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More use of fewer products, via rental, is a way of being more eco-friendly.

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Hello, my name's Yann Carré, I'm 54 years old, I'm married, I've got three lovely grown up daughters, and I work at Decathlon as leader of rentals for the entire Decathlon group. I went to business school. After that, I worked in various professions, so I've had various career paths, mainly in the world of commerce and sales. And then, from the start of the 2000s, I took entrepreneurial direction, when I set up my first company in the mobile internet field, but it was a little too ahead of its time in its market, because, at that time, the vision we had of what an iPhone could do was in our minds

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but neither the networks nor the products to make it work actually existed then. So I sold that company to another service company, and, over time, I worked in different, small, rather innovative organisations, in the field of technology and media. And so up until 2011, I'd been working in digital media jobs, and I was managing a digital media agency which was a subsidiary of the Fullsix group at that time.

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And then, in 2011, I decided to have a break, and take some time to think about myself and my career, which led me to explore various paths. And, purely coincidentally, just one of those luck-things in life, I came into contact with Decathlon, who, at the time, were looking for a communications manager for their bicycle business. And that's how my adventure at Decathlon started in 2011, so after doing a one and a half month internship in the store, when my friends used to come and see me at the La Défense store in Paris, and say hey, it's lovely to see you in your Decathlon vest.

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I then moved to the North, and I've been there since 2011 now. For the last three years now, I've been trying to develop this new form of consumption, which is the usage economy, and so at Decathlon, the usage economy means, from a transactional point of view, what you'd call rental in all its forms: long-term rental, short-term rental, and monthly rental via subscription.

Having been an entrepreneur for ten years, I didn't see myself going back to the life of a classic employee, so I wanted to work in a group where there were enough opportunities for that sort of freedom for people who wanted that entrepreneurial aspect. But actually, in the framework of a business, it's a bit more structured than when you've got your own business, and so I chose this company because there are several things that interest me. First of all, it's an idea that has real meaning. I'm an athlete, I love sports, and I'm working in the field of

sports, so it's really rather enjoyable. And on top of that, when you play sports, you have fun. When you enable people to play sports, and you're making sports accessible, then that means you're also enabling people to be healthy and have fun.

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So that's pretty cool. And then, it's also a company with family values, the family values of their founders, what's called the association of Mulliez families. People who are real entrepreneurs, but who also invest in future generations, and not just for the next tax year. And so that allows you a certain amount of time, a requirement that's just as important, but a long time in terms of investments, and so there's room for entrepreneurship. So within this group, I've been able to reuse my entrepreneurial spirit, but as an intrapreneur.

So, why rental? After having worked on Decathlon's communications, notably in bicycles, I was brought in to work on innovation projects, at a time when Decathlon was transforming, and becoming an omnichannel company, and not simply a classic retail company. And so that led me to work on projects, based around bicycles in particular, and around the usage of bicycles.

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And, one thing led to another, exploring bicycle rentals and being able to offer our customers not just the choice of buying a product, but of using it. And once again I discovered, by chance, incidentally, all the positive sides this could have, and so for me it made a lot of sense, because behind the idea of usage, there's this idea of making things accessible, even more easily than through ownership, where you know there's a cost, and you have to use a big chunk of your cash, especially when you're buying fitness equipment, a trampoline for your kids, a bike, all that can add up very quickly. And then, through usage, we can also

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provide services that are relevant to usage, having a bike's great, but you also have to repair and maintain it, so we deal with insuring bikes against damage, theft, and we also provide assistance. If you have a problem, well that makes sense in terms of usage. And so I got involved in this, and in particular for one last reason, but it's maybe my main reason, which is that now at Decathlon we're trying to have a bit less impact on the planet.

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We know that, like all businesses, we have an impact, that translates into tons of CO2 equivalent, as well as an impact on water, an impact on air, an impact on waste, we take resources upstream, and create waste downstream. So today, the company is moving towards the transition of being more eco-friendly, and making use of fewer products, via rental, it's a great way of being more eco-friendly,

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without giving up on the idea of continuing to do business and creating value. So we're trying to find a balance: less destruction of environmental value, and continuing to create economic value for all of our stakeholders. I think when you get to a certain age, there's a thing called a mid-life crisis. So it had to happen to me too at some point,

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I went through it, I didn't have to go through it, but I went through it. You wonder, you wonder about a number of things, and particularly about the reason why you get up every day. And I wanted to get up every day and work on projects that had meaning, because they create accessibility to something I believe in, which is sport, and which at the same time that didn't necessarily mean, as was the case with the old linear model of classic retailers or distributors, producing more and more products, and so draining even more of the earth's resources, and making

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more and more waste downstream. And so it's really in these two aspects where I've found that we can try to square the circle a bit, to be more eco-friendly, and at the same time not to get bogged-down in the "logic" of thinking that in order to be more eco-friendly, you have to shrink. This project's really at the intersection of that mindset, I might have about ten years left as an employee, so God-willing, we're right at the beginning of an adventure, and I think we'll be able to see it through within ten years,

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and of course it's a project that's bigger than me, and will continue long after me. From a personal point of view, it brings me a lot of meaning, and so that brings me a lot of energy, legitimacy and motivation to get out there and get over any obstacles, because there are a lot of those when you're implementing a business transformation. But it's true that currently, in all debates you'll hear: "if you want to be eco-friendly, you have to shrink,"

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and some people champion the idea that the only way to be eco-friendly, is to shrink. Other people say no, we can find the right formula. You're maybe in a company, when I say company, I don't necessarily mean Decathlon, but you're in this situation of a company in this environment, where you're trying to find the right balance. We're one of those companies that are pushing in the right direction, and we, well, me personally for sure, ask ourselves this every day:

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what's the reality? If, at the end of the day, you end up telling yourself that there's no such thing as being eco-friendly, maybe we need to ask ourselves some questions, and maybe we should do things differently.

My current role at Decathlon is to define the strategy and vision of what the economy of usage at Decathlon, via rental, should actually be.

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So: what? ...and to do what? So it's about creating a framework which allows us to move from the point that we're currently at, where there are a lot of tests being carried out, to a point where it becomes a real commercial offering. So it's about scaling: taking things much further, to more sports, to more services, to more countries, so that it becomes an element of our offering.

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In the past, people went to Decathlon to buy new products. Then, people went to Decathlon to buy new products made by Decathlon, because we also design products. And today, it's more about giving the choice to customers and consumers, and saying: you can buy our products, but you can also use them, depending on how you're feeling, or on the constraints you're under, notably in terms of your budget.

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So today, that's my role: defining a vision, a strategy, and creating the right conditions for deploying this strategy within the group. At Decathlon, to give you a figure or an idea, the ecological footprint we have on the planet is directly or indirectly linked to the production of our products. Let's say that 70% of this footprint today, if we express it in tons of CO2 equivalent, which is an indicator that's often used by companies to quantify their environmental footprint, this 70% relates to the fact that we create products, that we transport products, that we sell products, and that we create waste downstream because, a shoe, a piece of clothing, a tent, a

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bike can end up becoming waste, in the end. And so if you want to continue growing economically, meaning turnover and creating value, in the linear model, there's a curve that directly correlates between the number of products you sell, and the turnover you generate. If you want to break that correlation, in order to continue creating value, while making fewer products, there have to be many more uses of the same product.

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So we're currently working, notably with Ademe, but also with a number of consultants, on concretely quantifying what it means if, in the future, you rent a bicycle, rather than buying it to keep it at home. And so it's not just about saying how much it costs to rent per month, or to rent for 15 days, rather than buying it, but also how much it potentially saves in tons of CO2 equivalent, or kilos of CO2 equivalent, being able to use a bicycle, rather than buying it.

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And that's because we're actually working on analysing the life cycle of products. So that's a very important element. And the other element that people are realising about consumption in general, more and more people are moving from "I use, or anyway I buy a product", to, "the product is at the heart of something richer and greater than the product itself," meaning a service.

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So you buy a bicycle, but you don't buy a bicycle to own a bicycle, even if you do get the pleasure of owning a beautiful object, you buy a bicycle to go cycling, and when you go cycling, there are a number of things associated with cycling that are useful, and that are services. So you're moving from sports, to sport as a use, or sport as a service, with a mindset of thinking that, in the end, what interests you is its use, because you buy a product to be able to use it, and not to just admire it and enjoy its aesthetics.

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And so these are two really important concepts, having less environmental impact, because in a circular model there are more uses for fewer products, and also a concept of sport as a more global service, where things are based around the product, offering a number of services that are either included or optional, and that customers can activate or deactivate according to their needs and activities.

So in general, using less, having less impact on the planet, as the citizens that we are, on the planet where we live, which we inherit, and which we'll leave behind as our legacy,

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it's a whole set of things. Obviously it's about eco-designing products with a greater concentration and greater focus on the way those products are made, their components, their extraction, and so on. Is it better to transport those products, or to produce them closer to where they'll be used, to avoid the carbon impact of transporting products that are mass produced in Asia, then shipping them to where they'll be used in Europe or elsewhere.

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And it's a number of other dynamics, it's also about less energy consumption in our stores, and so on. So it's a whole set of things, it's very systems-based. Today we're involved in a more global dynamic, but if we zoom in a little more on the circular economy, because it's really one of the elements that will allow Decathlon to be more eco-friendly, and achieve its goals of transitioning to lower carbon emissions.

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What does the circular economy mean today at Decathlon? It means repairing products, which has been in place for a long time, as we have workshops in our stores and our warehouses. It

means providing a second life to products. This has also been in place for a long time, because in 1986, we invented Trocathlon: you bring in your product, you decide how much you want to sell it for, and people come along, a bit like a secondhand store, they buy it, and you're paid with a shopping voucher.

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It's true that we wanted to keep our audience somewhat captive, so customers would spend their money in our stores, but we already had that mindset, and now we have rental, meaning usage. These three elements are designed together, in parallel, but also in a completely interlinked way. You can repair products without renting.

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We can sell second-life or second-hand products without renting. You can't do rental in an eco-friendly way, if you don't have the ability to extend the lifespan of products, repair them, and make them last. And if you don't have the ability to offer them a second life, which is legitimate, and which is often requested by customers, who say that personally they're interested because it's cheaper, because they're familiar with it,

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because it suits them. And so it's designed as a whole. So as we zoom in a little more on what the circular economy means at Decathlon, currently we have repair, second-life, and rental. And then there's a fourth pillar of the circular economy, which is the end of life of products, not the second life or the umpteenth life, but the end of life of products.

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And the challenge at the end of a product's life is knowing what that product's made of, so it can be recycled and recovered. And when you design your own products, you know exactly what components you've used, and so you can organise your recovery channels in a much better way, than if you were dealing with unfamiliar products, whose initial composition you don't know.

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So we're really well placed to implement this circular economy mechanism, and personally I think, and it's not just me, I think we have a responsibility to do it, given our size, given our impact, given the strength of our brand, to do it, and to do it as quickly as possible, in order to achieve our goals: More sport, more accessible, and with the least possible impact on the planet.

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In fact, in terms of rental, there are several types of rental. There's the sort of rental we're all familiar with, if you're a bit sporty, for example, when you think about winter sports, where

the vast majority of people don't own their skis or ski boots, but rent them from a shop, or reserve them online.

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This is what's called short-term, or occasional rental, or date to date rental, generally between 1 hour and 15 days. And then you have at the other end of the spectrum, long-term leasing, where the commitment's much more serious. This is the market we're all familiar with in the automotive world. So 24, 36 months, or more, or sometimes even twelve months.

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So there we have a notion of a major commitment and a serious contract. It's closer to the world of financing. And it's very close to the world of credit or Lease with Option to Buy, which is a loan. And then in the middle, you've got monthly subscription rental, where you try and get the best of both worlds.

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What does that mean? I know I'm going to use a product, but I don't know for how long. It isn't for just two or three days, it's for longer, because I want to do the sport, but my usage is going to change, my child's going to grow up, winter's coming, I'm going to want to switch to another sport, so I don't want to commit,

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I don't want to own a product, I don't want to store it, I don't want to maintain it, I don't want to resell it second-hand. So this was the form of rental that we've focussed on. Starting with, and this is the nice part of the story, renting children's bikes. For the plain and simple reason that as a child grows, the size of their bike doesn't fit them anymore, and their way of cycling changes.

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And so for parents, they buy a product and then they have to resell it, or pass it down to the little sister, the little brother, who's happy but who's also a bit sulky because it's not just the bike, it's also the hand-me-down sweatshirt, trousers, and so on, it's a good way of allowing parents to make use of a product that's perfectly suited to their usage, and

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as soon as they don't need it anymore, or things change in life, it's easy, they just take it back to Decathlon, and that's it for them, there's no commitment, it's up to them to decide. So we started with children's bikes, and yes, it's a bit of a halo product. We started with kid's bikes, which is an iconic sports product we're all familiar with

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at Decathlon, we're the world leader in children's bikes. Starting with children's bikes, and then offering the economy of the usage model on sports products is pretty cool.

At Decathlon we like to test things out, we like to test very quickly, to see what reaction we get, how our customers react, how our sales staff react, what reaction we get from all the players involved in this circular economy.

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And as its name suggests, it's circular, so it's a bit complex, because it means doing things differently from what we've been used to doing, which is very linear: We make products, we take them to the stores, people pay, and then they leave with them. So we started with five shops in Bordeaux, to see how customers reacted to the signage, in the store aisles, and those people, discovering that there was a sale price and a monthly rental price, and so they asked our sales staff,

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so why's that? How? What's the story? Why are you doing this? What's the advantage for me? ...and so on. So we tested. Of course we'd also already tested for it out two years in POC, proof of concept, mode. You look at something, you reject it because you know you're not going to use it. And that allowed us to refine our hypotheses, refine the customer experience or the user experience, that we wanted to offer to our customers, our users.

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And then, gradually, we deployed it. So today, it's in our 330 French stores. It's going to work with all bikes very soon, on fitness equipment, on golf equipment. We're going to roll it out in other countries, first in Europe, and then in other countries worldwide. We're starting with Spain this summer, Belgium, Poland, and other countries.

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So we're on our way. But we did start with a very first store, then three, then five, not with what's called a POC, but rather with an MVP: most viable product. So something that resembles what a commercial solution would be, but which gradually evolves, according to needs. And that's it, we're off.

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Decathlon offers short-term rentals. We've got shops in Lyon that are currently renting out sports equipment: tents, skis, sledges, snowshoes, poles, boots, and so on. And this summer, they'll be renting out canoes, kayaks, paddle-boards, surfboards, and bicycles. But it's still somewhat at the testing stage, and, above all, we know that

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rentals are often linked, for sport, I mean for sports. It's often linked to a sports that's being done at a given intense moment, a peak, often in the holidays: winter holidays, summer holidays, and in a given place. And so when we have, for example, as in France, 330 shops all around the country, there are certain shops that will be eligible to rent out paddle-boards in July, such as the one in La Teste, near Bordeaux,

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and it should be easy for them, they're right by the water, and they have a range that allows them to do it. And along the same lines, at the Stade de France store in Seine-Saint-Denis, there won't be many paddle-boards in October. So short-term rental is very much linked to a location where a sport's done, and the season.

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And so is it a sustainable, permanent, global business, like selling sports products is today? The answer's no. So we're testing it out, and we're trying to find its place, its complement to other forms of rental. But the equation's a little more complicated to work out. And then, if you're talking about a very continental country, or a very beach oriented country, with a very extensive coastline and extensive tourist industry, year round, then answer won't be the same, so

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we also have to be able to offer that country the capacity to build out its rental offerings, which short-term rental will be a part of, but which currently isn't as easy to replicate as rental via subscription.

If you take the example of the monthly rental of a kid's bike, with a minimum period of three months, and then afterwards you can do what you want, because in this case it's: you commit to three months and you get services included - breakdown service, and so on.

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We do it because it's a service to customers, not having to pay for a product all at once, as we mentioned earlier. We do it because it has an impact that we're measuring, as there's more usage of fewer products. That said, we're very clear that from the moment we communicate about what it really contributes, we need to have all our ducks in a row. Because if not, you're going to be told that you haven't taken into account all the elements of a reference scenario, so as to be able to calculate the real impact of this experiment, in relation to

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a reference experiment, and so on. We're taking it seriously, responsibly, we're working on it, we're engaged in a process of quantification and characterisation of the impact it's having, with a company called Ademe, who will bring us this validation, so that we can then

communicate about it. But it's true that today, what we're seeing is that when people come to our stores, or when they're browsing online, the first thing they look at is the price, and the first hurdle to accessibility is the fact of having an accessible price.

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If, rather than spending €200 over three months, or maybe four or five, there's a rental of €10. Presumably, you're going to say that you'd rather do that, than spend €200 right now. And if that happens, I don't know what's going to happen afterwards. So, currently, the reason, the driver

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of why people are opting for renting, it's first and foremost the price. When we're able to communicate what impact it really has, and when we're able to say that with confidence, because we'll have validated it, with serious people, who will be bringing real credibility to these studies, then we'll communicate about it, and people who are looking for a good price will find that, and people who are looking to be eco-friendly will also find that, and people who are looking for both those things also find them, but we'll only be able to do it once we've quantified it. So we're in the middle of this transformation in consumption habits that's happening. We want to give it visibility, tangibility. But we know that we mustn't get ahead of ourselves, and that it's a societal transformation, first and foremost.

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So we want to participate at the right level for us, with ambition, dynamism, but also with humility. That said, we also know that people today, especially now that raw materials prices are rising, and as purchasing power is a real issue, they're very sensitive to paying only what they need to pay in order to do what they want to do. And this answers that need.

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I'm not someone who spends all their time renting and constantly living in the usage economy. And I look at the financial aspects, or at least at the financial interest of the consumption choices I make, and that's maybe also related to my generation, and my approach to things.

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And so there are certain times when I'm more inclined to buy secondhand products, especially expensive products like cars, or such like, because you realise that by buying them new, you overpay quite a bit, compared to the true value that you're going to get when you buy a product: these days, a car that's well maintained and that's one year old, is almost in exactly the same condition and looks the same as a new car,

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but it's between 25 and 30% cheaper, or even more sometimes. So I'm someone who buys a lot of second-life stuff. My daughters use Vinted all the time. We use Leboncoin to buy and sell things, so we're pretty much enamoured with this trend. In terms of rental, I actually often rent sports products when I'm on holiday, but I'm not yet someone who's switched to renting via monthly subscription, because in fact there haven't really been any offerings.

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And so I'm very happy to be creating them. As I said before, I go road cycling, I do a quite a lot of sports. But road biking in Lille in winter is sometimes a bit restricted, because it's cold, it's wet, it's slippery, it's dangerous. So I use what's called an indoor bike trainer, you put your bike on a machine and then you can train at home.

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And so, next season, we'll be offering indoor bike trainers on a monthly rental basis from September/October, so you can use one for one month, two months, three months, four months, five months, whatever you want. And so of course I'll be a customer of that indoor bike trainer offer. As will my wife, who wants to get back into sports, and in particular running on a treadmill.

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We don't want to have a treadmill sitting in the living room forever, until it finally gets moved from the living room to the spare room, and from the spare room to the shed, and finally from the shed to Leboncoin or to the dumpster. So we can have one for as long as we need it, as long as we want it,

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we'll use it. When we don't need it anymore, we'll return it, and it'll be used by other people. And that's great, because we'll move on to the next thing.

What I just want to say is that you should be enthusiastic about doing sports, because it's something that's really great. And if on top of that we can make sports a bit more accessible via our products and services, as well as through these new forms of consumption, then go for it, make the most of it, and most of all, remember to do us a favour and tell us what's working and what's not working.

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What we really like about this approach, is that our only commitment is to satisfy our customers. If they aren't satisfied, then they leave, and they're right to. And so they push us to improve. This is the great thing I've found, especially in terms of rental without time-commitment, compared to rental with time-commitment. It's not that I'm locked in by a contract. I'm just locked in by the enjoyment of only having to pay monthly to use that service.

And if I don't want it anymore? And if it doesn't work? Ciao, bye-bye! Be users and customers of these offers as soon as they become available and enjoy them.

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Do sport, sport does you good!