

The age of unreasonable [health & beauty] convenience

By Rory Fegan, strategy director, DewGibbons + Partners

Long-established and off-overlooked, the convenience sector is now growing exponentially. Of particular interest is the role that health & beauty will play in convenience. Since consumers have an increasing voice in the matter, we need to sit up and take note. As the well-known science fiction author William Gibson said: “the future is already here – it’s just not evenly distributed”.

Things are indeed changing, due in large part to young, time-poor consumers who are demanding what they want, when they want it. They expect to find what they’re looking for in a store near to them. And who can blame them? These are the people that grew up in a world dominated by products and brands that have redefined how we live, and how and where we buy those products.

As Adam Morgan, author of *A Beautiful Constraint*, says “we are now living in the era of the unreasonable consumer”. These are the people that use Uber instead of waiting for a cab, buy music in a matter of seconds from iTunes after Shazamming it just moments earlier, and purchase clothes in Zara, for tonight, that may well get thrown out tomorrow.

The fabric of society is shifting to satisfy this unreasonable consumer – and the convenience sector is perfectly positioned to take advantage of it.

As retailers become increasingly organized, they will become more reliant on big data – large, complex sets of data that allow for the analysis and prediction of consumer shopping habits. This will give retailers a true understanding of what their consumers want, the types of products they buy or are likely to buy, and where they buy them. As a result, they will be better positioned to appeal to a variety of convenience shoppers – both young and old – and we’ll see a period of unprecedented innovation.

On a more immediate macro level, format and functionality will drive the majority of health & beauty purchases at convenience stores. Consumers are looking for a simple, quick fix that’s easy to spot, easy to use, and effective.

There’s already some interesting innovation in this space, illustrated by the rise of single serve packs that cut down on space used on shelf, in the handbag, and in the pocket. Of particular note are products and brands that blend the pharmaceutical with lifestyle. Help Remedies is a great example of a US-based brand that’s turned a ‘distress purchase’ into a ‘desirable purchase’. This company creates products that consumers seek out, fall in love with, and tell others about.

As such, added benefits will play a big part in the successful health & beauty convenience shopping experiences of the future. People will pay a premium for speed and quality, but brands need to deliver relevance that’s personal to the individual. As retailers come to know us and our habits better they will tailor their approach to meet local shopper needs. We’ll see a proliferation of product innovation geared towards a specific, geographically intelligent consumer understanding that will deliver not only what consumers need but also what they want, when they want

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
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it, all at a location convenient to them.

In-store theatre and technology will come to play a much bigger role in the consumer decision-making process. This will drive small but ever more frequent purchases, and cause people to reappraise their ‘limited choice’ perceptions of the convenience offer. There will also be an increasing dependence on mobile, both in and out of store. Mobile will be used to build awareness on personalised special offers and new products, engaging consumers in a more service-focused experience.

Convenience has the potential to become the one shopping experience that really connects with people and could include:

- Interactive technology: think beauty blogger Zoella talking you through the benefits of the latest eyeliner via augmented reality, creating convenience engagement as never before
- Connected consumers: imagine that your local store knows what you like and lets you know when that’s on offer, generating loyalty through mobile and repeat purchase
- Synergy selling: cross selling items that relate to one another – think fresh make-up sitting next to your superfood salad in the chiller, with a synergistic benefit
- Regimen 1, 2, 3: on-the-go will reach new levels of engagement, going beyond food service to offer health regimens that span the week, encouraging repeat visits
- Shop and drop: with retailers aware of your location and proximity, products will be delivered at the most convenient time and to the most convenient store
- Silver shoppers: given their growing numbers, needs, and spending power, the 55+ bracket will be better catered for, with age specific formats in the right locations
- Form and function: format will continue to drive sales, reimagining successful innovations for health. For example, what would a Lemsip or Berocca version of Robinsons Squash’d look like?

In this era of the unreasonable consumer, whole categories will evolve to deliver more personalised, benefit-driven shopping experiences on – and to – our doorsteps. Just think about it this way: Uber is quicker, cheaper, and easier than catching a black cab – it’s the kind of business idea that you would presume is flawed because there are so many factors that challenge the status quo. But it did happen and it’s seemingly running away with the prize. If we can do the same for convenience – and the opportunity is very clearly there – we might be on to something that changes the category for the better, for retailers and the consumer, forever.

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