Meylene RABOT - Translation EN

Introduction: [00:05:04:00 - 00:05:35:18]

Back then, there were already figures about food waste, and she realised that 40% of food produced worldwide gets thrown away. That's 10% of greenhouse gas emissions and 10 million tonnes of food that are thrown away every year and go to waste.

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BNP Paribas Personal Finance invites you to discover On The Way, the podcast that explores the paths to responsible consumption. Entrepreneurs, people from the world of business and researchers: On The Way gives a voice to those who, day after day, are helping to develop more sustainable consumption. Welcome, and I hope you enjoy listening!

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Hello On The Way, my name's Meylene Rabot, and I'm General Director of Too Good To Go, in France. So I had a pretty classic background. I went to business school, like many people do, it's not always a bad thing. Then I went into consulting, which first shaped the direction of my career, as my first role was in customer service at a major French bank. And after about ten years in customer relations, I moved to Allô Resto, as it was called then before it became Just Eat, as Director of Operations.

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So that was really a continuation of my career, the logical continuation of my journey. And then, after I'd had my first child, I came back from maternity leave, and was rather surprised to find that customer relations were no longer going to be run in France. And so my boss at the time suggested I that change jobs. I didn't really feel all that ready, as I was thinking: "Well, I've been managing customer relations for over ten years now. I'm not sure I know how to do anything else." And so I started getting interested in delivery issues, and getting involved with subjects that were completely new to me. I had my second child, and when I returned, my boss had left, and I went back to work on 7 March 2020. They told me I'd be managing the Covid plan.

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I was feeling a bit cut off from the world, I was still on maternity leave, so I thought: "yes, I'd like to come back in a relaxed sort of way." Well, in the end my return to work wasn't at all relaxed, as three days later we had to send all of our workers home. And that was when we saw this huge boom in deliveries.

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Because of course during Covid, that's all that was on offer. And I'd say it was then that my ecological awakening began to happen, gradually. It was already at the back of my mind, as when you have kids, that inevitably makes you ask questions, and you start thinking about their future.

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And then Just Eat was bought by Takeaway.com, a Dutch group, and at that time, the Takeaway.com used a salary model. So when we were acquired, one of the first decisions they made was to announce the launch of the salary model in France. I'd had the perspective of managing the delivery service for several years by then, and I thought that it was never going to work.

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I thought it would be too complicated to have salaried workers in France, and I didn't really see the point of that model. And then, as things went on, I became the General Manager of Just Eat, and I had to launch this salary model, and I ended up realising the positive impact that this model had on the lives of delivery drivers, on the quality of the service that we provided, both to our customers as well as to restaurants, and the enthusiasm that the general public had for that model.

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And at the time it also allowed me to collaborate with the government on initiatives such as "1 young person, 1 solution" for example, and "1 young person, 1 mentor." And in the end, I realised that implementing projects that had personal meaning had become really important to me. And what enthused me on a day-to-day basis was truly championing this salary model, loudly and proudly.

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So, all in all, I'd say that's when I started to become a bit more aware of the fact that I needed to work on positive impact projects, ones that make it possible to do some good, at least. And then I left Just Eat, as the salary model was not necessarily going to be sustainable, financially. I was starting to feel a little out of synch with their decisions. So I decided to move to Trainline.

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I worked there for a few months, but I realised that I missed the commercial aspect. At Trainline it was mainly a tech business, and I really wanted to get back on the ground, working with passionate sales teams. And that's when the Too Good To Go opportunity came up. So I joined Too Good to Go in August, feeling sure that I was in the right place at the right time.

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For me, everything felt like it was falling into place. I was available, this job offer came up, it was in food-tech, it was a positive impact company, and it met all the needs that I'd identified for myself for working on a positive impact project.

Musical interlude

So Too Good to Go was founded on a pretty unusual model, as you often hear about startups that were founded by such-and-such a person, and so on, but this is a startup that was co-founded.

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In fact, it was co-founded at the same time in four countries, by four co-founders. And let me give you a bit of history about Too Good to Go: in 2016, Lucie Basch was finishing her studies. She was doing a Corporate Program at a manufacturer in the UK, she was working at a factory, and in the factory carpark every day she saw products going to waste because of packaging problems, expiry dates that were too short, so the products were rejected by distributors, and so on.

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And that's what first made her aware that there's a real issue with waste. She started to research it, and she looked at the figures - back then, there were already figures about food waste, and she realised that 40% of food produced worldwide gets thrown away.

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That represents 10% of greenhouse gas emissions, and 10 million tonnes of food are thrown away and wasted every year. And the figures for France mean that almost 30 kilos of food are being thrown away, per person, every year. So it's a huge problem, and we know about all the issues behind it. The first issue is environmental.

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Obviously we can all see that 10% of greenhouse gas emissions is a huge figure. If food waste were a country, it would be the third largest, after the United States and China. There's also a social issue, there are almost 1 billion people suffering from food insecurity, and we're still throwing away 10 million tonnes per year.

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And finally there's the economic issue, as it's also billions of euros down the drain. At the time, she went off to visit a friend in Norway, and during that trip she met other people, other entrepreneurs, who, at that same time, had been coming to the same realisation about food waste. And instead of thinking: Well these are my future competitors, she thought to herself "Collaboration is the new competition" and instead of them all competing against one another, she decided that they should all work together and try to create something.

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And that's how the Too Good To Go concept came about. First in Norway, and then they each decided to go off and co-found the business in their respective countries. And so that's how, in four countries at the same time, in late 2016, Too Good To Go launched in France, Denmark, the UK, and Norway.

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And speaking of everything falling into place, something else was happening at that time in France, which was the Garot law being passed. The Garot law requires large retailers not to throw away products. Maybe you remember the images on tv at the time, with products sprayed with bleach in dumpsters.

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This law brought all that to an end, and it's really all about distributors being aware of the need to reduce food waste. So there was this incredible set of circumstances that allowed Too Good To Go to launch at that time with a legislative framework in France which meant that Too Good To Go had a rather strong start. These days pretty much everyone knows about Too Good To Go.

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We're working with forty thousand partners, and we've got 15 million users, with 5 million joining us this year. So in France, almost one in four French people have the app on their phones. So the concept is that it's an app that puts you in contact with food businesses close to your home or your office.

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And so you can find all sorts of food businesses. They range from the little neighbourhood grocery stores, to small bakeries, to the major distribution chains. We work with Monoprix, we work with Carrefour, and we're going to be working with some rather exceptional stores, such as La Grande Épicerie, for example. You can also find restaurants, and you can find all sorts of food on Too Good To Go.

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So the beauty of the concept is its simplicity. The app uses your location to show you, either in list-form or map-form, where those businesses are located. And you can even search by speciality, if you're looking for pastries, for example, or maybe even sushi.

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And, more broadly, you can find businesses near you that have unsold items, and you can reserve a basket on the app, then pick it up at the scheduled collection time. The last thing that makes Too Good To Go a success, is the concept of the surprise basket. Most of the baskets currently on offer, apart from the fact that they're sold at a third of the market value of the food, is the concept of surprise.

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That means that typically the average value of a basket from us is €4.99. For €4.99 you get €15 worth of food, and you don't know what you're going to get. And that's something that's really exciting for our users, who also love the app because it lets them discover products that they would probably never have bought. What makes Too Good To Go so successful,

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well, first of all it was the Garot law which passed back then. But there's also something else, which is that we've got an extremely simple model. And most of all it's a model that we call "win-win". It's a win for the planet, obviously. Reducing waste lets us avoid wasting the resources that were used to produce that food, but it's also a win for our users, as we connect users with partner businesses and they can buy surprise baskets at a third of the original value of the food.

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And it's also a win for our partner businesses, as those unsold items that previously went to waste can now be sold. So they get some extra revenue, but we're also bringing them in customers. Looking at the figures, approximately one third of our customers had never set foot in the business in question, and another third make an additional purchase.

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So it also means that users get to discover nearby businesses that they probably wouldn't have visited without Too Good To Go. And the simplicity of this model also explains the success of Too Good To Go in France and overseas. We've really created a scalable model, meaning that we can easily scale it up to other countries.

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Currently Too Good To Go is operating in seventeen countries: fifteen in Europe plus the US and Canada. And we often say: "We don't ask ourselves whether we're going to open up in another country one day" The question is not whether we will open there;

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The question is simply when we're going to go there. Because, in the end, food waste is everywhere, and when we set up in a country we're able to roll out the Too Good To Go model very easily. So

currently we're working with 140,000 partners, and we've got 85 million users. Over 250 million meals have been saved since the launch of Too Good To Go.

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And in France almost 70 million meals have already been saved since our launch. Right now, for example, on average we're saving four baskets every second. If you multiply those four baskets per second, to the scale of what's happening worldwide, there are still 40,000 baskets going into to waste every second.

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Earlier I mentioned the figure of 10 million tonnes that are thrown away every year. When you look at what we've saved since the start of the year, we're only at 50,000 tonnes. So that gives you some sort of an idea of the extent of the problem, that we're a long way from reaching the end of our mission, which is ending food waste.

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And that's why we're working on it every day. Not only on the baskets solution, but also on lots of other initiatives that really let us track food waste throughout the chain. Food waste happens everywhere, and happens among all the stakeholders. Part of it happens with the producers, part happens with the manufacturers, part of it happens in distribution, and the biggest part, in France, is the 33% of the food waste that happens due to consumer behaviour.

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We're already raising awareness in consumers by working with distributors, and giving consumers the chance of buying unsold items from distribution. But we're also trying to help consumers to do the right thing at home in terms of food preservation, anti-waste recipes, and, most of all, understanding dates. We've realised that 20% of food waste in households is due to misunderstanding dates.

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And so we've implemented various initiatives for helping people to understand consumption dates.

So what sort of dates do we have in France? There are two types. There's the use-by-date, that's the expiry date. Those are typically for fresh products. These should not be consumed beyond that date, as there are health risks associated with consuming those products too late.

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And then there's a second type of date, which is a the minimum durability date, which is the "preferably consume before" date. So there's a lot of confusion about when a product is past its

minimum durability date, what does that actually apply to? It applies to canned goods, to dry products, which are perfectly consumable after this date,

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and a lot of people still throw away products as soon as that date has passed. But in fact rice and pasta typically don't expire; honey never expires, and it's the same for oil. At worst, there's a change in taste or texture.

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But overall there's no health risk in consuming those products. And while distributors have the right to sell these products until three months after that date, many of them don't, because they're afraid of the image that comes with selling products past their preferably consumed before date, as the general public still isn't very well informed about it.

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So, based on this observation, a few years ago at Too Good To Go, we created a pictogram that you've probably seen, as it's on 6 billion products worldwide, accompanied with the text: "Past my date?" "Look, smell, taste: don't waste." So our goal is for people to trust their senses, and we always say "you've got a nose in the middle of your face and it's there for a good reason!"

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Generally, when you open a pack of pasta, or you open a can that's supposed to be expired, basically when its preferably consumed before date has passed, look at the product, smell the product, and taste it. If you're in any doubt then throw it away, but otherwise it's still perfectly consumable. So that's the first initiative we implemented.

MUSICAL INTERLUDE

Another thing we did was to ask ourselves: how can we try and transform this going forward?

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It's great to speak to adults, but in the end it's also not a bad idea to start tackling the problem right at the beginning, so how can we also educate children about the subject of food waste? We see it in people who have kids, and I have them too. They're often much more aware than us, telling us to turn off the lights, not to leave the water running, and so on. And in the end they learn the message early on at school, and that's got great potential for the future.

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Because really we're educating generations for whom this sort of thing is a given. They won't have to develop their ecological awareness later in life: they're born with it. We wondered how we could support schools in teaching future generations about anti-waste? And so we launched an initiative called "My anti-waste school" in 2022, which has now been rolled out to over 4,000 schools in France, with a complete educational kit that's free and can be downloaded by teachers online via the Too Good To Go website, where they can get educational materials.

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There are video resources, there are family card games, there are lots of resources to help children understand what food waste is. There's a video with a baker explaining how he makes his bread, explaining that bread doesn't just come out of the cupboard ready-made as a loaf. It needs wheat, it needs water, it needs yeast.

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How is it all made? What resources are used to make that loaf? There's also a family card game. I play it with my kids. There are also anti-waste recipes. Now, when there's some stale bread, they're the ones who say: "Mum, let's make some French toast!"

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So it really makes people get into the habit of remembering to reuse, to be anti-waste, and not throw things away. We had five million new users who joined us this year, and we recently did a study. We found out that 8 out of 10 French people say they've adopted anti-waste behaviours. So we're rather proud that we can see that this is becoming more and more part of French habits.

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But we know that there's still sometimes a gap between what we say and what we do. And that's where we're working, at every stage, via every medium, we're trying to continue motivating French people. So there are the initiatives about dates that I mentioned, there's "My anti-waste school", but we've also got our Instagram account where we share lots of tips and recipes, to help French people waste less.

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And so we're also trying to educate everyone about the right thing to do. There are lots of small everyday actions that you can do to reduce waste. So the first thing that comes to mind, and I think we all do this, it's human nature, when you go shopping at the supermarket, you pick up the yoghurts that are right at the back of the shelf, or actually any product, even dry products, that are at the back of the shelf.

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Because shop managers tend to put shorter dates at the front so that they're taken away first. But we're often doing our shopping for the same day or the next day. So in the end it doesn't make any sense. We need to get rid of these habits and tell ourselves: "So I'm going to take a pack of pasta that expires in 2027", you don't really care, even if it expired yesterday, it's still fine, or you pick out the yoghurts that are at the bottom, when really you know you're going to eat them within two days, for example.

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We also have to get into the habit of doing our shopping much more regularly, planning in advance what we're going to do. We've also been seeing a return to habits, that's probably related to Covid, of batch cooking and freezing at home. So all in all, there are lots of good habits that are starting to come back, and notably using anti-waste apps in order not to throw things away and use products that would have otherwise gone to waste.



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We've got a team of around one hundred people in Paris who are really committed and totally passionate, who are in daily contact with our partners to help them move forward in their anti-waste strategies.

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So we can just as easily support a Carrefour supermarket in obtaining its anti-waste label as we can a local bakery or a local grocery store to assess its unsold goods and repackage them into the right sort of baskets, so that the consumers who get them will go back and order them again, and they aren't stuck with three kilos of yogurt that they don't know what to do with, which would just be passing the problem onto the consumer.

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So we're really working with them throughout the process with us, on how to repackage their unsold goods, and we help them monitor the data that we call "wastage data", to show them that over time, we can really manage to reduce wastage with them. And finally, we also help them optimise their stocks so as to prevent them from continuing to have unsold items.

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So in the end it's a bit... ...it's a bit odd. Because with our model, when a partner stops working with us because they no longer have any unsold goods, I'd say we're perhaps the only company in the world that's happy to say that we've done our job, and we're happy, and we can move on, we can move on to another partner, knowing that we've still got lots of potential: in fact, unfortunately, maybe almost infinite potential.

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Whether it's in France, or Europe, or all around the world, because there are still a lot of products that are going to waste.

We're also working with manufacturers. In June we launched what we call our anti-waste packages. We buy unsold items from manufacturers. We're working with several hundred brands.

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We can work with big brands as well as small brands. For example, we're working with Vico, with Italian Do It Better, with Cémoi, we're talking to all sorts of brands, we're working with Pour Nourrir Demain, so Lustucru. And we offer to buy their unsold items. We store them, we create assortments of packages, either single-brand packages or themed packages.

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For example, next week we're putting together packages themed around Christmas. You'll be able to buy parcels anywhere in France, at 50% of their market value. So for us it's also a way of supporting manufacturers, as since we know that there's a lot of waste with them, often due to packaging errors, small errors in labelling, logo changes, damaged packaging, or simply expired dates, meaning overproduction or overstock.

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Yesterday I was talking with a young manufacturer, who did a collaboration with a YouTuber, who launched a product, and unfortunately it didn't sell at all. He had several thousand extra units on his hands. He didn't know what to do with them. So we're going to help him re-sell those unsold items, rather than throwing them away.

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Our account manager, who supports our stores on a day to day basis, helps them to optimise their unsold items, and most of all optimises the quality of our Too Good To Go baskets. All of our users, when they're ordering a Too Good To Go basket, can rate their baskets, on both quantity as well as quality. And these ratings are now available to all of the businesses that we work with.

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On the app you can see a rating out of five stars, and these ratings are also reported to our partners. So we work with them. So if we have a partner who's seeing a temporary drop in their ratings, we try and understand what's happening. Maybe it's because, and it's actually a good thing, they've got less unsold items, so they're putting less into their baskets.

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In that case, instead of them saying they've got three baskets available, we get them to say that they've only got one left. It's better to put everything in one basket, than trying to make three baskets. So we're really here to support them. And the opposite can also happen. Sometimes businesses provide baskets where the quantities are huge. This is fine for the user, but it's not great either, as we're passing the problem of waste onto the user. So then we advise them to make several baskets, as in the end, nobody wants to find themselves

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with too much fruit, or vegetables, or whatever, even if there are lots of tips on how to make them into soups or crumbles. I think we also have to find the right balance, with the right quantity, that corresponds to the needs of our users. And talking of innovation, and because we realise that we've still got a long way to go in ending food waste, we're working hard in every direction.

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I mentioned our focus on the industrial aspect, but we've also been supporting distributors for several months via an app that we launched to help them manage short shelf-life dates, to identify products on shelves that are about to expire. So until now, barcodes on products don't include the batch or the date information of yogurts, for example.

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So that requires visual and manual checking of all the products on store shelves on a daily basis. That's why there's a department manager who restocks their department, and puts the products with the shortest expiry dates at the front of the shelves. By implementing this solution, we're supporting a lot of distributors, including the Monoprix group, for example.

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This saves department managers at least one hour's work per day. Instead of checking 100% of the products in their department, they only have to check 8 to 10% of dates. So what does that allow for? So first it reduces the number of products expiring, because, frankly, they don't all have time every day to check 100% of the products.

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And so this will allow us to also work on re-pricing solutions for those unsold items. This app allows them, via artificial intelligence, to define the right promotion price to offer for a given product, in relation to its sales history. When this product was on sale at 20% off, did it sell?

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Would it be better to sell it at 30% off straight away? Ultimately, if this reduced price product doesn't sell, then it has to be donated. If it's a product with a short use-by date, then donation isn't the right solution, as charities don't have the time to distribute them.

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In such cases, you have to put it into a basket, and here once again, we're working on artificial intelligence models to help create baskets for mass distribution. That's so that we can make the perfect basket, there has to be a little yogurt, a few dry goods, a bit of meat... And so we're going to help put together these baskets.

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Wherever there's food waste, Too Good To Go is there to try to find solutions, to help at every stage of the chain. That's how we're supporting distributors.

Musical interlude

We're also thinking about other solutions for the future. There's one area that we haven't yet completely cracked, and we've not yet completely succeeded in helping. And that's the fast food environment, as in fact you're dealing with products that are generally hot.

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So saving cold sushi or poke bowls is easy, as we can wait until the end of the day to give them to our users. But for hot food, that's just been prepared, there are real constraints, health constraints, which mean that we can't put that food in a basket. So we're also in the process of developing technological innovations to allow us to set up a flash sale concept, to help the fast food sector reduce its unsold items and food waste.

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And finally, we're going to continue to innovate to support our users. We have our app, which has existed for seven years, but that has evolved a lot. Its design and its functionalities have evolved. We've already got a lot of things in the pipeline for next year. So, for example, we'd very much like to be able to offer our customers the opportunity of giving their baskets to someone else.

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People aren't always able to collect baskets, so that would allow people to share a basket with someone else, for example. We're also thinking about launching a loyalty program. We've got users who are very loyal, and so we can reward them with that. We're thinking about gamification systems to motivate people, with badge systems, rewards, and so on.

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So these are the sorts of innovations we're thinking about. And then likely a lot of other things that we haven't thought of yet, which might happen in the coming year. What makes us proud on a day to day basis, at Too Good To Go, is our mission. I think we're a living example that proves that you can scale-up, be a company with a mission, and be a profitable company.

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And every morning we look at the numbers, and the numbers we measure are the number of meals we've saved. We're talking about 250 million meals across the group, with 70 million in France alone since our launch. It's an immense source of pride for our teams, it's also an immense source of pride for me, and it's something that is ultimately really simple for me, in my role as day-to-day general director.

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Because our company's mission is simple, it's accessible to everyone, and most of all, it's not shifting every few weeks. How many of us have worked at companies where, with every new arrival of a new CEO or director, you have a change of vision, of mission, and as a result you no longer understand anything and you have to realign?

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Our mission has always been ending food waste, and making sure that we help as many people as possible: producers, manufacturers, consumers, and distributors, so as to put an end to food waste. And that's really the beauty of our mission. And that's what makes our teams really very proud. So all in all, my advice is that there are lots of small things you can do on a daily basis that can significantly reduce food waste.

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And in the end, food waste has been identified as the leading concrete action that everyone can take to significantly reduce their greenhouse gas emissions. Ultimately, it's not all that hard to do. There are hundreds of eco-friendly actions you can make every day, but I think this one is as simple as turning off a light.

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Quite simply, before throwing something away, ask yourself: can I actually repurpose this food? Do I really need to throw this food away? And of course I also recommend that you download the Too Good To Go app, and above all that you use it. It's all very well having it in your pocket, but you also need to remember to look at it regularly.

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What's available near my home? What's available near my office? Because there are new businesses joining us nearly every day. And, typically, you're able, on your own scale, and in a very simple way, to save unsold items.

You can find all the episodes of On The Way on your favourite podcast platforms, and on the personal-finance.bnpparibas website, the links and references cited by our guests can be found in the introductory text of each episode..

And if you'd like to take to our microphone, please contact <u>nicolas.meunier@bnpparibas.com</u>.

See you very soon!

Classification: Internal