

ALL IN A DAY'S WORK

IN THE PERSONAL CARE INDUSTRY, L'ORÉAL GROUP HAS ASSERTED ITSELF AS THE INDISPUTABLE MARKET LEADER WITH A STABLE OF HIGH-PERFORMING BRANDS AND HUNGER FOR CONSTANT INNOVATION. L'ORÉAL MALAYSIA MANAGING DIRECTOR MALEK BEKDACHE SPEAKS TO **PETRINA FERNANDEZ** ABOUT HIS DECADES IN THE BEAUTY BUSINESS, ACCELERATING GROWTH LOCALLY AND THE MAN BEYOND THE JOB TITLE.

When browsing the shelves of beauty products, consumers tend to focus on attractive packaging and marketing script, paying particular attention to well-known labels. But those familiar with the contents of these tubes, jars and bottles are aware just how much know-how goes into each formula. No one is better acquainted with this than L'Oréal Group, one of the pioneers of the beauty industry.

In 1919, young chemist Eugène Paul Louis Schueller registered the company after successfully developing hair dye and care formulas sought by Parisian hairdressers. Research and innovation are therefore the genetic codes of L'Oréal and as the company approaches its centennial celebrations, these pillars have never been stronger. An army of scientists – chemists, biologists, biophysicists and experts in robotics and green or sustainable chemistry – wage war on behalf of human health and vanity, and in the process, advance the industry by leaps and bounds. And what in-house talent does not cover, acquisition does.

For instance, earlier this year, the group acquired Modiface, a forerunning augmented reality company whose patented solutions allow users to digitally visualise hair and makeup looks on themselves. It joins a vast stable of top-tier brands, spanning consumer names such as Maybelline and Garnier, professional product labels the likes of shu uemura, Redken and Kératase, and luxury brands Lancôme, Biotherm, Kiehl's and Ralph Lauren Fragrances. All these are, of course, in addition to the brand's eponymous line of cosmetics, skincare and hair products.

"It is in our DNA; we invest tremendously in R&D and apply findings entrepreneurially," says L'Oréal Malaysia managing director Malek Bekdache. "We take initiative and risks, and strive to always go further. I recently had the chance to view the Modiface technology and it was ... wow! This is what makes us

a market leader. We're really driving the future."

The French-Lebanese director is well qualified to comment on the subject, having been in the group's employ for over two decades. Headhunted from an insurance company, he worked in various roles in France before returning to Lebanon to set up a coordination office for the Middle East. He was then deployed to launch a new subsidiary in Egypt in 2008 and returned to Lebanon three years later as managing director where he developed L'Oréal Levant, a hub encompassing Lebanon, Syria, Jordan, Iraq and Palestine.

"The more I discovered about the group, the more impressed I was," says Bekdache of his early days with L'Oréal. "I think they liked that I had a multicultural background and an entrepreneurial spirit. I grew up in Europe and the Middle East, so I was familiar with those cultures, but Asia has been a big shift for me in more ways than one."

His Kuala Lumpur posting began in July 2016 and disparities in market behaviours were immediately apparent. "Consumer habits here are fascinating," observes Bekdache from his corner-room office – a calming space with walls lined with products and artwork and large windows welcoming in natural light.

"I worked in more traditional markets prior to this, but trade here is very modern and sophisticated, leaning towards retail businesses, malls, freestanding stores and boutiques," he continues. "In France, for instance, beauty products are typically bought in hypermarkets but the Malaysian beauty market is driven mainly in pharmacies, freestanding brand stores and online."

■ The digital revolution

In his 23-year career, says Bekdache, digital has been the greatest revolution to hit the market, dramatically changing behaviours and operations. High penetration among L'Oréal's customers, compounded by corresponding variables, demanded that the group adapt accordingly.

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"We have seen booms in the rise of the middle class — estimates suggest that by 2030, some 2.4 billion people will occupy this tier — and travel and luxury retail in the past five years," he says. "Channels, of course, then shift accordingly with digital being the mother of transformations. It has completely altered the consumer experience, enhanced with artificial intelligence and new platforms. Consumers are ahead of the game, informed far in advance about product releases in Europe and the US. Every time we launch a new brand or product, they are already well versed in the necessary information. We launched Los Angeles-based NYX Professional Makeup, loved by fans here for its creativity, to such a tremendous reception last year that we now have four stores. And when we first brought in YSL Beauty last April, consumers queued up for hours at Pavilion KL, excited to finally have access to the brand. The lipsticks quickly sold out."

Some 30% of Bekdache's agenda comprises new products; although brands have hero products that garner cult followings, high anticipation heralds the arrival of new products and technologies. The digital democratisation of information might also be behind another fascinating trend: the boundaries between luxury and consumer brands are increasingly blurring, particularly among novice cosmetic users.

"Consumers these days immediately begin with great brands in the luxury segment for makeup, like lipstick," he points out. "They used to start with brands like Maybelline and then work their way up, but they're far more confident now about diving straight into new things. That said, we still need to position our brands carefully. You couldn't just put YSL cosmetics anywhere, for instance; they need to be placed within the right context."

Context is a key word in deciding which products to bring here. Maybelline's FitMe Foundation was an instant success among fans with 19 shades to cater for the diverse skin tones of Malaysians, and it is today the top foundation franchise in the face category. The triumph of Garnier's new cleansing water category was also forewritten in Muslim-dominant Malaysia. Micellar Water, among the best formulas in the market to effectively cleanse the skin of makeup, dirt and oil, is certified halal. Online forums abound with reviews, some conversations predating the launch of these products and asserting just how much power consumers have in driving the market.

Phenomena such as selfies are another indication of changing consumer behaviour as a result of technology. Newer phone models are placing the more superior of two cameras in the front, as opposed to the rear, in response to this, along with beautifying apps and software. Looking good has never been given more social emphasis.

"The situation I'm facing today is the most interesting of my career of the past two decades," says Bekdache. "The digital revolution has completely disrupted markets as we have known them. It's an exciting time to be in the industry."

■ A leader is only as good as his team

The same changes shaping consumer behaviours can be seen in the evolving attitudes of employees. Among younger staff, particularly, there is a demand for a deeper sense of purpose at work. Addressing this was one of the items highlighted on Bekdache's agenda.

"There was a huge transformation happening in the workplace when I arrived in Malaysia," he says. "The group was undergoing a transformation in its work methods and we launched a programme called Simplicity as a response. Comprehensively written to lay the groundwork for an agile corporate environment based on trust and cooperation, it will ensure we continue to be an industry benchmark as an attractive employer."

Included in the manifesto are broad philosophies, such as teams are the new heroes, empowerment

is the new management and test and learn is the new perfection. An unusually worded "eat what you cook" catches my attention.

"Oh that, yes, that is interesting," laughs Bekdache. "It's very important and reminds employees to take on something big in their position. Undertaking huge challenges and seeing them through can be scary but that is how we progress."

An annual company-wide survey holistically assesses leadership, direction and performance. "This allows us to spot and fill the gaps," he says. "It is also where the new generation of employees really come into play. We want to stoke more empowerment, a greater sense of fulfilment. This is how we adapt to the shifts in employee expectations while retaining or improving our strength in operations."



I THINK EFFECTIVE LEADERSHIP CONSISTS OF CREATING A GOOD WORKING ENVIRONMENT, SETTING A CLEAR AND REALISTIC VISION AND EMPOWERING PEOPLE TO DO THEIR JOB TO THE BEST OF THEIR ABILITY

L'Oréal was again voted one of 2018 World's Most Ethical Companies, an accolade it has been awarded for the ninth time by Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices. It is one of only three health and beauty companies to have been recognised this year. Further maintaining a reputation for social excellence is the recently introduced Employee Share Ownership Scheme, in which eligible employees are presented with the opportunity to acquire L'Oréal shares on preferential terms. Initiatives like this go a long way towards inspiring loyalty and performance, creating a team collectively compelled to achieve their goals.

"My priority here was to accelerate the business and as CEO, my first task was to create the best team and communicate a vision," says Bekdache. "I spent the early days getting to know the lay of the land, setting the tone, putting strategies in motion and getting everyone on board. I think effective leadership consists of creating a good working environment, setting a clear and realistic vision, and empowering people to do their job to the best of their ability."

His corporate communication directors had joined us for the interview and one of them pipes up, "I must say my boss is a very empathetic leader. He's a visionary and knows how to align people with his goals. He's a good captain, a chess master who knows who to strategise but also leads with compassion."

Bekdache bashfully, almost uncomfortably,

accepts the compliment. "I couldn't do what I do if I didn't like people," he says. "I can honestly say I enjoy my day-to-day work because I am surrounded by people who are energised, passionate and capable of embracing change."

■ Outside the office

Even when he is not charting the company's alignment with a local market that grows between 3% and 4% year on year, Bekdache is a man with priorities. His family could not immediately follow him to Malaysia when his posting kicked off, and he missed his four-year-old son terribly during that separation. He has more than made up for lost time since, indulging his son's zest for swimming.

"He loves it now," Bekdache laughs, very much the proud father. "He had a fear of swimming and now he can't get enough of the water. We sent him for classes at Aquabubs in Bangsar and since then, all he wants to do is swim. We went to Singapore recently and wanted to take him to the zoo, but he was insistent about going to the pool instead. I try to swim with him every weekend."

Like so many others his age, the little lad is fascinated with the iPad and Bekdache has a tough time keeping the gadget out of his hands. He tries to distract him with books. "You can guess the sort of titles I spend my time reading these days," he says drily of the children's books — most of them in French — that have since taken over his reading list. Before colourful illustrations and large fonts became part of his daily life, his literary inclinations were the likes of *The Shadow of the Wind* by Spanish writer Carlos Ruiz Zafron and *The Crusades Through Arab Eyes* by Amin Maalouf.

Other pastimes include movies and music with the political *Three Days of The Condor* starring Robert Redford and Faye Dunaway and Coldplay named as favourites respectively. "I love Coldplay; I went to watch them in Singapore last year," he says, nonchalant while everyone in the room expresses surprise at the seemingly unexpected choice. "I also love Alicia Keys, especially her songs on the piano. The lyrics and music are excellent."

Loved ones occupy much of his free time, and long breaks are spent travelling. "I am very much a family man and we enjoy travelling together. Beaches are my favourite destination; the Mediterranean, the Greek islands," he lists. "We're making an effort to discover more places in Malaysia, and I try to go to Langkawi regularly."

Talk of spectacular destinations naturally turns to Beirut, where his family home, a large but cosy affair, sits in a verdant setting. His eyes alight with excitement, Bekdache whips out an iPhone X to show us photos, boasting of the city's wonders. "It has everything you could ever need or want. There are mountains to ski, beaches, greenery, a brilliant food, music and party scene, all within a short drive," he says.

Despite his obvious love for the Lebanese capital, he has no intention to return there permanently anytime soon. He looks around his office and laughs. "You know, I want to rearrange my office, move some things around, but I'm scared to. Every time I do, I get a new posting and I'm not quite ready to leave Malaysia yet."