

EXCELLENCE

GLOBAL SUPPLIERS CONFERENCE: THE GREATEST GATHER

A S Watson Group's 175th anniversary celebrations were marked with the best Global Suppliers Conference yet.





ASW's partners, global giants in their own spheres, gather to affirm their relationship with the retail group.

They flew in from all over the world. Presidents of global product giants like Unilever, L'Oréal, Henkel, and Procter & Gamble. Third-generation stewards of European fashion houses of long repute and deep tradition. Even Stella McCartney, the fashion giant, shared a thoughtful presentation with the prestigious audience. And they all came to Hong Kong to commune with their partner in bringing their products and brand experience to billions across Asia and Europe: the A S Watson Group (ASW).

Dominic Lai, ASW Group Managing Director, played host along with the leadership of the retail group from across the two continents. By bringing ASW's committed partners to Hong Kong, they could ensure mutual success through a shared vision that was crafted, in part, at the conference.

Over 120 top executives and innovators from 34 suppliers came to the biennial event in Hong Kong, providing a great opportunity to exchange views and strategies on customer engagement. ASW, as the largest health and beauty retailer in Asia and Europe, has an impact on the rise and fall of the fortune of global leaders in the industry. Speaker after speaker from the retail group shared what they had learned in their markets and showed that the way forward for the industry was to succeed by supporting the ASW vision. Each would, if their division was counted alone, be the leader of a massive global player. They are all part of the team that the makers of health and beauty products depend on for sales and look to globally for leadership.

At the forefront of that star team of hundreds of global executives is Dominic Lai, leading the charge by outlining ASW's

"We are determined to shape our future, rather than let the future shape us."

Dominic Lai,
ASW Group Managing Director



The building blocks for another 175 years of success are cemented through the strong relationship between ASW and its partners.

new initiatives and the evolution of its vision. That evolution has seen a new dimension - Innovation - spliced into the ASW DNA, adding to the pre-existing building blocks of Passion, Teamwork, Commitment and Science.

Mr Lai also made a daring announcement articulating the new customer strategy of DARE - Differentiation, Anywhere, Relationship and Experience. This new approach will elevate customer interaction with retailers and products to a higher level in the new era of retail.

SCALE AND AGILITY

Mr Lai's strategy for moving forward encompasses many elements building on ASW's natural advantages, like its

massive scale. But he also believes the company must be able to dance, and explains, "Our future plan is to continue to build scale, and, simultaneously, develop agility. Through more experimentation we can build innovation into our day-to-day culture."

Visiting senior executives from key suppliers took the agility message on board. Paul Polman, CEO of Unilever, spoke on a panel at the event. Referring to ASW's 175th anniversary, Mr Polman said, "I don't know where we will be in 175 years, but I hope we will have the same productive, constructive and respectful partnership that we have now with ASW, and that obviously requires all parties to be agile and close to the consumer."

Masahiko Uotani, President and CEO of Shiseido, was thrilled by the event, saying he appreciates "learning from ASW's capability to be customer focused, data driven, [and] strategic, yet operational and front-line oriented".

PARTNERSHIP THE KEY

Innovation and making the most of digital assets are essential to the company's future. Mr Lai explains, "I need you to understand that CRM is the new way of marketing, and not something you will only do when you have extra budget. It is THE way of marketing."

He aims to develop these assets through partnership, stressing that ASW and partners must "innovate in the way we

sell both beauty and health together – the way we create customer experience for customers of different generations”.

Jean-Paul Agon, Chairman and CEO of L’Oréal, is perfectly aligned with this vision. Contemplating the future of his company, he talks about L’Oréal’s new structure, which involves “digital transformation, which is absolutely essential. We have had a complete digital transformation of the company”.

Innovation isn’t just an aspiration. ASW has a practical channel for working with global suppliers: the eLab programme, driving its e-commerce platform. ASW’s eLab is the catalyst to connect ASW and its partners, driving innovation and positive transformation.

“We want you to provide us with quality content and to work with our eLab. We created eLab as a centralised platform to provide structural efficiency to you. Instead of working with our 25 markets, you just need to work with our eLab in Hong Kong for Asia, and eLab London for Europe,” says Mr Lai.

SUSTAINABLE SUPERSTAR

Commitment to sustainability is crucial, and that vision is shared by Marc Puig, Chairman and CEO of Puig. This third-generation European fashion house owns

Jean-Paul Gaultier and Carolina Herrera. Mr Puig says, “Our idea of sustainability is both for the business model we have, and for the things we are going to pass to the next generation ... We will make sure they are proud of the company they will inherit.”

Companies may not be the only thing the next generation can inherit. Creative genes may be inherited too, even if expressed in different ways. Stella McCartney came to share a vision that has seen her develop her business in more than 77 countries with a diverse range of products across fashion, from lingerie to glamour to children’s lines. Ms McCartney shared her commitment to sustainability with Alan Heaton, Group Finance Director of ASW.

“The idea of being more sustainable, more environmentally minded, more responsible as a [fashion] house and as a business – people really want it, they crave it.” For her, that means no leather products, and no PVC in her products, unheard of in a fashion house.

But she isn’t one to think she’s arrived and can relax. The innovation was in part driven by need. “I don’t think you can ever feel safe,” she says.

Like Ms McCartney, Mr Lai not only feels the heat of ever-present competition, but he also embraces the

“I hope we will have the same productive, constructive and respectful partnership that we have now with A S Watson.”

Paul Polman, CEO, Unilever

need for dissatisfaction. “The future belongs to the discontent! We have been quite successful but we are not satisfied with it. We are determined to shape our future, rather than let the future shape us. Actions must be taken today ... I believe the future will favour those who move now and move boldly.” □

ASW executives and Stella McCartney both know sustainability and responsibility are key drivers of successful business.

