



Global Retail 2017

Lux Afrique, April 2017

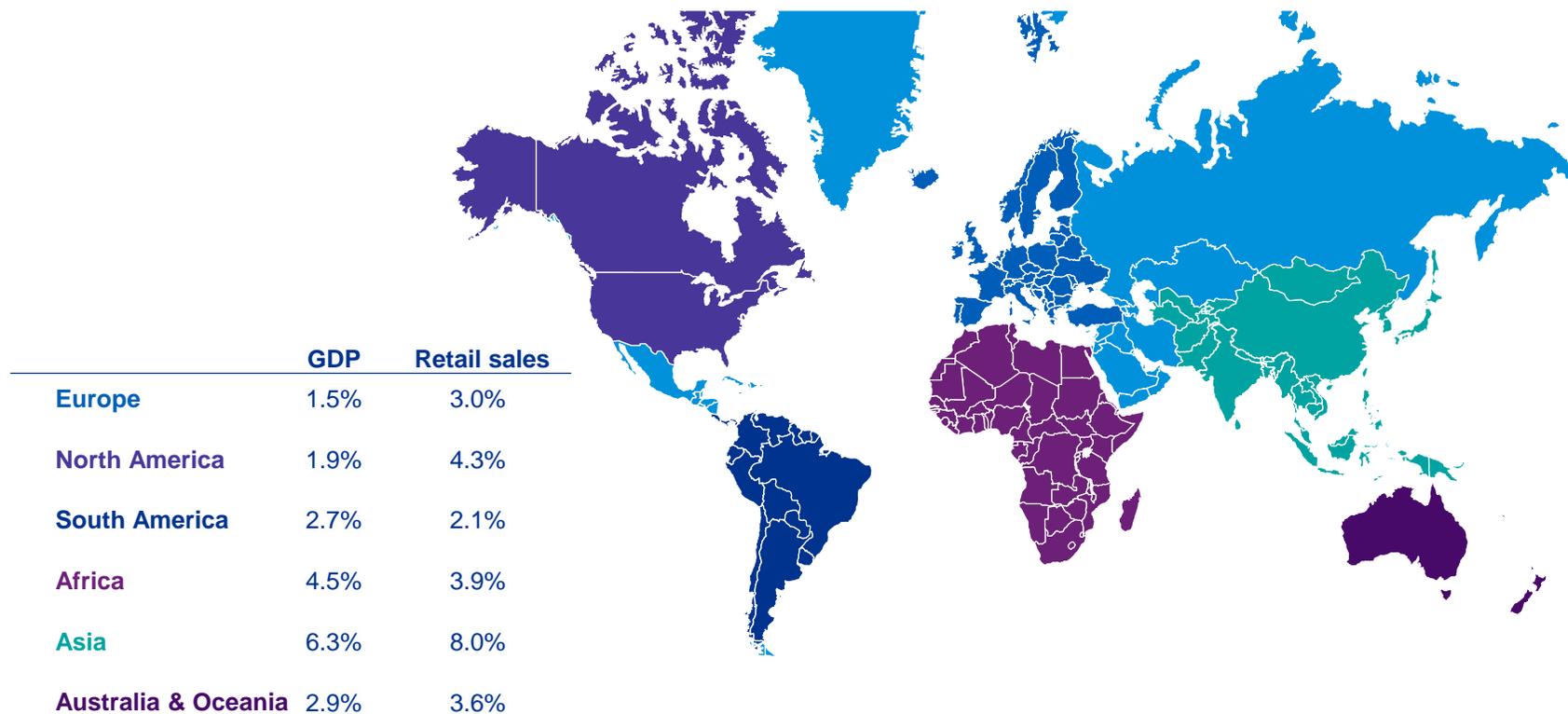
Paul Martin, UK Head of Retail



Economic and retail outlook by region

GDP growth forecast 2015-2020f (CAGR) [nominal]

Retail sales YoY growth forecast 2015-2020f (CAGR) [nominal]



Source: Euromonitor, IMF, KPMG Boxwood analysis

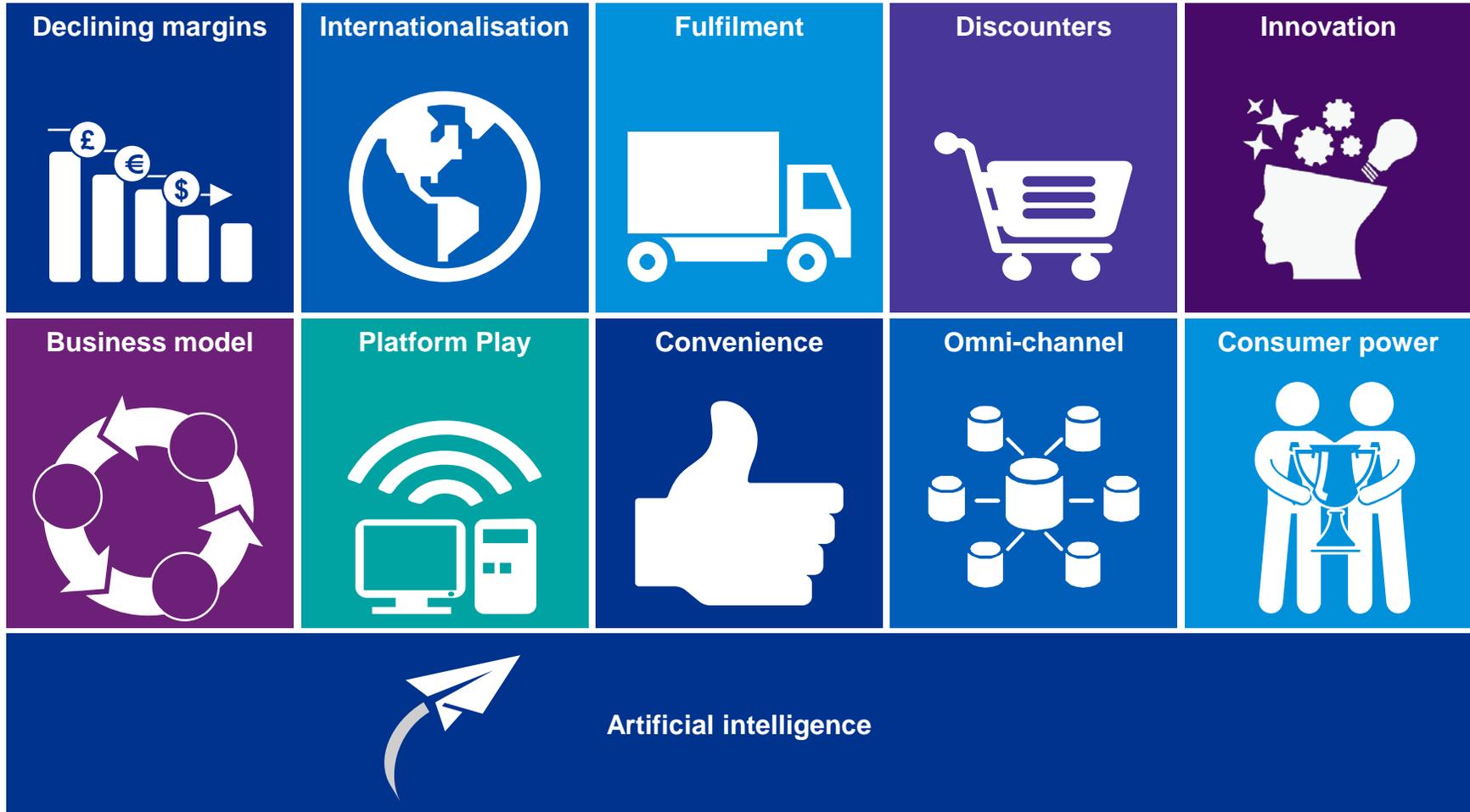


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Top 10 Retail Trends

10+1 key trends shaping the retail landscape

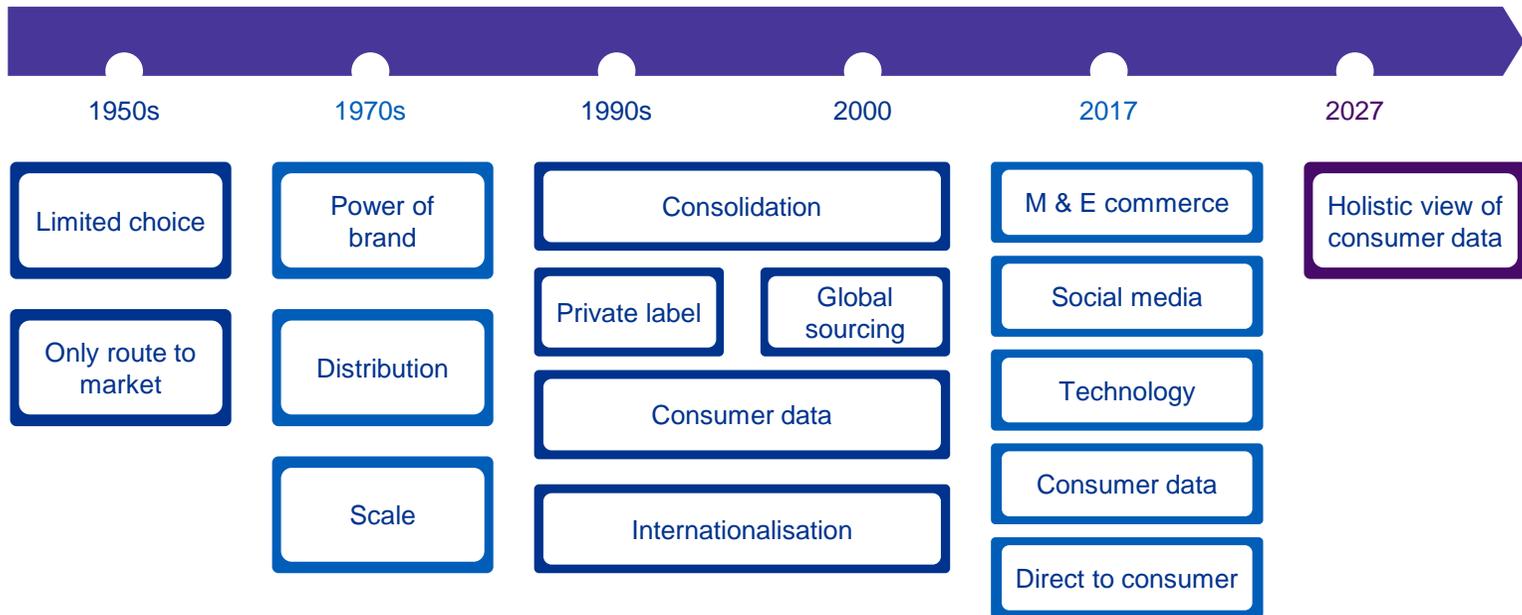




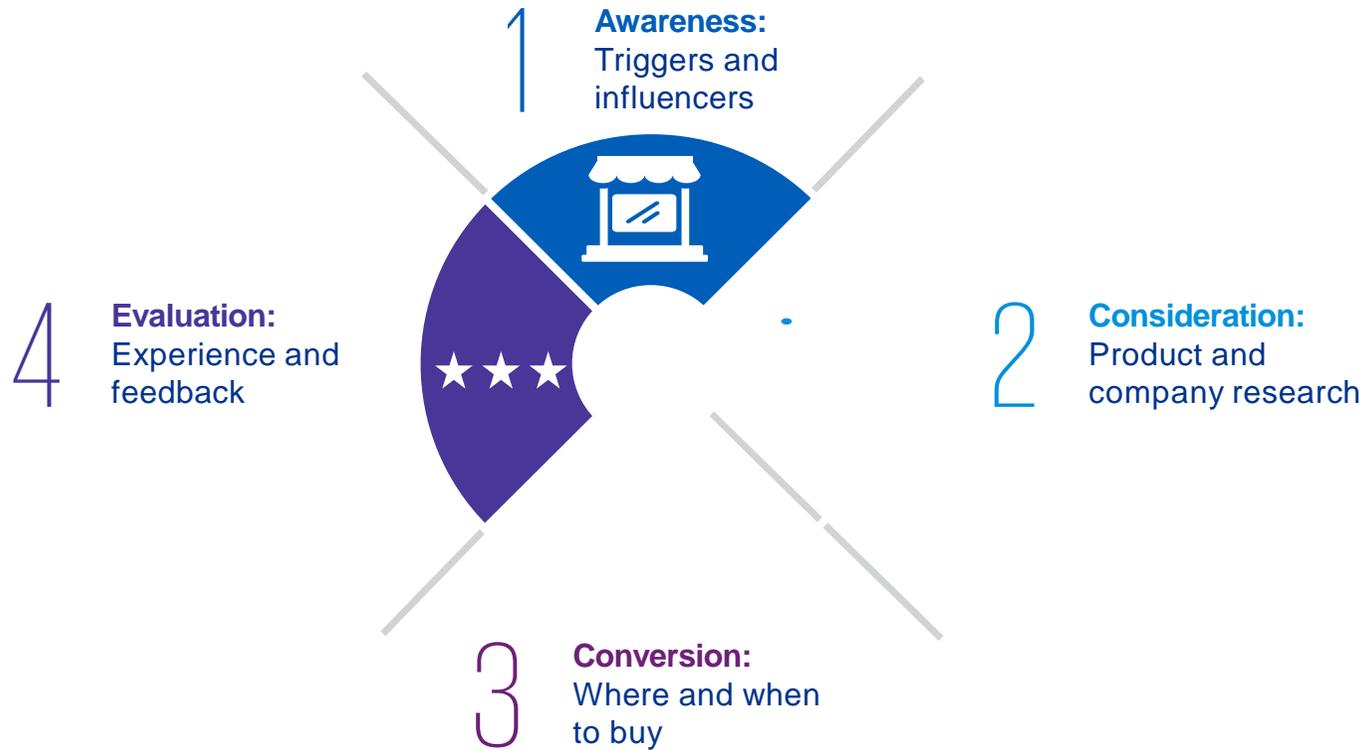
Consumer Power

The customer is changing.....

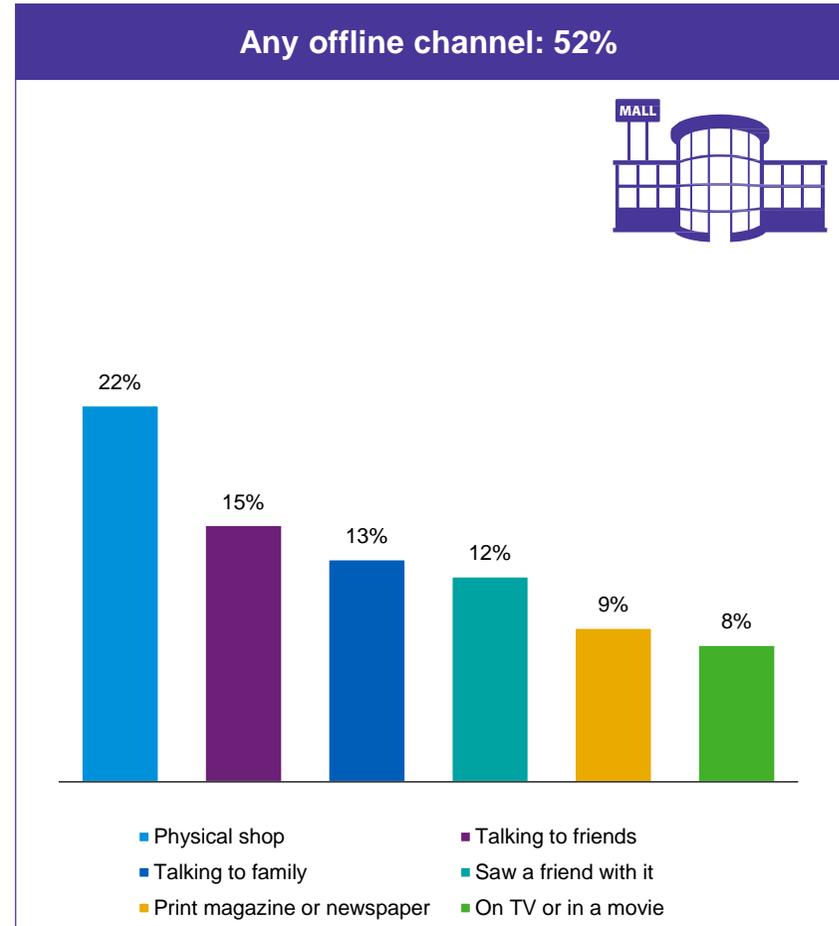
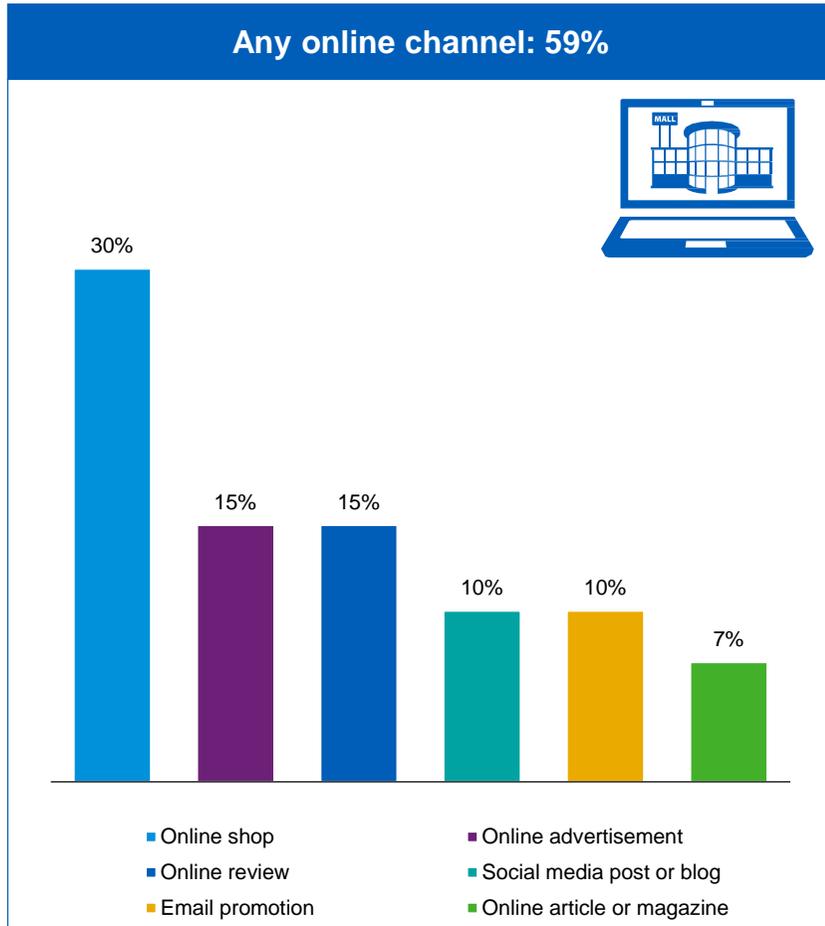
Who holds the power?



Stages of the Purchase Journey



Awareness: Channels where Consumer saw Product first before purchasing



Source: Global Online Consumer Report, KPMG International, 2017

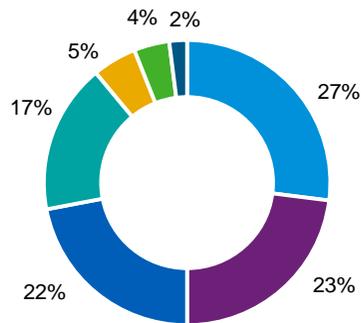
Consideration: Factors driving purchase decisions

Decision factors by region

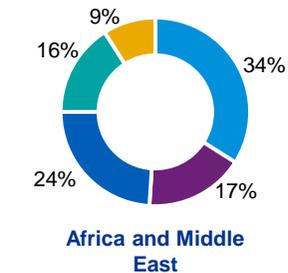
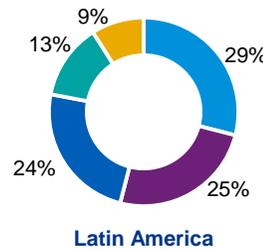
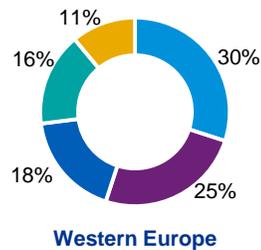
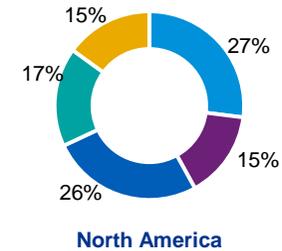
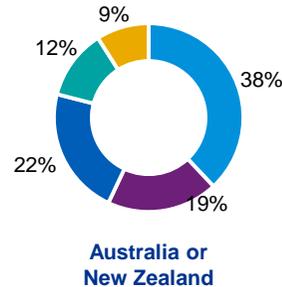
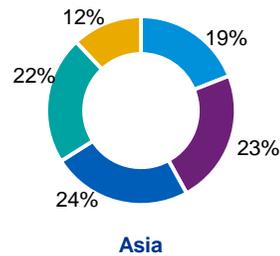
Consumers in Australia, New Zealand, Canada, France, Belgium and South Africa were most likely to be influenced by price or promotions. In these countries, more than 38 percent of consumers said price and promotions were the factors that drove their most.

Factors driving purchase decisions

Factors driving purchase decisions – by region



- Price/Promotions
- Product features
- Brand
- Online reviews
- Newest trends or arrivals
- Peer influences/recommendations
- Complementary products



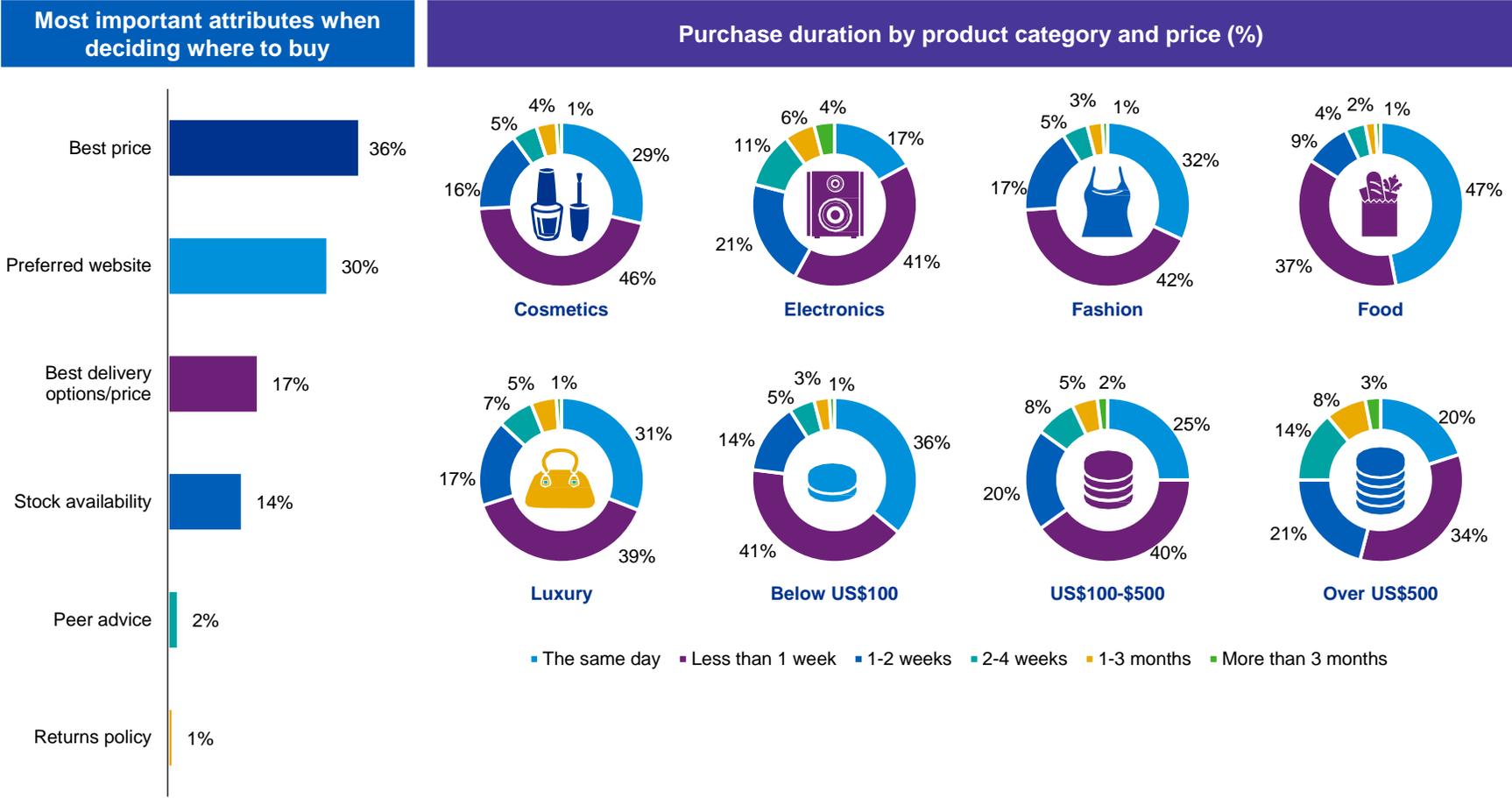
- Price/Promotions
- Product features
- Brand
- Online reviews
- Other

Source: Global Online Consumer Report, KPMG International, 2017



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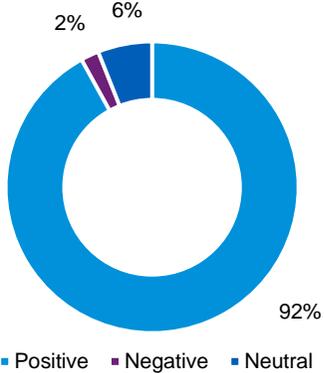
Conversion: Deciding Where and When to buy



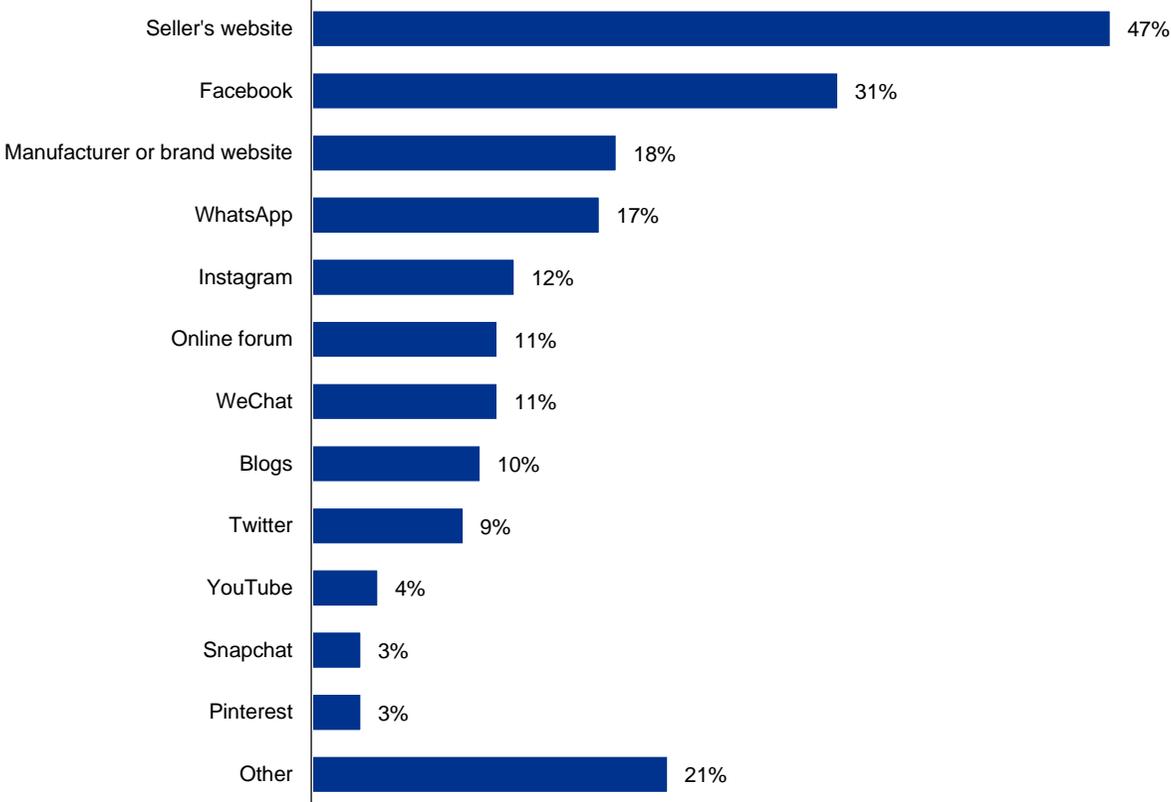
Source: Global Online Consumer Report, KPMG International, 2017

Evaluation: Experience & Feedback

Type of feedback most recently shared online



Sites where consumers shared feedback (%)

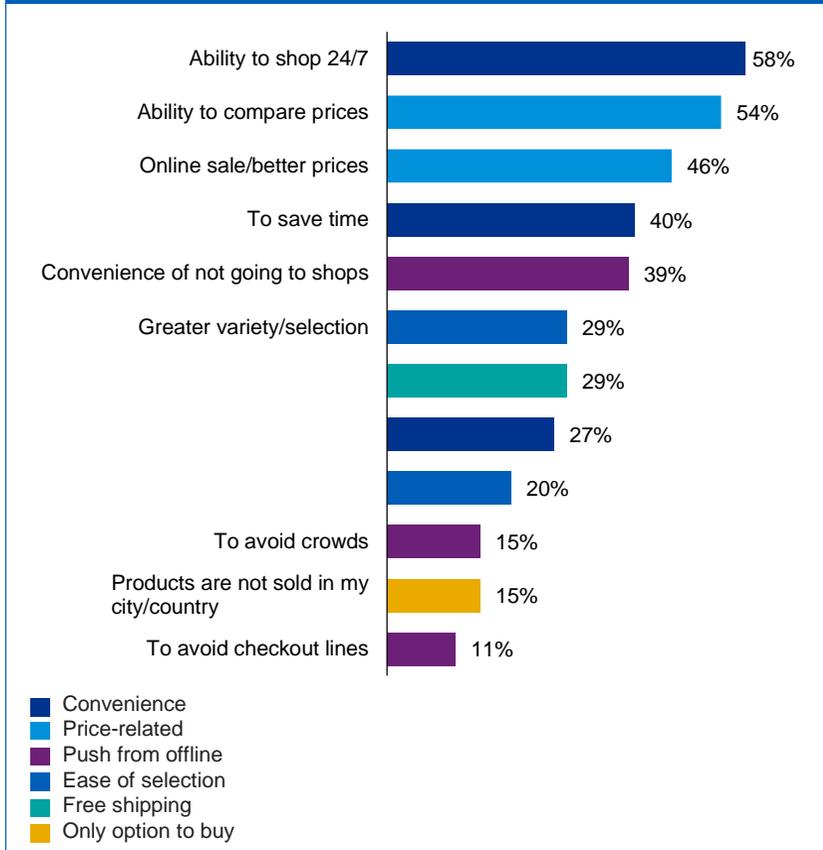


Source: Global Online Consumer Report, KPMG International, 2017



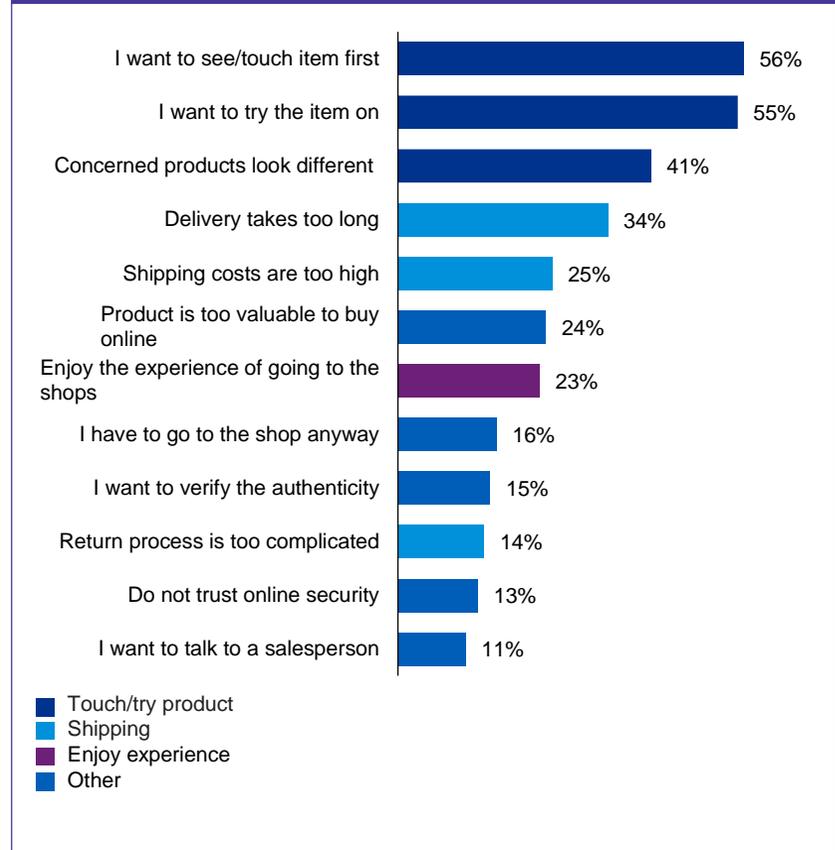
What's driving the shift to online

Reasons consumers shop online instead of in stores



Source: Global Online Consumer Report, KPMG International, 2017

Reasons consumers shop in stores instead of online





Innovation

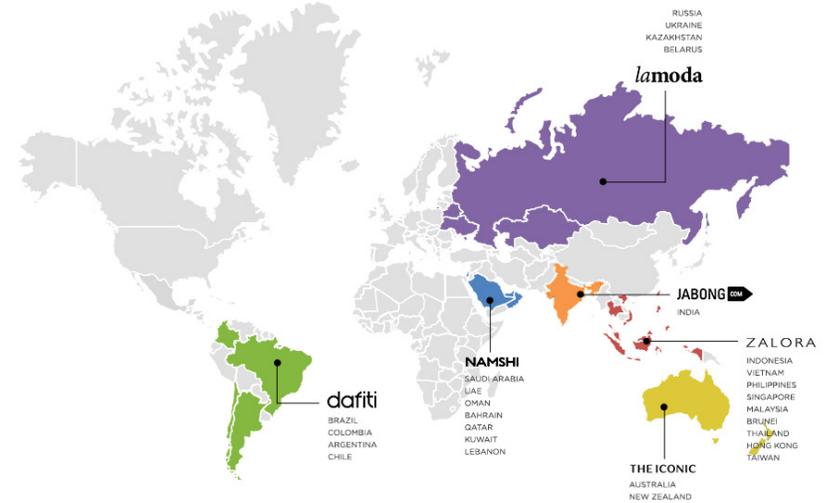
The strength of platforms for Global Fashion Group

Global Fashion Group focused on emerging markets, covering 24 countries

Five different platforms serving each of their main markets

They own the value chain infrastructure enabling agility and customer convenience

- Delivery fleets offering **last mile delivery in over 300 cities**
- **Customers can pay cash on delivery in most markets**



net a porter

Attracting international customers through strategic partnership with hotels

- Net-A-Porter partnered with a boutique hotel in New York which provides guests with bespoke shopping services.
- Hotel guests can shop online via a tablet in their room or call a personal shopper for assistance.
- Free same-day delivery is offered right to the guest room door and personal shopping is offered 9-5 on weekdays with a 24 hour customer care phone line, any day of the week.





Omni-channel out of a box – changing the route-to-customer

- Brands can leverage the Farfetch platform to link inventory in their retail stores to their websites and deliver services.
- They offer collection from physical stores or same-day delivery, Farfetch says “If you have an amazing flagship store in Los Angeles, why...wait one week for something to be delivered from Europe?”
- In addition, they now provide a Black & White service which is a Farfetch powered e-commerce site for retailers with less digital capability.





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