

Preface

I have been fascinated by computers and technology since the age of five. But I decided to go to a business school rather than a engineering school. Why? I have always thought that computing can be learnt on its own by playing around with bugs and working out how to remedy them. I still love to fiddle with new technologies all by myself, with – I'll admit – valuable support from the internet.

After graduating from NEOMA in 2000 at the age of 24, I immediately embarked on an adventure in new technologies, with partners who had already been entrepreneurs for 10 years. At the time, there were just two of us from my class with our sights set on entrepreneurship, and *vente-privee.com* – now *veepee.com* – was created in 2000. We are currently reporting more than 3.5 billion in sales and have more than 6,500 employees in 14 countries.

When it was created, it was not strictly speaking a “new” company, but the digital transformation of a company that had been founded by Jacques-Antoine Granjon and Julien Sorbac in 1985, more than 10 years before the advent of ‘e-commerce’ companies. The *vente-privee.com* website was created 20 years ago (Google was just two years old and Amazon five years old) while the internet bubble was bursting and a number of new technology-based companies were going bankrupt. At that time, investments in these areas dried up, because of the panic caused by the bankruptcy of Boo.com (an e-commerce player who had previously raised close to a billion dollars).

Nobody I spoke to understood why I was venturing into a world that had just been annihilated by the financial crisis. I had no money and above all no experience, because I was fresh out of school. Things have changed a lot. Entrepreneurship is now one of the most popular outcomes for university students: I am convinced that young people under 25 are best placed to embark on “crazy” adventures – *they didn't*

know it was impossible ... so they tried it! They are full of a brilliant naivety that people unfortunately lose when they gain experience and accumulate failures.

In hindsight, I think the crisis in the 2000s was beneficial for *vente-privee.com*. We stayed independent, we had no competition for seven years because other players were still smarting from the loss of their previous investments and didn't want to reinvest in the field. We had neither money nor access to external funding. That's why from the beginning, from the very first business plan, the very first budget, we had to start making money, and lots of it, otherwise we would not have been able to fund our own growth and correct our mistakes. And of course we made plenty of mistakes! Along with being in the right place at the right time, perhaps the second secret to our exponential growth was that we worked hard to correct our mistakes every single day. And I'm now known as a solutions expert. That may be, but I started out as an expert in problem management!

Nowadays, competition is no longer between *big* and *small*, but between *fast* and *slow*. In the past, small companies (start-ups) were nimble and big companies sluggish, and in general the bigger ones bought the smaller ones when they started to become a problem. There are now new giants – the GAFAM (Google, Apple, Facebook, Amazon, Microsoft). Let's keep in mind that these corporations all started out in someone's garage. They were founded by very young people, and they quickly became huge players while continuing to develop at lightning speed. The bigger they get, the faster they go: their growth is exponential, and that's a totally new phenomenon in modern economic history. It contradicts the behemoths of the old economy, which reported an increase of a few percent each year at best.

It's not about luck. Indeed, the strength of their model is drawn from their corporate culture of permanent innovation, on a month-by-month basis, unlike their predecessors who had multi-year innovation cycles. The pace is so fast that the minor monthly changes they make usually slip by undetected. Most of their inventions appear to be genuine revolutions, when they are actually the product of countless iterations that have gradually been deployed to their customers. And there's the tragedy: when their former competitors realised that they had taken the lead, it was already too late. They were already well ahead of them (e.g. Walmart vs Amazon).

By continuously innovating, these companies have been able to conquer market share that used to be held by those former competitors, whose decision-making and execution processes just couldn't catch up. They used the same principle: start by recognising your mistakes, don't focus on the reasons why you failed, but rather channel all your energy into getting back onto the right track. The objective of these new giants is therefore not to eliminate problems, but to reduce the financial cost of their errors by at least 75%. The solution – even if it is not perfect – must be quick and cheaper than the cost of the problem.

I believe that in a post-Covid-19 society, this model of innovation is the key to future growth. We are living in unprecedented times, and the situation is proving catastrophic for a very large number of people. On the other hand, it has also brought opportunities for two types of players: major industry leaders with significant cash flow or access to financing, and start-ups. These two groups are destined to become complementary and will need to work together much more closely than they have before (before the Covid-19 epidemic).

The leaders whose competitors are disappearing due to the pandemic will nevertheless have to show ever more agility to recover available market share. They now know that they must make important changes, and they will not be able to bring about those changes alone. They will therefore need to call upon new innovative solutions more frequently to solve their problems. They will also need to draw on their cash flow to bring these innovative companies into their organisations, hosting them in new incubators or accelerators, and attracting their young, dynamic employees.

A few months ago I came across an anonymous quote which I find more relevant with each passing day:

Let your mistakes be your motivation, not your excuses. Decide right now which bad experiences aren't going to predict your future.

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