MILLENNIALS
The generation reshaping travel and shopping habits

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CONTENTS

THE NEW GLOBE TRAVELLER

4-5  Who is the Millennial?

6-7  Interview with Sébastien Manceau and Laurent Delmas

THE NEW GLOBE SHOPPER

15-17  Millennials lead the way

18  City focus

19-21  New retail

THE NEW GLOBE EXPERIENCER

11-13  A new offer

22-23  New connections

25-27  Going glocal

28-29  Make Paris cool again

30-31  About us & acknowledgements
WHO IS THE MILLENNIAL?

Who is the Millennial traveller in 2018? What are they looking for when they travel abroad? How do they differ from other generations?
IN BRIEF

born between 1984 - 2000

1/3

18/34 years old

Digitally minded generation
Global community
Achievement
Tech savvy
Avid consumers
Optimism
Security is top of mind
Street smart
High morals
Looking for experience

WHAT DO THEY REPRESENT?

1.8bn

Millennials

300m - 330m

travellers

2 long trips

per year on average

4 long trips

per year

1/3

Millennials

50%

shoppers in the travel retail market

$350bn

value of market

SHARE OF WALLET WHEN TRAVELLING

CHINESE

19% Other

14% Flights

17% Hotel

16% Attractions

16% Food

18% Shopping

AMERICAN

18% Other

20% Flights

27% Hotel

16% Food

8% Shopping

FRENCH

21% Other

20% Flights

23% Hotel

10% Shopping

11% Attractions

15% Food
What are some key characteristics defining the Millennial globe traveller and shopper compared to other generations?

Sébastien Manceau:

In few sectors have Millennials had more impact than in travel and tourism. Their expectations and behavior are significantly different from their parents’ and older generations’. Their whole travel journey has changed, from the initial inspiration phase to the actual travel and holiday experience. The importance of social media as influencer on the choice of holiday for example, the quest for authentic holiday experiences and off-beaten track adventures, the demand for personalized services, their awareness of security threats…. Changes are happening along the entire value chain.

Millennials are changing the way industries used to function, mainly because they are the first generation to handle everything digitally. The travel and tourism industry has already undergone a massive digital transformation with offers like Booking.com and Airbnb being the new normal and the expectations of Millennials are fueling further changes.

But if Millennials have set a new (digital) standard, their requirements have spread to other generations and today, it is difficult to tell who is driving change in consumer behavior. What is sure is that Millennials are bringing a huge momentum to the travel industry.

Laurent Delmas:

These differences between a younger set of consumers and older generations do not stop at the travel industry. In terms of shopping aspirations also, Millennial Globe Shoppers display distinctive characteristics. Regarding luxury shopping products first of all, our data show that Millennials prioritise leather goods and accessories over fashion garments. If anything, it suggests that they first access to luxury through the purchase of a staple designer bag, probably because these items are more heavily branded and identifiable than clothes. In terms of shopping location also, their search for convenience, smooth shopping experience and additional services drives them towards department stores more frequently than other any other generation.

Budget wise, at 3,000€, if Millennials’ spending is below average (3,300€), it is still in line with their parents’ and highly promising for the luxury industry when the entire group will have reached its earning peak.

Even better is Millennials’ use of Tax Free Shopping (TFS). In 2017, they represented almost a third of all TFS transactions emitted in the world, an impressive +14% growth compared to the year before. They have become the leading users of TFS, far before baby boomers and the gen X. Jumping in on Sébastien’s remark about their use of the digital, again, it is their absolute need for convenience which attracts them to digital TFS solutions. For brands, this new attitude towards TFS has the potential to generate additional sales in store.
What is the impact of the Millennial traveller on the tourism and retail industries?

SM:

Firstly, Millennials impacted the overall destination mix. They have helped revive city trips as most of their expectations towards holidays find an answer in a city environment. Some cities have cleverly adapted their marketing and offers to this target group. On top of that, international companies such as WeWork or Regus offer global travellers solution to mix leisure and business. This increasing “pleasure” trend helped cities take the lion’s share of tourism growth.

Secondly, Millennials have forced historical travel players to adapt their communication. While in many industries Millennials are “only” seen as a communication target, travel and tourism players have deeply re-invented their model to correspond to Millennial expectations. For example, AccorHotels is accelerating the digital transformation of the entire company, enriching its offering with the acquisition of lifestyle hotels (e.g. Mamma Shelter), developing a new accommodation format (Jo&Joe) or setting up a Millennial shadow cabinet to impact senior management decision making process.

Last but not least, Millennials have set the ground for new business models in previously non-existing markets. Companies, such as Airbnb (with their accommodation and “Trips” offer), have been founded to serve needs initially expressed by Millennials. Now these needs are becoming universal and Millennials do not necessarily represent a direct business target anymore.

LD:

Millenials’ impact on the retail industry is unprecedented. Their behavior has forced retailers to review their products, pricings, services and the way they engage with them. For brands, one of the greatest challenge is to provide a differentiating retail offer to a volatile generation, accustomed to cross-border and offline/online shopping.

The value they attribute to “experience” when shopping represents a great opportunity for retailers to win them over. In stores, these one-shot experiences take the shape of cultural events, art installations, exclusive concerts at Selfridges in London or sports classes at Saks 5th Avenue, New York. Outside the stores, iconic brands have at heart to promote their strong heritage by way of opening their own fashion museum such as Prada in Milan, when invited to display their own fashion archives such as Dior a few months back in Paris’ Musée des Arts Décoratifs or when curating their own exhibition like Gucci in Chatsworth House, England.

Regarding products, much like when they travel off the beaten-track on the lookout for extra-ordinary adventures and encounters, Millennials apply this similar way of thinking when shopping. Today, rarity is the new luxury. Several retailers have been quick to identify this trend. For example, British skateboard brand Palace has taken the road of a smaller quantity of products manufactured in the bid to generate a “must-have” sentiment. In parallel, collaborations between Louis Vuitton and streetwear label Supreme for example create a sense of urgency around these limited-edition products.

Other generations are permeable to the Millennial effect; they have started to imitate their offsprings’ demands and likings. For the retail industry, this phenomenon is a great opportunity to review its product design and retail model to address a wider scope of consumers.

How can companies and organisations from the travel industry best adapt themselves to these new consumers?

SM:

(Millennial) travellers are looking for new experiences, combining a new destination with unusual activities, where they authentically explore a city or a country and combine getting to know locals and local customs with enjoying typical activities on site. Serving these needs for new destinations, personalized trips and local activities will help appeal to the new consumers. And it does not have to be stiff or in a formal way. In contrast, Millennial travellers feel at ease with a relaxed and informal hospitality style as long as the service is excellent, and they get what they want.

How can retail brands benefit from Millennial travellers’ expenditure when they shop abroad?

LD:

For brands and retailers across the world, offering Globe Shoppers innovative TFS solutions, digital especially, and services is a great incentive to stimulate Millennial tourists’ spending when they shop abroad. Global Blue’s portfolio includes digital solutions where Chinese tourists can receive their VAT back instantly onto their Alipay or WeChat digital wallet.

In parallel, back in 2017, we launched Mobile Customer Care (MCC), to bring real-time support to travellers. MCC relies on a notification service where a series of personalized transaction-triggered emails and SMS are sent to Globe Shoppers’ phones to guide them from the initial TFS transaction all the way through to confirmation of the refund payment. From July to December 2017, we estimate that Millennials represented 40% of all MCC transactions.

We have also developed a suite of services targeting high spending shoppers. Spread across key European shopping capitals, our VIP lounges offer an exclusive experience in a relaxing environment at the end of our customers’ spending spree. Millennial Globe Shoppers were over-represented by 10% in the Milan lounge, which ties in well with their desire for out of the ordinary experiences.

More than ever, being able to offer in-store TFS solutions has become a key leverage for brands wishing to make the most of Millennial Globe Shoppers’ increasing spending power.
THE NEW GLOBE TRAVELLER

Who is the Millennial traveller in 2018? What are they looking for when they go abroad?
Millennial travellers display significantly different travel expectations and behaviours compared to other generations. From their favourite travel destinations and preferred holiday activities, to the people they travel with and how they choose to spend their money, Millennial differences can be observed along the whole travel value chain. However, considering their large numbers and the multitude of nationalities they include, it would be naïve to think there is only one type of Millennial traveller. This group has varied demands that are fuelling the transformation of the travel industry. Due to their spending power, as well as their influence on surrounding generations, Millennials clearly deserve the full attention of retail and travel industry stakeholders. So, what are the key facts, preferences and needs of this generation?

Who are Millennials?

Millennials, also referred to as Generation Y, are the demographic group following Generation X. Typically, demographers consider Millennials to have been born between the early 1980s and the mid-1990s. In 2018, this generation is aged between 18 and 34 years old.

According to WYSE and UNWTO forecasts, there will be 370 million youth travellers by 2020, spending over USD 400 billion. Around three-fifths of the world’s Millennials are from Asia, with a third of these coming from India and China, while US Millennials are the country’s largest demographic group.

Travelling: a seismic generational shift?

Young people have different life priorities compared to their parents. While previous generations focused on acquiring their own house and car, many Millennials are rejecting these traditional achievements, placing a much higher importance on intangible, life-enriching moments, such as travel.

And while older generations still consider travelling to be a luxury, Millennials see it more as a necessity, becoming an integral part of their lives. According to the American Society of Travel Agents, in 2016, Millennials took 44% more holiday time and trips than the average Baby Boomer. They are now the fastest growing demographic for the international travel market, representing around 20%, reports the World Youth Student and Educational Travel Confederation.

Travelling is no longer seen as an indulgence, but a great opportunity to develop life and work skills. For the Millennial, experience is the new social currency.

For Millennials, the quest for new experiences is a fundamental desire which can be observed across all moments of life, not only when travelling but also when shopping or eating. The fast-paced, digitised world serves this need well, by creating opportunities for high-tech interactive experiences, or simply as a way to capture moments, through the omnipresent smartphone.

Millennials are looking for new travel destinations and extraordinary activities that give their holiday a unique feel. They still visit the top sights of a city, but get to know destinations by mingling with the locals in bars and restaurants, to ensure an authentic experience.

For this generation, sharing snaps of experiences on social media preserves precious memories as well as nourishing their carefully curated online identity. Instagram, Facebook, Snapchat and WeChat are also becoming key influencers on how and where to travel. Rather than relying on traditional sources of information, social media is shaping Millennials’ decision-making process, often led by one question: “how Instagrammable will my holiday be?”.
Show me the money

Millennials have not yet reached their peak earning period, meaning their budget is not as ample as older generations. But it does not mean they are more frugal. Instead, they are strategic in the way they book their flights, accommodations or activities, to get the most value for money.

With the commoditisation of travel, it has never been cheaper or easier to go abroad, thanks to the rise of digital services from Online Travel Agencies (OTA), tour operators, hotel chains and accommodation booking giants. To satisfy their need for convenience, quality and value, Millennials have developed strong online tracking skills. According to Expedia, “convenience” ranks as the highest driver for booking through an OTA, at 23%, while being “cheaper” follows at 16%. Most notably, “security reasons” still drive 9% of OTA bookings.

Crusoe syndrome

Current geopolitical unrest means Millennials are highly sensitised to security threats. This impacts their travel destinations and habits: according to Carlson Wagonlit Travel, 29% of Millennial travellers have cancelled a trip for security reasons, compared with only 12% of Baby Boomers.

To comfort worried travellers, brands are offering tech-enabled reassurance. In response to the increasing number of terrorist attacks, Facebook has launched the “Crisis Response” function to get information on nearby terrorist attacks with the possibility to activate a “safety check” answer to reassure family and friends when abroad. Meanwhile, GeoSure is a personalised security app indicating the security level for a location based on information from Interpol and the UN, as well as local users. With these worries, it’s no wonder that only 7% of Millennials travel alone. Half of them enjoy travelling with their family, while 42% go away with their partner or 37% with their friends, according to Expedia.

BLEISURE: WORKING OR LEISURE?

Bleisure is an attitude that blends business and leisure. In travel terms, it means extending a business trip into a holiday, a growing trend that is driven by Millennial workers. Enabled by the digitisation of booking and communication, 77% of Millennials aim to mix business and leisure travel, compared to only 43% of Baby Boomers, according to WWGY research.

A prime example of the bleisure mindset is the strategic partnership between WeWork, the world’s largest co-working company, and Millennial favourite Airbnb. The companies are offering a “WeWork Day Pass” to Airbnb booked business accommodations.
The traditional tourism model has changed. New digital advancements are disrupting the travel industry, forcing key players to adapt to the new standards demanded by Millennials.

Destination Marketing Organisations: the first window to your destination, digitally

The traditional role of Destination Marketing Organisations (DMO) is to promote their territory as an attractive tourism destination, bringing into the limelight the best of their locality, be it accommodations, transport networks, events, festivals or other attractions. The digital world is creating both upheaval and opportunities, leading many organisations to rethink their role within the travel industry ecosystem.

Millennial travellers are gravitating towards more authentic experiences when holidaying, and many don’t perceive the voice of DMOs to be relevant or genuine. As critical consumers, Millennials are looking for authenticity, not advertising lingo. Sharing genuine stories about a destination is much more credible than using photoshopped pictures with perfectly worded messages. Instead, DMOs can follow the crowdsourced content model, by engaging the local community as tourism ambassadors—a great way to gather honest testimonials and develop storytelling around the destination, both key components of a successful branding framework. For visitors, it also generates a more personal and sentimental attachment to the destination.

Here, the medium of communication is as important as the message it is sending. Brochures and visitor guides are less relevant when promoting a destination to digitally savvy globe travellers such as Millennials.

Online Travel Agencies: embracing digital experiences

Millennials are known to be savvy travellers, looking for the best value, optimising convenience and doing in-depth research when planning their holiday. Cost and value remain key drivers when deciding on a destination, especially with Millennials, who may have smaller budgets than Gen X and Baby Boomers. They now have advanced tech tools to aid their research, such as aug-
mented (AR) and virtual reality (VR) experiences. Brands across the travel industry are using these immersive tools to support the curiosity of a more demanding customer eager to be better informed prior to booking an expensive trip abroad.

Artificial intelligence (AI) and digital technologies are reshaping the way travellers research and book their trip. Booking.com predicts that immersive experiences will reach the next level in the coming years, “with travellers looking for technology to help better understand a destination or accommodation before they book”.

Hence, 29% of travellers confirm they are willing to let algorithms plan a trip based on their travel history. A further 50% said they did not mind speaking with a person online or a virtual service as long as all their questions are answered. Surfing on the AR trend, Millennials will increasingly be able to “try before they buy” thanks to VR previews, while immersive glasses or helmets could be great incentives to promote exceptional destinations and experiences. These devices could help adventurous and less experienced travellers to discover uncharted territories and get off the beaten track.

As well as offering excitement, AI and AR can offer reassurance. These technologies offer a way to relinquish the stress and enhance the experience around booking a holiday abroad, while ensuring travellers are still in control of the itinerary.

Transport: show me the way!

Due to the success of price comparison and review websites with Millennials, the commoditisation of air travel has led to an industry-wide race to the bottom in terms of price, transforming loyal customers into bargain-hunters. On the same level, low-cost carriers such as Ryanair or easyJet are increasing their market share.

Millennials have started booking trends which have quickly spread across the market. Consumers of all ages are now using aggregator apps to find the cheapest option possible.

This has consequences for airline loyalty, where the airline’s brand is less important for Millennials than its flight prices.

So where does this leave air companies? What opportunities can they leverage to encourage air ticket purchases?

One way to capture their interest is being explored by Air France KLM, who launched “Millennial airline” Joon in December 2017. Joon introduced itself as “a fashion brand, a rooftop bar, an entertainment channel, a personal assistant… and also an airline.” Inside, cabin crew uniforms take inspiration from Millennials’ beloved athletic leisurewear, while the bar serves smoothies and virtual reality entertainment is available for business class travellers. Six destinations will be served in the first year of the launch — Barcelona, Berlin, Lisbon, Porto, Fortaleza and the Seychelles — all top of Millennials’ travel lists. Compared to Transavia, the low-cost offer from Air France KLM, which is also popular with Millennials, Joon is a fresh offer which takes inspiration from Millennials to serve the needs of travellers of all ages.
Accommodation reboot

The challenge for hospitality companies is to address a multi-faceted consumer whose travel perceptions and needs are constantly changing. Millennial travellers can offer a great source of inspiration for hoteliers to renew their offer, going beyond simply selling a place to sleep, to becoming all-encompassing experience platforms.

AccorHotels has done exactly that, by launching a range of initiatives to cater to the new target group, from involving Millennials in senior management decisions to launching new brand Jo&Joe, and updating the food & beverage offer. Likewise, Hilton Garden Inn’s new hospitality strategy focuses on three pillars: product design, food and beverage and guest service. In a bid to get away from a standardised hotel offer, the company has launched six new prototypes around the world, each with different rooms, décor and menus to reflect the local culture.

The hospitality industry is also moving away from the traditional, stiff approach to luxury accommodation, with its formal communication style and service offer that no longer fits today’s needs. The new goal is to treat guests as individuals and provide a more down-to-earth hotel service by becoming more informal, more relaxed and more personal — without neglecting the service quality. Hoteliers around the world are adapting their luxury service approach towards a more nuanced and personalised offer, so they can address the full spectrum of guests they encounter today, Millennials included.

While luxury used to be defined by refined, highly polished experiences and environments, one of the greatest luxuries a hotel can now provide for a traveller is insider access. Affluent travellers need to feel they are in-the-know. The future challenge for hoteliers will be to get away from the run-of-the-mill activities found in travel guides and on OTA or DMO websites, so that they can provide luxury thrill seekers with curated and shareable first-hand experiences.

Technology is increasingly part of the travel experience, so it was only a matter of time before the smart home concept invaded the hospitality industry. From lighting, heating and voice control to sound and air conditioning devices, automation systems are becoming mainstream conveniences in hotels, as a way to make visitors’ lives easier. Hilton is currently working on tying its Hilton Honors app to room controls and entertainment, aware that well-considered room entertainment, content streaming on the TV or a simple digital key can add great value to a customers’ stay, especially to tech-savvy Millennials. These smart hotel rooms answer customers’ need for a more personalised and enhanced hotel experience.

However, it is important that technology does not replace guest interaction, but is used to enhance guests’ hotel experience. Such tech services have benefits for both hotelier and guest: the qualitative and quantitative data collected can provide valuable insights to maximise customer experience, encourage repeat visits or even identify cost-saving measures.

“Insider access is one of the greatest luxuries a hotel can provide for a traveller”
Millennials are the most analysed, most targeted and most vilified generation ever. Why are they so powerful, and how is their influence affecting retail, luxury and other consumers’ demands?
Millennials are a market obsession because they are the largest generation in Western history, the first generation to grow up with the internet and smartphones, and a driving force in international travel. These factors make them hugely influential, not only in terms of how they spend, but also the impact of their preferences on service, pricing and product. Their spending power is set to grow considerably: according to UBS, Millennial wealth could hit $24 trillion by 2020, approximately 1.5 times larger than the value of US economy in 2015.

Millennials are more globally minded than ever before, thanks to increasing levels of international travel. The UNWTO reports that the number of annual tourist arrivals has doubled from 674m in 2000 to 1.3bn in 2017, and is expected to reach 1.8bn by 2030.

Consumers are looking for foreign travel to expose them to new experiences, brands and products. Expedia research found that US, UK and Chinese consumers enjoy travels which offer unique and cultural experiences. This extends to their shopping behaviours: as more brands become available back home, it is essential that shopping abroad offers something different — something they cannot get at home.

**Price vs. quality**

The value equation is clear for Millennial consumers, as they consider price and quality to be equally important. It's a tough expectation for retailers to meet, so brands are trying different methods to demonstrate both factors.

For example, Louis Vuitton focuses on emphasising the quality of its products by introducing “journées particulières”, an initiative where consumers can meet and observe the artisans making the brand’s famous bags. Other brands are exploring the price angle, with labels as diverse as Longchamp and Off-White introducing items and collections with lower entry prices, while others have launched accessories that offer affordable luxury, like Fendi’s furry bag charms.

**Experience**

Famously, Millennials value experiences over things, an attitude that is having major repercussions on the retail industry. But how can retailers attract Millennials, when they are less interested in products than experiences?

For many, it comes down to the experience around the product, with a growing number of brands creating immersive events and store environments, but for others the focus is about creating a valuable experience first, and promoting the brand second. Iconic brands are emphasising their unique products, heritage and quality by creating exhibitions and even museums devoted to their creations.

Gucci recently sponsored and curated an exhibition at the historic Chatsworth House in England, while museums have hosted exhibitions devoted to brands ranging from Comme des Garçons and Azzedine Alaïa to Dior and Balenciaga. Saint Laurent has gone one step further by opening a Paris museum showcasing different eras of its iconic fashion.

Brands can also introduce experience into the retail environment by playing on Millennials’ key interests in store. Wellbeing is important for this generation, and department stores such as Saks 5th Avenue and Debenhams are introducing in-store fitness classes and events, while sportswear brand Sweaty Betty’s London flagship also offers fitness classes alongside its clothing.

Meanwhile, bringing culture into store — in the form of music events and art installations — finds favour with Millennial consumers. A master of retail experience, Selfridges runs a program of installations and pop-up shops that tap into the zeitgeist and offer unique points of view. Events range from the “bodega” store curated by hip-hop star ASAP Rocky, to the Radical Luxury concept, which explores new frontiers in luxury, and the recent Astrolounge, which keyed into Millennials’ interest in all things mystical.

**Drop culture**

Millennial demand for unique products and experiences is driving “drop culture” — limited edition, much-hyped products and collaborations that are only available for a short time or in a particular location. Streetwear brands such as Palace and Supreme, which only produce goods in small quantities, are key proponents of drop culture, and Supreme has collaborated with leading luxury brands such as Rimowa and Louis Vuitton to create even more sought-after products. Likewise, collaborations between designers and sportswear brands, such as Off-White and Riccardo Tisci’s collections for Nike, and H&M’s popular designer collections,
create a sense of occasion and urgency around products, which many Millennials find irresistible. These collaborations are key to attracting the attention of younger consumers, enabling brands to profit from increased brand awareness, and even a cool new edge.

Redefining luxury

As the leading force in the luxury market, Millennials are redefining what luxury means. Not only are they changing the way luxury goods are being purchased, they are also challenging what luxury means. Since many young people consider luxury to be a feeling, rather than a category, they are finding a sense of luxury in unusual places. They are no longer relying solely on famous international luxury brands to provide a sense of luxury, but looking to limited-edition, bespoke and sustainable products too, or those which have a strong personal value. For Millennials, exclusivity is now about the rarity of the experience. With this mindset, Millennials are shifting the luxury product mix into a more casual realm, turning away from formal dressing towards low-key pieces such as t-shirts and sneakers. Many brands have been quick to

Millennials may be the biggest generation currently living, but they’re not the only focus for brands and retailers, and as Millennials begin to move into their late 30s, attention is turning to their successors, Generation Z. Born between the mid-90s and 2010, Gen Z will account for 33% of the global population by 2020. They exhibit many similar characteristics to Millennials — the pursuit of experience, savvy shopping behaviours and a need for uniqueness — but they also have distinct preferences of their own, which retailers need to prepare for now.

Growing up with devices in their hands, Gen Z expect fast, seamless and smart digital services, with research by the IBM Institute of Business Value and the National Retail Federation stating that 60% of Gen Z will not use an app or website that is too slow to load. The research also found that Gen Z place a premium on quality, which is the deciding factor for 66% of their decisions, and on product availability, as 66% want very few products to ever be out of stock — an especially important consideration when searching for sought-after brands and products abroad.

They also expect even more interaction with brands than Millennials and they’re also much more influenced by social media stars than conventional celebrities, according to Google, as they value word-of-mouth marketing and relatable spokespeople.
recognise this shift, introducing more lines influenced by street- and sports-wear, such as Balenciaga’s down jackets, Louis Vuitton’s chunky sneakers and Dior’s slogan t-shirts.

Millennials’ easy-going approach to luxury is also leading to another major shift for the industry – the rejection of head-to-toe luxury dressing. Millennials are keen on mixing their luxury labels with niche brands, premium labels and even mass-market brands, so they can reflect their own style rather than that of a major brand.

Luxury brands that are able to tap into Millennials’ needs are already seeing the benefit, with Kering chairman Francois-Henri Pinault stating that 50% of the sales of its booming Gucci brand come from Millennials, while the turnaround at Saint Laurent has been boosted by increasing its customer base to 65% Millennial.

**We’re all Millennials now**

Millennials are increasingly impacting how other consumers behave, what’s being called a “Millennialisation” of the market. Their demand for unique products and engaging experiences has made shopping more transparent, more efficient and exciting for consumers of all ages. Millennials are not only transforming their own shopping behaviours but those of their parents, as they become more tech-savvy.

This “Millennial state of mind” is permeating product design, services and stores, as Boomers and Generations X and Z also benefit from Millennials’ preference for youthful fashion, seamless online/offline services, and stores that offer limited-edition products, niche brands and experiential environments. Millennials’ demand for high-value products is pushing many brands to improve the quality and sustainability of their products, while keeping prices fair.

Whatever the target market of a brand, it is important for brands and retailers to understand the needs of Millennials, not only due to their size and purchasing power, but to meet the growing needs of consumers of all ages.
Travellers’ love affair with French high fashion remains unabated as the Fashion and Clothing category accounts for 30% of Millennials’ spend in Paris. And, with high average spends of €22,000 (Elite shoppers*) and €1,800 (Frequent shoppers*) amongst Paris’s Millennial Globe Shoppers annually, this is an undeniably important demographic for the city’s fashion brands.

“Savoir faire” versus “à la mode”

While its heritage fashion brands have made the city famous, Millennials are demanding a more contemporary Parisian experience, forcing brands, both new and legendary, to continuously reinvent their offering.

Indeed, recent Fashion Weeks in Paris have seen many of France’s landmark labels presenting designs that speak directly to the Millennial market, from eye-catching accessories to mix and match looks.

Beyond the catwalk, Paris’s historical luxury maisons, famous for their “savoir faire”, still attract Millennials thanks to their high quality. However, the quest to discover the ‘soul’ of the Parisian shopping scene is omnipresent, as Millennials seek an authentic experience they can share, or a unique souvenir they can show off.

This is a trend prevalent amongst Chinese Millennials in particular. This group wants to find the ultimate ‘cool’ French souvenir; a product from Paris that they cannot find anywhere else and that displays this sentiment in a unique and fashion-forward way.

Several local brands have understood and capitalised on this demand; for example, Chanel Beauty launched its latest range exclusively in Paris, a month before any other store in the world, giving visiting Chinese Millennials the opportunity to be one step ahead of trends. Another example is offered by the much-loved concept store, Merci, whose “Merci”-engraved bracelet has become an icon, resulting in queues of young Chinese travellers looking to secure their Parisian keepsake at the store.

Retaining the fashion capital crown

While Paris’s luxury brand heritage is a draw for fashion-fluent travelling Millennials, the message is clear: to keep this savvy and experimental market enticed, Parisian brands need to continuously update their offering. But as brand heritage is no longer the only concern for Millennials, the focus should shift to offering unique and interesting products, which can be showcased through social media, or released in exclusive “drops”.

*Frequent shoppers: shoppers who have done more than 3 trips in the last 24 months
Elite shoppers: shoppers who have spent more than €40,000 over the last 24 months
Millennials have not only strongly impacted the travel industry, they are also fuelling changes in the retail industry. A new wave of retail innovations is being launched that serves convenience, excitement and exclusivity.

Changing landscape
While there is much discussion of Millennials driving online shopping, they are still keen on the in-store experience. The majority of Millennials visit a physical store at some point in their path to purchase, whether to research new products, check out how items feel in real life, or to make a purchase. It just has to be an enjoyable and convenient experience.

While they are in-store, Millennials are harnessing technology to make payments and to make product comparison easier. Brands such as Farfetch and Tencent have unveiled ideas for the “store of the future”, full of Artificial Intelligence (AI), magic mirrors and virtual reality: this technology can offer opportunities to capture valuable shopping behaviour data, but for customers, technology is only useful when it makes shopping easier and replicates the best of online shopping in bricks-and-mortar spaces.

“Augmented reality is emerging as a technology that is both useful and exciting as it adds extra layers of information and entertainment to the real world.”

Phygital retail
Physical and digital retail are blending into “phygital”, uniting the best of online and offline shopping in the store environment.

Augmented reality (AR), geolocation and smart personalisation are all being employed to capture Millennials’ interest in-store, and make the shopping experience seamless.

Zara is rolling out AR displays in 120 stores around the world, to attract Millennials inside. By holding up a smartphone to a sensor in store, shoppers can watch models wearing key looks and click through to buy. Nike is employing AR to help consumers create personalised trainer designs, through the Nike Makers’ Experience. At the Nike
By You studio, visitors can choose images, colours and trims to create their shoe, which can then be projected onto a blank shoe to help users refine and envision their designs. Mark Smith, Vice-President of Innovation Special Projects at Nike said, “The Nike Makers' Experience is a fast, fun, interactive, one-of-a-kind design experience. It takes most people longer to come up with their idea than it does for us to make it. In our minds, this is tomorrow, today.”

Online/offline

Click-and-collect is proving to be one of the simplest — and most effective — methods of blending online and offline shopping. Part of the appeal of click-and-collect is its combination of the choice of online shopping, with the ability to get your goods whenever and wherever you want.

Retailers are now adapting the method in new ways. Hip US eco-brand Reformation only offers the top 20% of its products on the shop floor, but shoppers can check out the full product range on touchscreen mirrors, and order product in their size directly to the fitting room.

Luxury department store Nordstrom takes the idea even further with its new local concept store in LA, which carries no inventory at all. Customers go online to book a session with a personal stylist, who will order in clothes for their specific needs. The 3,000-square-foot space has only a meeting space, styling room, and 8 dressing rooms.

Taste makers

Making stores that are welcoming, memorable and unique is key to capturing Millennials' interest — and their spend. One approach proving popular with food-obsessed Millennials is the introduction of foodie spaces into fashion and lifestyle stores. Luxury brands have been pioneers in creating chic eateries that allow fashion fans to discover what their favourite brands taste like. Ralph Lauren has introduced Ralph's Coffee bar, a Manhattan-style deli, into its New York and London stores, while Gucci has created a fine dining restaurant in its new Florence outpost, Gucci Garden, and Tiffany & Co has opened the Blue Box Café at its New York flagship.

A tasty blend of food and fashion is proving particularly popular with Asian Millennials, as food and drink continues to drive mall visits across Asia, as well as in Europe and the US. Chanel has created a pop-up concept called Coco's Café, where shoppers can try out new beauty products with a complimentary drink. The shop/café hybrid has so far appeared in Hong Kong and Singapore. Key luxury brands are also creating café concepts exclusively for their Chinese
INTERVIEW WITH GUILLAUME DE ROQUEFEUIL, EUROPASS FOUNDER & CEO

In 2 years, EuroPass has become a major player in the European digital payment industry. Guillaume de Roquefeuil, Founder & CEO of EuroPass, explains this success.

What motivated the launch of EuroPass?

The creation of EuroPass came with the realisation that upon arriving in Europe, Chinese travellers were not able to use WeChat, their digital wallet WeChat Pay, WeChat Moments and the numerous other services and functions within the platform. For brands, it caused a major communication gap with their clients, who they usually target through marketing banners, geolocation adverts and drive-to-store notifications in China.

It was obvious there was room to innovate and propose a solution benefiting both retailers and travellers in Europe. EuroPass also allows us to work with other stakeholders in the travel experience, such as railway companies, tour operators and museums, to develop solutions that can engage with travelling Chinese Globe Shoppers in a more strategic way.

How is EuroPass changing the retail and tourism landscape in Europe?

In Europe, we support brands with their digital communication and payment solutions. We set up marketing and communication strategies targeting Chinese Free Independent Travellers (FITs) or create brand-certified WeChat accounts in Europe. For passing tourists, it means they no longer have to download the brand’s local app, but simply log into WeChat and look for the brand’s account, just like they would back in China.

We also offer an online and in-store mobile payment solution by handling all transactions to allow brands to accept payments in yuan while collecting the payment in their local currency, without being subject to banking commissions.

How are brands and institutions responding to this new technology in Europe?

In France, we really noticed a difference in brands’ interest in our solution during the second half of 2017. Merchants and institutions are attracted by EuroPass because we provide an all-in-one solution mixing digital payment and marketing capacities alongside geolocation facilities that send relevant drive-to-store incentives to Globe Shoppers’ mobile phones.

In addition, thanks to EuroPass, Chinese customers may flash and share the QR code of a brand they have spotted locally. This is another way for local brands and international merchants alike to benefit from the social media platform and surf the brand advocacy trend.

Can you tell us more about upcoming developments and projects for EuroPass?

EuroPass has successfully created a Chinese digital ecosystem in Europe. Our recent collaboration with Global Blue has strengthened our position in France and we are already working with over 100 clients from the retail and tourism industries across the country.

We are also developing other shopping – and travel-friendly solutions and multiplying our partnerships with the retail and travel industry. In parallel, we are looking to extend our geographic footprint across Europe, beginning with the United Kingdom, Spain and Italy, followed by Germany and Switzerland.
NEW CONNECTIONS

Brands are connecting with savvy consumers by satisfying their needs for exciting and enlightening experiences, as well as their demands for exclusive access and personal advice. The best ways to engage with Millennials offer a combination of smart digital tools and in-person interactions.

Spheres of influence

Undoubtedly, one of the biggest stories in the fashion and lifestyle industries in recent years is the shift in power from professional opinion leaders such as fashion editors and retailers, to social media stars and self-appointed influencers.

Their power comes from Millennials’ trust of personal recommendations over brand advertising. This makes recommendations on social media such as WeChat, Instagram, Snapchat and blogs more powerful influences on consumers’ shopping choices.

The lifestyles and preferences of popular social media figures, known as influencers or KOLs (Key Opinion Leaders), are becoming increasingly influential and are driving significant traffic to stores, niche brands and limited-edition collections.

Many brands are now harnessing the power of influencer recommendations by inviting them to appear in their catwalk shows, ad campaigns and even co-create products with them. KOLs such as Chiara Ferragni, Leandra Medine and Mr Bags have used this power to their own benefit and have built their own fashion empires, as well as collaborating with major brands to create special collections.

The power of influencers has become so great that brands are now collaborating with virtual influencers too, such as Lil Miquela, a computer-generated model with almost a million followers on Instagram. Miquela has modelled for leading make-up artist Pat McGrath and influential magazine Interview, as well as featuring in Prada’s latest digital campaign.

Exclusive for everyone

Consumers have become used to gaining access to products and environments previously reserved only for the elite, thanks to live catwalk show streaming and behind-the-scenes Snapchat Stories from their favourite influencers and brands. Now, brands are finding new ways to offer exclusive glimpses of hyped-up products and events through livestreaming.

Particularly popular in China, livestreaming allows an all-access view of retail events, where consumers can buy directly from the stream. Retailers and influencers livestream key events direct to their followers, with links to the products featured in the stream, so viewers can immediately buy anything they like.

According to a 2017 report by China Internet Network Information Center, 47% of China’s internet users (344m people) have watched a livestream. Key platforms include Tmall, Taobao, Meipai and Yizhibo. According to research by L2, 69% of global beauty brands have used a livestreaming platform in China, with Maybelline selling 10,000 lipsticks during a 2-hour livestream hosted by KOL Angelababy.

ShopShops is a platform connecting US retailers to Chinese shoppers by livestreaming events from American stores for 2-3 hours. The platform reports an average of 15,000 viewers and $8,000 in sales per event, with as many as 160,000 viewers for special showcase events.
Brand immersion

As well as experiencing brands through trusted influencers and livestreams, consumers are increasingly willing to jump into the world of a brand, if it means adventure, excitement and discovery. Now, leading brands are creating tools and experiences that allow consumers to get inside their favourite brands.

Footwear brand Converse recently created a London pop-up hotel to immerse consumers in the culture surrounding the brand. The One Star Hotel featured rooms curated by different artists, as well as performances from new musicians such as Princess Nokia, IAMDDDB and Skinny Macho, and exclusive product offerings.

Gucci is another brand focused on creating an interesting life for its customers and fans. Its app features exclusive artwork from Gucci collaborators such as Coco Capitan and Gucci Ghost, as well as its Gucci Places feature, which highlights buildings, stores and institutions that have influenced Gucci’s collections. Gucci Places currently recommends Castello Sonnino castle in Rome, bookshop Maison Assouline in London, the Los Angeles County Museum of Art and the Bibo restaurant in Hong Kong, among other inspiring places. The feature allows fans of the brand to immerse themselves in the inspirations and lifestyle of Gucci, as well as serving as a chic travel guide.

Building relationships

Augmented experiences, brand immersions, influencers and KOLs are all in the service of creating a deeper relationship between consumers and brands. Knowledge-sharing, advice and support are becoming another key way to build stronger connections with consumers.

“Shop, do and learn” is the founding principle of British department store John Lewis’s new 230,000-square-foot store in London. As well as the retailer’s famously knowledgeable staff, the store includes a Discovery Room where shoppers can learn how to perfectly light a room or integrate smart home technology, as well as beauty and cookery demonstrations around the store and a Style Studio for individual or group fashion consultations.

Paula Nickolds, Managing Director of John Lewis said, “This shop demonstrates our latest thinking on how the department store can be a place in which you can shop, do and learn in a way you haven’t been able to before. It’s also a place where we can build a far more personal relationship with our customers”.

Selling service

An important way to build relationships with Millennial consumers is to offer essential support and seamless service. Maintenance and repairs are essential services to offer consumers, especially for high-cost products, or those particularly prone to wear and tear, such as luggage. At its Paris flagship store, luggage brand Rimowa has introduced a repair shop where customers can have suitcases fixed for free, regardless of when they were originally bought.

Hermès has turned laundry into a chic experience, with the introduction of its pop-up laundromats. Owners of the brand’s iconic silk scarves can drop off their cherished accessories to be professionally cleaned and re-dyed, with advice from Hermès-trained colour specialists. Even less delicate items need expert maintenance: Dutch brand Denham has created a denim maintenance shop in its Tokyo store, where owners can see their favourite jeans be altered, mended and laundered by denim experts.
3 THE NEW GLOBE EXPERIENCER
GOING GLOCAL

Millennial travellers are pushing back the frontiers of the travel industry, as they look for ways to get under the skin of their destination.

The travel industry is starting to get used to the idea that pre-planned holiday tours no longer attract the crowds. Today, Millennial travellers are looking for the authentic, undiscovered and fascinating reality of their destination. There has been a shift from travellers just talking about what they saw or did to who they met on location, as they’ve realised local insights make for deeper, more unique experiences. But while experience is a key driver of Millennial travel, how is this trend developing?

Millennial travellers: feeling more than just tourists

Millennials are out to experience cities’ multi-layered qualities just like locals, be it the food and culture scene, the local craftsmanship or the best sightseeing spots and parks.

Back in 2016, home-sharing giant Airbnb launched “Live There”, its largest communication campaign to date, as a way to help travellers feel like locals, “in response to the growing dissatisfaction and disappointment with standardised tourist offerings that have become the hallmark of modern tourism”. Along with this campaign, the company introduced peer-to-peer platform “Places”. The concept relies on locals’ tips, gathered into highly curated “Guidebooks”, a collection of recommendations for the best places to visit in every city, as seen by Airbnb hosts. Recommendations include getting your morning pastry at Tartine Bakery in San Francisco, going for an afternoon walk on London’s Hampstead Heath, sipping cocktails in Amsterdam’s Bar Bukowski and enjoying a candlelit dinner in Rio de Janeiro’s Zazá Bistrô Tropical.

The app also includes the “Meetups” function where Airbnb users can meet each other, and “Nearby Now” to receive community-curated information and advice.

Airbnb fully embraces this generational shift currently reshaping the travel industry, where travellers feel less like tourists but more like locals.

It suggests a more personal approach to travelling, away from standardised tourist tour packages and guidebooks.

“Today, Millennial travellers are looking for the authentic, undiscovered and fascinating reality of their destination.”

Bringing back meaning to travelling

Millennial travellers express a strong desire to connect with their destination’s community. The challenge today lies in bringing back meaning to
travel by immersing travellers in the local community. Focusing as much on people as the location, Homestay is an alternative to Airbnb. The accommodation marketplace puts hosting at the heart of experiential travel and specialises in travel experiences where the host is present during the visitor’s stay. The host is at once a travel guide to dispense non-touristy tips, a translator when necessary, a confident and much more, which can create a more authentic and meaningful interaction with locals.

Transformational travel

They used to say, “travel broadens the mind”. Tapping into the local experience is a good way to make travel more enlightening. But for many, commoditised travel no longer has the same transformative effect.

So, where does a trend-fatigued traveller go from here? A step up from experiential travel, stakeholders from the retail industry are witnessing the rise of a new kind of travel trend — transformational travel. This increasingly popular pursuit has similarities with experiential travel, but is motivated by self-reflection and personal development, not Instagrammable experiences. With transformational travel, people travel to remote places to learn from other cultures in a bid to incorporate newly found wisdom in their daily lives. Post-travel action is at the heart of transformational travel.

Quick to identify this trend, travel companies and tour operators are upgrading their offer to accommodate a more conscious traveller, eager to get more than a healthy glow from their vacation.

Going off-grid is popular for transformational travellers, whether visiting the UNESCO Biosphere Reserve of Patagonia, or a remote monastery in Burma. They are searching for ways to refocus body and mind on the essentials of life, smartphone-free, of course.

Looking after the environment has become equally important. Boutique hotels, in particular, are offering sustainable local products, implementing energy efficient solutions, and even donating some revenues to the local community.

This trend can even develop in a spiritual direction, with meditation camps, religious holidays, trips based on astrological constellations or trips to find the family’s ancestral origins.
The internet has deeply impacted roles within the tourism industry. Strongly supported by the internet and digital technologies, the emergence of peer-to-peer platforms in the travel industry coincides with consumers who no longer identify with traditional models of consumption. These peer-to-peer platforms include accommodation, transport-sharing, dining, tours and experiences. From hotel- and transportation-booking tools and customer review websites, to reserving activities online, today, travellers can easily find the best offer for their needs.

Besides the social appeal attached to these marketplaces, those local micro entrepreneurs are at hand to offer consumers flexibility and a good price-to-quality ratio. Quick to identify the potential of the peer-to-peer trend, Airbnb, Flipkey, HomeAway and Roomorama have developed their offer in harmony with the evolution of tourist demand.

Many professionals from the industry — tour operators, travel, transportation or hotel companies — view this new sharing economy around travel as a threat. Instead, it should be valued as a source of inspiration, encouraging travel companies to renew their offering to better meet customers’ needs, and offer more personal services and experiences.

Some companies are already exploring ways to positively adapt to this transformation. Car rental company Hertz now enables travellers to rent cars by the hour or by the day. In the hospitality sector, Marriott has added apartment rentals to its hotel portfolio, while Mercure Hotels is offering working spaces for nomad travellers through EasyWork and for a truly differentiating offer, Bemate.com couples the management of city locals’ flats with a personal concierge.
Few capitals in the world enjoy as much fantasy in the public perception as Paris. Whether for its exceptional cultural scene and iconic sightseeing spots, its notable gastronomy or remarkable shopping offer, there is no shortage of things to do or places to explore in the city of lights. Recovering from 2016 terrorist events, the French capital and its region welcomed a record-breaking 89 million tourists in 2017, a 9.5% increase from the year before, attributed to an impressive 14% rise in international visits, as well as 6% growth in national tourism.

Yet, it appears Paris has been resting on its laurels for too long; for Millennials the city is no longer the place to be. Some of the perceived shortcomings of Paris are its nightlife, its high prices and its over-reliance on its former glory with the same traditional attractions. As London, Berlin or Amsterdam and far-flung capitals such as New York, Singapore or Tel Aviv redouble their efforts to enjoy the economic benefits of increased tourism, the competition is getting fierce for Paris. With an ambitious goal set by the French government to welcome 100 million visitors in 2020, how can local stakeholders make Paris more appealing, to encourage Millennials and turn them into repeat visitors?

The priority is to create a varied hotel offer to ensure all tourist categories have been addressed. Together with tourist stakeholders, the action plan includes:

- the identification of plots for possible hotel developments;
- territorial promotion to investors and hotel developers;
- the interactive mapping of the city’s infrastructures (transportation network, job hotspots, cultural equipment etc.);
- a shared tool allow hospitality projects to track their progress against the 12,000-room objective.

“Welcome City Lab”, the world’s first incubator dedicated to promoting tourism innovations, is supporting start-up projects such as youth hostel “Les Piaules” located in the hip district of Belleville. Back in 2015, Generator Paris hostel chain opened its first location next to the city’s St Martin canal, the Parisian equivalent of Brooklyn. A new take on the hostel concept, in renovated industrial buildings, Generator offers stylish yet affordable shared or private rooms at the heart of many European cities, catering to travellers wishing to allocate less of their travel expenditure to accommodation cost.

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Ahead of the Paris 2024 Olympic Games, these actions will enable Paris to increase its region’s hotel capacity even further, with a target of 142,000 new rooms, as well as attracting a younger demographic of travellers.

Improving Paris’ air, rail and road connectivity is essential to stimulate demand from younger tourists, who prioritise affordable transport and easy accessibility. In terms of flights, Paris government is supporting airport capacity developments of its 4 nearby hubs, Paris-Charles De Gaulle, Paris-Orly, Paris-Le Bourget and Beauvais. Thanks to the recent opening of new routes between Paris and Chinese tier 2 city Chengdu, Paris has the best Chinese connections of any European city, in terms of flight numbers (90 per week) and airlines (5); a great way to counterbalance the increasing competition of Gulf countries’ direct flight offers.

Meanwhile, significant investments are being injected into Paris’s railway network. “Grand Paris Express” is Europe’s largest urban project, better connecting central Paris with its region’s main industrial, research and learning centres. Mainly underground and 100% connected and automated, the project involves the creation of 4 new metro lines and the extension of 2 existing ones, representing 200 km of railtrack. Finally, the city is also supporting theinsertion of touring coaches in Paris’ landscape and their transformation into eco-vehicles.

By going all-out on infrastructure

The first area of development and investment is the improvement of the city’s hotel and transportation network.

Paris is lagging in terms of its hotel capacity. Local government has set an objective to have 12,000 new rooms on offer by 2020. Together with tourist stakeholders, the action plan includes:

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By doing as Parisians do

Paris is following in the footsteps of other international capitals who have successfully marketed their most characteristic districts by developing a new urban tourism offer, especially attractive to Millennial tourists. Off the beaten track and away from over-crowded locations, travellers are now encouraged to discover authentic parts of Paris and enjoy a more varied offer.

Much like New York’s Bronx or Kreuzberg in Berlin, Paris has identified seven up-and-coming districts, each of them with distinctive characteristics. Leading the pack is Montparnasse, located in the 14th district of Paris. More than its eponymous tower and spooky catacombs, the southern district is well loved by locals for its beautiful Montsouris park, art deco villas and brasseries. Across the river Seine, the busy strip running from République to Bastille is highly popular with young Parisians for its trendy bar scene, local stores and craftsmanship.

Paris is also drawing on its multicultural roots to promote its very own Chinatown, which besides a varied food offer, boasts modern architecture and striking street art. Pigalle, the Parisian equivalent of Broadway, is also coming to the fore, its streets with theatres, cabarets, concert halls and cinemas waiting to be populated by an international crowd. Other key districts include Belleville–Ménilmontant–Père Lachaise, St Martin canal and Paris’s green spaces such as Vincennes’ parks and zoo and a range of green walks, all gathered under one project.

Since 2007, the Paris tourism website has published content produced in collaboration with Parisians, to promote Paris as seen by its locals. More recently, the city has been playing on participatory tourism to create more interaction between locals and visitors. During urban walks, Parisians guide tourists through their local neighborhood and community: a great way to venture outside over-crowded tourist spots, with positive impact on local trade. This new initiative has also spread to offline chats and telephone hotlines hosted by Parisians providing real-time tips for the city. More than ever, Paris is taking full advantage of the experiential trend to renew its tourism offer with Millennials and simultaneously improve its reputation as a rather unhospitalable city for tourists.

Tourism stakeholders are working on positioning Paris as an international party destination to attract more Millennials and rival clubbing capitals such as Berlin, San Francisco, Dubai and Tel Aviv. The aim is to create a competitive Parisian nightlife identity together with representatives from local establishments and promote it outside French frontiers via tour operators, magazines, and travel, hotel and consumer websites. Special care will be given to improving night owls’ safety, by offering more assistance and information points, as well as “a night pass” giving access to events and shops open at night.

Meanwhile, Paris is working on reviving its LGBTQ nightlife and culture scene, once a strong part of its identity. Paris Tourism Office is working closely with LGBTQ partners such as PFA travel, an agency specialising in gay-friendly accommodation, and Paris Gay Village to promote LGBTQ tourism around Paris. In August 2018, the city is welcoming the Gay Games. Together with the city government, the organisers hope to associate the event with other cultural and scientific gatherings, to further promote French values of fraternity and respect.

Connectivity is another key battlefront for Paris. The city has provided WiFi broadband to locals and tourists alike since 2017. But, as tourists venture into new parts of the city, the challenge lies in extending this network to all public places by 2020. This project is especially important to create a seamless and personalised experience of the city, where digitally native tourists will be able to buy their tickets online or have access to the websites of nearby attractions. Surfing on this trend, the mobile app Lineberty enables visitors to book a digital ticket to a tourist attraction online and therefore avoid to queue. The app also assesses queueing time so visitors can better organise themselves.

*IS FRENCH GASTRONOMY STILL ALIVE? BIEN SÛR!*

With one Michelin star under his belt and a new role as chef at Apicius restaurant, a stone’s throw away from the Champs Elysées, Mathieu Pacaud knows a thing or two about modern tastes. He believes that attracting a younger international clientele comes from a clever combination of the right menu and the right atmosphere.

“French cuisine has too long relied on its assets and has failed to renew itself. The result? The dusty menus of past glory found in French palaces. Millennials are not after a 12-course menu served in pompous settings. They want an experience, and the atmosphere of the restaurant is as important as what’s on their plates. From the kitchen, the food needs to be healthy, light and presented quickly. In the dining room itself, cool interior design and music, dimmed lights and attractive waiters will seal the deal.”
Global Blue invented the concept of Tax Free Shopping almost 40 years ago and is now the worldwide industry leader. Through its range of products and services, Global Blue’s goal is to enhance the Globe Shopper experience and create value for retailers and partners.

Its end-to-end digital Tax Free Shopping solutions allow thousands of retailers, including most of the world’s leading luxury, fast fashion and department store brands, to quickly and securely offer Globe Shoppers savings of up to 20% when shopping in 305,000 stores around the world.

Its Dynamic Currency Conversion solutions offer foreign travellers a simple way to pay or withdraw money in their domestic currency, while increasing the revenue for the merchant and acquiring bank. Furthermore, its Intelligence and Marketing services provide unique insights and tools that help merchants to better understand, communicate with, and attract, the lucrative Globe Shopper market.

www.globalblue.com

Roland Berger, founded in 1967, is the only leading global consultancy of German heritage and European origin. With 2,400 employees working in 34 countries, we have successful operations in all major international markets. Our 50 offices are located in the key global business hubs. The consultancy is an independent partnership owned exclusively by 220 partners.

For the past 50 years, Roland Berger has helped its clients manage change. Looking at the coming 50 years, we are committed to supporting our clients conquer the next frontier. To us, this means helping clients to navigate the complexities that define our times by providing them with the responsive strategies essential for lasting success.

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Global Blue and Roland Berger would like to thank all contributors interviewed for their invaluable time and insights.