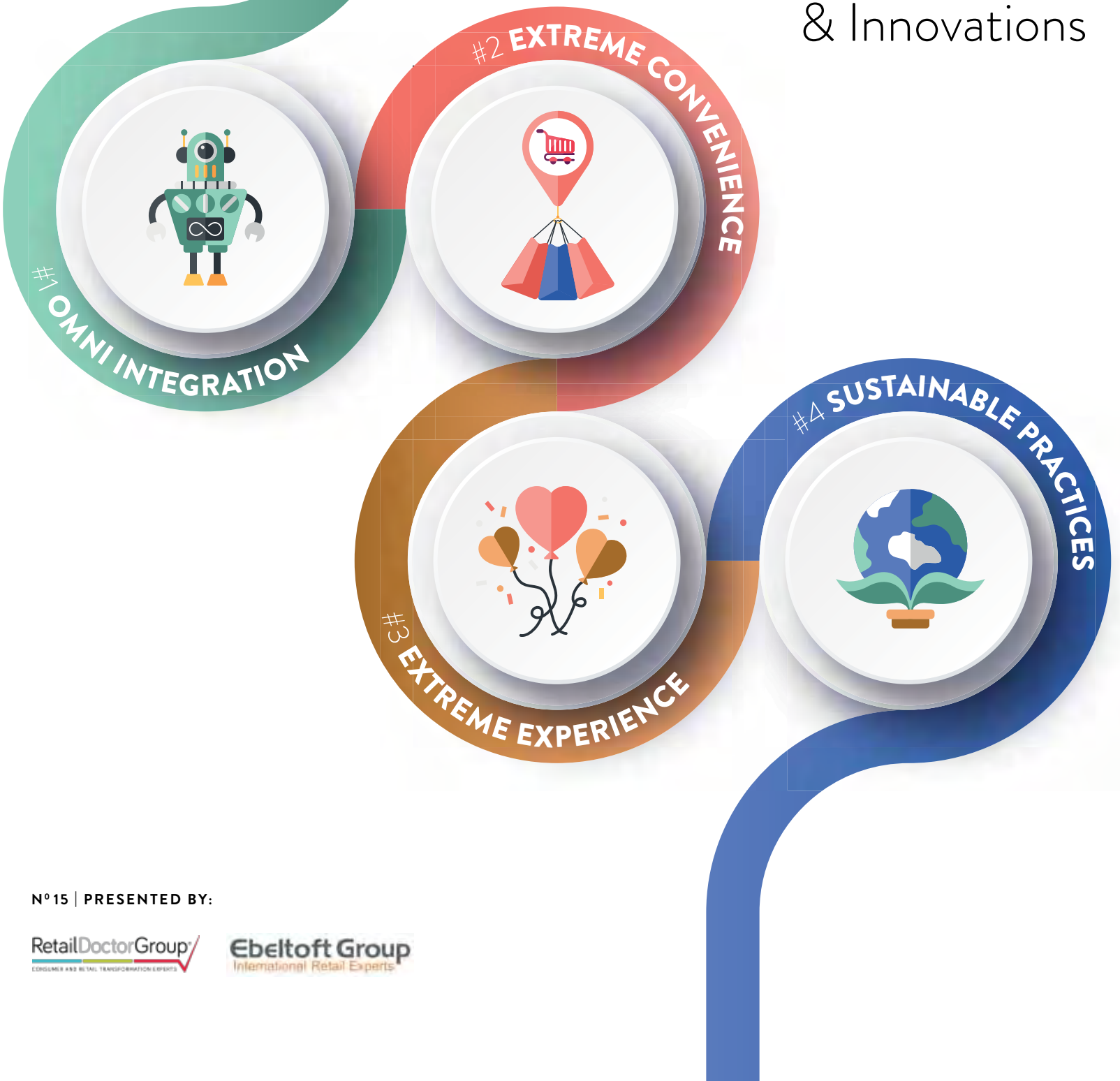
2020

Global Retail Trends & Innovations



Nº 15 | PRESENTED BY:

RetailDoctorGroup

Ebeltoft Group
International Retail Experts

2020

Call for Australian Retail Innovators Nominations

2020 Australian Retail Innovators RDG

SOME OF OUR PROUD WINNERS FROM 2019

In 2019, Retail Doctor Group hosted the first ever Australian Retail Innovators showcase, which is now an industry-exclusive annual event. We presented certificates to retailers who proved that their innovative approach to retail made them successful industry leaders. Brands such as T2, Chatime and IKEA were some of our well-deserved finalists.

Retail Doctor Group's second annual Australian Retail Innovators Showcase nominations are now open. We will once again

THE 2020 CATEGORIES ARE AS FOLLOWS

1. FMCG Brand *NEW*
FMCG brands that leverage consumer insights effectively to create authentic and engaging consumer experiences, creating a compelling reason to buy.

2. Digital Innovators *NEW*
These innovative retailers utilise digital strongly in their merchandising, service, functionality and customer experience.

3. Customer Experience
Customer centricity is at the heart of the retailer's offer, culture, positioning and deployment.

4. Research & Strategy
The retailer utilises timely and relevant marketing, global and internal insights to shape a clearly differentiated strategy.

5. Omnichannel
The retailer boasts a seamlessly integrated omnichannel retail execution that is innovative and adaptive.

6. Social Cause
The retailer embraces a strong social utility in mission, deployment and people leadership.

7. Inspiring Leader
Retail leaders who continuously make a memorable contribution to their retail brand, their team, or Australian retail as a whole.

We are inviting you, our retail community, to nominate your brand and/or other retail brands for inclusion in the second annual Australian Retail Innovators Showcase.

Go to https://www.surveymonkey.com/r/VPY8LP5

Innovative Retail Strategies

Retail Doctor Group® is Australia's most successful retail advisory and consultancy firm. We specialize in conducting leading market and consumer insights research to inform sound strategies and drive implementation.

We are experts in multi omnichannel retail, franchise retail, and service formats. We leverage our proven methodologies to help you get Fit for Business™ through improving client positioning, distribution, sales, people, productivity, systems, profitability, and value. We are "how to" retail implementation specialists who transform strategy into delivery.

Our benefits apply to any stage of the business – from start-up format development, existing distribution, to sale – through our proprietary Business Fitness™ programs. As the Australian elected member of Ebeltoft Group, a global alliance of leading retail consultancies, we bring international retail to Australia and Australian retail to the world.



Discover	Understanding you, your business, and your goals. What business problem or opportunity are we seeking to address?
Diagnose	Analyzing your business, your customers, and your market, using our Business Fitness diagnostic framework.
Plan and Strategize	Using our proprietary business fitness tools to build your tailored implementation plan with tangible business benefit.
Implement	Bringing your plan to life with customized tools, products, partners, and services. Pragmatic, medium, and long-term wins.
Monitor	Working with you to implement solutions that make a real difference to your business through Business Fitness health checks.

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Retail Doctor Group is registered in: Australia, New Zealand, South Africa, Europe, Canada, Hong Kong and Singapore

Ebeltoft Group
International Retail Experts

We are a global alliance of consultancy companies with members in more than 25 mature and emerging retail markets.

Since 1990, we have helped retailers, as well as suppliers to the retail sector, remain competitive and achieve their goals by blending global retail expertise with our members' local insights.

Ebeltoft Group serves 36 of the top 100 retailers and 29 of the top 50 manufacturers worldwide.

Since its founding, Ebeltoft Group has been analyzing global retail innovation trends and, since 2005, presenting this analysis in our annual publication Global Retail Trends & Innovations, focusing on emerging trends and the most interesting cases worldwide.

Ebeltoft Group´s global studies and publications include:

- Global Consumer Report (2019)
- Phygital Project (2019)
- Digital Impact to Retail (2018)
- Horizontal Retail (2017)
- Services at Retail (2017)
- Global Cross Channel Report (2014)
- Retail Internationalization (2013)
- Global Cross Channel Report (2012)
- NeoConsumer (2011)
- The Trust Factor (2011)
- Environmental Sustainability (2010).

AMERICAS

GRUPOGS& Gouvêa de Souza

J.C. Williams Group — Global Retail Advisors

McMillan Doolittle

ASIA-OCEANIA AND AFRICA

Frontline Strategies

Fernridge

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RXG Retail Wisdom

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ABS Architected Business Solutions

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keep it simple & smart KISSretail Management Consulting

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KIKI LAB

IMR Instituto de Marketing Research

Führer & Hotz

Q&A

DIAMART GROUP

inquiry Market Research

Ebeltoft Group
International Retail Experts

Retail Innovation Services

Partnering with retailers and brands to improve awareness of global trends that are shaping tomorrow's retail landscape.



With a decade of global retail trend analysis and more than 20 years of supporting our local retail communities around the world, Ebeltoft Group helps today's retailers and manufacturers prepare for the ongoing changes shaping the retail marketplace.

The study and adoption of innovative ideas lead to major changes in the way we see businesses go to market. It is easy to spot these changes when we reflect back on retail history. It is more difficult, but ultimately more important, to understand and react to these changes as they are happening now. Through presentations and workshops, our local Ebeltoft Group retail experts develop dynamic sessions to help your management team better understand these changes and explore the following key concerns:

- What are the main game-changing ideas that are propelling retail forward?
- How does this apply to me and my local retail market?
- How can I incorporate elements of cross-channel retailing?
- How do I incorporate new technologies into my retail concept?
- How can I think about my business model in a new way?
- How can I blend the online and offline experiences?
- How can I increase the role that the customer plays in creating and determining product?

In addition to presentations and workshops, Ebeltoft Group also provides customized trend-tracking services for your company or retail sector.



Retail is Ever-changing

The future landscape of global retail

Stores have become more relevant than ever, as consumers seek and crave experiences to share. At the same time, retail has never gone through greater transformation. We have noticed a major shift in consumer behavior and values driven by technology and new, innovative industry players, who constantly disrupt and drive consumer expectations upward. The notable younger generations – Millennials and Generation Z – who grew up alongside digital transformation, are paving the way for brand new shopping behaviors and values. Online is no longer a separate entity, but an expectation and counterpart to other shopping channels. Technology has reached a new level of innovation and is the ground for ultra-personalized shopping experiences, where new disruptive waves are changing the game.

Change is here. Retailers must adapt and accept it. The moment for innovation is now.

TRENDS TO WATCH IN 2020

Ebeltoft Group has been monitoring brand and store innovations for more than a decade, uncovering trends both underlying and emerging in modern retail. Our retail experts around the world join forces to share insights from their local markets that will inspire your ideas to innovate and future-proof your business. We have evaluated more than 40 innovative cases from more than 18 countries, revealing four different retail trends to create a detailed big picture of what's to come.

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Award-winning Innovation Case

U.S.A.

NIKE House of Innovation



U.S.A.

Nike House of Innovation

Nike NYC is designed to be a dynamic store environment, as personal and responsive as it is digital. The premium destination offers an authentic, immersive, human connection to the Nike brand.

Nike NYC engages consumers with best-in-class digital and physical services combined with premium products, experiences, and features, to create a new benchmark for Nike retail. Powered by digital commerce data and inspired by Nike's newest retail concept, Nike Live, the ground floor features the new Nike Speed Shop, offering on-the-go access to products local members know and love. Consumers can shop these uniquely curated NYC favorites alongside seasonal picks, visit the Nike Sneaker Bar for easy access to Nike's biggest power franchise footwear, or reserve items via the Nike app and pick them up in the Speed Shop digital lockers.



KEY DATA

Country: U.S.A.
Retailer: Nike House of Innovation
Format: Flagship

WHY IS IT INNOVATIVE?

- **Fitting into the future.**
  Creating a great in-store experience for customers has been a recurring trend, however, ways of creating this experience change over time. Nike NYC does a great job of fitting into the newest elements of this trend.

- **Reimagined experience.**
  The store's large size, unique features, and elaborate displays feed into the creation of this engaging in-store experience for consumers and help build ties to the brand.

- **The sum of its parts.**
  The store's integration of digital and physical experiences through its use of data and integration of Nike's app into the store experience is a great example of omni integration.







Ebeltoft Group Expert Comment

Nike's new flagship store, Nike NYC, is uniquely digital, personal, and responsive. The store creates an engaging destination that helps consumers build a unique connection to the Nike brand.

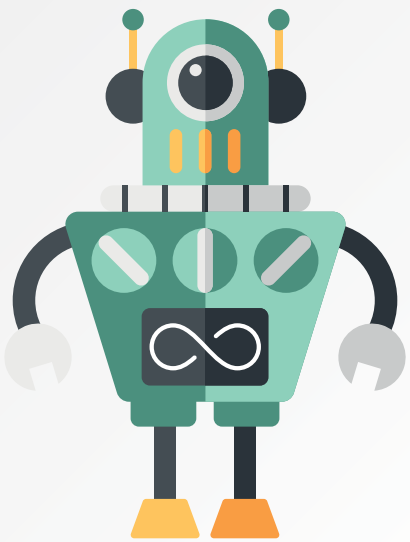
Nike NYC offers a variety of unique features. The store uses digital commerce data and offers on-the-go access to products curated for NYC locals. Customers also can reserve items with the Nike app and pick them up in Speed Shop digital lockers. This makes great use of connecting the digital and physical experiences.

Trend #1

OMNICHANNEL | BRICKS AND CLICKS | REDUCED FRICTION | TECH INTEGRATION

Omni Integration

The rapid change in retail is being driven by new technologies and digital innovations that allow consumers to always be connected. They can shop, return, or share products anytime and anywhere at the touch of a button. Bricks and mortar and the online channel, otherwise known as "bricks and clicks," are no longer separate entities, but complementary platforms that improve the retail experience. Customers no longer distinguish between the physical and digital worlds. An omni experience encompasses everything from online to off-line experiences. With click and collect, augmented reality assistants, endless aisle, lockers, and data-driven stores, omni experience dominates retail today.



#1 OMNI INTEGRATION

Italy

Bershka Experience

The famous young Spanish fashion retailer Bershka – 1,100 stores in 75 countries – opened a new shopping experience in Cremona, Italy, in December 2018.

In addition to the usual shopping experience at any Bershka, in this new concept, customers can download an app and browse the store, scanning any piece of clothing that might interest them. Once they finish putting items into their virtual basket on the app, they can choose to try them on or pay for them. Then, items are prepared by the store's associates and brought to the fitting room or the cash desk, whichever the customer requests. The customer gets a message via the app when the items are waiting in either place. The purchase also can be paid for via the app and delivered to the customer's home.

Bershka, an Inditex group brand, is an integrated retailer, so all omnichannel services are available in this store (e.g., click and collect, online order from the store), as well as more digital services, such as mobile devices' charging station and smart fitting rooms, with a tablet to call for help, ask for another size, or see related products. Also, there are smart mirrors in the fitting rooms; when a customer brings an item close to the mirror, it shows details of the product, complete outfits, and additional product combinations. The Cremona store also has a "social corner" in the fitting rooms, which is a kaleidoscope-style tunnel where shoppers can snap a picture or film a video to share on their social networks.



KEY DATA

Country: Italy

Retailer: Bershka Experience

Format: Phygital store

WHY IS IT INNOVATIVE?

- **Use of technology to make the shopping experience more convenient.** The concept provides the "treasure hunt" feel, allowing customers to wander around the store without having to carry products. They receive a message when the items are ready, wherever the customer requests them.
- **Fitting rooms become a social hub.** Space is allocated to fitting rooms in the store as a place to hang out in a designated "social corner," encouraging customer interaction where associates can bring scanned products or help with new sizes or styles.
- **Product is sold from the stock room.** By bringing the product from the stock room to the customer, staff operations have been readjusted, focusing more on the customer experience. Less time is needed to replenish products on the shop floor; more time is spent assisting the customer.







Ebeltoft Group Expert Comment

A true omnichannel brand experience. The store offers both traditional and technologically advanced elements via the Bershka experience app. This helps the team to better understand their customers' journeys at Bershka, and adapt the overall brand experience accordingly.

The app allows a higher level of personalized attention compared to a regular Bershka store, as well as an overall higher-end shopping experience, as long as the product is delivered quickly to the fitting room or cash desk.

U.S.A.

Carvana

Carvana brought a new car-buying experience to the United States. The concept allows a leading e-commerce retailer for used cars to offer free, next-day delivery of any vehicle from its 7,300+ inventory.

Carvana puts customers in complete control of their online car-buying experience through its seamless platform and advanced, proprietary technology. By visiting Carvana.com, customers can search for, purchase, finance, and trade in a car online from their computer, tablet, or mobile phone in as little as 10 minutes. Customers also can go to Carvana showrooms to view select inventory, if they prefer an in-person experience.



KEY DATA

Country: U.S.A.
Retailer: Carvana
Format: Vending machine

WHY IS IT INNOVATIVE?

- **Upping the game of car sales.**
  Carvana is a digitally native omnichannel brand that has managed to bring innovative ideas on frictionless retail into the car-selling industry; long notorious for being just the opposite.

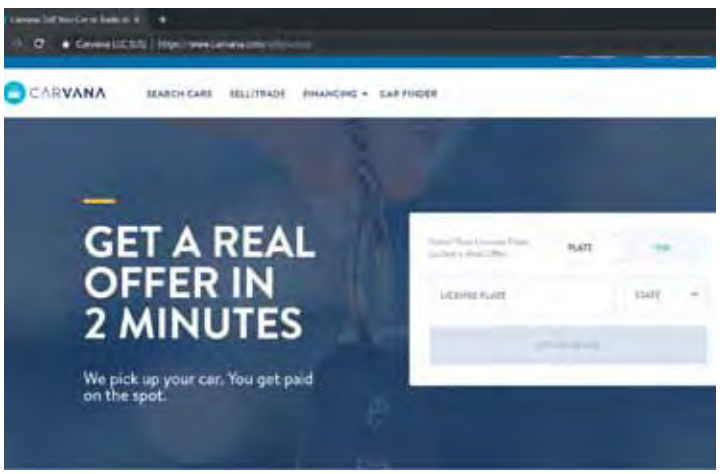
- **Experience traditionally on site can be achieved online.**
  The company's model for car sales is far from how the industry previously had functioned, allowing consumers to undertake the task of buying or selling a car online.

- **A unique retail process update.**
  The company has been able to find a unique way to move away from the physical environment with its car vending machines.









Ebeltoft Group Expert Comment

Carvana was developed so that consumers could have an online and more convenient alternative to making their purchases of cars from car dealerships. The concept of Carvana is part of a wider trend within the retail sector of making products which previously were available only for purchase in-store to also be purchased online.

Carvana has also expanded into physical retail with the creator of its car vending machines, which offer consumers the chance to have a physical interaction with the brand. This again fits into a broader trend of digitally native brands making moves into physical retail spaces.

Australia

Catch Group

Catch of the Day was started by Gabby and Hezi Leibovich in 2006 as one of Australia's first "daily deal" websites. The business model was an instant hit with Australian shoppers and has been recognized as one of the most visited websites in Australia. In preparation for Amazon's arrival, in 2017 Catch of the Day rebranded to Catch and changed its strategy, transitioning into a marketplace selling brands and various product categories. Its most notable offering is "catchback," a shopping voucher for catch.com.au, which has been incorporated into the Catch list of portfolios.

Since the rebrand, the Catch Group has increased its footprint by making acquisitions and investments:

- Club Catch – Australia's largest online shopping club.
- Catch Connect – Mobile phone service, partnered with Optus.
- Catch Personal Loans – Online personal loan product.
- Catch Energy – Competitively priced energy and gas plans in partnership with 1st Energy.

Catch Group is recognized as one of Australia's largest diversified e-commerce groups, offering energy, mobile, and financial services. All services have something in common: being customer-focused and offering the best option possible, better than their competitors'. In June 2019, Wesfarmers, the parent company of Kmart, Target, Officeworks, and Bunnings, announced the acquisition of Catch.com.au for $230 million.



KEY DATA

Country: Australia

Retailer: Catch.com.au (Catch Group)

Format: Online

WHY IS IT INNOVATIVE?

- **Great deals.**
  Customers who sign up will receive a catch-back voucher after 31 days on the plan. This is innovative because it is a seamless transition from one service offering to another and gives consumers the option to get great deals on retail products other than energy

- **Transparent billing.**
  Catch Energy is transparent in its billing process, informing customers of additional charges on billing method and what to expect for late payments.

- **Customer convenience.**
  What also stands out is the "my billing" option that lets the customer provide an estimated annual energy cost, which can be spread out in smaller installments.







Ebeltoft Group Expert Comment

Just launched in 2019, Catch Group was able to incorporate its company values through its energy offer: value, transparency, and assisting Australian consumers to get the best possible deal on their utility bills.

One of Catch Group's objectives – and why Catch Energy was launched – is to provide better options to consumers and drive down prices due to lack of competition in the energy market. The service is very customer-focused, a trait lacking in other retailers.

Partnered with 1st Energy, the product has no late fees disguised as discounts, no credit card payment fees, and always low rates, with no surprises.

U.S.A.

Creator

Creator offers a better burger experience with robotic cooks and focuses on quality, instead of mass production. Rather than building robots for existing fast-food or fast-casual chains, Creator's restaurant "democratizes" access to fresher, better-sourced cuisine.

The company states:
"Creator uses robotics and technology to bring a new dining experience to guest with burgers made from scratch. Customers can customize based on preferences and see the creation process throughout. We're not just making a robot that's fast and cheap and cranks out food that we sell to other companies, we want to own this whole experience and grow it and deliver it."



KEY DATA

Country: U.S.A.
Retailer: Creator
Format: Fast-casual

WHY IS IT INNOVATIVE?

- **Rapid change.**
  Creator is part of the rapid change in retail generated by new technologies.
- **Robotic efficiencies.**
  Its founders brought new robotic technologies into the food industry. With this new technology, they created a machine which can precisely and efficiently make burgers.
- **Tech upgrades the product.**
  This integration of technology into the concept of a fast-casual burger franchise made a distinctive and affordable burger possible.







Ebeltoft Group Expert Comment

Creator employs the use of robotic cooks in the burger production process. Its uniquely designed machine allows for the creation of a burger with minimal human involvement.

Creator's focus with the robot is to create high-quality burgers at lower cost. The process also allows consumers to customize their burgers, as well as watch its creation throughout the process.

The Netherlands

Crisp

Crisp launched in late 2018 and is the first app-only fresh supermarket in The Netherlands. The concept is not intended to serve as a one-stop supermarket. Instead, Crisp focuses on fresh, high-quality foods and serves consumers who want to be able to find all their favorite artisan foods on one convenient platform. Crisp works with more than 200 small farmers, butchers, bakeries, fishmongers, and other local suppliers. The offering includes handmade sausage rolls from a local bakery, mussels from a well-known fishmonger, and fresh pasta from a factory run by an Italian family. Customers who order before 10 p.m. receive their order at home between 6-10 p.m. the next day for a €2.95 fee.



KEY DATA

Country: The Netherlands
Retailer: Crisp
Format: App only

WHY IS IT INNOVATIVE?

- **Serving a niche market.**
  Crisp is the first online supermarket to cater to foodies. While other online supermarkets aim for a wide assortment to pull customers in, Crisp chooses a narrow, but surprisingly varied, assortment. Products are always locally grown or produced and vary by season.

- **Relationships with suppliers.**
  Crisp maintains personal relationships with its suppliers and ensures fair trade. Crisp shares information about its suppliers and how they produce their products, offering transparency to the customer.

- **A new business model.**
  The concept relies on the quality and freshness of its products. To ensure these benefits, Crisp collects products from local suppliers and delivers directly to the customer. This on-demand business model also eliminates the risk of stock loss.





Ebeltoft Group Expert Comment

Crisp is a unique concept that combines the quality and transparency of local food producers with the convenience of an online supermarket. Previously, these products were accessible to consumers only by stopping at local physical shops that often are closed after work hours. Crisp managed to build a platform where all these products are easily accessible. In addition, Crisp guarantees freshness by delivering directly from its local suppliers to the customer.

France

IKEA Paris

IKEA has been testing a variety of new formats for several years aiming to locate in city centers, where rents are very high, but customers are wealthier. The new Paris Madeleine store is its latest and most impressive initiative.

Beyond the smaller format (one-third the size of typical French IKEA stores), this new format breaks traditional IKEA rules: no guided route in store, almost no self-service products, and no split between accessories and furniture.

The customer journey is more assisted – in store and beyond – with services such as appointments with experts (e.g., interior designer, kitchen salesman), DIY workshops four times per week, and fast delivery and/or installation assistance (with the startup Task Rabbit).

More than an urban concept, this store is the sign of a deep shift in IKEA's vision of its customers' expectations with two new priorities: more support and more accessibility.

Alongside several openings worldwide, IKEA plans to open two more stores in Lyon (2019) and Nice within the next two years.



KEY DATA

Country: France

Retailer: IKEA Paris

Format: 5,400 m2 for the new downtown Paris store

WHY IS IT INNOVATIVE?

- **From products to solutions.**
  A wide range of services: delivery by bike, installation assistance, furniture recycling, appointment with an expert (e.g., kitchen salesman, interior designer), trainings, etc.

- **Reduced surface, but large offer.**
  5,400 sq. m, with 4200 SKUs displayed, among which 1,500 are available in store.

- **Digital inside.**
  Displayed products not available in the store can be ordered directly online via a tag. Screens give access to the whole online catalog; augmented staff may order and receive payment.











Ebeltoft Group Expert Comment

IKEA Madeleine is adapted to urban customers' expectations: inspiration, efficiency, service.

Disruptive store layout: The traditional IKEA route is not imposed. The store is less sectorized, with 29 showrooms presenting different ambiences and mix-and-match products.

Green focus: IKEA now offers sustainable options, such as bike delivery, sofa recycling, and furniture renovation.

Spain

Kave Home

Kave Home started as a furniture and decor online pure player covering France, Spain, Italy, and Holland, with planned expansion to Portugal and Germany. After six years of operation as successful e-commerce and connecting with the Millennial target group, Kave Home moved into bricks and mortar with the opening of the first location in Barcelona as part of its omnichannel strategy.

With a fast-fashion philosophy, Kave's products are designed by a company extremely driven by trends and affordability and rotates 40 new products into the assortment each week. The e-commerce has a trendy look and feel, sense of humor, and all the features you expect from a digital-native retailer: easy navigation and filters, chat for live assistance, clients' opinions, extensive product info and pictures, good storytelling, delivery and returns info, editorial, and more. The new physical store is targeted toward Millennials and invites visitors to touch and feel the products on display. It also has an "online bar" to access the full online collection, offering an endless-aisle experience. Customers are asked to provide their email addresses in store for purchases, similarly to how the online sign-in process works to track consumer shopping habits.

The store has a trendy look and feel, inspirational displays of products, screens with additional pictures and messages (e.g., sustainability statements, 48-hour delivery promise). Kave Home has plans for expansion to Madrid, Vigo, and up to 20 more stores over the next two years.



KEY DATA

Country: Spain

Retailer: Kave Home

Format: Online and physical store

WHY IS IT INNOVATIVE?

- **Out-of-the-box vision.**
  Kave Home was the brainchild of a 37-year-old, highly experienced furniture company, Julia Group. This did not stop Kave from being disruptive. First launched in France as an online pure player, the company made a commitment to deliver every product within 48 hours, generate digital media and social networks buzz, a digital blog, etc.

- **Fast-fashion approach applied to furniture.**
  Fashion trends drive the products' design, which defies classification as Nordic, boho chic, tropical, natural, or rustic, but mixes them together. The company generates 40 new proposals every week and has an affiliate program for Instagrammers and digital bloggers to become brand ambassadors.

- **The Millenial physical home store.**
  A store to hang out in, Kave Home invites people to come and have a coffee at the store, which offers a relaxed ambience to wander, browse, and try products. Digital screens are part of the experience, because they include clear positioning and interactive messages. This is a store with the latest look, featuring plants, pink, aqua, an online bar, and geometric accent walls featuring the concept's logo. Definitely a store to Instagram.







Ebeltoft Group Expert Comment

Kave Home is a great example of an established company creating a spin-off to capture a new market segment not driven only by products, but by a whole new way of interacting with a retailer.

Kave is a dynamic company pursuing constant evolution to please and adapt to its target audience. It has achieved a great e-commerce site with the right product info; increased its range of products to be relevant for solution-seekers; and refined the products offered to be trendy. With this track record, we are sure Kave will keep evolving in the physical-store world to get the perfect retail mix, as well as continuously adapt to new consumer needs.

Brazil

Onofre/CVS

While most Brazilian pharmacy chains have been investing in the expansion of their high-street store networks, Onofre has undergone a restructuring process focused on omnichannel growth.

E-commerce currently represents 46% of Onofre's revenues and the company remains focused on growing online sales, while creating strategies to integrate three main channels: physical locations, e-commerce, and phone-based sales.

As part of this strategy, Onofre remodeled its concept store in the São Paulo central area of Avenida Paulista. A walk-in health-care center focused on minor acute illness, Onofre Clinic was modeled on CVS' MinuteClinic.

The company also rolled out other innovations, including self-checkout kiosks, the ability for staff to process payments anywhere in store (allowing customers to skip lines), and a robot that handles product storage, distribution, and sorting in store.

The store has a pick-up-in-store process and curbside analytics, and Onofre also launched a new fulfillment center to support the online operation, which moved from a mainly manual-based model to a fully automated set-up, where it is able to make deliveries within 90 minutes across the city.



KEY DATA

Country: Brazil
Retailer: Onofre/CVS
Format: Omni store

WHY IS IT INNOVATIVE?

- **New approaches to a trditional concept.**
  The different integrated solutions developed for Onofre's omni store are unique for a traditional pharmacy.

- **Updated processes.**
  Mobile payment, self check-out process, and data-based business analysis, combined with a close in-store people-oriented approach, created a substantial impact on the Brazilian retail market.

- **The future is now.**
  This store became a benchmark for different retail segments and inspired businesses to develop a new omni-retail approach. It represents the future of pharmacy and convenience.







Ebeltoft Group Expert Comment

To develop a clear omni-store purpose, Onofre CVS went through an in-depth analysis of the customer journey. This led to understanding the different pain points in each channel (physical, digital, and phone), as well as an investigation of opportunities and weaknesses and how the Onofre experience could become unique in any channel. This entire process moved the whole company to the omni mindset and generated a great transformation with regard to management, operations, process, and services. This store is just part of its strategy, comprehensive logistics, system alignment, and new store associates' skills.

France

Probox

In 2018, Probox (a B2B hardware branch of Adeo, owner of Leroy-Merlin) opened its first omnichannel shop in Genneviliers, in the Paris suburbs. It's a new retail model over 700 sq. m for tradesmen, combining omnichannel transactions convenience, and community.

Omnichannel "ship your way": The format is built to serve either pure e-commerce orders (from warehouse to user location), click and collect, or stock pick-up. Among the total online range, only 17,500 SKUs are available in store, among which 8,000 are present in the showroom and available via barcodes. There is no self-service, as the stock is behind the counter. Customers scan products with mobile devices and retrieve the order immediately at a dedicated counter. The other half of the range is available and delivered next day.

Convenience and services: This concept offers a high level of service, e.g., 18 lockers available 24/7 to access orders; a real coffee shop, instead of the usual coffee machine; a workplace, "Le bureau," where tradesmen can carry out administrative tasks, have access to suppliers' catalogs, etc.; and a shower room for after work hours; and more.

Community: Intense community activity, both in store (trainings, new products showcases, gatherings) and online, with a wide-open digital ecosystem with rich content, community services, etc.



KEY DATA

Country: France

Retailer: Probox

Format: Hardware and technical goods for tradesmen

WHY IS IT INNOVATIVE?

- **Seamless retail experience.**
  Different from traditional stores trying to add omnichannel capabilities, Probox is a phygital native, created from the outset to serve various customer journeys with the same level of efficiency.
- **A base for life.**
  Offers customers all services required for their day-to-day work, including product availability with a 24/7 locker, office desks, restaurant, shower, wifi, paper, 3D printing, etc.
- **Social place.**
  Encourages interactions among customers with trainings, work, chatting, etc., supporting the cohesion of a professional community *#utilesauxpros*.
- **Transparency.**
  Prices are displayed both on the website and in store, with bargains depending on quantity, when the trade sector usually favors personalized (and hidden) prices.







Ebeltoft Group Expert Comment

Phygital concept in the trade sector: A highly modern and innovative format, shaking a very traditional world. B2B sector remains attached to traditional ways, lagging far behind BtoC modernity. Probox proves that an integrated digital and physical experience is possible and relevant for professionals.

Customer-oriented concept: The concept is fully customer-oriented. The store has been designed to respond to the everyday needs of a craftsman. Not only a shop, this is a place to "live," with shopping, working, eating, resting, meeting people, etc.

Poland

R-Gol

R-Gol is a multi-brand store offering soccer shoes, apparel, and a variety of accessories, including Polish soccer team paraphernalia. The flagship store in Warsaw occupies a 620 sq. m space offering a soccer experience to fans and players, from amateurs to professionals. It's one of the largest facilities of this type in Europe.

More than a store, it's a multi-functional football coaching and entertainment center, featuring a 45 sq. m football pitch, conference room, VIP zone with rare collectibles, Polish National Team Fan Shop, and a chill-out zone. The store also runs a range of soccer-related events, from tournaments to training sessions.

In order to allow store visitors to browse and shop from the entire offer, R-Gol implemented an RFID-based solution, integrated with interactive screens. Placing any product on the RFID reader leads customers to comprehensive product information and comparison with a much wider range available online. There is no boundary between the physical and online store; all available items can be shopped for from anywhere. An integrated warehouse system updates online purchases and store inventories in real time.



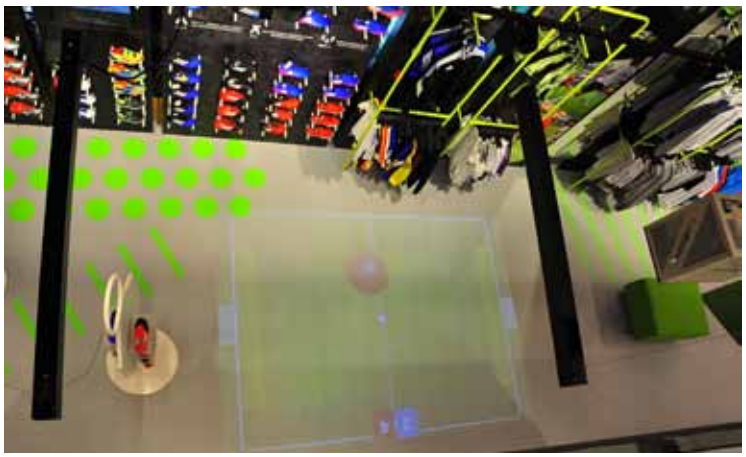
KEY DATA

Country: Poland
Retailer: R-Gol
Format: Phygital

WHY IS IT INNOVATIVE?

- **Smooth integration.**
  The store offers smooth integration of online and off-line shopping experiences. Rather than expand floor space, the store owners decided to use technology, saving precious space for interactions with the customer, from indoor pitch to promo screens for brands.

- **Unique for soccer fans.**
  At the same time, technology is not the central theme and the store offers a truly unique experience for soccer fans.







Ebeltoft Group Expert Comment

Despite many technology solutions, R-GOL owners put the largest emphasis on people: customers, partners, and employees. This allows them to create a real soccer atmosphere and share their expert knowledge.

"We try to be as close to players as possible – we want to be a good playmate for professionals, semi-professionals, amateurs, and the kids. As the brand slogan goes, 'We met each other because of soccer'."

Germany

Soulfoot

With its new flagship store in Constance, Soulfoot sets a new benchmark when it comes to combining beauty and technology. In 150 sq. m, Soulfoot sells sneakers and sportswear of various sport brands. Inside, high-quality elements dominate the image of the shop design. The finest materials are used, including Italian terrazzo, smoked glass, and acrylic. Paired with appealing product placements, this makes the interior a unique composition. Not only is the store design innovative, but digital elements, such as RFID stations, enable customers to obtain information on the chosen product. Digital screens also transform into mirrors.



KEY DATA

Country: Germany
Retailer: Soulfoot
Format: Flagship store

WHY IS IT INNOVATIVE?

- **Impressive store design.**
  Semi-transparent glass stairs, pulsing linear lights on the ceiling, and fitting rooms inspired by basketball lockers combine to evoke a unique experience through the special store design.

- **Innovative digital linkage.**
  RFID scanning stations allow customers to get more information on the sneaker they have chosen. The spy mirror, which becomes transparent when illuminated from the inside as soon as a sneaker is scanned, is one of the highlights of the store.







Ebeltoft Group Expert Comment

Soulfoot combines beauty with technology in a way only few retailers have done so far. Simplicity in store design, while offering a unique and exciting experience, is what makes Soulfoot worth a visit. The fitting rooms with basketballs and light spheres make you feel as if you are about to hit the court.

France

Saint-Maclou

For its downtown Paris Nation store, Saint-Maclou completely reinvented its commercial model with a hyper-urban phygital format, offering a wide range of products and services, despite a restricted space of 150 sq. m (vs. 1,500 sq. m for regular stores):

A showroom store without any stock: The store presents only samples. Real products are delivered to the customer's home within a few days. This allows the store to show a very wide range in terms of fabrics, colors, or prices, despite the limited available space.

A digital ecosystem to help customers build their project: Even with a sample, it's difficult to imagine what the end result will look like. Thanks to screens using virtual reality, each sample can be visualized in a standard room.

A new role for store staff: The whole process is assisted by an expert decorator with a new role, moving from titles like "carpet salesmen" to "decoration coaches."

From a store to a solution provider: Beyond products, services are highly developed (e.g., decor coach, tailor-made with dimensions, delivery and installation, etc.).



KEY DATA

Country: France

Retailer: Saint-Maclou

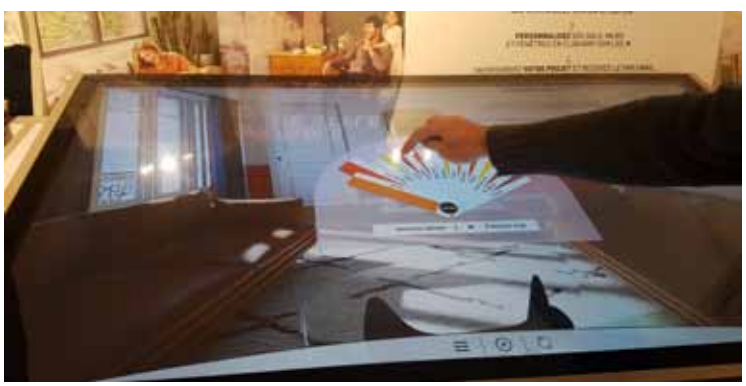
Format: 150 sq. m for the new pilot store in downtown Paris; 1,500 sq. m for regular stores

WHY IS IT INNOVATIVE?

- **A 100%-samples store with no inventory.**
  It's possible to offer a wide range in a small space, changing the business model and opening up the possibilities of a downtown location.
- **Digital devices are well integrated into the customer path.**
  Allows for a better-assisted relationship to help customers visualize their project, despite the small sample size (simulator, product associations, etc.).
- **From product to solution.**
  A highly assisted journey, with a key role for "augmented staff" and a complete shift of internal culture.







Ebeltoft Group Expert Comment

- A convincing concept that takes advantage of digital in a very smart way, when many phygital formats still struggle to prove a real added value for customers.
- An exciting business model, as the turnover per sq. m increases, while inventory decreases.
- A format allowing Saint-Maclou to address hyper-urban, active clients.
- A spectacular leap in terms of culture and brand image.

Trend #2

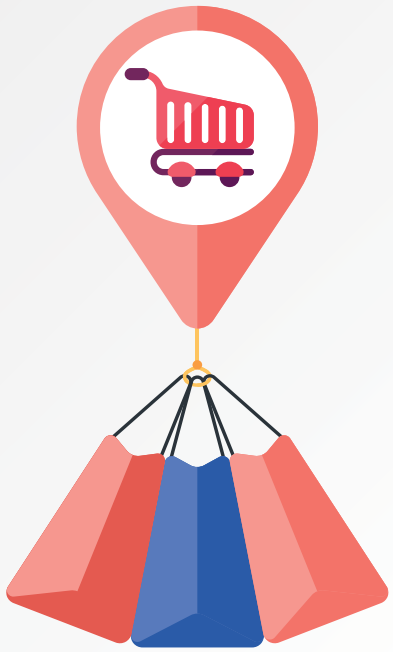
SEAMLESS RETAIL | TECHNOLOGY REMOVES FRICTION | ELIMINATES PAIN POINTS | ON-DEMAND

Extreme Convenience

The modern consumer is busy, and the era of seamless, frictionless retailing is here. Friction is every barrier we put in place to prevent customers from buying a product. Retailers are removing friction from the experience by adding elements of technology, subscriptions, delivery, and pick-up, while also streamlining the key elements of everyday operations.

- Retailers are leveraging technology to expedite services and create a seamless experience.
- Subscriptions help streamline the process for time-starved consumers.
- Delivery elements bring convenience to customers' doorsteps, to the door, to a locker, all with the touch of a button.
- Pick-up locations are popping up around the world to get items in customers' hands conveniently and quickly.
- Barriers — ordering, checkout, product availability — are removed through technology advancements.

#2 EXTREME CONVENIENCE



ON

#4

China

Bingobox

Bingobox takes the concept of a traditional convenience store a step further by making it unstaffed. Bingobox was the first company in China to pioneer the trend of unstaffed stores when it first opened in Shanghai two years ago. The stores are equipped with diverse technologies, e.g., QR codes, RFID chips, surveillance cameras, and automatic payments. These technologies allow Bingobox to utilize data analytics and stock its stores with goods preferred by consumers to maximize sales. Such a move has benefited the company, allowing it to set up stores in areas with low foot traffic and take a shorter amount of time to break even for new stores. A crew of four is able to maintain 40 Bingobox stores.



KEY DATA

Country: China

Retailer: Bingobox

Format: Unstaffed physical retail store

WHY IS IT INNOVATIVE?

- **Keeping up with tech.**
  It fuses the ongoing trend of big data and AI with the traditional brick-and-mortar store. These technologies had been around for several years prior to Bingobox, yet their application often has been limited to other sectors, such as manufacturing and business strategy.

- **Customized experience.**
  With these technologies, Bingobox is able to deter shoplifting and improve the shopping experience for consumers. With the accuracy of its image-recognition software being 99%, it can detect customers' behavior in the store and present a customizable promotional message to assist them in making a decision.

- **Portable.**
  The shop also can be relocated easily to another location, due to its relatively small footprint.



Ebeltoft Group Expert Comment

Bingobox allows for increased access to products in areas where it might otherwise be too costly to set up a physical store or operate 24 hours a day. Now, companies have an extra option to consider when distributing their products.

Consumers also benefit from the data analytics behind the scene. It allows Bingobox to stock up on products that customers demand more of and offer free products to improve consumer satisfaction.

Its box-shaped stores also can be quickly deployed to new locations.

Germany

bonprix

An international fashion supplier with more than 35 million customers worldwide, bonprix invented and implemented a holistic digital shopping experience. With the new store in Hamburg, the company shows its customers a completely new way of shopping, where intuition and immersion are key.

There is no need to decide between online shopping and going to a brick-and-mortar store in the city. With bonprix fashion connect, it is possible to do both at the same time. Excitement is generated by this new way of shopping while connected through the app.



KEY DATA

Country: Germany
Retailer: bonprix
Format: Digital fashion store

WHY IS IT INNOVATIVE?

- **It all starts with an app.**
  Whether it is on your own phone or you borrow one in the store, the shopping experience begins with the bonprix app, which allows you to check in at the store and scan the items you want to try on. These are delivered to your personal fitting room, where your order awaits. A different size or color can be ordered simply via the app, without having to leave the fitting room. The shopping bag is automatically updated when the customer leaves the fitting room. Payment can be completed at one of the terminals or via the app, while walking out of the store.

- **Enjoy and socialize.**
  While waiting for the pieces to be delivered to the individual fitting room, the customer can socialize with other customers, get something to drink, and read the latest bonprix fashion news on the tablets provided.

- **Relax and be inspired.**
  The trend floor is all about inspiration. There is no need for a customer to hunt for the right size. Only one piece per article is presented to spark interest in current fashion trends.







Ebeltoft Group Expert Comment

The bonprix fashion connect store is an example of how to respond to pressure from the e-commerce sector and fulfill the needs and desires of today's customers. With convenience and inspiration as its main USP, bonprix has set new standards.

Spain

IKEA Diseña

IKEA continually tests and improves alternative formats to address new consumer expectations and stay relevant in the changing retail marketplace. These efforts are focused around improving convenience and serving more customers in urban markets outside of their standard flagship concept stores typically located in more suburban areas.

With the populous cities in Spain dispersed, IKEA is striving to be within a one-hour drive of 80% of the Spanish population. To achieve this goal, in addition to opening click-and-collect centers, IKEA Diseña is the newest concept, established in less densely populated areas that can't support traditional stores. IKEA has opened 12 such formats over the last year in Spain.

The innovative concept is fully focused on services assisting people in home decorating. The format is a small store, where customers are always assisted by IKEA associates to design any room in their home. Customers may schedule an appointment, although it is not required. Products are purchased online and delivered to the customer's home. Assembly and installation services can be additionally contracted. The design of the display spaces differ. Some have inspirational product displays, such as a kitchen or tiny living room, but most just have desks with computers and a samples wall with materials.

KEY DATA

Country: Spain
Retailer: IKEA Diseña
Format: Small design center

Because IKEA Diseña stocks no physical products to be sold in the store, it requires only a minimum 25 sq. m selling space. Select locations have a click-and-collect area in a slightly larger store (100 sq. m).

WHY IS IT INNOVATIVE?

- **A store with no products.**
  This is a furniture and home décor store with no physical products to be touched and sold. Everything is shown and ordered online by the store assistant. The customer can have the products delivered to a click-and-collect point or to their address, or have them assembled in their home. This is perfect usage of omni integration: to be relevant, as well as efficient.

- **Instead of self-service, human interaction.**
  When entering this format, customers find a store assistant ready to help them design any room and choose the perfect products, instead of facing the usual IKEA long circuit with hard-to-find assistants. The concept is fully based on providing convenience, professional expert advice, and services.

- **Proximity.**
  A dispersed population creates areas where a traditional IKEA would not be sustainable. IKEA is finding a new way to have a physical presence in those areas, as well as to be relevant for people who do not feel comfortable buying online, or for those searching for full convenience and services.







Ebeltoft Group Expert Comment

A decade ago, IKEA offered services as an add-on, just to solve some customers' needs. Now, services are becoming part of the core experience and brand value proposition.

IKEA is constantly reimagining its business model to meet customers' desires, including convenience, proximity, assistance, experience, and sustainability, which is what great retailers do: listen and adapt to customers.

IKEA Diseña is a format that is much easier to roll out than the traditional stores, thanks to the online e-commerce tools already developed that reach consumers who want assistance, convenience, and/or proximity.

U.S.A.

Kroger

Kroger rolled out the self-driving car program, where customers can order groceries online to be delivered to the home in a vehicle without a driver. The delivery service was conceived by the robotics company Nuro, founded by two former Google employees. Kroger and Nuro began working together last year for a trial run in Scottsdale, Arizona, before they started this year's expansion.

Kroger has reportedly completed thousands of driverless deliveries within the Arizona market. The company aims to roll out its self-driving R1 delivery vehicles in Texas within the next few weeks; meanwhile, it will use a Toyota Prius fleet.



KEY DATA

Country: U.S.A.
Retailer: Kroger
Format: Driverless cars/delivery

WHY IS IT INNOVATIVE?

- **Removes barriers.**
  Enabling the purchase of groceries online to be delivered via driverless car is a great example of using technology to remove barriers to consumers and allow for a more convenient and seamless experience.

- **A better experience.**
  This combines new innovative technology, developed by Nuro with Kroger's existing infrastructure, to create a better grocery shopping experience for Kroger's customers.







Ebeltoft Group Expert Comment

Kroger's new self-driving car program makes it possible for groceries ordered online to be delivered via driverless cars, allowing customers to receive their groceries more efficiently.

The delivery service used by Kroger is achieved through a partnership with robotics company Nuro.

Sweden

Lifvs

The Swedish company Lifvs Scandinavia has opened what will be the first in a chain of staffless convenience stores in Sweden. The store, located in Bålsta, near Stockholm, is open 24/7 and is completely staffless. Instead, the company creates a seamless experience, as everything from entering to paying is done via an app. Through the app, customers open the door and scan the products they need. The amount due is then automatically withdrawn from the customer's account. It is also possible for customers who do not wish to use the app to scan the products in a check-out area in the store.

The concept is an innovative alternative to the traditional convenience store, and the company seeks to open stores in small communities that are remote from other opportunities to buy groceries. The idea is to offer a wide range of products within different categories in a small space for customers who need to make quick, last-minute buys. Ambitions are aggressive and Lifvs Scandinavia plans to open 300 of the staffless convenience stores in Sweden – 200 within the first three years. The company even wants to expand outside of the Swedish borders, e.g., to Denmark.



PHOTO BY LIVFS SCANDINAVIA

KEY DATA

Country: Sweden
Retailer: Lifvs
Format: Staffless store

WHY IS IT INNOVATIVE?

- **Technology promotes seamlessness.**
  The app-controlled concept creates a seamless experience and speedy purchase process by eliminating pain points, such as waiting in queues at checkout, or having to time grocery shopping within certain open hours. Time efficiency is a big advantage; customers can grab and scan what they need and leave.

- **Easy to locate.**
  The small, staffless format makes it easy to launch at remote locations, as it doesn't require much space or incur much payroll expense.



PHOTO BY LIVFS SCANDINAVIA

Ebeltoft
Group Expert
Comment

In today's fast-paced society, Livfs' concept goes hand in hand with the busy lifestyles of consumers who do not want to waste time grocery shopping. No lines. No checkout. Instead, it offers customers maximum efficiency in shopping. The format takes convenience to remote areas, where the concept of a fast shopping experience without any hassle (e.g., driving 30 minutes to get to a grocery store) was previously impossible.

Romania

Mall Taranesc

Mall Taranesc reinvents the path to traditional food markets, reducing the distance to one click away. The concept combines three elements defining consumer behavior: shopping center, online experience, and local food. This is how Mall Taranesc was born, an online marketplace gathering local producers from around the country, listing their products for consumers who are increasingly passionate about traditional, local, organic food. The concept was launched by the #GrowingRomaniaTogether NGO, in partnership with Patria Bank, based on the belief that change comes from each of us by promoting small, rural producers, buying their products, promoting their brands, building communities, and strengthening the bridge between them and final consumers.

More than 500 producers are listed on the platform and more than 5,000 clients are buying their products. The platform receives four to five orders daily, with an average ticket size of 10-15 €. The platform is structured like a traditional market, where each producer has a space based on geographical criteria, and an administrator who can be a producer, private company, cooperative, or public entity.

The platform was designed to be easy to use. The platform team assigns administrators to be in charge of defining producers' profiles and products. Once the enrollment process is complete, new products are available via the platform. The producer has access, but if he or she is not familiar with technology, the platform administrator helps. In this phase, orders are communicated to the producer weekly, by phone or email. This mechanism will be further developed as the platform grows.



KEY DATA

Country: Romania

Retailer: Mall Taranesc

Format: Marketplace

The product range covers all tastes and passions, from food, drinks, fruits, vegetables, dairy, and honey, to cosmetics, ceramics, wood products, and jewelry. All have a unique QR code on the label, so customers can scan it and read the product description.

WHY IS IT INNOVATIVE?

- **Easy to use.**
  Besides online, the concept brings people literally closer to producers – a QR code is available at the producers' entrance, so, while visiting Romania, anyone can stop, scan the QR code, and place an order.

- **Easy access.**
  As the concept expands, subscription models will be available for individual clients, while stores, restaurants, and hotels will have access to a dedicated section of products.

- **Easy to pick up.**
  Also planned is investment in a grocery hub (warehouse and distribution platform) in one of the most well-covered regions, where customers will pick up their orders.





Ebeltoft Group Expert Comment

It's all about reviving traditions through technology and we are all in love with both these trends.

The greatest benefit for producers is that they get a fair price for their products, since the platform shortens the chain and skips intermediaries.

Also, producers are encouraged and supported to participate in national - and even international - fairs and make their name known across borders.

Authenticity is the philosophy behind this concept and the bridge between rural and urban supports tradition through every small producer or craftsman.

Canada/U.S.A.

Starship Technologies

Move over drones, Starship Technologies is transforming deliveries with autonomous robots. These small and nimble robots are designed to deliver food, groceries, and packages locally. The robot can travel anywhere a pedestrian can walk, but mainly on sidewalks, including curbs.

With a combination of mobile technology and partnerships with stores and restaurants, the robots make local delivery faster, smarter, and more cost-efficient. The robots can carry items within a four-mile radius.

How it works:

- Parcels, groceries, and food are delivered directly from stores at the time that the customer requests it via a mobile app.
- Once ordered, the robot's entire journey and location can be monitored on a smartphone.
- Once the robot arrives at the scheduled destination, the recipient will be able to unlock the robot via the app.
- The robot then travels toward the next delivery.

The six-wheeled robot weighs around 40-45 lbs. and uses a sensor suite for navigation and situational awareness. The GPS- and CV-based navigation uses proprietary maps and allows for 1-inch navigation precision. They also can operate in the rain and snow.

KEY DATA

Country: Canada/U.S.A.

Retailer: Starship Technologies

Format: App, self-driving vehicles

WHY IS IT INNOVATIVE?

- **Making the last mile affordable.**
  As retailers continue to struggle with the last mile of the delivery journey, these robots can deliver within a four-mile radius at a significantly lower cost than current delivery services. Starship's system is simple and adaptable to any category. The robot can deliver anything that can fit inside its delivery container, such as parcels, groceries, food, laundry, medication, flowers, etc.







Ebeltoft Group Expert Comment

The robot is designed to deliver goods on the last mile of the delivery journey within suburban, residential areas, or campus-like environments.

These electrically powered robots are safe and green and can help reduce traffic congestion and pollution by removing cars/trucks from the last mile of the delivery process.

Current prices range from $1-2 per delivery, compared to other delivery services that typically range from $5-15 per delivery.

Starship charges a delivery fee for end-users and charges a margin on the basket to retailers.

Australia

Wing

Wing, the drone delivery company owned by Google's parent company, Alphabet, launched its first public drone delivery service in April 2019. Customers will be able to request small goods, such as medicine, coffee, and groceries, from a range of local businesses, including Kickstart Expresso, Capital Chemist, Pure Gelato, Jasper + Myrtle, Bakers Delight, Guzman Y Gomez, and Drummond Golf. Initially, it will cover roughly 100 homes in the suburbs, just outside the capital city of Canberra. The company said it will slowly expand to more neighborhoods in the coming months and connect with more local businesses for product offering expansion.

Wing was formed in 2012 to radically improve delivery. On its website, it states: "We believe that if people could access items when and where they need them, they could live a higher quality of life, with more choice and freedom."

Initially, the company started building an aircraft to deliver defibrillators to heart attack victims, with the hope that lives could be saved if the devices arrived faster by air. However, the company quickly learned that drone technology would first need to be proven extremely reliable and dependable through years of development and testing. Wing also believed that it would be important to deliver a wider range of benefits to communities, such as reduced traffic congestion and a cleaner environment.

KEY DATA

Country: Australia
Retailer: Wing
Format: Drone delivery

Wing teamed up with Mexican food chain Guzman Y Gomez and pharmaceutical retailer Chemist Warehouse for advanced trials in October 2017. Since then, Wing has delivered 3,000 packages to homes in Fernleigh Park, Royalla, and Bonython, three communities just south of Canberra.

WHY IS IT INNOVATIVE?

- **Clean and quick.**
  This new delivery service method will greatly reduce urban traffic congestion. Wing also is claiming to have zero-carbon emission, which is very good for the environment.

- **Cost-effective.**
  If the project is successful, it will greatly disrupt the traditional delivery process. Delivery will be faster and cost less.







Ebeltoft Group Expert Comment

Using real data, and assuming that 80% of delivery stops are for packages weighing 5 lbs. or less, a simulation model found that drones (vs. trucks) could save almost 6% of the energy needed to deliver packages within a 10-mile radius of the city center.

A Wing-commissioned study from consultants at AlphaBeta determined that drone deliveries in Canberra alone could reduce delivery costs for businesses by about $9 million annually.

Being environment-friendly and saving money will surely attract companies to switch to drone delivery.

Brazil

Zaitt

With its opening in March 2019, ZAITT is the first 100% staffless store in Latin America, from the store entrance, activated by the company app, to product information, product selection, purchase, and exit. Inside the store, there are only product shelves, no sales associates or cashier. The store is open 24/7 and operated through a partnership with Carrefour, which is responsible for end-to-end logistics. Product assortment includes ready-to-eat sandwiches, Japanese food, convenience items, such as personal care products, beverages, snacks, and more.



KEY DATA

Country: Brazil
Retailer: Zaitt
Format: Staffless store, app

WHY IS IT INNOVATIVE?

- **Complete solutions.**
  Although it's the first staffless store in Latin America, the store is bringing an incredible number of solutions, such as facial recognition for the payment process, RFID labels; and omnichannel experience, complete with an app and website.
- **Great locations.**
  All of this is located and operates in the high street, like a regular store.
- **Small, but profitable.**
  Zaitt's founders are proving that even a small store can offer the best available technology and still be profitable.





Ebeltoft Group Expert Comment

More than just a new concept, the staffless store represents the possibility of creating a new business model using high tech and being less dependent on the workforce, resulting in a more profitable business.

There is an increase in the search for new ways to offer better experience through convenience stores, appealing to those living an urban lifestyle. These people have less time for shopping and look for new and more efficient ways to buy everyday necessities, from snacks and beverages to cleaning and other products.

Trend #3

LINGERING | BRAND BUILDING | EVER-CHANGING | AMPLIFICATION | SOCIAL SHARING | EMOTIONAL | FLAGSHIP

Extreme Experience

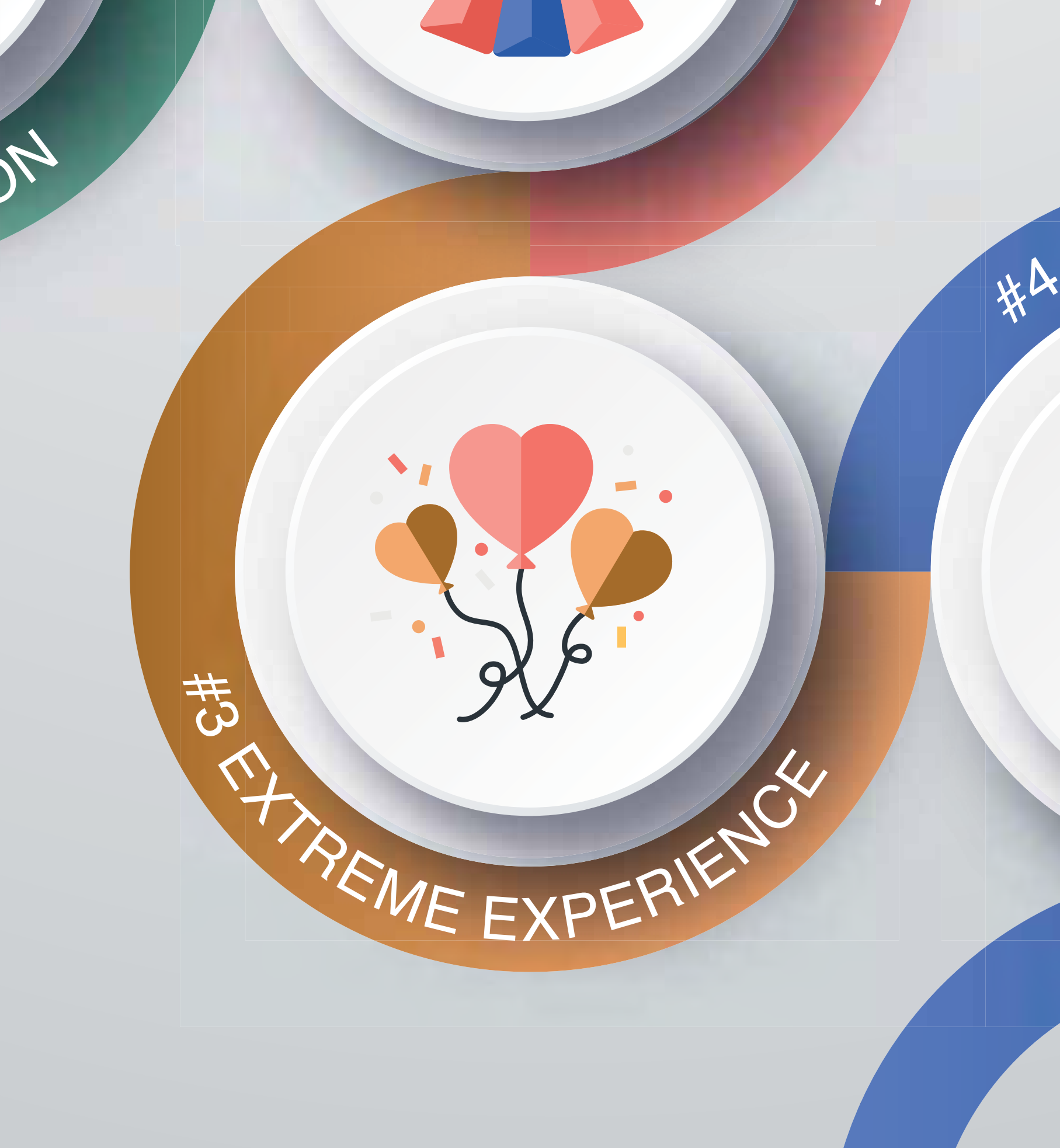
Game-changing power in retail is being ignited by great experiences. The new age of flagship retail is centered around Instagrammable moments, lavish displays, large stores, and a mentality welcoming change.

In-store shoppers crave a personal, human experience that the online world cannot provide. Interaction and engagement in the store with products, staff, and brand is essential, as it allows for more accurately identifying customer needs, building relationships and loyalty, and personalizing the shopping experience.

Consumers do not choose products based solely on functional value, but, rather, based on emotions that engagement and experience ensure. Intensive storytelling and strong content are paramount to creating identification and emotional ties, boosting brand loyalty.

The customer-to-customer relationship is also important for the brick-and-mortar experience. Retailers and brands can differentiate the experience by providing a social dimension beyond interaction and engagement with store associates. Stores should create elements of the following to develop a well-rounded, engaging experience:

- Opportunities for customers to linger in the store.
- Integrated elements that elevate and define the identity of the brand.
- An ever-changing environment that creates excitement and a lasting impression to attract potential new customers.
- Amplified brand or product that "wows" around a specific category.


#3 EXTREME EXPERIENCE
#4

Spain

AliExpress

Asia's giant online marketplace AliExpress, (from Alibaba Group), opened its first permanent store in Europe in late August 2019 in a shopping mall in Arroyomolinos, a Madrid suburb with a large population of young households. The company reported that outside of China, only the U.S. and Russia outpace Spain in using AliExpress. This permanent store is viewed as the company's gateway to the European market. There are no specific plans for further physical expansion into Spain or Europe, but all possibilities are open, according to company executives.

AliExpress sells fashion, home products, beauty products, appliances, and various other items, so there were high expectations for the range of products in store. AliExpress decided to focus on high technology and its Plaza channel, which represents Spanish retailers within their online marketplace. Currently, there are 3,000 local companies in this channel, and the company wants to reach 10,000 by the end of the fiscal year.

The store is 750 sq. m and replicates an online marketplace in a physical environment with 60 brands. It has five zones/approaches: (1) hot spot, at the entrance, with the most sought after/innovative products; (2) central area, with a monthly rotation of products of participating brands; (3) walls, with shops-in-shop of well-known brands (international: Apple, Huawei; and local: cecotec); (4) showroom/test area, where products can be tested by consumers; (5) events area, low stage with a video wall and stools to sit on.



KEY DATA

Country: Spain
Retailer: AliExpress
Format: Physical store

WHY IS IT INNOVATIVE?

- **Mirrors the physical in an online channel.**
  Soon, a channel will be launched specifically dedicated to the physical store and to mirror whatever is present there. Customers will have a seamless omnichannel experience, including QR codes to see product files, same prices on and off, all combinations of ordering and deliveries, live online events, and more.

- **Big data to determine range.**
  All marketplace products cannot be shown at once. The rotation of brands and products, and when they will be displayed at the store, will be dictated by big-data analysis.

- **Buzzing with the opening of physical store.**
  Instead of paid advertisement, the company followed the usual pure-player strategy of creating a huge buzz to become well known. Gifts to the first 500 attendees drew people to camp out for 48 hours, and thousands of people attended the opening. This resulted in big media coverage and the goal was achieved: Everybody knows AliExpress opened a physical store, even those who did not previously know that AliExpress existed.







Ebeltoft
Group Expert
Comment

When you go into the store, you feel you are at any modern technology store (e.g., Apple, Microsoft), but with lots of shops-in-shop. The prices, which are excellent, are printed on paper. So, what's all this about Alibaba's new retail? Maybe it's in localization of the physical experience of a world-class online player.

AliExpress wants to be closer to Spanish customers and counter the idea that all products come from China and have long delivery times. So, the company makes headlines with a physical store and shows top Western and Chinese brands mixed with local brands, all at the best prices. All products will be present or delivered within one to three days. The store may become top of mind for technology products.

France

Galeries Lafayette

Galeries Lafayette Group just opened a new flagship on the Champs Élysées.

The concept store stretches over more than 6,500 sq. m. While many department stores tend to become a standardized alignment of global luxury brands, Galeries Lafayette proves with this store that it wants to take back control of its marketing. "Instabrands" and new designers are highly promoted. Brand merchandising is discreet to allow the Galeries Lafayette identity to take the spotlight. Fashion items and accessories are mixed and matched to create a new way of shopping.

More than 300 personal stylists replace traditional sales assistants. They are equipped with a mobile phone and an app to consult the inventory, ask for a size, and cash out a purchase. They can create a record of clients' sizes, tastes, and styles, or book an appointment via text message.

For more efficiency, the store takes advantage of connected hangers to display an item's size, price, and sizes in stock.



KEY DATA

Country: France
Retailer: Galeries Lafayette
Format: Department store

More than a shop, the Galeries Lafayette Champs Elysees is a place with rotating exhibitions and a food court, where clients can enjoy French cuisine and take a break.

WHY IS IT INNOVATIVE?

- **Assortment and merchandising.**
  The flagship mixes brands and categories into styles and trends themes. The focus is on instabrands (niche products sold online) and mix and match. With the "Go for Good" movement, the concept reinforces its stance in favor of sustainable fashion and beauty, promoting brands like Antipodes or Absolution.

- **Fluid customer path.**
  To better highlight the offer, stock is located in a storeroom. The seller's devices enable live interaction between staff and those managing the inventory, making it possible to get products delivered by runners in minutes. Also, connected hangers on the shelf provide information about price and size availability (RFID technology).

- **Personalized assistance services.**
  Around 300 personal stylists are trained to assist the customer all along his or her journey. A specific device is dedicated to online inventory, transactions, and customer-form completion (size, tastes, style, etc.), and records phone numbers in order to keep in touch with the customer via text messages (no app required). A concierge service downstairs offers taxi bookings or home-delivery scheduling (free home-delivery service for purchases over 1,000 €).







Ebeltoft Group Expert Comment

Luxury brands' global power has created amazing value over the last few years, but also led to standardization, undermining the potential for magic and inspiration. With this flagship on the "world's most beautiful avenue," one of the most visited locations on Earth, Galeries Lafayette wants to recreate the magic.

More than a basic "power shift" between global luxury brands and retailers, this store is a bet. Creators and instabrands are great at generating fresh ideas and inspiration. But can this make money? Whatever the end result, the project is exciting and the store is a beautiful setting.

Japan

Hi Panda

Hi Panda is a massive Chinese streetwear label that opened its first flagship store in April 2019 in Japan. Hi Panda sells t-shirts, jeans, sweatshirts, baseball caps, toys, and accessories and focuses on consumers under 30 years old. The brand's logo is a panda bear that plays a big role in the store. However, it breaks from the expected cuddliness of Chinese brand mascots by representing an angry version of a panda, dubbed the "anti-Hello Kitty." The store was designed by Curiosity and represents a modern version of a ghost house. In this flagship store, customers can find a selection of exclusive products and discover the brand via an AR experience. The space uses light, screens, and augmented reality technology to lead customers on their personalized pathway to find an invisible ghost.



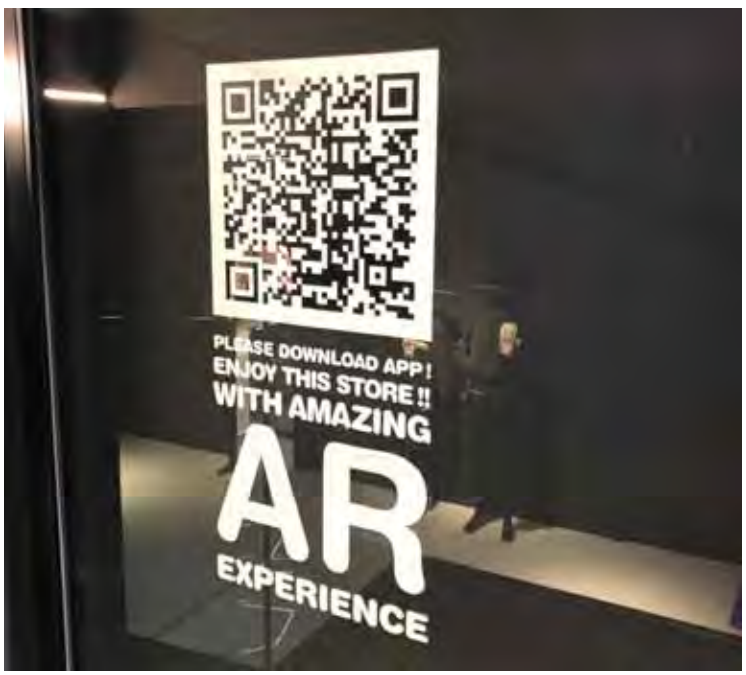
KEY DATA

Country: Japan
Retailer: Hi Panda
Format: Flagship store

WHY IS IT INNOVATIVE?

- **Gamification with AR.**
  Customers are pulled into the store by an angry bear that jumps out at them when they point their phones at the store's façade. Once in the store, employees guide visitors to enter the AR experience, which is mainly intended for brand-building. Visitors can use either their own mobile phone or one of the store's tablets. AR technology and light interaction create the illusion of chasing the bear's ghost between the racks and hangers. In a mirrored room, customers see a sea of bouncing balls through their device, before the ghost materializes inside a foggy room.

- **Merging fashion, art, architecture, and technology.**
  The idea behind this store was to bring streetwear to new territories, into an experiential space that is accessible and inspirational for all. To achieve this goal, the store is centered around not just fashion, but also art, architecture, and technology, a surprising combination that creates a cool experience for everyone.







Ebeltoft Group Expert Comment

This store goes much further than a flagship with a strong assortment. This store is a prime example of how gamification can be used for brand-building. It was designed to pull customers into an extreme experience, creating an emotional connection with the brand. Shoppers actively interact with the physical space through their mobile devices, making it a seamless omnichannel shopping experience. Concepts like this are unusual in Europe, but even for Asia, this store shows extremely good use of digital technology. Consumers in Asia have access to branded goods wherever and whenever they want, so they need a good reason to visit a physical store. The flagship store's high traffic shows that Hi Panda successfully manages to create an attractive experience.

Italy

IKEA @ Eataly Rome

IKEA continues to move into smaller-style formats and recently chose Italy as a leading market, partnering with Eataly and opening a pop-up shop at Eataly Roma Ostiense.

In an area of more than 700 sq. m over two floors, the IKEA space recreates the atmosphere and welcome of a laid table, which can be accessed through the Eataly pasta restaurant and café. The ground floor is dedicated to the display of living areas, kitchens, and furnishing accessories divided into six islands of inspiration and an entrance area, where the main novelties are displayed. The layout changes with the season.

On the second floor is Salotto Romano, a space where customers can relax after shopping. There are about 280 references available through a "moodboard," an inspiring wall that displays materials, colors, and shapes. Customers are guided by a team of experts to design customized solutions, including the most suitable furniture for their home, in a creative area introduced here by IKEA for the first time in the world.



KEY DATA

Country: Italy

Retailer: Ikea/Eataly

Format: Pop-up shop-in-shop

WHY IS IT INNOVATIVE?

- **Harmony and mission.**
  Faithful to its mission to improve daily life for consumers, IKEA has begun to diversify its traditional format of stores outside the city. While much smaller stores generally focus on a select part of the assortment, this downsized operation affords customers the freedom to browse the digital catalog in store. The company has succeeded in attracting new and different, more urban targets willing to have selected products sent home. The success of the small shop opened in the center of Rome, a pop-up whose presence has been extended five times, which led the Swedish company to choose Italy as a leading market to continue to test new projects. The two companies are characterized by a remarkable harmony of sensibilities: informal and modern, each with its own identity. Further, IKEA is careful to combine affordable prices with quality and sustainable products, priorities also for Eataly, supporting a business model that - in addition to profit - reflects the pursuit of "the good life" for people and the planet. The stage for this partnership is Rome's Ostiense, the largest (16,000 sq. m) and most visited (18 million visitors) location in the world, with the opportunity to restyle the spaces.







Ebeltoft Group Expert Comment

A great example of two powerful retailers blending their services and offering. IKEA and Eataly chose each other deliberately. The co-brand is strengthened by sharing many things in common and is aware of both strategic and tactical opportunities.

Eataly always has been a leader in developing partnerships, breaking traditional rules and, in this case, legitimizing an Italian-Swedish mix.

The challenge remains for these two retailers to maintain harmony, while maintaining their individual identities. The ability to tie in a full-home experience, from kitchen to food, is where this concept innovates, bringing convenience to a new level for the customer.

The Netherlands

Intratuin

Intratuin's new concept, Intratuin 3.0, redefines a garden center. Where customers normally are guided through different product categories, this store is organized like a lifestyle magazine. The store has two levels and is divided into several departments that feel like little concept stores. The property features an outdoor terrace, a large restaurant with an open kitchen, and a testing ground, where customers can eat seasonal produce from the store's greenhouse.

In addition to experience, knowledge-sharing is an important aspect of this store. In the Living Garden section, customers can get advice on how to make their garden more attractive to birds and insects. An audio tour, recorded by the store manager, guides visitors through the store.



KEY DATA

Country: The Netherlands
Retailer: Intratuin
Format: Intratuin 3.0

WHY IS IT INNOVATIVE?

- **Innovative customer journey through the store.**
  The route and design of the new concept was created with an eye to how customers are shopping. Where Intratuin customers were previously guided through the store via a traditional route, the Intratuin 3.0 concept shifts away from this idea. The consumer is free to determine his or her own personal route. For the total experience, the visitor can be guided through all worlds. However, it is also possible for the fast, goal-oriented visitor to have an efficient visit to Intratuin. Intratuin puts the needs of the customer at the heart of the format.

- **Responsibility.**
  The Living Garden department changes seasonally. In spring, for example, it features bees and butterflies and corresponding flowers. In order to achieve this, Intratuin has started a close collaboration with the butterfly and beekeeping foundation, through which extra expertise has been tapped. Customers can get advice on how to make their garden more attractive to birds and insects. Intratuin not only shares its knowledge, but also contributes to creating a healthy balance in the ecosystem.





Ebeltoft
Group Expert
Comment

Intratuin reimagined the traditional route of a garden center. The various product groups have been combined. Seasonal green foliage, for example, is presented with pottery. The store is much more based on look and feel and each shop has its own ambience.

Another important feature of this concept is knowledge-sharing. For example, in the Living Garden department, the customer learns why greening the garden is important. Here, attention is paid to climate change and biodiversity. In addition, customers are invited to take the audio tour at the entrance. During the tour, facts, advice, and inspiring stories are shared. There are also several workshops promoting knowledge sharing.

Japan

Lush

Lush is a cosmetics and body-care products company from the United Kingdom known for constantly reinventing itself. Lush is not a mere cosmetics brand. All products are high quality, handmade, organic, and free of animal testing. The brand also is known for its sustainability orientation, for example for its efforts to reduce, recycle, and even eliminate packaging.

In recent years, Lush has opened stores all over the world. The largest Lush store in Asia opened in Shinjuku, spreading over four floors. Lush Shinjuku is a one-of-a-kind store, where new Lush products and inventions are introduced to the customer. It is an experience-based store, with more than 600 store-exclusive Lush products and a Lush spa. Each floor has a different theme, showcasing Lush's newly introduced technology.



KEY DATA

Country: Japan
Retailer: Lush
Format: Flagship

WHY IS IT INNOVATIVE?

- **Lens technology reduces environmental impact.**
  Lush has developed the Lush Lens, a feature within the Lush Labs app that allows customers to scan products using product-recognition technology. The app provides product information, including ingredients, price, and a video of what it looks like to use the product. Lush is able to minimize or eliminate packaging and reduce water usage by showcasing products through videos, reducing its impact on the environment.

- **Fresh products.**
  The ground floor is also dedicated to fresh products that are beneficial for both the user and the environment, ranging from freshly made cosmetics to flowers. The flowers are cultivated without the use of pesticides and the fresh cosmetics are made without preservatives. In this department, Lush clearly shows what the organization stands for: fresh, handmade, vegan cosmetics that have not been tested on animals.

Tokyo is a metropolis that draws many tourists from around the world. Lush does not rely solely on the customer speaking Japanese or English to communicate. By cleverly using icons and visuals to provide product information, Lush breaks the language barrier and makes everyone feel welcome. In addition, Lush ensures consumer engagement by welcoming them to give direct product feedback. Based on the feedback, products rotate over time, some leaving the offer, new ones being introduced. Lush responds well to the trend of making consumers feel more seen and heard.







Ebeltoft Group Expert Comment

The special feature of this flagship store is the way Lush uses technology in combination with innovation and experience without compromising its own values. In addition to its other uses, technology reduces packaging material. Information about products displayed and sold without packaging – which Lush calls "naked products" – is accessible via the Lush Labs app. In addition, key messages with visual content and designs are communicated through digital screens, as well as projection installations, to overcome language barriers.

In terms of experience, the unique aspect of Lush Shinjuku is that each floor is a surprising new world. Ranging from a flower department to a spa, from a music and fragrance library to party rooms, the store has a department for every mood. The Shinjuku store has one feature that can't be found in any other store: the Limited Edition shower jelly drumkit. The display has different jellies that each produce a unique sound when customers tap them, stimulating interaction with the products. Tokyo is also well known for the "sushi soaps" from Lush.

Portugal

Inditex

Massimo Dutti opened in November 2018. It is not only the most beautiful store in the Spanish chain's Portugal location, it is one of the most beautiful shops in the world, inspiring interest in avant-garde experience and history. Located in a romantic 19th-century palace on Avenida da Liberdade in Lisbon, the layout of the space was thought through in every detail, so that each piece matches the room where it is exhibited.

The store has three floors; two are dedicated to women's collections and perfumes, and one to men's collections. Each floor has rooms with a different style appropriate to the brand collection. There are rooms with a more premium style, and others with urban and relaxed pieces. The spaces are distinguished not only by the clothes, but also by the decorative elements. For a more Portuguese feel, some rooms have cork-lined walls.

In the men's section, there is also the personal tailoring room, where suits and shirts are made by a Portuguese workforce. In addition to being large and elegant, this store is still very high-tech, with interactive magic mirrors. It's not only a beautiful concept store, but also a place that offers a variety of customer experiences, connecting trends such as blended retail and technology.



KEY DATA

Country: Portugal
Retailer: Inditex
Format: Store

WHY IS IT INNOVATIVE?

- **Blended retail.**
  Inside the store, a bookstore was set up in collaboration with German publisher Taschen to exhibit and sell a collection of fashion and design books. This special collaboration arose through interest on the part of both brands in generating an additional aesthetic experience for customers in the Munich and Lisbon stores.

- **A phygital store.**
  In clear contrast to the setting, the brand also bet on technology, including magic mirrors that automatically digitize the pieces and enable the customer to consult the data on the chosen clothes or request different sizes. The screens feature visual-search technology that suggests complementary or alternative selections.

- **Scan and shop.**
  The customer also has the option to scan and shop, i.e., scan the products in the app, put them directly into the shopping basket online, and ask for delivery to the most convenient place. Also, in line with aligning physical stores with the online sales channel, brand customers still can reserve articles in the app and pick them up in the most convenient store.





Ebeltoft
Group Expert Comment

This is a unique store in the Inditex Group's branded world, not for its personalized service with smart dressing rooms, or even dedication of a corner to the German publisher Taschen, but because the space has dictated what this Massimo Dutti would be.

The union of fashion, technology, and other trends in a large and elegant space was a positive bet on the brand that managed to create an incredible shopping experience.

U.S.A.

Lululemon

Lululemon opened the first-of-its-kind flagship store this year in Chicago. Spanning over 20,000 sq. ft. and two levels, this is the store's first foray beyond classes and yoga wear. The store features fuel, the first digitally enabled restaurant, as well as two fitness studios and plenty of space for the expanding product assortment. The store brings the brand to life, creating new kinds of opportunities for customers to engage with Lululemon, including men, women, and even kids. With yoga classes, meditation rooms, sound baths, an extensive assortment of clothing and skincare products, as well as a partnership with a Chicago-based restaurant group to create a one-of-a-kind food experience, this store sets the bar for how brands can go beyond just selling a product and become one destination for everything wellness.



KEY DATA

Country: U.S.A.
Retailer: Lululemon
Format: Flagship store

WHY IS IT INNOVATIVE?

- **Frictionless retail experience.**
  More than a traditional store trying to add omnichannel capabilities, Lululemon is redefining wellness as a one-stop-shop for food, shopping, skin care, wellness, yoga, and meditation.

- **Social place.**
  Encourages interactions among customers: training, working, and sharing workspace where they can meet and engage with wellness professionals and others in the community.

- **Community oriented.**
  Partnerships with instructors throughout the city are formed to host classes at the store. They have created their own "studio". This is the first time a retailer has really gone outside the box to be more than just a retailer that hosts fitness classes.







Ebeltoft Group Expert Comment

Strong partners: The store was completed with seasoned partners. Fuel at Lululemon is a collaboration with Blue Plate, a well-known caterer and event company in Chicago. While there are examples of retailers developing their own F&B expertise, it is likely that the right route is to find credible local partners for expertise and authenticity. Fuel from Lululemon offers the expected "healthy" fare from smoothies to bowls, but also sneaks in a burger here and there for shoppers to indulge in after a workout.

Integrated: Integrating food, wellness, and experience all in one space. With touchscreens to order food and register for classes, the entire store is seamless and intiviting.

Canada

Mountain Equipment Co-op

Vancouver-based retail cooperative Mountain Equipment Co-op (MEC) has opened its new immersive flagship store on hip Queen Street West in Toronto.

This unique experiential store offers a variety of services and products, such as a rock-climbing wall, full bike and ski repair shop, events, and products that range from water bottles to wakeboards.

The accessible space has universal washrooms and changing rooms, as well as a written acknowledgement recognizing the Indigenous land the company occupies. The building is also carbon-neutral, as are all MEC buildings, and uses renewable energy.



KEY DATA

Country: Canada

Retailer: Mountain Equipment Co-op (MEC)

Format: In store and online

WHY IS IT INNOVATIVE?

- **An accommodating design.**
  Impressive store design that represents the street front with an expansive façade. Marbled signage and a building measuring more than 54,000 sq. ft.
- **A plethora of products.**
  In total, MEC carries more than 1,300 environmentally friendly models.
- **Learning by doing.**
  The store is all about experiences, with "learn to" camp, ski, and bike sessions hosted by Parks Canada, featuring workshops on developing running, cycling, and climbing skills.







Ebeltoft Group Expert Comment

- Store design has a floating canopy to mark the entrance.
- 1,000 sq. ft. indoor climbing wall.
- Product demos where customers can experience bike trainers and virtual tent life.
- Full-service bike and ski repair shop.
- Tablets programmed with VR tech to show a variety of in-store and online products before purchasing.

Romania

Mega Image

Mega Image keeps innovating in unexpected ways, focusing on the strategy of delivering new types of experiences and surprisingly innovative shopping spaces, while staying close to the customer.

The brand's expansion in the gastronomy area reached the next level with the new #MegaStreetFood format enclosed in the largest and most successful concept store in Bucharest.

#MegaStreetFood was created based on international retail trends, where the store space is reinvented to provide new experiences and where customers can shop while they dine. The concept also responds to customers' desire for to-go food in an active area of the city - one of the main business hubs and selective residential areas.

The dedicated space covers 300 m and brings together four leading international restaurants: La Finca by Alioli, SteakAway, Za German, and Pane & Pomodoro. These four types of complementary cuisine were selected based on target segmentation groups: young ladies who love paella, young managers who eat a würst, people looking for steak, and those who simply want to enjoy pizza. Customers can eat either indoors, in a dedicated corner, or on the outside terrace.

KEY DATA

Country: Romania

Retailer: Mega Image

Format: Concept store and ready-to-eat food

In addition, in the store, next to the #MegaStreetFood area, another innovative space, the Beer Warehouse, offers more than 170 beers, both local and international.

#MegaStreetFood concept will be implemented in other Mega Image stores in the near future.

WHY IS IT INNOVATIVE?

- **A first.**
  The first Romanian food store in the restaurant arena.
- **A new layout.**
  Reinvents the store space. The areas of fresh produce and ready meals have been expanded and #MegaStreetFood was set up in the store's center.
- **Making the most of time.**
  Customers can shop and dine at a restaurant on street food; enjoying a unique lunch alternative on a work day.





Ebeltoft Group Expert Comment

Brings a festival atmosphere through space design, furniture, and branding, and through the specific flavors of each restaurant. Great food is prepared on the spot, in front of customers.

Inspired by international trends, where eating out is increasingly an everyday activity.

The Netherlands

Miele

In June 2019, Miele opened an Experience Center in Amsterdam. The Experience Center offers opportunities to see products firsthand and get advice on purchases. The store tells the story of Miele's brand, which is characterized by quality, design, innovation, and sustainability. Customers can experience Miele's most innovative products from its kitchen and laundry, as well as the home appliances offer. Miele aims to serve customers in all parts of the customer journey, whether they are in the process of renovating their kitchen or looking for general inspiration. The store is an ideal channel through which to learn about the latest innovations from Miele and purchase the full range of appliances and accessories. Through cooking and product demonstrations, customers can experience the newest technology. To create the best shopping experience, staff is trained to offer extensive personalized recommendations on which products best meet the customer's needs.



KEY DATA

Country: The Netherlands

Retailer: Miele

Format: Wholesale, Experience Centers

WHY IS IT INNOVATIVE?

- **Product explanation.**
  Miele products are generally technically complex and detailed product explanation is needed, so Miele works with a large team of trained employees who take their time with customers. The store also features various technological solutions that allow customers to independently discover and try products. For example, the swiping cooktop screen enables virtual cooking, featuring built-in touchscreens that showcase products in their true size. The consumables wall uses NFC technology to play informative videos when customers pick up a product.

- **Experience through cooking.**
  Culinary workshops are organized in the extensive cooking studio under the guidance of professional chefs. This form of product demonstration is especially valuable to explain the technicalities of more complicated products, like the Dialog Oven.

- **Personalized advice.**
  Miele's high-end image also is reinforced in customer service excellence. Visitors can meet with a Miele product advisor to discuss their needs and help them make decisions on complex projects, like a new kitchen.





Ebeltoft
Group Expert
Comment

The Miele Experience Center is a strong example of brands going into retail. While most Miele products reach the customer through wholesale, Experience Centers are designed to interact directly with the customer. Customers who are familiar with the brand can come by for more advanced advice, while new customers can get to know the brand. The Experience Center in Amsterdam is the first European store following the new concept. The smaller city stores use digital elements to stimulate interaction. Keeping in mind that Miele's products are in a higher price segment, it is important for the customer to feel an emotional connection with the product before making the purchase decision. Store employees go further than explaining how products work, they take time to provide customers with personalized advice on all kinds of decisions connected to changes in the home.

Denmark

MOND of Copenhagen

MOND of Copenhagen specializes in tailor-made suits, putting the personal buying experience and unique product at the forefront of customer experience. However, the traditional tailor-made craftmanship has been modernized with a 3D body scanner that maps the customer's body shape and dimensions in just five to 10 seconds, while a traditional tailor spends up to one hour measuring the customer. Via modern technology, MOND's measuring process combines with more traditional tailoring techniques, such as understanding the customer's preferences, to achieve the desired fit. In the store, customers design their suits themselves with guidance from knowledgeable employees. The customer can choose from among more than 8,000 different fabrics, primarily from Italy and England, as well as custom elements, such as inner lining. The customer's measurements are saved in a database, so that he can easily order new suits from home without having to go to the store. The first time a customer visits MOND, the whole design and ordering experience is demonstrated online to educate the customer on how to order new suits from the comfort of home in the future. Mond of Copenhagen caters to men and enhances the personal experience by pampering customers with beverages, such as beer or whiskey, while designing the suit. Even though the suit is not made in the store, tailors are present to make minor adjustments when the customer picks it up, within four to six weeks. Mond of Copenhagen has three stores in Denmark, in Copenhagen, Hellerup, and Aarhus.



PHOTO BY MOND OF COPENHAGEN

KEY DATA

Country: Denmark

Retailer: MOND of Copenhagen

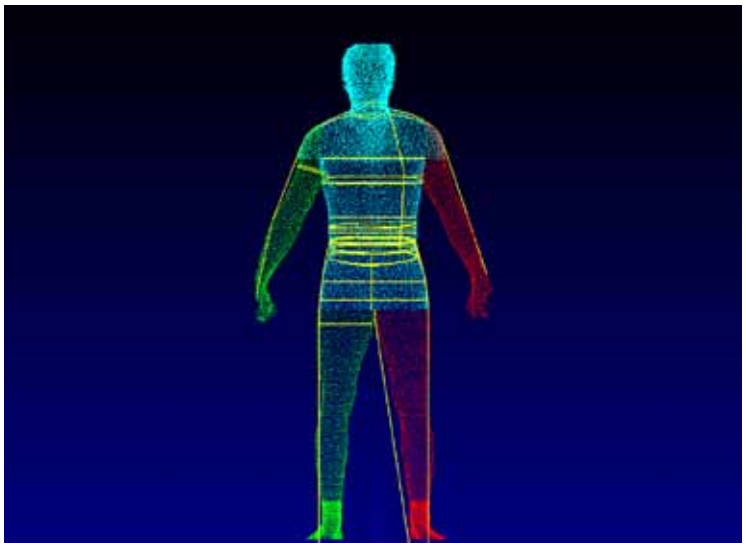
Format: Store

WHY IS IT INNOVATIVE?

- **Customer-centered.**
  Consumers' endless thirst for uniqueness can be satisfied here, as the concept centers around unique products created on demand.

- **Tech integration.**
  The tailor concept is modernized through use of a 3D body scanner, an element in a distinctive customer experience. MOND enhances convenience by making it po tomers to order new suits online.

- **High degree of engagement.**
  High engagement is created through interaction with knowledgeable employees and services, such as complimentary beverages.





PHOTOS BY MOND OF COPENHAGEN

Ebeltoft Group Expert Comment

MOND of Copenhagen offers a modern take on the old-school craftmanship of suit tailoring, using technology for precise fitting and creating unique products.

Using technology as an assistant in the measuring process, MOND does not let the technology define the experience, rather it supports the staff in taking the personal shopping experience to the next level.

U.S.A.

Planet 13

Planet 13 is more than just a place to buy legal cannabis, it is a cannabis superstore and entertainment complex that provides customers with a unique, larger-than-life shopping experience. The premium destination focuses on providing customers with top-quality service, products, and experiences.

Customers are treated to fun and entertainment, thanks to the giant interactive lotus flowers and planet-like water feature outside the store in the form of an aerial orb show, LED interactive floor, 3D projection visual experience, and interactive laser art. Product displays are designed to be luxurious and customers can get assistance from employees (budtenders) who help select purchases.

KEY DATA

Country: U.S.A.
Retailer: Planet 13
Format: Flagship



WHY IS IT INNOVATIVE?

- **Customer service.**
  Planet 13 fits strongly into the trend of extreme experience with its lavish displays, large size, entertainment features, and focus on customer service. It is remarkable that all this has been accomplished so quickly in the recently created cannabis industry, which has just been legalized in parts of the U.S.

- **Customer experience.**
  Planet 13, as its website says, "is more than a marijuana dispensary," it is "…an experience." For customers looking for more than just a way to purchase cannabis, Planet 13 leads the way by embracing many innovative approaches for customer engagement and experience.







Ebeltoft
Group Expert
Comment

The legal cannabis industry has made big leaps in the retail experience offered to consumers since the first store opened in Colorado five years ago.

Planet 13 is a great representation of this change. This massive flagship store is a far cry from that first store. The 40,000 sq. ft. store has many entertainment features to go along with its products. The store offers its consumers a truly high-end experience with expert assistance.

United Kingdom

Petersham Nurseries, Covent Garden

Richmond-based Petersham Nurseries opened a new spot in Covent Garden, covering 16,000 sq. ft. in the new Floral Court development. Included in this development are two restaurants, a cocktail bar, a wine shop, a florist, a home and garden shop, and a courtyard. The design throughout emphasizes close contact with nature and sustainability to create an environment that "brings the garden back to Covent Garden." Using fragrance and greenery, the Boglione family created a place of calm, away from the hustle and bustle of central London, with the chief director stating that the main goal is that "as you walk in, your shoulders drop and you're relaxed."

The central courtyard reflects this philosophy, with the design combining English country charm and Italian elegance. The restaurants follow the slow-food philosophy of good, clean, and fair trade via a menu offering simple, seasonable, sustainable food with a focus on quality ingredients and Italian flavors.



KEY DATA

Country: United Kingdom
Retailer: Petersham Nurseries, Covent Garden
Format: Off line

WHY IS IT INNOVATIVE?

- **Embodies the trend.**
  Petersham Nurseries in Covent Garden embodies many aspects of the trend of extreme experience.

- **A natural impact.**
  The new store, with its many unique features, encourages consumers to linger and try many of the experiences it offers. The store also strives to make an emotional impact on those who enter through an atmosphere enhanced by natural features.

- **Strong engagement.**
  The company has created a unique and engaging experience that helps to build relationships with customers and promote the brand.







Ebeltoft Group Expert Comment

Petersham Nurseries recently opened a new store in Covent Garden. The newly opened store has many unique features that help create an exceptional experience for customers, including restaurants, a cocktail bar, shops, and a European-style courtyard. The complex is designed to embrace nature and sustainability and help customers find a reprieve from the hustle and bustle of central London.

United Kingdom

Primark

Spanning 161,000 sq. ft. over five floors, with three cafes - including a Disney-themed one - and employing approximately 1,000 store associates, this is the largest Primark in the world. The store offers a mix of experiential retail, F&B, and services.

Primark is eager to serve and facilitate as many shopper goals as possible, offering its full fashion, beauty, and homewares ranges, alongside partner-run services, such as two full hair salons and an on-site beautician. Brand partnerships, such as Disney and Harry Potter, are distributed throughout the store. The personalization studio, Custom Lab, enables customers to print bespoke fashion items.

This giant store is also at the forefront of Primark's green initiatives, with a recycling opportunity for consumers to recycle clothing and shoes from any brand, and by stocking its cruelty-free range and 100% sustainable cotton jeans and pajamas.

The opening of this mega-store is a nod to the fact that Primark is confident its physical presence will be profitable, regardless of the current strain on the UK high street.



KEY DATA

Country: United Kingdom
Retailer: Primark
Format: Off line

WHY IS IT INNOVATIVE?

- **A showcase for trends.**
  Primark's new mega-store showcases many of the features of the extreme-experience trend, while also featuring some of the aspects of the trend of sustainability.

- **A lot to explore.**
  The store's grand scale and distinctive features create the feeling of a big flagship store. The variety of features encourages customers to take their time exploring and creates an emotional experience of the store. Primark has excelled with social media, such as Instagram, with 7.5 million followers.

- **Doing good, while doing well.**
  With its recycling program, cruelty-free range, and sustainable products, Primark also follows the trend of sustainable practices.





Ebeltoft Group Expert Comment

Primark's new flagship store, Primark Birmingham High Street, nicknamed Primark Pavilion, spotlights many distinctive features.

Its 161,000 sq.ft. houses a variety of retail, F&B, a personalization studio, as well as a recycling option. There are partnerships with other brands, like Harry Potter and Disney, which has a café in the store.

This all helps to create a captivating experience, which encourages customers to wander around and see all the store has to offer. It also serves to promote Primark's brand.

The Netherlands

Shimano

In April 2019, the Shimano Experience Center opened its doors in the former Leeuw brewery in Valkenburg, The Netherlands. The Shimano Experience Center originated from the mission "Closer to Nature, Closer to People." It is a place where everyone can get in touch with cycling, fishing, or rowing at the level of their preference and ability. Focused on mobility and health, the center is located at the foot of the Cauberg. In The Netherlands, this is the go-to mountain for cycling enthusiasts, making it the perfect location for a cycling brand.

The newest technologies of Shimano can be tested in the Experience Center. Consumers can experience the latest Shimano gadgets through interactive activities, such as indoor VR displays, simulators, and workshops. The main goal of the Shimano Experience Center is to provide retailers with additional support for their customers, when it comes to testing existing and new technologies.



KEY DATA

Country: The Netherlands
Retailer: Shimano
Format: Experience Center

WHY IS IT INNOVATIVE?

- **Social experience.**
  Guided by Shimano experts, visitors are encouraged to experience the latest Shimano technologies through interactive activities. With VR displays, simulators, test routes, and a Shimano whitefish pond, everything is available to complete the Shimano experience.

- **Additional services.**
  To take advantage of the facility's various attractive features, Shimano makes sure that the visitor can spend a day, or even a weekend, at the Experience Center. For longer multi-day activities, arrangements are available, including bike, or fishing rod rental, meals, and hotel accommodations in the larger Par Course center. By enabling the visitor to stay longer at the location, a relationship can be built with the brand, which can lead to customer loyalty and, potentially, brand loyalty.







Ebeltoft
Group Expert
Comment

The Shimano Experience Center is unique in The Netherlands and is the perfect example of a store concept where it's all about experiences and memories. Every detail has been considered in the execution of this center. The center is not focused on transactions, but on getting as many people as possible in touch with cycling, fishing, and rowing. Shimano does this by offering consumers the opportunity to test the latest products, equipped with the latest technologies, in a unique environment. The area is equipped with various facilities, such as bike rental, simulators, presentation rooms, and a hotel. This makes the center attractive to any type of visitor, ranging from serious sports enthusiasts to vacationers and curious passersby.

Where many brands are increasingly moving toward direct sales to the consumer, the goal in the Experience Center of Shimano is the opposite. The main goal of the center is to provide retailers with additional support for their customers testing existing and new technologies. After testing the products, the consumer will be assisted in finding the nearest retailer.

Italy

Woolrich

Founded in 1830 in Pennsylvania, Woolrich is the oldest American manufacturer for outdoor and technical clothing, a brand that has always been closely linked to the values of its own history, tradition, and quality. In 2017, the company carried out a brand renewal project and opened an experiential flagship store of 700 sq. m in Milan, in the fashion district of Corso Venezia. The store, designed by the Japanese studio Wonderwall of Masamichi Katayama, features different environments dedicated to various categories of products and services, which guide the customer to discover the brand. Customers pass through the entrance, which suggests continuity with the urban world of the brand, to arrive at the end of the path to the outdoor space, symbolized by a garden.

The store design mixes different materials, such as cement, wood, and glass, and the furniture is warm and minimalist, with vintage furnishings and armchairs, but also modern giant screens that convey the brand narrative.

The flagship offers a 360° immersion into the Woolrich world, telling the story and offering new experiences to attract customers and encourage them to spend more time in the store.

Alongside the classic references, (such as the original iconic Woolrich Arctic Parka, designed in 1972 for workers in a gas pipeline in Alaska), there are limited editions created by design collaborations, a strategy increasingly important for Woolrich.



KEY DATA

Country: Italy
Retailer: Woolrich
Format: Flagship

WHY IS IT INNOVATIVE?

- **Extreme in the extreme.**
  The Extreme Weather Experience Room is the cornerstone of the store, an "arctic" room that reaches a temperature of -20°C in winter. Here, customers can test outerwear performance in a realistic and exciting way. An experiential area that strengthens customer confidence in the performance of Woolrich technical jackets, the Ice Room received the Wallpaper Design Award in 2018 for the sensory experience it offers.

- **A retrospective.**
  The entrance presents a selection of original archive pieces, such as the famous red-and-black checkered shirt, alongside replicas.

- **Exploring the past.**
  A great exhibit displays wool bobbins, with the date of production, telling the story of the 200 years of the brand's history and founding values.

- **Making it personal.**
  Alongside the real experiences for customers, there is a customization workshop, where it is possible to decorate or embroider the products, including, if desired, with Swarovski stones or crests.

- **The nature connection.**
  Finally, a refined winter garden, created by Satoshi Kawamoto, welcomes customers at the back of the store, reinforcing Woolrich's aesthetic values and deep ties with nature.







Ebeltoft Group Expert Comment

The Woolrich flagship store represents and is an effective example of 360° engagement and of how physical retail can respond to e-commerce pressures, differentiating and focusing on experience.

The challenge is to maintain a high level of service and experience over time.

China

Zhongshuge

Zhongshuge bookstore defies the common perception that brick-and-mortar bookstores are in decline. Zhongshuge decided that visiting the bookstore should be an appealing experience for everyone, including those who aren't avid book readers. Through the innovative use of mirrors, symmetry, and colors, the retailer has been able to turn the store into an art gallery. This has drawn crowds from all over Asia to visit the store.



KEY DATA

Country: China

Retailer: Zhongshuge

Format: Large-scale bookstore

WHY IS IT INNOVATIVE?

- **The experience is key.**
  Zhongshuge gets it that customer experience plays an important role in the sale of books the store carries. Zhongshuge understands that this is a competitive edge, which online retailers of physical books, e-books, or audiobooks are unable to provide. The longer the customer stays at the location, the higher the probability of finding something which interests him or her, increasing the likelihood of a purchase.

- **Being both.**
  Zhongshuge bookstore can be seen as a fusion of a bookstore and a museum.



Ebeltoft
Group Expert
Comment

The approach has transformed the common belief that bookstores are boring places suitable only for intellectuals to visit. Zhongshuge has branded itself as communal space, where knowledge thrives and where consumers can wander off for a day and enjoy a book.

Trend #4

CONSCIOUS CONSUMPTION | PURPOSE | RESPONSIBILITY | POP-UP | ACTIVISM

Sustainable Practices

Consumers are more conscious now than ever about their impact on the environment, the food they put into their body, and how products are produced. Conscious consumers are becoming a larger and more vocal segment of the population.

Implementing sustainable practices is all about demonstrating social responsibility and highlighting an ethical, honest, and responsible business. It means taking responsibility by offering consumption in good conscience by producing environmentally sound and responsible products and services.

Sustainability, animal welfare, and fair trade are in high demand. Consumers are increasingly looking to align with brands and retailers that share their values. It is about demonstrating responsibility through the entire value chain and far beyond the brand core products or service. Retailers connect on a deeper level with consumers to help them feel like they are contributing to a greater purpose when shopping the brand or retailer.


#4 SUSTAINABLE PRACTICES
ENCE

Switzerland

Beliani

The Swiss online retailer Beliani based in Zug (close to Zurich) is active in 16 countries. Beliani both sells and rents out its entire range of around 3,000 pieces of furniture, from sofas and beds to whirlpools. In July 2019, the company started a program known as "Beliani ABO," which can be chosen as a payment method when checking out in the online shop. By renting furniture, the company adopts the increasingly popular subscription trend, offering goods which, in the past, were owned. This idea also aligns with the trend of awareness of sustainability, because it prolongs the lifespan of the products. Instead of discarding them, the renter returns products to the company, which can restore and re-rent them. The rent-to-own phenomenon also seems to be growing as more consumers, especially Millennials, prefer access over ownership. Outright investing can be difficult or challenging for financial or lifestyle reasons.

The new concept targets ex-pats, students, young couples, fashion-conscious consumers, and even start-ups. The rental period lasts for 24 months, similarly to how a cellphone contract works. After this period, people can choose among three options:

1. Keep the furniture and extend the subscription with a 50% discount (for two years).
2. Exchange the furniture for something new (subscription will be extended).
3. Return the furniture. It will be disassembled and picked up at customers' homes for free.

KEY DATA

Country: Switzerland
Retailer: Beliani
Format: Online furniture rental shop

WHY IS IT INNOVATIVE?

- **Why buy?**
  If you stay in a house/apartment for years, buying furniture makes sense. Still, acquiring furniture can be quite a pain point, especially furnishing a whole new space, which is a financial investment, requires assembly and, later, disposal.

- **Seamless and flexible.**
  In other segments, people have been using rental services for products like cars for some time, however the majority of people still purchase furniture, even though they won't keep it for a long time, which doesn't make it sustainable from environmental nor financial perspectives. Beliani is offering the convenient solution of renting furniture, which keeps the process simple and affordable, limiting the customer's task to selection. Even bigger and more expensive products, such as whirlpools, can be rented and tested, while buying would be much too expensive. Beliani is all about making the furniture-buying process seamless, more affordable, and flexible for the consumer.





Ebeltoft Group Expert Comment

Buying furniture can be expensive, especially for young couples just moving out of their parents' homes and in together for the first time. In Switzerland, about a third of households represent a single person. Given this, there is uncertainty about what may be needed for the person's or couple's new home, including apartments. Also, many young people are traveling extensively, or working abroad temporarily, and don't want to own furniture. In addition, ex-pats typically stay in a location for only a few years before moving to the next country. These new lifestyles require a more convenient way to use/manage furniture. It can be rented temporarily, for example, if renters leave to work abroad for a year or two. When they return, they still can buy the furniture, if they can afford it and are planning to stay a while.

Romania

Empty Shop

Empty Shop is a different type of store, where the shelves begin empty and customers and visitors are invited to fill them with clothes they no longer wear.

This year, one of the most cosmopolitan shopping centers in Bucahrest, Promenada Mall, launched the second Empty Shop, an initiative to change lives and help people in need through donations of clothing. The campaign, which was initiated by Promenada Mall in partnership with Unilever (OMO, Coccolino) and the Romanian Red Cross, ran between April 24-May 19. The collected clothes were sorted, cleaned, and delivered as donations to low-income families.

The main goal of the project is to support Romanian families living in poor areas to help reduce social exclusion by ensuring they have access to the donated items.

The first Empty Shop collected 73 tons of clothing donated by 10, 000 generous people across Romania in two weeks, benefiting 6,700 families in 12 counties. The clothes reached 28,000 people in poor areas where there is a risk of dropping out of school.

KEY DATA

Country: Romania
Retailer: Empty Shop
Format: Pop-up

Campaign organizers stated: "Empty Shop is not just about figures, it is also about solidarity, altruism, and humanity." Because they were able to galvanize people to demonstrate these three qualities, the only Empty Shelves store in Romania was reopened.

WHY IS IT INNOVATIVE?

- **Meaningful opportunity.**
  Through this project, the Promenada shopping center becomes a relevant place for community involvement, where everyone has the opportunity to impact others' lives and can contribute to making a positive change.
- **Potential for growth.**
  Promenada is pledging to extend the initiative abroad, with Bulgaria being the next country under consideration.
- **Upholding the mission.**
  Volunteers involved in this initiative are committed to the mission of accepting, sorting, and delivering the clothes to the most vulnerable people, and contacting donors to ensure the quality of the items.







Ebeltoft Group Expert Comment

While most people are used to going to shopping centers to buy clothes, this concept inspires them to adopt new habits that represent a very simple way to contribute to community well-being.

The parties involved show increasing concern for social causes. While Red Cross identified families in need of clothes, Unilever was involved in washing, refreshing, and sanitizing all of the items, ensuring each beneficiary would be treated with respect, while the mall promoted the concept.

Germany

Horst

Horst – a DIY store located in the city of Hamburg – targets young urban consumers who want to renovate or enhance their homes. The store size is 800 sq. m and it contains around 16,500 items, including decorations, electrified and wood products. This is a significantly smaller inventory than in traditional DIY stores, which carry about 50,000 products. The reduced sales floor allows Horst to create space for an area where customers can take part in workshops and construction courses.



KEY DATA

Country: Germany

Retailer: Horst

Format: Inner-city DIY store/ flagship store

WHY IS IT INNOVATIVE?

- **Urbane.**
  Leveraging the trend of people moving to urban areas, Horst fulfills the needs of today's customers: While most DIY stores are outside the city center, Horst offers products and services where the customer is. The retailer sees itself as a "good neighbor" and lends cargo bikes to customers to facilitate easy and convenient transportation for them within the city.

- **Extraordinary Service-orientation.**
  Services are an important element in Horst's business model. Customers can join a variety of different DIY sessions, borrow tools and gadgets for free, or repair broken items at the store for relatively low prices. Also, items like toilet lids or wood can be personalized with the help of a high-tech printer. The staff is trained to guide inexperienced customers to ensure an enjoyable shopping experience for everybody.







Ebeltoft Group Expert Comment

Horst is an example of how to respond to consumer migration into the cities. The modern DIY store offers services where they are needed, thus perfectly matching the requirements of today's customers.

Italy

Lidl

A well-known brand in business for more than 27 years in Italy, Lidl has a network of more than 630 supermarkets, 10 logistics platforms, and approximately 16,000 employees. In recent years, the company has focused on repositioning the brand for growth, moving from the classic discount store to a supermarket-style format. The store network has been modernized to offer a more pleasant and functional purchase experience for customers and the assortment on the shelf has been revised, increasing the "Made in Italy" references.

The company remains focused on the goal of improving sustainable practices by reducing the use of plastic to 20% by 2025. Also, it is recovering packaging plastics to transform them into new raw materials that can be repurposed as disposable tableware, replacing plastic with biodegradable and compostable green alternatives.

In 2018, Lidl launched a new ecological and sustainable supermarket format in Turin, Italy, the first store in the world with urban gardens available to the public. The two-story store has a 2,700 sq. m rooftop greenhouse with photovoltaic panels and, in 1,250 sq. m of sales space, offers an assortment of more than 2,000 items, 80% of which were made in Italy.

KEY DATA

Country: Italy
Retailer: Lidl
Format: Supermarket



WHY IS IT INNOVATIVE?

- **Precedent-setting.**
  The supermarket project was brought to fruition with a strong focus on 100% renewable energy. This is a big move from a major grocery retail and sets a precedent for competition in today's marketplace.

- **Gardens with a purpose.**
  The urban garden is managed by an association that develops cooperative and social-inclusion projects for underprivileged areas with lower income and lower employment. The gardens also are used to bring training and awareness to schools that encourage job reintegration and experimentation with agricultural techniques to combat the effects of climate change.

- **Reducing waste.**
  In collaboration with Banco Alimentare, the store plans to donate all products that can no longer be sold, but are still good and safe to eat, including bread, fruit, vegetables, and packaged items. This represents a commitment that strengthens the company's link with the area.

- **Charging up.**
  The store also features electric stations for recharging cars and bicycles, which are available to customers.





Ebeltoft Group Expert Comment

The new Turin supermarket is an ambitious project that confirms Lidl's focus on environmental and social issues and its ability to experiment and innovate, with a strong focus on the local area, while bringing local support to the next level.

The challenge is to experiment with various innovations for an adequate time period to evaluate their effectiveness and replicability at other stores.

United Kingdom

Lush

Lush, a brand that consistently combines buying cosmetics with campaigns spotlighting various ethical issues, created a new pop-up shop in London in collaboration with Change Please, a social enterprise staffed by the homeless. This pop-up shop began with the goal of increasing education around the impact of single-use plastic and how consumers can adapt their consumption habits to reduce the use of plastic coffee cups. The pop-up offers free coffee and tea to all who bring their own coffee cup, or who purchase compostable and biodegradable ones, with the aim of informing customers how to effectively #carrythecup. By covering the shop walls with educational facts about waste reduction, Lush communicates the importance and ease with which customers can make an impact, with just a small change.

This pop-up shop highlights a new and growing trend. Brands can take a stand and use their platform to promote various social issues, while still maintaining a successful business. The emphasis is on how humanizing your brand can be a successful method to build customer relationships.



KEY DATA

Country: United Kingdom
Retailer: Lush
Format: Off line

WHY IS IT INNOVATIVE?

- **Campaigning for sustainability.**
  The Lush brand has launched many campaigns around social issues. The latest one fits into the trend of retail in sustainable practices.

- **Sharing values.**
  As consumers have become more conscious of their impact on the environment, they are increasingly expecting brands to demonstrate this concern as well.

- **Pop-up promotion for good.**
  Lush has been able to find a unique way to demonstrate its commitment with this campaign by creating a pop-up store that promotes conscious consumption, enabling the company to connect on a deeper level with customers.





Ebeltoft Group Expert Comment

Lush has a history of campaigns focused on social issues. With its newest pop-up store in SoHo, Lush takes on the problem of single-use plastics, such as plastic coffee cups. In order to bring attention to this issue, the company offers free coffee or tea to anyone who brings his or her own cup or buys a reusable one there.

This Lush campaign shows how companies can use their influence to promote conscious consumption and a social cause, while at the same time benefit their business by promoting engagement and fostering customer relations.

Portugal

Maria Granel

With the goal of taking a stand against food waste and waste production, in 2013, when the fight against plastic was emerging, Eunice Maia created Maria Granel, a grocery store clearly ahead of its time. Maria Granel, the first European zero-waste store, was a world pioneer in fully disposing of plastic containers and selling exclusively in bulk.

At Maria Granel, you can bring a container from home or use one from the store and take only the desired/needed amount, even if it is only a little to try. Maria Granel offers recycled paper bags and glass bottles of different sizes, according to preference. This conscious effort makes a considerable impact on reducing CO_2 emissions and the amount of waste going to landfills and incinerators.

By encouraging consumers to buy only the amount needed, you also reduce food waste. Moreover, further reflecting its support of sustainable practices, Maria Granel's products – around 500 of them – are 100% organic, certified, and free of genetically modified organisms, demonstrating respect for the Earth's soils, rhythms, and seasons.



KEY DATA

Country: Portugal
Retailer: Maria Granel
Format: Store

WHY IS IT INNOVATIVE?

- **Award-winning.**
  In 2019, Eunice Maia, who developed Maria Granel, won the Terre de Femmes Prize, an initiative promoted by the Yves Rocher Foundation to recognize women with projects related to environmental protection.

- **Diversionary tactics.**
  In Portugal, the company has been at the forefront of the BYOC (bring your own container) concept, which already has encouraged thousands of Portuguese to bring their own containers to the store. This prevents food waste, as customers stock up on only the amount of product they need. In less than three years, it has helped divert more than a million plastic bags from the landfills.

- **Earth is top of mind.**
  All products offered in the store are 100% biological, certified, and free of genetically modified organisms (GMOs), reflecting respect for Earth's soils, rhythms and seasons.

- **Good advice.**
  Maria Granel also provides free consultations with nutritionist-run workshops that promote a zero-waste lifestyle.





Ebeltoft Group Expert Comment

This concept evokes the collective imagination of the old Portuguese neighborhood grocery stores: the aroma of coffee and dried fruits, cardboard cartridges, the personalized and attentive service of those who always know the name and tastes of customers, and the bulk sale. Now, in deference to modernity, sustainability is integrated as a primary concern.

Though the inspiration is traditional, this store's mission is fully committed to the present and oriented to the future. It is proof that it is possible to consume in a more sustainable way, reduce waste, and depend on quality, rather than quantity.

China

Pinduoduo

Pinduoduo is an e-commerce app started by Colin Huang in China. While there are many players in the e-commerce industry in Asia, Pinduoduo has distinguished itself from the others through its group buying and customer-draw features. Customers are able to obtain products at a significantly lower price by encouraging their friends and families to purchase together as a group, triggering the cost efficiencies of group buying. Its innovative approach to marketing (e.g., "slash-and-get-it-free" model) has allowed it to rapidly attract leads to its platform. This has enabled the young firm to become the second-largest e-commerce player in China. The company is aggressive, leveraging the growth that lower-tier cities can provide. Consumers in these cities enjoy more disposable incomes and are on the lookout for deals.



KEY DATA

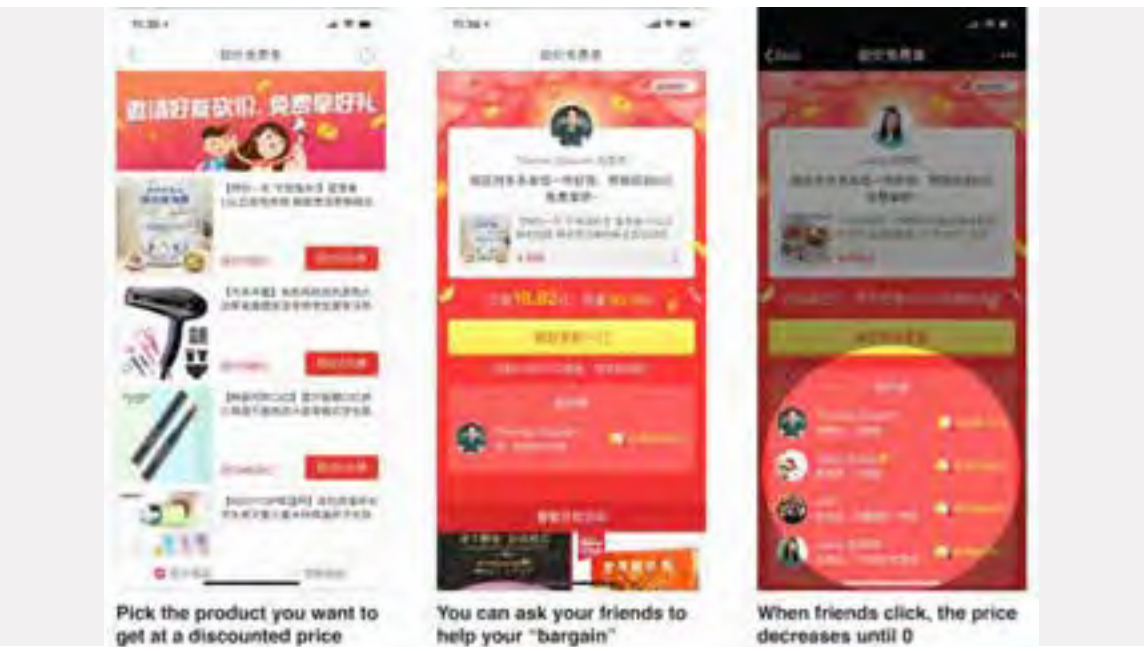
Country: China
Retailer: Pinduoduo
Format: App

WHY IS IT INNOVATIVE?

- **New way of thinking about e-commerce.**
  Prior to Pinduoduo, e-commerce had always been viewed as an activity conducted solely between an individual and a merchant/firm.

- **Intelligent buying.**
  In China, families, tribes, clans, and associations form the foundation of intergroup relations. Group buying has always occurred informally via e-commerce, as consumers seek to pool their purchases and save on delivery charges, which would be significantly higher if they purchase individually.

- **Building on existing behavior.**
  Pinduoduo has taken advantage of this ever-present trend. By incorporating group buying into their business model, Pinduoduo has institutionalized the informal practice and altered the e-commerce model.



Ebeltoft Group Expert Comment

Pinduoduo has resolved the last-mile delivery issue of group buying. Consumers can have products delivered to each individual participating in the group by the merchant. In addition, it allows merchants to gain a huge amount of attention for their products within a short time span, with little expenditure on marketing, by providing a discount for group buys. This is made even easier by the app's deep integration with the largest messaging app in China: Wechat.

United Kingdom

Threads Styling

London-based luxury fashion e-commerce retailer Threads Styling is disrupting the way consumers purchase high-end fashion items. Describing itself as "conversational commerce," all business is transacted through social media. Clients are usually attracted to Threads Styling by its highly curated Instagram account, before being connected to a personal shopper who will remain their sole point of contact.

Clients are contacted through WhatsApp or WeChat by their personal shopper. They send messages back and forth, from anywhere in the world, eliminating the need to be on location during personal shopping appointments. This business model mirrors peer-to-peer communications; however, it is firmly centered on generating sales. Particularly advantageous is that it allows clients to access a much wider product range from a single touchpoint, which is already in their pocket.

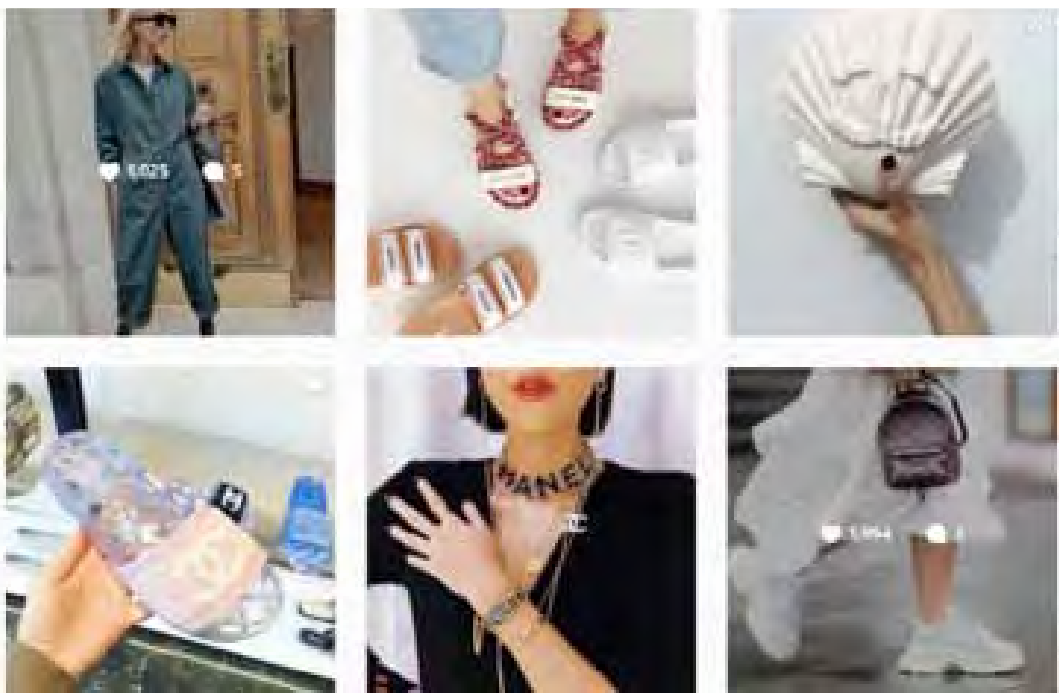


KEY DATA

Country: United Kingdom
Retailer: Threads Styling
Format: Online

WHY IS IT INNOVATIVE?

- **New way to buy.**
  Thread Styling, the luxury fashion e-commerce retailer, has changed how people buy luxury fashion.
- **New way to connect.**
  The company uses social media to reach customers and connect them with personal shoppers with whom they can make transactions via messaging apps.
- **New way to innovate.**
  Thread Styling is a great example of the trend of using new technology to innovate how consumers shop, enabling them to shop anytime, from anywhere.



Ebeltoft Group Expert Comment

Threads Styling is an e-commerce retailer, which conducts all business via social media.

Clients usually find it through their Instagram account, after which they are connected to a personal shopper via apps like WeChat.

This use of technology to connect people to personal shoppers for high-end fashion brands changes the way people shop for luxury fashion, accommodating a wider range of products and offering more convenience.

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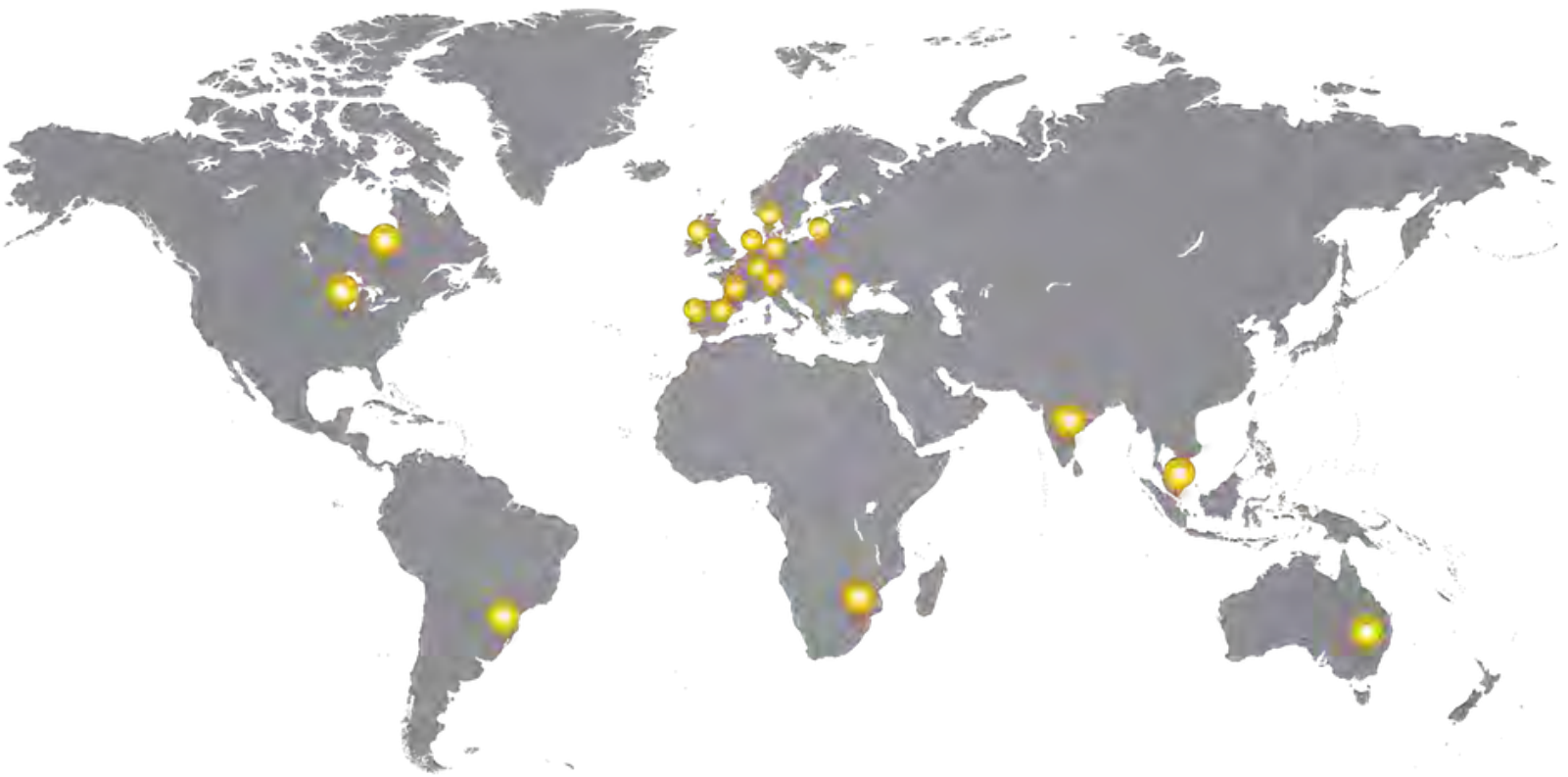
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Notes



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2020

Global Retail Trends & Innovations

INNOVATING FOR CUSTOMERS

Ebeltoft Group has been tracking innovative retail concepts across the globe for 15 years. Many factors are pushing retailers to accelerate the rhythm of their reinvention: digitalization and retail-tech creativity; new, more horizontal relationships between brands and customers; and the surge toward radical differentiation in stagnating markets.

In addition to new game-changing retailers developing disruptive formats, more traditional retailers have launched reinvention as well. The 21 member companies of Ebeltoft Group witness this through consulting projects across all regions, formats, and industries. Retailers are racing to create new formats, offer new added values, and explore new frontiers. Global Retail Trends & Innovations highlights a selection of these bold initiatives.

What Global Retail Trends & Innovations also does is demonstrate the intimate involvement of the customer in the innovation process. If technology remains a major driver for innovation, it must be applied usefully to serve consumer needs. Most of the innovations showcased in this issue rely on a deep, intimate understanding of how people live, dream, and shop.

What if the next retail revolution is…the customer?

Vive le commerce!

Ebeltoft Group
International Retail Experts

We are a global alliance of retail consulting companies with member companies in more than 25 mature and emerging retail markets.

Since 1990, we have been helping retailers and their suppliers remain competitive and achieve their goals by blending global retail expertise with members´ local insight. Ebeltoft Group serves 36 of the top 100 retailers and 29 of the top 50 manufacturers worldwide.

Ebeltoft Group´s global studies and publications include Global Consumer Report (2019), Phygital Project (2019), Digital Impact to Retail (2018), Horizontal Retail (2017), Services at Retail (2017), Global Cross Channel Report (2014), Retail Internationalization (2013), NeoConsumer (2011), The Trust Factor (2011) and Environmental Sustainability (2010).

For a personal presentation about current retail innovations, trends, and cases, or information about our latest global publications, research, and services, please contact Ebeltoft Group or visit www.ebeltoftgroup.com