



# HAIER BOOSTS ITS EUROPEAN BUSINESS

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Haier Europe has reported on the progress the company has made in the past 12 months, which included becoming the first Chinese brand to be listed on the Frankfurt Stock Exchange, and the acquisition of the Candy Group.

Speaking at the company's IFA press conference, Yannick Fierling, Chief Executive, Haier Europe, said: "We needed the acquisition to be the perfect fit in terms of the culture, brand, product and also in terms of innovation and with Candy it was a perfect match!"

"In 2018, Haier Europe grew 26% in a flat market, while the Candy Group grew 11% – this meant that Haier Europe and Candy Group were the two fastest-growing Home Appliance companies in Europe."

Mr Fierling said that in refrigeration in 2018, Haier worldwide increased its market share to 22%, which meant that almost one-in-four products purchased were from the Chinese brand; in washing machines, Haier had a 20% global share.

Haier has 58 million connected users in China and Candy, at the time of the acquisition, was the European leader in smart appliances, with almost one million connected users. Mr Fierling said that this figure had now grown to around 1.2 million users.

“Candy Group had one million connected users at the time of the acquisition and there are now around 1.2 million,” Fierling said. “This has been achieved by adding 3,000 users a day since the acquisition.”

At IFA, the 3,000sq m Haier stand is home to the three brands – Haier, Candy and Hoover.

“Haier Europe, with its three brands, has the biggest range of household appliances in Europe and visitors to the stand at IFA will see that we can offer a true ecosystem to consumers.”

**Hall 3.1, Stand 102**



# **HAIER'S CANDY ACQUISITION STRENGTHENS ITS EUROPEAN FOOTPRINT**

**Yannick Fierling – CEO – Haier Europe talks  
strategy... and about this year's star products**

**China's Haier is one of the world's fastest-growing household appliance firms. In this interview, Haier Europe CEO Yannick Fierling discusses the company's priorities at IFA Berlin and explains the rationale for its Candy Group acquisition. We asked him to us about Haier's strategy in Europe since this takeover.**

Haier strives for a leadership position in terms of market share and geographic spread. Thanks to Candy Group, Haier can now aim to reach the first position in Europe, where currently it ranks 5th in terms of revenues.

In terms of strategy, Candy Group sums up all the characteristics Haier was looking for in a partner to develop its presence in the European market and to pursue its goals: a long history of success, a consolidated presence in the market and a strong attitude towards innovation through distinctive skills.

## **ONE REFRIGERATOR OUT OF FOUR AND ONE WASHING MACHINE OUT OF FIVE SOLD GLOBALLY IN 2018 WERE MADE BY HAIER**

We also considered the synergies generated by the integration between product families, the common focus on IoT strategy and also cultural affinities. Haier and Candy Group share an entrepreneurial and innovative approach to the market and consumers. These affinities, combined with Haier's track record of acquisitions such as Fisher & Paykel in Australia and GE Appliances in the US, contributed to ease integration. As a result, a strong synergy has been created, allowing the combined group to span all market segments and geographies.

### ***What were the key aims of joining forces with Candy's management team?***

Haier respects the history of Candy Group and considers the management team and workforce inherited with this acquisition as precious assets. The Haier business model relies on entrepreneurial spirit, agility, and on giving everyone the possibility to contribute to the success of the company. This is what Haier found in Candy as well: a very entrepreneurial company, with a dynamic and empowered management who immediately had a good fit with our philosophy.

### ***Candy, while having Italian roots, is investing in facilities in Turkey. Can you tell us more about this?***

Over time, Candy Group established different production facilities in Europe and abroad: each site has a different purpose, even if the historical site in Brugherio, Italy, remains strategic – to the point that Haier Europe established its HQ there. Nowadays, the appliance industry is characterised by strong competition, and Europe is the most difficult market: this is why all strategic decisions must be made

with the aim of strengthening our specialisation, maximising our production capabilities and dealing with logistical issues, such as the amount of time and cost of goods transportation between our facilities and the distribution channels. For this reason, we are also opening plants in Russia and investing in our facilities in Western Europe and China, achieving a well-balanced footprint.

## **WE AIM TO BECOME THE NUMBER ONE IN IOT IN EUROPE, REACHING THE MOST COMPLETE RANGE OF CONNECTED APPLIANCES BY 2022**

### ***What are your flagship products at IFA this year?***

Haier is the world leader in major household appliances. To give everyone a perspective that goes beyond figures, one refrigerator out of four and one washing machine out of five sold globally in 2018 were made by Haier. As such, IFA is the ideal stage to present our product range in each market segment.

In detail, Haier has an entire area dedicated to high-end food preservation for cooling thanks to Fresher Techs, as well as a complete, new built-in range that signals the debut of the brand in the premium segment of the market. Coming to washing, we are presenting a line of products equipping I-Refresh technologies, aimed to take care of the laundry at home in a professional way. Candy is keeping up its smart and Italian style, presenting in the cooking area a full range of connected ovens; while the protagonist of washing is the Rapido range, with its nine quick programmes linked to an App called Snap&Wash, which helps you choose the best washing programme by just taking a picture of your laundry. For cooling, Candy proposes Convivio, conceived to give more flexibility in the use of fridge space with a two-door solution.

Finally, Hoover proposes trustworthy products like our vacuum cleaner H-FREE 500, the new compact wi-fi cordless stick; H-KEEPHEAT, the first oven designed to preserve; and a new washing line with H-WASH 500 and H-DRY 500, designed to combine innovative functions with a high energy class and low emissions.

### ***How are your smart home solutions evolving?***

Haier's position in the Smart Home is not just connecting appliances to users but undergoing a three-step process. First, connecting people to appliances. Second, connecting appliances with each other. Third, creating an ecosystem in which appliances are able to talk to other subjects, outside the domestic environment. This means, for example, that the oven will not only interact with the user, suggesting recipes and cooking temperatures, but also dialogue with the fridge to know which products are available for cooking and to automatically order missing products from a shop or an e-commerce platform. We definitely believe this will happen in a few years and that the smart home will grow exponentially so as to become the

standard in European homes, as is already happening in China where Haier connects over 58 million users with appliances. The introduction of smart speakers and digital butlers sped up this process, and we think their integration with our appliances can evolve in the next few years. Thanks to the synergies between our European and global know-how, we aim to become the number one in IoT in Europe, reaching the most complete range of connected appliances by 2022.

***What are the key goals of Haier group going forward?***

Haier has a very different kind of business model, which is why the company is growing so quickly. One of the main axes is the focus on IoT and on the development path through technology. Haier has 58 million connected users in China, and Candy, at the time of the acquisition, was the European leader in smart appliances, with almost 1 million connected users. The goal is to create an ecosystem in which appliances are able to talk, and which integrates all these values to generate a real benefit and better solutions for customers. Another main axis is customisation, which means the research and the creation of unique products that can express customer identity and meet their needs and expectations. A third important axis is the empowerment of our people when taking decisions and facing clients. All these factors sum up to reach our 'Zero Distance with Customers' objective and philosophy.