DESIGN, INNOVATION AND PERSONALIZATION – THE MAIN ASSET COMPANY “SIMPO”, VRANJE

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Abstract. The company "Simpo" – Vranje, is the largest exporter of Serbian furniture and more than four decades has been present on the international market, in almost every continent. And today in about 30 countries worldwide exports 65% of production. Its main advantages are a business emphasis on modern design, the constant innovation of products and materials, and personalization.

Keywords: "Simpo" - Vranje, marketing, design, innovation, personalization

INTRODUCTION

The planned value of product placement company "Simpo" in foreign markets for the 2013th amounts to 61 million eur. In the past five or six years in the company recorded an average export growth of 20% per year. The main export markets of the company are the ones most demanding: Western Europe, primarily France and Italy, Benelux, Scandinavia and Russia. Competition in these markets is very strong, but "simple" succeeded in developing an innovative business concept that is based on a combination of superior design, innovation, functionality and impeccable quality. They also have a very clear approach to testing habits, desires, needs and abilities of consumers, depending on the country. The increase in exports, primarily marketing high-class furniture, so by not only creating a constant flow of new and attractive products with emphasis on innovation, but also offer new solutions in communication and logistics. Thus, the company has won the confidence and respect of business partners and the general public.

STRATEGIC ADVANTAGE OF COMPANY

Strategic advantage over most competitors is that "simple" as the only manufacturer in Europe, has a fully rounded manufacturing process - from raw materials, to finished product, with their own transport and

logistics. Thanks to this business strategy, which was a few decades ago by President Dragan Tomic companies, all partners the company can not guarantee the speed and security of supply and competitive prices.

During the 2012th The company "Simple" has made a major breakthrough in the French market and succeeded in this very demanding market include the leading suppliers of exclusive furniture. The value of exports to France tripled, and for the first contracts for year 2012. envisage the placement of 10 million. It is very important not only for "Simpo", but also for the position of Serbian furniture industry, because it is a model of high export ladies' category, the original design of our home and most exclusive store chains like *Crozatier, the Cuir Center and Roche Group Bobois*. This has an equal footing with the most famous European names, ranked among the leading suppliers in the field of exclusive furniture. With this approach, "Simpo" fully meets the requirements of the national export strategy which is a key requirement increase exports of high-level processing to the growth of GNP.

In recent years the world has been rocked by major economic crisis. Many companies in the wood processing sector found themselves in a difficult situation that often ends with the cessation of existence. Fortunately, the company "simple" is found inner strength and even managed to grow its business in the Middle East market. This is also a very sophisticated market, are very successful. For example, in Kuwait, in July last year opened "Simpo" mono brand shop about 950 square meters in elite commercial area.

This is the beginning of a new phase of development activities in the region, including the furnishing of hotel operations and residential buildings. Local customers have a

preference for European high-class furniture and show great interest in interior decoration complete. Several of these projects have already been implemented. With Kuwait's partner made a project to equip the studios in the elite at the Hilton for the furnishing of "royal" room at the Crown Plaza. It should be noted that it is "simple," the "Gorenje", the only companies in the non-food sector in the Western Balkans, which is present in Kuwait, with its offer, under its own brand. The Middle East is a specific market but, in the current global crisis has probably the most potential. In this sense, everything so far, especially in the last year has been done is crucial to the future position of the Company.

PRODUCES HIGH PRICE CATEGORY AND MARKET POSITIONING

"Simpo" has developed a segment of high-price categories, from year to year in the export of products marketed in all the higher price range and increasing the number of overseas customers. Since 2008. Export prices were increased by 30%. As a solution to achieve added value identified is - the design. "simple" design wins new customers greater purchasing power, allowing greater price point and provides market position. Besides design, consistently applied innovation, both in functional terms, as well as new materials and logistics approaches. third pillar "Simple" Strategy is courage. Being different is what is constantly emphasized. Responsible of the company are aware of the greater tendency of the market to satisfy individual requirements, so personalization and uniqueness industrial occupy a significant part of the offer. Additionally, the company is no awareness that buying furniture is very consuming process and it is crucial for consumers to on-site look at all the options that can be applied at home. precisely the approach made them the No.1 position in the field of design, "sofa bed" in Europe. Therefore, the design, innovation and personalization are trumps "Simpo" in the global market.

Late last year, in a home exhibition, presented as 40 new models, which is a record of the last ten years. This is the "Simpo" response to the crisis, because a new range of

its structure - and cost both functionally and aesthetically, meet the requirements of various market segments. Special attention is given to brand IQ DOM as a comprehensive response to the real possibilities of a growing number of consumers in the country and the region seeking the lowest price but also excellent product. On the other hand, in all segments of middle and upper price category development models are in line with the latest functional and aesthetic design trends, such as, for example, mechanisms for relaxation as well as the application of environmental and high-tech materials of last generation.

In addition to production, the strategic importance of the retail network "Simple". Therefore, in the 2013th were particularly significant further implementation of innovative retail concept at all "Simpo" showrooms, which is based on the principle of "all for the interior" and has already been applied in their largest centers in Serbia, Montenegro and Bosnia. This is a new shopping experience with maximum availability of all necessary information and full aesthetic experience real life environments, in line with the trends of interior design. Therefore, it is important for the current range of additional collections of furniture, thereby contributing to sales growth, which is particularly important for the growth of exports to the neighboring countries. The "Simpo" is the largest specialized retail network in the region with 64 outlets and department stores, 3 of which are in Montenegro, in Macedonia, 13 and 10 in Bosnia and Herzegovina, the plan is soon to open a new showroom in Zenica. In Croatia and Slovenia are represented in all the major chains, such as *Lesnina and Lutz, the switches and Harvey Norman*. This confirms that the "simple" is still a highly respected brand in the former Yugoslavia. "Simpo" is very present in the outfitting business.

The company's portfolio, which make up most of the high class hotels throughout Europe, as well as those in the Middle East, occupying an important place and the markets of former Yugoslav republics, especially Croatia and Montenegro coast. Some of the newest hotels in Dalmatia, as Grand Admiral Hotel in Dubrovnik, or hotels in Mali Losinj bolted just "simple LINE".

For this year, already have signed contracts to equip the complex Solaris in Sibenik, and the hotel in Split.

BENEFITS SPECIFIC "SIMPO" IN FOREIGN MARKETS

The company is very proud of the fact that "simple" is today one of the leading European producers of multi-functional "sofa bed". It is an innovative product with high price category, the combination of sophisticated design and functionality. Among the first in Europe, "simple" is recognized indications that demand is moving in the direction of growth requires the advanced solutions with superior aesthetics-day meet consumer needs. The development of this group of products is the result of cooperation between the local professional teams with some of the most famous European industrial designers like *Domenico Abruseze and Serge Azulee*. Today the company a collection of dozens of models in the category of "sofa bed" and they are the main export product. "Simple" is the absolute leader in the region and among the leaders in Europe in the segment of furniture in leather and fabric. Thanks to its manufacturing and logistics resources, the company can offer a wide range of these products at different prices, according to local possibilities, whilst maintaining the quality that far exceeds what the consumer has to invest - not just for shopping, but also in their use and maintenance. Cooperation between "Simpo" and goes back to IKEA in 1974. when the owner of the corporation *Ingvar Kamprad* was the first guest in Vranje. After everything that happened in the country during the nineties, cooperation is intensifying again since 2004. years, and especially after the 2008th Today it is the most important partner of IKEA. Cooperation is steadily increasing and this fiscal year it is planned to be at around 17 million. Particularly interesting is the fact that IKEA has included in its range of models of "simple-Vogue" original design, which, otherwise, it is not their practice, and that they, even the most expensive fall into the category bestseller in Russia, where it is the most sold " Simpo 'furniture in IKEA centers.

CORPORATE SOCIAL RESPONSIBILITY "SIMPO" ON DOMESTIC MARKET

The Company's "Simple" starts from the premise that Serbia has great resources. One of the most important for the future of the people and educated workforce. Here is an educated working class part of the business is very healthy company with great potential. Care should be nurtured and developed, because the jobs require even more expertise, more detailed education and training in high technology. In this context it should be mentioned, but the traditional business-technical cooperation that exists between the company "Simple" and the College of Applied Professional Studies in Vranje. The great potential of the natural resources and that, unfortunately, squandered, so we have, for example, a situation where the wooden logs with us the most expensive in the region. Rather than encourage companies and resources can be converted into high value products and thus to achieve a successful international position, which occupies such "simple" shop in Kuwait, and thus significant export revenue for the country, many companies are opting mere export of raw materials and intermediate goods. Long term is not good that the distinction between domestic and foreign investors in the field of government incentives and benefits. Capital should not be discriminated against just because domestic and foreign creates jobs and creates new value. Domestic investors are more likely to remain in the country with its capital, much less likely to decide that the closure of the company or to move production. But Serbia still has exorbitant interest on business loans that are with us several times higher than those paid by competitors abroad. This Serbian economy at a disadvantage and limits the export potential.

Also, what is unacceptable is the low level of respect for the home. Very often more trusted foreign brands just because they are foreign, even if the quality is really below average when compared to similar domestic products. There is a noticeable lack of consistency. The company is aware that the review be made, but if in the process, finds that something is good, we should insist on continuously, in order to create a tradition. And what is not good to be immediately changed.

INSTEAD OF A CONCLUSION

At the end of this year, "simple" ad mark five decades of work. This is a very important milestone, especially considering all the changes experienced by the Serbian economy and the economy. The main features of the history of "simple" as the market operation, even under socialism, and constantly strive to social responsibility. "Simp" is built a lot of generating capacity in the underdeveloped outh of Serbia, precisely in order to aid the progress of the country. Well-conducted privatization, without a dismissed worker, and privatized companies have continued further business development. These are, for example, "Rosa", which is now part of the "Coca Cola", the production of furniture in Vranje Spa now part of the Italian company, factory leather furniture in Bujanovac. Social responsibility, as in the "Simp" always realize, is responsible behavior and to employees and to customers and the end consumer, and the community at large. In the past fifty years, the quality, steady growth and development of key constants in the difficult path of development of the company from a small factory with 370 employees facing bankruptcy, rounded to the business system with almost 5,000 employees. The time has never been easy, but it seems to be difficult

nowadays it stride. Company invested enormous efforts to overcome the consequences of the current economic crisis, and consequences of the disintegration of Yugoslavia "Simp" experienced and sanctions. From this period came with the loss of about 120 million, their value to the property, assets and goods that are lost in the former republics, and have not been able to recover anything. "Simple" is a special energy that always pulls forward, not to stop. It is hoped that they will win this time and will be supported in what they do because it works in the best interest of the entire Serbian economy.

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