

l'œil

by L'Observatoire Cetelem

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in depth study of new
consumption trends

<https://observatoirecetelem.com>

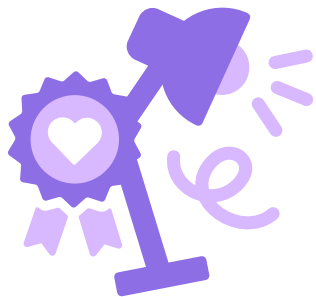
When a shop reinvents itself as a mock apartment...

Retailers are constantly thinking about how to be seen in a new light to avoid boring their regulars... One such idea could be an “alternative space” far removed from the conventions of retail.

<https://merci-merci.com/pages/appartement-tournelle>

Seen in Paris

The world-famous Merci concept store, nestled between République and Bastille in Paris, recently unveiled an apartment in the fifth *arrondissement* of the city, dubbed La Seconde Résidence. The location is geared towards interaction, knowledge transferral and experimentation, and welcomes artists, collaborators, suppliers and loyal customers alike. The apartment will also be used to test out products before they go on the market, but also for photo shoots and to produce social media content.



What to think of it?

While apparently insignificant, this initiative by Merci actually points the way to new opportunities for the retail world. **Why should retailers only express themselves physically through their stores?** Rather than always trying to diversify their offerings or revamp their points of sale, could they not create “alternative locations” that stand apart in terms of their nature and location, to better express their values and their perspective on the world? The venture is all the more apposite given the appetite consumers always have for new experiences... This is the objective Merci is pursuing here with a flat set up some distance away from its original address, allowing the brand to overhaul its image and thus reshape its relationship with customers. Much like the brands that offer their customers the opportunity to visit their production sites (which is always a positive experience), retailers could invite theirs to come and see their products “out in the wild”. Because consumers are not solely interested in the origin of products and the know-how of brands. They also want to know how to use them.

For how much longer will retail remain committed to open access, a principle that it has always espoused?



The appeal of community bubbles continues to grow, not just on social media, but also in the realm of physical retail...

www.sohohouse.com/fr

Seen around the world and now in Paris

France's first Soho House recently opened in Paris's 9th *arrondissement*. Soho House was originally founded in London and now has 30 locations around the world (Los Angeles, Mumbai, Hong Kong, Tel Aviv, New York, etc.), all characterised by the fact that they are accessible exclusively to members of its community. Indeed, their doors are open only to those who have paid the registration fee (€2,800, or €900 for under 27s) and been co-opted by a committee made up of artists, actors, entrepreneurs and designers whose identities are kept secret. The brand specifically targets creative professionals (scriptwriters, artists, actors, etc.) to reinforce the idea that its venues are forums for networking. There are obviously no signs on the front of the building. You just have to be in the know...

What to think of it?

The health crisis and its impact on tourism have left the hotel sector wondering how it can survive. The industry is even going as far as questioning its fundamentals. Thus, we are now seeing establishments opening up to local neighbourhood residents by transforming their lobbies into coworking spaces and their rooms into offices, while others, like Soho House, are restricting access so as to be perceived as private clubs. This may well be the first manifestation of a new kind of exclusive consumption. Here, what matters most is not symbols of prestige or the size of the rooms, but the opportunities to meet others that come from belonging to a community. Indeed, in a hotel like this, who would choose to stay in their room when so many encounters are waiting to happen? Featuring a roof-top, winter garden patio, restaurant, library, cocktail bar, gym, etc. Soho House perfectly illustrates how the status of luxury brands has evolved over time. Initially touted as marks of distinction and later of recognition and self-affirmation, today their purpose appears to be veering towards discreet entryism. This is a new form of elitism. Will we eventually see stores open exclusively to membership card holders, promising them valuable networking opportunities?

Whether we are talking about cooking or retail, the secret of a successful recipe lies in using ingredients in the right proportions

Shopping centres have always dreamed of being living environments. Some even see themselves as community spaces...

<https://le31lille.fr>

Seen in Lille

On Rue de Béthune, the renovation of the 25,000 sq. m. former shopping centre dominated by Galeries Lafayette was recently completed after five years of work. The department store is no longer there and the location has been renamed Le 31, to clearly underline its new identity and conceptual modernity. The building now houses an 8,500 sq. m. coworking space (Woko), a four-star hotel with 120 rooms (Okko), restaurant areas (1,700 sq. m.), as well as sports and leisure facilities (escape game, augmented reality, climbing walls and gym) spread over 5,200 sq. m. Another distinctive feature is the absence of mainstream fashion retailers. Visitors must content themselves with two sportswear retailers: Citadium and the City version of Decathlon, which together only take up 2,400 sq. m.



What to think of it?

By their very name, shopping centres originally conveyed the idea that shopping was "at the centre" of their concerns. As time went by, they became keen to be regarded as living spaces. Today, they increasingly strive to **be seen as communities, in terms of both spirit and usage**, and each retailer's presence is justified by the interactions it can generate with its fellow outlets. **Here, complementarity is a catalyst for footfall.** Those who stay at Le 31's hotel will therefore be attracted by the idea of doing sport or eating there. But they will also appreciate the ability to buy a new pair of sneakers without leaving the complex... Thus, each retailer's customers are potential customers of all the other stores in what could be described as a **living ecosystem**. Ultimately, the aim here is no longer to pack in fashion brands that can be found elsewhere, but to **build a lifestyle concept based on an understanding of the target audience's expectations.** This generates a sense of belonging and is arguably **the best way to create all those fresh experiences** that retailers keep promising.

Very different brands can sometimes belong to the same group. Why not promote the fact?



Retail is reinventing itself in a way that is seriously challenging its usual methods and the habits of its customers... We are now seeing shops draw inspiration from department stores...

Soon in Chambray-lès-Tours

FashionCube, a fashion retailer based in Northern France and owned by the Mulliez family, is set to bring all its brands under one roof as part of a new trial. Jules, Grain de Malice, Bizbee, Pimkie, RougeGorge and Orsay, which have little in common and target the same customers only occasionally, will all share a single 2,000 plus sq. m outlet in Chambray-lès-Tours as of spring 2022. If successful, this new format, which allows costs to split, will be replicated in retail parks on the outskirts of towns. Each retailer will have its own point of sale, which it will be able to adorn with the codes of its own universe.

What to think of it?

Having long been driven by the idea of filling up high streets to saturation point, the fashion industry is now contemplating clustering strategies. One compelling reason for this is the price of real estate. We have already seen examples of two brands combining their strengths (Uniqlo + Comptoir des Cotonniers / Bocage + Texto / Franprix + Hema), but it is unprecedented to see clusters comprising more than two, which FashionCube is now envisaging. **Neither a department store nor a concept store**, this project heralds the emergence of a new retail format that could be described as a group outlet or a multi-store, **where brands publicly acknowledge the fact that they belong to the same company**, even if they do not inhabit the same market segment or share the same customers. This approach allows the company in question to highlight its commitments more strongly (something that consumers now expect) and offer **new shopping experiences**. This is a place where **different generations and target audiences will be able to rub shoulders** and make purchases based on complementarity rather than exclusivity. Could this be a retail model for the future?



Word of the month

Hallyu: A term that translates literally as “Korean wave”.

As a consequence of the success of the film “Parasite”, the series “Squid Game” and various pop groups such as BTS and Blackpink, Korean culture has never been so popular. To make up for its lack of hard power, South Korea has been following a soft-power strategy over the last twenty years, which capitalises on its cultural sector and the influence of the latter on fashion (K-fashion), cosmetics (K-beauty) and cuisine (K-food). This is another way for a country to make its mark on the international scene.



Catching the eye

For pet owners, healthcare is the third biggest expense item after food and hygiene, representing a significant proportion of their budget: **an average of €148 per year**, according to the latest Observatoire Cetelem zOOM survey. Faced with these potentially high costs, **almost 1 in 2 owners would be prepared to take out pet insurance**, an option that appears to be especially appealing to 18-24 year olds (73%).

More than 1 in 2 French consumers (58%) believe that the rise in fuel, energy and food prices will have a major impact on their Christmas spending. Among the savings they will be looking to make, **a third of French consumers plan to buy fewer presents than last year**, while almost half (45%) say they will not be purchasing a Christmas tree.

(OpinionWay survey on behalf of Proximis: The French and their Christmas Presents – November 2021.)



A glance in the rear-view mirror

In November 2010, L'Œil spotted an original initiative involving non-commercial transactions between customers of a brand...

Non-commercial transactions

The facts

Since the end of the summer holidays, Intermarché has enabled families to swap items via its Facebook page, “*Tous unis contre la vie chère*”, which has around 40,000 fans. Christened “Family troc”, the service covers three product categories (entertainment, clothing and furniture) and offers users three options: searching for items by category, directly contacting individuals who wish to swap items via their Facebook mailbox and creating their own advertisement by completing a product information form and uploading an image of the item they wish to swap.

The analysis

The service developed by Intermarché is a sign that retailers are keener than ever to get closer to their customers, as well as signalling their awareness of the need to move beyond a strictly commercial rationale. Here, the relational side of things takes precedent over transactional concerns. Not only because the battlefield of price is extremely contested and well-trodden, but also because an increasing number of consumers are more interested in the circulation of goods than in their accumulation. While Family Troc allows Intermarché to respond to the public’s desire to see a departure from the consumption habits of the last 50 years, it is also an opportunity for the retailer to boost its notoriety among young consumers who are always on the web and are used to “market places” and “buy-and-sell forums”.

Summing Up

As of 26 November, British natural cosmetics brand Lush no longer has a presence on Facebook, Instagram, Snapchat or TikTok. The idea behind this move is to alert its teenage customers to the effects of social media on their mental health.

After Milan, Bali, London, Beijing, Dubai and Shanghai, in early December Paris became the latest city to host a Bulgari Hotel, opened by the jewellery company of the same. Located on Avenue George V., the establishment offers 76 rooms, three-quarters of which are suites.
www.bulgarihotels.com/fr_FR/

Tesla recently filed a patent for laser technology that could replace traditional windscreen wipers. Depending on the quantity of dirt and the part of the windscreen affected, a laser beam is automatically directed towards the offending particles, which are then burned away.



Nona Source, the online resale platform for deadstock fabric produced by the LVMH group's luxury labels, organised a clearance sale for students on 9-11 December at the sustainable fashion incubator La Caserne, in the 10th *arrondissement* of Paris. All fabrics were sold at a 90% discount (based on the original price of the materials).

Netflix will soon be selling merchandise derived from several of its series via Walmart, which will be launching a special platform for the purpose. Netflix is also planning to open a store in Japan next year.

In Paris's Forum des Halles, a clothing collection counter encourages visitors to drop off fashion items they no longer wear in exchange for vouchers that can be spent in the shopping centre's various stores.
www.monsieurvintage.com/fashion/2021/10/the-second-life-sinstitute-au-forum-des-halles-49847



French cooperative Le Relais, part of the Emmaüs group, recently launched its first collection of upcycled clothing, dubbed "R/", which is produced in partnership with the sustainable fashion brand Andrea Crews.

FoodCub is the first gastronomic incubator to be set up in Marseille, in the Docks Village. Seven culinary startups offer their dishes at the site. Aubagne-based home furnishings retailer Alinea fitted out the venue.
www.lesdocks-marseille.com

In the UK, Tesco, the country's largest retailer, has teamed up with Gorillas to offer 10-minute deliveries. The project, which started out at the chain's Thornton Heath store in South London, will be rolled out by setting up small shared warehouses in the Tesco supermarkets from which deliveries will be made.



South Korean carmaker Hyundai has used airbags, windscreens and other materials from vehicles that have reached the end of their useful life to create a clothing collection for men and women. This is now available via the L'Eclaireur and Boon the Shop online stores.

Famous London department store Harrods has opened a pop-up boutique dubbed "Emerging Designers: China", showcasing new talent from the Chinese fashion industry.

Tripez is the first peer-to-peer rental platform for sports equipment. Tripez is also aimed at those who want to practice a sport far from home, but without having to transport all their gear.
<https://tripez.fr>



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

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