thesis

I, Rudova Alisa Kseniia Olegovna, the 4th year student of Graduate School of Management of SPbU (International Management) confirm that there are no elements of plagiarism in my **final qualification project called “The entry strategy of JSC "Smurfit Kappa RUS" onto the Belarusian market”**, which is performed for public defence in June, 2023.

All direct loans from printed and electronic sources as well as from presented earlier course projects and graduate works, candidate and doctoral dissertations have corresponding references.

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31.05.23

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Introduction

In this final qualification work, I develop a strategy for Smurfit Kappa RUS to enter a new market - the Belarusian market. More precisely, through the online distribution channel, focused on small business segment in Belarus. In 2022, the company's revenues decreased as some customers left the Russian market. Therefore, the company started looking for new markets, and one of the most convenient at the moment is the Belarusian market. Moreover, the company already tried to open an online shop and work through marketplaces in Russia but put this process on hold because it did not bring as much profit. However, the company still needs new customers and additional income, as well as development in new areas, so they decided to consider an online format in Belarus. The paper will also present an analysis of the corrugated cardboard market in Russia and Belarus, as well as a strategy for the company to enter the Belarusian market.

I had a summer internship at Smurfit Kappa for two years in a row. Due to sanctions, the company has lost markets in Finland and Estonia, hence, Smurfit Kappa is looking for ways to increase sales in other possible markets, the most suitable of which is Belarus. I was contacted by Smurfit Kappa RUS, where I did my summer internship, with a request to analyse the Belarusian market to understand whether to enter its online market or not. The company wants to see how cost-effective it is to operate in an online format in the Republic of Belarus if it has not succeeded in Russia.

As a result of sanctions, which led to a ban on corrugated packaging exports to Finland, the company lost all Finnish customers in the spring of 2022. There has also been a ban on the import of corrugated boxes to Estonia since January, which also affected the company's sales in the short term.

Smurfit Kappa RUS includes 4 plants in Russia, 3 of which are located in the Leningrad region and 1 in Moscow. The company is looking for ways to replace current and future customer losses in the Finnish and Baltic markets by acquiring new customers and new geographical markets. In particular, the company is considering increasing sales to the friendly neighboring country of Belarus, to which it has been supplying its products in small volumes for several years, while assessing its sales experience in Belarus as positive.

At the same time, Smurfit Kappa RUS has never analysed the Belarusian online market or set objectives for its development, as there was no shortage of orders to load the existing production capacity until 2022.

At this stage, Smurfit Kappa RUS is not considering investing in new capacity in Belarus, because even when considering BtoB business in Belarus, the company chose not to consider too costly forms of entry into the Belarusian market. The company is thinking about loading Russian production sites, namely exporting its products to the Republic of Belarus. For this purpose, it needs to analyse the market and develop an entry strategy to this previously unexplored market.

In the modern business landscape, it is imperative for companies to ascertain their competitive advantages and devise strategies not just for local market growth, but also to maximize profits through global expansion. With the world constantly changing at a fast pace, it is crucial to select the best approach and formulate a strategy that enables entry into one or more new markets while considering customers' preferences, interests, and purchasing capacity. Moreover, it is essential to evaluate potential risks associated with international operations such as crises, conflicts, pandemics, and domestic legal and political factors.

Smurfit Kappa is one of the leaders in corrugated cardboard packaging. The company is currently interested in entering the market in Belarus through the online channel of distribution, which requires a quality strategy. The economic sanctions imposed by several countries against Russia have led to certain restrictions on trade in goods and services. Smurfit Kappa has lost some customers, some Smurfit Kappa customers themselves have lost their previous sales volumes and now need less corrugated cardboard packaging. Consequently, Smurfit Kappa's sales volume has decreased.

The goal of this paper is to develop a strategy for the company to enter the Belarusian market.

Smurfit Kappa used to supply packaging in Belarus, but now it is interested in expanding its presence. And in this paper, I will describe in detail the development option with entry into the market for small businesses.

Numbered list of objectives:

- 1) To describe “Smurfit Kappa RUS”.
- 2) To state the managerial problem or the reason why the company wants to enter the Belarusian online market for BtoB (small businesses), to mention the experience in e-commerce in Russia, to mention risks regarding the Russian market.
- 3) To describe the research methodology.

- 4) To do the external analysis of the Belarusian market: main information, trends, PESTEL analysis, and analysis of Porter's five forces.
- 5) To analyse the competitive environment of the corrugated packaging market in Belarus.
- 6) To describe the forms of entry into the Belarusian market for small businesses. Business Canvas are used to proceed with the entry mode.
- 7) To form company's entry strategy to the Belarusian market.

The research object is JSC “Smurfit Kappa RUS” and the research subject is the entry strategy for JSC “Smurfit Kappa RUS”.

The process of achieving the set goals and objectives has determined the structure and logic of the final qualification work. This paper will consist of an introduction, three chapters and a conclusion. The introduction will contain a brief description of JSC “Smurfit Kappa RUS”, for which it is necessary to develop a new market entry strategy. The first chapter will deal with a brief description of the company, the management problem and the description of the resourcing methodology itself. The second chapter will provide an external analysis of the Belarusian market using two analysis tools: PESTEL analysis and Porter's Five Forces analysis. In the third chapter a marketing funnel will be made with the help of which the form of entry into the market of the Republic of Belarus will be chosen for JSC “Smurfit Kappa Rus. On the basis of all collected primary and secondary information, it is planned to develop a strategy for the form of entry into the market of the Republic of Belarus, which will give an opportunity to increase the presence of the company and increase sales. In conclusion, a summary of the work carried out will be summarised.

This also determined the research methodology presented in the table below.

Table 1. Research Methodology

| | Interviews of company’s marketing and sales managers | Desk research |
|------------------|---|----------------------|
| Type of research | Primary | Secondary |

| | | |
|-----------------|--|--|
| Objective | Analyze company's expectations, resources, and value proposition Provide recommendations Choose entry form | <ul style="list-style-type: none"> Analyze the cardboard market of the Republic of Belarus Identify trends Identify the external factors affecting the choice of entry mode |
| Sources | Interviews Confidential documents | <ul style="list-style-type: none"> Websites Scientific publications Economic news |
| Data collection | Interviews Confidential documents for temporary use | <ul style="list-style-type: none"> BELTA+ World Bank Development Bank |
| Instruments | Marketing funnel Business Canvas | <ul style="list-style-type: none"> PESTEL analysis Porter's Five Forces analysis |

Chapter 1 The theoretical basis of the concept

1.1 General description of the company

Smurfit Kappa RUS is a Russian company which is part of the international Smurfit Kappa Group. The company specializes in the production of packaging materials, including corrugated cardboard, corrugated packaging, paper bags and other types of packaging.

Smurfit Kappa RUS was founded in 1997 and today it is one of the largest packaging manufacturers in Russia. The company has several production facilities located in different regions of the country, including Moscow and St. Petersburg.

Smurfit Kappa offers a wide range of packaging materials, including corrugated cardboard, corrugated packaging, paper bags, cardboard boxes and other types of packaging. The company works with various industries, including food, chemicals, pharmaceuticals, electronics and others.

The main products of Smurfit Kappa RUS are:

- corrugated cardboard sheets (thickness 1.5mm, 3mm, 4mm, 7mm);
- transport boxes (including large-sized);
- complex packaging designs (shelf ready packaging, display packaging etc);
- Bag-in-Box bags for bottling, storing and transporting liquid food products.¹

| The name | 31.12.2022 | 31.12.2021 | 31.12.2020 | 31.12.2019 |
|----------------------|------------|------------|------------|------------|
| MONDELEZ | 395 740 | 489 740 | 307 141 | - |
| NESTLE | 310 200 | 423 425 | 266 558 | 226 852 |
| UNILEVER | 165 115 | 198 018 | 147 781 | - |
| KIMBERLY CLARK | 160 015 | 185 038 | 70 910 | 38 299 |
| MULTON | 99 135 | 124 635 | 64 350 | 49 393 |
| BALTIKA BREWERIES | 90 128 | 107 928 | 31 728 | - |
| RECKITT BENCKISER | 70 169 | 93 164 | 50 392 | 29 533 |

¹ Smurfit Kappa RUS, . (2023). *Smurfit kappa - paper: Packaging: Solutions*. Smurfit Kappa - Paper | Packaging | Solutions. <https://www.smurfitkappa.com/ru?ysclid=li7916ag1s927531894>

| | | | | |
|-------------------|------------------|------------------|------------------|----------------|
| DANONE | 65 798 | 91 743 | 36 012 | - |
| BAT | 61 135 | 85 115 | 55 496 | - |
| JACOBS EGBERTS | DOW 55 945 | 83 801 | 44 639 | - |
| Total | 1 473 380 | 1 888 625 | 1 075 007 | 314 544 |

Table 2. The main customers RUB thousands

Source: Smurfit Kappa RUS, (2022). Retrieved April 15, 2023.

One of the features of Smurfit Kappa RUS is its focus on environmentally friendly packaging. The company actively promotes the use of packaging made from recycled material and is working to reduce its ecological footprint.

Smurfit Kappa RUS is one of the leaders on the packaging market in Russia and has received many awards and certificates for the quality of its products and its environmental responsibility.

Smurfit Kappa RUS awards²:

1. ProdExtraPack: 2022
2. ProdExtraPack, Part Award: 2014-2021
3. Part Award: 2012
4. Grand Star of Russia: 2011
5. PosUpack, ProdExtraPack: 2010
6. PosUpack: 2009
7. Grand Star of Russia, RosUpack: 2008
8. UPEM, ProdExtraPack, PosUpack, Grand Star of Russia: 2007
9. UPEM, ProdExtraPack, PosUpack: 2006

The above awards are important for several reasons:

² Smurfit Kappa RUS, . (2022). PDF. St.Petersburg: JSC “Smurfit Kappa RUS” private and confidential.

- A jury of experts provides a comprehensive evaluation of innovative developments in packaging and packaging materials;
- The title of winner is awarded to companies that offer solutions with improved consumer properties and high product quality;
- The victory confirms the status of the leader in the packaging industry. And for the customer, it is a weighty argument when choosing packaging for goods.

The company continues to develop and expand its product range to meet the needs of its customers in various industries.

Smurfit Kappa RUS has been present on the Russian corrugated paper market for more than 25 years. During this period, the company has become the market leader in North west Russia and one of the TOP5 corrugated board producers in the whole of Russia. Smurfit Kappa RUS consists of three corrugated board mills and one Bag-in-Box mill. One corrugator factory and one Bag-in-Box factory are located in Vzevolozhsk, Leningrad Oblast, one corrugator factory is located in Komunar, Leningrad Oblast, and one corrugator factory is located in the city of Moscow.

Smurfit Kappa RUS has a market share of over 40% in north-west Russia and 7% in Russia as a whole.³

The company is trying to enter Belarusian market using online channel, which is oriented on the small BtoB businesses. In 2021, the company opened an online corrugated cardboard store, not for large companies but for small one. This opening took a significant amount of time, including fundraising, bidding to find a suitable SMM agency, and developing a work and sales plan. The company is used to working in the BtoB (large businesses) sector, so adapting to this was a challenge. Unfortunately, the project had to be discontinued as there were not enough orders to make it profitable and the company did not need this small and expensive revenue stream due to the large number of client companies.

³ SK. (2023). JSC "Smurfit Kappa RUS" annual report. Retrieved April 5, 2023.

1.2 Managerial Problem statement

There are several reasons behind the company's desire to enter the Belarusian online market.

- The first reason is that the company has lost several export customers in the last year, with some customers experiencing stagnant sales. The reason is that cooperation with Finland and Estonia has been terminated and some customers have left the Russian market.
- The second reason is that the company believes that it can enter the Belarusian market with an online presence targeting small businesses clients, in addition to large businesses.
- The company already had experience with an online store in Russia, but was not so successful as to leave it, as the company already had its machines full and there was no need to spend capacity on the online market., so it was considering the profitability of such an effort in Belarus, but it was very interested and wanted to analyze all the nuances, hence, a consulting project was needed.

Smurfit Kappa RUS has established various additional objectives pertaining to the establishment of an online store.

- One avenue to facilitate consolidation and advancement of a brand is through active support and promotion. The company aims to expand its customer base and bolster its esteemed reputation in pioneering through the creation of an online presence.
- In addition to these stated objectives, the company endeavors to establish a supplementary stream of income by means of its digital retail platform. This strategic move will facilitate the organization to leverage the burgeoning e-commerce sector in Belarus and furnish supplementary provisions that are aligned with the prevailing market requisites.
- Furthermore, the corporation aspires to augment customer loyalty through the provision of superior service during initial interactions and subsequent engagements. The company postulates that by furnishing a favourable customer experience, it will attain customer loyalty, thereby upholding their patronage while concurrently, drawing in fresh customers.

All of these reasons have one thing in common.

Smurfit Kappa RUS only has offline cooperation with large companies. It is not cost-effective to rebuild production for small and medium-sized businesses, they already work with exceptionally large volumes of orders, moreover, in the offline format it will be more difficult to reach a new segment of customers, as Smurfit Kappa is mostly known only to large companies, which have been cooperating with Smurfit Kappa for years.

As market penetration via the online channel is a different type of customer, it offers an opportunity to increase awareness.

Therefore, the audience of the project is the following:

B2B: small companies producing food products (confectionery, meat, dairy, alcoholic and soft drinks, pet food), pharmaceuticals, electronic products, furniture, household chemicals, household goods, etc.

This entire project audience is small companies that mainly look for packaging on marketplaces or online shops, as in offline formats many packaging companies take on larger clients rather than clients with orders for 50-100 boxes.

With Smurfit Kappa's online channel, it will be possible to tackle the problem of brand awareness.

The risks that Smurfit Kappa RUS face in Russia in 2023 are the part of managerial problem statement and the reason to enter the Belarusian market.

The growth rate of corrugated products in 2023 will decline to 2.7% due to the dynamics of macroeconomic factors.⁴

Growth of the corrugated market in 2023 will be supported by emerging trends (import substitution in production, business transformation, logistics and supply chain development, private label development, product range changes, new product launches and promotions).

Emerging trends create the conditions for all supply chain actors to work together effectively and develop new sustainable solutions.

The unstable global economy, geopolitical situation and declining corrugated board exports in the context of sanctions will lead to the need for reorientation of all stakeholders

⁴ Bredis, M. (2022, December 7). *Russia's corrugated industry: a year of awareness*. UNIPACK.RU. <https://article.unipack.ru/91670/>

(paperboard and cellulose) in the corrugated board market by 2023, making price pressure on each other a priority option.

The balance of supply and demand between January and March 2023 will be in favour of the buyers and, therefore, corrugated producers will have 'bargaining power' in terms of prices with corrugated producers.

However, there is a significant risk of irrationality in the TC market, which could lead to an imbalance towards deficit or surplus.⁵

In general, the objectives of establishing an e-commerce platform are congruous with the strategic objectives of the organization, and as a consequence, will serve to fortify its position within the market.

1.3 Research methodology

Regarding the research methodology, I followed a certain plan of action. Initially, I gathered information about the company's efforts to enter the online market in Russia. As an intern at the time, I had access to the entire organizational process and was able to witness the complexities of the process. This insider knowledge helped me to form some conclusions on what the company should and shouldn't do when developing their strategy.

Next, I conducted interviews with the sales and marketing departments to gain insight into the intricacies of having a direct market presence in this format, as well as the main aspects of this presence and any obstacles that prevented the company from continuing its operations in this format in Russia. I also learned more about why the company planned to consider entering the online market in Belarus and what their preferences, expectations, and interests were in this regard. Furthermore, I investigated the recent changes in the company's income due to the termination of cooperation with Finland and Estonia, as well as their priorities when entering the Belarusian market. The company's internal analysis was also provided to me by its staff since it was not possible to obtain it from external sources without assistance.

The interviews I conducted with Smurfit Kappa marketers were as follows:

⁵ Bredis Michael. (n.d.). UNIPACK.RU industry portal.

- The reason for entering the market of the Republic of Belarus through an online channel;
- The company's experience in working with the online market;
- Resources for entering a new market.

All interviews were formal and took place offline in the office. I prepared questions for each interview, and throughout the interview I had new questions that helped me to better understand the motives, value proposition, expectations and resources of the company.

I conducted 4 semi-structured offline interviews with marketing and sales managers. I only conducted interviews with these two departments for several reasons. First, the marketing department is primarily responsible for information about the company, its plans and ideas, and working with new projects, while the sales department is responsible for customer relations and sales. Secondly, the sales department has access to the financial plans that are drawn up by the finance department. Thirdly, it was not possible to get in touch with the production department and the finance department, so I received information about their work indirectly through the sales department. I also conducted one structured online interview with the Market Go company, they are engaged in the promotion of marketplaces, and together we analyzed all the nuances of entering the marketplace. I prepared questions for the interview, and the CEO Evgeny Glushakov and marketplace specialist Darina Belova answered them.⁶

Table 3. Interviews

| Interview | Interviewee | Type | Topic |
|------------------|--------------------|-----------------------------|---|
| № 1 | Marketing manager | Semi-structured, offline | Company's overview, reasons to enter the new market |
| № 2 | Sales manager | Semi-structured; offline | Resources, financial investments available for the project |
| № 3 | Marketing managers | Semi-structured; offline | Business Canvas model |

⁶ Glushakov, E. (2023). Increase sales on marketplaces. <https://marketgo.agency/>

| | | | |
|-----|-------------------------------------|-----------------------------|--------------------------|
| № 4 | Marketing manager, sales manager | Semi-structured; offline | Successful experience |
| № 5 | CEO, marketplace specialist | Structured; online | Marketplaces |

The first interview focused on a few facts about the company. Then we discussed why the company wants to enter the Belarusian market and why it is through the online channel. The managers explained that the company's income has decreased over the last year due to the loss of markets and a decrease in purchasing power and that they want to partially increase income and brand awareness in this way. The online marketplace was chosen as an opportunity to work with a new customer segment, namely small businesses, as the offline marketplace only works with large businesses. The company managers and I also discussed our experience with online sales in Russia a couple of years ago. The company had suspended online sales because at that time all the capacity was taken up by offline sales clients, many of whom have now left the market. The capacity was freed up and it would be possible to resume sales through the online channel in Russia, but the company wants both to enter a new market and to resume online sales at the same time, in this case the market of the Republic of Belarus provides an opportunity to combine these two goals.

The second interview concerned resources, the company's capabilities, and what financial investments the company is willing to make to enter the Belarusian market. The managers shared several financial statements.

The third interview focused on the information needed for the Business Canvas model. Managers shared with me some ideas about value propositions, customer relationships, key activities, cost structure, key partners, key resources, revenue streams, channels, customer segments.

The fourth interview was devoted to a discussion of successful experiences with internet sales in Poland. I used the information obtained in the interview to draw conclusions in my work as approximate calculations and the format for working with the online sales channel.

Also, after the interview the managers shared some confidential financial tables with me for the time of writing, so that I could be guided by them when choosing the form of entering the market of the Republic of Belarus.

The company also provided me with several presentations which helped me to analyse internal factors which further helped in shaping Business Canvas.

The fifth interview was structured, during which we went through the questions I had prepared in advance. Thus, during the interview we discussed the stages of entering the marketplaces, conditions for selling products on the marketplaces, the number of marketplaces is better to enter at the beginning, financial plan that should be prepared for the entrance and presence, cooperation with SMM agency, the payback period.

For external analysis of the Belarusian market, I needed analysis tools. It was necessary to determine how to enter the market.⁷ I considered macro-environmental analysis, PESTEL analysis, and Porter's Five forces analysis in order to choose the most useful analysis.

- **Macro-environmental analysis**

Advantages:

- It helps identify opportunities and threats: macro-environmental analysis helps companies understand external factors that can affect their business, such as market trends, technological developments and regulatory changes. By identifying these factors, companies can take advantage of opportunities and minimize threats.
- It helps to make informed decisions: Macro-environmental analysis provides companies with a comprehensive understanding of their external environment, allowing them to make informed decisions. By analyzing the macro-environment, companies can determine the best course of action to achieve their goals.
- It helps build competitive advantage: Macro-environment analysis helps you identify your company's strengths and weaknesses vis-à-vis your competitors. Companies can

⁷ World, Bank. (2022). *Belarus*. World Bank. Retrieved April 8, 2023, from <https://www.worldbank.org/en/country/belarus>

2023 INDEX OF ECONOMIC FREEDOM. (2023). *Belarus*. Belarus Economy: Population, GDP, Inflation, Business, Trade, FDI, Corruption. Retrieved April 1, 2023, from <https://www.heritage.org/index/country/belarus>

BELTA+, . (2021, September 15). The area of forest fund in Belarus has increased by 95 thousand hectares for 5 years. Belarusian Telegraph Agency. Retrieved April 29, 2023, from <https://www.belta.by/society/view/v-belarusi-ploschad-lesnogo-fonda-za-5-let-vyroslo-na-95-tys-ga-459899-2021/>

create competitive advantage by using their strengths and addressing their weaknesses.

Disadvantages:

- Time consuming: Conducting macro-environmental analysis requires considerable time and resources. This can be challenging for SMEs with limited resources.
- Uncertainty: The external environment is constantly changing and it is difficult to predict future trends and developments. This uncertainty makes it difficult for companies to develop long-term plans based on macro-environmental analysis.
- **PESTEL analysis**

PESTEL analysis is a strategic analysis tool used to assess a company's external environment. It assesses political, economic, social, technological, environmental, and legal factors that may affect a company's operations.⁸

The main pros and cons of PESTEL analysis are presented below:

Pros:

- Allows you to assess the impact of various factors on a company's operations.
- Helps identify opportunities and threats to the company that may arise in the external environment.
- Allows the company to make more informed and informed decisions based on analysis of the external environment.
- Helps the company adapt to changes in the external environment and improve its competitiveness.

Cons:

- Does not consider the relationship between factors that may affect the company's performance.

⁸ Bruin, L. de. (2023, February 23). *Pestel analysis (pest analysis) explained with examples: B2u*. Business. Retrieved May 1, 2023, from <https://www.business-to-you.com/scanning-the-environment-pestel-analysis/>

- Does not consider the influence of internal factors on the company's operations, such as its resources, processes, and organizational culture.
- The results of the analysis can be subjective because they may depend on the analyst's perception.
- Does not account for unexpected changes in the external environment that may occur in the future.
- **Porter's Five Forces analysis**

Porter's five forces analysis is a strategic analysis tool used to assess a company's competitive environment. It assesses the level of competition in an industry and identifies what factors may be affecting the profitability of a company. .⁹

The Porter's Five Competitive Forces Model serves as a comprehensive tool for evaluating a company's strategic position relative to its commercial viability and The influence of competitive factors on its operations. The genesis and explication of the concept can be attributed to Michael Porter, a prominent economist from The United States, and is said to have been formulated in the year 1979. Porter utilized these constructs to explicate the genesis of competitive edge, The means by which to sustain earnings for The establishment, and The techniques for preserving dominance in an intensely competitive milieu.

Below are the main pros and cons of Porter's five forces analysis:

Advantages:

- Allows a company to assess the level of competition in an industry and determine which factors may have an impact on the company's profitability.
- Helps a company to identify which competitors may be most serious and which advantages the company has that can give it a competitive advantage.
- Helps a company understand what factors may affect the entry of new players into the market.

⁹ Porter, M. E. (2023, January 12). *How competitive forces shape strategy*. Harvard Business Review. Retrieved May 1, 2023, from <https://hbr.org/1979/03/how-competitive-forces-shape-strategy>

- Helps a company understand what factors may affect the strength of buyers and suppliers in the industry.

Disadvantages:

- Does not consider other factors that may affect the company, such as changes in the external environment and internal company factors.
- The results of the analysis can be subjective because they may depend on the analyst's perceptions.
- Does not consider the possibility of collaborative research and development between companies in the industry.
- Does not account for changes in the technological environment and their impact on the industry.

I have chosen Porter's Five Forces analysis and PESTEL analysis because they reveal all aspects of the external market of the Republic of Belarus at a level that allows further consideration of the forms of entry into the new market and the choice of one most appropriate. They together provide a more accurate and comprehensive analysis of the market in Belarus.

To select the form of entry of «JSC Smurfit Kappa RUS» into the market of the Republic of Belarus, I used a marketing funnel, information about the country's marketplaces, data regarding management and warehouses.

I used a marketing funnel in the process of selecting the form of entry into the market. I started with five possible forms and two possible channels (marketplaces, online shop), and eventually chose one form and two platforms, which I combined to arrive at the final result.

I have also considered which analysis will more holistically describe the whole system of business processes and be the basis for building the business model. I considered Value Proposition Canvas, Customer Journey Map, and Business Canvas.

- **Value Proposition Canvas**

Value Proposition Canvas¹⁰ (VPC) is a tool that helps businesses determine the value of their products or services to customers. It consists of two blocks: the Customer Profile block and the Value Proposition block. The Customer Profile block identifies the main needs, challenges and problems of customers, as well as their characteristics. The Value Proposition block identifies what specific solutions the business offers to meet customer needs.

Advantages:

- Helps the business better understand customer needs and create a product or service that satisfies them.
- Allows you to better define your market and competitors.
- Helps the business stand out in the marketplace by offering a unique value proposition.
- Facilitates communication between different departments of the business as all work with the same tool.

Disadvantages:

- Needs time and resources to conduct research and fill in the blocks.
- Does not take into account changes in the market and in customer behaviour.
- Does not guarantee business success as the value of the product or service may not be sufficient to meet customer needs.
- Not a one-size-fits-all tool and may not be suitable for all types of businesses.

- **Customer Journey Map**

A tool that aids organizations in understanding the consumer experience when dealing with a good or service is the Customer Journey Map (CJM). The customer goes through a series of steps in this process, starting with an introduction to the product or service and ending with

¹⁰ Value Proposition Canvas, . (2021, April 20). *Value proposition canvas: Comprehensive guide with examples*. awwaredigital. Retrieved May 1, 2023, from <https://awware.co/blog/value-proposition-canvas/>

support and care. To enhance the client experience and raise customer happiness, CJM enables you to pinpoint issue areas.

Advantages:

- Assists companies in better comprehending client demands and issues while interacting with their goods or services.
- Enables the company to pinpoint issue areas and enhance the client experience.
- Aids the company in standing out from the competition in the market by providing a better and more comfortable consumer experience.
- As everyone uses the same technology, it makes it easier for departments to communicate with one another.

Disadvantages:

- Gathering information and developing a customer journey map require time and resources.
- Is not updated to reflect market and consumer behavior changes.
- Does not ensure business success because the customer journey map might not be enough to satisfy client needs.
- Not a general tool and not appropriate for all business kinds.
- **Business Canvas**

A tool called a "Business Canvas" is used to explain the essential components of a company, such as its core values, important KPIs, cost structure, and sources of income. This tool aids companies in better comprehending their model and identifying areas for improvement.

Advantages:

- Assists companies in better comprehending their model and identifying areas for improvement.

- Enables the organization to pinpoint its clients, rivals, and market.
- Enables communication across various corporate divisions because everyone uses the same tool.
- Provides a distinct value proposition that aids in making a firm stand out in the marketplace.

Disadvantages:

- Requires time and money to carry out research and develop a company plan.
- Is not updated to reflect market and consumer behavior changes.
- Does not ensure commercial success because the business strategy could not be adequate to satisfy client requirements.
- Not a general tool and not appropriate for all business kinds.

The Business Canvas Model helps companies assess all aspects of their business, including the value proposition, sales channels, key partners, costs, revenues, etc.

The Business Canvas Model allows companies to focus on the key aspects of the business that matter most for success. This allows companies to identify which aspects of the business require more attention and resources.

The Business Canvas Model helps companies identify new opportunities for growth and development. This can include developing new products or services, finding new markets or creating new sales channels, which is very important for my new market entry consulting project.

That is why I chose the Business Canvas model to implement.

Business Canvas helped me to identify the following factors relevant to the final conclusion of my work:

- Target audience
- Value proposition
- Channels through which the company will work with customers
- How we build and maintain relationships with our customer segments
- Who the partners are and how they are managed
- Sources of revenue

- Cost structure
- Key resources

I have summarised all the parts of the thesis in the conclusion. The reasons for the company's decision to enter the Belarusian market through an online channel, the analysis of the external market, the choice of the market entry form based on profitability and convenience, the analysis of the business itself.

Chapter 2 External analysis of the Belarusian market

2.1 Introduction before the external analysis of the Belarusian market

The manufacture of wrapping paper and paperboard has been one of the fastest growing sectors of the global pulp and paper industry for the past decade.

The paper and board industry is dominated by corrugated board: materials for corrugated board production, such as flat coreboard and corrugated paper, and materials for consumer packaging, such as boxes, stacks and other packaging (boxboard).

The manufacture of paper, board and corrugated board packaging is currently in its infancy, due to the fact that these materials are among the most cost-effective and environmentally friendly. Nowadays, when branding is actively developing and attention is paid not only to the quality of goods, but also to the quality of packaging, its design and environmental friendliness, the demand for high quality consumer and transport packaging among manufacturers is constantly growing.

2.2 PESTEL analysis

The PESTEL analysis is a valuable instrument utilized in the domain of marketing for corporate strategic planning that factors in the effects of environmental influences on the enterprise over an extensive timescale. Anticipating the consequences of aforementioned influences facilitates the ability to reach informed judgments and mitigate missteps.

The instigation of any strategic determination is contingent upon this particular juncture.

Strategic planning plays a pivotal role in ensuring the seamless functioning of an organisation. It endows a valuable perspective on how to address forthcoming circumstances and modify the trajectory of the company.

The utilization of The PESTEL framework is highly recommended within the developmental stages of a project.

The documents essential to an organization's growth trajectory include a business plan, company strategic development plan, marketing plan, development plan, expansion plan into new markets, among other relevant materials.

Consequently, the utilization of this analysis when crafting a consultancy project may prove highly advantageous by facilitating the process of devising a market entry plan for the enterprise.

Table 4. PESTEL analysis

| | Factor | Influence |
|---------------|---|-----------|
| Political | Political union of Russia and Belarus | Positive |
| Economic | EU sanctions towards Belarus | Negative |
| | Industrial production shows a decline in investment activities | Negative |
| | Price restrictions imposed by the government | Negative |
| Social | Increasing demand for online products as a growth opportunity | Positive |
| | Population outflow from the country | Negative |
| Technological | Lack of high-quality machinery in Belorussian packaging production, no prospects for machinery import due to economic sanctions | Negative |
| | Increased product quality requirements in client's request | Positive |
| Environmental | Increasing governmental regulations related to deforestation | Negative |
| Legal | Stricter approach to environmental pollution from waste or releases into the production environment | Positive |

Political

Political union of Russia and Belarus

Economic benefits: A strong political and economic union with Russia provides Belarus with access to a large market and a stable source of energy and raw materials. This helps to sustain. Furthermore, thanks to the strong union, Belarus and Russia share a common cultural heritage and language, which helps strengthen mutual understanding between the two countries.¹¹

Imports to Belarus from Russia account for 60.3% of SG turnover. Reduced energy prices and reliable and timely deliveries of hydrocarbons from the Russian Federation have provided Belarus with the basis for stable economic growth.

The development of trade relations was facilitated by the formation and approval of common customs tariffs and non-tariff foreign trade regulation measures for Moscow and Minsk.

A harmonised macroeconomic policy of the Union State member states aims to achieve a level playing field in trade and public procurement for economic operators.

An analysis of the economic benefits of the implementation of the Union State Treaty for Belarus has shown that the Belarusian economy has gained significant benefits from close cooperation within the Union State in various areas. The creation of a free trade zone and unification of customs tariffs increased the capacity of the market for Belarusian enterprises.

¹¹ Ministry of Foreign Affairs, (2020). Belarus and international organisations. Ministry of Foreign Affairs of the Republic of Belarus. Retrieved December 2, 2022, from <https://mfa.gov.by/multilateral/organization/>

Legal

Stricter approach to environmental pollution from waste or releases into the production environment

Legislative changes to regulate emissions from pulp production, contribute to the modernisation of production processes and the adoption of more environmentally friendly technologies. However, some companies in the industry may resist these changes due to the high costs associated with upgrading their facilities and the potential loss of competitiveness in the short term. ¹²

Belarus has historically struggled with high levels of environmental pollution, especially in the industrial sector. This has led to environmental degradation and health problems for the local population.

Belarus has faced increasing pressure from international organisations and governments to address environmental issues and reduce pollution. This has led to new regulations and policies aimed at reducing emissions and waste.

The costs associated with upgrading facilities and introducing greener technologies can be significant for companies in the industry. This can lead to resistance to change and reluctance to invest in new technologies.

As confirmation of the importance of this factor, here is an article from the Law of the Republic of Belarus "On Environmental Protection"

Article 4: Basic principles of environmental protection

- Economic and other activities of legal entities and citizens that have an impact on the environment shall be based on the following principles:
- observing the right of citizens to a favorable environment and compensation for damage caused by violation of this right;
- ensuring favorable conditions for the life and health of citizens

¹² National Legal Internet Portal of the Republic of Belarus Source:
<https://pravo.by/document/?guid=3871&p0=v19201982> - National Legal Internet Portal of the Republic of Belarus, . (1992). National Legal Internet Portal of the Republic of Belarus. National Legal Internet Portal of the Republic of Belarus. Retrieved April 28, 2023, from <https://pravo.by/document/?guid=3871&p0=v19201982>

- scientifically grounded combination of environmental, economic and social interests of citizens, society and the state in order to ensure favourable environment;
- protection, rational (sustainable) use of natural resources and their reproduction as prerequisites for favorable environment and environmental safety;
- preventive nature of environmental protection and environmental damage prevention measures;
- state regulation of environmental protection and natural resource use
- permissibility of economic and other activities' impact on natural environment, taking into account environmental protection requirements;
- presumption of environmental hazard of planned economic and other activities;
- reducing the harmful effects of economic and other activities on the environment through the use of the best available technical methods and technologies that ensure compliance with environmental protection requirements, taking into account economic and social factors;
- Liability for violation of environmental legislation.¹³

Moreover, it is in people's own interest that packaging is eco-friendly, and thus that production does not degrade the environment.

All of this leads to companies trying to meet the needs of both the state and its customers. Companies are looking for environmentally friendly packaging options. This trend will continue into 2023, with more companies choosing sustainable corrugated paper packaging solutions.

¹³ State Inspectorate for Flora and Fauna Protection under the President of the Republic of Belarus, . (2023). *Law of the Republic of Belarus on Environmental Protection*. State Inspectorate. <https://gosinspekciya.gov.by/actual/rybolovstvo-i-rybolovnoe-khozyaystvo/355/>

Economic

EU sanctions towards Belarus

Restriction of the sales market, and imports can be particularly challenging due to the country's geographical location and limited access to seaports. This makes it more difficult and expensive to import raw materials and export finished products compared to other countries in the region. As a result, domestic pulp and paper companies may face higher transportation costs and longer delivery times, which can further reduce their competitiveness in the global market ¹⁴

Nevertheless, according to statistics and news economic situation is not as bad as at the first glance. Last year, according to economists, was a test for the Belarusian development model. And the test had to be passed by the sanctions pressure. Leveling its effects was the key task set by the President for the country's economic bloc. The government promptly took punctual decisions to support the economy. The first estimate of gross domestic product for 2022 has been made. GDP at current prices was 191.4 billion rubles, or 95.3% of the 2021 level in comparable prices. By the way, it has not changed over the past few months. Thanks to the measures taken by the country's leadership, the economy has reached the stage of recovery. Good results were shown by the food industry and timber processing. The annual target for housing commissioning was also met.¹⁵

Industrial production shows a decline in investment activities

Due to the exit of key foreign companies, there is a decrease in investment in Belarusian companies and a potential loss of expertise and technology transfer that could have been beneficial for the development of the industry.

In the structure of investment sources over 2022 as compared with 2021 there is some decrease in own and credit funds: the proportion of own funds of organizations decreased by

¹⁴ World, Bank. (2022). *Belarus*. World Bank. Retrieved April 8, 2023, from <https://www.worldbank.org/en/country/belarus>

¹⁵ World Bank, . (2023). *Belarus*. World Bank. <https://www.worldbank.org/en/country/belarus>

1.6 p.p. to 42.9%, credits (loans) of banks (including credits of foreign banks and foreign credit lines) - by 3.3 p.p. to 9.7%.

In the structure of investment by types of economic activities in 2022 the leading positions are taken by investments in real estate operations (26.9%), followed by manufacturing (18.0%), agriculture (15.9%), electricity supply (9.1%) and transportation (5.9%).¹⁶

Inflow of foreign investments in the economy of the Republic of Belarus in 2022 amounted to USD 6.98 billion. In 2022, foreign investments in the economy of the Republic of Belarus amounted to USD 6.98 billion, down by 19.8% compared with the previous year.

This can also lead to a reduction in the quality of products and services offered by domestic companies, which may not be able to keep up with the latest technological advancements and innovations. To address this issue, the government could explore opportunities for strategic partnerships and collaborations with foreign companies to promote knowledge transfer and investment in the industry.¹⁷

Price restrictions imposed by the government

Prohibiting price rises can lead to shortages of goods and services, as suppliers cannot make a profit and may stop producing or distributing certain goods. This can create a black market where goods are sold at much higher prices, which can hurt consumers who cannot afford to pay such inflated prices.

When prices are kept artificially low, businesses have no incentive to invest in new products or services because they cannot make a profit. This can lead to a lack of innovation and stagnation in the economy.

Government intervention: Prohibiting price rises requires government intervention in the economy, which can lead to corruption and inefficiency. It can also create a sense of dependence on government, as businesses and consumers rely on government to set prices and regulate the market.

¹⁶ Ministry of Economy of the Republic of Belarus. (2023). Investment Policy Outcomes | Ministry of Economy of the Republic of ... <https://economy.gov.by/ru/pezultat-ru/>

¹⁷ MYFIN.U, . (2023). "office prices to fall as rental rates fall" - commercial real estate investment market overview. Home Myfin.by. Retrieved April 28, 2023, from <https://myfin.by/stati/view/rynok-investicij-v-kommerceskuu-nedvizimost-mart-2023-goda>

Prohibiting price rises can create inflationary pressures in the economy, as businesses may try to make up for lost profits by raising the prices of other goods and services. This can lead to a vicious cycle of inflation and price controls from which it is difficult to escape.

Belarus could face commodity shortages and the emergence of a black market if the presidential ban on price increases is prolonged. The consequences could be more severe than in the case of higher inflation.

Nevertheless, subsidies with a ban on price rises may be able to postpone the disastrous consequences for a while, even though it is still a gross interference in the market economy. Sellers would still suffer losses, but market relations would not be critically disturbed.

Social

Increasing demand for online products as a growth opportunity

The e-commerce industry in Belarus is growing rapidly, which is expected to increase the demand for corrugated paper packaging. With more and more people shopping online, companies need to invest in high-quality packaging materials to ensure safe and secure delivery of products.

Growth of internet commerce, move to online increases demand for corrugated products such as boxes and packaging materials, as more and more goods are shipped and delivered directly to consumers. This presents an opportunity for domestic pulp and paper companies to tap into a growing market and expand their customer base. However, it also requires companies to adapt and modernize their production processes to meet the specific needs and requirements of the e-commerce industry. For example, companies may need to invest in new technologies such as automated packaging machines and digital printing equipment to improve efficiency and reduce lead times. By doing so, they can capitalize on the growth of internet commerce and remain competitive in a rapidly changing market.

In 2021, the turnover was 3.4 billion roubles, and in the three quarters of 2022, the marketplace turnover increased by 15% overall.

As an example, the number of orders on the Deal.by marketplace increased by 13% in 2021, and the average bill increased by 3% to 140 BYN. These figures reflect trends in the entire e-commerce market.

The categories showing the highest growth:

- Clothing - 39%;
- Goods for construction - 38%;
- Repair - 33%;
- The gifts, hobbies and books category - 32%.

Top 5 categories:

- household, garden and dacha products
- electronics and appliances;
- health and beauty;
- baby products;
- automotive products

The only downside to growing enquiries is the following. With the growing popularity of online shopping, competition in the corrugated packaging market is increasing. Companies need to differentiate themselves by offering high-quality packaging solutions that combine functionality and aesthetics.

But for companies that are unique in their own way and have different stories, value proposition, quality, etc., this will not be a problem and will only play into their hands.

Population outflow from the country

Departure of highly skilled professionals from Belarus can have a negative impact on the pulp and paper industry, as it may result in a loss of expertise and talent that is critical for innovation and growth. This can be particularly challenging for smaller companies that may not have the resources to attract and retain top talent. To address this issue, the government could implement policies that encourage the development of a skilled workforce and promote the retention of highly skilled professionals within the country. This could include initiatives such as tax incentives for companies that invest in training and development programs for

their employees, as well as programs that provide financial support to individuals pursuing advanced degrees or certifications in relevant fields.¹⁸

The general population statistics of the Republic of Belarus from 2022 is as follows. As of 1 January 2022, the population of the republic was 9,255,524. As of 1 January 2023, the population of Belarus was 9.2 million, 54,900 fewer than a year earlier. Such statistics indicates that the outflow of population is present in the country and may affect the recruitment of employees to the company.

Technological

Lack of high quality machinery in Belarussian packaging production, no prospects for machinery import due to economic sanctions

The production of corrugated cardboard packaging in Belarus is constrained by a lack of access to high quality machinery and equipment. This has resulted in a production process that is not internationally competitive, leading to difficulties in exporting goods and competing with other countries. Belarussian companies often have to import machinery from other countries, which can be expensive and time consuming.

Factors contributing to this situation include lack of investment in technology and innovation, limited access to international markets and lack of skilled workers in the manufacturing industry. In addition, Belarus may face trade barriers and tariffs that make it difficult to import the equipment needed for advanced manufacturing methods. As a result, the country's manufacturing industry may find it difficult to keep up with technological advances and to compete effectively in the global marketplace.¹⁹

So too is the lack of high quality production machines superimposed on the demand for them. With increasing competition in the corrugated packaging market, companies need to find

¹⁸ Levashkevich, Emma (2022, April 18). Minus a million. Why the RB authorities don't see the demographic problem - DW - 18.04.2022. dw.com. Retrieved April 28, 2023, from <https://www.dw.com/ru/minus-million-pochemu-vlasti-v-belarusi-ne-zamechajut-problem-demografii/a-61478883>

¹⁹ New technologies of industry in Belarus , . (2022). New technologies of industry in Belarus to be presented in Minsk on 5-8 April. CIS Portal. Retrieved April 28, 2023, from <https://e-cis.info/news/569/97420/>

ways to reduce costs and increase efficiency. As a result, the adoption of automation technologies such as robotic packaging systems and automated packaging lines is likely to increase.

This factor makes it even more difficult to try to find quality, much less foreign production machines.

Increased product quality requirements in clients' request

As consumers demand unique and personalised products, companies need to offer customised packaging solutions. This trend is likely to lead to the development of new packaging designs and materials.

Product quality requirements increase as consumers become more environmentally conscious and demand more sustainable and eco-friendly products. This trend is particularly relevant in the pulp and paper industry, where packaging materials are a major source of waste and pollution. To meet these evolving consumer demands, companies need to invest in new technologies and materials that reduce the environmental impact of their products, such as biodegradable and compostable packaging materials. Additionally, companies may need to implement sustainable production practices, such as using renewable energy sources and reducing water usage, to improve the overall sustainability of their operations. By doing so, companies can not only meet consumer demands for more eco-friendly products, but also differentiate themselves from competitors and improve their brand image.²⁰

A wide range of equipment, machines and mechanisms are restricted from the EU to Belarus. Restrictions are also applied to the financial sector, which may also affect goods not directly subject to sanctions.

- To sell, supply, transfer or export, directly or indirectly, equipment, whether or not originating in the EU, to any person, organisation or body in Belarus or for use in Belarus;

²⁰ Promekoresurs Ltd. GOST 9142-90 Crates from corrugated cardboard. Retrieved April 28, 2023, from <https://gofrotara.by/gost9142-90>

- To provide, directly or indirectly, technical assistance, brokering, financing or financial assistance, including derivatives, as well as insurance and reinsurance related to the above bans.²¹

Environmental

Increasing governmental regulations related to deforestation

Stricter production requirements, minimisation of hazardous substances in production leads to higher production costs, plant closures that may not be able to afford the necessary investments in technology and equipment to meet these requirements. This can lead to a reduction in the overall competitiveness of the industry and a loss of jobs for workers. To address this issue, the government could provide financial support or incentives for companies to invest in more environmentally friendly production processes and technologies. Additionally, the government could work with industry associations and other stakeholders to develop and implement industry-wide standards and guidelines for sustainable production practices, which would help to level the playing field and ensure a more sustainable and competitive industry over the long term.²²

Alexander Lukashenko has signed a decree that bans logging in Belarus from 2021. In 2021, it was decided to extend this ban for another two years, i.e. until 2023. This decision was taken due to the need to preserve forest resources and biodiversity and to combat climate change. Instead of logging, forest management, including the planting of new forest plantations, is planned in Belarus.

2.3 Porter's five forcers analysis

The model serves as a paramount instrument for enterprises to adapt to an increasingly competitive milieu by offering an analytical framework.

²¹ *EU sanctions on Belarus*. EU Sanctions on Belarus - Embassy of the Republic of Belarus to the Kingdom of Belgium. (2023). https://belgium.mfa.gov.by/ru/exportby/eu_sanctions/

²² On Reforestation, Wildfire Management and Production Activities, . (2022, September 28). Alexander Kulik: On Reforestation, Fighting Forest Fires and Production Activities. Belarusian Telegraph Agency. Retrieved April 28, 2023, from <https://www.belta.by/interview/view/o-lesovosstanovlenii-borbe-s-lesnymi-pozharami-i-proizvodstvennoj-dejatelnosti-8367/>

Increased competition within an industry presents challenges for companies in effectively marketing and promoting their products, resulting in reduced profitability. Conversely, decreased competition affords companies greater latitude to maximize profitability in their respective markets. The Michael Porter's Five Forces model is employed as a means to arrive at a judicious and strategic decision.

This paper intends to undertake an analysis of the extant factors that pose a threat to the growth and development of a company.

It is advisable to strategically forecast an escalation in rival firms' numbers and efforts whilst selecting a course of action.

In order to formulate an effective development plan, it is imperative to devise a comprehensive blueprint for a strategic course of action.

Threat of new entrants – low

Entering the corrugated packaging market in Belarus does not require large investments, but already existing companies have considerable experience and an established customer base, which makes it difficult for new players to enter the market. Moreover, quality and environmental requirements for packaging are constantly being tightened, which may also discourage new players.

Entering the online market in the Republic of Belarus can be difficult for several reasons:

- **Competition:** already existing companies, which already have an audience and established brands, may create high barriers for new players.
- **Limited opportunities:** In some industries in Belarus, online marketplaces are not yet as widespread, which may create limited opportunities for new players.
- **Technical challenges:** establishing and maintaining an online presence can be complex and require additional resources such as marketing specialists, website development, order processing, delivery, etc.

- Regulatory constraints: Belarus has certain rules and restrictions on online commerce, such as tax and licensing requirements, which may create additional barriers for new players.

Overall, entering the online market of the Republic of Belarus can be challenging and requires additional resources and efforts to overcome the above mentioned barriers.

Bargaining Power of Suppliers – medium

Corrugated carton packers depend on raw material suppliers for their production. Raw material prices may vary, but there are generally sufficient suppliers, which reduces their bargaining power with packaging manufacturers.

Wastepaper – low

There is sufficient raw material availability for corrugated board production in Belarus and therefore the threat of a shortage of wastepaper is low.²³

As in any other country, finding a wastepaper supplier in the Republic of Belarus is not a difficult task. There are several large companies collecting, processing and selling wastepaper (ecobelarus.by²⁴, «Фабрика Спектр Упаковки»²⁵, tunik.by²⁶ and etc.), as well as many small companies offering their services in this area.

²³ *Paper production Belarus - europages.*

(n.d.). <https://www.europages.info/%D0%BF%D1%80%D0%B5%D0%B4%D0%BF%D1%80%D0%B8%D1%8F%D1%82%D0%B8%D1%8F/%D0%B1%D0%B5%D0%BB%D0%B0%D1%80%D1%83%D1%81%D1%8C/%D0%BF%D1%80%D0%BE%D0%B8%D0%B7%D0%B2%D0%BE%D0%B4%D1%81%D1%82%D0%B2%D0%BE%20%D0%B1%D1%83%D0%BC%D0%B0%D0%B3%D0%B8.html> , Retrieved April 7 2023

²⁴ Ecobelarus.by. (2023). Waste paper at bargain prices: purchase and wholesale. ecobelarus.by. Retrieved April 28, 2023, from <https://ecobelarus.by/>

²⁵ Fsu.by. (2023). Sale of waste paper. Buy waste paper in bulk in Belarus | sale of recyclable materials with delivery. Retrieved April 28, 2023, from <https://fsu.by/projects/prodazha-makulatury>

²⁶ Tunik.by. (2016, April 19). Buying and selling recyclables. tunik.by - buying and selling recyclables. Retrieved April 28, 2023, from <https://www.tunik.by/>

The reason for the relative ease of finding suppliers of wastepaper in Belarus is the high level of development of the recycling industry. The country is actively working to improve the environmental situation, and one way to do so is to increase recycling and waste recycling, including wastepaper.²⁷

In addition, Belarus is a producer of many types of paper products, which also contributes to the development of wastepaper recycling industry and ensures a constant demand for this type of raw material.

Thus, it can be said that it is not difficult to find a supplier of wastepaper in Belarus due to the broad base of waste recycling companies and the high level of development of environmental policy in the country.

Premises - medium

The availability of facilities for corrugated board and packaging production is an important factor for the success of the company. A sufficient number of facilities are available on the market, but their costs may vary from region to region.

There are many companies in Belarus that rent out production facilities of various sizes and configurations. This provides a great deal of choice for companies looking for suitable premises for their production.²⁸

Example of production/warehouse space in Minsk: rental space: 600 - 1 000 m² rental rate: 405 - 407 rub./m²/month.²⁹

Because Smurfit Kappa has high standards of production conditions, choosing a production facility is not straightforward because not every facility will meet the company's standards.

²⁷ Academy of Management, R.B. (2023). Minsk.gov.by. Retrieved April 28, 2023, from https://minsk.gov.by/ru/actual/view/209/2023/inf_material_2023_04.shtml

²⁸ Industrial premises for rent in Belarus. (2023). Commercial.ru. Retrieved April 28, 2023, from https://www.kommercheskaya.ru/by_industry_rent.

²⁹ Koval Lyudmila Grigorievna. (2023). Production and Warehouse Complex, Dolgobrodskaya 18. Retrieved April 28, 2023, from <https://www.kommercheskaya.ru/by/1250621>.

Equipment - medium

The production of corrugated board and packaging requires special equipment, which can be expensive and require constant maintenance. However, there are a sufficient number of equipment suppliers on the market³⁰, which reduces the power of suppliers to negotiate with packaging manufacturers. Example is the following: GALAXY J-1224 FLEXO CORRUGATED PACKAGING MACHINE: 1200X2400 MM (343 680 rubles); GALAXY YM-1224 ROTARY DIE-CUTTING MACHINE FOR CORRUGATED PACKAGING: 1200X2400 MM (108 000 rubles).³¹

In the case of Smurfit Kappa this issue can be considered controversial as the company uses only foreign equipment and technology. The company has very high demands on its production machines; the ones currently on sale may not be of the right quality.

Electricity - high

Electricity is an important factor for corrugated board and packaging production. Electricity prices in Belarus can vary, which can affect production costs.

The cost of electricity for legal entities and entrepreneurs is determined by a declaration on the level of tariffs of the Department of Price Policy of the Ministry of Economy of Belarus: the current tariff is set based on the exchange rate of the Belarusian ruble to the US dollar (USD 1 = RB 2.5789), rub/kWh (basic charge in rub/kWh) from 01.01.2021, basic fee: for capacity (for 1 month): 276 85367.

Labor - medium

The production of corrugated board and packaging requires qualified personnel.

To see if it would be easy to find managers for the company, I investigated the job website, judging by which it would not be so easy to find managers. Work as a production

³⁰ (2023). CORRUGATED PACKAGING EQUIPMENT. Retrieved April 28, 2023, from <https://pmachine.by/g145516-gofrotara-oborudovanie-dlya>.

³¹ Myfin.by, Editorial (2023, January 10). Electricity tariffs for legal entities. Cost of electricity for legal entities in Belarus in 2023. Home Myfin.by. Retrieved April 28, 2023, from <https://myfin.by/wiki/term/tarify-na-elektroenergiyu-dlya-yuridicheskikh-lic>

manager in Minsk - 239 vacancies. From which we can conclude that it is quite possible to find employees (managers), as the population of Minsk for 2023 is 1,995,471.³²

There are 882 vacancies³³ for production workers in Minsk, which is considerably more than for managers, which increases the competition, but over the last year there has been a trend that the outflow of people from Belarus mainly includes white-collar workers rather than blue-collar workers. Therefore, it will be even easier to find workers for the factory.

The power of buyers - high

Buyers of corrugated packaging in Belarus have a high degree of market power. They can choose from a variety of suppliers and products and can exert pressure on the price and quality of the packaging.

Retail trade is developing in Belarus as well as the export of goods. This requires large quantities of packaging materials, including corrugated cardboard packaging. Retail turnover in Belarus through all sales channels increased by 3.3% in January 2022.³⁴

If a company charges too high a price, customers may prefer lower prices even to very high quality, so it is important to be very careful. There are also many corrugated packaging companies in the market in Belarus, which they sell online, so it is important to enter the market with a competitive edge.

Also, buyers may prefer not to change suppliers, so the company needs to promote itself well.

Threat of Substitutes – low

³² rabota.by. (n.d.). *Работа менеджером производства в минске*. Работа в Минске, свежие вакансии. Retrieved April 28, 2023, from https://rabota.by/vacancies/menedzher_proizvodstva

³³ Rabota.by. (2023). *Работа рабочим на производстве в минске*. Работа в Минске, свежие вакансии. Retrieved April 28, 2023, from https://rabota.by/vacancies/rabochie_na_proizvodstvo

³⁴ ПРАЙМ ПРЕСС, . (2022, February 16). *Рост розничных продаж в Беларуси в январе 2022 г ускорился до 3,3%*. Retrieved April 28, 2023, from https://primepress.by/news/ekonomika/rost_rozничnykh_prodzah_v_belarusi_v_yanvare_2022_g_uskorilsya_do_3_3-42414/

Corrugated cardboard packaging has a wide range of uses and is one of the most popular types of packaging. However, there is a danger of being replaced by other types of packaging, such as plastic.

Substitution of need – low

The need for packaging is unavoidable for most products, so the threat of substitution of need for another product is low.

Substitution of product – low

Corrugated carton packaging has unique properties and advantages that cannot be fully substituted by other packaging.

More precisely:

1. Few substitutes: Fewer materials than carton packing may be used in their place. Plastic, paper, and metal can be used to package some things, however these materials aren't necessarily appropriate for all products or purposes.

2. Price: Compared to other materials, carton packaging is rather cheap, making it an economical choice for many firms. Alternative packaging materials might be more expensive, which can make the switch for businesses more challenging.

3. Environmental factors: Compared to many alternatives, cardboard is more ecologically benign since it can be recycled and biodegraded. Businesses could be reluctant to transition to other packaging materials that are less ecologically friendly as customers grow more environmentally conscientious.

4. Availability: Local vendors are a good place to find cardboard, which is frequently accessible. Alternative packaging materials might not be as accessible, which would make it challenging for businesses to switch.

Competitive rivalry – shake-out

The online corrugated cardboard packaging market in Belarus is quite competitive, but the degree of competition can vary depending on the region and product specifics. Competition can put pressure on prices and product quality.

Competitive rivalry in the online corrugated packaging market can be changing for the following reasons:

- Changing consumer preferences: Changing consumer preferences can lead to changes in the demand for specific types of corrugated board packaging, which in turn can change the competitive situation in the market.
- Changing technologies: New technologies may change the way corrugated packaging is produced, which can affect the competitiveness of companies.
- Regulatory Changes: Changes in rules and regulations related to the production and sale of corrugated board packaging may result in a change in the competitive situation in the market.
- Global economic changes: Global economic changes, such as changes in exchange rates or changing trade relations between countries, can affect the competitiveness of companies in the corrugated packaging market.

Overall, the competitive rivalry in the online corrugated packaging market can be fluid and depends on various factors that can change over time.

Taking into account PESTEL analysis and Porter's Five Forces analysis, entering the online Belarusian market through agents is the most optimal way.

Chapter 3 Entry strategy for JSC “Smurfit Kappa RUS” onto the market of the Republic of Belarus

3.1 Entry strategy

To choose the form of entering the corrugated carton market in Belarus through an online channel, I used a marketing funnel.

As a first step, I considered 5 forms of entry into the new market. In the second stage, I left the two most suitable options, from which I eventually chose one of the most cost-effective options and described the distributor's company. The next stage was for me to choose between the two options (online platforms), which one was the most suitable in terms of cost and recognition. Moreover, to describe and evaluate the existing marketplaces and online shops. Having chosen the marketplaces, I considered several well-known ones in Belarus and opted for two of them, as it is better for a company to start with the two that is most suitable and wins in terms of reach and customer focus.

1. Five entry forms
2. The choice between the two most appropriate entry forms
3. The choice between marketplaces and online shops
4. The choice of marketplaces
5. The final entry strategy

- **Entry forms**

Table 5. Forms of entry into the Belarusian market

| № | Title | Advantages | Disadvantages/Risks |
|---|----------------|---|--|
| 1 | Direct exports | <ul style="list-style-type: none"> • Large market potential due to the fact that the company is foreign and production takes place in St. Petersburg factory, not in Belarus • High profits due to the small investment in the new market and fewer | <ul style="list-style-type: none"> • High costs due to ignorance of all the nuances for exporting to the Belarusian market • Risks of currency fluctuations, political instability |

| | | | |
|---|---|---|--|
| | | <p>competitors than in the domestic market</p> <ul style="list-style-type: none"> • Brand management maintains its high level as the company controls all processes • Increased sales by entering a new market without incurring unnecessary production costs in the new market • Competitive advantage due to the fact that production does not take place in a competitor's territory • Economies of scale due to an increase in the number of products produced in one plant | <ul style="list-style-type: none"> • Competition, which can play a negative role when the company entering the market is not helped by local players in the market, as in the case of indirect exports or mergers • Language and cultural barriers due to lack of knowledge and experience in the new market |
| 2 | <p>Indirect export: through other forms (converter, e.g. Sint Packⁱ, etc.)</p> | <ul style="list-style-type: none"> • Credit of trust thanks to the local company through which the export is going • Low costs by delimiting product storage and delivery to customers in the export territory • Lower risks on economic and political factors • Market expansion is faster due to the fact that the issue of market recognition is | <ul style="list-style-type: none"> • Lower profits due to the percentage that the intermediary company can take for participating in the sale of products • Reduced control since most of the business processes are delegated to an intermediary • Quality control is lower due to the |

| | | | |
|---|-------------|---|--|
| | | <p>transferred to the local company</p> <ul style="list-style-type: none"> • Access to local expertise • Reduced administrative burden as a local company helps with product export issues • Reduced time to market due to the already established relationship in the market by the local company | <p>inability to constantly track the storage and delivery of products to customers</p> |
| 3 | Greenfield | <ul style="list-style-type: none"> • Flexibility and full control due to full control of business processes and production • New technology due to the opportunity to acquire new production machines and revise production processes • Brand recognition due to building the brand image from scratch • Local presence giving the opportunity to know all market factors, competitors and demand of the population • Long-term benefits due to the stability in the context of having a self-built business in a new market | <ul style="list-style-type: none"> • Longer lead time due to long time, bureaucratic and financial costs at the stage of entering the market and establishing • Lack of local knowledge influencing the understanding of how to build a business from scratch • Political and economic risks wholly under the responsibility of the company |
| 4 | Acquisition | <ul style="list-style-type: none"> • Increased market share due to the transition of all | <ul style="list-style-type: none"> • Integration challenges due to the fact that |

| | | | |
|---|-------|--|---|
| | | <p>customers of the acquired company to the acquiring</p> <ul style="list-style-type: none"> • Diversification of products due to the possibility of adding the ideas of the acquired company to the list of manufactured products • Competitive advantage due to the possibility of appropriation of the intellectual and industrial property of the acquired company | <p>the acquired company may have its own business processes and production processes</p> <ul style="list-style-type: none"> • Financial risk due to possible hidden problems in the acquired company |
| 5 | Merge | <ul style="list-style-type: none"> • Increased market share due to the doubled revenue • Synergy in cohesive work to increase income and improve processes • Competitive advantage because of the cohesive work to improve production, increase sales | <ul style="list-style-type: none"> • Different approach causing problems in production and sales • Cultural differences can affect the corporate culture of the company in a negative way |

Direct exports

Advantages

- *Large market potential due to the fact that the company is foreign and production takes place in the main factory, not in Belarus:*

Belarus could represent a large potential for corrugated carton exports. The Republic of Belarus has enough of its own manufacturers of corrugated cardboard packaging, but they all provide similar conditions, quality, reliability and service, companies exporting products can interest customers with their value proposition, as

there are always customers interested in more interesting and better-quality packaging, especially if the company is foreign.³⁵

- *High profits due to the small investment in the new market and fewer competitors than in the domestic market:*

Direct exports can provide high profits by selling products at a higher price than in the domestic market. If we look at the corrugated carton market using the online channel, there is much more of it in Russia than in the Republic of Belarus, so a company can get lost among competitors with its value proposition, whereas in Belarus it can play on it if it clearly understands which customer targeting to consider. More precisely, more environmentally oriented, paying attention to the beauty and durability of packaging to customers.³⁶

- *Brand management maintains its high level as the company controls all processes:*

Direct export allows brand management and product quality control. With direct exports, the company has complete control over how the brand is presented in the market, all the details and nuances that they feel must be adhered to when launching the product into the market. Direct export is a form of export that gives the opportunity to take into account all preferences without investing in costly aspects such as new production facilities, many new employees.

- *Increased sales by entering a new market without incurring unnecessary production costs in the new market:*

³⁵ Belarusinfo.by, . (2023). Packaging in Belarus: Company directory: addresses, telephone numbers. <https://www.belarusinfo.by/ru/poisk/%D0%BF%D1%80%D0%BE%D0%B8%D0%B7%D0%B2%D0%BE%D0%B4%D1%81%D1%82%D0%B2%D0%BE%2520%D1%82%D0%B0%D1%80%D1%8B%2520%D0%B8%2520%D1%83%D0%BF%D0%B0%D0%BA%D0%BE%D0%B2%D0%BA%D0%B8.html?ysclid=li1y78sllg412556390>

³⁶ Yandex. Yandex Market. (2023, May 24). https://market.yandex.by/catalog--upakovochnye-materialy/67630/list?snum=1999&was_redir=1&rt=9&rs=eJwzcg9grGLI-H3yKtssRsULuy7su9hwYd-FjUDWBgUQcbHhYhNQYC8QbrjYv4qRi2PBxMUcAtOABIjT3H2BV-DWmV4uALBUfU%2C&suggest=1&suggest_type=search&text=%D0%BA%D0%BE%D1%80%D0%BE%D0%B1%D0%BA%D0%B0+%D0%BA%D0%B0%D1%80%D1%82%D0%BE%D0%BD%D0%BD%D0%B0%D1%8F&hid=13985019&allowCollapsing=1&local-offers-first=0

Direct export can help the company to increase its sales by expanding its customer base beyond the domestic market. Of course, any form of export is a way of increasing the customer base. However, by exporting directly, the company brings the product to sales from start to finish on its own terms and approaches to production and sales. Without unnecessary costs, the company increases its income and the number of customers in another market because it does everything itself, moreover it does not spend money on new employees, production machines and a factory for production.

- *Competitive advantage due to the fact that production does not take place in a competitor's territory:*

The company may have a competitive advantage over local companies in Belarus due to its advanced technology, know-how, or quality standards. By producing products in a familiar factory (not in a market the company is entering), the company keeps its production secrets unknown to competitors present in the market. In this way, it benefits not only in terms of costs but also in terms of the specifics of production. This is an advantage over competitors because the company's product is unique and the nuances of production are difficult to discover.

- *Economies of scale due to an increase in the number of products produced in one plant:*

Exporting to Belarus can help the company to achieve economies of scale by increasing production volumes and reducing per-unit costs. Since production will take place in a factory in Russia rather than in Belarus, the volume of production will increase and this may lead to economies of scale, which are lower unit costs when production is scaled up due to the change in unit costs depending on the scale of production in the long run.

Risks:

- *Risks of currency fluctuations, political instability:*

Direct exports carry the risk of currency fluctuations, political instability and other factors that can adversely affect the business. Changes in the currency and the political situation can be a risky aspect of direct market entry in the Republic of

Belarus. The currency factor has to be taken into account so as not to be unintentionally in deficit. Moreover, the political factor may affect sales, as the requirements for companies that export their products to Belarus may be higher and more significant. This affects the constant uncertainty for the company in the market of Belarus.

- *High costs due to ignorance of all the nuances for exporting to the Belarusian market:*

Direct exports can incur high costs for logistics, customs duties and taxes. The Republic of Belarus has many nuances of its own regarding the import of products into their territory. VAT, product declaration, permits, customs issues and consideration of all the nuances can be a problem for a company if it has not previously worked in Belarus and has not imported products into the territory, there is a risk of not taking into account some significant detail, which may result in the first delivery of goods back, which is a big waste of money on transportation for nothing. In addition, in-country logistics requires people who understand the nuances of the market, so you need to find competent staff to assist in the work and operational and financial management.³⁷

- *Competition, which can play a negative role when the company entering the market is not helped by local players in the market, as in the case of indirect exports or mergers, for example:*

There may be high competition in the Belarusian market among other suppliers of corrugated packaging. The country already has enough of its own corrugated carton manufacturers, which they sell online. It is important to consider the fact that a value proposition and quality advertising are essential, otherwise it will be difficult to stand out from the crowd and gain a customer base. When a company enters a new market through direct export, it takes all responsibilities for brand development on its own, no intermediary will help here, you need to find an agency

³⁷ South Pole Ltd., . (2020, May 15). *Importing goods into Belarus from Russia*. IMPORT OF GOODS . <https://krasnodarskoemaslo.ru/import-tovara-v-belarus-iz-rossii/?ysclid=lhuq4jflzr264877234>

that will advertise products and set up sales channels yourself. It is not always easy when the niche is already filled by local companies.³⁸

- *Language and cultural barriers due to lack of knowledge and experience in the new market:*

The company may face language and cultural barriers when dealing with customers and suppliers in Belarus. Even though many people in Belarus speak Russian, you have to take into account the fact that some people may only speak Belarusian, so you need to present all information in two languages and find employees who will be responsible for the language barrier. It is also necessary to study the cultural peculiarities of the country.

Indirect export: through other forms (converter, e.g. Sint Pack, etc.)

- *Credit of trust thanks to the local company through which the export is going:*

Having a credit of trust in local businesses that know the customer's mentality. Indirect exports provide an opportunity to find out customer preferences in the market. Every country's demand is different in one way or another and being able to know the details from within is one of the keys to success. A company that has been in the market for a number of years and knows the needs of the population can help avoid mistakes and take into account the interests of the people living in the territory where it is being exported. Indirect exporting through a distributor at the lowest possible cost is the way to take all these nuances into account.

- *Low costs by delimiting product storage and delivery to customers in the export territory:*

Indirect exports can be less costly than direct exports, as they can involve the use of existing distribution channels. With indirect exports, the company does not need a warehouse to store the products, employees to work in the warehouse,

³⁸ PakPro, . (2023). *Buy corrugated cardboard boxes in Minsk*. PakPro Packaging Centre.
<https://packpro.by/catalog/upakovka-iz-kartona/korobki/?ysclid=li1yoikyjs667384396>

managers to sell the products on the marketplaces or online shop. In this way, the company saves a huge amount of effort, time and money.

- *Lower risks on economic and political factors:*

Indirect exports can reduce the risk associated with changes in exchange rates and political instability, as these risks can be absorbed by intermediaries. If the company is assisted by an intermediary and a distributor in one person who has been working on the market for more than a year, then the risks of not taking into account changes in the country's policy and currency changes are reduced. The company with the help of which indirect export will be carried out will take these problems and questions upon itself, so you won't have to spend extra time and effort on studying all the details.

- *Market expansion is faster due to the fact that the issue of market recognition is transferred to the local company:*

Indirect exports can help to expand the market and attract new customers. With indirect exports, the company is more likely to come to a point after which it can already grow in the country to which the export has been made, as the phase of market and customer recognition will be overcome very quickly, because a local distributor with knowledge of the market and its awareness in the country will quickly get over that level.

- *Access to local expertise:*

Working with an intermediary can provide the company with access to local expertise and knowledge, which can help to ensure that the company's products are well-suited to the local market. Local management can give advice on how best to present the product in the country, what should be changed in accordance with the needs of the population. Thus, the company can quickly achieve recognition in the country among potential customers without unnecessary losses, a large number of possibly failed attempts, etc.

- *Reduced administrative burden as a local company helps with product export issues:*

Indirect export can help to reduce the company's administrative burden, as the intermediary may handle tasks such as customs clearance and documentation. It is very important for entering a new market to take into account all the nuances of a bureaucratic nature. A company operating in this market and already having all the necessary knowledge regarding this issue can help in a simplified entry to the market, especially since the sale will be carried out through them, which will lead to minimization of problems related to the administrative issue.

- *Reduced time to market due to the already established relationship in the market by the local company:*

Indirect export can help the company to enter the market more quickly, as the intermediary may already have established relationships with local customers and suppliers. Market entry itself through indirect exports will reduce the amount of time and effort that needs to be devoted to it. The local company through which the distribution will take place already knows all the details, there will be no need to examine political, legal and economic factors, as well as problems that may arise at the slightest inconsideration of them.

Risks:

- *Reduced control since most of the business processes are delegated to an intermediary:*

Indirect export can reduce the company's control over the sales process, as the intermediary may have different priorities or may not be as invested in the company's success. Indirect export partially takes power away from the company exporting products to the territory of another country, since they are conditionally responsible only for the delivery of the product to the territory, further actions are carried out exclusively by the distributor company, which, in turn, can also change something in the format of product presentation on the market or sales format, it is not enough to correctly present the product on the market. Therefore, work through an intermediary may not be satisfactory due to the complexity of controlling processes starting from the moment when the product is in the warehouse of the distributor company.

- *Lower profits due to the percentage that the intermediary company can take for participating in the sale of products:*

Indirect export can result in lower profits for the company, as the intermediary will take a commission or markup on the sales. The distributor company can increase the percentage that goes to them, which is not always easy to fix, since local management has more ideas about how best to operate in the market and thus they can play in their favor.

- *Quality control is lower due to the inability to constantly track the storage and delivery of products to customers:*

Indirect export can make it more difficult for the company to maintain quality control standards, as the intermediary may not be as invested in ensuring that the company's products meet the necessary standards. Product quality may suffer because the distributor company may not properly store the packaging, which may result in damage or distortion that is unacceptable to the company entering the market.

Greenfield

- *Flexibility and full control due to full control of business processes and production:*

Greenfield investments offer a high degree of flexibility in terms of location, design, and operation. This allows companies to tailor their investments to meet their specific needs and preferences. When a business in a new market is built from scratch, the company has a huge number of options for how to organize everything, it all depends on the wishes of the company, financial resources, the availability of a suitable plant and production machines, but if there is money, then greenfield can be considered the most suitable option for exit to the market, as it gives complete freedom of action in the creation of production. Moreover, the company does not depend on anyone, it does not have intermediaries, distributors and a merger with another company, so all decisions in the company are made by the main management. Since the investment is built from scratch, companies have complete control over the design, construction, and operation of the project. This allows them to create a customized solution that meets their unique requirements.

- *New technology due to the opportunity to acquire new production machines and revise production processes:*

Greenfield investments often involve the use of new technology, which can provide a competitive advantage over existing companies in the market. By creating production from scratch, the company has the opportunity to use the latest technologies for the production of corrugated cardboard packaging, thereby making it a winner in the quality category compared to other companies. The company can also find suppliers of the highest quality paper for production and thereby again upgrade the product.

- *Brand recognition due to building the brand image from scratch:*

Greenfield investments allow companies to build their brand from scratch in a new location, which can help to establish a strong market presence. By creating production from scratch in a new market, the company also gets the opportunity to make the brand special and suitable for the new market, taking into account all the nuances and interests of potential buyers. There will be no need to change anything in your production for the new market, but you can simply draw business processes and brand image from scratch.

- *Local presence giving the opportunity to know all market factors, competitors and demand of the population:*

Greenfield investment can help the company to establish a local presence in Belarus, which can help to build relationships with customers and suppliers and improve market access. When a company does not export products, but builds a business from scratch in a new market, it has more opportunities to recognize the local consumer. In this, among other things, hiring employees living in the country helps, they can bring a lot of information to management, both economic and social, as well as political. The availability of such information will simplify immersion in the country's market and the creation of brand management.

- *Long-term benefits due to the stability in the context of having a self-built business in a new market:*

Greenfield investment can provide long-term benefits for the company, such as access to new markets, increased profitability, and improved brand recognition. Greenfield has a real plus, which is that at the beginning you really need a lot of investments, but in the long run it can bring a constant and high income.

Risks:

- *Longer lead time due to long time, bureaucratic and financial costs at the stage of entering the market and establishing:*

Greenfield investments are often associated with high levels of risk, as there is no existing infrastructure or customer base to rely on.

Greenfield investments can take longer to implement than acquiring an existing company or facility. Greenfield investment can be time-consuming, as the company will need to navigate the regulatory and legal requirements, obtain permits and approvals, and build the facility. This is because there is a need to build everything from scratch, including infrastructure, supply chains, and customer relationships. At the same time, building a business from scratch requires large investments, a lot of time and effort. Not all companies are ready to invest so many resources in a project in a new market, because it may not be successful. So in the case of corrugated cardboard packaging, there is no certainty that such a business can bring such a high income to justify the invested funds, because in the Republic of Belarus there are enough of their own companies producing corrugated cardboard packaging and it can be very difficult to win over all their customers to recoup the creation of a business. And not all companies are willing to wait a long time until their costs finally pay off.

- *Lack of local knowledge influencing the understanding of how to build a business from scratch:*

Companies may lack local knowledge and expertise in the new market, which can make it difficult to navigate local regulations and cultural differences. All countries have cultural differences and entering a new market by building a business from scratch can be fraught with inconsistency with the local approach to business. People may not only have a different approach to working in a factory and in

management departments, but the interests of buyers may also differ. When a company comes to a greenfield, it must study all the issues and listen to the advice of the people they will be hiring, learn cultural characteristics and study the market. Nevertheless, taking into account the opinions of employees must be approached very carefully, because without knowing the competitors in the market, you can accidentally hire people who are interested in helping your competitors.

- *Political and economic risks wholly under the responsibility of the company:*

Greenfield investment can be risky, as the company will be exposed to political and economic risks in Belarus, such as changes in regulations, tariffs, or trade barriers. Entering the market with the help of a greenfield is very risky, since the company takes all the risks. All changes in the market, in politics, regulations, the economic situation, legal factors must be taken into account and monitored by company managers, because in which case all the questions will be for them and they will also have to face all the problems themselves, and they will also need to solve themselves.

Acquisition

Advantages:

- *Increased market share due to the transition of all customers of the acquired company to the acquiring:*

Acquisition can help the acquiring company to increase its market share in the clipboard packaging business by acquiring the target company's customer base and distribution channels. Taking over another company makes it possible to get a client base, thus, at the very beginning of the journey in a new market, you already have customers, and not start your journey with searches. This is very convenient and reduces advertising costs.

- *Diversification of products due to the possibility of adding the ideas of the acquired company to the list of manufactured products:*

Acquisition can help the acquiring company to diversify its product offerings and expand into new markets. It is also possible to diversify the products sold, as you can take new ideas from the acquired company and add them to your assortment, if they were also successful and sold well, then this is an excellent marketing solution.

- *Competitive advantage due to the possibility of appropriation of the intellectual and industrial property of the acquired company:*

Acquisition can help the acquiring company to gain a competitive advantage over its rivals by acquiring the target company's technology, intellectual property, and other assets. By acquiring another company, equipment, employees and the main plant for production automatically appear in stock. This reduces time to market and onboarding, reduces the cost of manufacturing facilities and other resources, and speeds up the time to market.

Risks:

- *Integration challenges due to the fact that the acquired company may have its own business processes and production processes:*

Acquisition can be challenging as it requires integrating the target company's operations, culture, and employees into the acquiring company's existing operations. The difficulty after the acquisition of a company is the fact that when acquiring something, the goal is always to leave your principles of work, values and just a business model, and the acquired company already has its own values and principles of work. In order to change something in the acquired company without spoiling business processes, without losing employees, you need to find an approach and understand how to interact. This is tied to both cultural management and work with employees, this requires team building, meetings, orientation events and much more, which in turn will take resources, both financial and time.

- *Financial risk due to possible hidden problems in the acquired company:*

Acquisition can be financially risky as it requires a significant investment of capital, and there is no guarantee that the target company will be successful. When

acquiring a company, you may encounter the fact that there were many problems in it that are not visible at first glance but are already noticeable only when the work process is underway, during which more and more new problems are revealed. And since the company has already been acquired, all these problems need to be solved by the targeted company.

Merge

Advantages:

- *Increased market share due to the doubled revenue:*

Merging with another company in the cardboard packaging business can help to increase the market share of both companies, by combining their customer base and distribution channels. When companies merge, the customer base also increases as the companies acquire customers from the two companies. This increases recognition and revenue. The new customer base can help expand the brand and accelerate further growth.

- *Synergy in cohesive work to increase income and improve processes:*

Merging can lead to synergies between the two companies, such as cost savings, increased efficiency, and improved product offerings. Through this form of market entry, the company can save money through synergies. Two approaches to doing business, possible cost savings, perhaps even accelerated production are all feasible when several minds are responsible for production and more effort is put into it, which is always more feasible when an acquisition takes place.

- *Competitive advantage because of the cohesive work to improve production, increase sales:*

Merging can help to gain a competitive advantage over rivals by combining the technology, intellectual property, and other assets of both companies. In the case of a merger of two companies, they can combine approaches to work and choose between the two most profitable, they can share experience, find solutions based on two completely different approaches, which will play into the hands. Moreover, the

amount of effort for sales growth and brand development will double and can give a double spurt of growth. Increased production capacity is a part of competitive advantage: The combined company can increase its production capacity by utilizing the resources of both companies.

Risks:

- *Different approach causing problems in production and sales:*

Merging can be challenging as it requires integrating the operations, culture, and employees of both companies. The merger of two companies may lead to conflicts based on different approaches to corporate ethics, production process, etc. which in the future may affect the value proposition of the company, with which it has always existed and with which it expected to have a competitive advantage when entering a new market.

- *Cultural differences can affect the corporate culture of the company in a negative way:*

Merging can lead to cultural differences between the two companies, which can lead to conflicts and challenges in integration. Each country has its own cultural differences. When two companies from different countries merge, they somehow continue to act on the basis of their usual traditions and principles that have developed on the basis of cultural history. When two companies merge, both must take into account the differences that may arise due to different cultures. Unfortunately, a company based in the country where the merger takes place can be much more assertive about its cultural preferences.

- **Direct export vs Indirect export**

Of all the forms of entry into a new market, I chose direct export and indirect export.

Direct export means that the company will use its own transport, find a warehouse in the Republic of Belarus, which costs 3405 rubles/ square meters³⁹, and deliver the packaging

³⁹Собственник, С. (2023). *Аренда складов и производств от 150 до 9 000 кв.м.* Куфар Недвижимость - продажа, аренда жилой и коммерческой недвижимости в Беларуси. Retrieved April 27, 2023, from

there, hire online sales managers (total number of vacancies – 2 049, average salary – 300 000 rubles⁴⁰) who will already deal with the delivery of packaging when there are orders in the online shop/marketplace.

Regarding indirect exports, the company can supply corrugated cartons to the Republic of Belarus, where the distributor will already be selling the products and then the costs of staff and warehouse will go away and there will be costs of cooperation with the distributor company. Smurfit Kappa has chosen the following option for this form of market entry.

Cooperation with Sint Pak. Belarus, Borisov, Minsk region.⁴¹ It is the Belarusian converter and reseller with a monthly turnover of about 800 tm².

Working with a client since 2019. Started working within IKEA (purchased products from Smurfit Kappa according to IKEA standards). Company was also suppliers to VMG and Mebeline. Cushioning board, pallets, filers, etc.

On average, the volume procured from Smurfit Kappa was at the level of 300-400m².

In addition to supplies within IKEA, Sint Pack have purchased corrugated cardboard and boxes for other manufacturers in Belarus.

In Belarus Smurfit Kappa can see the demand for packaging for meat and vegetables with 4-point gluing. In the event of a transfer/sale of Domino's, Smurfit Kappa can make an urgent agreement for the use of corrugated blanks for the free machine only of company's production.

Also, the director of this company is willing to discuss the use of their space for the online shop.

<https://re.kufar.by/vi/minsk/snyat/kommercheskaya/sklady/180464482?searchId=94f129c9b66ac54cde15e9d6774e662233c5>

⁴⁰ Grubber.ru. (2023). *Менеджер по продажам в Беларуси: статистика и рейтинг зарплат, количество вакансий и анализ рынка*. Сколько зарабатывает Менеджер по продажам в Беларуси. Статистика вакансии на Grubber.ru. Retrieved April 27, 2023, from <https://by.grubber.ru/statistika/belarus/menedgher-po-prodagham>

Since Sint Pak has already cooperated with Smurfit Kappa and market entry through it means lower costs, both financial and strategic, it is better to enter the Belarusian market through indirect entry.

- **Marketplace vs Online shop**

Then there is the question of whether it is better to sell products through your online shop or through a marketplace.

Online shop:

Advantages

- business card of the company (values, history)
- business backup (insurance)
- investment
- promotions/discounts
- connection with the customer (personal data)
- sales statistics (CA, customer profile)
- absence of competition within the shop

Disadvantages

- costs of the site and its maintenance
- logistics (stock) / delivery / possibility of return
- acquiring (bank charges)
- advertising budget (15-25% of company profits)

Marketplace:

Advantages

- Turnkey platform: website and mobile version
- huge "hot" audience
- Sales region (coverage area)
- logistics (warehouse)/delivery
- advertising tools available (context, SEO, email marketing)

Disadvantages

- competition
- promotions/discounts regulated by the site
- no analytics
- ratings based on reviews
- placement fee

○ **Marketplace**

In 2021 the turnover amounted to 3.4 billion rubles, and in three quarters of 2022 the turnover of marketplaces in total increased by 15%.

There are no thematic marketplaces for packaging in Belarus. There are marketplaces for a wide range of products that include corrugated cardboard packaging. This range is mainly represented by individual boxes for gifts, postal items, storage and relocation.

Most Belarusian marketplaces do not operate under the classic scheme of marketplaces, where the buyer pays the marketplace, the marketplace deducts the interest and transfers the proceeds to the seller.

The most common scheme is an annual or monthly listing fee. If you already have your own online shop and are able to arrange delivery yourself, choose from such marketplaces. Prices for placement are comparable, so consider the attendance and focus of the site.

Manufacturers can also take advantage of the second scheme, where the marketplace concludes a supply agreement, takes care of product certification and delivery. This is the way e.g., giant 21vek works.⁴²

In the table below I provide a comparative analysis of well-known marketplaces in Belarus that sell corrugated cardboard packaging. The choice of these marketplaces is due to the fact that many internet resources mention the marketplaces I have chosen, as they are the

⁴² Ибрагимов Помогаю с выбором сервисов. Большой опыт в маркетинге и аналитике. Работаю как с заказчиками, О. (2023, January 9). *ТОП-12 маркетплейсов в Беларуси - рейтинг 2023*. Otzyvmarketing.ru - авторитетные отзывы от специалистов интернет-рынка. Retrieved April 27, 2023, from <https://otzyvmarketing.ru/articles/marketplejsy-v-belarusi/>

most common among the Belarusian population in 2023.⁴³ I compare them by the volume of views, payment methods, quality of delivery, types of boxes present on the marketplaces⁶ availability of guarantee and additional features. The factors I have chosen are based on what is important to Smurfit Kappa RUS. As a newcomer to the company, it is very important that there are many visits to the marketplace by potential buyers. It is very important for the company that information about the order is received quickly and, accordingly, that the company considers speed and punctuality of deliveries to be its competitive advantage. It is also important for the marketplace to work for a large geographical unit. It is also important for Smurfit Kappa RUS what products the marketplace sells, to have a clear example of advertising and interface, as well as to have no problems with possible limitations in sales. Having a product guarantee is important in the context that the company is always ready to replace the product if there is a quality problem, as Smurfit Kappa cares about image in the market. Additional marketplace features are important for a company in the context of the fact that it is important that the conditions of work with the marketplace are of high quality and that there is the possibility of wholesale sales.

I used three colors to assess each factor: green - excellent (fits the company), orange - ok (not really fits the company), red - bad (doesn't fit the company).

| Marketplace | Monthly visits | Payment methods | Delivery | Section (according to availability of corrugated boxes) | Guarantee | Additional features |
|--------------------|-----------------------|---------------------------------------|-----------------------------|--|---------------------|---|
| 21vek.by | 14.2 million | Cards, money transfers, cash payments | Nationwide, flexible system | Food/storage | Not on all products | YouTube channel with reviews, scheme of work with suppliers |

⁴³ Ibragimov Oleg, Assisting with the selection of services. Extensive experience in marketing and analytics. Working both with customers, O. (2023, January 9). Top 12 marketplaces in Belarus - rating 2023. OtzyvMarketing.ru - directory of services with feedback from market experts. <https://otzyvmarketing.ru/articles/marketplejsy-v-belarusi/?ysclid=lhxi9lrrs2866276294>

| | | | | | | |
|---------|-------------|---|---|---------------------|-----------------|---|
| Deal | 4.8 million | Varies depending on vendor | Nationwide, fast | Food/storage/travel | On all products | Seller rating, YouTube channel with e-commerce tips, rates for online shop placement |
| OMA | 2.9 million | Bank cards, installment payment | Large and medium-sized cities only, fast | Storage/travel | On all products | Suitable for wholesale purchases, cooperates with manufacturers |
| 7745.by | 2.2 million | Payment methods for individuals and companies | Nationwide, including free delivery, fast | Storage/travel | On all products | Goods for construction and repair, electronics, household appliances, goods for children, pet supplies, seasonal offers |
| OZ | 2.2 million | Any payment methods | Nationwide, self-delivery in major cities, fast | Gift packaging | On all products | Focus on goods for the home, hobbies, leisure, and study, food category with sweets and long-life products |

Table 6. Marketplaces

- Leader of Belarusian e-commerce market, occupies one third of e-commerce market with 14.2 million monthly visits.
- Marketplace accepts cards of different systems, including "MIR", money transfers, cash payments. There is delivery all over Belarus, service and equipment repair.
- YouTube channel @21vekby, with reviews of appliances, gifts, and other products.
- Additionally: the scheme of work marketplace with suppliers: buy goods and put them on the site with its markup, ie the buyer and the supplier did not contact.⁴⁴

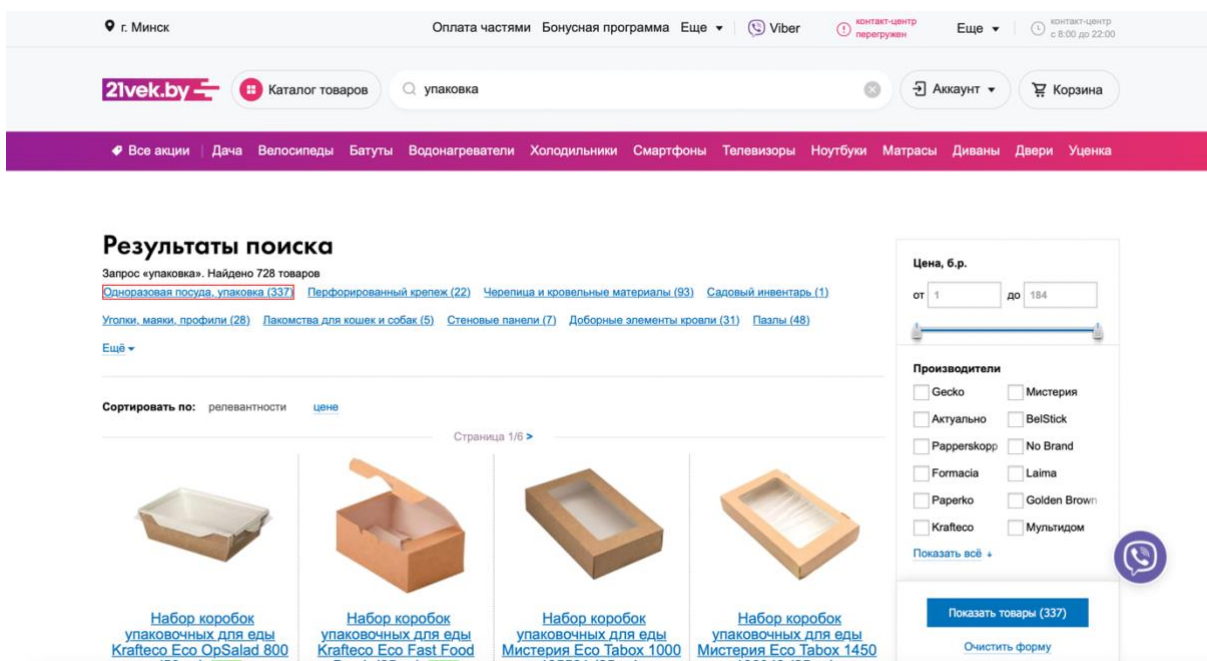


Fig 1. 21vek.by

Deal

- Marketplace is the third most visited in the country: 4.8 million a month. There are 13 million products on the site. Purchases are delivered nationwide, payment methods vary depending on the vendor.
- The site is the most similar to the usual marketplace: it has a seller rating and live feedback from customers.
- YouTube channel @VideoDealBy with tips on e-commerce

⁴⁴ 21vek.by. (2023). Онлайн-гипермаркет 21vek.by. Retrieved April 27, 2023, from <https://www.21vek.by/>

- Additional: rates for online shop placement on the site - from 640 to 990 BYR per year.⁴⁵

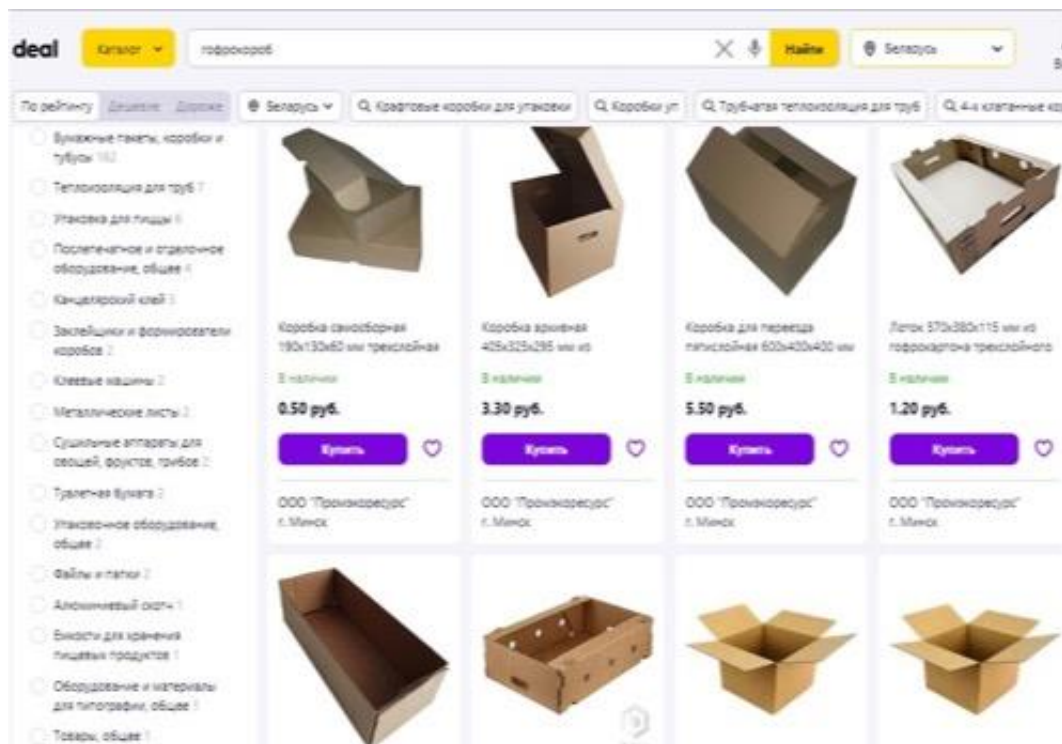


Fig 2. Deal.by

OMA

- Building Marketplace, 2.9 million visitors per month. They sell everything for construction, renovation, home improvement, as well as toys and leisure goods.
- The site is suitable for wholesale purchases: you need to choose a product and its quantity, then a manager will call back and specify prices. Payment methods: bank cards, installment payment, delivery only on a large and medium-sized cities.
- Advanced: cooperates with manufacturers, while taking care of certification and delivery. Products are sold through the site without mentioning the seller.
- Site Reference:
- Cardboard moving box No. 18 630x320x340 mm - buy at OMA (oma.by)⁴⁶

⁴⁵ Deal.by. (2023). *Маркетплейс Беларуси*. deal.by. Retrieved April 27, 2023, from <https://deal.by/>

⁴⁶ OMA.by. (2023). *Строительный магазин OMA - гипермаркет*. Retrieved April 27, 2023, from <https://www.oma.by/>

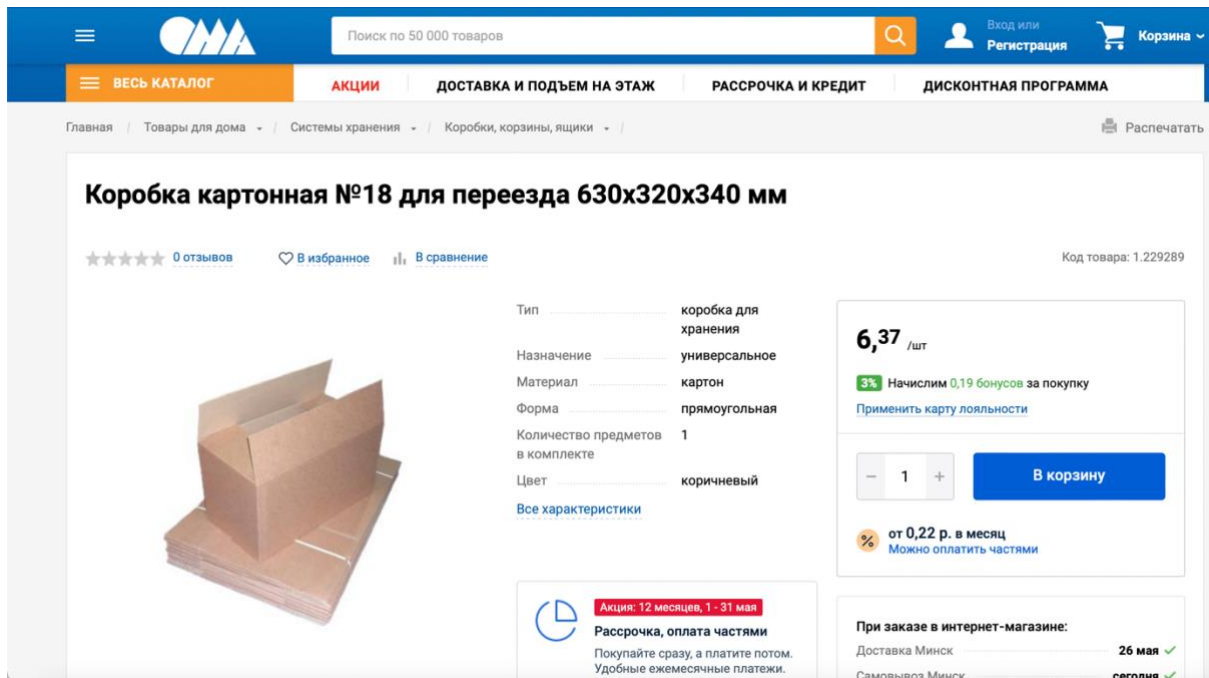


Fig 3. OMA

7745.by.

- Mainly on the site are goods for construction and repair, as well as electronics, household appliances, goods for children, pet supplies and seasonal offers. Attendance is 2.2 million per month.
- Additional: there are payment methods for individuals and companies, delivery in Belarus, including free delivery.
- Link to website:
- KARDECO cardboard box 360x265x260 mm buy in Minsk - prices in online shop 7745.by⁴⁷

⁴⁷ 7745, by. (2023). Интернет-магазин 7745.by - быстрая доставка по Беларуси. 7745.by - Большой магазин. Retrieved April 27, 2023, from <https://7745.by/>

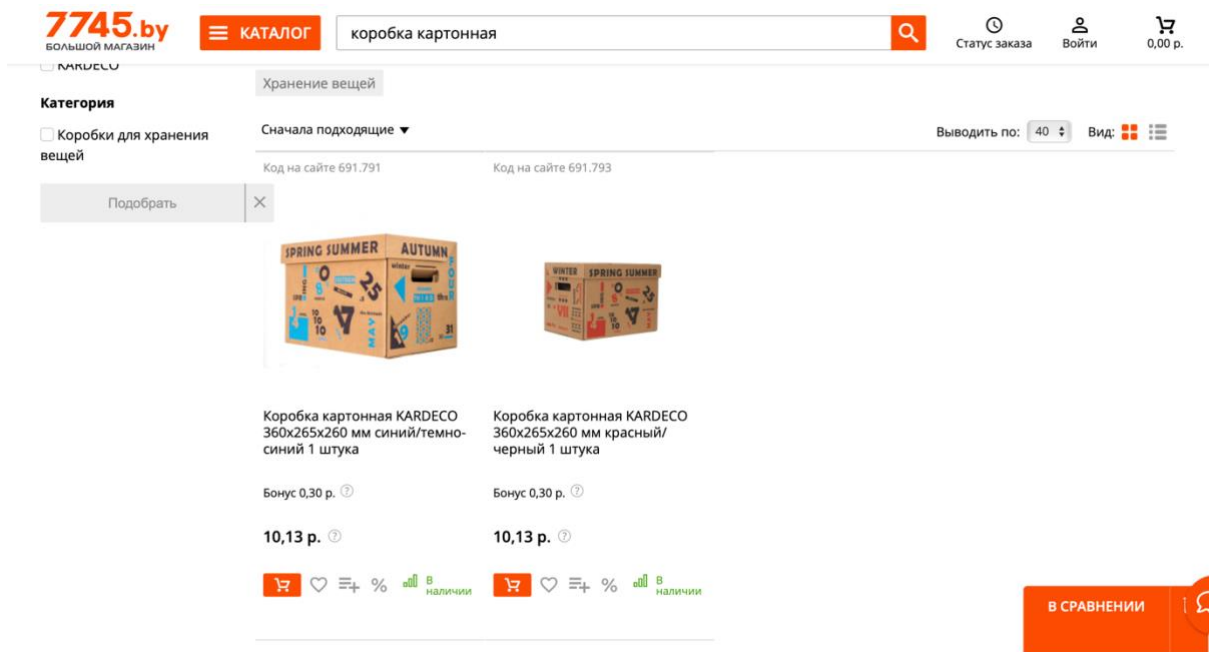


Fig 4. 7745.by

OZ

- The site with the motto "Bringing joy" sells goods for the home, books, souvenirs, everything for hobbies, leisure and study. There is also a food category: the focus is on sweets and long-life products.
- Marketplace is visited by 2.2 million users per month.
- Additional: any payment methods, delivery or self-delivery in major cities of Belarus, and nationwide mail delivery are provided. There are no corrugated board products in the assortment, there are cardboard products.
- Reference to the site:

All for storing things in Minsk. Storage containers in e-shop with delivery across Belarus - OZ.by⁴⁸

⁴⁸ OZ.by. (2023). Интернет-магазин. Книги, игры, косметика, товары для дома, творчества, подарки, продукты. Доставка по Беларуси. Интернет-магазин OZ.by. Retrieved April 27, 2023, from <https://oz.by/>

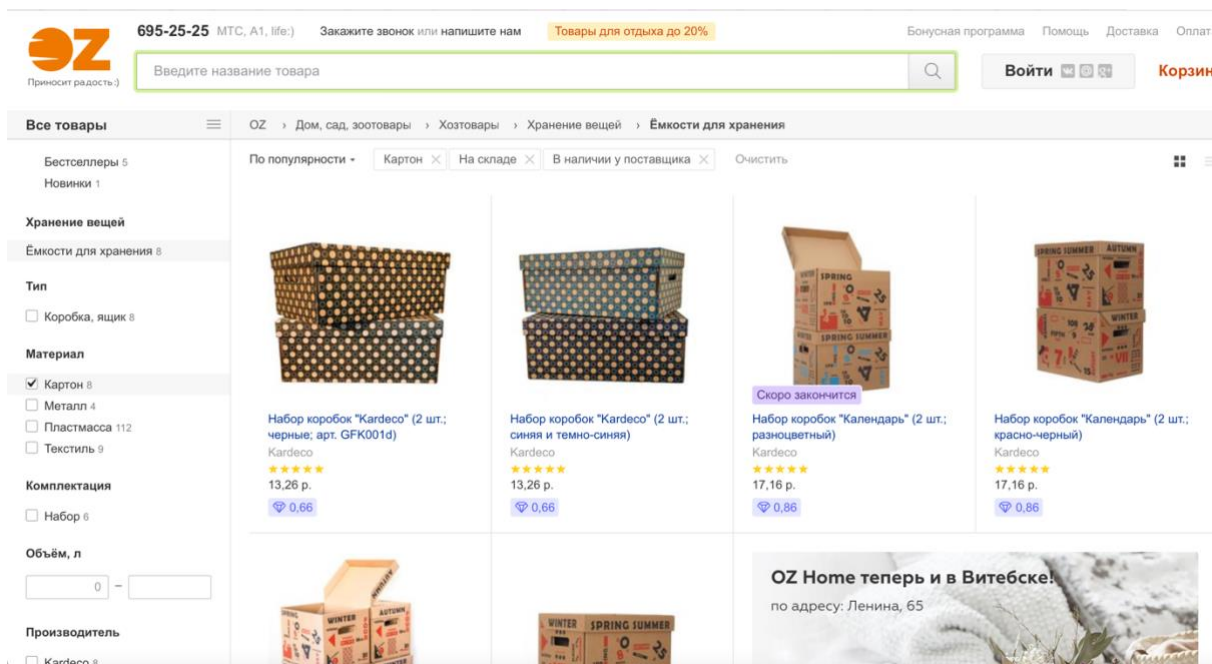


Fig 5. OZ.by

Looking at the comparative table of marketplaces, a few conclusions can be drawn. They all sell corrugated cardboard packaging, in principle offer the possibility of paying for products in many ways, etc. Nevertheless, 21vek.by stands out from the others in two respects: the marketplace has 14.2 million visits per month, while the others are around 2-5 million, the product delivery speed is flexible, which is convenient for Smurfit Kappa RUS.

Deal also suits the company as delivery is fast, many kinds of boxes are represented, payment varies.

○ **Online Shop**

There are companies in the Republic of Belarus that have their own online shops, a factor that makes it difficult to enter the market with an online shop.

Below are examples of such online shops.

Table 7. TOP 6, Google

| Name | Brief description |
|-------------------------------------|--|
| Korobox.by ⁴⁹ | The shop for packaging at private enterprise Soyuzkontrakt - producer of corrugated packaging and corrugated cartons |
| ООО "ГофроТех" ⁵⁰ | Landing. Wholesale from 2000 pcs., price on request |
| Rondopack.by ⁵¹ | Various types of packaging, wholesale and retail, corrugated box part of the range |
| Company «ПакПро» ⁵² | Innernet shop for all packaging, manufacturer, dealer, wholesale, and retail |
| Cardboard boxes in RB ⁵³ | Online shop, wholesale / small wholesale from 50 pieces |
| Red Pack ⁵⁴ | Online shop for packaging materials, corrugated boxes are part of the range. Available at 21vek.by |

If we analyse the above-mentioned online shops, we can conclude that the interface of the websites are all good enough to attract customers, quite favorable terms for buyers and similar offers.

To not get lost in the background of these shops and to find their audience you will need to spend a lot of money on advertising the website.

○ **Marketplace costs vs online shops costs**

⁴⁹ Korobox.by, . (2023). *Packaging for relocation/warehouse/production/office/marketplace*. Korobox packing shop. Korobox.by Ready-made cardboard boxes, corrugated packaging, corrugated cardboard, stretch film, tape, film to buy. Retrieved May 1, 2023, from <http://korobox.by/>

⁵⁰ Gofrotech Ltd., . (2023). *Corrugated packaging: gofrotech: Belarus*. Landing. Retrieved May 1, 2023, from <https://www.gofroteh.by/>

⁵¹ Rondopack, .by. (2023). *Rondo Pack*. Rondopack.by. Retrieved May 1, 2023, from <https://rondopack.by/>

⁵² PakPro, . (2023). *Buy corrugated cardboard boxes in Minsk*. PakPro Packaging Centre. Retrieved May 1, 2023, from <https://packpro.by/catalog/upakovka-iz-kartona/korobki/>

⁵³ Cardboard boxes in RB, . (2023). *Cardboard boxes in RB*. - Wholesale / small wholesale from 50 pieces. Retrieved May 1, 2023, from <https://korobkikartonnyekupit.by/?ysclid=lfs2r71x91969368445>

⁵⁴ redpack, .by. (2023, April 26). *Buy packaging materials in Minsk in wholesale and retail - redpack*. Redpack.by. Retrieved May 1, 2023, from <https://redpack.by/?ysclid=lfs23z3ix048044970>

Marketplaces

Regarding the entry into the marketplace, almost all marketplaces can be accessed for free, but a legal entity must be registered, there must be a trademark. The company should be ready to make financial investments in advertising at the first stage, since the more a product is bought and praised, the higher it is in offers when a product query (in this case, corrugated cardboard packaging) is driven into the search. The company may not be afraid to enter two marketplaces, because this way it will have more coverage. In general, it is worth opting for 21vek.by and Deal. By using the two marketplaces listed above, the company gets the opportunity to increase sales and visibility. A larger number of marketplaces used gives an opportunity to increase revenues, as the products will not only be presented on one marketplace. Moreover, in the case of a lack of profit on one of the two marketplaces, the company, if it has one, can leave the marketplace and switch to another. This will be easier to do if two marketplaces have already been budgeted for. Commissions for marketplaces are not very large, so if you have your own warehouse and the ability to deliver products on your own, there will be no large costs for cooperation with the marketplace. The normal payback period for such costs should be in the region of a year.

Table 8. Costs Marketplace

| Title | Budget(Rubles) | Period |
|---|-------------------|---------|
| Exit into the marketplace | 30 000 | once |
| SMM agency | 150 000 | once |
| | 60 000 | monthly |
| Company operating in the market | 50 000 | monthly |
| Marketplace | 30 000 | monthly |
| Total for one marketplace (first month) | 320 000 | |
| Total for 2 marketplaces (first month) | 430 000 - 640 000 | |

| | | |
|--|-----------|--|
| Total for 11 months for 2 marketplaces | 1 870 000 | |
| Total for the year for 2 marketplaces | 2 300 000 | |

In more detail, the steps to enter the marketplace are as follows

- Selecting one or two marketplaces based on the number of views and working conditions
- Having a trademark and a legal entity
- Dealing with taxes
- If you need to pay for permission to sell your products on a marketplace
- Determining the percentage that goes to the marketplace per month (around 20% of sales)
- Find and choose SMM agency for contextual and targeted advertising, because without it will be difficult to increase sales. On marketplaces, the product appears earlier than others based on the number of purchases and positive feedback. The more of these you have, the sooner the product will appear in searches on the marketplace.
- The distributor company responsible for warehousing, working with the marketplace, SMM agency and delivering products to customers.

Online shop

There is a financial component to creating a personal company website to sell products, because you need people who can create an attractive website, people who will promote it, etc.

Table 9. Costs

| Title | Budget(Rubles) | Period |
|---|-----------------------|---------------|
| Creation of a web-site | 3000000 | once |
| Configuration and contextual advertising Yandex Direct, Google Adw | 35000 | monthly |
| Google Adw/Yandex Direct | 100000 | monthly |

| | | |
|---|-----------|---------|
| Adjusting and maintaining targeting advertising | 20000 | monthly |
| SEO site optimization | 35000 | monthly |
| On "Optima" tariff (includes 350 confirmed orders) with daily work mode, the payment is monthly | 45000 | monthly |
| Order processing and work on repurchase | 21000 | monthly |
| Legal entity order processing (invoice and delivery note generation) | 35000 | monthly |
| Cost of responsible storage (barcode) | 110000 | monthly |
| Returns handling (cost of decontamination) | 3500 | monthly |
| Extra costs | | |
| Warehouse inventory | 5000 | monthly |
| Total for the first month | 3 409 500 | |
| Total for 11 monts | 4 504 500 | |
| Total for one year | 7 914 000 | |

Comparing the costs of marketplaces (total for one year for 2 marketplaces: 2 300 000 RUB) and building your own website (total for one year: 7 914 000), it can be concluded that at the initial stage of entering a new market it is better to choose marketplaces as they are less costly ($2\,300\,000\text{ RUB}/7\,914\,000\text{ RUB} = 0,29$).

At the same time, the company can add to its main website information about availability of products sold online, as well as add the Belarusian language on the website, so that any customers in Belarus can understand the context of the product and offer.

Selling products through a marketplace is much easier and cheaper, especially when market entry is done through indirect exports. The company avoids unnecessary costs and hassle by delivering corrugated cartons to Sint Pak, which then places the cartons on the website and Sint Pak stores the cartons in its warehouse and delivers them to the customers afterwards.

- **Final entry mode**

Ultimately, the form of entering the Belarusian market using an online channel will be as follows: Smurfit Kappa RUS will enter the market through indirect export, cooperating with the Belarusian company Sint Pak, to begin with, the company will sell its products through one marketplace - 21vek.by or through Deal as an option(both replacing 21vek.by and being a second marketplace if the company decides to be present on two marketplaces). The company will deliver products using its trucks, then a distributor will operate, the company will store the products in its warehouse and then deliver them to customers.

3.2 Business Canvas

The Business Model Canvas is a tool utilized in strategic management that procures a visual depiction of a corporation's business model. The aforementioned is a concise, single-page document that serves to delineate the primary constituents of an enterprise, encompassing the value proposition, customer segments, channels employed, revenue streams, cost structure, pivotal operations, critical resources and collaborative allies.

The utilization of the Business Model Canvas serves as a framework aiding businesses in the assessment and enhancement of their business strategies. This work furnishes a thorough and expansive synopsis of the enterprise's method of operation. Therein lies the capacity for businesses to recognize probable hurdles and favourable circumstances. The utilization of the Business Model Canvas facilitates the identification of aspects within a business that may require alterations or enhancements to effectively optimize the business model and attain its objectives.

The application of the Business Model Canvas is notably advantageous for nascent ventures and enterprises of limited scope, who are currently engaged in formulating their organizational approaches. The process facilitates the enterprises to thoroughly contemplate and analyze the principal constituents of their business model, and to recognize any plausible hazards and avenues for growth. Furthermore, the Business Model Canvas possesses the capability of serving as a tool for established enterprises to assess and improve their prevailing business models.

The Business Model Canvas represents a valuable apparatus for commercial entities to formulate and advance their strategies whilst effectively conveying their business model propositions to relevant stakeholders. This document presents a lucid and succinct summary of the fundamental constituents of a business model, thereby facilitating businesses to assess and refine their strategies.

The Business Model Canvas









| | | | | |
|--|---|---|---|--|
| <p>Key Partners </p> <p>Sintal Pack - Belarusian small packaging producer and reseller, customer/partner of Smurfit Kappa since 2019. As the outsourcing company will be responsible for: payment acceptance, courier delivery, storage of goods and packaging before shipment.</p> <p>1) Interested in wider cooperation with Smurfit Kappa</p> <p>2) Interested in online shop project</p> <p>3) Knows Belarus market and its demands</p> <p>4) Owns wide warehouse facilities in the middle of Belarus</p> <p>5) Has people resources for order processing for the project: "click and pay" formation of accompanying documents (S/f, TN, quality certificate), organization of delivery (pickup or delivery), work with claims</p> | <p>Key Activities </p> <ol style="list-style-type: none"> 1) Contract with partner 2) Selection and production of chosen positions 3) Testing integration with partner 4) Preparation of regulations for managers 5) Education of partner's employees 6) Web site re-launch and its tuning 7) Setting advertising in Yandex.Direct 8) Products range analysis 9) Advertisement optimisation | <p>Value Propositions </p> <p>A wide range of packaging solutions for small and middle size businesses including those who sell through their web sites and marketplaces. Also packaging for end consumers.</p> <p>High quality and reasonable price from Russian Leader in corrugated packaging</p> <p>Range of products:</p> <ul style="list-style-type: none"> • RCSs, pizza boxes, caskets, moving boxes, gift boxes, archive boxes, corrugated toys, eco oriented packaging, moving boxes | <p>Customer Relationships </p> <p>Use Sintal Pack</p> <p>Fixed small warehouse expenses (approx.. 10 rub per m2 per month)</p> <p>2% of turnover agent fee paid end of month to Sintal pack</p> | <p>Cost Structure </p> <p>Warehouse: max 100000 RUR fixed (the possibility of introducing variable% for services (pallet, shipment packaging) is being considered</p> <p>Award: 2% of sales for a single transaction (considered executed after the moment of payment by the buyer, also in case of refund)</p> <p>Marketing (agency): monthly budget 70000rub per month (context advertising and market place). Website revival and set for Belarusian region</p> <p>Website revision (new products, sections, etc.)</p> <p>Payments for hosting</p> <p>Software support and tools support</p> <p>Travel expenses</p> <p>Employees education</p> <p>Products transportation</p> |
| | <p>Key Resources</p> <p>A group of SK specialists available to travel to Belarus (Project manager, designer, innovation/marketing manager)</p> <p>1 Customer service specialist for communication and order processing with Sintal Pack</p> <p>1 financial / accountant specialist</p> <p>Market analysis, customer analysis research (online reports, articles)</p> <p>Database with solutions, our experience suitable for customer segments</p> <p>CAD and visualization tools (Artios CAD, Store Visualiser, MODO)</p> <p>SK production facilities</p> <p>Quality control (Quality department)</p> | <p>Convenient shopping basket</p> <p>Minimum order amount 10 pcs</p> <p>Pre-order and post-order service (we know our products)</p> <p>Flexible payment options</p> <p>Shipping:</p> <ul style="list-style-type: none"> • Free shipping • Fast 1 day shipping <p>Complete solutions including other packaging materials suitable for online sells (discussion with partner)</p> <p>Hot-line, customer service</p> <p>Guarantee</p> <p>Return</p> | <p>Channels </p> <p>Low cost:</p> <p>eShop web site set up to Belarusian region</p> <p>Main corporate web site</p> <p>Social networks</p> <p>Webinars</p> <p>Email marketing</p> <p>Higher cost:</p> <p>Yandex.Direkt</p> <p>Ads in website aggregators</p> <p>Exhibitions</p> <p>Conferences</p> <p>Advertisement at bloggers channels related to packaging, sustainability, fashion</p> | |
| <p>Customer Segments </p> <p>Small and middle size businesses including those who sell through their web sites and marketplaces.</p> <p>Apparel and beauty segments are the most popular online</p> <p>Also packaging for end consumers (moving boxes, gift boxes etc.)</p> | | <p>Revenue Streams </p> <p>Sales of packaging materials and solutions - Fees for delivery and logistics services - Commission fees for online transactions - Subscription fees for premium services - Revenue sharing with local distributors</p> | | |

Fig 6. Business Canvas Model

Key partners:

Sint Pak - Belarusian small packaging producer and reseller, customer/partner of Smurfit Kappa since 2019. As the outsourcing company will be responsible for: payment acceptance, courier delivery, storage of goods and packaging before shipment.

- Interested in wider cooperation with Smurfit Kappa
- Interested in online shop project
- Knows Belarus market and its demands
- Owns wide warehouse facilities in the middle of Belarus
- Has people resources for order processing for the project: “click and pay” formation of accompanying documents (S/f, TN, quality certificate), organization of delivery (pickup or delivery), work with claims

Sint Pak is a 100% private company owned by one person. This manager is quite young and has progressive views. The company has an extensive client base and a rather high rating among manufacturers and consumers of corrugated products on the territory of the Republic of Belarus. The company is logistically well located in the Minsk region (good accessibility, short distance to the capital, low rental rate for warehousing facilities). It was important that the manager was interested in the project. The company had the necessary warehousing space to carry out operational activities related to this type of trade. There was also a staff ready to get involved in the process. Smurfit Kappa Rus already has extensive experience of cooperation with Sint Pak (IKEA project launch), which can be some guarantee of a successful e-com project launch. It is an optimal partner for the Belarusian market, as the company knows all the nuances of the market and is interested in cooperation with a Russian company on mutually beneficial terms.

Key activities:*Contract with partner*

First of all, the company should contact its partners in Belarus and discuss the details of the cooperation. Discuss what the partner company will be responsible for and what Smurfit Kappa RUS will be responsible for. The partner will play the role of fulfillment for operations from order placement to delivery to the customer.

Selection and production of chosen positions

The company needs to decide on the range of products that will be sold in Belarus and decide how production will be carried out and where. The selection of positions that we think might be of interest to the consumer.

Testing integration with partner

Smurfit Kappa needs to test how it will work with a partner, how it will store products in its warehouse, how it will place products on marketplaces and how it will deliver to customers. All these points should be taken into account as they affect the reputation of the company. Launch of sales and analysis of interaction with partner

Preparation of regulations for managers

The company needs to prepare rules for managers on how to work with partners, how to monitor partners' work from a distance, explain which responsibilities lie with Smurfit Kappa employees and which lie with partners. Eventually preparing work regulations for partner's employees.

Education of partner's employees

Since Smurfit Kappa has its own vision of how the product should be marketed, training is needed for the partner company's staff. Meetings should be held to explain all the key factors in presenting the product and how Smurfit Kappa keeps it in house so that everything is up to code. All in all, training of employees, how to deal with an order, answer the customer's questions, work with returns.

Web site re-launch and its tuning

If you consider the website as a platform, the company had one for the Russian market, so you could redesign it for the Belarusian market and put the products for sale there. The site is down now, it needs to be re-launched with the assortment updated according to what has been selected for sale. Or add a section on the main website with translation into Belarusian.

Setting advertising in Yandex.Direct

You can advertise on Yandex.Direct to increase visibility and attract clients. To do this, you need to figure out how it works and find a person or SMM company to organise this advertising. Setting of advertising in accordance with the geography of the territory of sale,

so that the site is shown in the advertising in the right regions, selection of keywords for search (CEO).

Products range analysis

We need to categorise the products in order to clearly explain to the partners in Belarus how sales will take place. Analysis of the product range after several weeks of sales to assess which products have potential and which do not.

Advertisement optimization

It is also important to optimise advertising costs so that they do not take up a large part of the budget, but so that the product is recognised and sales increase. further ad set-up, where to display ads, keywords (CEO), etc.

Key resources:

A group of SK specialists available to travel to Belarus (Project manager, designer, innovation/marketing manager) for setting up process with partner, optional.

One Customer service specialist for communication and order processing with Sint Pack

One financial / accountant specialist responsible person for financial processes with the partner

Market analysis, customer analysis research (online reports, articles): reports and articles for the analysis of the e-commerce market, the segment of the sellers selling on the Internet

Database with solutions, our experience suitable for customer segments: Ideas for the range of the shop can be taken from our database with packaging solutions

CAD and visualization tools (Artios CAD, Store Visualiser, MODO)

SK production facilities: company's production capacity for batch production for the online shop

Quality control (Quality department): Quality control of released products, before sending them to the partner for realization

For all this it is necessary to select a few people from the existing staff, primarily from the marketing department, and vacancies need to be made to find a few more people.⁵⁵

Value proposition:

A wide range of packaging solutions for small and middle size businesses including those who sell through their web sites and marketplaces. Also packaging for end consumers.

High quality and reasonable price from Russian Leader in corrugated packaging. As the leading provider of corrugated packaging in Russia, company takes pride in offering customers affordable prices without compromising on quality. Products are made with premium materials and are designed to meet the highest standards.

Range of products:

- RCSs, pizza boxes, caskets, moving boxes, gift boxes, archive boxes, corrugated toys, eco oriented packaging, moving boxes

Convenient shopping basket

Minimum order amount 10 pcs

Pre-order and post-order service («we know our products»), company's knowledgeable staff can assist with any questions or concerns

Flexible payment options. Company's flexible payment options allow customers to choose the payment method that works best for them. Smurfit Kappa RUS accept various payment methods, including credit cards, bank transfers, and more.

Shipping:

- Free shipping
- Fast 1 day shipping

Smurfit Kappa RUS offers free shipping on all orders and fast 1-day shipping for urgent orders. The goal is to get products to customers as quickly and efficiently as possible.

Complete solutions including other packaging materials suitable for online sells (discussion with partner)

Hot-line, customer service, company works closely with its partners to provide the best solution for customers' needs. The hot-line and customer service are always available to answer any questions or concerns.

⁵⁵ Marketing, M. (2023, April 19). Business Canvas. personal.

Guarantee: company offers a guarantee and return policy to ensure customer satisfaction.

Return of products is possible in order to meet customers' needs and make them satisfied.

Communication of the Contractor with the Customer is made by means of the Procedure for handing over and acceptance of completed works and services.

Upon completion of each stage the Contractor shall provide the Customer with a copy of Statement of Completed Works/Services Provided (hereinafter referred to as the Statement).

- If there are no remarks, the Customer shall notify the Contractor that the work has been accepted.

- If there are any comments, the Customer shall send a claim to the Contractor within 3 (three) calendar days. The claim can be made in writing or in the form of an e-mail at the Customer's request.

- The Executor within 3 (three) calendar days accepts the received claim for review and agrees with the Customer on improvements to remove the causes of the Claim. As a result of the completion of the improvements and absence of comments on the results, the Customer shall sign the Act and send the original or a copy by e-mail to the Contractor.

- If the Contractor does not receive the Complaint within 3 (three) calendar days, the works and services under the contract or a stage of the contract, according to the sent Act, are considered to be duly performed.

- If within 3 (three) calendar days no comments, information about acceptance of the work, additional comments on the results of the completed work etc. from the Customer, i.e. information definitely and unambiguously indicating that the work has not yet been accepted or accepted, the Parties have agreed to consider in this situation the work accepted and the Contractor's obligations under this part of the Agreement duly fulfilled.

- Once a stage of work has been accepted by the Purchaser, no changes to the completed stage of work shall be permitted.

- In case of the Customer's motivated refusal to accept the work, the parties shall draw up a bilateral act specifying the necessary modifications and the deadline for their implementation.

- The Contractor shall submit original Certificates and other documents under the Agreement to the Customer within 10 (ten) calendar days after completion of all works, elimination of all remarks and payment for the full amount of the Agreement. Also original

documents can be provided earlier on Customer's request. Method of documents submission: RF post, courier service or using EDI. If the Client wishes, he/she may arrange collection of the documents by himself/herself.

- Term of project implementation shall not exceed 3 (three) months from the date of Contract signing, earlier delivery is allowed as agreed by the Parties. The deadline may be extended by the time the Customer is waiting for approval of work stages.

- In case of impossibility to meet deadlines, Parties by mutual agreement may draw up and sign additional agreement approving new deadlines. Lowering communication channels: by phone or by e-mail specified.⁵⁶

Customers relationships:

Use Sint Pack

Fixed small warehouse expenses (approx.. 10 rub per m² per month)

2% of turnover agent fee paid end of month to Sint pack

Channels:

Low cost:

- Set up an e-shop site for Belarus region: Set up an e-shop site for Belarus region to increase your online presence and reach customers in the region.
- Main corporate website: Promoting products and services on the corporate website can increase brand awareness and attract customers.
- Social networks: Social networks such as Facebook, Instagram and LinkedIn can be used to promote products and services and increase interaction with customers.
- Webinars: Webinars can be organized to inform potential customers about products and services and build trust and credibility.
- Email marketing: email marketing: email marketing can be used to promote products and services and inform customers about new products and promotions.

High cost:

- Yandex.Direct: You can use Yandex.Direct, a pay-per-click advertising service, to promote your products and services to a wider audience in Belarus.

⁵⁶ P, A. (2023, April 19). Regulations for the "Website Development" service. personal.

- Advertise on website aggregators: You can reach a wider audience in Belarus by advertising on website aggregators such as Onliner.by and TUT.by.
- Exhibitions: Attend exhibitions such as the International Packaging Industry Exhibition to showcase your products and services and connect with potential customers.
- Conferences: Attend conferences such as the Belarus Packaging Conference to network with industry stakeholders and stay up to date with industry trends.
 - Advertise on blogger channels related to packaging, sustainability and fashion: Collaborate with packaging, sustainability and fashion bloggers to promote your products and services. This allows you to reach a wider audience and increase your brand awareness.

If Smurfit Kappa RUS chooses online shop (it's own website for selling products), then requirements are the following:

1. Website domain name: e-smurfitkappa.ru
2. Style design must be consistent with the company's corporate identity, taking into account the impact on the target audience of the website. Colour, logo, trademark, corporate font are placed on the brand platform: <http://brand.smurfitkappa.com/>.
3. The Customer's website shall be displayed in all modern browsers: Internet Explorer, Google Chrome, Mozilla, Firefox, Opera, Safari, Yandex.
4. The Customer's website should be displayed on all mobile platforms, smartphones and tablets.
5. The software part of the site should provide:
 - ease of use of the site, a high level of functionality;
 - the possibility of further addition of functions and new software modules;
 - rapid loading of pages;
 - prospects for promotion of the site on the Internet.
6. The Customer's website shall contain information about the Customer: name of a legal entity and warehouse address;
7. The Customer's website should contain detailed and up-to-date information about the delivery and payment for the Orders, as well as the conditions of return and exchange of the Goods;

8. The Customer's Web-site shall reflect the possibility to transfer Customer's data to a company acting on behalf of the Customer, in its interests, and/or to a delivery service and/or a payment acceptance service for delivery of Orders and mutual settlements with the Customer as well as for other purposes connected with rendering services under the Agreement. The Customer assumes full responsibility for obtaining the Buyer's consent to the transfer and processing of the Buyer's data in the manner prescribed by applicable law. The Contractor undertakes to create an option on the website in the form of a separate line describing to the Buyer the need for its consent to the transfer and processing of data. If the Buyer has not consented, the system will not allow the order to be placed.

9. General features of the Buyer's website:

- The website shall enable the Buyer to purchase goods by fully automating the process.
- Possibility of a quick search on the site.
- Site structure: sections: about the company, product catalogue, payment and delivery, personal account, contacts.
- Ability to obtain the buyer the current values of inventory in real time;
- Product Catalogue:
 - o for all Goods placed on the Customer's Site, unique article numbers must be displayed, unambiguously identifying the Goods in the Goods card;
 - o all Goods, located on the Customer's website, shall display current prices and availability of Goods in the Goods card;
- payment, delivery, return - the information shall have a coherent style-image-graphic presentation.
- A visitor's personal account with a history of previous orders and the current status of the order/order basket (all the requirements for working with legal entities are met).
- Contact details (map with location) + Feedback form (telephone, e-mail, online chat).
- Fast ordering for regular customers / possibility to repeat the order.
- Integration with payment systems/Organization of online payments (receipt of payments, issue of payment documents). Ability to issue invoices, delivery notes.
 - o Automatic generation of payment documents and price-lists;
 - o Automating payment process for goods by customer;
- Delivery method selection on the website with delivery time calculation;
- Integration of delivery systems. Automatic shipping calculator.
- Ability to order a quality certificate (on-demand), download an electronic version of the attachment (assembly instructions).

- Customer support (callback, subscription to the SmurfitKappa newsletter).
- Archive of the site data.
- Static / flash banners - possibility of changing banners when the customer starts the campaign.
- Protection against spam or copying
- User data protection

Customer segments:

Small and middle size businesses including those who sell through their web sites and marketplaces: Smurfit Kappa RUS caters to a variety of customer segments, including small and medium-sized businesses that sell their products through online marketplace. Company understands the importance of packaging for these businesses and offers a range of packaging solutions to meet their needs.

Apparel and beauty segments are the most popular online: Smurfit Kappa RUS has found that the apparel and beauty segments are the most popular online, and company offers packaging solutions that are specifically designed for these industries. Its packaging solutions are not only functional but also visually appealing, helping these businesses to stand out in a crowded online marketplace.

Also packaging for end consumers (moving boxes, gift boxes etc.): in addition to catering to businesses, company offers packaging solutions for end consumers. The range of products includes moving boxes, gift boxes, and more, making it easy for individuals to find the packaging they need for personal use.

Cost structure:

Warehouse: max 100000 RUR fixed (the possibility of introducing variable% for services (pallet, shipment packaging) is being considered

Award: 2% of sales for a single transaction (considered executed after the moment of payment by the buyer, also in case of refund)

Marketing (agency): monthly budget 70000rur per month (context advertising and market place).

Website revival and set for Belarussian region

Website revision (new products, sections, etc.)

Payments for hosting

Software support and tools support

Travel expenses

Employees education

Products transportation⁵⁷

Revenue streams:

Sales of packaging materials and solutions - Fees for delivery and logistics services - Commission fees for online transactions - Subscription fees for premium services - Revenue sharing with local distributors

For what value customers willing to pay:

- Quality/price ratio: The company is able to offer its customers high quality corrugated packaging at a reasonable price by being cost effective. This enables the company to attract and retain customers.
- Wide product range: The company has a wide range of products to meet different customer needs. This enables the company to appeal to a wider customer base and increase sales.
- Providing solutions in combination with other packaging materials: Complete packaging solutions can be provided by offering a range of packaging materials such as creep, tape and stretch film. This saves customers time and effort by sourcing all packaging materials from one supplier.
- Free shipping: Free shipping makes your products more attractive to customers. It can also increase customer loyalty and retention.
- Fast one-day delivery: You can offer fast delivery with products delivered within one day. This allows you to stand out from your competitors and provide a convenient and efficient service to your customers.
- Service (returns, consultations): returns and consultations allow you to offer excellent customer service. This helps to build trust with customers and increase customer satisfaction.
- User-friendly e-shop interface, product cards and carts User-friendly e-shop interfaces such as product cards and carts can be created. This allows customers to easily navigate and shop on the website.

⁵⁷ Marketing, M. (2023, April 19). Business Canvas. personal.

- Flexible payment methods: Flexible payment methods such as credit cards, PayPal and bank transfers can be offered. This will enable them to meet the different needs of their customers and increase customer satisfaction.

Conclusion

Summarizing the consulting work done for Smurfit Kappa RUS, several conclusions can be drawn.

The market in the Republic of Belarus is not the easiest to work with, but it is definitely possible to enter. If you take into account all the risks and problems in the market, and use your strengths, then entry is possible. The company is considering entering the Belarusian corrugated cardboard packaging market through the online channel, as the company wants not only to expand its presence and increase the volume of orders, but also to be present on online platforms, to work not only with large businesses, but also with medium and small ones. To analyse the profitability of entering the Belarusian market, I delved into the reasons why the company wants to enter the Belarusian market, tried to understand if they are really important and have a place, I did a PESTEL analysis, Porter's five forces analysis, I also looked at potential competitors of Smurfit Kappa RUS, then I considered possible forms of market entry and chose the most cost-effective.

In this case, indirect export was the most suitable option.

In the first stage, I interviewed marketing and sales managers and found out the following facts. Smurfit Kappa had already opened an online shop in Poland, by analogy with which the company opened an online shop in Russia, but closed it after a while, as it did not bring in any significant income and therefore had no sense as such, because at that time the company had already high income and there was no point in spending money on working with the online channel. At the moment, the company has lost many foreign clients and is thinking about entering the market of the Republic of Belarus, both offline and online. The offline format is seen by the company's management exclusively as working with large companies, while the online channel provides an opportunity to work with small businesses as well, which is an opportunity for the company to increase its recognition and expand its client targeting. Thus, the company wanted to win on several counts at once: entering a new market, using a new sales channel, a new customer target (small businesses), and an opportunity to once again prove its competence and ability to keep up with the times and trends. Online sales are currently growing and gaining popularity, so this is a good way for Smurfit Kappa RUS to increase brand awareness and gain new sources of revenue.

I also analysed the market in the Republic of Belarus, which showed that the company can enter the market and play on quality, or rather on its value proposition. Belarus has many

of its own corrugated packaging companies, which they sell online, but Smurfit Kappa RUS can provide customers with a foreign approach and high quality.

In choosing the form of entry into the Belarusian market, I considered five forms and two platforms. I chose indirect export with the help of Sint Pak. Between the marketplaces and the online shop, I chose the marketplaces, as it comes out cheaper, less resource-intensive and requires less time to organise, especially as the distributor company will do it, because Smurfit Kappa RUS is only responsible for manufacturing the products and supplying them to the Republic of Belarus.

Focusing on the experience of Poland, the managers of the marketing department and I came up with approximately such a plan.

Forecast: 500 orders/month, average check €50, 1m2/year.

- The outsourcing company is responsible for: receiving payments, courier delivery, storage of goods and packaging before shipment.
- 2 reports at the end of each month: sales report and stock report. They work in the VMS accounting system.
- An order is possible so far only for small businesses with a TIN, if the volume of the order is large, then the transition to the page of the SK website is carried out. (B2B sector)
- The product is divided into 4 categories, 20 items. The size of the order is a multiple of packs of 20 or 25/30 pieces, in which the boxes are tied when leaving the machines.
- Delivery to the client the next day, at the expense of SK, but the order is for db boxes. from PLN 600 and more. To order printed boxes, you must fill out an online form (customer service is responsible for this).⁵⁸

⁵⁸ Mostaligin, K. (2023, April 5). Launch of the e-shop. personal.

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Application

The assortment offered by Smurfit Kappa for the online marketplace

Shelf Ready packaging for cheese

Pir-Pack (for Pepsico)

- ▶ High competition on the cheese market made customer to move from regular slotted case to shelf ready packaging
- ▶ We developed packaging with nice and fresh print and good looking perforation
- ▶ Board grade was used to fulfill conditions demands (+ 3°C ... +5°C)
- ▶ Perforation was used to stand supply chain conditions
- ▶ In the end customer ordered packaging 2 times more than wanted in the beginning
- ▶ SK outcome:
 - ▶ Spread: 19,53 rub
 - ▶ Ebitda: 7,33
- ▶ Customer outcome:
 - ▶ Effective marketing packaging



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Fig 7. Assortment

Optimized print for transport packaging

BASF

- ▶ Customer needed to decrease packaging expenses
- ▶ We analyzed packaging portfolio and offered optimization
- ▶ For three positions we decreased number of colors from 4 to 3 without losing quality
- ▶ SK outcome:
 - ▶ Spread: 20 rub
 - ▶ Plus 500 ksm per year
- ▶ Customer outcome:
 - ▶ 1 200 KRUB savings



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Fig 8. Assortment

E-commerce versatile packaging

Unilever

- ▶ Unilever needed e-commerce packaging for cosmetics gift packs of different sizes to sell through market places (Ozon, Wildberries)
- ▶ We developed series of versatile boxes to fit gift packs of different sizes to cover range of 18 gift packs
- ▶ Parts of the boxes work as fixators so no filling material needed
- ▶ Boxes has tamper-evident locks which opens using perforation so no tape needed



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Smurfit Kappa

Fig 9. Assortment

E-commerce versatile packaging

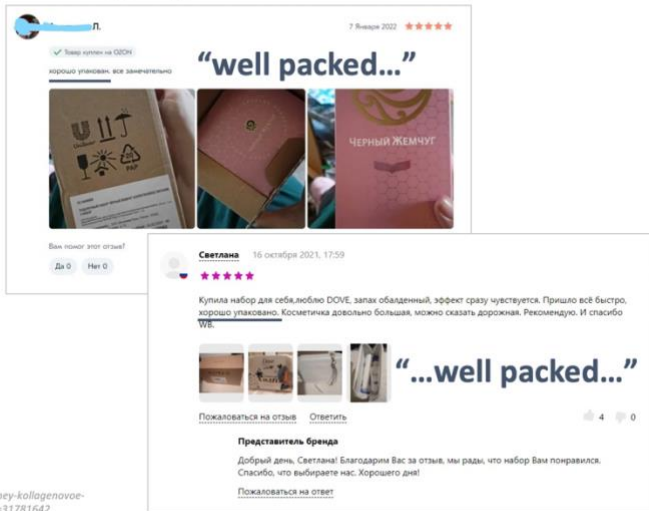
Unilever

Great responses from the market place page



Damaged products before new packaging implemented

<https://www.ozon.ru/product/chernyy-zhemchug-podarochnyy-nabor-kosmetiki-dlya-uhoda-za-kozhey-kollagenovoe-pitanie-krem-46-ml-197841214/?sh=ZMmNdaAAAA&tab=reviews&reviewPid=10226583&reviewId=31781642>



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Fig 10. Assortment

E-commerce packaging for pans

SEB-Groupe

- ▶ During pandemic people started to cook at home and such product as pan became popular at e-commerce
- ▶ Customer wanted to launch new convenient packaging for market places
- ▶ We developed three sizes of easy to assemble boxes which got great responses at market place web page



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Smurfit Kappa

Fig 11. Assortment

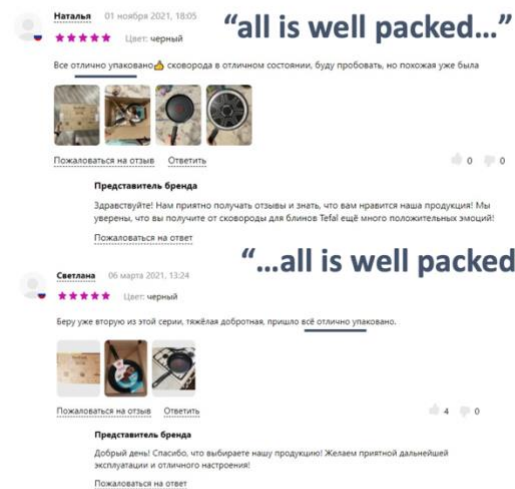
E-commerce packaging for pans

SEB-Groupe



Great responses from market place page

<https://www.wildberries.ru/catalog/18616054/detail.aspx?targetUrl=BP>



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Smurfit Kappa

Fig 12. Assortment

ⁱ Company name changed at the request of Smurfit Kappa RUS for confidentiality purposes.