

In Focus: Leadership

BUSINESS

Alain Bernard Discusses Balancing Tradition, Trends

● The Richemont North America exec talks leading luxury brands, clients and employees into the future.

BY ARTHUR ZACZKIEWICZ

For Alain Bernard, president and chief executive officer of Richemont North America, leveraging the inherent strengths of the group's various design Maisons is essential to its success. But, Bernard stressed, one must be mindful of the present and the ever-changing needs of clients while also having a keen eye on the future.

As part of an ongoing series of executive interviews, Tim Boerkoel, founder of global executive search and consulting firm The Brownstone Group, talks with Bernard about what it takes to execute this vision while building strong teams and meaningful relationships with customers.

Tim Boerkoel: Alain, you've been at Richemont more than 20 years now, first at Cartier in Europe, then in Japan and the U.S. leading Van Cleef & Arpels, and now overseeing Richemont North America. How do you and your team stay engaged and at the forefront of the industry?

Alain Bernard: To me, it is about time. Time is critical in luxury, especially if you're looking to engage and create meaningful relationships with clients. You have to find the right balance between a brand's history and the present. There exists simultaneously tradition and the need for modernity – a balance between past, present and future.

This includes leveraging experience, which brings with it legitimacy, and curiosity, which allows us to understand what's happening in the world. I'm talking as an individual and as a leader, and from the perspective of the Maisons. Our heritage gets deeper and stronger every year, but so does our need to stay on top of the market. Because the biggest risk is irrelevancy – so better to disrupt yourself before you are disrupted.

And there is the team. It is never a one-man or one-woman show. In this industry, it's all about having the most diverse team of individuals and leaders with a balanced mind-set. Today, a combination of left and right brain is key. You need to have and value both magic and logic. Magic is the creative, the aesthetic and meaning....The logic is needed to make it all as efficient as possible. When you have experience, the security and the best people around you can be as successful as we have been with our fantastic Maisons and boutiques.

T.B.: And Richemont's new Retail Academy in Brooklyn. How did this come about and what is the business hoping to accomplish?

A.B.: It is still in the early stages, but we will open this coming autumn in Brooklyn. We are so excited about this initiative, which came from the very simple talking point: Retail is our core activity. And though we have direct relations with our clients with an acute knowledge of their



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desires and needs, retail – which is not going to disappear or go completely digital – is drastically evolving and we need to stay on top of our game. This is what we owe to our clients. That's how the idea of elevating the retail skill set and mind-set of our colleagues, and creating this completely new education ecosystem, came into the picture. We already have one such program in Shanghai, and this will be the first for the Americas.

Also, I think we need to give much more value to retail careers in general, and we have a role to play there. There aren't a lot of very young people who are excited about retail careers, which is unfortunate because they can be diverse, fulfilling and rich. Our purpose is to communicate what retail is all about, how exciting of a career it is, and the unique and fulfilling roles to play in that picture. With the Retail Academy, we will combine all of the Maisons' strengths to create unique talent opportunities.

T.B.: How has the luxury retail experience changed? You mentioned that it's evolving, but in what ways?

A.B.: Clients have been dramatically changing the ways they experience brands, and this is a fact for all generations, obviously led by our younger friends, Millennials and Gen Z. The ways they're influenced and informed, the way they perceive brand messages and stories, this search for genuine purpose and reason-why-purchasing, everything is different now. In the boutiques, likewise, clients have taken over the relationship – they come over-informed and choose to go to a physical boutique versus staying online when they are looking more for a relationship and an experience, beyond simple information and transaction. That is one example of how brands have had to change, and keep updating, the in-store experience. And our

sales associates have become ambassadors, concierges, advisers – trusted friends.

T.B.: In addition to educating employees, you've had to acknowledge shifting employee expectations in regard to the Millennial and Generation Z workforce. What are some trends you are seeing, and how is Richemont responding?

A.B.: These new generations are looking for a little bit of everything, and they know very well what they want. In the workplace, the key word is flexibility. We provide flexibility in different ways, starting with practical initiatives such as "flexiwork" or a more adapted dress code policy, which we called "Dress for the day!" Our team members love it. Besides, and probably more importantly, embracing flexibility means offering opportunities for multiple career paths, together with opportunities to learn. Our young team members want to learn – to learn a lot – and are looking for multiple work experiences. Our job is to make sure they are exposed to a maximum amount of knowledge and build those experiences. That's what a group like Richemont, with its portfolio of Maisons, its multiple activities, and its global reach – we're operational in 35 countries – can provide. We can serve high ambitions, making sure the means of these ambitions are possible.

They also want a sense of community, beyond the daily job, beyond the search for excellence and performance. Integrity, ethics and service are key values for Richemont, and we all want to be active citizens of the world we live in. We try to lead in the most inclusive way possible, with multiple initiatives to give back to our communities. We have only one planet, we live in one community and we have one Richemont to act. This is paramount for me, personally. The partnership we have

with the Bowery Mission in New York City is a great illustration of this drive.

T.B.: Can you share some other opportunities that you're helping leaders and brands at Richemont realize?

A.B.: At Richemont, we create, craft, supply, sell and service. We work to help the Maisons reveal the exceptional, which requires us to understand that the two most important individuals are our clients and our employees.

We are also focused on the evolution of distribution, from boutiques to new technology platforms and how they are all connected. Operational efficiency is also on our minds. How can we leverage technology? How can we serve our clients even better? Are there ways to better socially engage with them? And then again, there's employee engagement, interactions with one another, and our sense of community, through and through.

T.B.: Your tenure at Richemont is considerable. How do you use this to your advantage when driving innovation and continued growth?

A.B.: I've been very fortunate to have been working in the luxury marketplace for many years now. Yet it took time to build my knowledge, the relationships and the ideas we've been discussing. It's understanding that and evolving as the brands evolve. This was not part of the dialogue in the beginning, but looking back, it is a part of the journey.

The strength and histories of the Maisons help make that journey possible. As a brand and as a leader, being around for some time allows you to be very sensitive, for example, to all possibilities of innovation and technology. We can ask, "What will be really meaningful for the business and our products? For client relations? To run the company?" We've invented movements, textures, material usage in different fields....Through experience, we can ask more questions, be selective, and do big things.

I've worked in three continents – Asia, Europe and America. I've seen some ups and downs, great times and crises as well in our industry and in the world. Overall, I have learned a lot. For example, there are global features that clients are looking for. And there are also local cultural meanings, wants and needs. So, you need to respect the local culture in which you operate while understanding the global contexts. You can't operate the same in Japan as you do in America. And you can't think or lead the same when living in New York City as when you live in Tokyo.

T.B.: Lastly, are there any mentors or special lessons learned in your career that you can share? Words of wisdom to aspiring leaders?

A.B.: I don't have a primary mentor, but rather a few key leaders who have inspired me, and kindly keep on doing so.

I've learned over time that if you are the smartest in the room, you are in the wrong room. I've learned to do things as seriously and thoughtfully as possible, but to never take yourself too seriously. I've learned to never sell lies. I've learned that the best quality in a leader is happiness. Happiness drives engagement drives performance drives pride and purpose. Energy drives energy.

And keep growing. I think people need to continually develop and learn and build with maximum care and integrity. And last, but which could be first: have fun along the way!