



# Victor Duran

Senior Vice President Direct to Consumer & Marketing at Amer Sports

**Whether it's Wilson rackets for world number one tennis player Serena Williams, Salomon shoes for champion ultra-marathon runner Kilian Jornet, or Atomic skis and boots for Marcel Hirscher, the four times alpine ski race world cup gold medallist, Amer Sports is committed to making sporting goods products for the world's greatest athletes. We caught up with SVP Victor Duran to talk about growth, innovation and talent attraction at the business as Amer Sports seeks to expand further outside of North America.**

*You joined Amer Sports in 2010. What is your overall remit? What attracted you to the opportunity at Amer Sports?*

I'm responsible for marketing at Amer Sports, essentially acting as CMO within a traditional multi-business unit corporate structure. In addition to that, I also manage the retail and e-commerce business. This primarily includes our portfolio of Salomon and Arc'teryx retail outlets as well as e-commerce channels in North America, Europe, China and Japan encompassing all Amer Sports brands. I was attracted to the role because it represented a fantastic opportunity to work with and grow some of the best brands, not only in the sporting and outdoor goods industry, but also in the world. Amer Sports is on a high growth trajectory with plans to reach \$3.5 billion turnover by the end of 2020. This means the company needs to add around \$1 billion revenue in the next five years. Being part of that challenge is hugely rewarding.

*How does Amer Sports plan to achieve that objective?*

In addition to making improvements in critical areas such as distribution, marketing, product launches and so on, Amer Sports recently announced its 2020 'glidepath' growth plan which includes



**Victor Duran**, Senior Vice President Direct to Consumer & Marketing at Amer Sports





objectives to develop Apparel and Footwear in the US and China, Business to Consumer and Connected Devices and Services. Apparel and Footwear, which are both major categories for Amer Sports, will grow disproportionately around the world. Business to Consumer, which is basically our retail and e-commerce proposition, will primarily support the development of our Apparel and Footwear brands. Finally, Connected Devices and Services refers to our growing portfolio of sports tracking products and apps. In line with other major players in our industry, Amer Sports is seeking to further integrate its brands into a digital ecosystem.

*Can you give some examples of how Amer Sports is creating a digital ecosystem?*

In May 2015 we bought Sports Tracker, an app available for the iPhone and Android devices which allows users to track and analyse their fitness performance across a range of different metrics and share their data online. Amer Sports now plans to develop a range of connected products. We already have some of the leading franchises in this area such as our watch brand Suunto and fitness equipment brand Precor, which now offer a range of connected products, but we recognise that this is a still a relatively untapped area for product development. An example of the type of product innovation Amer Sports is aiming for would be the Wilson X Connected Basketball. Launched in the US in September 2015, this digital basketball can record when it goes in the basket as well as other functional metrics such as spin rate, length of time travelling in the air and so on. On the one hand this is really helpful for basketball coaches to design training programmes for students and measure their progress remotely. The other major benefit of this ball is that you can play games with people right across the country or even the world – almost like a live action video game – creating a digital community of players. Furthermore, the metrics of the ball can also form a key part of the analysis of a basketball game on TV. This has definitely been a game changer within the world of connected devices and led to Wilson being voted one of the most innovative companies in the USA in 2015 by Fast Company.

*What's the innovation process like at Amer Sports?*

Part of my remit as head of marketing is to manage a small innovation team which is known as The Hub. This team collects and analyses data on emerging trends in the sporting and outdoor industry, identifying unmet needs and hidden insights and then feeds these back to each of the Amer Sports brands. The Hub then works alongside each of the brands to develop concepts and products that are aligned with those trends, something we call Idea to Consumer. The Wilson X Connected Basketball is a great example of the outcome of our innovation process. There have been some other great product launches across the group as well. Last year Arc'teryx released its Voltair Avalanche Airbag, which is an electric airbag that enables skiers caught in an avalanche to activate an airbag and significantly improve their chances of survival. Our product is different to other similar products on the market because it has a fan and battery and can be activated remotely. Also, at Salomon we launched our MTN range which integrates clothing, skis, boots and other hiking gear for all seasons. These products are all cutting edge and a result of our award winning innovation process.

*How does Amer Sports ensure that it's offering the best sporting goods in the market?*

I would definitely describe Amer Sports as a company of "scientific artists". Most of our employees have grown up playing the sports and activities that we specialise in and are imbued with an obsession to make products that enable people participating in those sports to perform better. We have a very creative and inventive culture, which blends art and science, and it is driven by people who are sports practitioners who get to work alongside actual sports professionals to try to make the perfect products. So, having people who really understand the nuances of the industry and the products certainly helps us be the best at what we do. Furthermore, working with the very best athletes means that we're constantly challenged to achieve more to meet the very high expectations of these exceptional people. For example, Kilian Jornet, widely regarded as the world's best ultra-distance trail runner is one of our athletes. In 2010, after winning practically all major European competitions, he came to the USA for the first time to compete in the Western States Endurance Run, a 100 mile ultramarathon across California's Sierra Nevada Mountains. He struggled on the course and ended up finishing in third place. The next time around, he did not want to leave anything to chance, so he worked with the Salomon development team to develop the perfect footwear and apparel for the race's climate and geography. And in 2011, wearing our products he won, becoming the first non US/ Canadian citizen to do so.

**Launched in the US in September 2015, [the] digital basketball can record when it goes in the basket as well as other functional metrics...**



**Last year Arc'teryx released its Voltair Avalanche Airbag, which is an electric airbag that enables skiers caught in an avalanche to activate an airbag and significantly improve their chances of survival.**

*How do you truly differentiate yourselves from your competition?*

Arguably, Amer Sports is the only sporting goods company that manufactures everything from soft goods, to equipment to electronic devices as well as providing services too. So, you can use all of our equipment and apparel while exercising and competing throughout the year and at the same time access, for example, your Suunto watch and track all of your metrics. So, we effectively surround the athlete. We also believe that our products genuinely make a difference. So, you win an ultra-marathon because of your footwear more so than your apparel. Or, you win a tennis match because of your racket rather than your trainers – our equipment is just a little bit more special in that respect and that's why consumers choose us over other brands.

*Can you give some examples of Amer Sports campaigns that have sought to leverage the omni-channel approach to marketing?*

Firstly, I don't believe it's important for Amer Sports to be at the cutting edge of a trend like omni-channel but we do believe in doing the basics well. So, for example, over the last five years we've aggressively invested in and opened up branded stores and ecommerce channels. Previously, we only sold through wholesale retail, so we didn't have any of this kind of infrastructure in place but now we're focused on making sure we're delivering excellence in these areas. We're about to redesign our 130+ Salomon stores around the world and we'll be testing omni-channel techniques in those but only things that have been proven to work, rather than trying to innovate ourselves in this area. For example, we don't anticipate Click and Collect to be a big area for us as we don't actually have a dense footprint of brand stores. However, improving Online Information and the Online Inventory available inside our stores as part of the natural buying process is a key developmental area for us. The other area we've been working on is customisation, so consumers can now go online and customise Wilson Gloves, Demarini bats, Suunto watches and Atomic skis prior to making a purchase.

*Which companies, in your opinion, have demonstrated expertise in the omni-channel approach? How will this trend evolve over the next few years?*

A brand which I've been impressed with is the cycling brand Rapha. It has an excellent online presence which is complimented by a limited number of café/retail outlets, as well as its Rapha Cycling Club which hosts a number of events each year. This all helps to tie consumers in to one big on and offline eco-system. Rapha has cleverly positioned itself as more than a shop, but rather as a place to hang out and I genuinely believe that any brand that wants to survive and be successful in the future needs a strong offline retail proposition to complement its online presence. I think we're going to see more sophistication in how brands leverage online search. So today, Google, Amazon and Facebook are the three main tools used by consumers to search for products and brands need to be absolutely certain that their search strategy on these sites is robust and clearly differentiated. Tied into this is content which must be inspirational, educational and commercial; not having any one of these attributes will be detrimental over time. Then, brands need to make sure that they have great partnerships with other retailers, both on and offline, to sell their products.

*Growing in China is a key part of the Amer Sports 2020 glidepath. What has been the impact of slower growth in that market?*

We are continuing to grow in China, so the economic climate doesn't seem to be affecting our growth too much. First of all we're still relatively small in China so there is a lot of upside. Also, China is a huge market and despite the difficult market conditions, there are still a vast number of social climbers in the country who have, in recent years, seen their disposable incomes increase significantly. Consequently, they have and continue to be interested in buying outdoor and sporting brands which are considered to be 'cool'. At the same time, the super wealthy Chinese are now beginning to turn to outdoor and sports brands as an alternative to expensive luxury brands which have previously grown very strongly in China. What we're finding is that both practicing the sport and living the lifestyle is becoming part of the culture in China and that is playing to our advantage.





*To achieve its 2020 glidepath objectives, Amer Sports must make a significant investment in people development. What initiatives have you led in this area?*

Within the ecommerce and digital marketing areas of the business, we've hired around sixty digital experts over the last four years, across all of our brands and regions. Digital marketing is clearly an in demand skill and we're actively interested in attracting and retaining the best digital marketers. The other major recruitment drive the business has undertaken is to identify well rounded commercial leaders – people who have a really good holistic understanding of wholesale, retail and e-commerce and how these channels work together. A third area and the next phase of Amer Sports talent attraction strategy is introducing people into the business who know about demand creation. We're great at making products with solid concepts that consumers want as well as distribution. What we're not doing yet, which other brands are, is building demand in a cost effective way – getting to the consumers before they've made their purchase decision and creating demand for Amer Sports brands.

*What kind of leader are you? How do you get the most out of your teams?*

I try to set ambitious goals, create support for those goals and ensure we put the capability and capacity (both people, process and systems) in place to deliver them. It's the combination of these three factors that helps to create high performing teams. When I joined the business in 2010, the company developed a goal of driving direct to consumer sales. At the time Amer Sports had a turnover of around €25 million in

direct to consumer and we wanted to grow this to €170 million by 2015. This was a big opportunity but in order to achieve our target we needed to significantly increase our portfolio of stores around the world and create ecommerce channels for all of our brands, among other things. These were definitely ambitious goals, but we put the plans in place, hired some great people around the world, and followed that up with the right investments to build a sustainable platform. In the end we hit our targets a bit ahead of schedule and plan on doubling sales in the coming four years.

*Prior to joining Amer Sports two years ago, you spent four years working as a consultant. How have you found the transition from working as a management consultant to moving back into an in-house strategic role?*

I spent seven years with P&G during my early career and it was there that I learnt the fundamentals of business and how to be disciplined, methodical and robust. Working as a consultant is a great way to both build on and broaden your experience as it exposes you to a variety of different industries, people and challenges – I would actually describe it as a paid PhD. It was particularly valuable to me from a personal perspective as it enabled me to learn some models outside of the P&G way of thinking. Consulting also highlighted to me that sometimes it's beneficial to be more flexible and apply different methods to different situations. During my four years with Zyman Group I also learnt how to really influence and change the thinking of presidents and business unit leaders. So, moving back in-house was relatively easy and it meant I was able to comfortably work with the Amer Sports portfolio of brands, regardless of their size or the category.

*Do you have a favourite Amer Sports brand?*

The beauty is that you can like them all, because we have such a wide variety of products. It's impossible for me to choose a favourite one but if you come to my house you'll see that it's full of Amer Sports stuff – probably too much stuff if I'm honest!

*Outside of work, how do you challenge yourself?*

During the winter I love to ski with my kids and ski tour with the Swiss Alpine club. During the rest of the year I love to cycle, run and sail.

**...working with the very best athletes means that we're constantly challenged to achieve more to meet the very high expectations of these exceptional people.**