

l'œil

n° 237
January 2017

in depth study of new
consumption trends

de L'Observatoire Cetelem

www.observatoirecetelem.com

Sharing your car doesn't always mean having to sign up to a ride-sharing website

Fully aware of the deteriorating image of cars in urban areas, manufacturers are coming up with ever more imaginative propositions to improve mobility... Is this greenwashing or a whole new marketing model?

www.nissan.fr/vehicules/neufs/micra/get-and-go.html

Seen in Paris

Nissan recently launched a service in Paris that lets customers form co-leasing groups (three to five people), allowing them to share a new vehicle. To do so, they simply need to visit a dedicated website, where they must enter their address and the way in which they intend to use the car. An algorithm then defines groups of drivers with complementary needs, who will then be able to lease a brand-new Nissan Micra for one year. A monthly fee covers all expenses, including insurance and maintenance, with each driver's contribution calculated according to the frequency with which they use the vehicle. On a day-to-day basis, an app allows the car to be shared fairly among the individuals leasing it. The first cars shared using this co-leasing system, dubbed Nissan Intelligent Get&Go, are set to hit the roads in April.

What to think of it?

At a time when car makers across the world are thinking as much about their future relationship with customers as they are about the design of their vehicles, Nissan's original leasing system appears particularly relevant. This is neither a car shared by an indefinite number of people, in the Autolib' mould, nor a vehicle leased to a private individual who might not need it all the time. Instead, Nissan reminds us that **innovating often means creating a solution that is half-way between two existing ideas**. Catering for all those who are more interested in mobility than in the joy of ownership, Nissan's initiative is not content with simply providing cars to share. Instead, **it will prompt the development of a micro-community** built according to the geographical proximity and lifestyle of its members. Now that it is **organising relations between its customers**, the brand stands a greater chance of cropping up in their conversations and maintaining their attention – yet another way of generating publicity. Could **turning products into "meeting places" and their consumers into "media" channels** that promote their values become every brand's next marketing challenge?

Retail as a destination

Independent stores, each with their own unique touch, are springing up everywhere in major cities. A sign that new expectations are emerging and that the rules of the game need reinventing.

<https://seizeparis.com> / www.chezsimone.fr

Seen in Paris

Two slightly offbeat outlets recently opened in Paris. The first is Seize Paris in the 11th *arrondissement* of the capital. In addition to being a concept store devoted to contemporary design, it offers classes almost every evening (flower arranging, green cosmetics, crochet, weaving, embroidery, etc.) as well as a coworking space where desks can be hired by the hour, by the week or by the month. The second is Chez Simone, which has been set up in a large apartment on Rue de Rivoli (don't forget the door code if you want to get in!). It offers a selection of designer sports clothing, exercise classes (yoga, boxing, Pilates, etc.) and meals (lunch, breakfast and brunch) in a homely setting, with a couch, a coffee table and magazines to peruse. In the apartment, everything is paid for in "Simones", a unit of currency worth €5, with services being priced at an average of around 4 "Simones".

What to think of it?

Even though retail is facing tough times on the whole, it is impossible to ignore the fact that it is also the source of unprecedented experimentation. **This points to a certain degree of vitality, but also a willingness to cater for the desire for retail's rules to be rewritten**, as expressed by a new generation of consumers. Here we have a store that introduces customers to products that are slightly "different", while also providing learning experiences, not to mention the fact that it is based in an apartment with no outward signs of what lies within and which offers activities linked only by their focus on wellness and a common currency. Although they might be considered anecdotal, these initiatives could well provide inspiration for "major retailers" **whose offerings are losing their desirability as a result of excessive repetition and standardisation**. First and foremost, they highlight the importance of **creating an element of surprise and sparking curiosity in order to survive in a highly competitive environment, by breaking away from current practices and offerings**. Both have shown a capacity to **create and nurture the community spirit that forms around shared values and experiences**, something that is particularly sought after and appreciated by those for whom social media is a virtual society. Like being at home, while still offering a real break from the routine and giving visitors the feeling that they are among friends. Each in their own way, both could be said to illustrate one of the key challenges facing retailers in the future: becoming places in which we like to spend time and to which we want to return. **"Creating a space offering quality time"** is undoubtedly the best way of turning a shop into a destination.



Will being associated with a particular lifestyle become the new holy grail for brands?

Can a brand still survive in its market without being associated with a lifestyle? Perhaps not. Lifestyle could well become the fifth component of the marketing mix.

Seen in Paris, but not only

Luxury food brand Fauchon, which recently reopened its stores on Place de la Madeleine, took advantage of this “event” to announce the launch of a five-star hotel in early 2018. The establishment will boast 54 rooms, including 22 suites, and will be located a stone’s throw from the brand’s famous store. Its ground floor will feature a restaurant, Café Fauchon. Fauchon plans to open 20 such hotels before 2030. We have already seen Baccarat, Armani, Jaguar and Camper hotels, so why not? In a completely sphere, some of today’s most successful musical artists (headed by Kanye West and Justin Bieber) are increasingly choosing to open temporary pop-up stores in locations unconnected to record shops or concert venues, for the purpose of launching a new album or to coincide with the start of a tour. Caps, T-shirts, goodies and all sorts of accessories featuring the pop stars’ colours can be purchased, to the delight of fans who now have more than the love of the music to stimulate their passion.



What to think of it?

Whether we are talking about brands (from all horizons and in ever greater number) keen to break out of their traditional sector by opening hotels carrying their name, or celebrities interested in the idea of stepping outside their musical world to market a line of clothing, the goal they are pursuing is the same: **to be associated with a lifestyle**. It appears that the traditional marketing mix (Product, Price, Place, Promotion) is no longer enough to differentiate brands, and that it is now necessary to inject **an emotional component** in order to attract an audience, reach a new target market or stand out from the competition. As though sticking to their traditional segment no longer suffices for them to be successful in their market. The reasons behind this shift are manifold. **The need for brands to raise their profile and boost their reputation by generating a buzz** on social media has profoundly changed the way in which they communicate. The second reason is the way in which consumers approach the buying process today, **i.e., as a cultural pursuit and an opportunity to express themselves**. Another is their **hunger for new experiences and thrills**, which pushes them to extend their relationship with their idols and their favourite brands into totally different spheres. When associated with a lifestyle, brands **seem more up to date, closer to their audience and more agile**, allowing them to address multiple markets.

A new generation of coworking spaces with a VIP flavour

Coworking spaces are increasingly common and can therefore struggle to stand apart and attract users. Could segmentation be a way of creating competitive differences?

www.springplace.com

Seen in New York

New York recently saw the inauguration of a coworking space that is a little bit different, because those wishing to access the facility must pay an annual fee of €1,800. Spring Place in the Manhattan district features floor space of 11,000 square metres and offers members an open space with soundproof booths for phone calls, meeting rooms offering Fiji water (!), photo studios, a creative agency, areas for catwalk shows and evening events, a concierge service and a restaurant. The décor is particularly well chosen, with vintage furniture and raw concrete walls. There are plans to open additional premises across the world, including one in Paris in 2017.



What to think of it?

Having first appeared around five years ago, coworking spaces are popping up all over major cities (they are also on offer in numerous hotels), to such a point that it is now difficult to tell them apart. Price and location can no longer be the only criteria for potential users. And the desire to work somewhere other than at home can no longer be the only motivating factor. Hence the appearance of new concepts such as Spring Place, where **coworkers share a state of mind as much as they share a space**. Although coworking spaces have always played on the idea of networking potential and complementarity between its members, in this case **the feeling of belonging to the same aesthetic community** is the overriding selling point. It is this feeling that enables Spring Place to express its competitive difference, to attract new populations and to pique the interest of all the brands that might want to reach its users, by enabling them to have a presence in this select environment. Could it be that this new generation of “third-party premises” is ultimately **causing people to alter their relationship with work and the way in which they do business?** Business founded not only on the complementarity of functions and individuals, but also on an aesthetic view of the world. The purpose of work was originally to earn a living, it then became about fulfilment, **and now work is emerging as a way of sharing an aesthetic**. It could almost be termed a “work aesthetic”.

The LOL culture as a marketing strategy. And no, it's not a joke...

Should companies inject a little humour (or a lot) into their offering?
What better way to attract attention and appeal to consumers who are often jaded and increasingly attracted to offbeat advertising?

Seen on store shelves

Le Slip Français, Bagelstein and Big Fernand would be loathe to disagree. This is a phenomenon that can now be observed on the shelves of even the most serious retailers. In the beginning, there was only Carambar, candy bars with jokes printed inside the wrappers. Nothing unusual for a brand whose target market was the school playground. Then came Michel et Augustin, inspired by their US counterparts Ben & Jerry, with their little catchphrases, their fun illustrations and their jokey tone. The LOL culture went mainstream when Monoprix decided to redesign its product packaging. It said goodbye to pretty pictures aimed at enticing buyers and hello to humour and clever wordplay. In came beans "that are never half-baked" and butter "tried and tested by Little Red Riding Hood". And when it comes to hygiene products, it is not unusual to come across names full of strange promise such as those dreamt up by Laboratoires Garancia, which include "La Perle du Marabout" ("Marabout's Pearl"), "Philtre Légendaire & Centenaire Retrouvé" ("Rediscovered Mythical Ancient Potion") and "Abracadabaume Perfect Illusion" ("Perfect Illusion Abracadabalm").



What to think of it?

On the one hand, products (even the most basic, such as bread, tea or coffee) are becoming more refined and sophisticated, with manufacturers now keener than ever to highlight their origin and the know-how that goes into them, while using increasingly luxurious packaging. On the other, many brands are focusing on creating a bond with buyers, with in-jokes and silly humour, in an attempt to appear different and reach out to a younger audience. **Markets are becoming more polarized not only in terms of price, but also with regard to the tone of their messages.** However, the two approaches are not as contradictory as they may seem, because what brands are seeking to achieve in both cases is to develop more of a soul and catch the eye of consumers. **Simply offering products is no longer enough. Brands also need to be able to forge emotional ties and a sense of complicity with their customers.** Coming across as fun and cool can help them achieve this goal. Because trying to appear serious and "responsible" is not always credible. Because it is more and more difficult for them to mark themselves out from the competition and to continuously refresh their traditional selling points. And because they need to appeal to a new generation of consumers who are not always entirely rational and who love to **mix it up when it comes to their codes, identities and values.** A generation that no longer expects brands to win them over with a big song and dance. **Why should brands always have to be so serious?**

Et aussi...

According to an OpinionWay survey for e-commerce platform Trusted Shops, the French are influenced by social media when it comes to seeking inspiration for a purchase. 60% of French consumers have at least one social media account and 20% use these channels to buy, sell and exchange products and services. This figure climbs to **37% for 25-34 year olds.** (Survey conducted at the end of October on a sample of 1,011 people.)

According to a survey by Quantcast, while 56% of customers begin their search for a new product by looking at brands they already own and 49% by considering brands they are familiar with, **60% ultimately choose a different brand.** The survey conducted in the United States and the United Kingdom, as well as in Australia, France, Germany and Italy, reveals that consumers have good knowledge of 9 or 10 brands, on average.



According to a survey by MetaPack, which manages e-commerce delivery services in the United States, France, Germany, Spain, the UK, the Netherlands and Italy (conducted on a sample of 3,589 consumers aged 18 to 65), **61% of web users choose an e-commerce site based on the delivery options available** and 45% stop short of confirming an order if they are not satisfied with the options on offer. Almost half the panel declared that they have pulled out of an order because the return policy seemed too complicated, while 28% said they were satisfied with the options available in the event that they wished to return a product.



Summing up

HiMirror, the connected mirror, gives beauty advice by photographing a person's face with its integrated camera. It analyses the complexion to detect wrinkles, brown spots, bags under the eyes and other imperfections, before offering advice to treat them. Only available on the US market at a price of \$189.

www.himirror.com/us_en/product/himirror

 *Emmanuelle S. / Marketing Digital*

Since the beginning of December, Société Générale has offered desks for hire at its branches in Southwest France, via a special app. You don't need to be a customer of the bank. The price is €3 per hour for a place in a meeting room and €15 for an entire office. All profits go to the charity Apprentis d'Auteuil de Bordeaux.

 *Patricia B. / L'Observatoire Cetelem*

Australian footwear brand UGG has come up with an original loyalty programme: customers receive points not only when they make a purchase or sign up for the programme, but also every time the brand's products are added to their wishlist and when the latter is shared via social media.



Start-up Tröv recently signed a partnership with AXA in the UK to offer an application allowing policyholders to photograph and inventurise the items they wish to insure. Sliding a finger over one of the items in the inventory gives instant access to a personalised quote.

 *Guillaume R. / Echangeur*

British insurance company Direct Line is currently trialling a "torch drone", which accompanies and protects those returning home late at night, on foot or by car, by offering them light and security.

 *Marshal S. / Brand, Communication & Advertising*

JeLoueUneBoutique.com is the first French website specialising in the rental of pop-up stores in city centres. The site is aimed at those looking for somewhere to sell/exhibit/present their product(s)/service(s) for a period ranging from one week to several months.

www.jeloueuneboutique.com

 *Isabelle R. / Retail France*



In San Francisco, Volvo is trialling an original concierge service integrated into its Volvo On Call application. Filling up with fuel, washing one's car or taking it for a service can (upon request) be taken care of by an external provider, thanks to a single-use digital key that can only be used at a specific location and within a given timeframe. Once the service has been completed, the vehicle is returned to its initial location or delivered to another address.

 *Véronique B. / Brand, Communication & Advertising*

The Cité Lib cooperative has launched a service christened "Ma Chère Auto", which allows private individuals to exchange their car for access to car-sharing services. Consumers can choose to sell their vehicle to Cité Lib in exchange for an electric bicycle, a stake in the cooperative, a consumer loan equal to the car's additional value, as well as 50% off a year's subscription to the Cité Lib service. If they do not wish to sell their car, they can choose to rent it out for car sharing. Cité Lib takes care of the vehicle's insurance, maintenance and roadworthiness tests.

www.machereauto.com

 *Emmanuelle S. / Digital Marketing*



Word of the month



Shrinkflation: a practice whereby a manufacturer charges the same price for a packaged product whose weight has been reduced. In France, slabs of chocolate no longer always weigh 100 grammes and, in the UK, the space between the triangles of Toblerone bars was recently increased.

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.

Editorial Director: Marianne Huvé-Allard
Communication: Patricia Bosc – patricia.bosc@bnpparibas-pf.com
Designer and Writer: Patrice Duchemin
Design: Lords of Design™ / Drawings: Fred Chance™