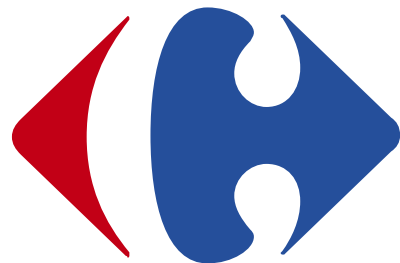


# CARREFOUR INVESTOR DAY

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***"L'EXPÉRIENCE  
OMNICANALE CARREFOUR"***



*April 26, 2017*



# Agenda

## **9:00 AM – 10:30 AM**

- Opening remarks
- Introduction
- Multiformat & Omnichannel model
- Q&A session

## **10:30 AM – 10:45 AM**

- Break

## **10:45 AM – 12:20 AM**

- CRM & Data
- Supply Chain
- Q&A session
- Closing remarks

## **12:20 AM – 2:00 PM**

- Lunch, with demos of products, solutions and concepts

## **2:00 PM – 6:00 PM**

- Store tour



# Plan

## « L'EXPERIENCE OMNISCANALE CARREFOUR »

### 01.

Introduction: The empowered consumer

---

### 02.

Rolling out Carrefour's Multiformat & Omnichannel model

---

### 03.

Using CRM & data to engage with customers

---

### 04.

Deploying an adapted supply chain

---

### 05.

Conclusion

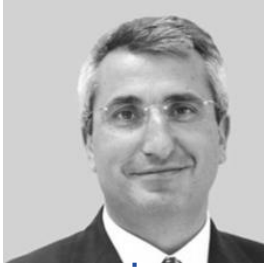
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# OPERATIONAL SPEAKERS



**Bernard Buono**  
Advisor to the  
Chairman & CEO  
on Strategic Marketing



**Pascal Clouzard**  
Executive Director,  
Carrefour Spain



**Anne-Laure Klein**  
Group Strategy Director



**Hervé Parizot**  
Executive Director,  
E-commerce & Customer Data,  
Carrefour France



**Clément Marty**  
Digital Marketing, Loyalty  
and Innovation Director,  
Carrefour Spain



**Enrique Garcia Lopez**  
Digital Director, Big Data  
and Data Science,  
Carrefour Spain



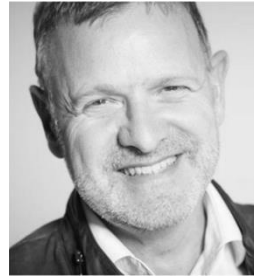
**Florence Batchourine**  
Supply Chain Director,  
Carrefour France



# 01

## 01. Introduction: The empowered consumer

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**Bernard Buono**

Advisor to the  
Chairman & CEO  
on Strategic Marketing



# RETAIL IS NO LONGER ONLY ABOUT PRODUCTS ON SHELVES



GAME  
OVER

**Customers' want more, better,  
seamless and at the right price**

THE NAME OF THE GAME IS CONSUMER EMPOWERMENT

# ON FOOD, CONSUMERS NEED TRANSPARENCY & COMMITMENTS



**63%**

care about the origin  
of the products they purchase

**67%**

want fewer  
preservatives and coloring agents

**60%**

want local  
brands & fresh products

**86%**

think that  
transparency in companies  
is important

Source: Havas / Nielsen / PWC / Kantar





**These commitments are becoming  
the new standard of quality**

**Trust in quality and commitments  
brings client loyalty**

# CONSUMERS NEED MORE CARING, MORE RELATIONSHIP

The new consumer: Older, more urban, more digitized, more mobile

**17%**

> 65 years old  
in 2050 vs 8.5%  
today

**66%**

urbanisation rate  
in 2050  
(vs. 54% in 2014)

**x7**

digital penetration  
between 2000  
and 2016

**34%**

use mobile devices  
to make  
purchases

**58%**

shop online  
for 24/7  
availability

**50%**

of millennials  
in the active  
population in 2020

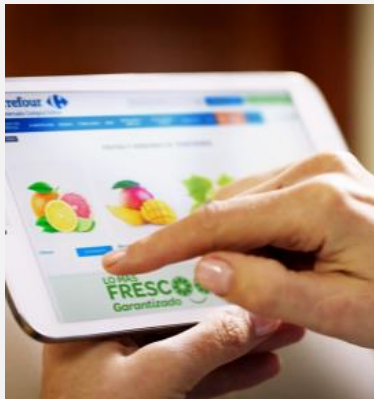


# RETAILERS NEED TO TAILOR THE CUSTOMER EXPERIENCE

## CONVENIENT, SEAMLESS



I want it MY way, at MY time and at MY place



## ENJOYABLE



In-store & online

I want to have a PLEASANT SHOPPING EXPERIENCE



**“THE REFERENCE IN FOOD RETAIL,  
MULTIFORMAT & OMNICHANNEL”**

# 02

## 01.

Introduction: The empowered consumer

---

## 02.

Rolling out Carrefour's Multiformat & Omnichannel model

---



**Pascal Clouzard**

Executive Director,  
Carrefour Spain



**Anne-Laure Klein**

Group Strategy Director



**Hervé Parizot**

Executive Director,  
E-commerce & Customer Data,  
Carrefour France



# 02

## 01.

Introduction: The empowered consumer

---

## 02.

**Rolling out Carrefour's Multiformat & Omnichannel model**

---

### ▶ **Multiformat & Omnichannel**

Illustration Digital France

Financials



# EACH FORMAT HAS A SPECIFIC MISSION



## Hypermarkets

Everything under one roof  
at a competitive price



## Supermarkets

Choice close to home  
with a focus on fresh



## Convenience

Essential daily needs with  
extended shopping hours



## Cash & Carry

Wholesale prices for a  
no-frills experience



## E-commerce

The broadest assortment  
at any time, any place  
on any device





# HYPERMARKETS

EVERYTHING UNDER ONE ROOF AT A COMPETITIVE PRICE



- Carrefour's historical format
- New hypermarket concepts tested in all geographies
- Renewed offer – attractive and powerful
- Gradually becoming more urban, as cities expand

**100,000**

SKUs

**51€**

Average basket (France)

**1,328**

stores

**7,345**

Average Sqm





# HYPERMARKETS

## ILLUSTRATION: VIDEO OPENING BA DE - TAIWAN





Alcobendas, Spain



Fan Mallorca, Palma, Spain



Carugate, Italy



Mons, Belgium



Villiers en Bière, France



Monroe, Argentina



# SUPERMARKETS

CHOICE CLOSE TO HOME WITH A FOCUS ON FRESH



- Dedicated to food
- “Clusterizing” to better address local needs
- 4 clusters: Gourmet, Attraction, Urban, Discount
- Successful cross-fertilization across countries

**20,000**

Average SKUs

**28€**

Average basket (Belgium)

**3,227**

stores

**1,319**

Average Sqm





# SUPERMARKETS

ILLUSTRATION: VIDEO MARKET GOURMET - ITALY





Saint Marcel, France



Supeco Alcorcon, Spain



Sierpinskiego, Poland



TU OPINIÓN NOS AYUDA A MEJORAR  
¿Cuál es tu grado de satisfacción de la calidad en frutería?

Conde de Penalver, Spain

# CONVENIENCE

## ESSENTIAL DAILY NEEDS WITH EXTENDED SHOPPING HOURS



- Format in constant evolution, adapting to changing social and consumption trends
- On top of generalist stores, multiple tests of specialized convenience concepts across countries (organic stores, etc.)
- Last 2 countries to launch convenience format: Brazil and China, well received by consumers

**6,500**

Average SKUs

**12€**

Average basket (Italy)

**7,075**

stores

**255**

Average Sqm







# CONVENIENCE

## ILLUSTRATION: VIDEO CARREFOUR EASY - CHINA





Express Padre Antonio, Brazil



Express Jerozolimskie Varsovie, Poland



Carrefour Bio Levallois, France



Bon App! Paris, France





Easy Xietu Shanghai, China



Express Eat & Shop Milan, Italy



Express Urban Life Milan, Italy



Express Hermosilla Madrid, Spain



Express Urban Life Milan, Italy

# CASH & CARRY

## WHOLESALE PRICES FOR A NO-FRILLS EXPERIENCE



- B2B pure play activities in France (Promocash) and Italy (Docks and Gross Iper)
- Hybrid B2B/B2C: Atacadão is a winning model in Brazil
- Successful cross-fertilization based on Atacadão in other countries: Maxi in Argentina and initial Supeco in Spain

**305**

stores

**8,000**

Average SKUs

**4,121**

Average Sqm

**59€**

Average basket (Atacadão)





# CASH & CARRY

## ILLUSTRATION: VIDEO ATACADÃO





Atacadao – Igarassu, Brazil



Maxi Buenos Aires, Argentina



























































Atacadao Vila Maria - Sao Paulo, Brazil



Promocash Gerland, France



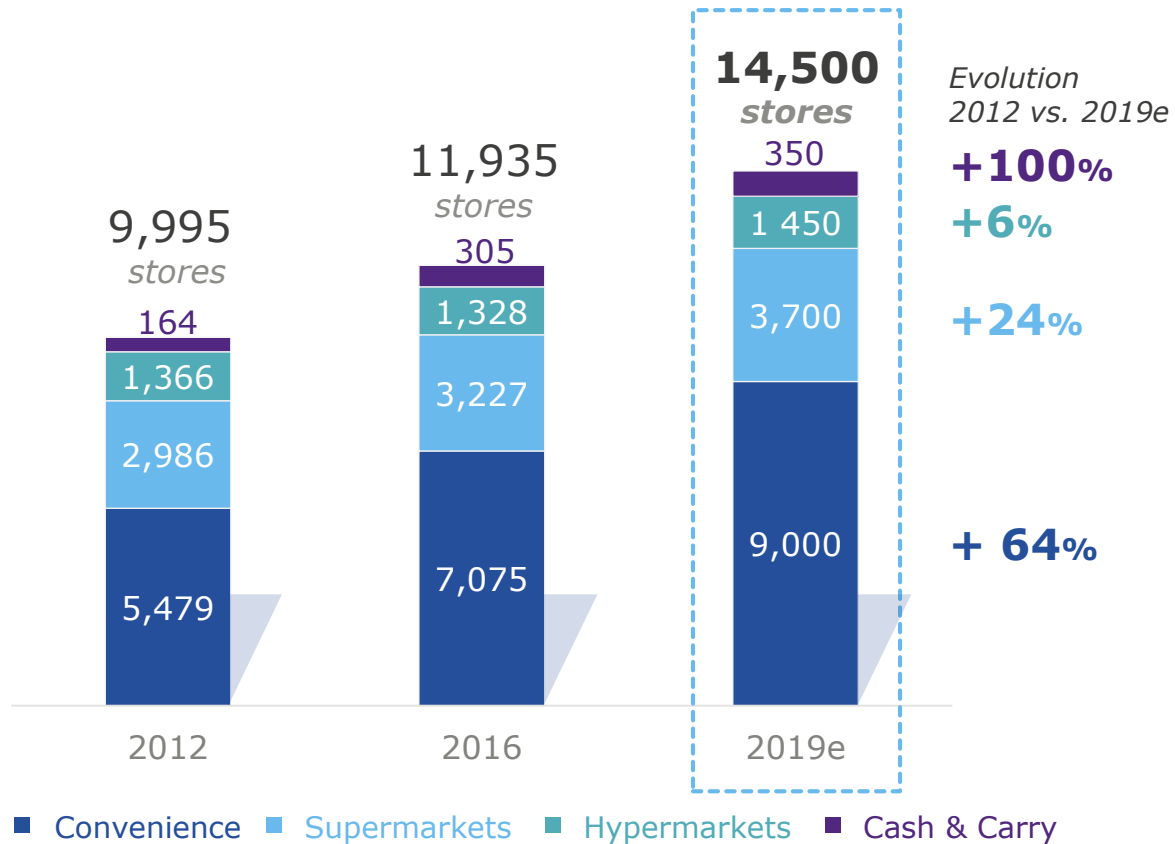
# MULTIFORMAT PROGRESSIVELY ROLLED OUT IN ALL OUR COUNTRIES

	 FRANCE	 SPAIN	 ITALY	 BELGIUM	 POLAND	 ROMANIA	 ARGENTINA	 BRAZIL	 CHINA	 TAIWAN	
Hypermarket											
Supermarket		 			 	 		 			
Convenience	     	 			 	 					
Cash & Carry			 								
eService											
	<b>Other services: Travel, leisure, ticketing, car rental</b>										

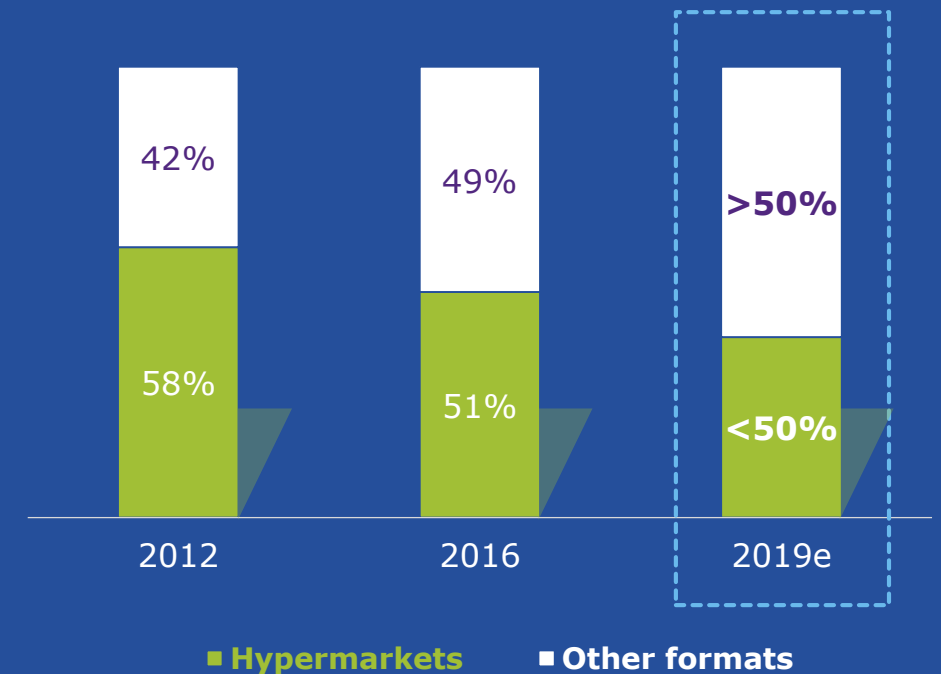


# CARREFOUR'S CENTER OF GRAVITY IS SHIFTING TOWARDS MULTIFORMAT

## BREAKDOWN OF STORES UNDER BANNERS BY FORMAT



## GROSS SALES BREAKDOWN – (%)














# E-COMMERCE, AN ADDITIONAL FORMAT AND A COMPLEMENTARY SERVICE



# RAPID ROLLOUT OF E-COMMERCE THROUGHOUT THE GROUP

		 FRANCE	 SPAIN	 ITALY	 BELGIUM	 POLAND	 ROMANIA	 ARGENTINA	 BRAZIL	 CHINA	 TAIWAN
FOOD	Home delivery and/or Click & Collect	✓	✓	✓	✓	✓	✓	<i>In progress</i>	<i>2017</i>	✓	✓
	Direct offer	✓	✓	<i>2017</i>	<i>2017</i>	✓	(✓)	✓	✓	(✓)	(✓)
NON-FOOD	Marketplace	✓	✓	<i>In progress</i>	<i>In progress</i>	<i>In progress</i>	<i>In progress</i>	<i>Under study</i>	✓	<i>In progress</i>	<i>Under study</i>



# 2020 E-COMMERCE PROSPECTS

## GROSS MERCHANDISE VOLUME



# STORE BASED OMNICHANNEL MODEL: UNIQUE OPPORTUNITY TO ENSURE E-COMMERCE SUSTAINABILITY

## OPERATIONAL MODEL FOR ORDER MANAGEMENT

- Store-picking across formats** (hypermarkets, supermarkets, convenience) ↘
- Mixed model:** store + dedicated picking space →
- Warehouse or dark store** (with or without automation) ↗



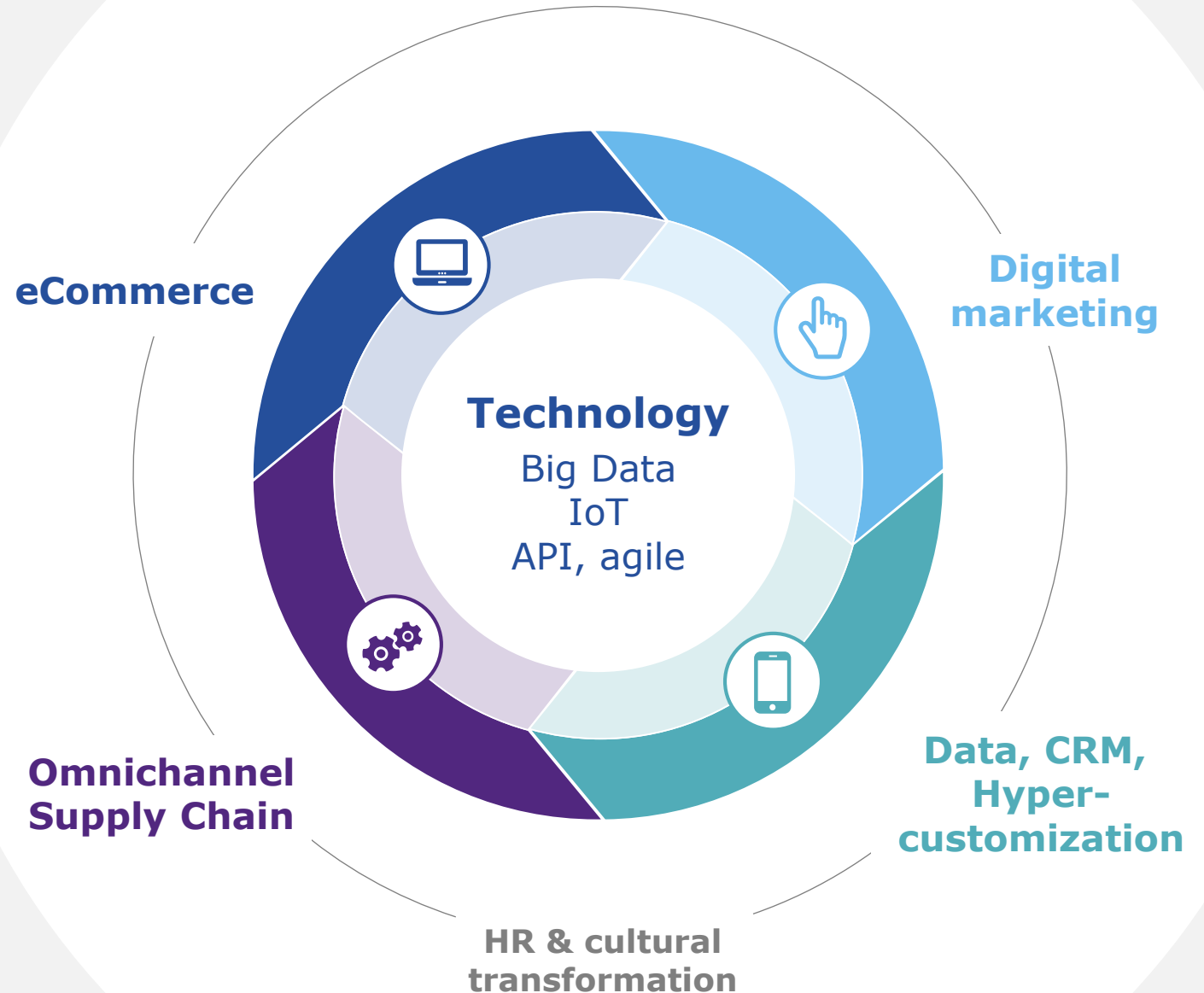
## CONSUMER CHOICES FOR ORDER COLLECTION

- ↗ | **Home delivery**
- | **Click & collect in store**
- ↘ | **Pick-up points** (lockers etc.)



# CARREFOUR'S OMNICHANNEL TRANSFORMATION APPROACH

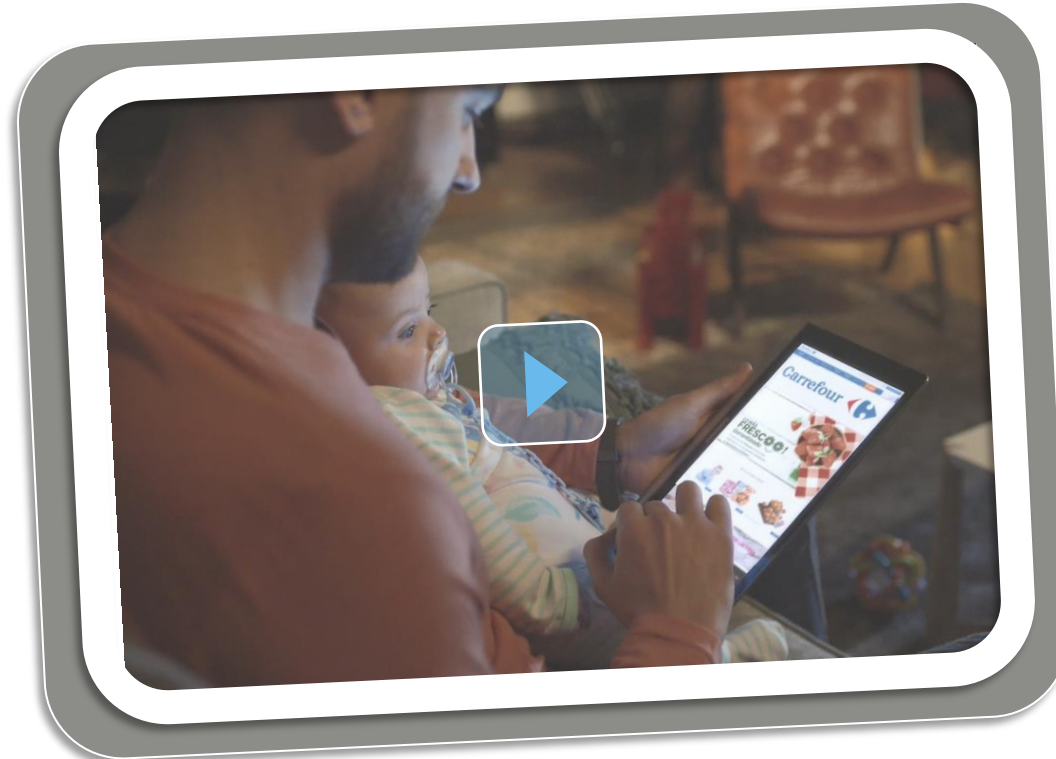
Each country adapts the framework to its market conditions on the basis of key pillars





# OMNICHANNEL CAMPAIGN

## CARREFOUR SPAIN



# **BENEFITS OF OMNICHANNEL FOR CARREFOUR**

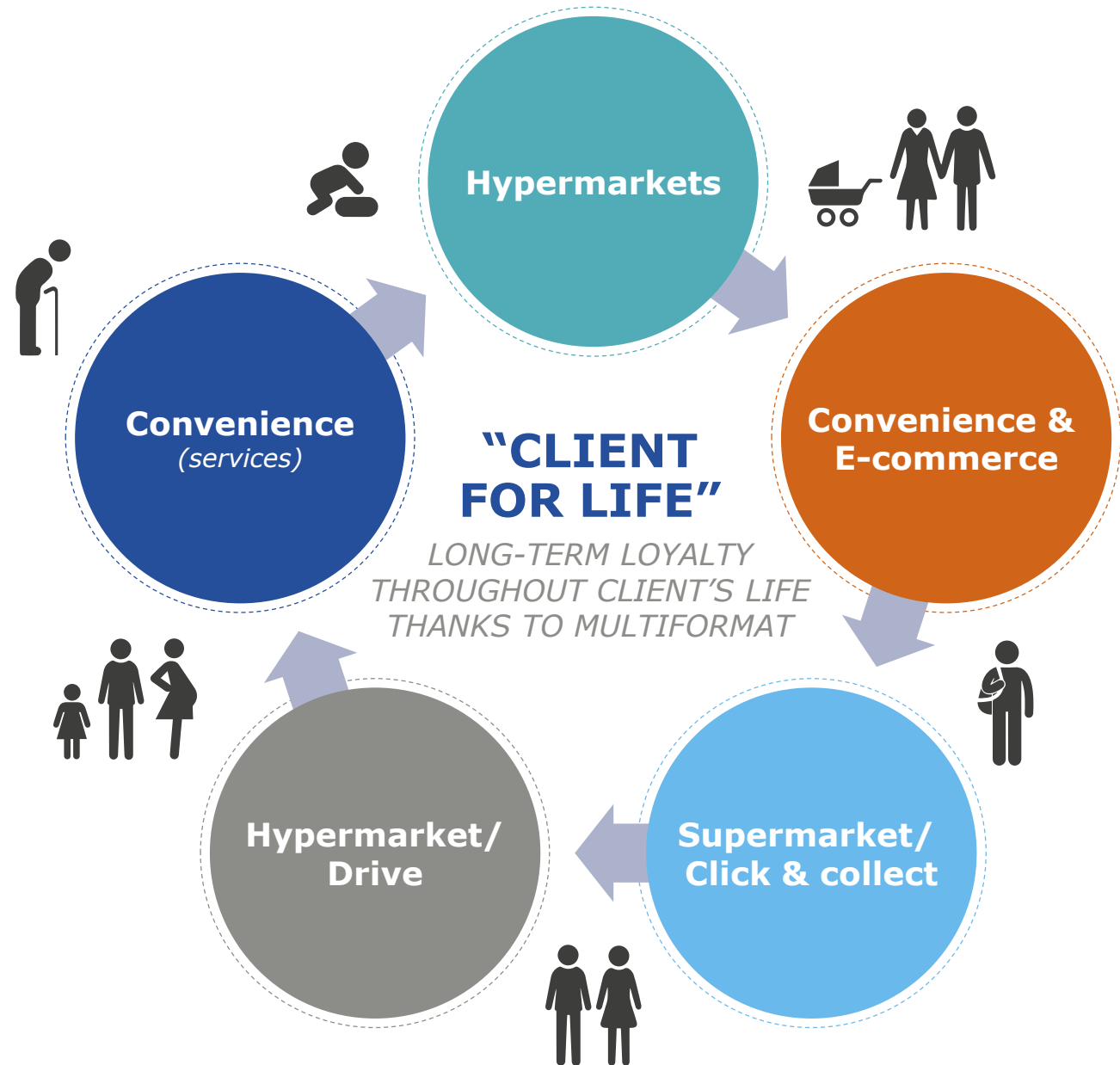
**“Own” the customer  
in our ecosystem**

**Increase in expenditure  
and frequency of  
existing customers**

**(Re)Gain customers**

**Rejuvenate  
customer base**

# OMNICHANNEL ALLOWS CARREFOUR TO BETTER MEET CUSTOMER NEEDS

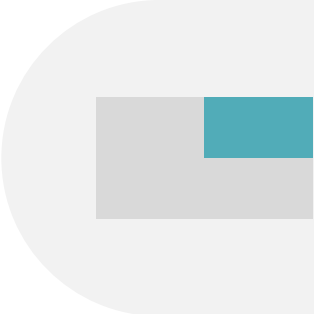




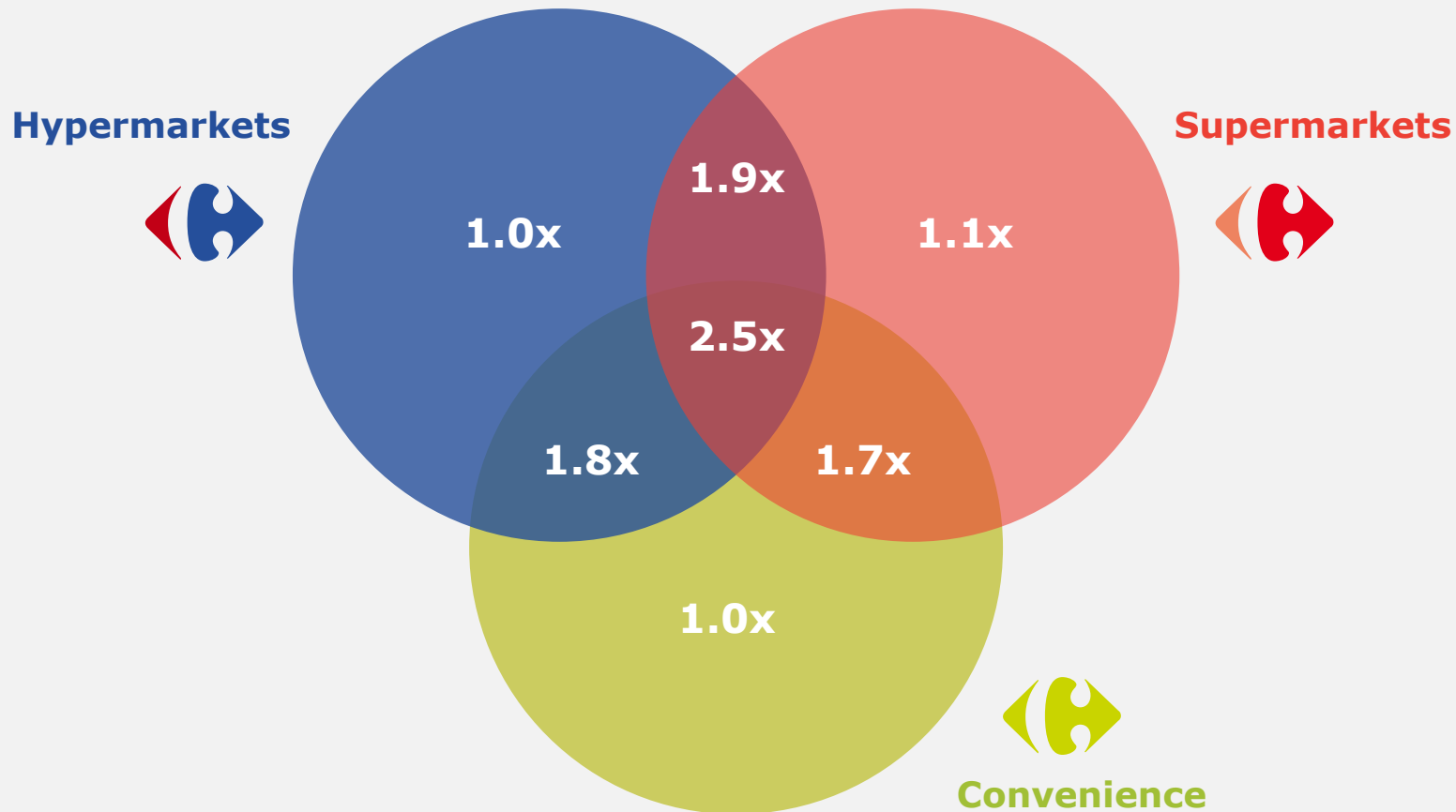
# CARREFOUR'S VAST ECOSYSTEM FAVORS CUSTOMER "OWNERSHIP"



# MULTIFORMAT: A PROVEN TRACK RECORD IN REVENUE UPLIFT



## MULTIFORMAT CLIENTS SPEND MORE



Italy multiformat store network:  
**57** Hypermarkets  
**416** Supermarkets  
**588** Convenience  
**13** Cash & Carry

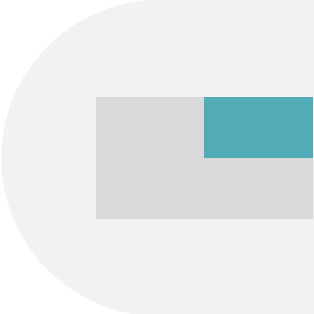
A multi-format customer is **more loyal** to Carrefour

**30%** of customers are multi-format

Multiple bases on the average annual spend of Carrefour loyaltycard holders (base 1x on hypermarkets)



# INCREASE IN EXPENDITURE AND FREQUENCY OF EXISTING CUSTOMERS



## NET SALES PER OMNICHANNEL CAPABILITIES

For \$100 bought online	Initial purchase value	Return/exchange loss	Pick-up recoup	Returns recoup	Net sales
Pure play Ecommerce	\$100	-\$23	n/a	n/a	\$77
Buy online, return in-store	\$100	-\$23	n/a	+\$18	\$95
Buy online, pickup + return in-store	\$100	-\$23	+\$12	+\$18	\$107

Every store visit provides another opportunity for an omnichannel player (vs. a pure player) to generate additional sales

Source: L2 – Estimates based on US retail



# OMNICHANNEL ALLOWS US TO (RE)GAIN CUSTOMERS



## CLICK & COLLECT CUSTOMERS PICKING THEIR ONLINE ORDER IN A HYPERMARKET



### Reactivation of lost customers

**27%**  
were former customers

24% went back to being regular customers



### Increase loyalty

**27%**  
were occasional customers

Increased frequency by 60%  
Increased average basket by 56%



### Incremental online sales

**46%**  
were regular customers

**+10%** on average



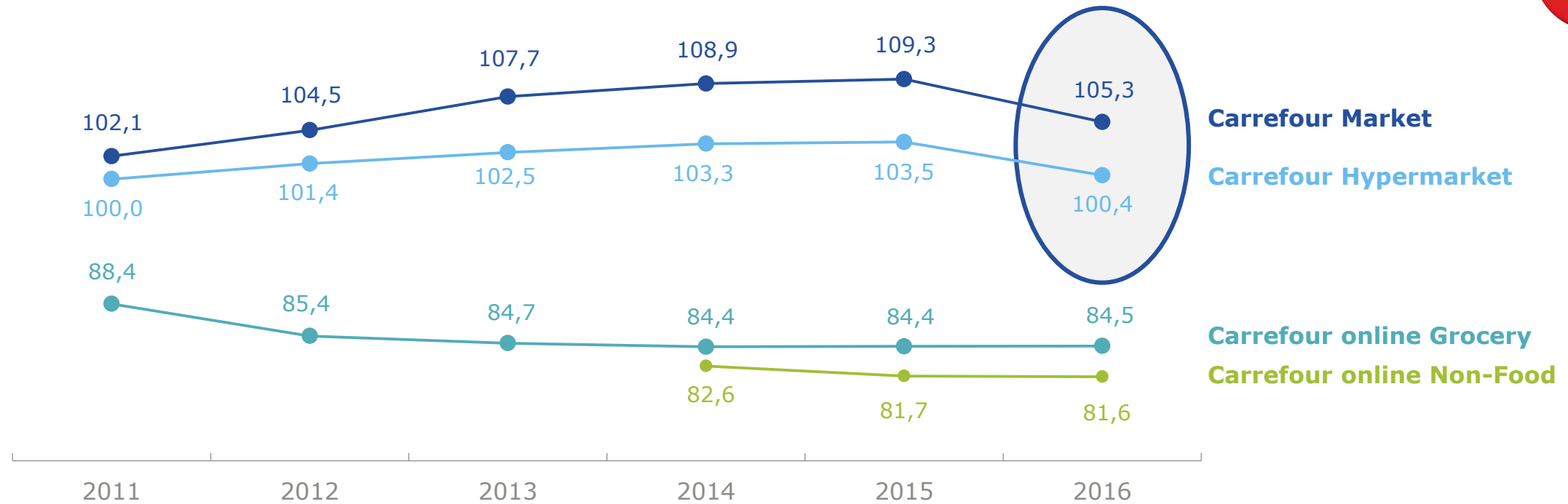
# OMNICHANNEL REJUVENATES CUSTOMER BASE



**AVERAGE AGE OF CARREFOUR CUSTOMERS BY FORMAT (2011-2016)**

Index

100 = average age of Carrefour Hypermarket customers in 2011



# L2 BENCHMARKED CARREFOUR ACROSS 3 COUNTRIES IN 2016



Technology  
 Search & navigation  
 Customer service & store locator  
 Product pages  
 E-commerce & omnichannel  
 Accounty & loyalty

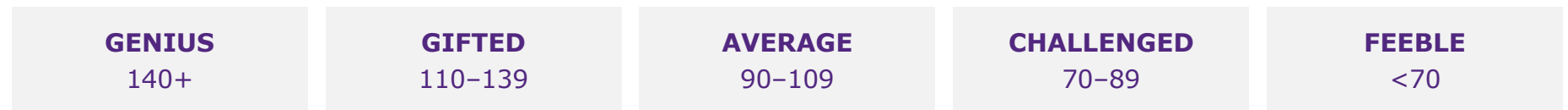
Search  
 Advertising  
 Email marketing

Facebook  
 Instagram  
 YouTube  
 Twitter

Smartphone experience  
 Mobile search  
 Mobile advertising  
 Mobile apps



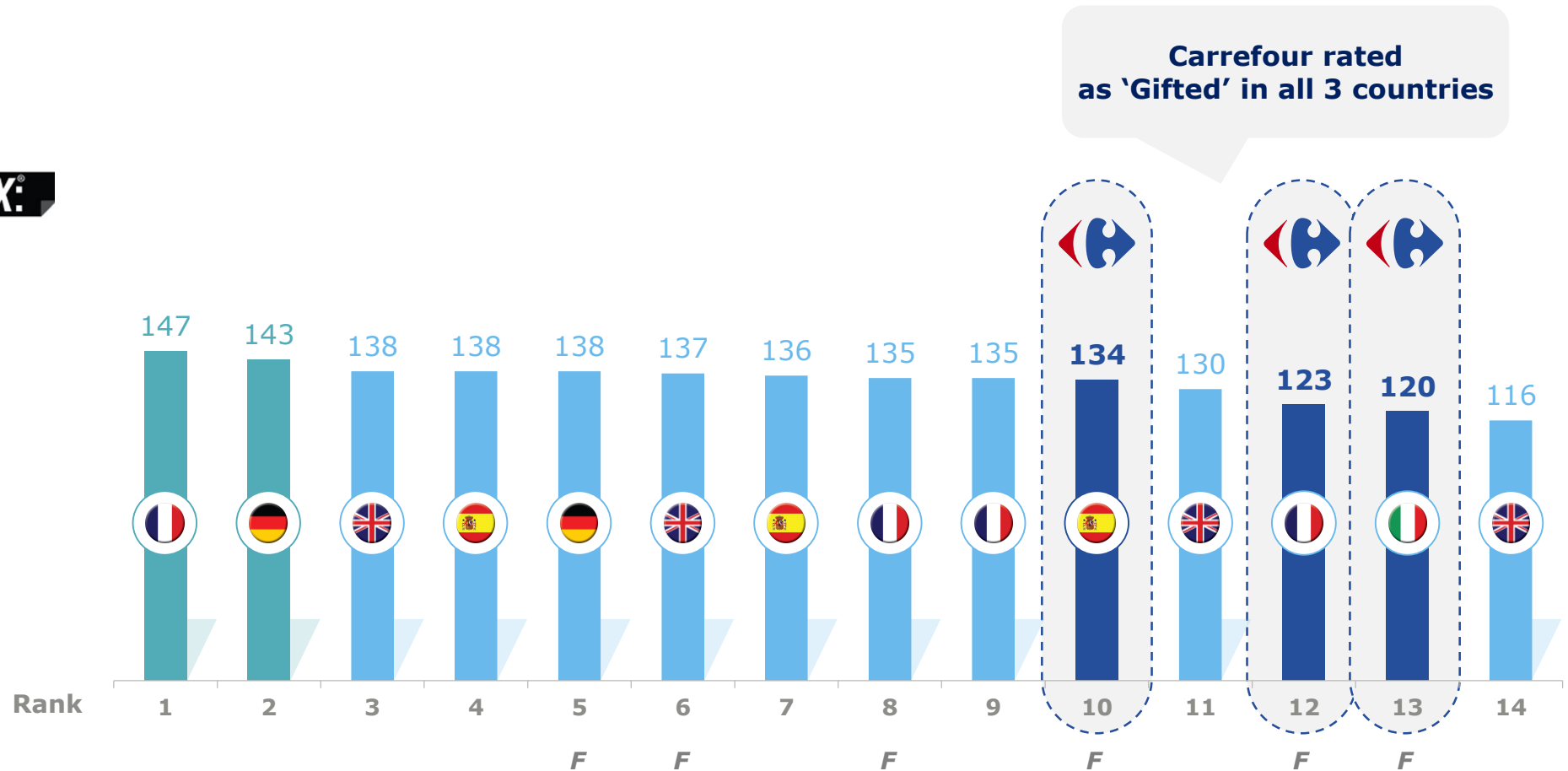
Five Categories Based on Digital IQ Index® Score



# THE 3 COUNTRIES MADE IT INTO THE TOP 15 IN EUROPEAN BIG BOX RETAIL



DIGITAL IQ INDEX®



« F » : food retailers

02. ROLLING OUT CARREFOUR'S MULTIFORMAT & OMNICHANNEL MODEL

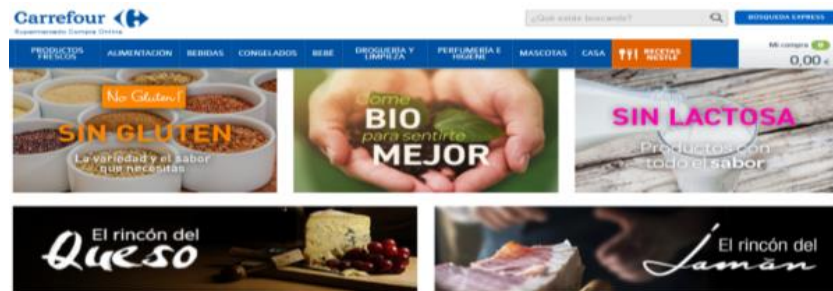
26 April 2017 | 47



# SPAIN: FULL ECOSYSTEM ROLLED OUT



## Newly designed and responsive shoppable website



## Wide choice of delivery options

- Home delivery
- Drive
- Lockers
- Tests with local start ups to test and improve services



## Fully integrated mobile application

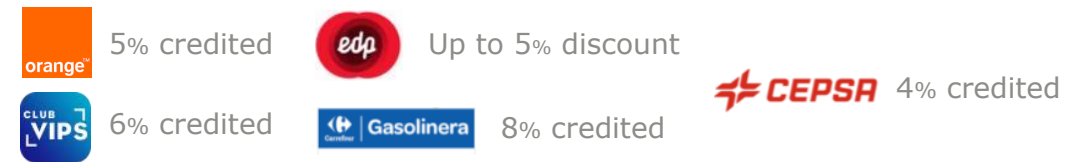


- Shop from mobile
- All loyalty features included: coupons, loyalty check
- Store locator
- Digital version of catalogs
- Scanning of products / coupons
- Shopping lists and purchase history
- Pick your turn in-store at fresh counters

## Complete loyalty programme targeting all segments



## Key partners offering discounts or credits through Carrefour Club





# CHINA: FOOD E-COMMERCE ROLLED OUT IN 12 CITIES



Food E-commerce in 12 cities

95% of orders through the mobile app (March 2017)

Picking from stores. In the future, dark stores and crowd delivery expected

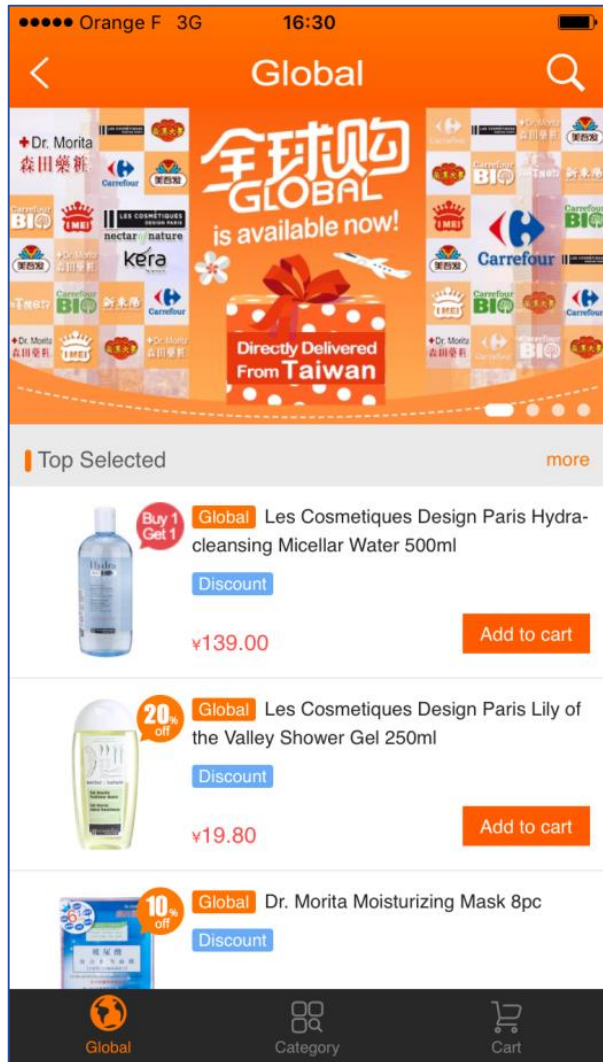
Click & Collect lockers rolled out in Hypermarkets and Convenience stores

Located near the store entrance

Refrigerated lockers for fresh food



# CHINA: CROSS-BORDER E-COMMERCE LEVERAGING PRIVATE LABEL EXPERTISE



**Cross-border E-commerce launched in December 2016  
Only available from the mobile app  
2,000 SKUs in H2 2017**

**Carrefour brands are showcased (Bio, Les Cosmétiques Paris etc.)**

**Shipped from Taiwan to Mainland China**



# BRAZIL: RE-LAUNCH OF E-COMMERCE, STARTING WITH NON-FOOD; FOOD TO BE LAUNCHED SOON



O que você está procurando?

MAIS CARREFOUR ENCONTRE E RESOLVA LOGIN OU CADASTRO

CASA E DECORAÇÃO TECNOLOGIA E ELETRÔNICOS INFANTIL SAÚDE E BEM-ESTAR +INSPIRAÇÃO

#FazSua **Cozinha**  
Com estilo e economia.

Geladeira Brastemp BRM48NK 403 L  
Frost Free • Controle Eletrônico • Evox  
Por: R\$ **2.299,00** em 15x de R\$ 153,27 sem juros no Cartão Carrefour  
[COMPRE AQUI](#)

Máquina de lavar Electrolux 8 kg LTD09  
Turbo economia • Filtro cata-fiapos  
Por: R\$ **899,00** em 10x de R\$ 89,90 sem juros  
[COMPRE AQUI](#)

Micro-ondas Electrolux MA30S 20 L prata  
Acompanha panela a vapor  
Por: R\$ **428,00** em 8x de R\$ 53,50 sem juros  
[COMPRE AQUI](#)

O que você precisa?

Direct offer: c12,500 SKUs, mostly in EPCS and Bazar

Kit Cápsulas Três Corações Espessos - 50 Cápsulas  
Cód. 2309

R\$ **84,00**  
À vista

Pagando com o cartão Carrefour  
**Até 2x R\$ juro**

Opções de pagamento e parcelamento

Confira as condições

Quant.  Consultar frete

00000-000 [CONSULTAR](#)

Não sei o CEP

[ADICIONAR](#) [COMPRAR](#)

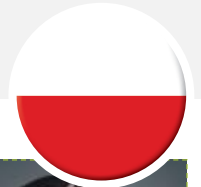
Venda de parceiro. Entrega garantida Carrefour. [Entenda](#)

Gostou? [Compartilhe](#) [Salvar como favorito](#)

Marketplace: "Sold by partner, delivery guaranteed by Carrefour"; 6,000 SKUs are online to date; 150,000 SKUs by end 2017

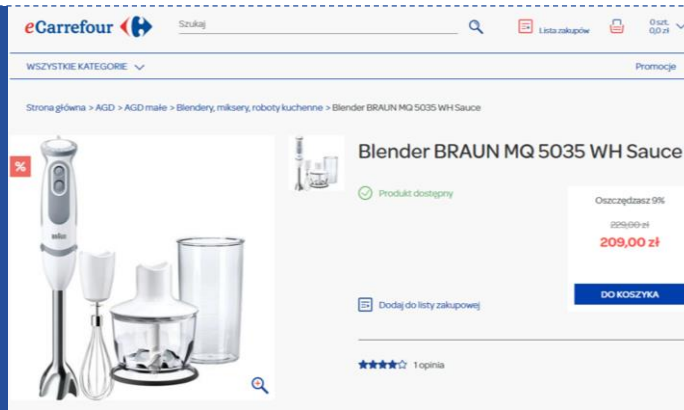


# POLAND: OMNICHANNEL TRANSFORMATION UNDERWAY



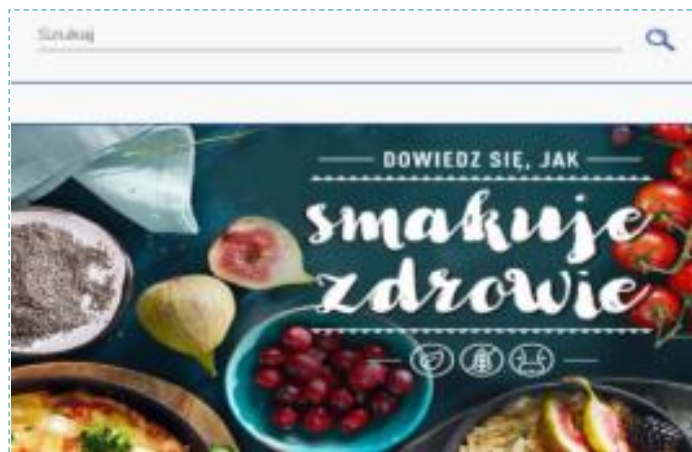
## Non-Food E-commerce launched in December 2015

4,500 SKUs,  
Home delivery or Click & Collect in **86 Carrefour Hypermarkets**



## New communication campaign relayed by social media

- New campaign launched in 2016
- Well received by the general public
- Successfully relayed on social networks (1.2m YouTube views at launch)
- Continued popularity since then



## Food E-commerce launched in 2016

12,000 SKUs in FMCG, home delivery in Warsaw; testing Hypermarket pick-up

## Mobile app 'Moj Carrefour' integrating store promotions, loyalty and key information

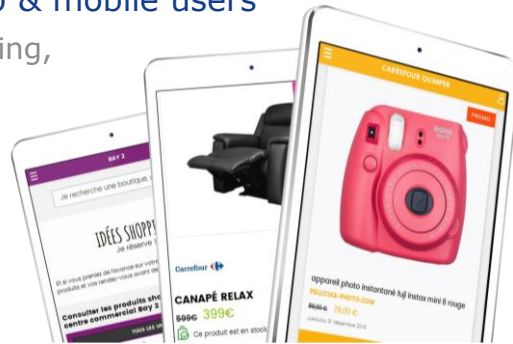


# CARMILA: INTEGRATING DIGITAL IN SHOPPING MALLS ADJACENT TO OUR HYPERMARKETS



Build a global offer of **BtoBtoC cross canal services** for tenants to reach web & mobile users

e-Reservation, couponing, click & collect for food business

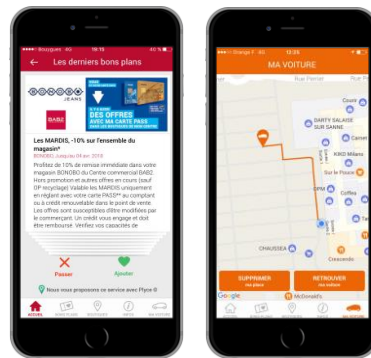


Develop a local marketing offer, with **digital strategies**, to generate **traffic** and grow **sales**



**Services** to enhance the shopping experience in our centre

*"Tinder of coupons" & "Find my car" in mobile apps of shopping centre.*



Build the future shopping centre with Carrefour



IOT – maintenance/cleaning optimisation and energy efficiency



Clear Channel screen in every shopping centre



# OMNICHANNEL BOOSTS INNOVATION IN MOBILE PAYMENT

## CARREFOUR IS A KEY PARTNER OF APPLE PAY IN FRANCE AND SPAIN



Apple Pay llega a Carrefour.  
La nueva forma de pagar fácil y segura.

Desde hoy, todas tus compras dentro y fuera de Carrefour las puedes pagar con tu Tarjeta PASS a través de tu iPhone o Apple Watch.

INFÓRMATE



## CARREFOUR ROMANIA LAUNCHED 'CARREFOUR PAY'

Carrefour Pay app  
launched in November 2016  
3 main functionalities:

- In-store price checking
- Invoicing
- Payment through the app, by scanning a QR-code

In all 266 Carrefour  
Hypermarkets and  
Supermarkets in Romania

~26k downloads



# 02

## 01.

Introduction: The empowered consumer

---

## 02.

**Rolling out Carrefour's Multiformat & Omnichannel model**

---

Multiformat & Omnichannel

▶ **France: Digital illustration**

Financials



**OUR GOAL:**  
DEVELOP  
THE CARREFOUR  
"REFLEX"

---

Carrefour is the leading physical retailer in France. We are building a major market position in E-commerce leveraging a unique store network.





# NUMEROUS AND RELEVANT 2016 ACHIEVEMENTS



02. ROLLING OUT CARREFOUR'S MULTIFORMAT & OMNICHANNEL MODEL







# A COHERENT AND COMPLETE ECOSYSTEM OF WEBSITES

AN ONLINE FOOD OFFER ACCESSIBLE TO ALL

A NON-FOOD PLATFORM INCLUDING A MARKETPLACE

DEDICATED WEBSITES FOR SERVICES  
*Carrefour brand*

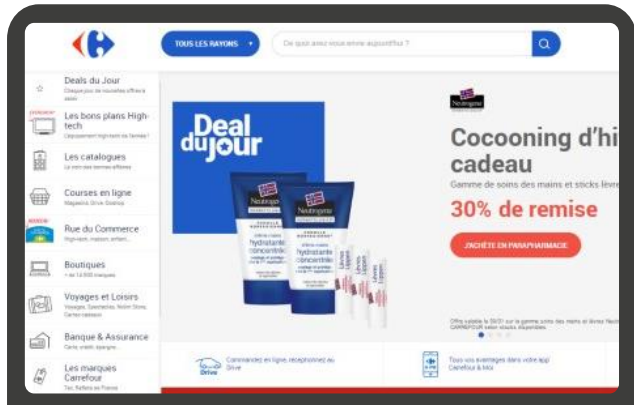
SPECIALIZED WEBSITES CONNECTED TO THE CARREFOUR ECOSYSTEM



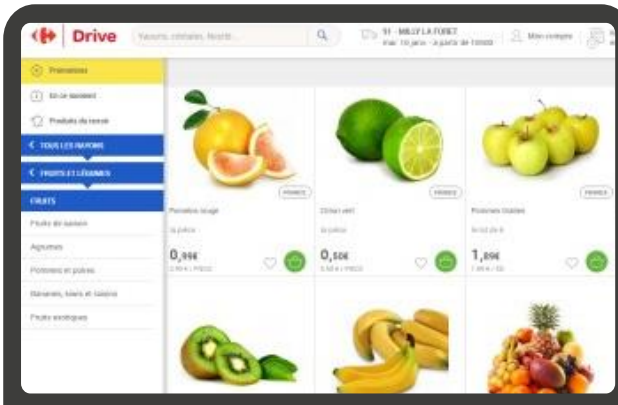
All the websites centralized through the **carrefour.fr** portal



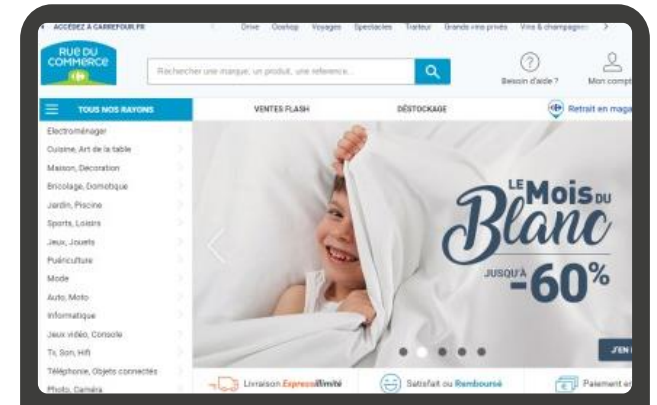
# COMPREHENSIVE REVIEW OF OUR WEBSITES



Overhaul of the **carrefour.fr** hub



Overhaul of the **Drive** website



Revamp of the homepage, category and product pages of **Rue du Commerce**

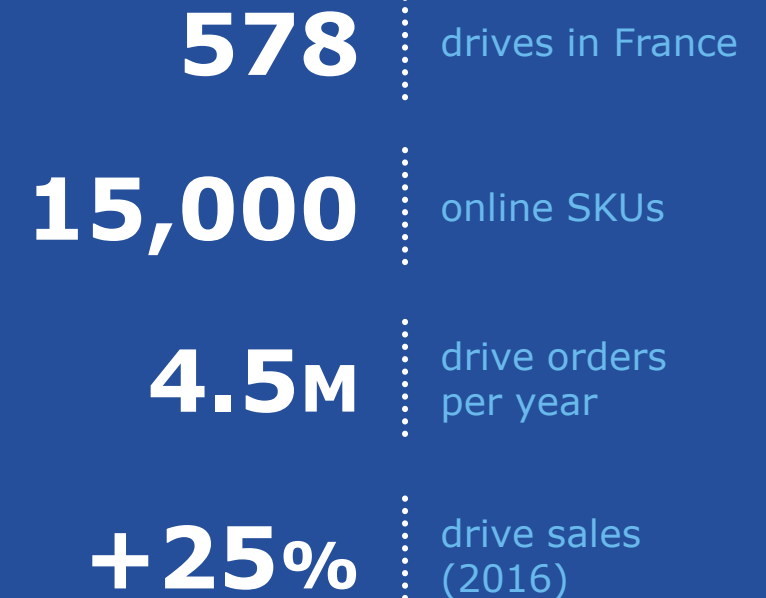


# A BROAD FOOD E-COMMERCE OFFER

## HOME DELIVERY

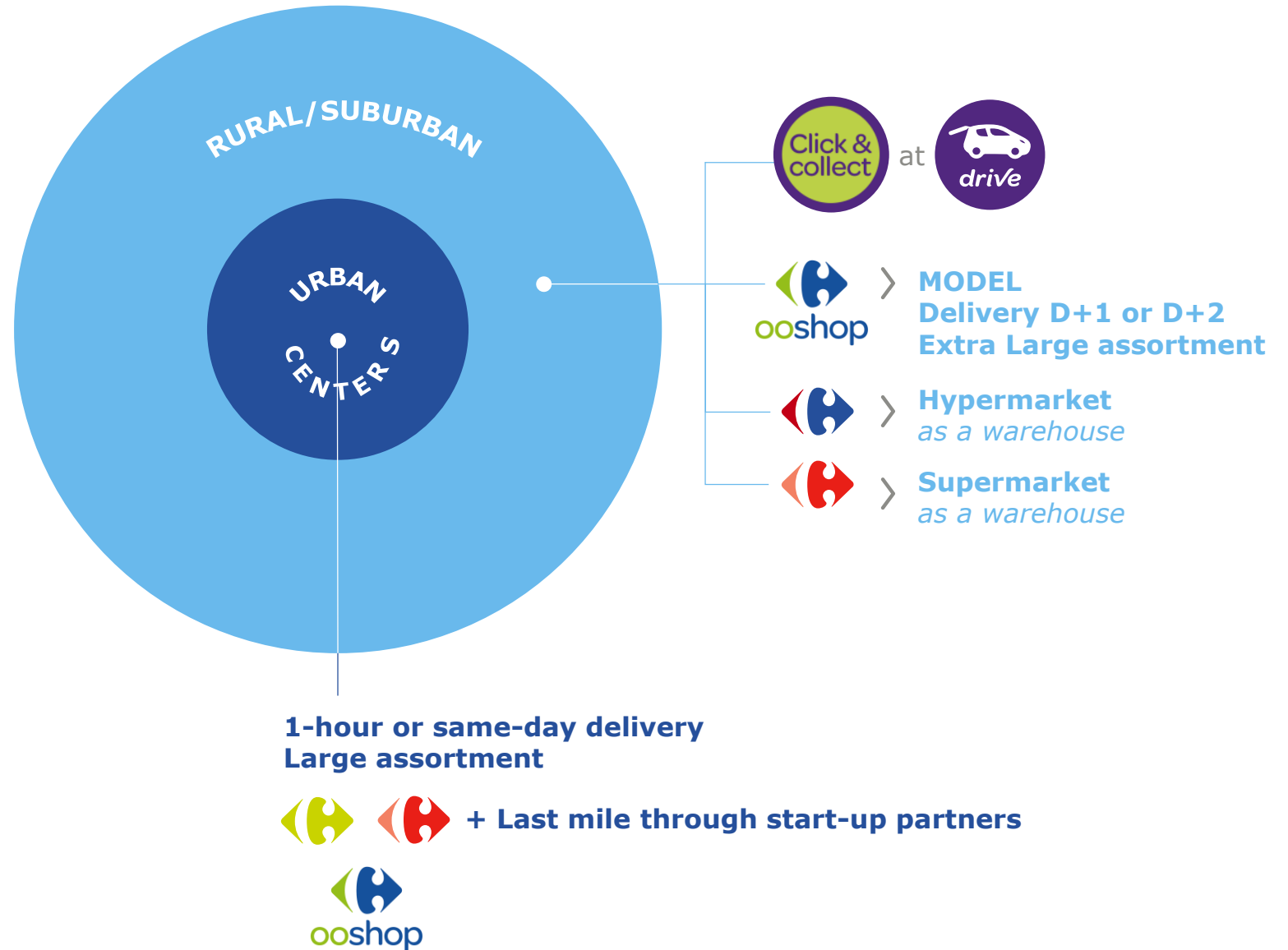


## CLICK AND COLLECT





# FOOD ONLINE IS NOT 'ONE SIZE FITS ALL'




## Faites vos courses en ligne avec Carrefour

Toulouse|

RECHERCHER

ou  Me géolocaliser

 Livraison à domicile 

 Livraison Express - Vos courses livrées en 1h 

 31 - Carrefour Market Toulouse les minimex  

 31 - Carrefour Labège 

Toulouse, 31000, France

Toulon, 83000, France

 En savoir +  
sur la livraison 

 En savoir +  
sur la livraison  
express 

**UN  
PRODUIT  
VOUS  
MANQUE ?**

**ON VOUS LE LIVRE  
EN UNE HEURE.**



[livraisonexpress.fr](http://livraisonexpress.fr)

**UN  
PRODUIT  
VOUS  
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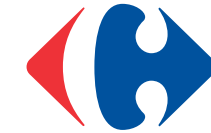
[livraisonexpress.fr](http://livraisonexpress.fr)





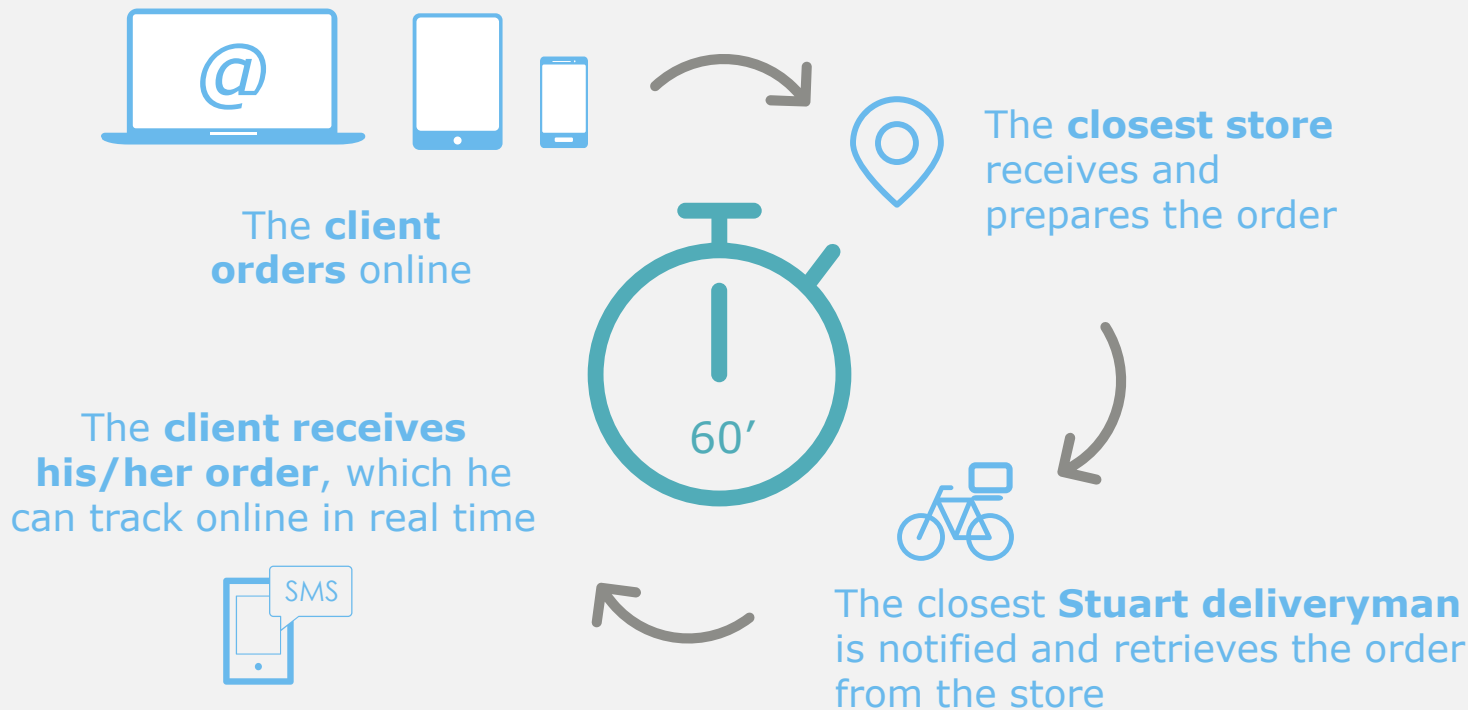
# NEW OFFERS AND SERVICES:

## LAUNCH OF LIVRAISONEXPRESS.FR, THE HOME DELIVERY SOLUTION FOR CITY CENTERS



Livraison  
express.fr

### A 1H-DELIVERY SERVICE FOR ADDITIONAL LAST-MINUTE SHOPPING, LAUNCHED IN 2016 IN PARIS AND ITS SUBURBS



**Orders prepared in stores  
(Market or City)**

**2,200 SKUs**

**30-minute delivery slots**

**Delivery fee: €4.90**

**Live in Paris area**

**Imminent launch in Lyon**

**New city to come**





# A SINGLE NON FOOD MULTISPECIALIST PLATFORM



A marketplace

Extend non-food offer

Leverage our store network

Specialized expertise in E-commerce  
(IT, logistics, CRM, commercial)

750

marketplace  
merchants

3M

SKUs

6,000

pick-up points and  
client touchpoints

400k

additional Carrefour  
clients thanks to  
Click & Collect



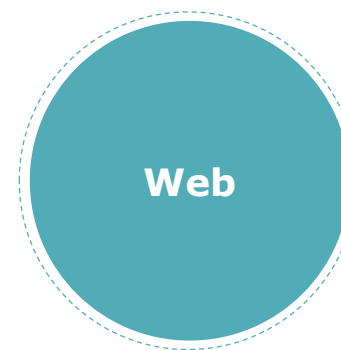


# OMNICHANNEL APPROACH TO LEVERAGE NON FOOD



**STORE TO WEB:**  
In store tablets  
available to the  
salesforce

**OBJECTIVE:**  
100% of the full offer  
available in any  
Carrefour store







**WEB TO STORE:**  
Upload store  
assortment online

**CLICK & COLLECT**  
**CLICK & COLLECT**  
2 hours





# DEVELOPMENT OF OUR OFFER ON STRONG POTENTIAL CATEGORIES AND SERVICES

		ONLINE FRENCH MARKET FORECAST (2020)	CARREFOUR SALES EVOLUTION (2016)	OTHER KPIS
Wine		€400-500m	+250%	340,000 visits/month 530 SKUs
Organic		>€1bn	+50%	600,000 visits/month 20,000 SKUs
Pet food		€600-800m	+30%	150,000 visits/month 5,000 SKUs
Object customisation		>€1bn	+200%	200,000 visits/month 300 SKUs



**OUR GOAL:**  
DEVELOP  
THE CARREFOUR  
"REFLEX"

---

Carrefour is the leading physical retailer in France. We are building a major market position in E-commerce leveraging a unique store network.



# 02

## 01.

Introduction: The empowered consumer

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## 02.

**Rolling out Carrefour's Multiformat & Omnichannel model**

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Multiformat & Omnichannel

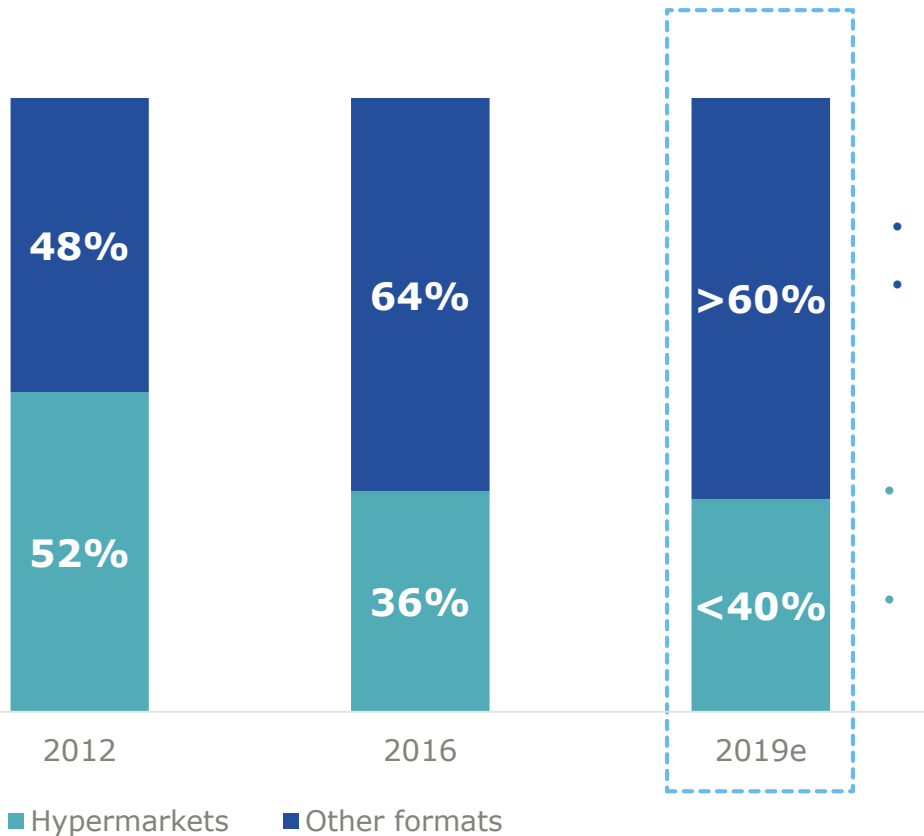
France: Digital Illustration

▶ **Financials**



# CAPEX EVOLUTION REFLECTS CARREFOUR'S MULTIFORMAT TRANSFORMATION

HISTORICAL CAPEX SPLIT BY FORMAT



- Expansion in smaller formats
- E-commerce roll out
- Hypermarket remodeling phase largely behind us
- Store maintenance key traffic driver

MEDIUM-TERM TRENDS IN CAPEX (GROUP LEVEL)



Remodeling



Maintenance



Expansion



IT & Omnichannel



# THE LOWER CAPITAL INTENSITY OF GROWTH WILL HELP RETURN ON CAPITAL

	HYPERMARKETS	SUPERMARKETS	CONVENIENCE	CASH & CARRY	E-COMMERCE
Number of stores	1,328	3,227	7,075	305	n.a
% food in sales	70%	85%	95%	c100%	55%
Capex (by unit)	€€€	€€	€	€	€
Expansion outlook	=	↗↗	↗↗↗	↗↗↗	↗↗↗
Expansion capex per sqm	++	+	+	+++ <sup>(1)</sup>	n.a
2014/2016 Trend	↘	↘	↘	↗	n.a

<sup>(1)</sup> Includes real estate

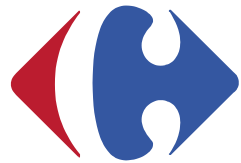
High volumes,  
benefitting all formats

Strong cash flow, financing  
multiformat expansion





**« L'EXPERIENCE OMNISCANALE CARREFOUR »**



**Q&A  
SESSION**

# Agenda

## **9:00 AM – 10:30 AM**

- Opening remarks
- Introduction
- Multiformat & omnichannel model
- Q&A session

## **10:30 AM – 10:45 AM**

- Break

## **10:45 AM – 12:20 AM**

- CRM & Data
- Supply chain
- Q&A session
- Closing remarks

## **12:20 AM – 2:00 PM**

- Lunch, with demos of products, solutions and concepts

## **2:00 PM – 6:00 PM**

- Store tour



# 03

## 01.

Introduction: The empowered consumer

---

## 02.

Rolling out Carrefour's Multiformat & Omnichannel model

---

## 03.

**Using CRM & data to engage with customers**

---



**Clément Marty**  
Digital Marketing, Loyalty  
and Innovation Director,  
Carrefour Spain



**Enrique Garcia Lopez**  
Digital Director, Big Data  
and Data Science,  
Carrefour Spain

# KEY MESSAGES

**Carrefour is already a data-centric organization gathering relevant customer and operational data**



**“Small data” is in play to enrich customer value-proposition and convey adequate messages**



**New technical capabilities well underway to achieve new level of insights and exploit data commercially and operationally**



# DATA IS A 3-STAGE ROCKET



**Big Data and data science  
Leverage technology to grow revenue**

**Leverage “small data”**

**Gather relevant data**



# CARREFOUR IS A DATA-DEEP COMPANY

## CARREFOUR LOYALTY CARD



**55 million**  
households

## CARREFOUR CREDIT CARD



**6.5 million**  
holders

## PAYMENT



**13m**  
daily transactions

## SOCIAL NETWORKS



**14.4m**  
fans / followers

## WEBSITES



**1.3m**  
daily visitors

## MOBILE APPS

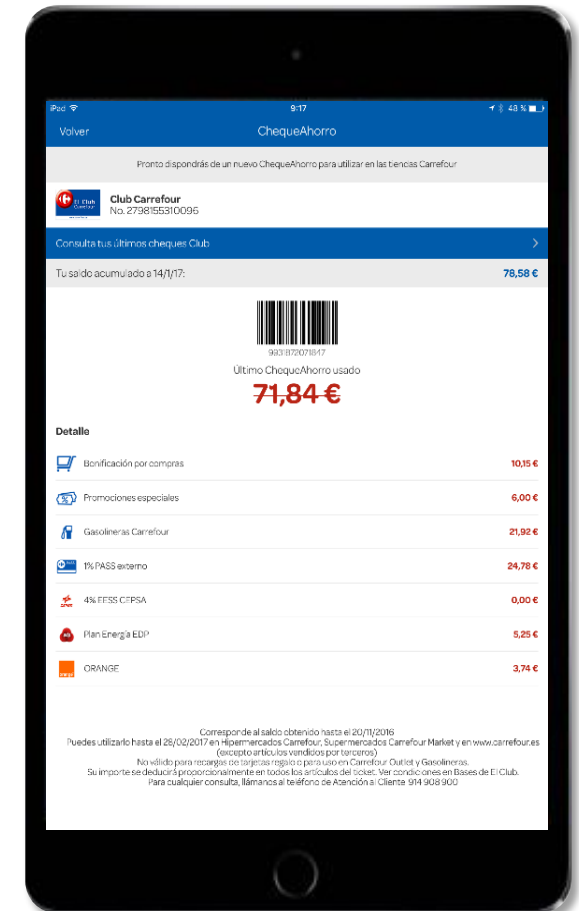
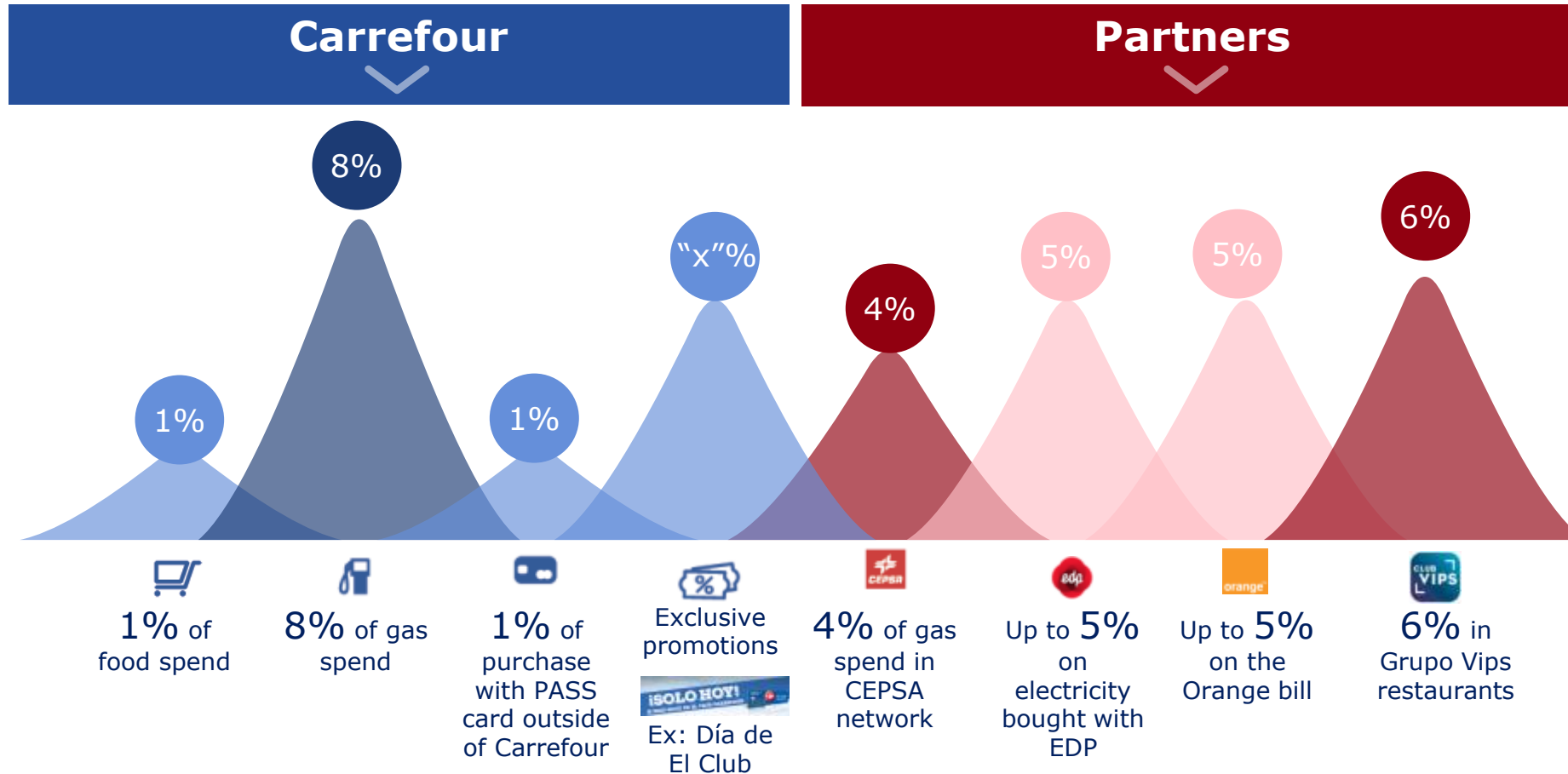


**8.2m**  
downloads



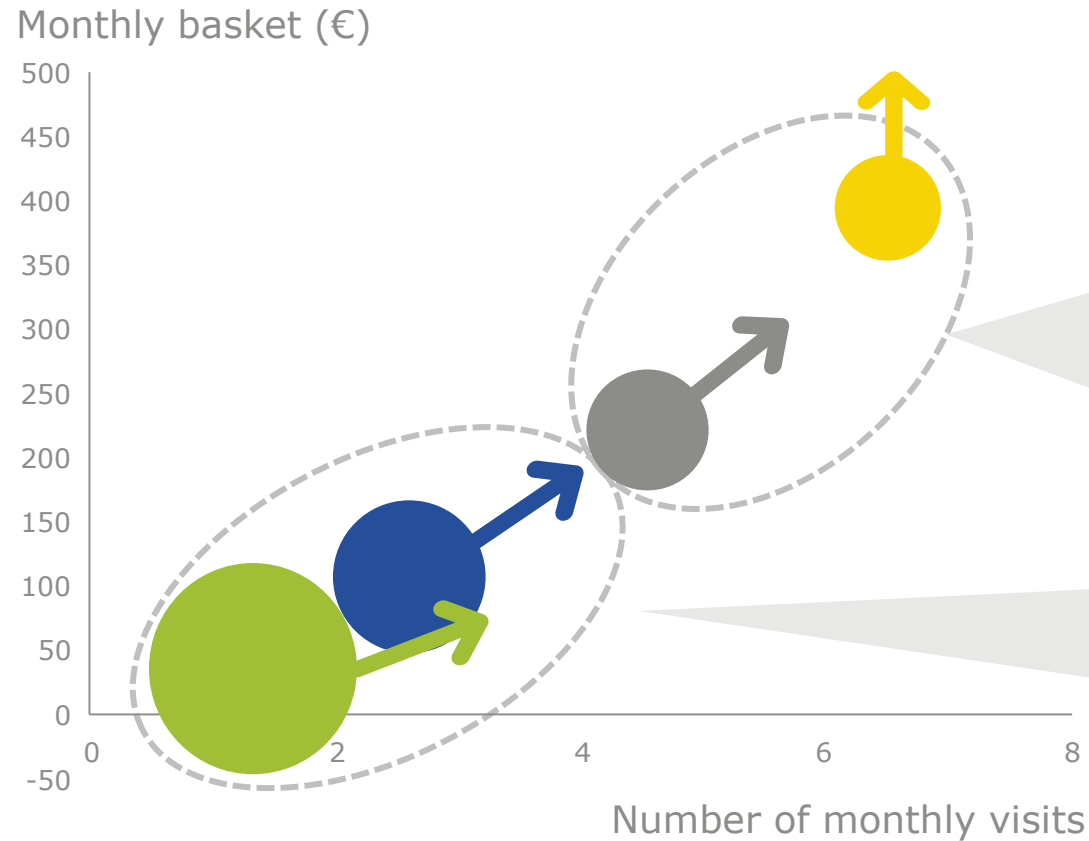


# WE GATHER RELEVANT DATA BY PROVIDING CUSTOMERS WITH TANGIBLE BENEFITS





# "SMALL DATA" TO DRIVE FREQUENCY AND BASKET



## Increase average ticket

Segmentation	Coupon
Clients with average ticket below €30	€3 x €40
Clients with average ticket between €30 & €50	€4 x €60
Clients with average ticket between €50 & €80	€5 x €90
Clients with average ticket between €80 & €100	€6 x €120

## Increase frequency







# "SMALL DATA" TO DEVELOP CUSTOMER INSIGHTS AND SEND SEGMENTED MESSAGES

## ABANDONISTAS

Carrefour la vuelta

Que pagues menos por tus compras, cuenta. Por eso, la devolución en tu ChequeAhorro!

- 1% de descuento en Supermercado
- 8% de descuento en Supermercado
- 4% de descuento en Supermercado
- 5% de descuento en Supermercado

Y los regímenes más convenientes para tus compras.

**CUPÓN 1**  
3€ de dto. por compras superiores a 10€

**CUPÓN 2**  
3€ de dto. por compras superiores a 10€

## PLAN VERANO

Descarga la App "Mi Carrefour" y lleva tus cupones descuento directamente al móvil.

TOALLA, BAÑADOR, CUBOS DE PLAYA... Y LAS VENTAJAS DE EL CLUB CARREFOUR.

5€ de dto. EN COMPRAS SUPERIORES A 60€

DESCUENTO ON-LINE Para tus compras a través de nuestra web.

**GRATIS GASTOS DE ENVÍO** EN COMPRAS SUPERIORES A 60€

25% de dto. EN CERVEZAS, ZUMOS Y AGUAS

25% de dto. EN FRUTAS Y VERDURAS

8% de los repostajes en Estaciones de Servicio Carrefour

5% del carburante repostado en Estaciones de Servicio CEPESA

Y para que ahorres más todavía... ¡Llévate estos cupones descuento!

## SEGMENTED EMAILS

Carrefour Supermercado online

VINO | ALIMENTACIÓN | BEBIDAS | CONGELADOS | SECCO | ORGANICO | COSMÉTICA | MARCA PROPIA | GAMA

VINOS AGRICULTURA ECOLÓGICA

Tu presentación lista selección de vinos elaborados a partir de vinos ecológicos para que los disfrutes en tu momento. ¡Solo trabajar con la máxima información técnica en el campo. Vinos sostenibles.

Comprar

Más productos ecológicos

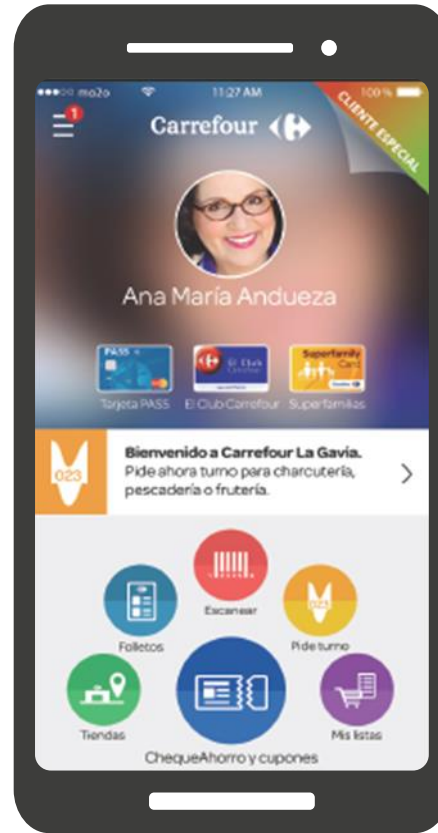
Frutas secas ecológicas | Aceites | Aperitivos y snacks

Comprar | Comprar | Comprar





# BUILDING DIGITAL COMMUNICATION CHANNELS WITH CUSTOMERS IS KEY



› **Building a digital communication channel requires relevance and trust**

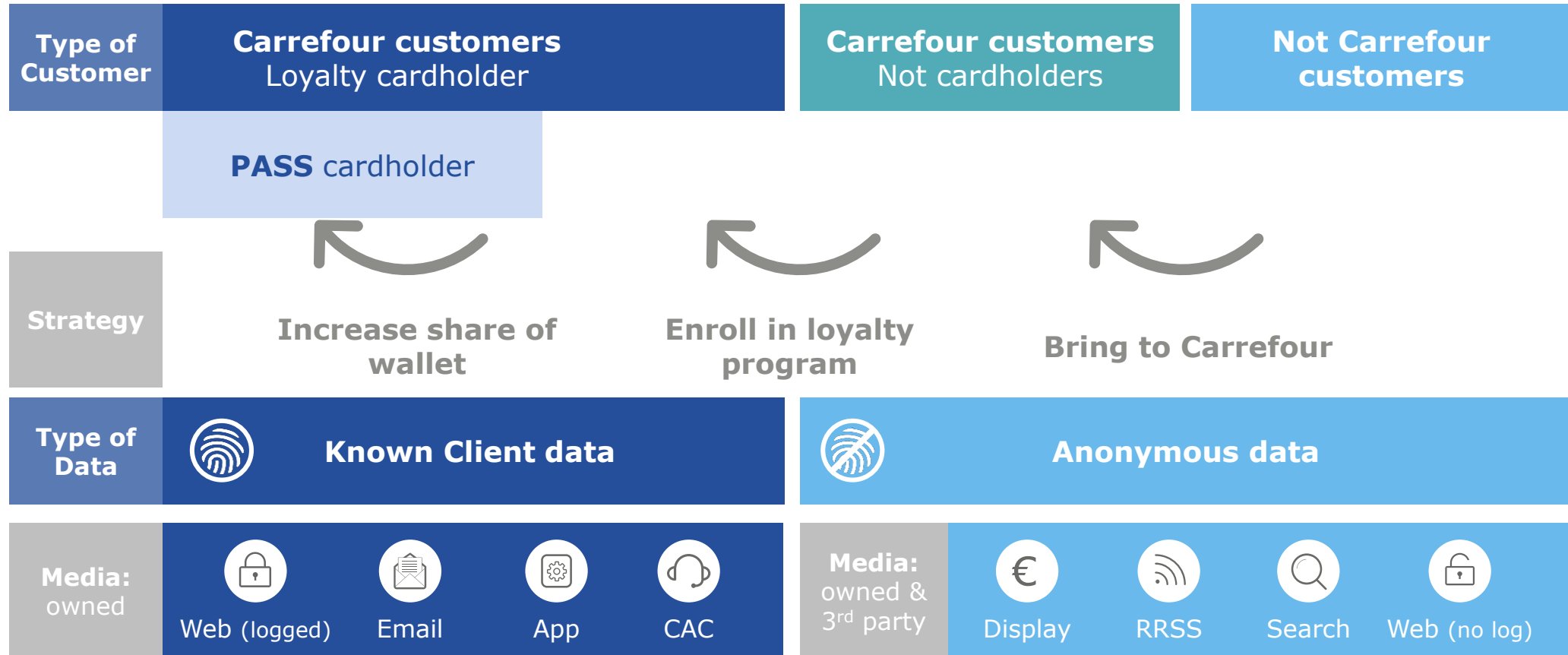
**The App is meant to become the privileged link between Carrefour and its loyal customers**

**In order to drive adoption and repeat use, it has been designed as a bundle of customer services, such as:**

- Cheque ahorro and Coupons
- Scan to Price-check in-store
- Turnomatic
- Ticket digital
- Gas-station payment

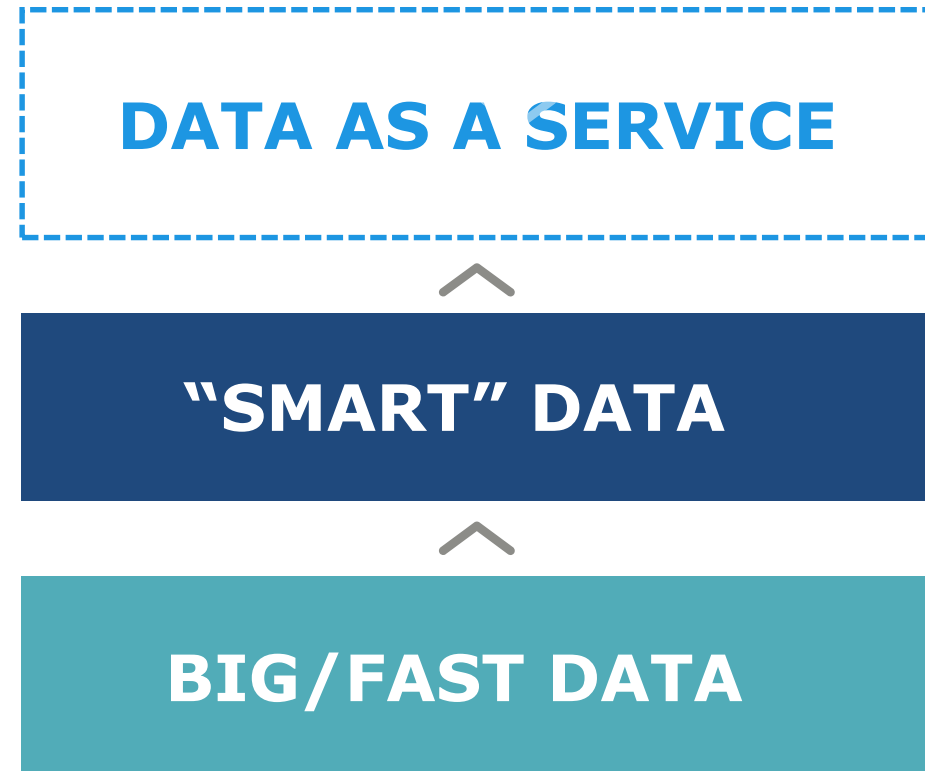


# CUSTOMER DATA STRATEGY ENABLES REVENUE GROWTH



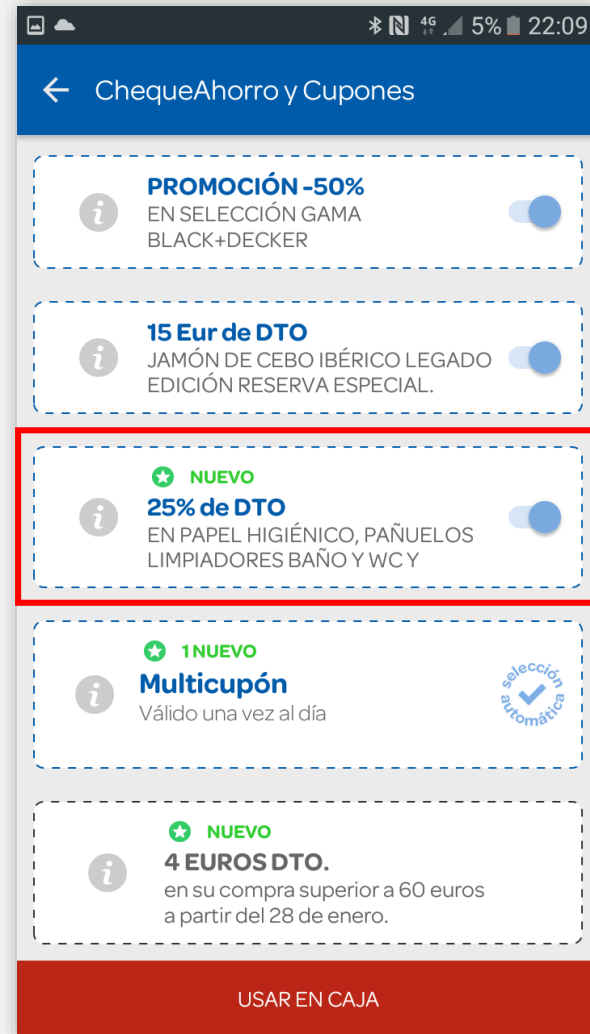


# OUR “BIG DATA STACK” IS THE FOUNDATION FOR EXTRACTING VALUE FROM DATA





# FAST DATA ENABLES DELIGHTING CUSTOMERS IN "REAL TIME"



Personalized coupon from cashier to App in ~1 sec.





# OUR DATA IS VERY “DEEP” AND ENABLES VARIOUS APPLICATIONS OF DATA SCIENCE

## EXAMPLES OF APPLICATIONS BEING DEVELOPED

### CUSTOMER FOCUS



- Hypersegmentation of customers (Granular coupons, recommendations)
- “Churn” risk detection
- Activation of PASS customers
- Store clustering

### OPERATIONAL FOCUS



- Automatic Anomaly detection at POS
- In-store stock-out detection
- Automated Natural Conversation
- Improved forecasting



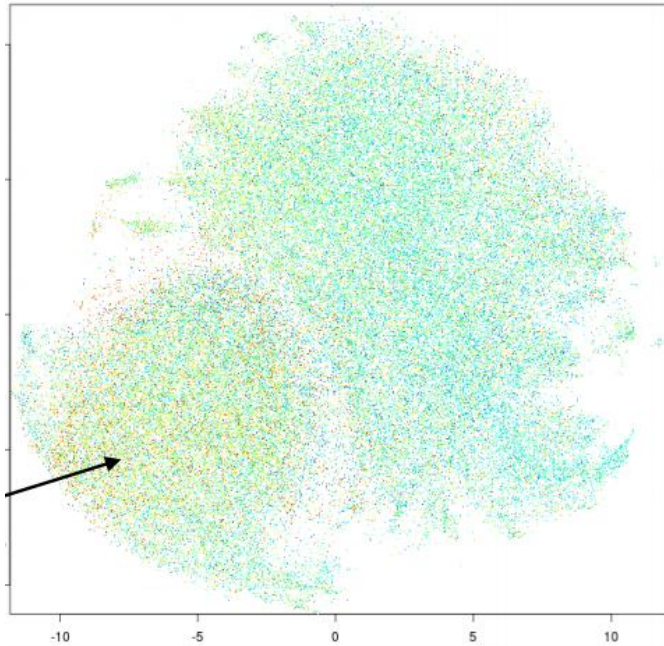


# OUR CUSTOMER DATA REVEALS NEW LEVELS OF INSIGHTS

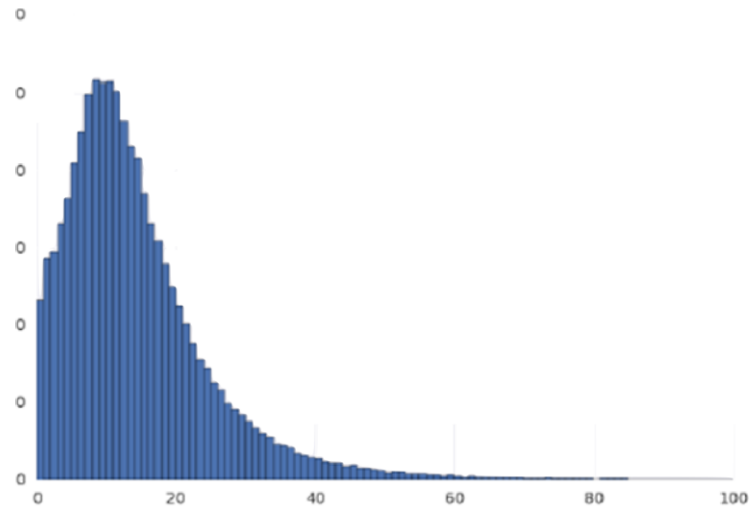


## More granular

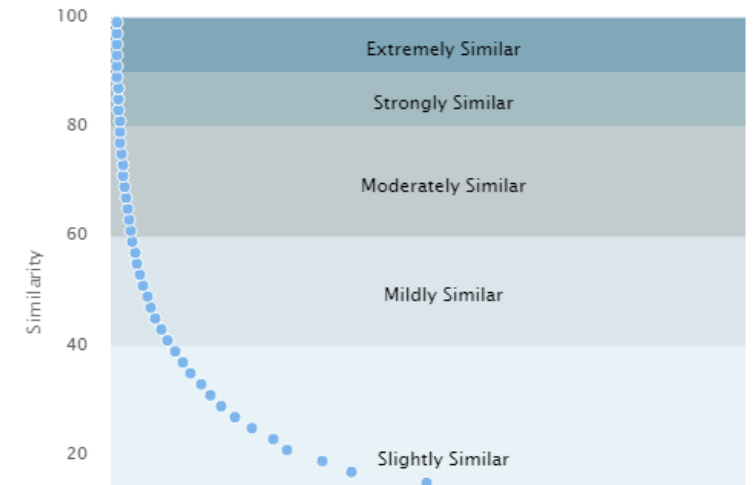
t-SNE Cestas de Productos



## Predictive



## Enriched



# KEY MESSAGES

**Carrefour is already a data-centric organization gathering relevant customer and operational data**



**“Small data” is in play to enrich customer value-proposition and convey adequate messages**



**New technical capabilities well underway to achieve new level of insights and exploit data commercially and operationally**





# 04

**01.**

Introduction: The empowered consumer

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**02.**

Rolling out Carrefour's Multiformat & Omnichannel model

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**03.**

Using CRM & data to engage with customers

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**04.**

**Deploying an adapted supply chain**

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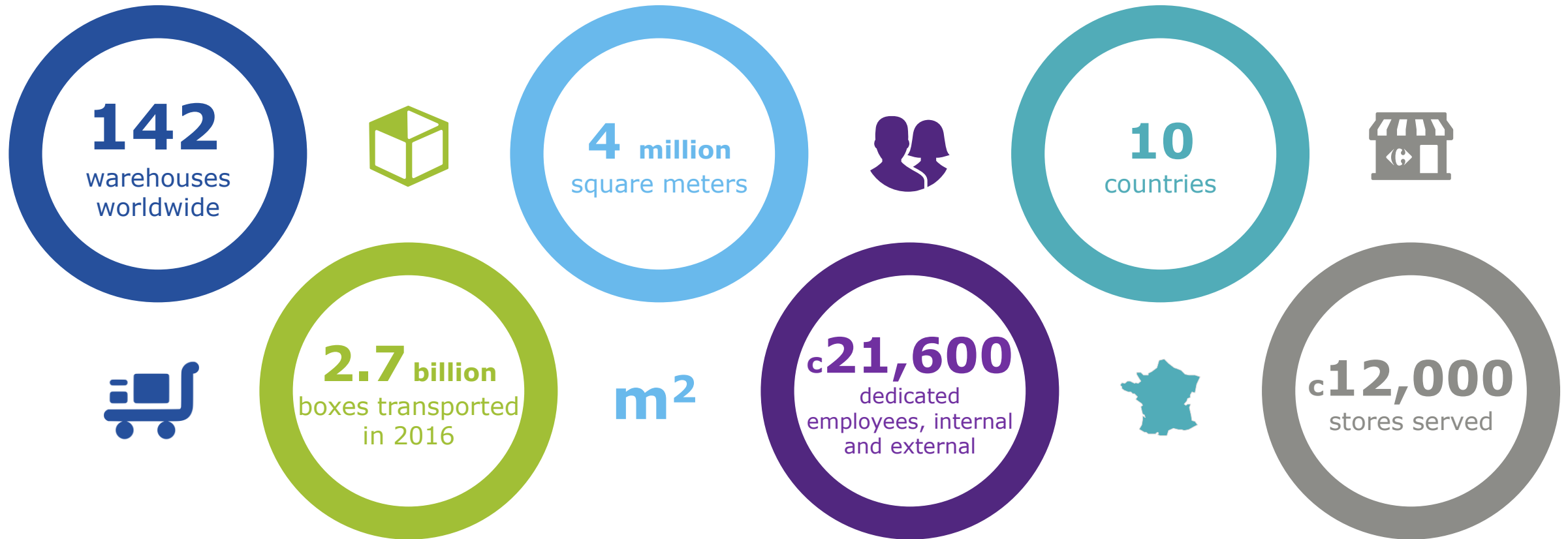


**Florence Batchourine**

Supply Chain Director,  
Carrefour France



# CARREFOUR'S SUPPLY CHAIN IN FIGURES



# OUR SUPPLY CHAIN IS EVOLVING TO SUPPORT CARREFOUR'S TRANSFORMATION

## 2 MAIN STRATEGIC GOALS TO SUPPORT GROUP'S TRANSFORMATION

**Support  
multiformat  
deployment**

**Industrialize  
omnichannel  
processes**



**Leverage transformation  
to improve operating efficiency**



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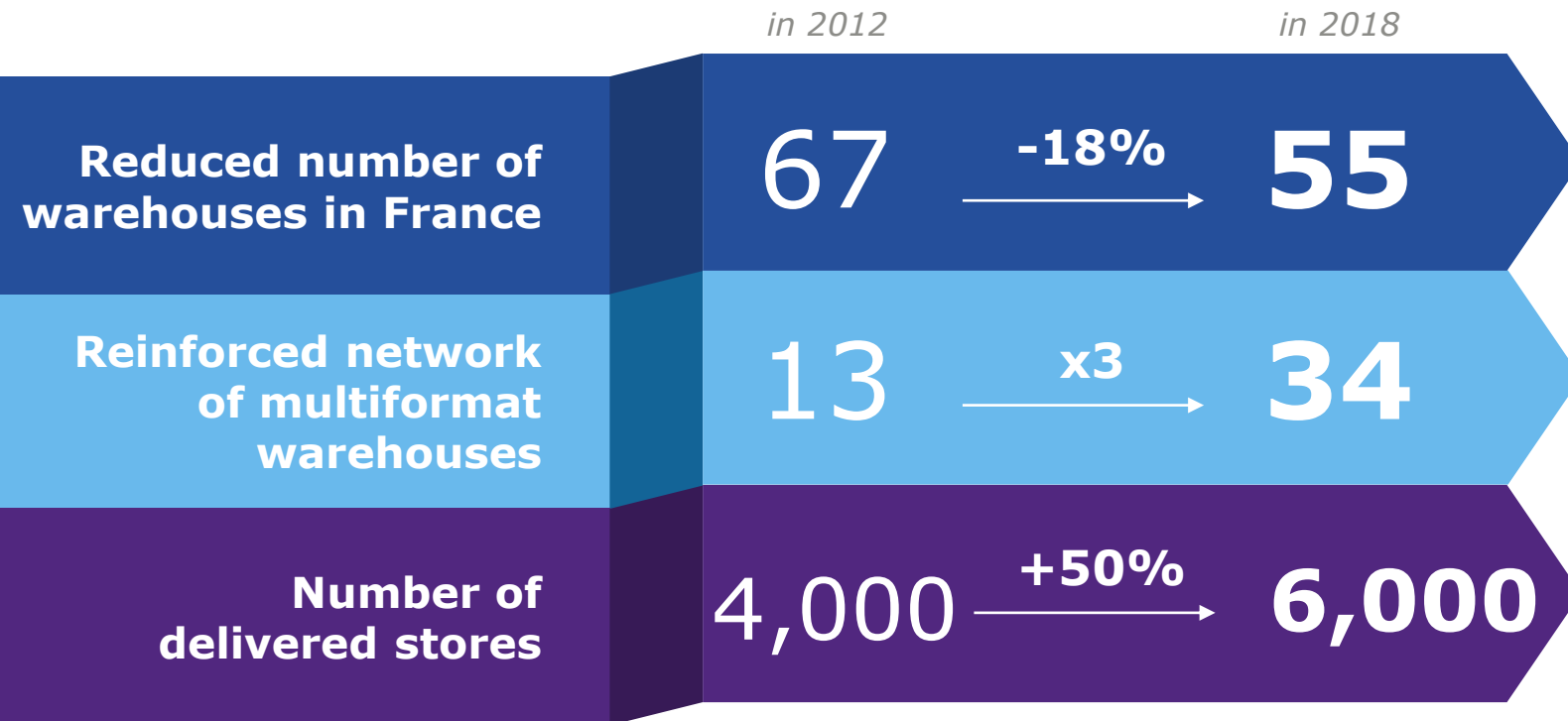
**Industrialize  
omnichannel  
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**Leverage transformation  
to improve operating efficiency**



# FRANCE: A MORE EFFICIENT MULTIFORMAT SUPPLY CHAIN THANKS TO CARAVELLE



## 2018 CARAVELLE TARGETS\*

Number of Km	-20%
Number of SKUs	+15%
Cost of package	-5%
Product availability	+2%

\*2018 target vs 2012

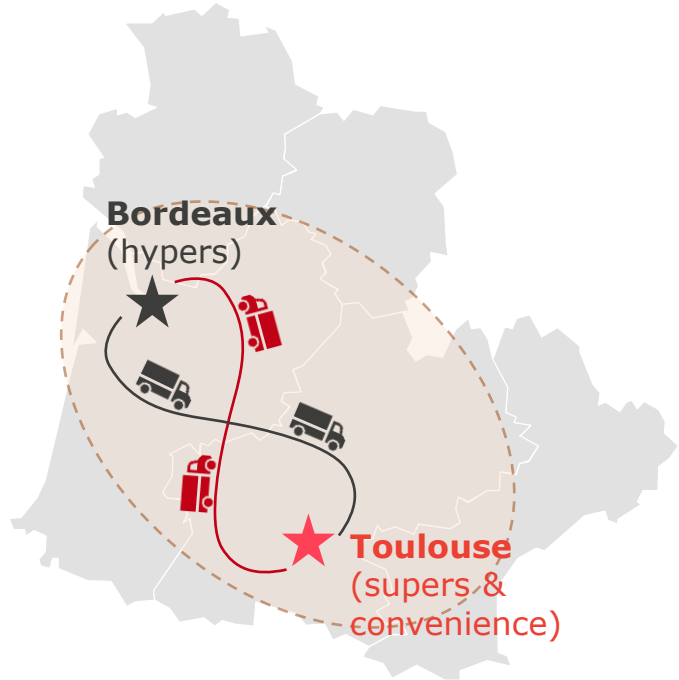


# FRANCE: CARAVELLE IS DELIVERING ITS FIRST BENEFITS



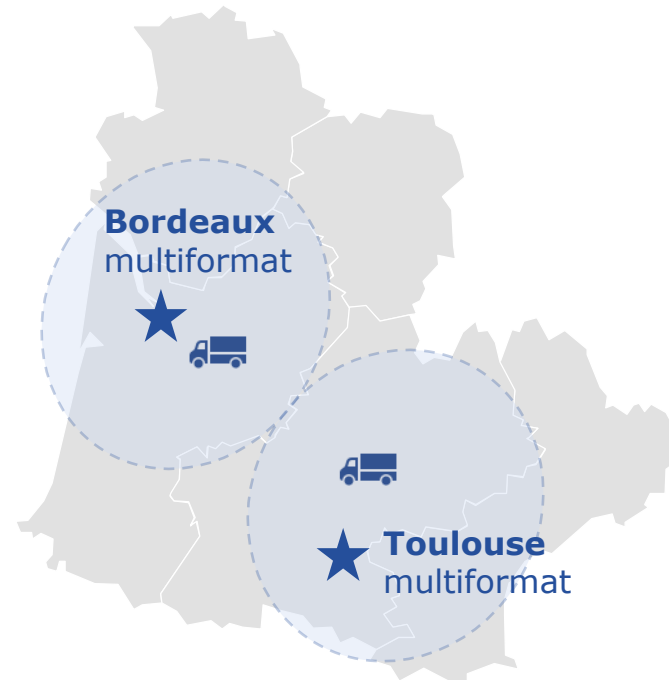
## EXAMPLE: SOUTHWEST FRANCE

### BEFORE



**2 monoformat warehouses serving a large region**

### NOW



**2 multiformat warehouses, each serving a smaller area**

### ENHANCED OPERATIONAL EFFICIENCY

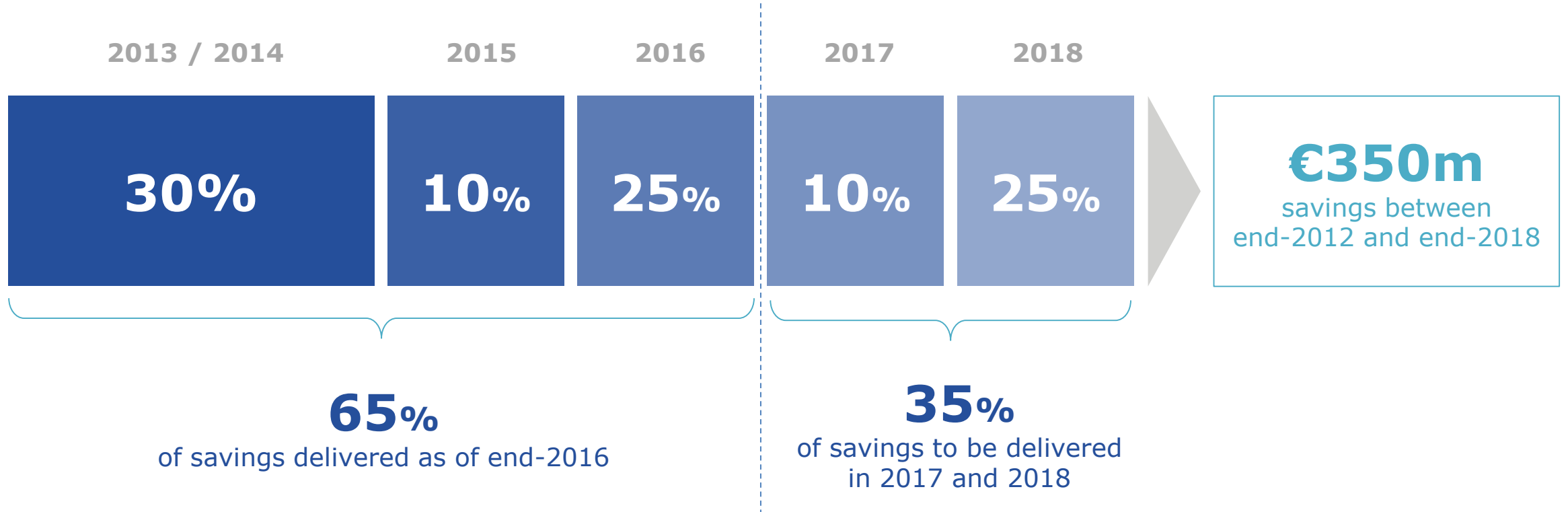
Number of Km	<b>-20%</b>
Environmental impact	<b>-23%</b>
Product availability	<b>+2%</b>

### BENEFITS FOR OUR CLIENTS

Number of SKUs available	<b>+19%</b>
Larger assortment availability for convenience	
Improved reach for local/regional offer	



# FRANCE: CARAVELLE ENHANCES OPERATING EFFICIENCY



# CARGO, APPLYING OUR REAL ESTATE KNOW-HOW TO LOGISTICS



## THE REAL ESTATE COMPONENT OF THE CARVELLE PROJECT

- **JV** created in H1 2016, 32%-held by Carrefour along with co-investors
- Comprises around **one-third** of Carrefour's distribution centers
- Carrefour manages and is the **sole tenant** of Cargo

## BENEFITS FOR CARREFOUR

- **Regain control** of distribution centers, which are key real estate assets
- Provide **greater flexibility** to accompany the growth of omnichannel
- **Limit cash-out** through co-investors' contribution and in-kind contribution from Carrefour

**€500m Capex** upon completion of the project (2015-2018)  
**68%** financed by co-investors





# FRANCE: CARREFOUR INNOVATES TO BUILD A MORE SUSTAINABLE SUPPLY CHAIN



## INNOVATION AND IMPLEMENTATION OF NEW TECHNOLOGIES



First player in France to implement a **new CO2 transcritical refrigeration facility** in 2017 to reduce energy consumption

## IMPROVED ENVIRONMENTAL PERFORMANCE



### Rollout of Bio Methane Trucks

- Reduce CO<sub>2</sub> emissions by 75%,
- Reduce noise by 50%



# CHINA: INTEGRATION OF SUPPLY CHAIN SUPPORTING MULTIFORMAT ROLL-OUT (1/2)



IN 2014, CHINA DID NOT HAVE INTEGRATED LOGISTICS  
2 STRATEGIC OBJECTIVES WERE PURSUED:

**DEPLOY  
MULTIFORMAT**



**Roll-out convenience**  
**Launch E-commerce**

**IMPROVE  
CUSTOMER SERVICE**



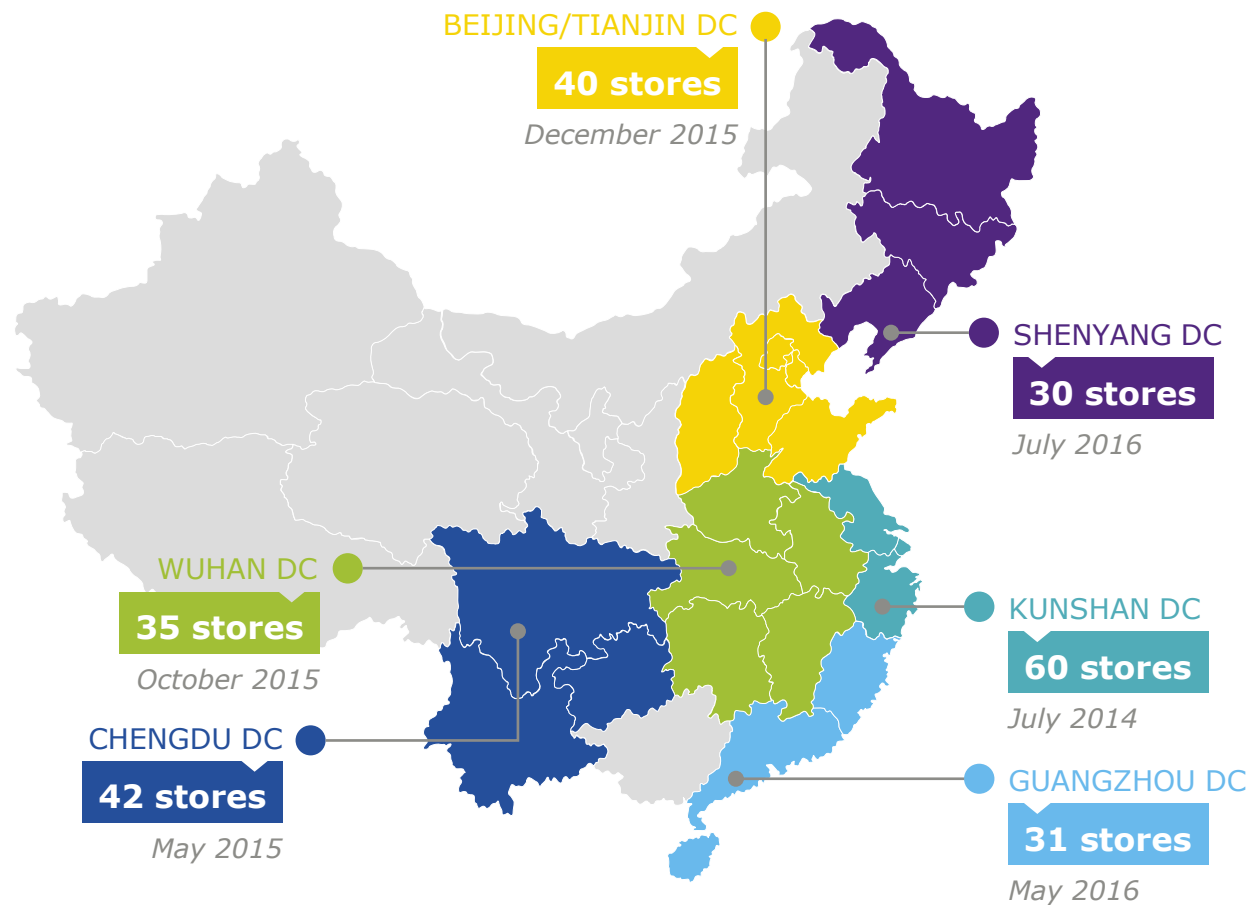
**More flexibility**  
**(adapt to client demands)**  
**Increased product availability**



# CHINA: INTEGRATION OF SUPPLY CHAIN SUPPORTING MULTIFORMAT ROLL-OUT (2/2)



## INTEGRATION AND OPTIMIZATION OF LOGISTICS



### % of goods supplied by our distribution centers:

- 2017 target: **80%**

### Increase in assortment:

- **+20%** in small- and mid-sized cities starting in 2016

### Development of convenience and E-commerce formats



# OUR SUPPLY CHAIN IS EVOLVING TO SUPPORT CARREFOUR'S TRANSFORMATION

## 2 MAIN STRATEGIC GOALS TO SUPPORT GROUP'S TRANSFORMATION

Support  
multiformat  
deployment

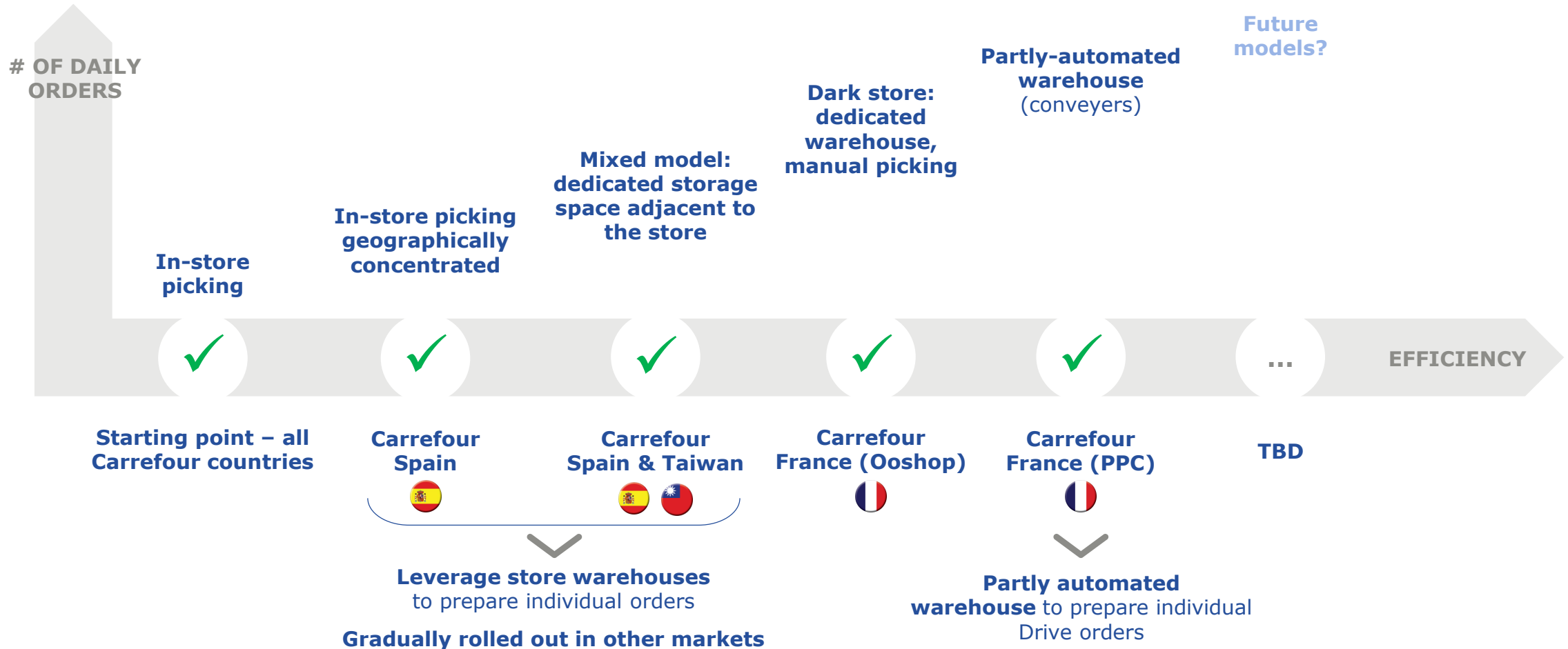
Industrialize  
omnichannel  
processes



Leverage transformation  
to improve operating efficiency



# CARREFOUR TESTS AND OPERATES MULTIPLE FULFILLMENT MODELS ACROSS MARKETS



# VIDEO: NON FOOD SUPPLY CHAIN IN SPAIN



# "PPC": INNOVATIVE LOGISTICS SOLUTION FOR DENSELY-POPULATED URBAN AREAS

Partly automated warehouse to prepare individual Drive orders

## HOW DOES IT WORK?

- Warehouse prepares the **FMCG and Fresh** part of the individual drive order
- **Delivered** to the store
- Store is in charge of the **ultra fresh** part of the order (Bread, Sushi etc...)

## BENEFITS

- Significantly reduce **product shortage**
- Increase **customer satisfaction**
- Offer larger **assortment** (15,000 SKUs)
- **Declutter** stores (less in-store picking)

## NEXT STEPS

- **Automate/Mechanise** part of the warehouse to
  - > increase **efficiency**
  - > enable **higher sales** per warehouse without need for more staff



# 05

**01.**

Introduction: The empowered consumer

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**02.**

Rolling out Carrefour's Multiformat & Omnichannel model

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**03.**

Using CRM & data to engage with customers

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**04.**

Deploying an adapted supply chain

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**05.**

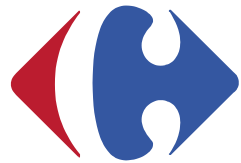
**Conclusion**

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**« L'EXPERIENCE OMNISCANALE CARREFOUR »**



**Q&A  
SESSION**

# LUNCH – DISCOVER OUR INNOVATIONS

## Market Pay



## Carmila



## Premium private labels and Carrefour quality lines



# STORE TOUR

## 3 formats / concepts



## 3 Groups

### GROUP 1

- Departure at 2:00pm
- Arrival at Gare du Nord at 5:45pm

### GROUP 2

- Departure at 2:10pm
- Arrival at Gare du Nord at 6:20pm

### GROUP 3

- Departure at 2:00pm
- Arrival at Gare du Nord at 6:00pm

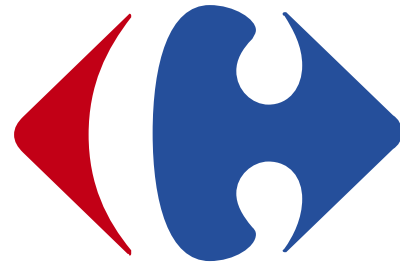
## Departure meeting point :

Entrance of  
Hôtel d'Evreux

You can find your  
Group number  
on your name tag

Please be on time





**Thank you for your attention**