

Are Consumers Circular?

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The Refinitiv logo consists of a stylized blue 'R' shape formed by two overlapping lines, one horizontal and one vertical, with a diagonal line connecting them.

Agenda

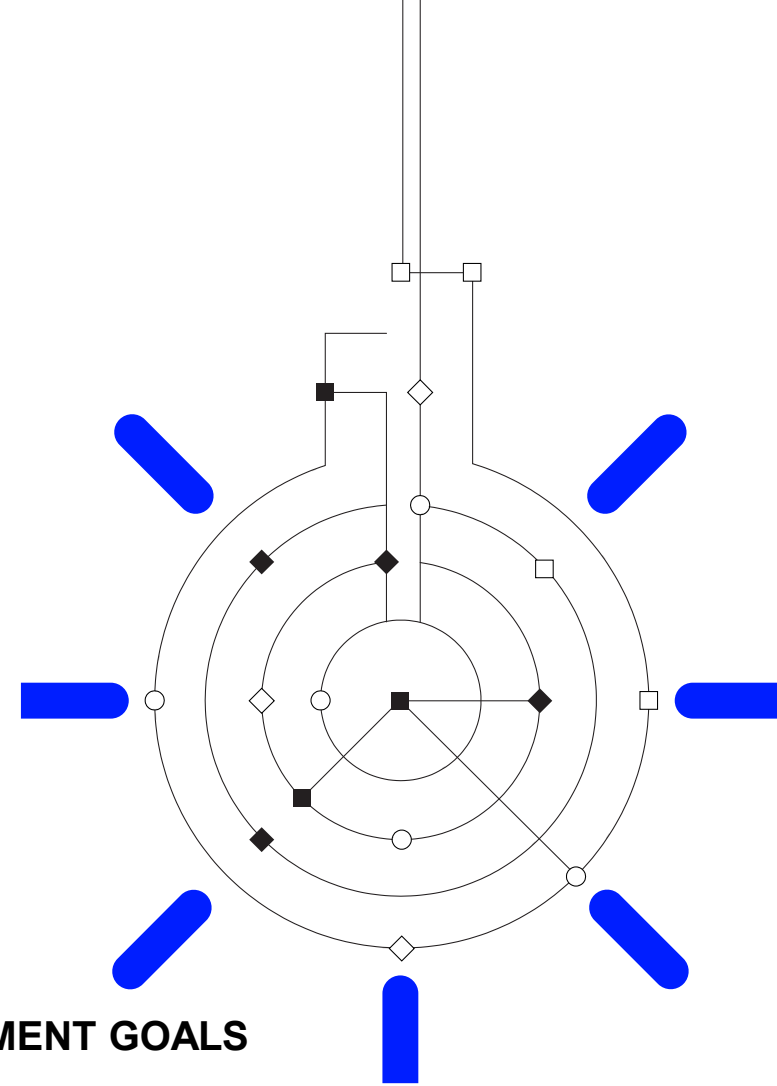
CIRCULAR ECONOMY

THE STATE OF THE U.S. CONSUMER

RETAIL APOCALYPSE: E-COMMERCE VS. BRICK AND MORTAR

CHANGE IN CONSUMER SPENDING BEHAVIOR AND PREFERENCES

MEASURING CONTRIBUTION TO THE U.N. SUSTAINABLE DEVELOPMENT GOALS

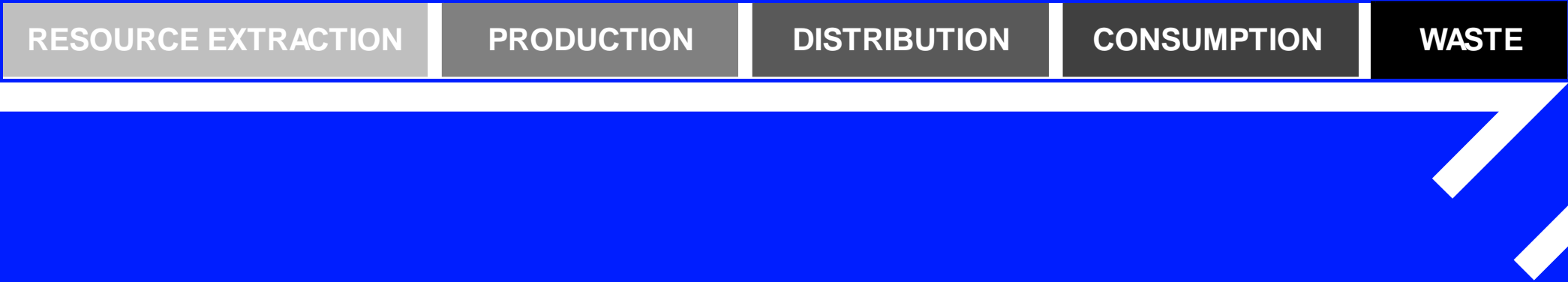


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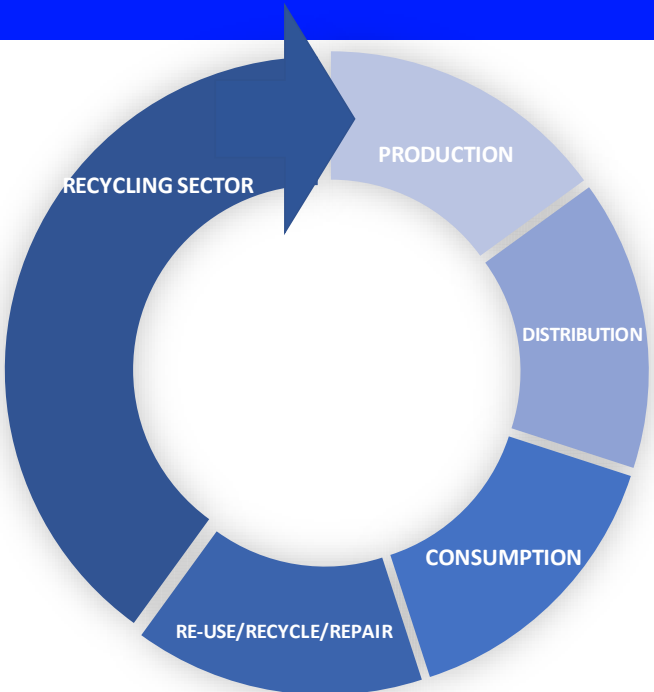
DATA IS JUST
THE BEGINNING



Linear Economy



Circular Economy

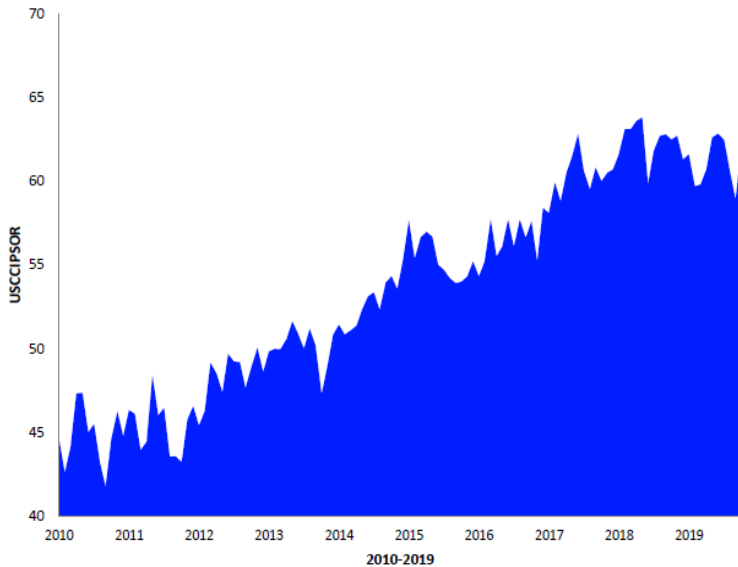


The State of the U.S. Consumer: Good Proxy of Economic Health

The U.S. Consumer **Fuels** the tourism industry in Aruba

U.S. CONSUMER SPENDING ACCOUNTS FOR NEARLY **70%** OF U.S. GDP

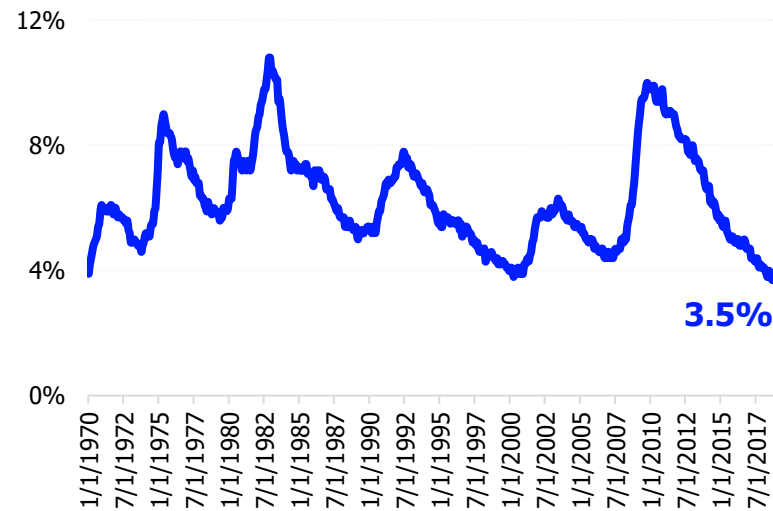
Consumer Confidence



Early 2019: U.S. Consumers were very concerned about the trade war and a possible recession.

Q3 Consumers are feeling secure in their jobs.

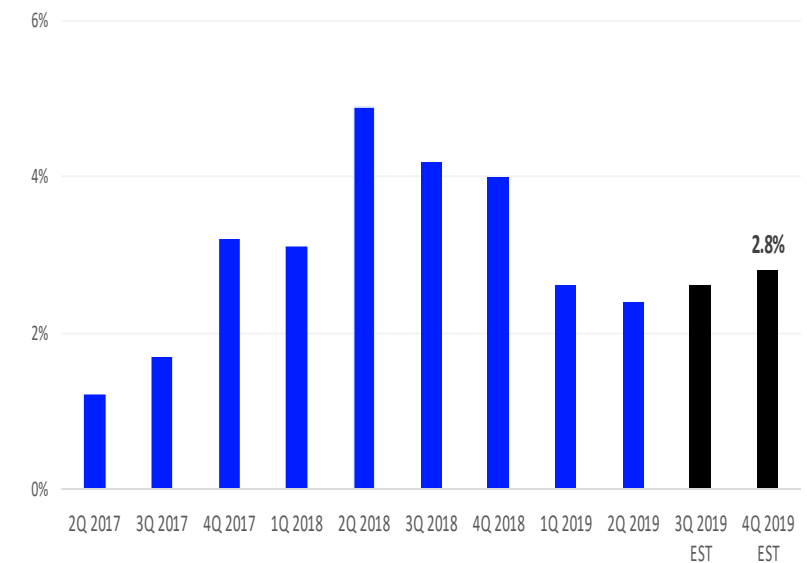
Unemployment



Has the Strongest Correlation with Consumer Spending.

Hit a 50-year Low.

Refinitiv Retail Same Store Sales Index



Consumer Spending was robust in 2018 and has slowed down from 2019 but still very healthy.

Q4 Holiday Spending Will be Good.

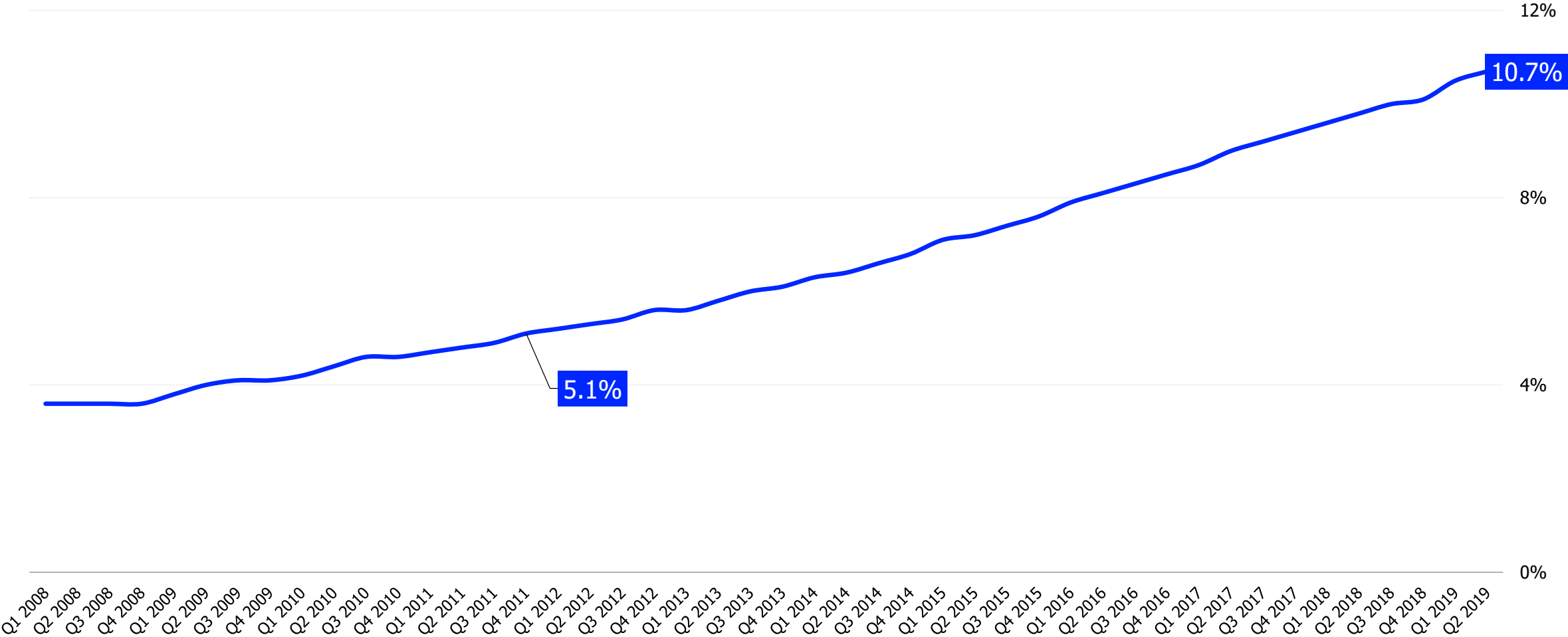


Retail Apocalypse: E-commerce vs. Brick And Mortar

Stores are Closing at Record Levels

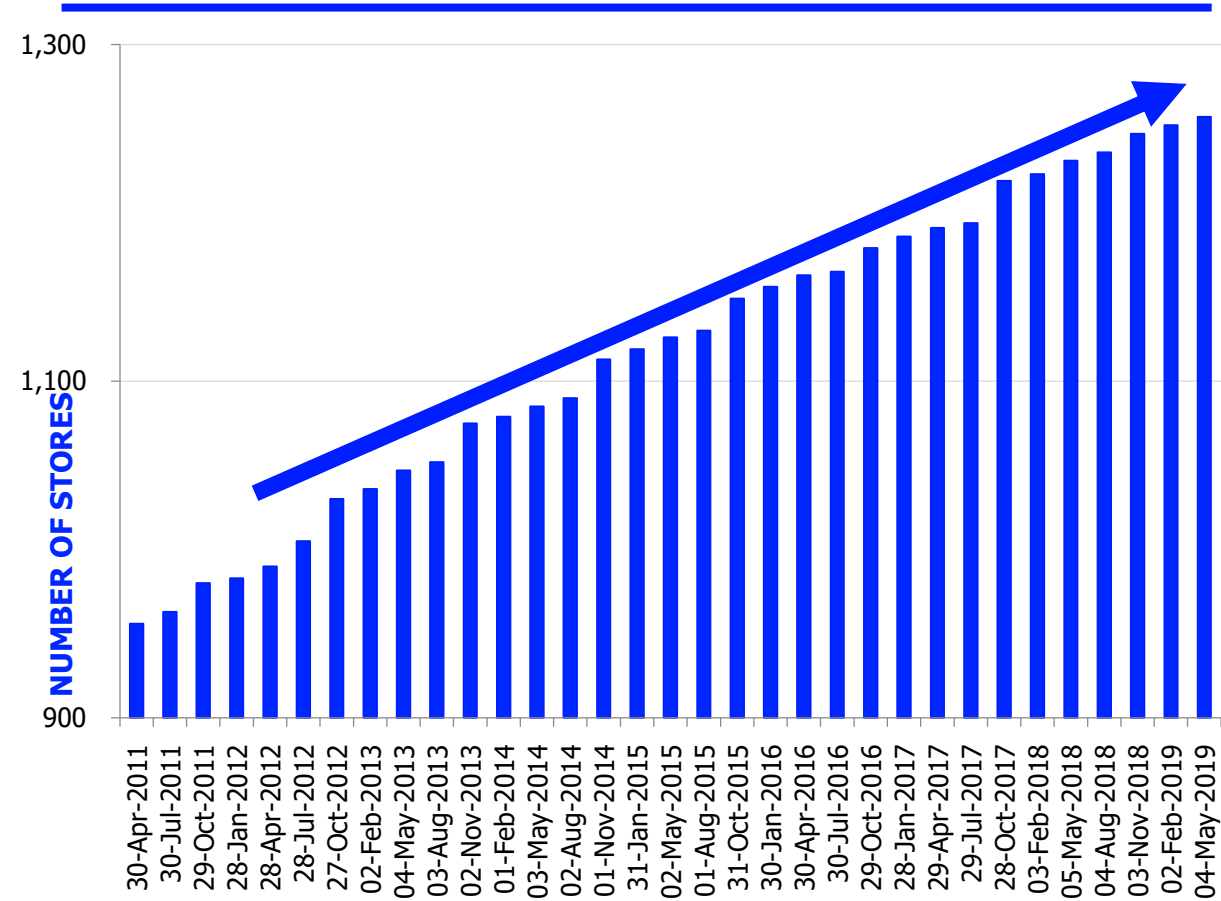
Online Growth

E-commerce Sales As a Percent of Total Retail Sales



Brick and Mortar Growth

TJX Number of Stores



What works

WINNERS

- Online, off-price, off-mall, discount, resale, rental

OMNICHANNEL IS THE FUTURE

- Seamless, Fast and Efficient Shopping Experience

UNIQUE BUSINESS MODELS

- Treasure Hunt Experience

EXPERIENCES OVER THINGS

- Play with the Merchandise
- Design your own product – Nike
- Cosmetics

SOCIAL MEDIA

- Instant gratification

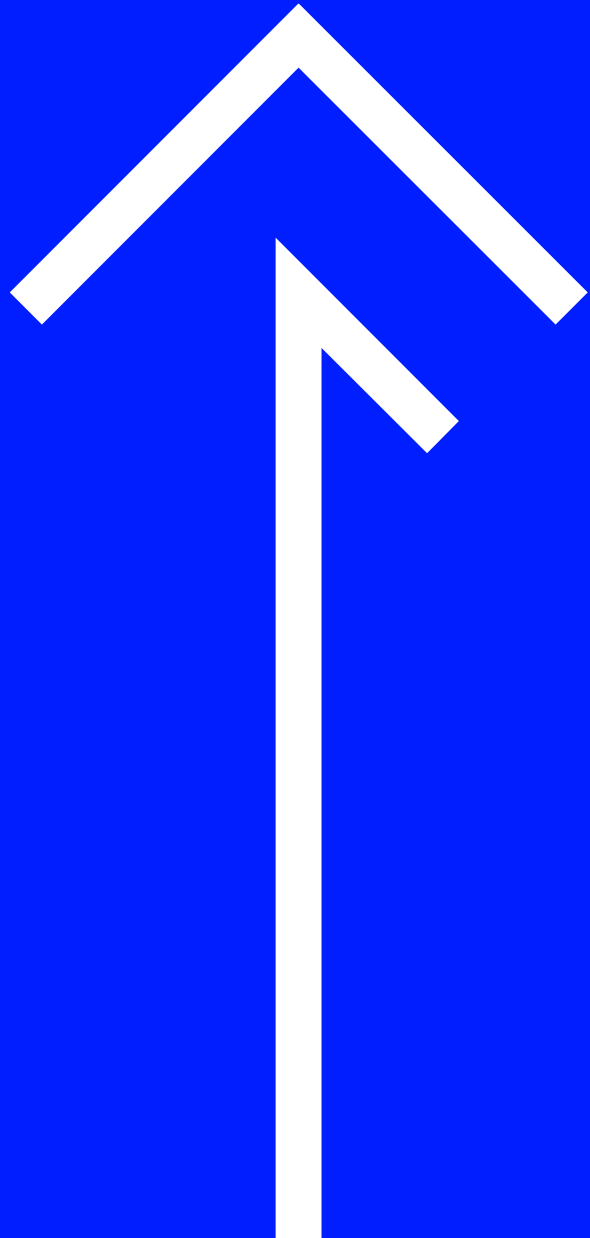
POP-UP SHOPS

- Made-for-Instagram
- Amazon

WELLNESS LIFESTYLE

- Athleisure
- Health restaurants





Change in Consumer Spending Behavior and Preferences

Factors Disrupting the Retail Space

Retaining Value in Increased Utilization



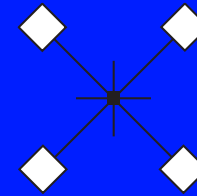
MILLENNIALS

- Make up the largest share of the U.S. population.
- Socially conscious consumers.
- Comfortable with shared ownership.
- Mobile phones are a big priority for them.
- Exposed to computing devices at an early age.
- Tech savvy – super shoppers.
- Omnichannel packaging.
- Sustainability consciousness is a social media conversation.
- Millennials will be heavily involved in the future of the circular economy.



TECHNOLOGY

- Technology facilitates circular economy business models:
- Product as a service.
- Sharing platform.
- Product life extension.



CULTURE OF WELLNESS

FOOD COOP – Organic produce for less:

- Member-owned and operated food store.
- Members contribute on labor.
- Enables to keep **prices as low** as possible.
- Builds community.
- Buy from local, earth-friendly producers.
- Emphasis on organic, minimally processed and healthful foods.
- Different Committees around SDG.
- Avoid products that depend on the exploitation of others.
- Educate themselves on health, nutrition and the environment.

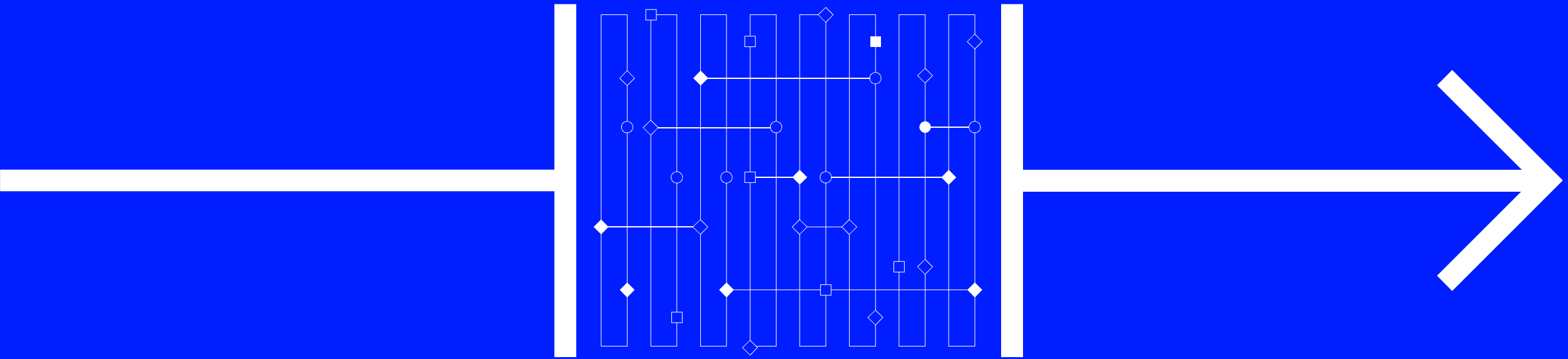
MISFITS:

- Subscription boxes of ugly produce.

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DATA IS JUST
THE BEGINNING





Measuring Contribution to the U.N. Sustainable Development Goals

Environmental, Social and Governance (ESG)

Valuing a Diverse Workforce – in a Circular Economy

MEASURING DIVERSITY AND INCLUSION



REFINITIV ESG DATA

To evaluate the long-term health of companies in a more holistic way, we turned to our ESG data. This allows us to consider both financial and business sustainability dimensions to evaluate these companies with superior business characteristics, including management, culture and risk profile.

- Numerous research studies in the past few years have demonstrated that a company with a workforce that reflects the community has a better chance of producing superior financial results – and rewarding investors.
- In today's global marketplace, corporations and industries need to encourage gender, ethnic and other forms of diversity to ensure they are tapping a broad spectrum of ideas, skills and talents. "Group think" is now a huge risk factor.
- Governments are seeing the need for D&I in business – and taking legislative action, such as mandating a quota of women on corporate boards. More companies are reporting on their efforts to diversify their boards and labor force, but ***actual progress can be elusive.***

DIVERSITY

SUSTAINABILITY

Social Impact – The Power of Language

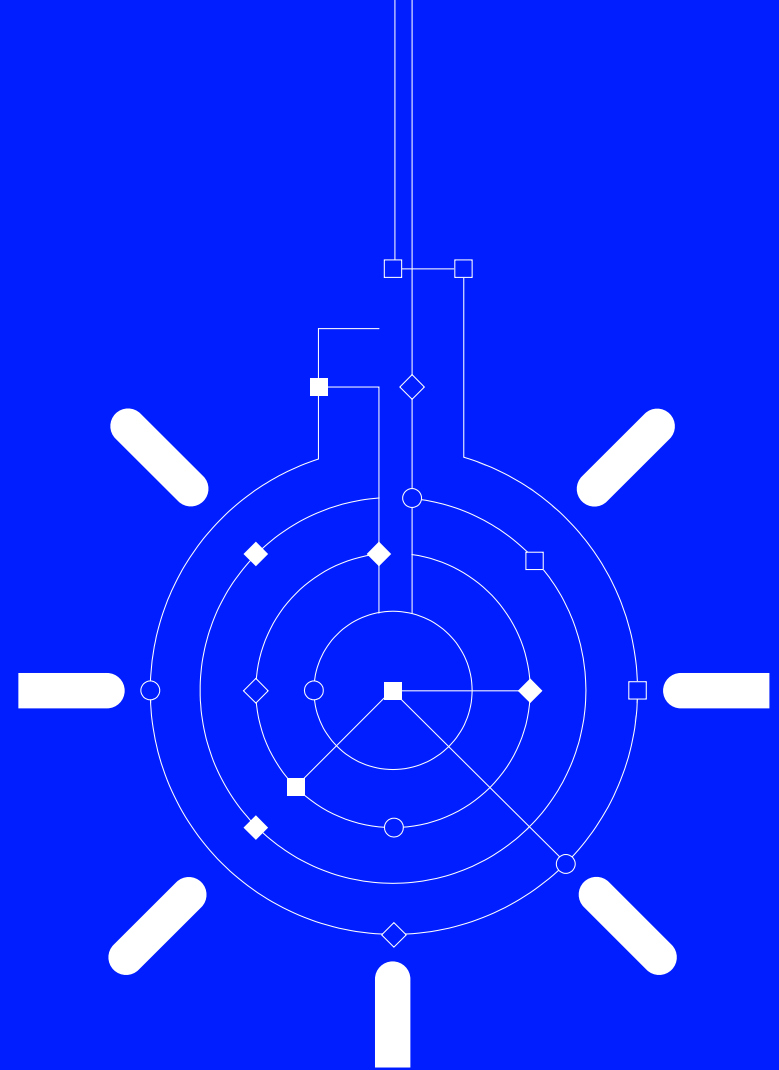
Artificial Intelligence and Machine Learning in the Consumer Industry

Walmart is one of the largest employers in the U.S.

AND

the world's largest brick-and-mortar retailer

INCLUSION



Study Findings

POWER LEADERSHIP

We are a **dominant** engineering firm that boasts many leading clients.

We are **determined** to stand apart from the competition.

INTERPERSONAL

We are a **community** of engineers who have effective **relationships** with many satisfied clients.

We are **committed** to understanding the engineering sector intimately.

Source: Journal of Personality and Social Psychology





2019

Women Managers

ESG = 43%

ESG = 26.8%

ESG = 52%

Female CEO

Source: Refinitiv ESG Data.

2017

Walmart * amazon

target BEST BUY

Source: Forbes and Textio.

-1

Neutral

1

Masculine

Feminine

Masha Danki!

Thank you