

the business | year

MALLORCA SPECIAL REPORT



ECONOMY | SUSTAINABILITY & DIGITALIZATION | TOURISM & HOSPITALITY | SPORTS | PORTS & MARINAS
CONSTRUCTION & ARCHITECTURE | REAL ESTATE & DESIGN | MOBILITY | MADE IN MALLORCA

INTERVIEW

EXCELLENCE *above all else*

Mariana Muñoz
CEO & FOUNDER,
TERRAZA BALEAR

Passion and excellence, in conjunction with the talent of its team, have proven to be the winning formula that has brought Terraza Balear great success.

BIO

Growing up in Buenos Aires, Mariana Muñoz has always demonstrated a talent for design that would later gain strength throughout a solid professional career developed in various countries. In Italy, she fell in love with the timeless elegance of Italian design, which together with the natural beauty of Mallorca's landscape, become the essence of Terraza Balear. The Mallorcan company, which she founded in 2010, has positioned itself on the international stage as a benchmark in interior design thanks to her vision. From the outset, she has sought out a multidisciplinary team and collaboration with the most prestigious design firms in the industry such as Minotti, Flexform, B&B Italia, Rimadesio, Paola Lenti, and Tribù, among others.

Mallorca has managed to position itself as a benchmark for luxury home design in Europe. How has Terraza Balear been a part of the creation of the "Brand Mallorca" in the field of design?

Terraza Balear main's mission is to give value to properties through design that is perfectly in tune with the island. That is not very difficult for us. First, we live in a great Mediterranean environment with 360 days of sunshine a year and a diverse and unique landscape. The island has limited resources, but there are still properties available, and it is possible to find plots of land on which to build. In addition, 80% of the island has properties that can be torn down, rebuilt, and renovated. What Terraza Balear does is to "dress the product up" to make it appealing for swift sale. We also have two different types of business, namely B2B and B2C. With the former, we have 42 promoters throughout the island whom we work with. As for the second, the client themselves comes to us to renovate their house and transform it into a designer home. Our goal is to cater to a customer profile of high purchasing power. Normally, the profitability margin is 30%. As the years go by, the profitability drops by 25% each year. That means that if you buy a plot and start building on it the next day profitability rises notably, and you manage to sell it almost instantly. Through this, we have become a sales tool for investors through our designs. We want to convince the customer as soon as we open the door to purchase the property. The key word to achieve this is planning. Planning is having all the right products, workmanship, and aesthetics in place.

Terraza Balear innovated years ago with "remote projects," which led the company to design homes in other parts of Europe. How are these projects conceived and implemented?

We have entered the digital world because normally the client does not live on the island, and there are also many developer residents abroad. Four years ago, we created a platform called Project Management Platform, an app that help us optimize time and guarantee the remote operations of our projects, without the need for face-to-face meetings, and with the whole process being handled virtually, from meetings, signing of agreements,

presentations, validation of plans, selection of materials and more. The client is given a password to access the app, and in their account, they find their projects and all the needed information for their development from start to finish. After all, we want to gain the client's confidence. We do many projects in Mallorca as well as at the client's point of origin; we transfer our designs to wherever required. What we do is to take that European air, but at the same time with Mediterranean flourishes and capture it in the design of the house. We also aim to create customer loyalty. For example, we had a client for whom we designed a house in Mallorca, then another in Switzerland, which was a challenge because of the climatic difference, and then also his penthouse in London. Our business today is that of interior design studio with 32 interior architects divided across four teams. These include architecture, technical department, furniture, and art and styling. Thanks to this we can provide integral solutions that make the difference. I strongly believe in the three Ps: people, whereby you need a talented team; processes, where it is not enough to be the best, as you have to be the fastest; and product, where you must have an excellent offering. For example, currently we work with nine of the foremost Italian brands.

How is Terraza Balear working to combine avant-garde interior design with the current trends of digitalization and sustainability in the home?

In terms of sustainability, it is intrinsic to what we do. The products we sell have a long life, and this is what makes them sustainable. Manufacturing is usually European and handmade. In terms of design, we deliver a product with longevity. For this reason, we have to be up to date with the latest trends because otherwise a house can swiftly become obsolete. In addition, today, we cannot conceive of a luxury home that is not intelligent; it must have automation and digitalization incorporated into the design. Additionally, Terraza Balear is collaborating with the recently-established Mallorca Preservation Foundation, whose aim is to put sustainability and environmental protection at the core of the island's long-term growth strategy. ✖