

FROM FATHER TO SON

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Telos: The transition from one generation to another is one of the most critical and delicate times in a company's life. Especially in Italy, where only 30% of companies survive their founder and only 13% last until the third generation. This doesn't seem to apply to Mondo Convenienza, though. Can you tell us how you are handling this transition?

Dario Carosi: At Mondo Convenienza, we don't talk about transition, we talk about collaboration: a father and son who work together to improve a company that, for us, is a family. Our mission hasn't changed since 1985, the year my father Giovan Battista founded Mondo Convenienza: making furnishing a home affordable for everyone by offering furniture and home accessories with the best value for money on the market.

Over the years, the tools we've used to pursue our vision have changed and are evolving progressively with society. My father is a brilliant businessman and has a nose for what people want, before they even know they want it. I'm committed to advancing the family business through innovation, which means taking on the challenge of progress by introducing new technologies and new professional roles. This is why in 2017 we created a "Digital Factory" within Mondo Convenienza: something young, made up of professionals under 40 with strong digital skills, capable of imagining the future of retail and the home furnishings sector. That year, back when no one would have imagined, we made the *digital leap*, a process of digitalisation that is now taking over every business sector, with the aim of offering clients an omni-channel, personalised buying experience.

Internationalisation is another important growth phase for companies. How are things going in that area?

Since 2019 we've been looking into the Spanish furniture market and have found a chain already present in Spain. We inaugurated our first retail store in Barcelona in June, the second – again in Barcelona – in August, while the third – located in Madrid – began operating in late September. We also added two logistical hubs. The previous management had roughly 10 million in turnover when fully operational. Our first financial year (which isn't complete like the calendar year) yielded 6 million more in revenues compared to the past. In 2020 (even with the COVID restrictions) we closed the year with a growth of 50% compared to the previous management. We have an ambitious goal, the market shares we want to obtain are similar to the ones we have in Italy, but it's a very encouraging start. We are still in the phase where we're studying the habits of Spanish and Catalan society and how these impact the product structure. Based on the data we've collected so far, we've already started changing some structures and adding new ones, also to test and develop the product offering based on localisation and transmit those results to the greater public.

The COVID-19 pandemic was the litmus test of the soundness and reactivity of many companies. How have you been coping, now and in the past, with the challenges to your business model caused by isolation, closings and so on?

The future we were already building quickly manifested itself during the pandemic, and grew considerably month after month: today, digital marketing is more effective than printed catalogues; in-store sales have become more efficient with the use of tablets, allowing people to skip the queue at the cashier and the risk of creating gatherings of people; live chats resolve problems and offer advice without having to go to bricks-and-mortar shops. Our virtual channels (e-commerce, TV sales, live chats, social media, video calls) have been a strategic solution to the closing of the majority of retail stores following the Prime Minister's Decrees imposing restrictions starting last October, both in terms of customer service and the management of our internal resources. For example, the high demand for video call appointments to discuss interior design has allowed us to re-introduce 500 salespeople from stores in red zones who had been temporarily laid off. Another example, on the customer side this time, was the 2020 Black Friday, a mirror of the social changes triggered by the pandemic: over 81% of Italians made online purchases. As a consequence, our Black Friday was more digital, more planned and had more offers to choose from. A *multi-channel, customer-centred strategy* based on more discounts, spread out over more days, accessible on many different channels, with a greater focus on digital services and, like in the last 35 years, packaged to meet the needs of each individual customer. What I've explained so far is just the start: we are trying to come up with new solutions, new professional roles and new investments to adapt our products and services to the future society, the post-COVID society.

When we think of furniture that is affordable for everyone, the first name that comes to mind is IKEA. Yet in Italy, Mondo Convenienza has proven not only that it can compete with this Swedish giant, it can even beat its revenues. Why is this and how are your customers different from those of IKEA?

The differences in the business model of Mondo Convenienza and IKEA are clear, so clear that we can both share the same market pool without too much interference. Usually, customers who prefer specific products from IKEA don't consider Mondo

Convenienza and *vice versa*. The main difference lies in our service models: IKEA is very similar to the DIY model, whereas Mondo Convenienza has a traditional approach and a team specialised in assembling our products that delivers the product and installs it at the customer's home. This means that these two realities are very different, even in economic terms. Another thing that is different is the style of furniture offered. As I said before, IKEA is mainly in line with the DIY approach, for customers who enjoy combining products that are not necessarily related, mixing styles and changing combinations. Even here, Mondo Convenienza has a more traditional approach based on creating a complete environment and matching products. This is why one of our strong points is complete sets of furnishings, a package of products for one environment at low prices with an identifiable, uniform style that is made in Italy.

Marco Sonsini

Editorial

This month's interviewee for PRIMOPIANOSCALA^c certainly knows how important a good jingle is to advertising. We're sure that almost any Italian out there can remember, if not even sing the jingle of this Lazio-based furniture giant: "*Mondo Convenienza, la nostra forza è il prezzo*" ("Mondo Convenienza, our strength is in our price").

The jingle was such a hit that Mondo Convenienza created a specific web page where you can listen to **all** the different versions of it. Mystery revealed! This month we interview a member of the Carosi family: not Giovan Battista, the company's founder, but Dario, his son. Dario has been working to help the company take the digital leap into the future, a future that he says "*we were already building and that quickly manifested itself during the pandemic*." The words Dario uses are unique, because he talks about collaboration between the two generations, not transition. But this collaboration is only possible when there is a healthy generational relationship, when the "old" don't jealously guard their privilege but trust young people and give them the freedom to make decisions. Out of the 5 million Italian entrepreneurs registered with the Chambers of Commerce, 93% are family businesses (compared to the European average of 50%). According to the latest **AUB Observatory** commissioned by AIDAF (Italian Association of Family Businesses), Unicredit Bank and Bocconi University in Milan, in the coming years, over half of Italian businesses will be impacted by generational transition, seeing as around 70% of companies with revenues between 20 and 50 million euros are family businesses. **ISTAT** data also shows that planning for this change is consciously confronted after the business' founder turns 60, which means that its successors take over the business when they are already at an advanced age. This clearly is not the case for Mondo Convenienza, and its results reflect this. The Carosi family espouse that form of family capitalism that continues to generate entrepreneurs capable of extraordinary (and silent) accomplishments. Everybody's ears perked up when they heard the news that, contrary to expectations, the frontrunner in the Italian furniture market is not IKEA. Instead, this Lazio company, with over 1.2 bn euros in turnover, managed to surpass the Swedish giant. This was possible also thanks to Dario and his push towards digitalisation and the creation of a young workforce and a flexible product offering, which also involved suppliers, likely the most resistant to change. And all this took place back when no one would have imagined. We also talk to Dario about going international, another thorny issue for Italian companies which Mondo Convenienza, however, has handled through well-thought-out ways and good timing, with no hesitation. The company went abroad when it acquired a chain that "had roughly 10 million in turnover when fully operational. Our first financial year (which isn't complete like the calendar year) yielded 6 million more in revenues compared to the past." Nice story, huh? Though this isn't just "storytelling", just "feel-good" totalitarianism. It's a true story of hard work and skill. From father to son.

Then we have PRIMOPIANOSCALA^c's new cover design: a white page that is ripped to reveal a part of the interview in Italian and English and an insect looking up at the words. Insects were the source of **artistic inspiration**: you find them in painting, on jewellery, on bookplates and in fairy tales. When you find them in your bed, they nearly give you a heart attack! Yet if you look at how they are portrayed, you will find they are also very beautiful. For Dario Carosi, we have chosen the stag beetle, *Lucanus Cervus Linnaeus*, **2012** insect of the year. Why? Because they are a symbol of rebirth and regeneration. In Japan, where on the islands the *kuwagata mushi* is especially common, it is often a totem animal that protects the home. What better choice could there be!

Mariella Palazzolo



Dario Carosi is on the Board of Directors of Mondo Convenienza Holding SPA, a family business founded by his father, Giovan Battista, in Civitavecchia in 1985 and specialised in the large-scale distribution of furniture and home accessories. He is also on the Board of the building company Edil Tre Costruzione S.p.A.

In 2017 Dario launched the company into the digital era by creating Mondo Convenienza's **digital factory**, and now more than ever the company has benefited from Dario's intuition with the COVID-19 pandemic and business closings.

In 2015 he got a degree in Economic Sciences and Management from Tuscia University, then specialised in the same areas at LUISS University in Rome.

He enjoys travel and sports. A few of the sports he has done are rugby, skiing and rafting. He also loves football and is a fan of the Juventus Football Club. However, what he's really passionate about are cars and motorcycles.

Carosi is 28 years old and has two older sisters.

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