

l'œil

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in depth study of new
consumption trends

by L'Observatoire Cetelem

www.observatoirecetelem.com

Consuming is not always synonymous with spending

Consumers have not given up on consumption. They simply want it not to be synonymous with abstention, nor to feel like a strictly selfish act.

<http://ucar2share.com>

Seen on the web

As of 15 March, Ucar2Share will enable prospective car buyers to finance their new vehicle by renting it out for a few days each month. In concrete terms, they will simply be required to share the vehicle via the Ucar2Share platform so, as to earn an income each day, their vehicle is made available to others. All of this will be managed by the nearest Ucar branch, which will take care of cleaning, insurance, breakdown recovery and repairs. The motorist will be able to modify the car's availability using the Ucar2Share app. This is a clever way for the brand to anticipate the growth of car sharing and reach out to those who will be affected by upcoming bans on diesel vehicles, which will force them to start thinking about buying a new car. Around ten Ucar branches have already trialled the system, with considerable success.



What to think of it?

Much more than just a marketing gimmick designed to create a media buzz, Ucar's offering points towards how people will consume in the future. **Consumption is reinventing itself by crossing boundaries and flirting with paradoxes:** making money as you spend, by renting to others so as to be able to buy more often and buy something better, both for yourself and your community. Other sectors, such as textiles and housing, have already looked into this approach, which **caters for consumers' hunger for surprises** and gives them the feeling that they are part of a movement of people who are **reinventing their habits**, without necessarily giving up on their desires. In this case, private individuals buy a new car and make it available to others for a few days a month, thus providing the owner with financial benefits, of course, but also a **warm glow of altruism** stemming from the knowledge that their purchase wasn't a purely self-serving act. **The success of future consumption models will depend on their ability to reinvent consumption without diminishing it or associating it with feelings of guilt.** Instead, it will be an individual act that also serves others.

Drops: a new way for brands to raise their appeal

To enhance their desirability and get people talking about them, some luxury brands have devised a new technique: shrinking their range.

www.supremecommunity.com/season/fall-winter2018/droplists

<https://store.moncler.com/fr-fr/genius>

Seen in the fashion world

Inspired by the methods employed by Supreme (a US skatewear brand launched in 1994, whose popularity among millennials is sky high, thanks partly to its hotly-anticipated limited delivery every Thursday), more and more luxury brands are being tempted to try the "drop" technique, i.e., selling products in very limited numbers, thus ramping up their desirability and ensuring a high resale value. For instance, Burberry offers exclusive items that are available for just 24 hours. Vuitton and Céline make a portion of their collections available before their official launch. Meanwhile, Moncler has developed Moncler Genius, which each month releases a sequence of new items by a specially invited designer.



What to think of it?

In a consumer society that has always been founded on abundance, access to a vast offering and a strict calendar of sales and promotional campaigns, the emergence and success of the drop system is quite surprising, but it is also indicative of a paradigm shift. Primarily, the drop model is the result of **a degree of market saturation that is reducing the clarity and desirability of brand offerings.** This fresh approach allows brands to rekindle the desire of consumers through product rarity, by giving those who buy an item from a drop the feeling that they are "in the know". Drops also enable brands to disrupt the traditional calendar and people's habits by providing consumers with the little shot of adrenalin they yearn for, **thus making their purchases feel more special and giving them a reason to mention them on social media.** In addition, drops allow brands to gain a better understanding of their customers' tastes and expectations. Why should companies immediately manufacture large quantities of a particular item, taking certain risks in the process, when releasing small batches of products in advance can enable them to gauge public reaction and make alterations if necessary? The final great strength of the drop concept is its ability to **attract millennials into real-world stores**, which they may one day forget about altogether. This is by no means the least of its virtues.

When all marketing storytelling begins to look the same, could it be time to embrace “story-making”?

Luxury brands appeal to buyers through the stories they tell. So why not invite customers to become a part of these stories?

Seen in Geneva

At the recent watchmaking show in Geneva, not only did watch manufacturers present their new products, many also offered customers the chance to enjoy new experiences. Richard Mille invited buyers to help with the harvest in a vineyard in the Var, in the south of France, while Panerai offered them a dip in the Pacific Ocean, in Moorea in French Polynesia, alongside World Champion freediver Guillaume Néry, or alternatively to undergo two days of Italian Navy officer training on the Mediterranean coast. Meanwhile, manufacturer Roger Dubuis (6,000 watches and €60 million in turnover a year) offered customers a ride in a Lamborghini.



What to think of it?

Although they currently tend to be initiated by the most high-end luxury brands, such rare experiences could one day be offered by more mainstream players, given how well they illustrate what consumers now expect from brands. **And the focus is not only on products and services, but also on unique moments that will produce powerful memories.** Moments experienced in points of sale that increasingly seek to generate emotional appeal (by featuring works of art, providing virtual-reality headsets, taking an olfactory approach, etc.) do not always suffice nowadays. Today, brands must also **dream up unique and shared experiences that engage customers, providing the latter with personal memories that will help deepen the customer relationship and prompt individuals to share these experiences on social media.** After a storytelling era during which narratives have gradually started to sound the same, given that they all tend to focus on rarity, know-how and excellence, we now have the advent of **story-making, where the customer defines their own image of a brand by taking part in an event.** This kind of inclusive approach could not be more in the spirit of the times.

Classified ads: the building blocks of a new community

To give buyers the feeling that they are part of a community, some retailers create loyalty programmes that are ultimately designed to collect data. Others set up classified ads...

<https://les-petites-annonces.ameliepichard.com>

Seen on Rue de Lappe in Paris

Amélie Pichard, who created an eponymous bag and shoe brand, has launched “Les petites annonces d’Amélie Pichard”, a classified ad site that allows her customers to sell unwanted products from the brand and gives people access to the items they dream of at a more affordable price. To reward the site’s users, the brand offers anyone who sells a bag or an accessory via the platform a €50 voucher that they can use next time they make a purchase in the store. Customers who are looking for a specific product can also post an ad. In the future, Amélie Pichard will also be offering vintage and collector items from her brand’s archives.



What to think of it?

At a time when all retailers are driven by the idea of turning their customers into members of a community, while contemplating whether they should still be adhering to traditional sale periods, Amélie Pichard’s tiny bag and shoe brand has come up with its own answer **in the form of classified ads that serve as a forum for customers to meet.** The result is that they feel **a sense of belonging to the brand’s community**, while experiencing the same **excitement that originally made sales so successful**, because they know they can access items from previous collections at a lower price, without being sure of what they will find. **Could vintage items replace traditional sales, by taking advantage of their perceived rarity?** By offering its customers vouchers to encourage them to post ads for bags and shoes they no longer wear, the retailer is building up its image as a responsible economic actor that facilitates the **circulation of its products.** This is an idea that meets one of the key expectations of consumers today. Nowadays, product lifecycles need to tend towards a model that sees them designed, manufactured, desired, worn, worn out, repaired, worn again and then exchanged.



Word of the month

Parennials: a contraction of parents and millennials, the word **Parennials** was first used in the New York Times to describe young people born between 1980 and 1990 who become parents after growing up with new technologies. From births live-streamed via social media, to breastfeeding tutorials and apps that help parents find a babysitter or a paediatrician, these members of the collaborative economy are redefining parenting codes.



Catching the eye

Does consuming responsibly boost spending power? According to the second zOOM survey by L'Observatoire Cetelem, the French are divided on the issue: **52% believe that it saves them money compared with traditional consumption** – 58% in the case of over 65s – while 48% think it is more expensive, a figure that rises to 54% among under 35s. (Harris Interactive survey conducted on 5-7 February 2019 on a sample of 1,000 people.)

Despite some observers suggesting that the “yellow vest” movement would lead consumers to switch from physical stores to online shops, according to the French e-commerce federation (FEVAD) **online sales growth fell from 16% in October and 14% in November, to just 8% in December**. Indeed, the current social climate may have resulted in a €600 million loss of revenue for online sellers in France at the end of 2018.



A glance in the rear-view mirror

An initiative uncovered by L'Œil in June 2008 remains highly relevant today.
A civic initiative

The facts

The Vraiment Durable association has created a multi-store loyalty card that places the emphasis on responsible offerings. It will be trialled in early 2009 before being deployed in the Ile-de-France region. The card will allow consumers to accumulate points by buying responsible products and services from a wide range of sectors, including fast-moving consumer goods, energy, water and transport. These points will grant them discounts on the products they buy, but also on bike-sharing services and metro tickets.

The analysis

Both original and in tune with people's preoccupations today, the loyalty card devised by the Vraiment Durable association goes further than traditional multi-store loyalty programmes. First and foremost, this is because it has been designed not only for major retailers, but also for small-scale producers whose notoriety it boosts by allowing them to join a powerful partner network. Another reason is that the card is geared towards expanding the community of responsible consumers and facilitating access to responsible products, in addition to encouraging new socially-responsible attitudes and favouring the emergence of an alternative consumption model. Could this be an effective way of raising people's awareness of the environmental and social impact of their daily habits?

Summing Up

Storr is an app that allows users to open an online store free of charge using their smartphone. Once they have given it a name, they just need to choose a selection of products from among those offered by the app's partner brands, before communicating this list to their community to receive a commission on each purchase.

www.storr.co

 *Patricia B. / L'Observatoire Cetelem*

At this year's Consumer Electronics Show, Neutrogena presented its Neutrogena MaskID app, which allows users to receive 3D-printed skincare masks produced from a selfie of their face. 3D printing allows active ingredients to be positioned where they will be most effective on the mask.

www.3dprintingmedia.network/johnson-johnson-introduces-3d-printed-neutrogena-maskid-hydrogel-face-mask

At Zara's new flagship store on Boulevard Haussmann in Paris, the automatic order collection point is located at basement level, which means that customers have to go all the way through the shop to pick up the items they ordered.



In Talange, in France's Lorraine region, the local post office films road conditions using cameras fitted to the vehicles of mail delivery workers. The town paid €4,800 for this new service, which covers 27 km of roads and 54 km of pavements.

www.francebleu.fr/infos/economie-social/talange-une-camera-sur-la-voiture-du-facteur-pour-scruter-l-etat-des-routes-1549474090

 *Nicolas R. / L'Echangeur*

In New York, Nike recently presented its latest connected shoes designed for sport (basketball), rather than as a fashion accessory. They tighten automatically, without the need for laces, so as to improve performance.


www.youtube.com/watch?time_continue=3&v=uZJ2bq12JSI



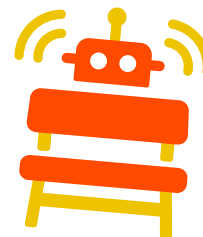
The campus of the University of Rennes 2 is home to a free grocery store that hands out fresh products to students, not only to help those on low incomes, but also to reduce food waste. The initiative was launched with the backing of Leclerc.

 *Isabelle R. / Retail France*

Increasingly concerned with the management of waste, Tokyo City Hall recently decided to set up an ephemeral bar in a waste treatment plant. At the Gomi Pit ("gomi" being Japanese for rubbish), visitors can watch the recycling process through a window.

 *Fanny L. / Brand, Communication & Advertising*

In the United States, Walmart has joined forces with the Esports Arena chain (which specialises in online games) to open gaming areas in its own stores for the purpose of holding online tournaments. Of course, all the hardware on display is available to buy in the store.




Amazon recently began testing Scout, a six-wheeled delivery drone, in the north of Seattle. This fully-electric robot can cross cities using pavements, avoiding street furniture, passers-by and domestic pets on the way to its destination. One more way of meeting the challenge of the last mile, which is the most costly in the delivery process.

www.youtube.com/watch?v=peaKnkNX4vc

Decathlon recently launched a 5,000 square metre store in Singapore, the "Decathlon Singapore Lab", which is open 24/7 and is accessible to members only. It features areas in which customers can play different sports and try out items from the store. Payments are digital only and home delivery is guaranteed in two hours. This is a great example of sport embracing new technologies.



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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