

Positive leadership

Interview with Rafael Domínguez de Gor

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“At Mayoral our aim is to achieve a close relationship with our customers seeking to strengthening our trademark through direct contact”

Rafael Domínguez de Gor, Chairman of Mayoral

Rafael Domínguez de Gor is a textile engineer and currently the company's chairman. He took Mayoral's helm in 1966. He was the driving force behind the first technological innovations which led to Mayoral's internationalisation and its conversion into a textile exporter and a benchmark for trends in the Spanish market. Rafael Domínguez retired as managing director in 2009 but continues as chairman promoting the Mayoral group's activities to further various ongoing cultural and social activities in Malaga, from the financing of various NGOs, along with diocese, or the San Telmo Foundation, the Musical Foundation or the Malaga Foundation, which he personally chairs. Mayoral is the market leader in children's wear in the Iberian Peninsula and one of the most important group's specialising in children's wear in Europe. The Group consists of more than ten companies dedicated to the design, manufacture, marketing and distribution of children's fashion in more than 63 countries, through a network of 12 trading companies abroad, 200 commercial agents, 150 Mayoral stores and more than 8,000 customers worldwide.



Rafael Domínguez de Gor, Chairman of Mayoral

In the course of his professional career as the leader of a benchmark enterprise Mr. Domínguez, has observed various economic cycles and seen the market change and evolve. How would you define the current situation? What tools do the market leaders have to continue growing?

If you had to describe the situation in which we currently find ourselves would you say that we have reached the lowest point, the bottom, and we can but hope that the situation will improve. Although determining the time horizon of the recovery is still difficult, we can undoubtedly expect an improvement. Based on almost fifty years of experience in this sector, I firmly believe that the solution for Spanish companies' growth lies in globalisation and the development of exports. These processes, however, cannot be improvised overnight. They need to be built gradually with determination and persistence. In my experience, based on the various export and internationalisation processes experienced by Mayoral throughout its past,

I believe the keys to following a reliable roadmap with regard to international expansion are as follows: firstly, the product earmarked for export should be sound and of a particular quality. On the other hand, foreign markets need to be tended carefully, to be studied in order to select the most appropriate field in which to operate. Moreover, constant effort is required to maintain continuity in terms of sales services and the quality of the goods sold.

In your opinion what trends currently have the greatest influence for companies such as Mayoral? What do you consider to be the keys to becoming the leader in the Spanish textile market, which is such a competitive and complicated market at global level?

Innovation and sustainability form the basis of any successful enterprise. At Mayoral innovation is fundamental, where we adopt process rather than disruptive innovation, which consists of discovering those changes that might be made to companies to achieve greater efficiency. German is the European example of success in process innovation, its products are good and have credibility, which makes it possible to sell doing things correctly. The most effective key in terms of marketing techniques is demonstrated by Inditex, the brand providing the benchmark in this field. The democratisation of fashion led to its leadership in the world of textile. They manufactured affordable products and made them available to a large group of consumers.

What is the key in Mayoral's case? What features should a product in the textile industry have?

At Mayoral we work with children's goods, which are consumed less than women's fashion ware. The company's operating model is underpinned by sound foundations. It is a mistake to seek growth without consolidating your initial operations. Revolutionary ideas do not appear overnight, the most important key is the search for the satisfaction of our customers. In addition, to achieve success a product must fulfil three requirements: be pretty, fashionable and reasonably priced. In the clothing industry, the trademark is a

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decisive feature of the purchasing process. For example, in the young male fashion segment, items are often only distinguishable by the label, in the female fashion segment, however, aesthetics, fashion and personal taste come to dominate.

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Mayoral is present in more than 40 countries. Which has been the most complex market faced by Mayoral?

China is a very difficult market, it being necessary to comply with domestic and international regulations due to the size of its export business. In relation to imports, it has its own classification, rules and safety standards which complicate the business, even in the case of Chinese products, which are rejected because they fail to meet standards. To export successfully, dialogue is required and the market needs to be studied to be able to establish a business in China and other countries. At Mayoral the aim is to serve customers through a local representative, in their own language, their own currency and with a product already imported, i.e. under the same conditions as in the purchase of a product from a local manufacturer. We seek integration as suppliers, the modus operandi of any company in the country.

Prior experience is essential to understand which product to develop in new markets

What role does Spain have in this scenario? Do you think that Spain's young entrepreneurs currently face greater difficulties than before?

On many occasions, Spain is not present at international trade fairs. When other companies exist it is with Chinese distributors. At Mayoral we aim to make direct contact with the Chinese company and focus our efforts on approaching the market from inside. In relation to Spain's young entrepreneurs, my advice is always to work on an appealing product, provided that the entrepreneur already knows the product. Prior experience is essential to understand which product to develop. Experience, tenacity and, of course, hard work are the keys to undertaking a start-up, there's no other way.

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