

l'œil

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in depth study of new
consumption trends

by L'Observatoire Cetelem

www.observatoirecetelem.com

While they may not be able to claim to offer a different lifestyle, banks can aspire to make life easier

Ever keen to get closer to their customers – or repair their image – banks are coming up with new customer relationship tools to highlight their understanding and empathy.

Seen in South Africa

South Africa's Absa Bank, a subsidiary of Barclays, has developed systems allowing it to predict when its customers are about to become overdrawn "before it's too late". Based on an analysis of an account's transaction history, the bank's algorithms pinpoint recurring behaviours that are likely to put an account holder in the red. Customers are sent a notification before they eat into their overdraft, encouraging them to make a pre-emptive transfer (e.g., from a savings account) or contact an advisor so as to explore other options, such as taking out a loan. These predictive alerts were trialled on a sample of 50,000 customers who, rather than perceiving them as intrusive, actually welcomed the service.



What to think of it?

Keen to alter their image and **display more empathy**, banks are more mindful than ever of the relationship they forge with their customers. In spite of this, it is not unusual for them to inform customers that they are overdrawn when it is already too late or to take action when an account is running low even if the customer's wages are about to be paid in. Absa Bank is going down a new path **by considering money within the context of each customer's environment and habits**. The aim of this approach is to attempt to understand how customers live their lives and **to use customer data for their ultimate benefit**, making them more aware of their current circumstances and better able to anticipate possible problems, while handing them more control and responsibility. This is a first step towards **making banking a positive part of people's day-to-day lives, by ensuring that it caters for their requirements at all times**. This philosophy could evolve towards the provision of financial advice relating to events affecting their accounts (e.g., suggesting savings options when conditions are favourable), and eventually towards more sophisticated approaches.

Could a retailer's strength be down to its ability to attract customers via the web?

Bolstered by its huge customer traffic, Fnac's website is set to offer sporting and leisure goods, which may come as something as surprise to many.

www.fnac.com/nouveaux-univers-a-la-fnac

Seen on the internet

Having welcomed clothing retailer Uniqlo into its store on Rue de Rennes in Paris, Fnac recently announced that it would be opening its website to sports equipment brands. The products on offer will include high-end high-tech urban products such as electric scooters, electric unicycles and longboards, as well as snowboards, skis, tennis rackets and bicycles, not to mention fitness and weight-training gear. No fewer than 120,000 product references will appear on the site. The only category lacking will be technical clothing. This new offering will appear alongside the smart wristbands, vacuum cleaners and luxury coffee machines already sold at the retailer's stores.



What to think of it?

For some time now, book stores and other sellers of cultural products have been talking about the need to take their products out of the store to maintain their attractiveness. In other words, putting books next to food, leisure equipment or wellness products at a whole variety of events. With its new strategy, Fnac shows us that you can go in the other direction **by incorporating leisure into the world of cultural products**. The question the retailer now faces is how to define its offering. It aims to go beyond its original core business and to redefine it **according to the needs and whims of customers at a given point in their life**. That means ceasing to reason in terms of narrow product categories, but instead focusing on the mental organisation of consumers. What do they want to do in their free time? Read or listen to music, or skate or do yoga? **What is important is not the activity itself, but a person's urges**. The approach taken by the Fnac website also confirms that the true strength of a retailer resides as much in **the traffic it is able to generate in the virtual world**, as in its product offering or the loyalty of its customers. Without this traffic, how could Fnac turn its website into a market place for brands for which it acts purely as an intermediary? Now is the time to start looking at reality as an extension of all that is virtual.

Some brands are opting for total transparency in an attempt to appeal to consumers

A nation's citizens demand transparency. Consumers do too. Being able to give them answers could be an alternative way of achieving market success.

www.peopleunbranded.com / www.everlane.com/about

Seen in Italy and the United States

Presented at the most recent Pitti Uomo, Milan's fashion trade fair, Peopleunbranded is an online brand of clothing manufactured entirely in Italy, whose strategy is based on total price transparency. Displayed alongside every item for sale is the exact cost of every stage in its production, including materials, manufacture and logistics. By the end of the chain, the product's total production cost is multiplied by a factor of 2.3 (to which VAT is then added), compared to a factor of 6 or 7 in the case of other brands. The site also mentions the price at which the item would usually be sold, as well as the names of its suppliers for each category of product. In the United States, the website of sportswear brand Everlane, which is driven by the same desire to reveal its costs and markup, features its "Radical Transparency" manifesto on its homepage.



What to think of it?

Much like food brands that display their organic or fair-trade credentials, textile brands are now being tempted to **become more transparent and offer greater traceability**. Revealing, explaining and showcasing a product's origin is a **potentially valuable marketing strategy** for brands wishing to send out a fresh message and stand out from the competition. The textile sector seems all the more suited to the practice, given that the prices charged often seem to hide something, especially if we consider the massive discounts offered during the sales (it is not unusual to save 70% on certain items). Revealing the origins of their clothes, the name and profile of their suppliers, and the size of their profit margins is primarily a way for brands to **entice customers into their realm**. It shows that they care about the concerns of consumers and are on their side. It also allows manufacturers to **highlight their discernment and the high standards they impose on suppliers, thus underlining the quality of their offering**. It is also a form of education that can only contribute to **boosting their customers' product expertise and knowledge**, making buyers **potential ambassadors for their brand**. In the past, brands fuelled the dreams of consumers with striking images. Will they do the same tomorrow by giving them a glimpse behind the scenes?



Hot on the heels of fast delivery are services that allow you to try on clothes at home

Home delivery services are at peak growth. But to truly make their mark, they must seek to break out of their narrow delivery role.

www.igloo.paris / www.chictypes.com

 *Karine B. / Brand, Communication & Advertising*

Seen on the web

Parisian start-up Igloo allows potential customers to try on clothes from its Paris stores, where they want and when they want, without having to visit a store. Once they have downloaded the application, they need only choose the clothes they wish to try on, before selecting a delivery time and location. A "delivery gentleman" then brings them the items, which they can try on at their leisure. They only pay for the clothes they wish to keep. All items are sold at store prices, including during sales and private sales. A flat rate of €1 is charged for delivery. Around a hundred brands are now available on the website. A similar service is available for men. The website ChicTypes delivers a suitcase to the customer's home, containing clothes previously selected over the phone with the help of a coach. They are then free to send back anything they do not want to keep.

What to think of it?

As the battle rages on between various meal delivery services (Deliveroo, Foodora, Takeeateasy, Allo-Resto... who will win?), the advent of services like Igloo and ChicTypes further confirms the pertinence and attractiveness of marketing models geared towards **standing out from an ever denser and complex choice of offerings, while attracting customers who are more knowledgeable and time-pressed than ever before**. Quicker and less "risky" than online purchases made without first touching or trying on products, but also more convenient and boasting a wider choice than traditional stores, these services make customers feel privileged to be able to access a vast array of brands with very little effort on their part. The rise in the number of such sites reminds us that retailers are now in a race **not only to attract consumers into their stores, but also to enter their homes**. Today, greater accessibility is as strategic an approach as wider product choice and faster delivery. Could the ultimate customer relationship challenge be to allow consumers to try products as conveniently as possible? **The shopping experience is no longer exclusively an in-store experience**. It can now be enjoyed in one's home and at any time of day.

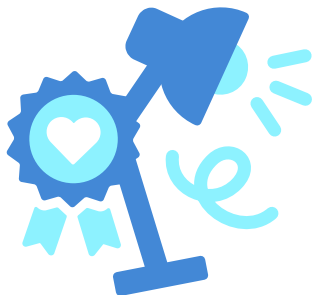
Could retailers act as style showcases?

While retailers are increasingly eager to engage in partnerships, these do not always involve collaborating with a designer.

www.thesocialitefamily.com

Seen on the web

Launched in 2013, The Socialite Family website set itself the goal of showing the public “inspiring” interiors created by modern families. A source of inspiration, a guide to the latest trends and a blog all rolled into one, the site offers a window onto an urban and somewhat privileged lifestyle that many would describe as “boho”. Today, mail order catalogue La Redoute is working with the site to offer its wide audience a selection of furnishings, light fittings and bed linen at affordable prices, inspired by the homes featured on the site.



What to think of it?

Traditionally, when a brand sets up a designer's talent to interpret its product offering through a limited-edition range. The approach taken by La Redoute in working with The Socialite Family is based on an altogether different rationale. That is because, first and foremost, **the website has no ties with designers, nor does it have anything to do with design**, but instead reflects the way people live. In addition, with this partnership, the focus is not on a particular type of product, nor on offering a wide range around a particular theme, but rather on **a very limited number of selected products that serve to convey a certain lifestyle**. By doing so, La Redoute is seeking not only to reach a new type of clientèle, but also to fulfil **its ambition of becoming a style showcase**, so as to break away from its image as a retailer whose credo is value for money. **By tapping into the atmosphere of The Socialite Family website**, La Redoute is illustrating a new form of partnership that is far removed from collaborations with designers that are too direct, laboured and obvious. **Instead it aims to establish a relaxed relationship based on emotion and subtle references**, all geared towards placing the retailer firmly in its era. **It's all about the spirit**, a fresh notion for all brands to explore.

And also...

Are we heading towards the “uberisation” of holidays? According to an OpinionWay survey on behalf of Question(s) Conso by L'Observatoire Cetelem, **16% of the French consumers** who will be going away on holiday this summer will book their **accommodation via peer-to-peer rental sites**.

The 6th wave of the LIMITE-IFOP e-donor survey confirms that the e-donation phenomenon has truly become a part of the French way of life: **more than a quarter of the French population made one or more donations online in January 2016** (26%, including 9% regularly and 17% occasionally). More and more under 35s donate via the web (22%, 6 points more than in January 2014) and, **for the first time, this age group has caught up with e-donors aged 35 to 64**.



Between mid-2014 and mid-2015, **content sharing on Facebook dropped by 5% overall and 21% in the case of “personal” content** (holiday photos, etc.). (Source: The Information / www.theinformation.com)

According to TNS-Sofres, **47% of 16 to 24 year olds would be in favour of receiving advertising tailored to their preferences**. Consumers (the youngest in particular) seem happy to share their data with brands. This allows companies to personalise their advertising. (Survey targeting individuals aged 16 to 65 in 50 countries who use the internet at least once a week.)



Summing Up

Dreamt up by a couple of students from Marseille, Facebook page "Adopte un objet" ("Adopt an object") enables anyone who finds an abandoned item on a pavement to notify the community, in the hope of giving it a new lease of life.

www.facebook.com/adopteunobjet.pageofficielle

 *Fanny L. / Brand, Communication & Advertising*

Californian electric vehicle manufacturer Tesla is offering its customers the chance to recommend new buyers. In exchange, the recommender receives a number of benefits and the new customer gets a \$1,000 discount when they place their order.

Deleasy offers delivery within the hour or at an agreed time to anyone who purchases products from local shops or supermarkets. The start-up already delivers to the 11th, 17th and 18th *arrondissements* of Paris and to Neuilly-sur-Seine.

www.deleasy.com




Radioooo is a website that allows you to listen to last century's musical hits from a wide range of countries. Simply choose a decade, a country and a mood to discover tracks that are sometimes forgotten.

www.radiooooo.com

 *Marjorie C. / PF Consulting*

US hotel chain Marriott is currently trialling "VRoom service" at hotels in London and New York. This gives guests the chance to try Samsung Gear VR virtual reality headsets, allowing them to travel to Chile or Beijing without having to leave their bed.

www.news.marriott.com/2015/09/marriott-hotels-introduces-the-first-ever-in-room-virtual-reality-travel-experience-.html

 *Emmanuelle S. / Digital Marketing*

Recently launched in San Francisco and Los Angeles, Eatsa is a new chain of fully-automated restaurants. Customers place their order using their Ipad, pay contactless or by card, Paypal or ApplePay, then wait in front of a wall of glass lockers for their dish to be prepared and delivered by the kitchen staff working behind the wall, who they cannot see.

www.eatsa.com



Sportswear manufacturer Nike chose New York for the launch of the first sports shoe with automatic laces, the HyperAdapt 1.0, which will be available for purchase at the end of 2016. Sensors at the heel activate the lacing system once the foot is in the shoe. Two buttons located on the side of the shoe allow its tightness to be adjusted.

To collect donations, Médecins Sans Frontières must often meet company managers with extremely busy diaries. The NGO now allows individuals who are scheduled to meet these business leaders to donate their appointment to the charity. A dedicated website allows them to generate a tweet that serves as a pledge.

www.dondereunion.fr/fr

Indian start-up ThinkScream has created a smart dustbin that can provide a free 15-minute internet connection within a 50-metre radius in exchange for litter. Ideal for music festivals...

 *Véronique B. / Brand, Communication & Advertising*




Word of the month



Blockchain: a term that appeared in 2009 with the Bitcoin cryptocurrency, one of the best known applications of this technology. This decentralised database system works like a public registry or a general ledger containing all the transactions performed between **Blockchain** users since its creation. A **Blockchain** allows the data and transactions of a peer-to-peer relationship to be checked transparently and securely.

Employees of BNP Paribas Personal Finance help to uncover the micro-facts reported in L'Œil by L'Observatoire Cetelem.

 *means that the fact or the news in brief was spotted by one of them.*

L'Œil de L'Observatoire Cetelem analyses micro-facts on consumption, revealing the emergence of new manners of spending.

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