



DSG international plc recently announced the appointment of Dr. Utho Creusen as a non-executive Director with effect from February 1, 2010 and that John Whybrow would retire as a non-executive director with effect from 31 March 2010 (DSG international is one of Europe's leading specialist electrical retailing groups, including such chains as Dixons, Currys, Pixmania and PC World).

EXCLUSIVE INTERVIEW - CLN...

Please tell us about your new role with DSGi...

As the only Non-UK national Member of the Board, my role as Non-Executive director will be related to my international retail experience. During my years at Media-Markt and Saturn I was in charge not only of operations but also of human resources. Both perspectives hopefully add some value to the excellent competence of the other board members.

What do you see as being the main challenges for the Consumer Electronics industry as we enter this new decade – short term and medium term?

There are three main challenges. The first one is convenience. The shopping habits do change because of several reasons, for example there are more and more single households and dual-income families. Compared to the past decades, people have less time for shopping nowadays. Therefore it is important to enable fast and convenient shopping facilities.

The second challenge is multi-channel marketing. Before making a purchase decision, consumers increasingly seek advice from the internet and compare prices. The brick and mortar retail industry has to react to such developments by implementing multi-channel.

And the third challenge is service. Products become more and more complex, this applies especially to the consumer electronics sector. Customers do not only expect high-quality products with favorable prices but also additional service such as help with installation.

What are the most exciting things in the industry at the moment?

It is exciting to see the further development of the internet with its impact on technical gadgets such as the Smartphone. For example mobile navigation changes our life dramatically. In addition to that the number of these small little helpers we call apps explodes. Some of the apps are really useful, I am sure that some more great ones will be developed in future. Besides it is interesting to observe the impact of social networks such as facebook on the buying behavior of customers. For example, many companies have their own facebook groups in which they announce product launches and fans can discuss with each other. Furthermore online market places such as eBay enable consumer-to-consumer exchanges. The question is how the industry will cope with the total price transparency and the broad open opinion exchange due to the internet.

Another interesting trend is that more and more products are environmental friendly because they are energy- or water-saving, easily recyclable and hardly contain any pollutants.

Manufacturers ignoring the green trend increasingly have problems to convince customers of their products.

Different zones in Europe have weathered the changes in the economic climate in different ways... What are the strongest zones for your group, and why?

Every zone or region has its specific challenges. In some regions the strong international competition plays a significant role, in other regions it is the lack of qualified employees and in others we see the internet as a major driver for change. But in general Scandinavia and the UK are still the strongest zones for us.

Your background has broad roots in positive psychology. How much effect does the mental attitude of the public have on buying?

The mental attitude has an immense effect on the buying behaviour. If the customer is optimistic and feels secure he is more likely to buy. Relating to employees, positive emotions help to be more successful. Employees can create such positive emotions by using their strengths. The Clifton StrengthsFinder, a web-based test tool, helps to find out the Top 10 personal talents that can be developed to strengths. It is also important to regard the strengths of the staff members: If they have positive emotions due to tasks that fit their strengths optimally, they will transfer these emotions to the customers. And satisfied employees are the prerequisite for satisfied customers.

What percentage of sales people have a positive mental attitude, and how important is their right mental attitude in driving sales?

Studies of the Gallup Organization reveal that only 15 to 20 percent of European employees are highly engaged and have a positive mental attitude. But our business impact analysis shows that positive mental attitude drives sales significantly. Thus there is much potential left for companies. If they improve training of staff, they can be more successful.

What about in management? We still see a lot of “old school” (big stick) managers around. Are they dinosaurs?

More and more managers learn to create positive emotions and develop the so called soft factors. The success of their companies proves that this approach is right, because it combines productivity with happiness. The old leadership approaches that rely on pressure, hierarchies or even anxiety are obsolescent. The new approach - that is based on positive psychology - is called Positive Leadership. More and more managers use this method, which relies on positive emotions.

In concrete terms, how can companies find information on this topic, and train management and staff to work more intelligently?

The first step of Positive Leadership is to identify and use people's strengths (More information can be found on www.positive-leadership.de) (English version available). In addition, companies should measure the employee's level of engagement and try to raise it step by step. Furthermore the participation of staff plays an important role for the success of a business. The GRID model (see below) helps to create an optimal involvement without neglecting production. And last but not least companies should develop a long-term vision that is based on their values, thus employees are more likely to identify with the company. They should be able to answer questions such as: “Why are we doing the things we are doing today?” and “What do we want to achieve in five or ten years?”

Managerial Grid-Model of Blake and Mouton - Best relation: 9.9 (Team management)

