

Just do your best, don't be greedy, think long term, be correct, and make your customers happy...

exclusive

Spotlight on: Debra Net



Erika and
Zoltán Bódy

EAN turns to the eastern part of Europe to find out whether the adult market in these countries is subject to the same changes and developments as the rest of Europe. Providing us with in-depth information about his home turf is Zoltán Bódy, owner and manager of the Hungarian wholesale company Debra Net. He tells us about the developments in his own company, about the challenges of keeping up with the ever-changing market, and about his expectations regarding the upcoming year.

„ Zoltán, what can you tell us about the latest developments at your company? Have you added any new brands lately? Also, is it true that you are busy setting up new headquarters?

Zoltán Bódy: We haven't spoken for long time, but I see that rumors are still thriving in our industry. Your information is almost right. We won't change our headquarters, but we are setting up a new warehouse and showroom, next to the existing two buildings. It will be 2000 square meters, on two floors and 7900 shelf pieces. The plan was to be ready by the end of this year, but we made some modifications to the plans, so now we see that we won't be ready before next year. We really need the extra space because the needs of our customers are growing and we really don't have enough space for our stock. The second warehouse, which we built two years ago, was already too small when it was ready. We hope the new one will be big enough for a longer period of time. We are always testing new brands in our markets, but most of our novelties are coming from our regular suppliers. At the moment, we are working with 219 brands, but this year, we have already stopped distributing 72 brands. Of course, we are already in negotiation with new suppliers, and we plan to stop carrying a few more. We are always working to find the best offers for our customers.

How did you manage to be this successful in such a highly competitive marketplace?

Zoltán: I think there are many small reasons and it is also important that we are here and that we have known the market for long time.

The three pillars of your company are product assortment, customers-focused

business policy, and competitive pricing? Would you mind providing us with some more information about these three elements? How are they reflected in your corporate philosophy?

Zoltán: Just do your best, don't be greedy, think long term, be correct, and make your customers happy... Of course, it's not as easy like that. We are under great pressure from both sides, suppliers and customers alike. Because we are almost the only competitive distributor in our area, we have to keep everything on stock for our customers at a competitive price, but all the brands want to get in and sometimes it is hard to say no. It is also important to stay competitive in spite of big price wars in Europe because our expenses are still much smaller compared to some other companies, and we own all our properties, so we don't pay rent. Also, we don't pay for energy because the whole company is running on solar panels. Thanks to these savings, we can make the necessary adjustments.

Aren't you worried about the erosion of the traditional supply chain in the adult market as the lines between producer, distributor, and retailer are blurring more and more?

Zoltán: Of course, everybody has their thoughts about it, but we always focus on moving forward, we never 'push the brake' and we always develop to keep up with the best ones. We also keep our eyes open and try to maintain our place in this ever-changing world.

Debra Net was born in Eastern/Central Europe. Are the structures in that region different from those in Western Europe? Are the above-mentioned problems maybe not as pronounced in these markets?



The Debra Net premises from a bird's eye view

Zoltán: Yes, maybe we are a few years behind in that regard, but it is good for us because the changes we see in Western Europe are also coming to us, so we have time to prepare ourselves.

In Western Europe, the brick and mortar trade is under a lot of pressure due to the success of e-commerce. Is the situation similar in Eastern Europe? Has it affected your business and your customers?

Zoltán: It is almost the same situation. It's like with your previous question. The changes are coming, and we have more and more online customers, and more and more regular stores are improving their websites.

The market is in a state of constant flux. How do you manage to stay abreast of new developments? Is flexibility becoming the most important thing in the adult market?

Zoltán: Yes, it is not easy to develop in this business, for more reasons than one. We have to make investments, and we can do it because like I told you before, we try to keep our cost low and we plan for the long term. On the other hand, we have to be creative, we have to work cleverly, follow new trends, etc. We are lucky because we have a lot of young people on our team and I learn a lot from them as well. I think flexibility alone is not enough. I tend to say: Just do your best and be open. Live and work like this, and nothing wrong can happen.

Private brands have more or less become a necessity for wholesalers – does Debra Net also

have private brands, and how important are they for your bottom line?

Zoltán: This will be our next big project, after the new warehouse is ready. We have already started with our preparations because I think it is very important these days. We already have some small lines, but we are planning to go about it much more seriously in the future.

„WE IMPROVE DAY BY DAY, AND WE HAVE MORE SUCCESSFUL PROJECTS THAT ARE DEVELOPING THE RIGHT WAY.“

ZOLTÁN BÖDY

You are not going to present your products at eroFame this year. What are the reasons for this decision?

Zoltán: Most of our customers are from Central Europe. It is also difficult for them to fly to Hanover, so only few of them tend to do it. Moreover, this year, Venus Berlin is taking place at the same time, so those few people will be divided into two groups.

Preparing for eroFame costs a lot of energy. This year, we are going to put this energy into our projects and business instead because that will be more beneficial to us.

Do you see potential for Debra Net to expand and grow as a wholesaler in the traditional sense, or is the situation in today's market such that growth can only be achieved through a wider range of services, such as dropshipping?

Zoltán: We grab every opportunity for growing and we already started to do dropshipping two years



This is what the new warehouse will look like once it is finished

ago. We are the only one's who can deliver almost anything in 24 hours within three countries: Hungary, Romania, and Slovakia. This is a big advantage these days when speed matters a lot.

So, are you happy with the year so far?

Zoltán: I can say that, yes, I am very happy because we improve day by day, and we have more successful projects that are developing the right way.



Work on the new warehouse will be completed next year

-We started the year with a complete new ERP system, made for Debra Net with the experience of 26 years. That was a huge deal, and we still have to work on it. Till today, more than 15.000 working hours have gone into this project.

- We also launched a new website that meets the expectations of today's trends. Of course, there is also a lot of work to do here.

- We can't forget about the new warehouse project, which I mentioned before.

- I am happy that, in addition to these huge developments, we are also successful in our daily work and we continue to grow, even before finishing those big projects.

- I am happy because Debra Net's success is recognised, not just by FORBES magazine but also by international credit rating companies: We got the best possible AAA rating from BISNODE, which is extremely rare amongst Hungarian companies (only 0.63 % have the same qualification).

- And the last, but not least, I am happy that Erika is not only my lovely wife, but also a great partner. We complement each other and we have learned to work very well together.

I think, next year we will be even happier, when we can see the benefits of the current developments.

