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Thomas Lundgren, CEO of THE One.

## Company Profile

Business in Kuwait strong, new outlet soon: Lundgren

# THE One banks on feelings

By Maisara Ismail  
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KUWAIT CITY, June 7: Retail is no longer about the product anymore; it's about the emotions that come with the act of shopping.

Home fashion store THE One, known for its irreverent advertising including one featuring a punked-up grandmother, is banking on feelings of the hearts to create a loyal customer base.

Targeting the market between prestige luxury products and mass market goods — between Ralph Lauren and IKEA, as CEO Thomas Lundgren put it — THE One has made quite a headway on that philosophy, ten years after its first store opened in Abu Dhabi.

"The key in retail should not be about the product, things are becoming more and more similar and people are quicker and quicker to copy. It is about what you feel when you buy something

"More people want to buy something from a company they have respect for, something that means something, because really, none of the stuff we buy these days is any important," he said during a sit-down with Arab Times.

### Typical

If that last part sounds especially odd coming from a retailer, it is because Lundgren is not your typical furniture salesman. More inclined to talking about life's philosophy and world affairs than sales figures and expansion plans, Lundgren's maverick persona has become one of THE One's biggest selling point.

His press brief proudly proclaims he holds no college degrees or "any other prerequisites which could possibly qualify him to become a retail mogul", and attributed his successes to naivety, stupidity, passion, "luck in employing the right

people and good old fashion hard work", among others.

The man who dubbed himself the Anti-gravity manager and Chief Emotional Officer had his training in Kuwait's IKEA some two decades ago before deciding to go on his own after the Gulf War.

If you look at the slick advertising and store concept, you'll never guess the store started as "bad copy of IKEA".

The store lay-out combines a furniture show room and a restaurant cum coffee house, where you get to test some of the furniture on sale, which include the sofa you lounge on and the dining table and chairs your family sits at during lunch.

THE One won Dubai's best retailer last year and is expanding at a brisk pace. Currently it has ten stores in the Middle East and one in Stockholm, and sales hit \$85 million last year. It has plans to venture into the US, India, China and the Baltic states.

### Hardship

To get to this point, though, Lundgren has endured one heart by-pass, a fire break out at his warehouse, and years of financial hardship.

"The first three years were hell, and the next four were a lot of hard work. Hard work on its own is manageable, but hard work with financial pressures kill," he said.

He has come a long way, and his success story highlights the difference between how UAE and Kuwait function as the incubator of small, start-up businesses.

Lundgren chose start in Abu Dhabi despite his considerable knowledge and experience in the Kuwait's market, and it was only partially because of the booming economy in the neighboring country. The bureaucracy, red tapes and too much politics were big hindrance for businesses in Kuwait.

"We wanted to have a competition in Kuwait in conjunction of our 10th

anniversary this year, and it took two months just to get approval, which is ridiculous. In Kuwait, the biggest problem is politics — to me, its better to have a good dictatorship than a bad democracy," he said.

Lundgren qualified that business process had improved significantly from three years ago when he planned to open first store in Kuwait. But the country still needs real changes, and for that, it needs a good leadership more in touch with things on the ground, he said.

### Business

THE One expects to open another store in Kuwait soon, after its existing outlet in Marina Mall. It is currently scouting for suitable locations. Business in Kuwait has been strong, said Lundgren.

"You have a very intelligent customer base in Kuwait. Compared to the other parts of Gulf, there is a different level of sophistication here. Dubai is a cosmopolitan because you have people moving in from all over the world, but Kuwait has a longer history of having money, and knowing what to buy," he said.

The company engaged 150 exclusive suppliers from all over the world, from Australia to Mexico, which explains the eclectic mix of sometimes unusual furniture in its stores.

Lundgren talked about giving each store "a soul", an intangible feel that he said helps set apart THE One from its competitors, which he said starts with treating his employees right.

Another way Lundgren engages his staff: by making them participate in charities, including Kuwait Children's Orphanage, Jordan River Foundation and the international CHILDREACH, for which the company will shut down some of its outlets for weeks this summer to fly them to India.