



Miguel Chapa

Marketing Director at Bel Spain

Bel Group is the French multinational owner of a range of iconic global cheese brands including Babybel, The Laughing Cow, Kiri, Leerdammer and Boursin. We caught up with Bel Spain's Marketing Director Miguel Chapa Monteagudo to find out how the business has experienced rapid growth in Spain over the last few years despite challenging market conditions.



Miguel Chapa Monteagudo, Marketing Director at Bel Spain

Bel Spain began a journey of transformation a few years ago. Why was this journey necessary?

Undoubtedly, the difficult economic conditions in Spain over the last few years have severely impacted the growth of branded goods makers such as Bel. This was particularly apparent within the context of the cheese industry, where Bel primarily operates. The cheese category in recent times has become more and more commoditised and has been in desperate need of a 'step change' to better address new trends and challenges. So, to combat prevailing economic conditions and remain competitive in a rapidly changing market, Bel needed to transform its approach and leverage the expertise of different departments across the business, working collectively to address various factors. These included how to better understand its consumers, improving its customer engagement both on and offline, and working towards building better relationships with external partners. At the same time it needed to invest in its own people, as it was clear that they would be the key to the business achieving the objectives of its transformation.

During the last three years and despite enduring difficult market conditions, Bel has been one of the fastest growing FMCG companies in Spain. What has been the key to Bel's success?

That's right, while FMCG in Spain grew by 2.6% during the last three years, the organic growth of Bel was 12.7% according to Nielsen. The strategy which has ultimately helped Bel grow ahead of the market is fourfold. Firstly, Bel has redefined the marketing strategies for its core brands and leveraged consumer and shopper insight to better align its brands with trends impacting consumer behaviour. Secondly,

Bel has invested in improving on and offline communications, providing consumers with a better all-round 'experience' of its unique brands across multiple channels. Thirdly, Bel has gained a greater understating of point of sale (POS) and developed activation strategies to improve product visibility in-stores. Finally, in line with Bel's core values of 'dare', 'commitment' and 'taking care of people', the business is being inspired to transform its operational processes to better meet the needs of its employees as well as its external partners.

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Child nutrition is a big trend in the food industry and one that Bel has sought to leverage. How has Bel successfully sold cheese snacks to mothers who might associate them with not being healthy?

Understanding the potential of cheese to become associated with healthy snacking has been critical to Bel's success over the last few years. The reality is that cheese already has an excellent reputation for its nutritional properties, compared to other snacks that are consumed at similar times during the day. Cheese has also always been a preferred snack for Spanish people of all ages; in fact, eighty two percent of Spanish households regularly consume processed cheese. At the end of the day, it is the quality and origin of our ingredients which are the key factors behind our premium price point. So, as well as highlighting the quality, convenience and nutritional factors behind our brands, we have also tried to associate them with childhood 'moments of consumption' such as the mid-morning school break or the afternoon 'merienda.' Mums are bombarded by so many unhealthy snacking options for their child and we've worked hard to establish the fact that if they choose Bel, they are guaranteeing that their child will be eating healthy snacks throughout the day.



Generally, is healthy living and dieting still an underdeveloped market in Spain?

Certainly in Spain, as well as in other European markets, there is still a great deal of opportunity for brands to grow by tapping into the healthy eating trend and it's the snacking category, in particular, which offers the most attractive opportunities for food manufacturers. The demands of modern life has led many people to change their eating habits and research has shown that food is now generally consumed more frequently during the day, but in smaller portions. The combination of healthy snacking and the fact that consumers don't want to sacrifice on taste and pleasure, is a megatrend which will continue to dominate the food industry for the foreseeable future. At Bel, we want to make sure that throughout the day consumers who select our snacking brands get the nutritional balance they need to stay healthy. Embedding an association between the moments and experiences of daily consumption and the nutritional properties of our products is decisive to achieving brand loyalty moving forward. La Vaca que Ríe Light is an example of this in action. It's a snacking brand specifically targeted at women and we're delighted that there is now strong appeal for the product because of its healthy, low calorie, tasty and nutritious qualities. It is becoming a popular mid-morning and afternoon snack for women at work and at home. We believe that the 'dairy goodness' integral to our product range is a strong asset which goes a long way towards satisfying the current and future needs of consumers.

You mentioned that embedding digital capability is a key priority for Bel. What's the business up to in this area?

Embedding digital capability is an integral component for ensuring Bel remains competitive now and in the future. Our two main priorities in this area are people and technology. Focusing specifically within the marketing function, the business is seeking to leverage its current digital capabilities as well as hire and build partnerships with other 'digital talent'. This will help us to better understand how to best exploit the most relevant and cutting edge tools across the digital marketing mix. The marketing department is also tasked with educating and leading change across the rest of the organisation. The rapid evolution of technology, alongside globalisation and demographic confluence is all part of a new social paradigm which is

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effecting every industry. Making the necessary adjustments to align Bel to this new paradigm is a critical step the business needs to take in order to define its future strategies. We have really only just begun our journey and acknowledge that this transition will be painful, but are confident that the outcome will be that we become a better and more competitive organisation.



Ecommerce hasn't matured in Spain yet, most Spaniards still prefer to shop in store. How does Bel work with retailers to maximise sales on and offline?

The adoption of ecommerce in Spain has certainly been slow compared to the rest of Europe. I was actually involved in the launch of Carrefouronline in Spain in 2002, yet fourteen years later Spanish FMCG sales via ecommerce channels only account for one percent of the total market. I do think, however, that adoption and growth of ecommerce in Spain will be much quicker over the next few years. Global brands such as Amazon and Alibaba have a much greater presence here now and businesses are also discovering how Google and Facebook, for example, as well as being fantastic marketing tools are also fast becoming global leaders in e-commerce solutions too. It's vitally important for the FMCG trade to stay abreast of these developments. Bel aims to partner with the most advanced retailers, which are typically those that are willing to support Bel's digital focused brand activation at the POS.

Bel has been hiring talent from outside the business to help with transformation, bringing in people from big FMCG brands. What's the attraction for individuals from 'blue chip' backgrounds?

The values I mentioned earlier are a real motivation for people who join Bel. Our values are not just simply theoretical or ephemeral

either, but rather they are tangible business attributes that you can literally 'breathe in' when you walk through the door. Furthermore, our recruitment process is very transparent; we want to give those considering joining Bel as much insight into who we are and what we do. People appreciate that kind of honesty and it adds to the attraction. As well as digital skills, Bel is also keen to attract individuals who are strategic, pragmatic and creative and we believe people with those qualities can thrive within Bel's culture. I joined Bel three years ago having previously worked for bigger multinationals and I find every day here more exciting than the last.

You originally trained as an engineer. What made you then dedicate your career to FMCG and Marketing?

In the late 1990s following the completion of my engineering degree, I joined Carrefour because, like many big corporations at that time, the business was actively seeking people with engineering backgrounds. I had no intention of pursuing a marketing career, however, my first role at Carrefour was in purchasing and category management which meant that I had a lot of interaction with people in the key account management and trade marketing side of the business. I quickly took an interest in those types of roles and, after acquiring a master's degree in marketing, was able to transition to the 'other side.' Life in the retail industry certainly helped me develop a sense of pragmatism, which I believe is an essential business skill. I've found the move into FMCG more dynamic overall, mainly due to the strategic and creative elements of the work. Looking back, there was clearly some synergies, from the start, between my interest in engineering and marketing. The term engineering is derived from the Latin 'ingenium' which means 'to invent' and that's basically what marketing people do.

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

I'm a very value driven person and I try to constantly lead by example and imbue Bel's values into my team. I believe in empowering other people and operate in a system where everyone is clear about their role and responsibilities. Furthermore, I encourage collaboration as well strategic thinking, pragmatism, innovation and creativity as I believe those attributes are key to creating a motivated and successful working environment. Above all else though, I want my people to have fun. I do adapt my management style if I think it's necessary, but generally that summarises my approach.

