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# Market Leaders Choose Knowledge Management

**The overload of information creates confusion, especially if the company has thousands of employees and runs business in 160 countries as Unilever does, especially in the diverse and spread out markets of Russia. Market Research Specialist, Olga Chernysheva works at Unilever SNG's (CIS division). She shared her ideas and observations on the role of knowledge management in the success of the company in Russia, with Esmerk Quarter.**

Unilever, the worldwide consumer products market leader, names the Russian markets as one of its priority regions for development. The group caters for the tastes of local consumers by creating brands adapted to the local market needs, supporting its image of a local multinational company. Its local brands such as Beseda (tea), Pyshka (margarine) and Tsvety Rossii (perfume ans soap series Flowers of Russia) have gained popularity among the local buyers. With 14 product categories, Unilever has several production facilities on the territory of Russia. The total amount of investments into the Russian economy by Unilever to date has exceeded USD 200 million.

Mrs. Chernysheva described the current state of the market information available: – The number of sources that have recently become available in Russia is impressive, on-line news, growth of agencies specializing on financial intelligence and rapid development of Russian Internet sites, the so-called "RuNet", being only a few examples. From Unilever's part this requires prioritizing and careful choice of sources, sometimes leading to compromise between costs, speed of update and depth of the content.

### Where It All Began

In 1992, when Unilever entered Russia, considerable paper flow and informal face-to-face discussions were rather common, as there were less employees and the amount of information was not so overwhelming. Much has changed since then.

– While we still value internal business meetings thick paper files with documents tend to be archived. Electronic formats have allowed optimizing routine procedures saving us both time and



**The Unilever Russia's corporate homepage is another sign of readiness to satisfy the information demands of every stakeholder group in the local language.**

**Market Leaders Choose Knowledge Management**, continues from page 1

expenses. Intranet is being used by all and Internet by many. We are now using electronic libraries and results of sharing information are accessible to employees regardless of their physical location.

– Lots of data previously available only for particular departments is being exposed for general usage. Information exchange with Unilever offices in other countries is growing as harmonization process goes on and global strategies are designed. Need for quick sharing of knowledge is becoming more and more obvious, Mrs. Chernysheva said.

**Trends in the Sector**

At the same time, external business context is getting more complex. Main players on the market use wide range of techniques to reach the consumer. Trade infrastructure is



**Unilever Russia's wide range of products**

developing. Advertising and media events need constant monitoring and analysis. Therefore tracking of market trends, competitors' moves and macroeconomic situation is of vital importance if a company wants to stay successful.

Among other trends, Mrs. Chernysheva named the growing demand for quality information. In this respect she said, trusted sources are associated with more value, especially since Russia is still remaining to a great extent a land of the word of mouth.

**The Looks Matter**

The formats, or the way the data is organized, are also among the important features, according to Mrs. Chernysheva. – Friendly formats and ease of searching can become key success factors for those who offer information services, since spending extra time or effort is sometimes the last thing the users can afford. This is often connected with another question taken into consideration: how flexible the information provider is and whether he is prepared to expand or modify his services in order to meet the new needs of the client.

Several units of Unilever have been Esmerk's clients in various parts of the world, including Russia. – In many of the above respects the service offered by Esmerk to Unilever Russia is quite helpful. It covers a broad range of issues and sources. Moreover, it presents information in a concise format and can be profiled according to requirements of particular

users. The latter option is especially important for users in Unilever Russia who are often category-oriented and welcome formats that allow them to focus on their specific competency field.



**Olga Chernysheva**

The growing trend for analytical reviews is also evident on the market, according to Mrs. Chernysheva. – In the time when information gets old quickly and when people tend to concentrate most of their attention on the present situation, it is sometimes difficult to gain enough perspective to assess the dynamics. Therefore, one of the recent sayings is formulated as "We do not want information, we need the knowledge", meaning that a comprehensive database should preferably include sections on generalizations and analysis. This trend is yet to be met and the efforts done in this area by information suppliers should be coupled by effective internal communication within a company. ■

YEKATERINA LEVOCHSKAYA

**WE VALUE YOUR OPINION**

**Please send us feedback**

Five horizontal lines for writing feedback.

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## Sweden

ANNA SVENSSON • TRANSLATION RIITTA KAJLINGER • PHOTOS: MATS GLENNGÅRD

# Less is more

The day-to-day handling of vast amounts of information is costly for a company, both in terms of time and work. Exformation i.e. the process of sorting out unnecessary information is thus increasingly important. The concept exformation was coined in the early 1990s by the Danish author and science journalist Tor Nørretranders in the book "The User Illusions" (Penguin, 1999)

It is when we are swamped with information that we realize that information has no value of its own, says Tor Nørretranders. The value exists in sorting out information. Esmerk analysts engage in exformation on a daily basis. The 120 analysts together go through around 20,000 newspaper articles every working-day, which results in some 1,500 abstracts following a process of sorting out substantial volumes of information. Exformation, the amount of information discarded in the process, however, cannot be measured. The reports supplied by Esmerk thus contain large amounts of information but the amount of exformation in them is at least equally large.

## Information

facts told, heard or discovered about somebody/something; knowledge

(Oxford Dictionary)

One of Esmerk's clients tells us his view of the growing information flow. **DANIEL JONSSON** works with Marketing Projects at Sapa's headquarters. Sapa is an international industrial group focused on high value-added products based on the lightweight materials aluminium and plastics. The products include profiles, thin strip and plastic components. The customers are found in the transport, building, engineering and telecom industries. The company recorded a turnover of SEK 15 billion in 2000 and has a workforce of about 9,000 people.



**The amount of information doubles every five years and soon it will double every four years. How does the growth in the volume of information affect your work?**

– I see the increased information volume as a something positive. At the same time as it is nowadays much easier to find and gather information, it can be difficult to find the material you really need. Often you are forced to use several sources in order to get the whole picture. I don't know how I would manage my work without all the information, says Daniel. It is however important to compress the data and keep it within reasonable bounds. The rapid information flow can also make it difficult to have time to process the material before it gets out of date. Daniel believes the growing information flow can have a negative effect on quality control. He often looks for additional sources in order to confirm facts.

**How do you handle the day-to-day information flow in practice?**

– I am trying to, as systematically as possible, gather and store the information needed for current projects. We are also building up a system that makes it easy to find the information retrieved, by using logical categories, says Daniel.

Not having time to read and process all the information doesn't cause Daniel stress. – I am more inclined to feel pressure if I don't find what I am looking for, says Daniel.

## Exformation

the process of sorting out unnecessary information (Tor Nørretranders)

**MARKUS MAJDALANI** is employed as an Analyst at Esmerk's Stockholm office. An important part of his work consists of exformation.



**How many articles do you go through on an average working-day?**

It varies depending on the distribution of work among Analysts. Some days I go through 500–600 articles, other days 15–25 articles.

**How do you know which information is essential to clients?**

– First and foremost, the information must indicate a change, says Markus. We have regular internal meetings discussing information about new clients and news monitoring profiles. Esmerk's 14 offices also inform each other about client needs. Markus says he also obtains information about clients by making information profiles for them. Annual reports, home pages and direct contacts with clients are of use when compiling profiles. – Common sense about what news items are of significance for clients is also important in the exformation process, says Markus.

**What is important in the exformation process?**

– Sorting out as much information as possible as the volume of information received by clients is massive. At the same time, it is important to include information that is vital for clients as they are using it as a basis in decision-making. An Analyst gradually learns to interpret signals, says Markus. A news item could be uninteresting at the moment but becomes interesting in the future. According to Markus, the news value in an article may sometimes seem vast, particularly if the title is conspicuous. Analysts, however, notice quickly if something of value has emerged in the information flow as they follow the flow on a daily basis.

**Finland**

# UPM-Kymmene Gathers Information From Several Sources

**Information Specialist Brita Jaffe-Ek enjoys her work with the Finnish forestry group UPM-Kymmene since every working day is different and you never know in the morning what questions lie ahead. Jaffe-Ek emphasises that a close relationship with the internal customers is highly important. Then you learn to know what kind of information each customer needs.**

KIRSI AUTIO • TRANSLATED BY SANNA TERMONEN

**T**he Business Intelligence unit of UPM-Kymmene's Publication Papers Division consists of six people with **Riitta Salo** as the new Manager. Jaffe-Ek is one of the two Information Specialists and she specialises on the customer industry. The unit has internal clients with UPM-Kymmene's Helsinki head office, the mills and the marketing network around the world. Most of the assignments originate from the head office. – It is impossible to name a typical case or inquiry, however, there is one common feature: nearly every inquiry is carried out to a tight schedule, Jaffe-Ek laughs.

Some of the inquiries are easy to find answers to. Sometimes they require extensive research and involve the whole team. When asked to name an interesting example Jaffe-Ek mentions a study into the potential impact of new media on future paper demand.

### Information from Various Sources

UPM-Kymmene's Business Intelligence unit uses several sources of information and it is constantly on the lookout for new sources. One important source of information is Esmerk. In Finland, as many as 500 employees have made their own Esmerk profiles.

– Esmerk has proved to be a valuable source of news information on the customer sector. On the paper industry there are a few good online sources unlike on the end use sector, says Jaffe-Ek. – Esmerk sometimes gives us the impulse to look for more information.

UPM-Kymmene considers Esmerk's coverage of all the local newspapers in Finland invaluable.

– Moreover, it is important that Esmerk covers an extensive range of sources around the world. Esmerk service is easy to use since the international sources are abstracted into English.



**Information Specialist Brita Jaffe-Ek**  
Photograph: Sanna Liimatainen

### Essential to Know Organisation Inside Out

– Knowing the organisation inside out is important for Information Specialist in order to be able to target the piece of information to the right person, says Jaffe-Ek. – You also need to understand the value of the piece of news. Personal contact to internal clients is extremely important.

Consulting internal customers on the use of Business Intelligence's databases is part of Jaffe-Ek's work. – Internal marketing in the global organisation presents an interesting challenge for the entire team, Jaffe-Ek points out. ■

**Esmerk took part at Tieto 2001 Information exhibition in Helsinki, Finland. Five lucky visitors at our stand won themselves Esmerk service for three months.**

**THE WINNERS ARE:**

**Heikki Posio** Filtronic LK, **Ritva Möttönen** MPS Executive Search, **Arja Juvonen** Instrumentarium Datex-Ohmeda, **Kari Rouvinen** Oracle, **Kari Lindroos** The Social Insurance Institution of Finland. We thank all participants and congratulate the winners!

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Esmerk supplies leading international companies with intelligently tailored essential information of their business environments. We now have tens of thousands end users throughout the world, being serviced by a staff of 150 in a network of 14 offices.