

Mr. Gael de Talhouet has been the Global Digital Director for Henkel Laundry & Homecare since February 2012. In this interview, he discusses the pros and cons of Big Data, how social media has changed the way brands reach their customers, and the importance of hiring the right digital talent in the highly competitive FMCG environment.

To begin with, could you please tell us more about your background?

I graduated from the Paris HEC Business School in 1991 with an MBA in Marketing and Commerce. I have always been passionate about connecting with consumers, building brands, and selling great products. Following graduation, I worked for 15 years in several big FMCG companies such as Best Foods, L'Oréal and Heineken. These roles involved managing local and global brands, and working in emerging and mature markets. During this time I lived abroad for seven years; two years in Brazil, and five years in Holland.

Seeing the growing opportunities for digital to create unique brand experiences and sell more products in innovative ways, I decided to acquire hands-on e-commerce experience by working in several digital start-ups. This is where I learned the technical skills and ROI mindset you need in order to be successful in the digital world.

Do you feel the experience you gained within these start-ups has given you a distinct advantage in the current digital marketing environment?

The start-up way of doing business is all about the speed of decision and action, a focus on results, and the agility to adapt. For two years I was responsible for 15 sites in 15 different countries, with an audience of 45 million visitors, having the opportunity to release new product versions twice a week. You learn in real time what works and what does not work on a webpage, how to optimise user experience, and how to increase sales. Having your developers in-house enables you to get hands-on experience in coding and learn what it takes to program a mobile app, to integrate social features, and to dive deep in web-analytics.

Procter & Gamble, a competitor of Henkel's, has recently created its own direct e-commerce sales channel. In your view, what opportunities do FMCG companies have to sell directly to the customers via e-commerce channels?

Firstly, there is no universal recipe for a successful digital marketing strategy. What works is what enables a specific organisation with its specific people, skills, and way of doing business, to be successful. What works for a huge organisation ready to pay to learn, might not be right for another organisation focused on being smart and delivering value.

I believe FMCG companies can grow their sales by leveraging and integrating digital in a multi-channel strategy. The key is to leverage all channels to simplify the life of customers and work with all clients to find the right solution for different customer segments.

Big Data creates huge opportunities for companies in the areas of innovation, consumer understanding and commercial planning. What benefits does Big Data have from your perspective?

I believe Big Data is just a buzzword. The right question is 'what kind of data can I collect and structure in my organisation to create a competitive advantage?'. The answer is different from company to company.

The biggest risk I see in Big Data is what I call 'drowning in Big Data'.

The biggest benefit is knowing your customers better than anyone, so that you can serve them better than anyone else. The key success factors are being focused, defining success, and creating a step by step roadmap. This enables you to build and sustain a successful strategy.

Social media networks are becoming an increasingly central communication channel for companies reaching their customers. Which efforts has your business unit made so far concerning social media marketing activities and what are you planning in the coming years?

I like to have an iconoclastic approach to social media. Social media is not a panacea. At the contrary, it is a torture test for the robustness of a brand's platforms. The sharper you are on your brand proposition, your values, your personality, your tone of voice, the more appealing you are on social media.

The better your social media strategy reflects your brand and your company, with their strengths and weaknesses, the more people will respect you.

Also, let's not forget that social media is first and foremost a communication channel enabling people to engage with each other. Whether our brands should 'crash the party', depends on how much value and charisma they can bring into this environment.

By driving offline consumers to online platforms, companies are trying to bring these two environments together. A TV ad from Henkel's "Spee" can generate a hashtag on Twitter and drive conversation on social media. This works vice versa, as social media platforms can be used to provide a significant enhancing effect for retail marketing activities. What opportunities do you see in combining offline and online marketing activities?

We should stop thinking about offline and online because consumers do not perceive these two environments in the same way as us. What matters for brands is to detect the key place where they need to bring value to their customers. Bringing people from one place to another is hard work and can often prove ineffective. Knowing the customer journey is the road to growth, and being there when your customer needs you is the key to success.

Achieving this involves a combination of brand strategy, 'useful' (not 'big') data, digital skills and commercial efficiency.

There has been a huge amount of investment in digital marketing from companies in the past years. What are the opportunities to track the return on investment for digital marketing spend?

There are two options. The first one is to have a significant part of your sales done through digital, and track them. The answer is then easy: you know your investment, you know your sales. The second option is to have a small but growing part of digital sales, but not be able to track them. This will not be a ROI matter then, but a strategic matter. If you do not believe in digital, there is no point in doing it. Not every brand or company need to invest in digital. If your business model works well without it, and you do not believe that digital will drive customer engagement, then don't do it. The ROI discussion in this option is unfair, because you're comparing a relatively new topic with TV or promotions models that have been optimised for the past 50 years.

The right question is then around what organisations can do to scale digital to meet their own success indicators.

Digital marketing and its activities are developing rapidly, and so is the demand for digital marketers with FMCG experience. As a hiring manager, what is your prediction regarding the lack of digital marketing talent in the market?

The aim is to increase the skills and efficiency of your digital capability to create more value. You want to find people who understand your strategy, your brands and your way of doing business. You want to find people who can work well with your existing employees. Also, you want these people to have the digital expertise and communication skills to bring the organisation to digital excellence.

What you call digital talent is a combination of technical skills, hands-on digital marketing experience, e-commerce achievements, marketing mindset, and passion for working with people.

In the end you want people who understand that their skills will not make the difference, rather their ability to drive other people's skills forward is the game changer.