

# Basalte

*Powered by a passion  
for quality products*



Klaas Arnout

*Klaas Arnout of Basalte is becoming very comfortable talking about being a Fast 50 winner. Founded in 2008, the smart home automation company was soon recognised as a Rising Star and is now a high growth achiever. We asked Klaas about his winning formula.*

## **How do you manage to maintain your growth rate?**

**Klaas Arnout:** There is no secret or magic to our success. It all starts with a good product and a business model that works. Our growth is a result of that combination and it's a step by step expansion. In 2008 we were three people in a garage—today we are a team of 22 selling into 57 countries. We're expanding through exports and a growing product line, which is driven by continual innovation.

Our business model is to focus on a very specific market—the high-end residential sector. This sector made it easier to develop a high value, low volume manufacturing operation, with products designed specifically for our target customers. This focus also sets us apart from our competitors, who attempt to bring products from the commercial sector and adapt them for residential settings.

## **Are you seeing an evolution in customer understanding of smart home automation?**

There is more awareness of the technology and the idea of the 'internet of things', but it's still complicated to sell a smart home.

The difference between a single device, such as a smart thermostat or wireless lightbulb, and our product is that we integrate different technologies into one system. Every house is a custom project because each customer has different tastes and ideas. This flexibility means consumers can be confused by the options and it's demanding to sell and install the concept.

## **How easy is it to grow into different markets and countries?**

Our target markets use the KNX standard for home automation and it's harder to break into countries where KNX is not so popular, such as the USA. 80% of our business is in Europe.

The KNX standard means our markets are similar at a technical level, although the way business is done can differ. We are in the process of adopting a consistent approach to promoting our products, an approach that we've discovered works across all our markets.

## **What challenges lie ahead for Basalte?**

The biggest challenge is to remain focused on our identity, staying true to our ideas and values. Our products grew out of dissatisfaction with existing solutions, which were too technical or too plastic. We make solutions that look good and are easy to use, and we've built a loyal base of partners and dealers who love our brand.

Remaining creative is important. Our products come from the heart—not just from one person, but from across the team. The creative process is the fun part of the business and we don't want to lose that.

Growth is not the goal at Basalte. We want to make really good products that we believe in and then share the news. This has taken the company to where it is today. We have a new product line coming out in the next 12 months and that promises to be another exciting step forward!

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