

Reading Bakery Systems: We Focus

David Kuipers, senior vice president of Sales and Marketing, is responsible for the company's sales and marketing efforts. Since January 2017 he has been living in Singapore as he leads the continued growth of the company in South East Asia.

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Tell us a bit about the particularities of the Asian market in regards to bakery equipment and how the demand there differs from your global client base.

We focus attention on both China and SEA but do so on slightly different paths. China is so large and diverse that it requires its own approach. There is a strong base of local manufacturers that service the baking industry; it's not practical for foreign companies to compete against them. However, what RBS brings to the China market is access to snacking products and trends from other markets that may be locally relevant. Further, some Chinese producers recognize the limits of local manufacturing and are open to new processes and equipment innovations from international suppliers like RBS. For them the value proposition is built on efficiency, reliability, sanitation, and future product development.

The greater SEA market is defined by its geography. The region is a collection of distinct nations - many of them island-nations. You can only move around by flying and sometimes great distances. In other markets like NA and EUR there are alternatives such as rail, car or mass transit, so you can sometimes make many visits on the same trip. But this separation over great distance also hints at how distinctively different these nations can be, as each has developed unique snacking culture and habits. So bakery equipment and systems must be applied to individual countries accordingly with careful listening and adaptation.

Finally, the snacking markets here are being developed in front of us. Our client base is constantly searching for snack products that could be successful in their market – but are not present there yet. In more mature markets, the snacks are more defined and those clients are looking for product differentiation.

What are some of the unmet needs RBS has identified in the APAC markets? How is RBS responding to meet these demands?

Because of the strong interest in new products, we have focused attention on general and in-house webinars on these new products from other markets. These have been very successful, particularly during COVID restrictions when R&D, Engineering, and NPD personnel are working remotely and unable to travel. The need for ideas has not stopped at all.

How has the pandemic influenced the market and what opportunities did it create for RBS?

Two thoughts come to mind. First, with travel in the region reduced to virtually nothing, it chilled the normal information flow from visits, shows, plant tours, and so on.

on Being 'Locally Relevant'

However the need for new product ideas and production capacity continued anyway. So we all found ways for this information flow to take place with webinars and meetings via Teams and Zoom. Sure, we all get weary of being on many video calls, but they clearly have met a need. It's been a surprising confluence of improved video conferencing technologies and the need for them during COVID. It really is surprising that we can conduct hours-long conferences, with video feed and screen sharing, from multiple sites now without interruption; only a few years ago that capability was very limited.

Secondly, many of our customers are very busy because they make long shelf-life, prepackaged baked snacks, which is exactly what consumers are purchasing while they work from home. Once they got over the initial shock of adjusting their business to COVID realities, they realized their sales are strong so they turned their attention to investment in additional capacities and products. Compared to other segments of the food business we have been very fortunate.

What are some of the challenges of operating in this 'new normal' and what tools have helped you overcome these challenges?

One big challenge has been installing and commissioning equipment. Travel restrictions on our technical teams have limited our ability to be present during installs, as we would prefer. So both client and supplier have all had to adapt by utilizing local resources and videoconferences as best we can. The work sometimes has to go on.

What are RBS's short- / long-term growth plans in the region?

We plan to continue to grow in this region just as we have in our other global regions. We supply a wide range of snacking systems, so our emphasis here will be on being "locally relevant" in SEA and CHN and developing baked snack products that are adapted to local tastes. Further, thinking beyond our sales presence, we will be increasing our support of these installations with technical teams, service support,

regional project managers and regional manufacturing capabilities.

What is the main driver of innovation and how has the NPD process changed in recent times?

The answer here is two-fold. The larger companies usually have a range of products they already do; they are looking for more efficiency and automation as they expand. They are looking for larger capacity systems that have a lower cost/kg of output. We meet those needs by rationalizing the systems with wider lines, continuous mixing, automation before the oven, and applying improvements to the baking systems. For them, NPD is an internally-led effort; the equipment supplier helps them with efficiency and automation as they expand capacity.

The smaller companies are often led by an entrepreneur who is looking to bring a snacking idea in from another market. Such an entrepreneur is looking for a business case built around a new product. They seek to duplicate the success of a product by duplicating a system done in another part of the world, and they look for partner companies like RBS who can help with new product concepts, formulation, sample development, plant layout, package sizes, product commissioning support – virtually everything they need to import that success into their market. For them, NPD is surveying other markets for products to duplicate.

With international trade-shows absent from the global landscape, how do you reach your potential clients?

For the past year we have been adapting by doing in-house webinars, general webinars, virtual trade shows, new product seminars, sample packages, and of course many Teams and Zoom meetings. Though our trade shows have been absent, our Marketing team has been kept busy with these efforts.

In addition, we have even sold systems this past year by doing "virtual demonstrations" of the process at our Technical Center in the States. Since the client could not attend in person, we had to adapt this way. •

