CBI MARKET SURVEY

THE STATIONERY, OFFICE AND SCHOOL SUPPLIES MARKET IN GREECE

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Introduction

This CBI market survey gives exporters in developing countries information on some main developments on the stationery[1] market in Greece. The information is complementary to the information provided in the CBI market survey *'The stationery, office and school supplies market in the EU' (2006)* which covers the EU in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used as well as information on other available documents for this sector. It can be downloaded from http://www.cbi.nl/marketinfo

1. Market description: consumption and production

Consumption

- The total consumption of stationery in 2005 in Greece amounted to € 282[2] million at Manufacturing Selling Prices[3] (excl. Greeting Cards and Cases & Satchels[4]).
- The Greek market accounted for 1.8% of the total stationery consumption of the reviewed countries[5] in 2005. Compared to the other researched markets, Greece is one of the small stationery markets in Europe.
- Between 2004 and 2005, total stationery consumption increased by 20% .
- Greek consumption of stationery products is forecast to grow marginally up to 2008.
- In 2005, Office furniture was the largest product group in the Greek stationery market, accounting for about 33% of the market and € 92 million at MSP. The next largest segment was Paper-based items with 26% of the total Greek stationery market, worth € 74 million. In third and fourth places by market share were Office & Desk Accessories and Writing & Drawing Instruments with, respectively, 25% and 11% of the total Greek market and a value of about € 72 and € 31 million. Storage & Filing products and Presentation & Planning materials were the smallest segments with relative shares of 5% and 0.1% and values of consumption respectively, € 13 and € 1.1 million at MSP.

Production

- In absolute value the estimated total production of the Greek stationery market for 2004 was € 141 million (including Cases & Satchels and Greeting cards).
- In 2004, Greece accounted for 1% of the stationery production of the reviewed countries, based on Eurostat statistics, which made it one of the small producers in the EU.
- In comparison to previous years, overall production is increasing. In comparison to 2002, stationery production has increased by about 48%.
- The forecasts for 2007 onwards are positive in terms of GDP growth and private consumption, which would impact positively on stationery consumption and production. However, part of Greek production might be outsourced to neighbouring countries with

[1] Please, note that by 'stationery' in the whole survey, it is meant 'stationery, office and school supplies'.
[2] Market figures for the Greek stationery consumption are unavailable. Greek consumption has been estimated by the 'apparent consumption method' making use of the equation (Production + Imports – Exports).
[3] MSP (Manufacturing Selling Prices) – The price at which manufacturers sell products to resellers or direct to users.
[4] Consumption information is given for all mentioned product groups except for the segments Greeting Cards and Cases & Satchels. The research agencies used in this report are not gathering information for those two product groups. Separate information for them would be given later in the text.
[5] The reviewed countries are: France, Germany, Italy, The Netherlands, Spain, UK, Austria, Belgium, Cyprus, Czech Rep., Denmark, Finland, Greece, Hungary, Ireland, Poland, Portugal, Sweden.

lower unit costs, such as Bulgaria, Romania, Macedonia, etc.

Trends

- The consumption of Paper-based items is decreasing in this country as in most European countries. This general trend is due to the computerization of the overall market.
- Private label products increased their penetration within the Greek market. They extracted a significant value share by increasing pressure on prices, receiving increased self-space in large retail outlets and developing new improved products.
- Manufacturers of branded products attempted to stimulate value sales in response to the expansion of private label products through the development and innovation of more sophisticated products.

Opportunities and threats

- An opportunity is the increasing demand for non-branded products where exporters from developing countries have stronger positions.
- Moreover, Greece is obviously one of the few markets which is seeing further development and it offers much more opportunity than some of the other researched markets. Even though quite far away from its western European business parties, Greece is expected to show greater development than the other more mature markets.

Useful sources

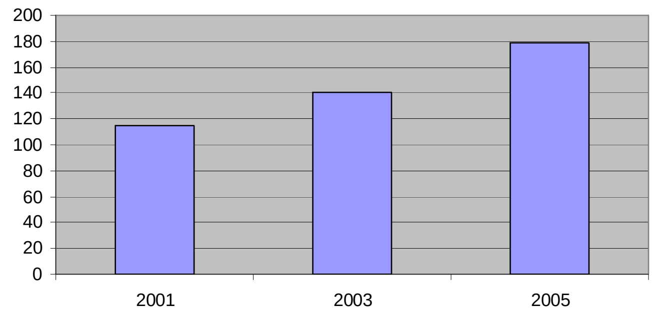
- MPA International - A global consultancy specializing in marketing research and analysis in the office products industry: (http://www.mpainternational.com/)
- Greek Chamber of Commerce (http://www.greecechamber.org/)
- Office Products Magazine (http://www.opi.net)
- Athens Chamber of Commerce and Industry (http://www.acci.gr/en_index2.htm)

2. Trade: imports and exports

Imports

- Total imports into Greece in value and volume were respectively € 178[6] (million) and 64 thousand tonnes in 2005.
- In 2005, Greece took 2% of the total EU stationery imports and was one of the small importers in the EU.
- In comparison to year 2003, the imports have increased by about 27%.
- Import growth is forecast to accelerate slightly into 2007 especially if imports keep their price competitiveness.
- For the year 2005, the percentage of imports into Greece coming from the developing countries is more than 33%. By comparison, this percentage was 26% in 2003.
- Major developing countries suppliers to Greece are: *China (28.6%), Turkey (2.0%), Thailand (1.2%), India (0.7%), etc.*
- For the relative size of the product groups in Greek import see Figure 2.2.

Figure 2.1: Import in the Greek stationery market, total imports, by value (€ millions)

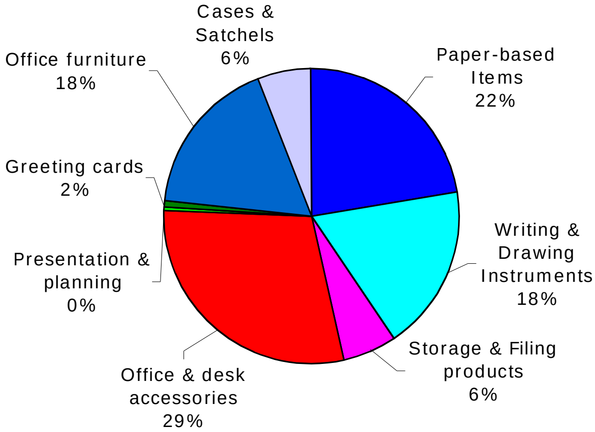


Source: Eurostat database

[6] Including Cases & Satchels and Greeting Cards

Exports
- Total exports from Greece in value and volume were respectively € 24 million and 19 thousand tonnes (including Cases & Satchels and Greeting cards) in 2005.
- In 2005, Greece supplied 2.3% of the total EU stationery exports and it was one of the small exporters in the EU.
- In comparison to 2003, exports have increased by more than 2%.
- Greece stationery exports are projected to further increase due to the improving economic conditions of Greece's major trade partners.

Figure 2.2: Import in the Greek stationery market, segmentation by product group, % share, by value, 2005



Source: Eurostat database

Opportunities and threats
- In general, the share of imports coming from developing countries is quite high in this country (33%) and those suppliers control about one-third of the stationery market in Greece.
- Important segments for the developing countries' exporters are Cases & Satchels, Presentation & Planning materials and Writing & Drawing Instruments.

Useful sources
- EU Expanding Exports Helpdesk - http://export-help.cec.eu.int/
- Eurostat – official statistical office of the EU - http://epp.eurostat.cec.eu.int
- European Commission - official publication (http://ec.europa.eu/economy_finance/index_en.htm)

3. Trade structure

Traditionally, *exports from the developing countries took place through a set of importers who have then marketed the product to wholesalers, end-users, or retailers*. On the other hand, *exporting on your own generally requires more of the resources of your company than exporting through an agent or importer/wholesaler*. In this chapter, most important distribution and retailing channels are given so that both types of exporters (ones which are using/not using intermediaries) can select the best channel for them.

- Local wholesalers and importers are potential trade channels for exporters in developing countries as they control a relatively big share of the market and Greek distribution is still quite traditional.
- Local retailers compete with foreign retail formulas and this has led to strong price competition.
- Financial constraints mean that the Greeks are becoming more careful with their spending. The economic recession has boosted sales of discounters and private label products whilst traditional retailers have tried to respond by offering low prices and special promotions.
- A new piece of legislation on flexible opening hours for retailers is set to boost competition amongst large retailers. In spite of initial opposition to the legislation, the law has now been passed and retailers are free to choose the hours during which they are open.
- Due to the economic recession in Greece, consumers feel that they are "being robbed" by large companies. The media and the government are continuously monitoring the large retailers in order to check if their prices are unreasonably high. The Ministry of Trade and

Development has been issuing fines to retailers whose prices are higher than normal (Euromonitor).

Websites of important players in Greece are:

- Greece-based OP operator Plaisio (http://www.plaisio.gr/)
- Lyreco (http://officeproducts.lyreco.com/LGWStaticContent/page/index.htm)
- Office1 Superstore (http://www.office1.gr/)
- MACRO Superstores (http://www.makro.gr/)

Websites with interesting information on the trade structure of Greece are:

- MPA International (http://www.mpainternational.com/)
- Office Products International Magazine (http://www.opi.net/index.asp?)
- Business Database of the Greek Chamber of Commerce (http://www.greecechamber.org/)

4. Prices

Price is an important selling factor, especially in the lower segments of the stationery market, whereas in the higher segments (higher added value) factors like quality and fashion are more important than price. In the lower segments of the stationery market, retailers have little room to manipulate prices because competition is very fierce and margins are low.

Table 4.1 Developments in import prices per product group in the period 2003-2005, % change

Paper-based Items	Writing & Drawing Instruments	Storage & Filling Products	Office & Desk Accessories	Presentation & Planning	Greeting Cards	Office Furniture	Cases Satchels
N.A.	N.A.	1.40%	N.A.	N.A.	-5.90%	6.50%	-14%

For examples of prices see for more information *'The stationery, office and school supplies market in the EU' (2006) Chapter 9 'Prices'* and the web addresses provided under '*Useful sources'* of this chapter.

As far as up-to-date information about prices is concerned, below are mentioned some useful techniques for finding relevant information on prices:

- the CBI survey Guide for Market Research has a wide variety of good advice on how to use the internet for doing research;
- in general, one should always at least search for information in trade journals, at exhibitions, from competitors, potential and existing customers, exporters in your own country that sell products in the same market
- Other sources of price information are the local producers. Below are some examples of the important producers and suppliers in Greece:
- Greece-based OP operator Plaisio (http://www.plaisio.gr/)
- Lyreco (http://officeproducts.lyreco.com/LGWStaticContent/page/index.htm)
- Office1 Superstore (http://www.office1.gr/)
- MACRO Superstores (http://www.makro.gr/)
- BIC (http://www.bicworld.com/index_en.asp)

5. Market access requirements

- Manufacturers in developing countries should be aware of the market access requirements of their trading partners and the country government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns.
- For more information go to 'Search CBI database' at http://www.cbi.nl/marketinfo

A detailed overview of important packaging, marking and labelling aspects which are valid for all EU countries or for groups of EU countries as well as of more information about the countries to which tariffs apply, can be found in the CBI market survey *'The stationery, office and school supplies market in the EU' (2006).* More information about packaging can be found as well in the web site of ITC Export packaging: http://www.intracen.org/ep/packaging/packit.htm. The VAT rate in Greece is currently 18%.

Important sites:
Taric database at http://europa.eu.int/comm/taxation_customs/index_en.htm
European Union (http://europe.eu.int/)
European Committee for Standardization (http://www.cenorm.be)
European Committee for Standardization (CEN) and http://www.iso.org/

6. Business practices

- Trade shows in Greece (http://www.biztradeshows.com/greece/)
- Greek Exhibitions, Conferences & Trade Shows (http://www.eventseye.com/fairs/event_l281.html)
- For trade press and related articles: Office Products International Magazine (http://www.opi.net/index.asp?)
- For more information on trade practices and culture in Greece as well as the business etiquette in the country, check: (http://www.executiveplanet.com/business-etiquette/Greece.html)

This survey was compiled for CBI by DCT B.V. in collaboration with Ms. Y.Netto