

l'œil

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in depth study of new
consumption trends

by L'Observatoire Cetelem

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When brands from the old world draw inspiration from digital brands, consumers are ready and waiting for them

To satisfy the insatiable curiosity of their customers, more and more companies are opening their doors to them. The aim? To understand them better and get them involved...

Seen in Issy-les-Moulineaux

Last month, Yves Rocher invited loyalty card holders to its stores to experience an incredible day behind the scenes, at the brand's headquarters in Issy-les-Moulineaux. This "immersion" into the soul of the brand gave visitors a real insight into the way it operates and allowed them to talk to its teams, tour its laboratories and check out the workshops that produce its own lipstick.



What to think of it?

Whether it be part of a major group or an independent business, whenever a brand holds an open day at its production site, its success is guaranteed. This success is down to **the desire of consumers to immerse themselves in the day-to-day workings of companies** and to learn about the conditions in which the products they buy are made. Companies have long been keen to spread the disseminate the culture around their products through an approach based on heritage (traditions, know-how and methods), but this approach no longer suffices and what motivates consumers today is **an expectation of transparency and ethical behaviour. Wariness has taken precedence over trust.** For Yves Rocher, these open days are also an opportunity to meet its customers and have them take part in manufacturing workshops, which also allows the firm to gather their opinions. **These views can relate to its existing offering or even on future products.** This approach is not dissimilar to what we see happening on the web, where DNVBs (Digital Native Vertical Brands) **are constantly calling on their communities** to get more involved in their decision making and in defining their offerings.



Having in-depth knowledge of consumer behaviour is not necessarily an advantage for brands...

In the past, brands were all about the lifestyles of consumers, into which they all wanted to fit in. Today, they feed off their behaviour...

Seen in the United States

In the United States, Ford offers its customers car insurance with a discount of up to 40% if they agree to pass on a certain amount of data on their driving behaviour. Indeed, because most of the cars sold by Ford and Lincoln in the US are now connected, it is easy for the manufacturer (and its insurance partner Nationwide) to gather data on how their customers accelerate and brake, as well as the speed at which they drive, the distances travelled and the routes taken, not to mention the times at which they use their vehicle... This new offer is available in 39 states (not including New York and Washington) and is set to expand gradually. Also in the United States, Bic recently launched a connected razor that can record how its users move when they shave, as well as the temperature and the amount of water they use. To access the service, they must first provide certain information about themselves.

What to think of it?

Brands have always dreamed of knowing everything about the habits of consumers. This is not so much to forge closer ties with them, as they are quick to claim, but to tailor their offerings (and prices) as closely as possible to the behaviours observed. This means penalizing "bad" behaviour and rewarding "good" behaviour. So now, for the first time, they are operating **in the sphere of morality, acting as both judge and party.** But what is "good" behaviour from a brand's perspective? Is it behaviour that allows it to boost its profitability or behaviour that is in the general interest? Having access to so much data on the behaviour of their customers can also lead brands to imagine that it will be easier to come up with new offers. But **does true innovation really come from observing consumer habits?** Doesn't their success actually depend on their ability to astonish and transport people "elsewhere"? **Truly innovative offers are not created in response to a particular behaviour, but to an expectation,** something that is rarely spelled out by consumers, but which can be divined by **carefully observing their lifestyles** rather than by seeking to understand their consumption patterns. The tree of data must not hide the woods of sociological observation...



Stores as meeting places for members of a community and brands as marks of affinity. The future is already here

Stores that do not consider their buyers as customers, but as members of a pre-existing community.

www.ffaperitif.com
<http://maisonnomade.paris>

Seen in Paris

In the new Lululemon store in the Marais district of Paris, you will find more than just the indoor sports apparel upon which the Canadian brand built its reputation. You can also take advantage of free yoga and fitness classes, as well as personal development programmes led by ambassadors of the brand. Created on Facebook in 2015 by three friends who were just about to graduate, the FFA (Fédération Française de l'Apéritif) now has 150,000 Facebook and social media followers and describes itself as an "aperitif mini-mart", with three sites (two in Paris, one in Lille), a catering service and an e-commerce site. It even sells products created jointly with its community: a beer (christened L'Officielle) and aperitif biscuits, which have been on sale at the bars of TGV high-speed trains since the end of last year. Recently opened near Paris's Gare de l'Est railway station, Maison Nomade defines itself not only as a vegetarian and organic restaurant, it regularly invites a therapist to provide hypnosis sessions and offers naturopathy and food workshops.

What to think of it?

A clothing store, an "aperitif mini-mart" and a café. Three very different types of business, but all driven by the same intention: **to be seen as relational rather than purely transactional locations**. Here, the conditions are ideal for people to meet, for friendships and interaction to burgeon, and for customers to feel they are part of a community. Now **that the value of products in terms of their utility is well established, is it time to understand their value in terms of the social connections they can generate?** New consumption and retail models can emerge, thanks to the **participation and engagement of the members of the communities** created by retailers. There are various possible paths to success in this area: **regularly** organising events at which people can meet up, asking members for **their opinion** when seeking to come up with new offerings and **providing** the latest news about the company in targeted newsletters or on social media, via influencers or ambassadors. **In the future, the ability to run a customer community will be as strategically important to retailers as knowing how to sell goods.**

In an attempt to distract from the fact that they are global, some brands try to blend into the local landscape

Local partnerships are not just the preserve of small brands. They may even represent a new form of citizenship for major retailers.

Seen in Lyon

In the new store it is about to open in Lyon (with floorspace of more than 1,000 square meters), Muji will try to play the local card by forging partnerships with local designers and craftsmen. This is a strategy it has already employed since the start of the year at its flagship store in Paris's Forum des Halles, where it has been offering a food range featuring local produce under the Les Deux Gourmands banner (biscuits and honeys made in Crespières in Ile-de-France, the Paris region). And to further underline its desire for proximity, the company also plans to set up a "Community Market" in Lyon (four times a year), which will play host to artists, creatives and producers from the region.



What to think of it?

For years, retailers had been busy **dreaming up new distribution concepts**, which they were careful to refresh at an ever greater frequency so as to reaffirm their modern credentials and thus enhance their image. Later, they sought to **embrace new formats to broaden their presence in the minds of consumers**: smaller stores, a presence in train stations and airports, pop-up stores, etc. More recently, some retail brands, like Camper in Europe and Target in the United States, have opted for **stores that are unique to each city or neighbourhood** because their design is entrusted to different architects each time. Such strategies are always costly. And it is no surprise that **a third path is now opening up** for those brands that are present pretty much everywhere, one that enables them to appear **more local than global**, as illustrated by Muji's new venture. When a Japanese-owned international brand hands over part of its shop space to a small food brand based in the outskirts of Paris, in a move that almost smacks of activism, **the former gains points for responsible citizenship and the latter gains visibility**. Such a symbolic exchange is bound to appeal to consumers, who are currently very keen on collaboration and alliances, **which they perceive as a way of reinventing consumption**.



Word of the month

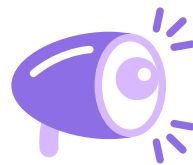
Open Hiring: a technique invented by US firm Greyston Bakery in 2019 that involves recruiting individuals for low-skilled positions without applying a selection process. Applicants sign up to a recruitment waiting list and they are hired on a first-come, first-served basis. No questions are asked about qualifications, criminal records or experience. This gives people who are struggling the chance to find work. In the United States, The Body Shop trialed this approach in late 2019 for its distribution centre in North Carolina and saw a 60% reduction in staff turnover. The 200 candidates recruited in this way only had to answer three questions: “Do you have the legal right to work in the US?”, “Can you stand up for eight hours?” and “Can you lift more than 22 kg?”



Catching the eye

A zOOM survey conducted by L'Observatoire Cetelem just as the lockdown began reveals that a large proportion of French consumers looked for alternative solutions to avoid having to shop in stores: Click-and-Collect (48%), grocery delivery (31%) and meal delivery (20%). **One-third of them were using these kinds of solution for the first time**, but will this shift in consumer habits persist once the lockdown is over?

In 2019, sales of the connected Apple Watch far exceeded those of the entire Swiss watch industry for the first time, according to a study by Strategy Analytics. The Californian giant sold nearly **31 million Apple Watches worldwide last year (+36% from 2018)**, while Swiss brands sold just over 21 million (13%) units.



A glance in the rear-view mirror

In March 2006, a furniture retailer was offering consumers the chance to rent a piece of furniture for an evening, a week or a month. This would once have been unthinkable...
Hire purchase

The facts

Recently inaugurated in the Bastille district of Paris, the second store opened by furniture and interior design brand Silvera offers its customers an innovative service that allows them to rent furniture or lamps from the collections it sells in-store, for an evening, a week or a month.

The analysis

This original initiative by Silvera, a brand whose *raison d'être* is ultimately to sell products, is a good illustration of how behaviour is changing: in the past, we acquired furniture, today, we design our interiors. This has led to fresh demand for “smart” furniture and items that are combinable, modular, mobile or even available for hire, allowing everyone to create decors that can be transformed to suit their whims, the latest trends or their lifestyle changes. What lies behind this evolution is the new socio-cultural model now taking shape, where the pursuit of possession and accumulation is gradually giving way to that of pleasure and personal expression. These are motivations that serve to improve one's life in the present rather than building up assets for the long term.

Summing Up

Opened in Paris in February, bookshop Lettres also sells poems by the gram. Customers are invited to help themselves from shelves on which sheets of poems are presented. Their selection is then weighed and popped into a folder. The price for 10 grams, the equivalent of 8 poems, is €5.80.

Dyson is working on its first vehicle, an SUV with three rows of seats known as the Dysonmobile, which is scheduled for launch in 2021.

After extensive renovations, the MK2 Nation cinema is planning to open a 37-room movie-themed hotel on its upper floors

Belgian chain Colryut is the first major retailer to limit the number of discount coupons that can be used at its checkouts to five. The aim is to curtail the behaviour of those who hunt for special offers with excessive zeal.



Coffee shop chain Starbucks has announced that it will be climate positive by the time it celebrates its 50th anniversary in 2021, when it will provide more fresh water than it consumes, store more carbon than it emits, and produce zero waste. It will no longer be using disposable packaging and its menu will offer more vegetarian options.

Silicon Valley startup Nuro recently announced that it had received approval from U.S. regulators to operate a fully autonomous delivery vehicle. Christened R2, the vehicle will be used by local shops and restaurants to deliver consumer goods, food and hot meals over short distances.

In Supeco, the new soft discount store launched by Carrefour (there are currently two stores in the Hauts-de-France region), customers can get in touch with the shop's teams via WhatsApp.



In Belgium, Decathlon organises so-called Co-Exploring Workshops to gather the views of its customers, sports clubs and suppliers on the topics of sport, life and work in the future. The retailer intends to expand the format around the world to collect at least one million opinions.

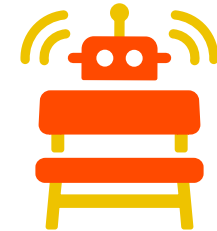
BMW recently introduced a feature that forces its plug-in hybrid models to automatically switch to 100% electric when they enter one of the 7 eDrive zones set up in Belgium's major urban areas (city centres of Brussels, Antwerp, Bruges, Mons, Ghent, Hasselt and Liège).

In the United States, Gap recently joined forces with ThredUp, the world's largest second-hand clothing resale platform, to encourage its customers to contribute to the circular economy. The platform allows them to exchange their used clothes for shopping credit that can be used in the group's stores.



The Apple Watch will soon offer a new feature: detecting the wearer's oxygen level. If the percentage falls below a certain threshold, they will receive an alert notification.

Outside Belfast, in Northern Ireland, Lidl has, for the first time, opened a bar under the same roof as one of its shops, but with a separate entrance and a separate frontage.



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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