

# INTERVIEW WITH JUAN ROMÁN NAVA, MANAGER OF DIBAL

Juan Román was born in Bilbao in 1962. He is married with 2 children. He is an industrial engineer specialising in energy. He began his professional career in the Management Information Consulting Division of Arthur Andersen, now ACCENTURE, and later worked at DIBAL and MENDIARAIZ. He was a lecturer in Information Systems at the University of Deusto. He is a member of the CECIP Board, the European Weighing Industry Association.

**In January 2019, he returned to take up a managerial position at DIBAL after 10 years in a completely different sector. What were your reasons for rejoining the company?**

I had stayed in contact with the company's chairman, Antonio Matute, and he asked me to come back to help him take **DIBAL** to a new development phase, as certain business areas needed to be improved. Working with Antonio has always been rewarding and he has been a professional mentor to me. He has great business vision and cares for the customer.

On top of that, **DIBAL**'s human team is highly competitive; we are in an environment of large multinationals and in some markets we are undisputed leaders, including in terms of our product range. This year is the 5th centenary of the circumnavigation of the Earth, and I think of my team as those sailors: "they do incredible things because they don't think they are impossible", they are always on hand to satisfy the customer, the boss. Our DNA is encapsulated in a message that we try to share with our partners: "the best possible, as soon as possible and at the lowest possible cost"; quality comes first. Our customers can vouch for that.

**How has the weighing and labelling sector changed in the last 10 years?**

As far as manufacturers are con-

cerned, there has been a reduction in supply; many local manufacturers have disappeared in different markets. Just look at Spain. The large multinationals in the sector have concentrated demand and are stronger than 10 years ago. In addition, some of the long-established multinationals have been "chopped up" and are losing their global position in the market. However, **DIBAL** has also grown and aims to be a global alternative. We currently have a presence in more than 55 countries and, in at least 20 of those, we have a market share of more than 10%. In 2018, we ended the year with a turnover of more than 32 million euros and more than 42,000 scales manufactured.

On the demand side, there has also been an important focus on large supermarket chains, with small retailers and the usual local markets losing traction. At present, at a global level, the consumption of scales in supermarkets represents more than 60% of annual sales.

The uses of and needs for scales have also changed: new technologies have emerged; weighing solutions are required for online sales; physical and digital stores coexist, etc. Consumers are looking for new experiences in physical stores; their visit should be more than a purchasing activity. We need to adapt our products and services to these new demands. At **DIBAL**, we are no



longer just talking about scales, we offer additional point-of-sale solutions, like the electronic shelf labels and the All\_Connected system.

**What are the challenges facing the company in this new phase and what strategy will the company follow?**

The challenge is clear, survival in a highly competitive environment. We need to expand the markets in which we are leaders and develop new product ranges to complement our range of commercial scales.

The product strategy will entail creating a new range of industrial equipment that will allow us to increase our turnover and balance the business between retail and industry. Currently, commercial scales account for a high share of over 75% at **DIBAL**. The goal is for the industrial sector to account for at least 40% of turnover, but with both sides of the business growing.

In terms of market, our strategy will be to set up our own subsidiaries in the main markets. The idea is to replicate the commercial model that has proved so successful in Spain. We have already started in Mexico and have plans for 3 new subsidiaries by 2021.

We have also acquired a few weighing companies, particularly in the industrial sector. We are happy to continue along this path and create

a stronger “national champion” to rise to the challenge, which we’ve already done in other sectors.

**There is talk of the digitalisation of the industry and retail sectors. What are the trends being implemented in your sector?**

We find ourselves dealing with much more informed consumers; when they go to the supermarket they know beforehand what they are looking for and it is not possible to brief them at the time; consumers who value their time, meaning that they want to spend as little time as possible shopping; consumers who care about their health, but who increasingly eat more ready-made food. Retail businesses have adapted and continue to embrace new technologies to allow them to meet their customers’ expectations while optimising their processes, improving their efficiency and offering a better in-store experience to the shopper. We are talking about technologies such as IoT, Big Data, AI, robots, chatbots, RFID, visual recognition, automatic payments...

**How is DIBAL contributing in this environment?**

For **DIBAL**, customers are at the centre of our strategy; all of our developments are aimed at adding value and contributing to their growth. Our goal is for our equipment to be as integrated as possible with other in-store equipment and customer ERPs, in order to exchange and provide information that will allow them to make decisions quickly and accurately so that buyers are satisfied.

In the last year we have developed an All\_Connected system, that makes it possible to manage the turns in an assisted sales section from a PC scale, to display multimedia content on a third external screen (adverti-

sing, video recipes, turns per section as well as the average waiting time, additional information, etc.), to display valuable information such as allergens in the list of ingredients of a product on the buyer display on the scale... This solution compiles all the data managed, and will allow business managers to know the real impact of advertising on today’s cash registers. We have added electronic labels and external printers for price labels into our scales, so that information about the product (for instance, price) that must be shown on the label is sent directly from the scale, thus avoiding errors and saving time. We have also integrated automatic cash drawers into the scales...

Our ultimate goal is to be able to offer our customers, no matter how large, the maximum number of products and services to simplify their management and improve in-store experiences. Let them think of **DIBAL** as their point-of-sale technology partner. We do not see ourselves as a mere manufacturer of scales. We are a technological partner looking to develop and implement technological solutions in our customers’ stores. In fact, with some customers we are part of their process of creating ideas to digitise points of sale and evaluate them.

**What are the main barriers you are facing when it comes to implementing these technologies?**

There are probably two main barriers:

On the one hand there is innovation. Many of the solutions have not been tested before, and some customers are reluctant to implement them without a preliminary test. Sometimes there are concepts that are too

innovative and, despite the speed at which everything moves today, customers and society in general may not always be ready to embrace these novelties.

The other one is the cost-benefit ratio. The implementation of these innovations may require a high level of investment (let’s not forget that many of our customers have a lot of stores). It is important that the customer has a clear idea of the benefit that they will see with these technologies, and that these investments in the medium and/or long term will bring savings to the running of their business.

**What other agents are collaborating with your company to overcome these barriers?**

The degree of knowledge required is increasing, which is why at **DIBAL** we firmly believe in collaborating with other companies that are specialists in their areas, such as technology centres, business associations, top suppliers... Cooperation with other companies is the only way to continue to provide valuable solutions in the market.

Supermarkets demand products that require the integration of various technologies and even products from various manufacturers. As a result, companies that used to be competitors now need to work together. For example, we are working for one of our main customers, which is in the process of introducing new shopping experiences into its stores. It is developing a solution that incorporates our PC scale technology into a LINUX environment with elements of e-money and collection by means of payment; we are integrating elements from 2 leading international companies into this process.

