

l'œil

by L'Observatoire Cetelem

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in depth study of new
consumption trends

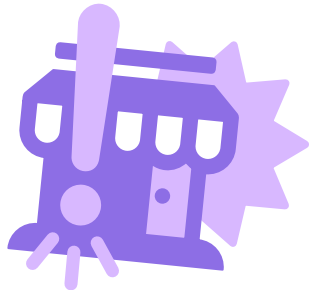
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Like museums, retailers sometimes set up shop outside their own walls...

More and more brands are now being tempted to develop outside their walls. This is one more way for them to surprise their clientele...

Seen in the press

In what may or may not be a coincidence, reports in the trade press informed us in quick succession that H&M was preparing to trial the sale of non-H&M brands and products in its stores, that for the first time in September Fnac had set up a 100-square-metre Nature & Découvertes "shop-in-shop" in its La Rochelle store (the Fnac Darty group acquired the brand last July) with a range revolving around nature, wellness, interior design and games, and that Franprix stores (Casino group) are preparing to host "shop-in-shops" by Hema, the Dutch cut-price retailer, which will offer more than 250 everyday items (kitchenware, interior design, stationery, textiles, etc.). Fifteen stores in the Paris region are currently running trials, with the initiative set to be extended to the rest of the country at the end of the year.



What to think of it?

While "shop-in-shops" are quite common in department stores, they are now popping up elsewhere, without being linked to any occasion in particular. The objective of stores that welcome other retailers into their premises is not to meet customer expectations more effectively, but chiefly **to surprise their clientele and demonstrate that they are constantly seeking to re-examine their added value.** By doing so they may prompt customers to view them differently, while showing their vitality other than through the uniqueness of their offering. This "beyond-the-walls" marketing approach also confirms the willingness of guest retailers to **take advantage of the footfall of those that invite them into their premises to reach new populations or polish their image** (small everyday items at Franprix, a dose of nature and wellness at Darty, and new horizons at H&M). Thus, their strategy imitates that of online stores and spreads **the concept of retailers going to their customers, rather than the other way around.** They are also drawing inspiration from brands that sign creative partnerships in the hope of reaching as wide an audience as possible. In the retail sector, as in politics, it has become essential **to eliminate current borders so as to invent a brave new world.**



What if stores became clubs for cardholders only?

Driven by the idea of giving its customers access to great deals, a company in Aveyron has gone down the path of simple and shrewd innovation to create a model that could well inspire others.

<https://auroremarket.fr>

Seen in Aveyron

Inspired by lafourche.fr, Aurore Market is an Aveyron-based website that offers non-perishable organic products (food, cleaning products and beauty) at prices that are 25 to 50% lower than the competition (as verified by the Big Data Solution tool), thanks to an original operating strategy. Aurore Market has neither points of sale nor intermediaries, offers only a small number of products (3,000), is run from a 1,000-square-metre warehouse and office complex located in Espalion in the Aveyron (where rents are very affordable), and advertises by word of mouth. But what really marks it out is the obligation to hold a membership card to access its range (60 euros/year). In addition, a card is granted free of charge to large or low-income families each time a customer pays for membership, demonstrating the firm's commitment to social causes. Today, Aurore Market employs 25 people and has around 6,000 member customers. Fresh products look set to be on offer shortly.

What to think of it?

Although there have always been traders who are eager to lower prices for their customers thanks to short supply chains, what makes Aurore Market truly original lies in **its membership card, which could well point to the emergence of a new form of retail.** Both Costco and kids' clothing brand Orchestra already offer a card that grants access to their discounts. When up against the fickleness of customers and a sometimes waning desire to consume, **issuing customers with a card can be an incentive for them to make purchases,** especially when it instils in cardholders **a feeling of belonging to a community,** a strategic advantage in the war that rages between retailers. Another factor that allows Aurore Market to stand out is **the importance it places on solidarity,** as embodied by the fact that its card is available free of charge to families classed as "low-income" (even if they are customers of an organic retailer). This allows the brand **to promote its efforts to circulate organic products more widely and to do so other than by reminding people of the origins of its products and the methods used to produce them.** A brand without permanent stores, but with many delivery points, customers who feel like members of a scheme rather than just buyers, and values shared by all to strengthen an underlying purpose: tomorrow's retail is already taking shape.

Hotels cannot ignore market expectations when it comes to eco-responsibility

After brands and retailers, hotels are now applying eco-responsible approaches.

<https://www.accorhotels.com/fr/hotel-B5V7-greet-hotel-beaune/index.shtml>

Seen in Beaune

The Accor group is currently trialling Greet, its new low-cost hotel concept, at its site in Beaune. It is aimed at consumers who are interested in new consumption models that are more socially responsible and more sustainable. The concept revolves around the philosophy of re-use, with decorative items purchased from flea markets, car-boot sales and charity shops. The chain has teamed up with *L'Atelier Consommateur et Citoyen*, a collective founded on the initiative of consumer-led brand *C'est qui le patron ?!* which aims to construct its offering in consultation with consumers. Every Greet hotel will be able to cultivate its own style, although there will be elements common to all establishments, including the absence of check-in desks and large communal areas in which the hotel's customers, as well as its neighbours, can relax, work or enjoy entertainment. Each establishment will also be required to organize "Greet Time", a monthly event to which local associations and stakeholders will be invited. New hotels will soon be opening in Marseille, Lyon, Rennes and Paris.



What to think of it?

In response to a new generation of competitors spearheaded by Airbnb, the Accor hotel group is launching a raft of fresh concepts to maintain its appeal. Having previously targeted millennials with Jo&Joe, with Greet the group is now endeavouring to reach out to those interested in the ecological transition and, in particular, the circular economy. This pioneering approach is more **a perspective on life than a way of life**, as well as being a battleground that its competitors have yet to step onto. The major changes affecting market sectors, particularly those relating to transparency and eco-responsibility, are creating new opportunities for all brands and companies to express themselves. **Showcasing unique selling points while displaying responsibility and creativity** is the equation they must all now try to balance. Greet is Accor's answer, one that provides **an alternative model for hotels, where brand recognition is based not so much on symbols and status as on common values and a shared outlook on life**. But that doesn't mean that the customer experience should be any less memorable than that offered by luxury establishments.

To show how close they are to their customers, retailers often try to get involved in their way of life

No longer do retailers want to be perceived solely as product vendors. Every product sold today must invariably be linked to a lifestyle promise.

<https://www.go-sport.com/mercure?MM>

Seen online

Two years after setting up "Go Sport Coaching", a scheme that offers all customers free indoor sports sessions, Go Sport has decided to go even further by launching Mercure, a new advantage offered by its loyalty program. It allows members to accumulate loyalty euros (up to €50 per year) by achieving specific sporting goals: running at least 7 km, hiking 8 km or cycling 15 km in one day. To take part, users just need to synchronize the retailer's web page with their favourite sports app (Strava, Garmin, RunKeeper, Polar or Fitbit), which enables their achievements to be logged. The retailer also organises challenges in partnership with international brands (the first took place in September in conjunction with Nike), during which members can win equipment, invites to sporting events and additional loyalty euros. Other sporting activities should soon be added to the scheme.

What to think of it?

Whether it be food retailers persuading customers to eat better (Intermarché, Super U, Picard, etc.) or sports stores like Go Sport encouraging them to exercise, one might wonder if, in the future, there will still be retailers that content themselves with simply selling products. **Never has consumption been so synonymous with lifestyle**. This is yet more evidence that consumers are interested in more than basic material possessions and that retailers want to be associated with values other than choice, price or quality. With Go Sport's Mercure programme, **the incentives to play sports and buy products are closely correlated**, because every customer's achievements are converted into cash. This is what marks the scheme out from the promises made by supermarkets, which are ultimately dependent on the terms set by brands and focus more on **suggesting how customers can change their habits than on rewarding positive behaviour**. This reminds us, once again, that **the ultimate promise a brand can make today** relates not only to price, quality or service, but also (and sometimes primarily) to **self-transformation**.



The simplest promotional campaigns are often the most appealing

An increasing number of brands, and not necessarily those founded in pre-digital times, are once again embracing competitions based on prize draws. Yet another way of going vintage.

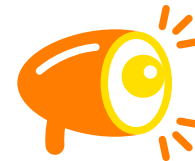
Seen pretty much everywhere

Bio c' Bon gives you a one-in-ten chance of having the price of your shopping refunded when you present a code sent to your smartphone (linked to your loyalty card) at the checkout. Kapten sets you a "matching" challenge, which you can win by getting into a taxi driven by your usual driver, who will also win a bonus in the process. At Intermarché, one-armed bandits have been installed at the end of tills. These are activated by scanning the barcode on your receipt. Meanwhile, with Uber you have a 90% chance of winning free journeys, holidays and "millions of other gifts", as long as you regularly order a ride. With so many entertaining propositions popping up, it sometimes seems as though we are living in a theme park.



What to think of it?

With retailers now designing more and more sophisticated loyalty programs based on ever growing quantities of personal data, it is interesting to see that good old-fashioned competitions and prize draws have not vanished altogether. Some will rush to point out that **nobody can resist the micro-buzz you get from the thought of "winning something"**. No social class or age group is immune to this. Others will rightly point out that **the appeal of something unexpected suddenly happening never fades and that this is something that today's consumers actively seek**, given how well informed and somewhat jaded people now feel. One might also retort that, as a result of too much storytelling and endless comparing (thank you social media), consumption now takes up too much of our focus, when it is ultimately just a routine chore and, for the most part, one that is quite uninviting. **Games put the fun and levity back into shopping** (children have always loved playing shopkeepers, after all) and it is reasonable to assume that there is a great deal more to be squeezed out of the concept. **"I consume, therefore I am" is giving way to "I consume, therefore I play"...**



A glance in the rear-view mirror

In November 2003, the question of proximity between men and women in public places was already being raised.

Men and women: user manual

The facts

London's Park Lane Hotel celebrated its 40th anniversary with an unprecedented initiative: its 22nd floor was set aside exclusively for female guests, apparently in response to their demands for greater safety. Meanwhile, also in the UK, Nestlé has come up with a deliberately sexist slogan to reinvigorate the Yorkie bar, a once-popular chocolate treat that has fallen foul of the diversity of its consumers and "political correctness": "It's not for girls!". In France, more and more men's sections are appearing in department stores. Jean Paul Gaultier has launched his first make-up line for men, Levi's is opening its first store for women, in Paris, and Candia is set to launch a milk designed specifically for women.

The analysis

While the debate around diversity in schools rages on in the political sphere and in the media, opinions in the marketing world seem to be converging with much greater ease: after unisex ranges that deliberately blur the line between masculinity and femininity, we are now seeing the appearance of clearly differentiated offerings. This is a fundamental shift and not just a contrivance geared towards generating exposure for a product or service and attracting attention. It reflects the desire of consumers to be listened to and understood as individuals and not just as a target market. Exclusively targeting men or women helps to clarify a product's positioning and enhance a range's credibility with a carefully crafted narrative. But it also enables brands to strengthen their relationship with buyers and display empathy for the latter. Ultimately, isn't this just about establishing a kind of fraternal bond with consumers?



Word of the month

DNVB: “Digital Native Vertical Brand”: a term describing brands that were originally set up online and which control their entire value chain. Today, the temptation for all DNVBs is to gain a foothold in the physical world by opening a temporary or permanent point of sale.



Catching the eye

According to a zOOM survey by L'Observatoire Cetelem, almost all French consumers associate the idea of eating better **with improving their health (93%), the environment (87%), but also pleasure (86%)**. Could this be the result of the various dietary recommendations to which they are exposed? The vast majority acknowledge that their awareness has grown and that this has led to them consuming more responsibly. (Survey conducted by Harris Interactive from 6 to 8 November on a sample of 1,074 people.) <https://observatoirecetelem.com/les-zooms/enquete-2-3-sante-environnement-une-alimentation-sous-contrôle>

According to a survey conducted by market research agency Feedback, the French intend to do their Christmas shopping a month early this year. **The average budget of half of those surveyed will be less than 300 euros** and will be spent mainly on children's presents. (Survey conducted online from 9 to 15 October 2019 on a total sample of 898 people.)

According to a recent Kantar survey commissioned by e-commerce site eBay, 54% of French people say they are prepared to give a second-hand gift. **Up to 68% of 25-34 year olds might choose this option, compared with just 39% of 55-64 year olds.** The trend appears to be on the rise, with 50% considering doing so in 2018, according to the same survey. <https://fr.fashionnetwork.com/tags-ebay>

Summing Up

In response to students' growing interest in the catering sector, HEC Paris Alumni has joined forces with L'Atelier des Chefs to offer a *Grande Ecole-CAP Cuisine* joint diploma. This is a first for France's *Grandes Ecoles* (elite schools).

The new Sézane store in Villiers (Paris) features a concierge section where you can pick up online orders, but also post your mail or recharge your phone.

In Montpellier, Ikea is trialling a meal delivery service in conjunction with Just Eat The service should soon be available in Paris.

As part of its CSR approach, family-fashion retailer Gémo is currently trialling an energy self-sufficiency project in Trignac (near Saint-Nazaire). The power generated by its solar panels is stored in reconditioned electric-vehicle batteries. These cover 40% of the store's energy needs. The remainder is purchased from Enercoop (a supplier of local renewable energy).



The Majelan podcasting platform recently signed an agreement with Uber enabling customers of the latter to listen to its podcasts free of charge during their journeys.

<https://www.uber.com/fr/newsroom/uber-et-majelan-vous-offrent-une-playlist-de-podcasts-originaux-pour-vous-evader-en-uber-comfort/>

La Requincaillerie is a local craft project based in the Parisian municipality of Pantin. Its purpose is to promote DIY manufacturing activities and the salvaging and re-use of materials. The association's goal is to create a manufacturing workshop for local inhabitants and the area's charitable organisations and institutions.

<http://www.requincaillerie.org/wp/>

In the United States, anyone selling a Burberry-branded garment on second-hand clothing website The RealReal receives an invitation to enjoy a cup of tea and a personalised shopping session in one of the British brand's 18 stores.



After a successful trial, Colruyt is the first Belgian supermarket to offer voice assistance to customers who shop on its website or app. Intermarché in France is currently conducting a similar trial.

Instagram recently announced that it would be getting rid of certain filters that mimic the effects of cosmetic surgery, the aim being to improve the well-being of its users.

One can now rent furniture from Ligne Roset with an option to purchase after five years. The rental service includes a free clean and a visit from an interior designer to help choose the right furniture. Recovering and refurbishing the furniture will eventually enable the company to launch a second-hand business.

Since mid-November, Marks & Spencer's online customers have been able to pay for purchases worth over 30 euros in four instalments, with zero interest. A great way of stimulating end-of-year sales.



The H&M Group is set to launch a new service in Stockholm that will allow customers to rent dresses and skirts from its eco-friendly "Conscious Exclusive" collections. For a fee of 350 Swedish Krona (€32) per garment, members of the programme will be able to borrow up to three items for one week, having first tried them on at a dedicated in-store showroom and selected them with the help of style advisors.

At the last Tokyo Motor Show, Toyota presented its LQ Concept, a vehicle that purifies the air while it is running. The engine fan is coated with a paint that acts as a catalyst to convert ozone into oxygen.



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

COO 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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