

Monday 13<sup>th</sup> August 2012



## Global retail leaders share their insight into key issues affecting the retail industry ahead of the World Retail Congress next month



Steve Sadove  
CEO, Saks



Ian Cheshire  
CEO, Kingfisher



Ian J McLeod  
MD, Coles



Hugo Bethlem  
VP, Grupo Pão de Açúcar



Sanjay Kapoor  
MD, Genesis Luxury

The World Retail Congress today unveiled some thought provoking views of the retail industry from five global retail leaders, who will be speaking at the World Retail Congress in London from 19-21 September.

Retail leaders that participated in the Q&A session included:

- o Steve Sadove, Chairman and CEO of Saks Incorporated
- o Ian Cheshire, Group CEO of Kingfisher plc
- o Ian McLeod, Managing Director of Coles
- o Hugo Bethlem, Executive Vice President, Grupo Pão de Açúcar
- o Sanjay Kapoor, Managing Director, Genesis Luxury.

It was revealed that some of the biggest challenges facing retailers today include rising rental costs, adapting to customers' dramatically changing shopping habits, creating compelling promotions, and delivering a cohesive multichannel offering.

When discussing the secret to success in retail, a number of leaders highlighted the importance of having a talented team on board and always keeping an unrelenting focus on the customer. E-commerce and new technological advances were at the forefront of what the leaders felt were most exciting about retail today.

Ian McGarrigle, Chairman of the World Retail Congress commented: *"With the World Retail Congress just a few weeks away now, we wanted to ask a selection of our retail speakers what is upper-most in their minds about the key issues facing their different businesses. Their responses help underline the enormity of the challenges but also the opportunities that retailers have to tackle if they are to be winners over the next few years. The views also act as a great preview of the discussions and debates that will take place at the Congress in September."*

### **Question 1 - What would you say is the biggest issue facing retailers today?**

**Steve Sadove, CEO and Chairman of Saks Incorporated:** *"To remain relevant and meet the needs of customers' dramatically changing shopping habits, retailers today must quickly and effectively transform into omni-channel organizations. This requires an enormous amount of talent, planning, and commitment of an organization's monetary and non-monetary resources."*

**Ian Cheshire, Group CEO, Kingfisher plc** *"Creating distinctive offers in a transparent, commoditised, connected world"*.

**Ian McCleod, Managing Director, Coles:** *"The biggest issue facing retailers is how to engage frugal consumers who are seeking better value on the internet, requiring retailers to expedite multi-channel retailing"*.

**Hugo Bethlem, Executive Vice President, Grupo Pão de Açúcar:** *“The Brazilian macro-economic indicators suggest that it should be delivering a strong consumer environment with good revenue distribution, the lowest ever unemployment rate, low inflation, access to credit and falling interest rates. But retail sales are not as great as they could be. The second half of 2012 is expected to be stronger than the first half and the opportunity for consolidation and market share gains are positive”.*

**Sanjay Kapoor, Managing Director, Genesis Luxury:** *“One of the biggest challenges facing retailers today is the extremely high rental cost especially in markets such as India. The cost of real estate in India today is more than Shanghai and New York. This is due to lack of sufficient supply despite increasing demand for the right retail infrastructure.”*

## **Question 2 - What guarantees success in today’s retail climate?**

**Steve Sadove:** *“I don’t think success is ever ‘guaranteed.’ You can certainly improve your chances if you have clarity of vision throughout the organization and a talented, innovative, and experienced team that understands, embraces, and executes that vision. But the team must be agile and adaptable too to make strategic adjustments as the environment changes.”*

**Ian Cheshire:** *“Nothing, but the nearest thing is to have the best possible team.”*

**Ian McLeod:** *“An unrelenting focus on the customer and the key drivers of customer demand – quality, service and value.”*

**Hugo Bethlem:** *“The customer is becoming more and more demanding, wanting greater assortment, best prices, great service and the products they want to buy at any time and in any way. This reinforces that multichannel and omni-channel is the future of retail.”*

**Sanjay Kapoor:** *“The 3 Ps of successful retail in today’s challenging climate are Place, Price and Promotion. Place meaning the right location for your brand based on the consumer demographic it caters to, the right price, which should be more or less at par with pricing of the brand in other overseas markets too, since the consumer is well travelled and compares prices, and finally the right promotion around the brand, a well-defined A&P plan. These three factors are critical to the success of any brand.”*

## **Question 3 - What excites you the most about retailing at the moment?**

**Steve Sadove:** *“The most exciting thing about retail today is how rapidly it is changing. It is both challenging and exciting to keep up with all of the technological advances and the different ways that customers want to shop with us. Retail has transformed more in the last five years than it did in the forty before it. Countless more changes are in store – many of which we cannot even envision at this point”.*

**Ian Cheshire:** *“The opportunities of globalised, multichannel retailing.”*

**Ian McLeod:** *“The challenge of motivating team members to perform at their best and pursue continuous improvement to satisfy changing consumer needs”.*

**Hugo Bethlem:** *“The growing of e-commerce combined with the multichannel offer and mobility purchasing and payment”.*

**Sanjay Kapoor:** *“The mall culture taking over traditional high-streets is very interesting as a development, where numerous brands vie for consumer attention on a similar platform. What makes one brand succeed over the other depends upon the business model of the retailer over and above the correct positioning of the 3 P matrix”.*

## **Question 4 - Which retail business do you most admire and why?**

**Steve Sadove:** *“There are too many to name. I admire many different organizations for many different reasons. You can learn something from any successful business – retail or non-retail.”*

**Ian Cheshire:** *“IKEA – for their global excellence and unique product.”*

**Ian McLeod:** *“I admire a number of global food and liquor retailers that are strongly focused on serving their customers such as Wegmans, New Jersey and HE Butt in Texas.”*

**Hugo Bethem:** *"I admire the integration and management of the electronics business that is Via Varejo (Casas Bahia and Ponto Frio stores) and [Nova.com](http://Nova.com) the e-commerce business covering the entire country. Internationally we respect and admire some retailers that are differentiated by their "Conscious Capitalism" such as Whole Foods, Wegmanns, Tesco, Trader Joe's, The Container Store, M&S Ikea and Apple."*

**Sanjay Kapoor:** *"I find the luxury retail business very interesting and inspiring. It poses peculiar challenges from the point of view of understanding the luxury customer and throws up trends that are peculiar to every market. It is one retail business where one size does not fit all. Also this is a sector, which is fascinating in terms of growth potential despite the global slowdown"*

#### **Question 5 - What are you most looking forward to at this year's World Retail Congress in London?**

**Steve Sadove:** *"The World Retail Congress is a great venue where key retail leaders and decision makers from around the world convene. It is an amazing opportunity to network, share ideas, and learn from each other. I am very excited to be a part of it."*

**Ian Cheshire:** *"Hearing the diversity of views from global leaders in our Industry"*

**Ian McLeod:** *"Listening to how other retail leaders are tackling the current and future challenges in the global."*

**Hugo Bethem:** *"I'm honoured to be part of the World Retail Awards Grand Jury for the first time and will also be focussing my attention at the Congress on multichannel experiences and sustainability cases."*

**Sanjay Kapoor:** *"I am looking forward to interacting with retail enthusiasts from across platforms and understanding the future of multi-channel retailing and how e-commerce is impacting established brick and mortar store models"*

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#### **Editors notes:**

##### **About The World Retail Congress**

The World Retail Congress was launched in 2007 to be a platform for senior retail executives to meet and discuss the most important topics affecting retailers across the world. It has been held in Barcelona (2007-9) and Berlin (2010-11) and is attended by up to 1,000 industry leaders from more than 60 countries. The programme is developed in conjunction with the Congress Advisory Board which represents many of the world's biggest retailers such as Gap, Kingfisher, Macys, Reliance Lifestyle, Myer, Alshaya, Netto, Inditex and Tesco.

The co-sponsors of the 2012 World Retail Congress are **Deloitte** and **Mastercard**.

More information at: [www.worldretailcongress.com](http://www.worldretailcongress.com)

##### **i2i Events Group**

i2i Events Group delivers world-class exhibitions, large scale events and festivals in key sectors including home and gift, fashion, retail, healthcare, energy, environment, education, technology, media and creative. Its portfolio of world-wide events includes World Retail Congress, Spring Fair, Naidex, BVE, BETT and Pure. i2i Events Group includes the Lions Festivals, managing Cannes Lions, Dubai Lynx and Spikes Asia. It prides itself on opening up possibilities for its customers and each year brings more than 250,000 decision makers together to network, source, test, buy and sell brilliant products, services, ideas and solutions. i2i Events Group is headed up by Mark Shashoua who joined EMAP as Group MD of EMAP Connect in November 2011 and became CEO of i2i Events Group in March 2012. i2i Events is powered by Top Right Group, formerly known as EMAP International Ltd.

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