Innovation Watch

Brought to you by CBRE

Q2 2017

ANDREW PHIPPS Head of Retail Research, EMEA



Innovation, but that won't work for us...

When presenting on the subject of innovation and sharing some of the ideas that are being trialed around the world I am sometimes challenged as to practical application. It's a fair challenge and one I am always happy to respond to.

As an example, in this quarter's issue there is a store called Rchmond (not a typo) in Halifax, Canada. It offers what might best be described as extreme minimalism. Offering only a few items in a store that would readily take ten times this level of stock. How is this high end fashion store relevant to a traditional mall or high street? To me it's a simple demonstration of curating the offer. Consumers want an 'edit', they want to feel the retailer has thought of them and understands their requirements. Its not about having a store that has 'hardly any stock' it is about seeing the role of the store in a different way. About not being nervous about trying something different, even if it doesn't look like the other stores that surround it.

Another example is the running shoe made from algae. What on earth does that have to do with retail? It's again a relatively simple demonstration of how important sustainability and the management of our scarce resources are. Small demonstrations as to how a brand is addressing these points resonate with consumers. Visible demonstrations of the corporate culture in the public arena work far better than CSR statements on a website.

Innovation without interpretation is just a cool idea that won't progress. It is so important to be able to see the DNA of the innovation. To be successful in the application of new ideas, you have to look beyond the 'actual' innovation itself. What are the core elements that this innovation has, what problem does it solve, what opportunity does it create? The most successful innovators tend to be those that can take the essence of an idea and envisage how that apply to many different sectors.



Comments and questions are always welcome Email: <u>andrew.phipps2@cbre.com</u>

CBRE

Innovation, A child's view – Alexander speaks...

The best source for innovation or for understanding what might work and what not is definitely my children.

Alexander, 7 and Madeline, 10 speak the unvarnished truth and can interpret ideas in a very different way to my overly complex way of seeing things.

Alexander's latest idea came about when discussing the impact of robotics on the workplace (yes ok we have very stimulating conversations in my house!)

"I'd have a robot to do my homework" fairly obvious so far, "yes I'd teach it so it wouldn't get every single thing right, it would have to make the mistakes that I might make so the teacher would think it was me. Then we could make it look like me so it could go to school and I could just stay at home and do what I wanted." OK well that makes sense, a robot to do the things he doesn't enjoy. But then...more

"It would need to know who my friends are and what we talked about and what games we play. I don't want people to stop liking me because my robot is naughty! It would have to get bigger like I would, I won't be 7 for ever!"

So yes on one hand a 'cute' story of a boy that wants a robot to do his homework and do the 'boring' stuff in his life. But maybe it's more than that. Maybe it's about using technology in ways that helps us without making us obsolete. Giving people the impression they are still dealing with a person, with the idiosyncrasies that each of us have. Is this the future for robotics and automation?

Do we need to give 'human' characteristics to the technology we develop? Is that what will increase adoption rates? This might be why we see 'robots' created to assist with age care, to give directions etc. all being created in a humanoid form. There is no requirement for this to be the case but maybe this is what people are more comfortable with.

The way we program devices to work with us will be a key determinant in their success or failure.



CONTENTS

- Interesting store concepts
- Eating and drinking establishments
- Sports special
- Children's special
- Making life easier



STORES INTERESTING CONCEPTS



Totokaleo, New York, USA



Fashion concept store

Five floors of edgy fashion, linked by art and desirable objects. 'Mainstream' high end brands sit alongside 'new' and 'to be discovered' gems. A soaring atrium and a maze like layout pulls together a courtyard, fantastic displays and dressing rooms



En Route, Tokyo, Japan



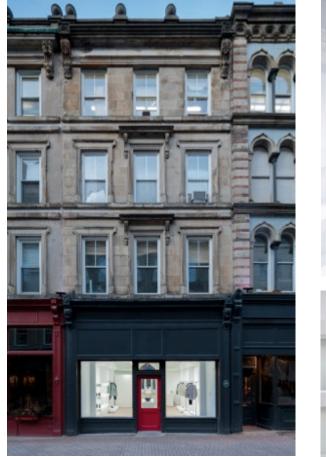
Urban running store

The vision of the store is to 'create new metropolitan life.' Offers fashion as well as core running gear. The difference is that this store also offers showers, locker rooms and maps of suggested running routes around Tokyo. Combination of fashion store and running club



Images sourced: Retail Square

Rchmond, Halifax, Canada



Extreme minimalism

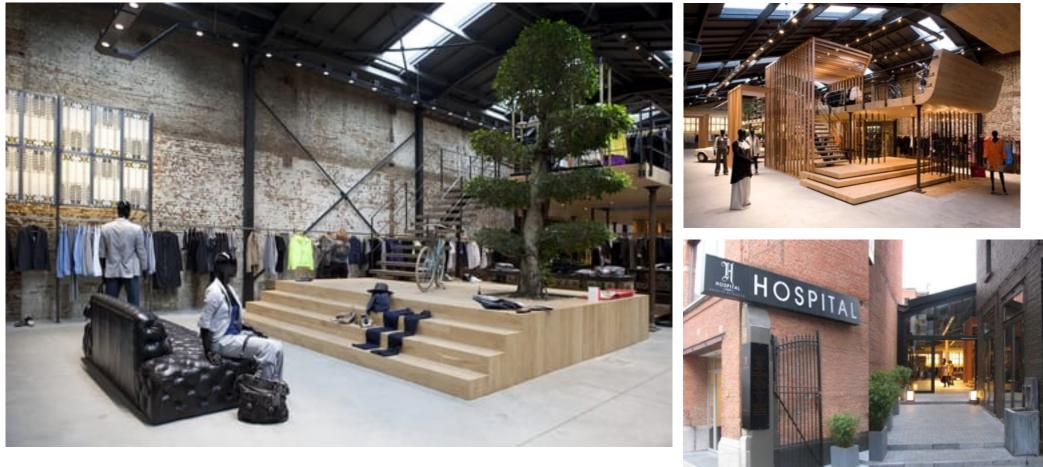


A multi-brand fashion concept based in Halifax launched a new store in the city's historic block which has recently been repositioned as a cultural hub. Stark white walls and a completely open layout and design allow the focus to be completely on the clothes and accessories



Images sourced: Dezeen, Camra

Hospital, Antwerp, Belgium

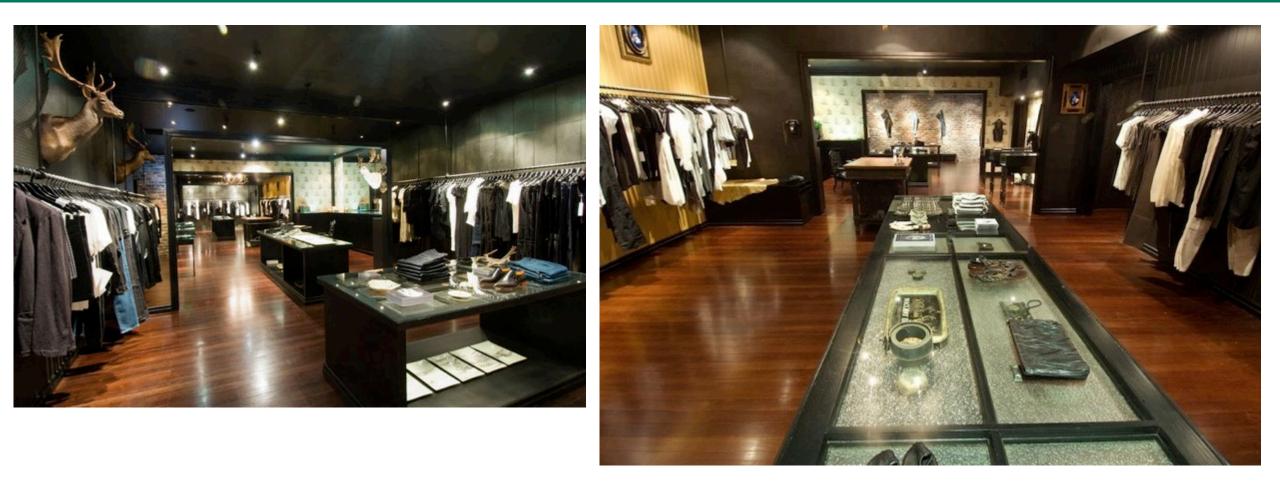


Fashion and lifestyle store

Trendy concept store, 'similar' to 10 Corso Como. Mixture of high end and casual brands and accessories for men and women. Seven meter high ceilings, staircase accentuated by a tree and an eclectic approach to design



Fallow, Brisbane, Australia



Hidden away, worth seeking out

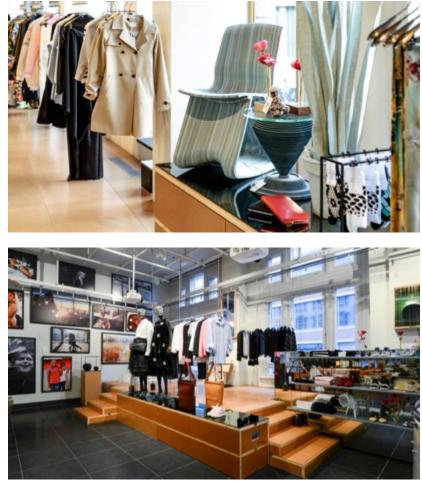
Tucked away on the 2nd floor of an old office block. A dimly lit entrance way that offers a single door with an antler handle leading the way to curated menswear and womenswear ranges. Hand finished eyewear, unusual jewelry and sumptuous homewares completes the offer



Images sourced: Style Zeitgeist magazine

X BANK, Amsterdam, The Netherlands





Hotel meets retail

A fusion of fashion, art, design and culture. Set in the W Hotel in Amsterdam, the offer changes on a frequent basis and is as much a showroom space as a shopping environment. Exhibitions, workshops, furniture, fashion and design ideas combined to create a unique experience



Images sourced: wamsterdam

Trés Bien, Malmö, Sweden



Great demonstration of how to use the store to drive online sales

A premium fashion boutique situated in a 'holiday' location, low footfall and some weeks where it only opens on Saturday. Clever use of an in-store photo studio that creates seasonal look books. Sales online far outstrip those of the store and a loyal following await each new shoot!



Maison 10, New York, USA



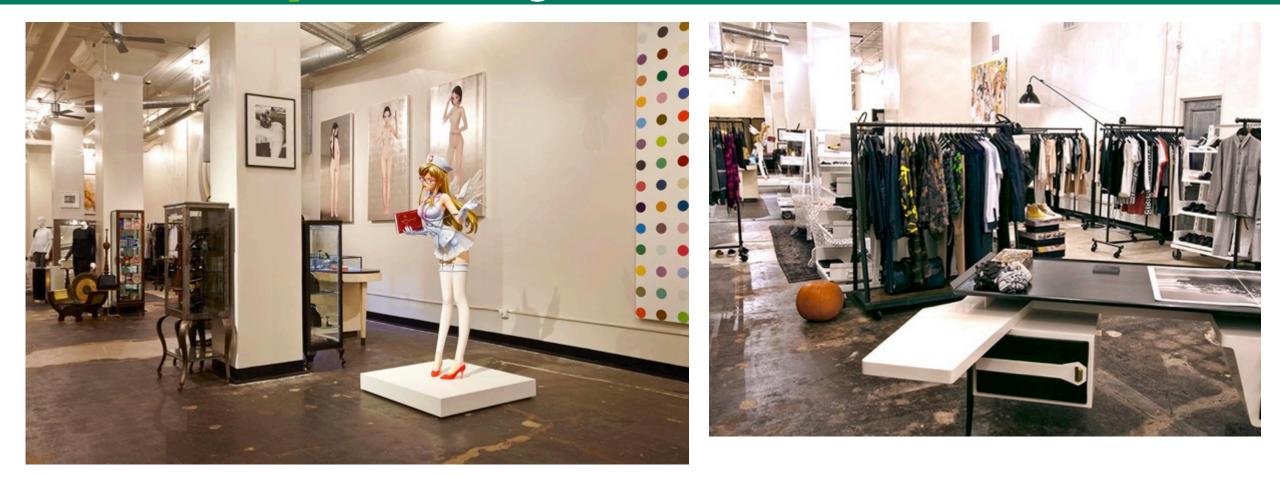
Ten is the magic number

Ten items, across ten categories, featured for ten weeks only. 100 items are available online and in the store (buy it now or miss out!) Nine categories remain the same with one changing each ten weeks, also 10 works from 10 artists and 10% of the price goes to a charity of the customer's choice

Images sourced: strend

CBRE

Just one eye, Los Angeles, USA



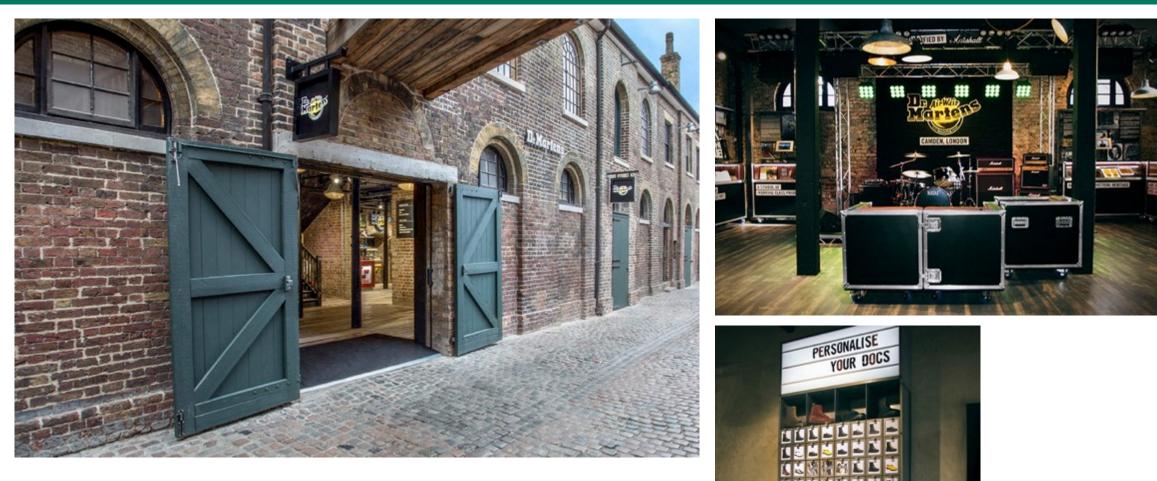
Retailer, gallery, studio

An eclectic range of product, \$50,000 hoodies sit next to \$65 t-shirts. New and upcoming artists exhibit their product and give the place a refreshing look every time you visit. Product laid out in a 'haphazard' manner but curated so there's always something of interest



Images sourced: Pinterest

Dr. Martens, Camden, London, UK



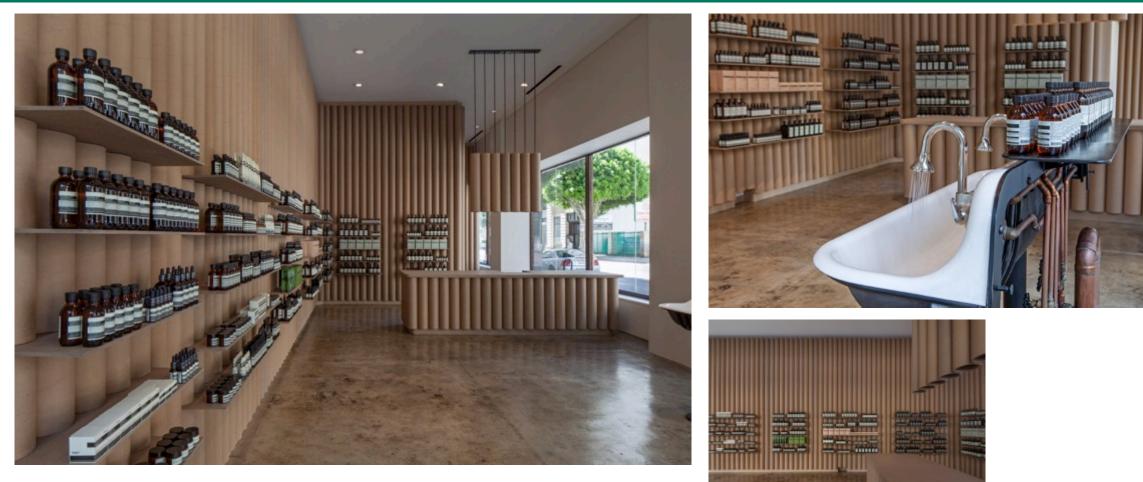
Flagship store in their spiritual home

Two level flagship store in one of the oldest parts of Camden Market. Fully set up gig space features new bands, DJs and artistes every week. Oculus Rift technology allows a view into the history of the brand and 'personalize your docs' allows you to express yourself in the 21st century



Images sourced: Camdenmarket

Aesop, Los Angeles, USA



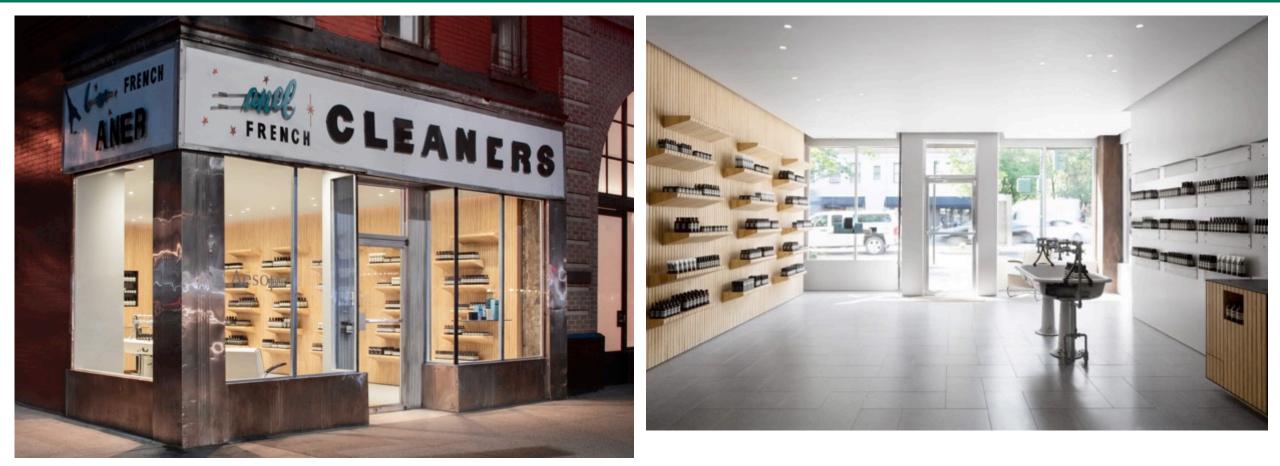
Using recycled materials to create something beautiful

In Aesop's largest store to date, 6" round cardboard tubes have been used to line walls, create furniture and fixtures and fittings. Original floors from the 1920's have simply been polished and the shine of the concrete compliments the comforting hues of the light brown packaging



Images sourced: Dezeen

Aesop, Manhattan, NY, USA



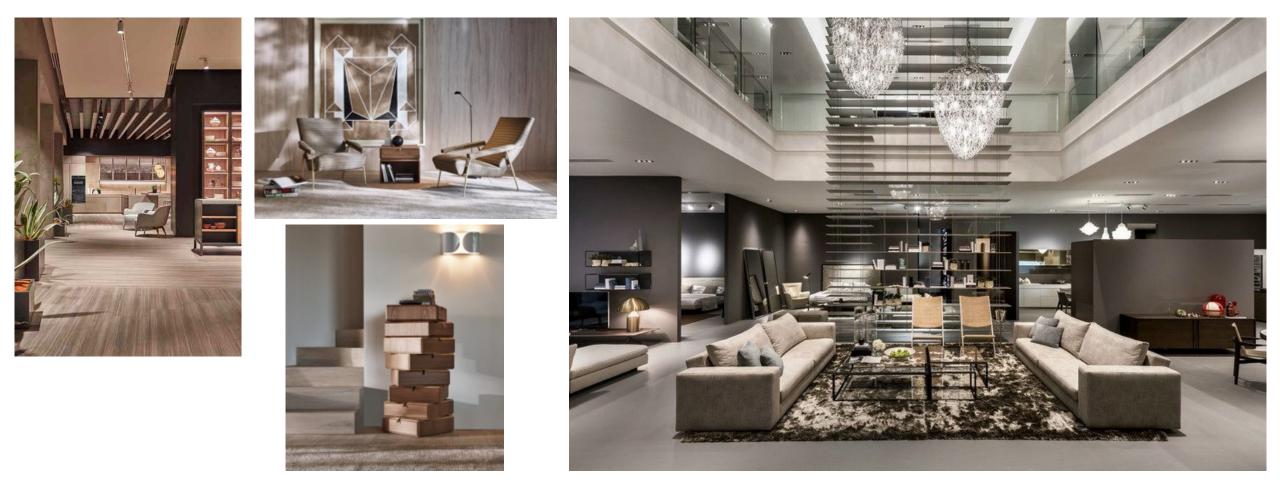
Converting a dry cleaners into a cosmetics store

This family run drycleaners chose Aesop as the brand they wanted to take this store when they decided to retire. The designers kept the façade and signage of the original store. The interior was given an overhaul to bring the product front and center.



Images sourced: Dezeen

Molteni&C, Milan, Italy



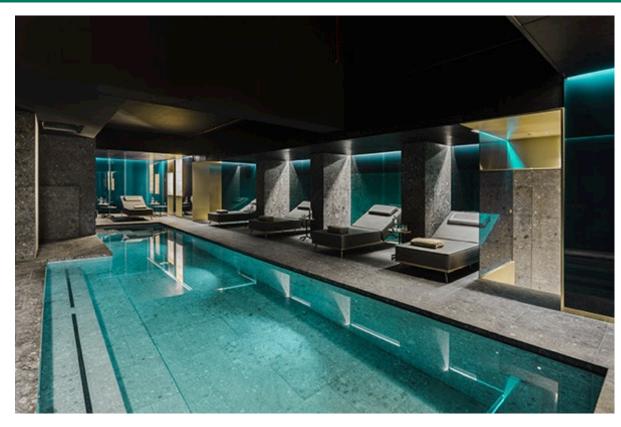
Creative designer's interpretation of a flagship store

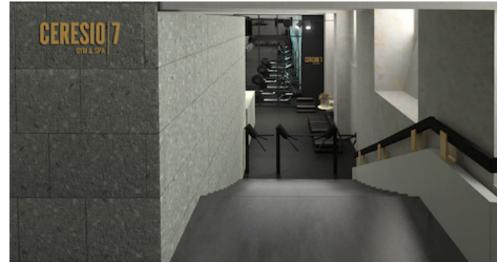
Situated in Corso Europa, part of the new Durini Design District. 1300m², 15 shop windows and two levels. Creation of a 'secluded' home from home' achieved via the materials used and the atmosphere they help create. Raw metal, oxidized wood and glass promote the luxury vision



Images sourced: Essential Home, archiproducts

Dsquared2 Cresio Gym & Spa , Milan, Italy







Private member's club in a flagship store

Located in the basement of the store, 20,000ft² divides into four areas – health, nutrition, medical and spa. Curated treatment rooms, Turkish bath, pool and hi-tech machines ensure invited members receive an holistic approach their well-being



Moby Mart, Shanghai, China



When you just wish the shops would come to you......

What would make a convenience store more convenient? If the store came to you, right! Swedish start up Wheelys combined with a Chinese university to create a driver-less, cashier-less store. Can drive to the warehouse to 'restock' itself and as soon as regulations allow it can deliver itself to you! mages sourced: Fast Company, Digital Spy



Boro Clothing, Toronto, Canada



Peer to peer clothes lending service

The premise of the idea was 'too many garments are purchased to be worn only once.' The answer is a service that 'rents' people's items to others and pays the originator a fee. Items rented for 4 or 10 days, only pay if it fits then a member of the team comes by to collect the item on the return date



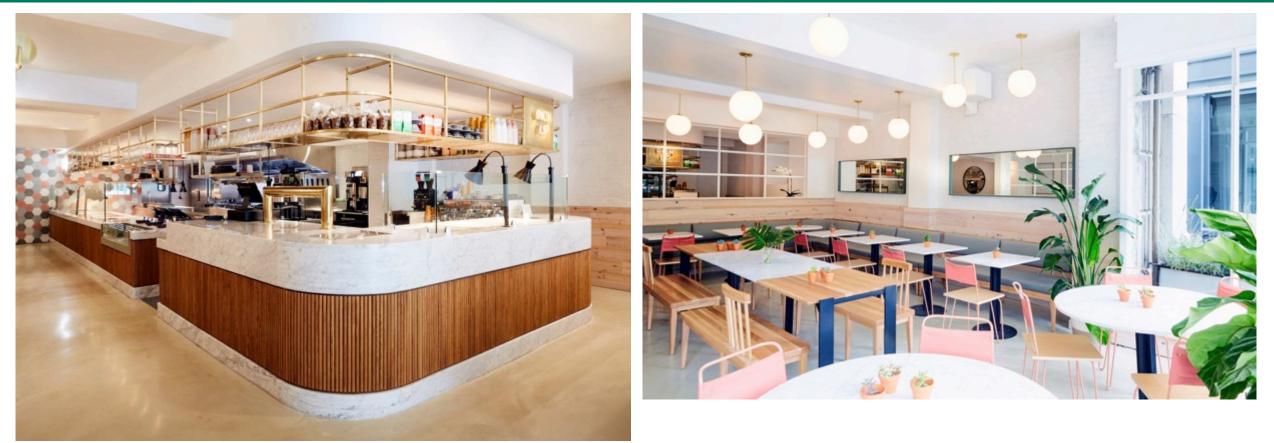
Images sourced: Fast Company, Digital Spy

EATING & DRINKING FOOD & BEVERAGE OUTLETS

NOPAL PLATE \$6.

DELICIOUS DELICIOUS TACOS

Dig Inn, Boston, USA



Farm to counter dining – breakfast to dinner

First location outside NYC. Largest to date, 3000ft2, muted tones, simple palette and a mix of pine and marble make this a peaceful, light and airy space to eat in. Provenance of the food is key.



Images sourced: Dezeen

Shreebs Coffee, Los Angeles, USA



Branded pop-up coffee store

One of the most instagrammed coffee shops anywhere. Cold brew, signature coffees and blends. Keeps the intrigue going by popping up in unexpected places across LA. Locally brewed coffee, great service and 'where will it be next' vibe all make for a compelling offer



Images sourced: Shreebs coffee

The Quonset Project, Carlsbad, CA, USA

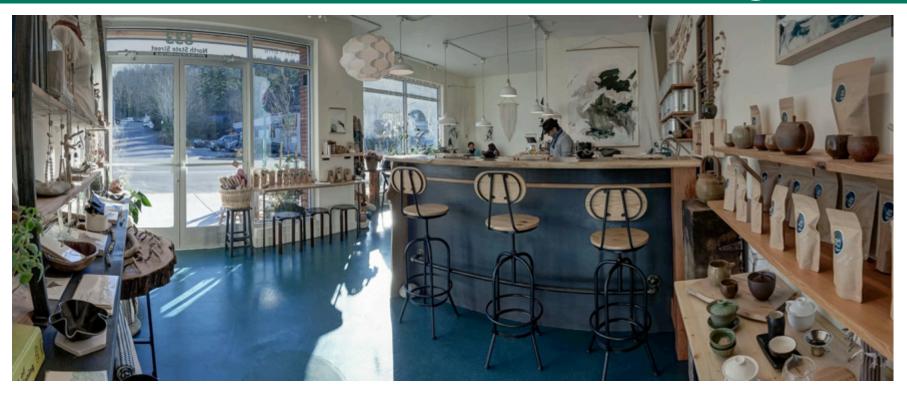


Auto body shop restaurant

Converting an old body shop into an interesting restaurant in a small town in Southern California. The venue allows for working, dining and simply having an early evening drink



Saku Tea and Latte bar, Bellingham, USA









Exquisite teas and wonderful service

People travel from miles around to visit this tea house. An artisan offering of creative and energizing drinks. Now looking to expand into retail and wholesale offer. One comment made by the owner 'in a year only 3 people have ever asked for wi-fi, people prefer to just interact with each other'



Images sourced: whatcomtalk, SAKU Tea

Primo Café bar, Tübingen, Germany



Sustainable brand and design

Italian coffee set in an environment that places the service counter at the center. 10 meter long counter is designed to create a real coffee store environment. This café is positioned in the Zinser fashion store and does a great job of enticing and engaging customers.



Images sourced: Retaildesignblog

Jncquoi Lifestyle Concept, Lisbon, Portugal



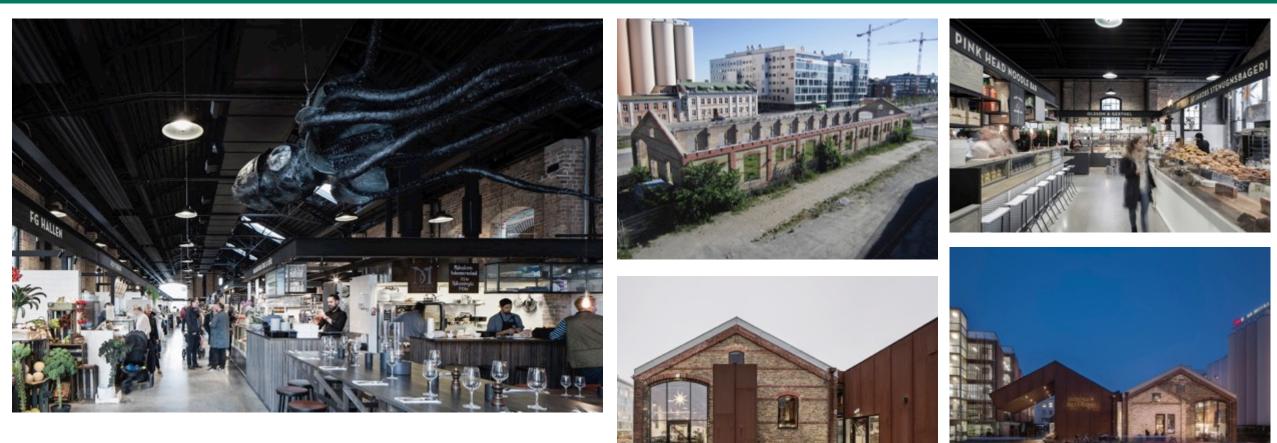


Luxury lifestyle concept

Three level offer in the old Tivoli movie theatre on Avendida da Liberdade. Incorporates a restaurant with Portugal's largest wine listy, deli and bar and a men's luxury fashion store. Interesting features include a Laduree bakery, wine tasting area and an art offer.



Market Hall, Malmö, Sweden



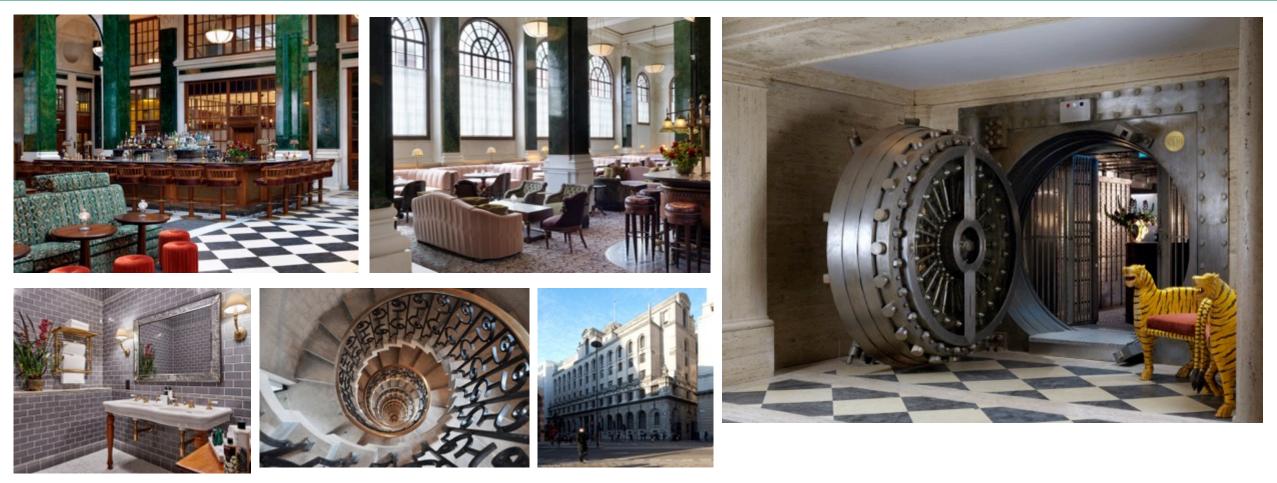
Freight depot conversion to food hall

1500m² space, clad with weathered steel imitating the industrial character that previously dominated the area. A mix of food stalls, cafes and restaurants has created a destination for many. No multi-national chains currently in evidence, global foods are on offer but from independents



Images sourced: Dezeen, archdaily, tripadvisor

The Ned, London, UK

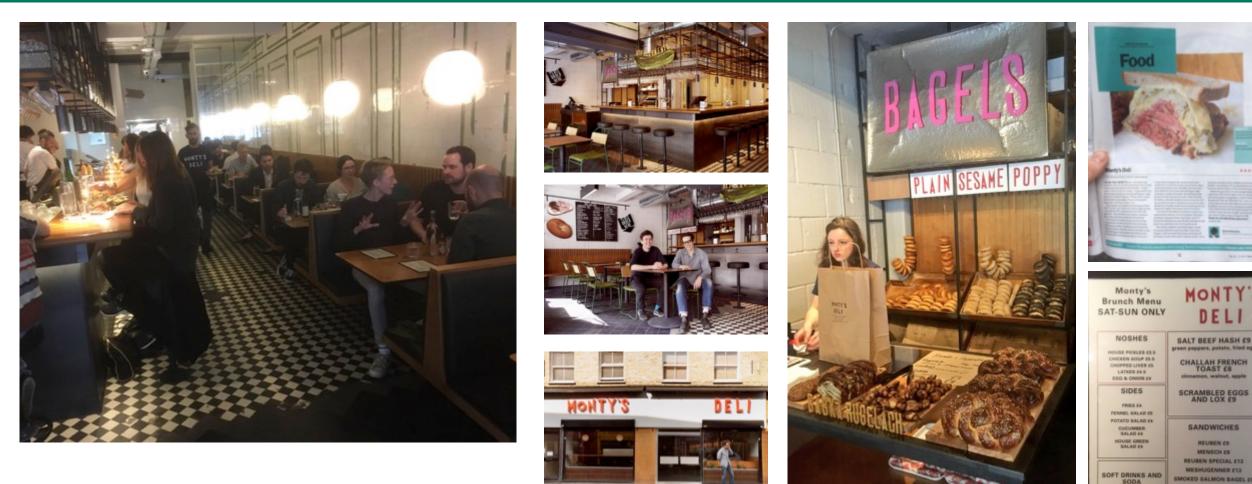


Former Midland Bank converted to hotel and members' club

Soho House & Co converted the Edwin 'Ned' Lutyens building and renamed it in his honor. Bars in the bank vaults, multiple restaurants in the large banking hall and a heated pool and bar on the roof with views of London City.



Monty's Deli, London, UK



Market stall upgrades to full scale delicatessen

Taking inspiration from NYC's Lower East Side this new deli raised £50,000 via kickstarter to create this permanent residence in a converted bakery space. The aim is to become a staple of local life as opposed to venue that goes out of fashion as quickly as it arrived.



COCKTAILS

IL OCCUPY NAMES

NEW YORK EGG CREAM

CORE/D COKE ET &

RESH GRANGE ELS

TEA. COFFEE EX

Oscar Mayer, Arkansas, USA



A flying wiener!

A drone and motorcycle have been added to the Oscar Mayer delivery fleet for the 4th July celebrations in Weiner, Arkansas. The WeinerDrone carries one hot dog per delivery and will be highlighting the 'healthier' options now available



Images sourced: Coolhunter, TheDrive

SPORTS SPECIAL ASPECTS OF SPORTING INNOVATION

Trainers made from algae



Vivobarefoot and Bloom

The manufacturer of ultra-lightweight shoes and an algae harvesting business have joined forces to create performance footwear. Algae is 'vacuumed' off a lake, dries using solar power technology and formed to create a powder which can be injection molded.



Images sourced: Geek, Smithsonian

Mass production 3D printed trainers





Adidas and Carbon

Partnership between footwear giant and silicon valley start up. Initial production run of 300 for friends and family with plans for 100,000 pairs to be 'printed' in 2018. New production methods allow for different designs and much faster manufacture.



Images sourced: sneakernews, theverge

3D printed prototype



Nike and Prodways

Although Nike have not yet released definitive timings of a release for consumers they are investing heavily in developing 3D technology for their footwear. Their approach is to reduce 'speed to market' for new products and to allow greater flexibility for design features.



Images sourced: Sneakernews, Nike

The city's first ever climbing window



22 Bishopgate and PLP architecture (AXA IM Real Assets and Lipton Rogers Development) The new development at 22 Bishopsgate in the heart of London is heavily focused on the benefits of wellness. Nowhere is this more clearly seen than in the installation of a climbing wall with a difference. A climbing window situated 125 meters above the most amazing views of London. Images sourced: Purple PR, Architect



Knowing your foot type



Neogama and Asics

Choosing the right running shoe for your foot type normally means a visit to a specialist running store to have your feet checked and analyzed. Brazilian ad agency Neogama developed a print ad covered in thermochromic ink, the ink reacts to the foot's heat and and illustrates the foot type



Guided yoga via your clothes



Wearable X, USA

Yoga clothing with built in technology that guides you through your 'yoga flow.' Using vibrational feedback, yoga pants gently encourage you into the right position via gentle pulsing around the hips, ankles and knees, connects via your smartphone



Images sourced: WearableX,, Dezeen

Basketball in the streets of Paris



Nike, III-Studio and Pigalle, France

Basketball court positioned in a row of buildings in the 9th Arrondissement of Paris. The court sits opposite the Pigalle basketball store



Images sourced: designboom,

CHIDRENS SPECIAL INNOVATION AND COOL IDEAS



Linefriends playground, Beijing, China



Shopping centre playground par excellence A 9,500ft2 children's indoor playground in the Beijing Yintai Centre in 01 luxury shopping mall. Focus is on the concept – the world beneath your feet





CBRE

Marni Playground, Milan, Italy





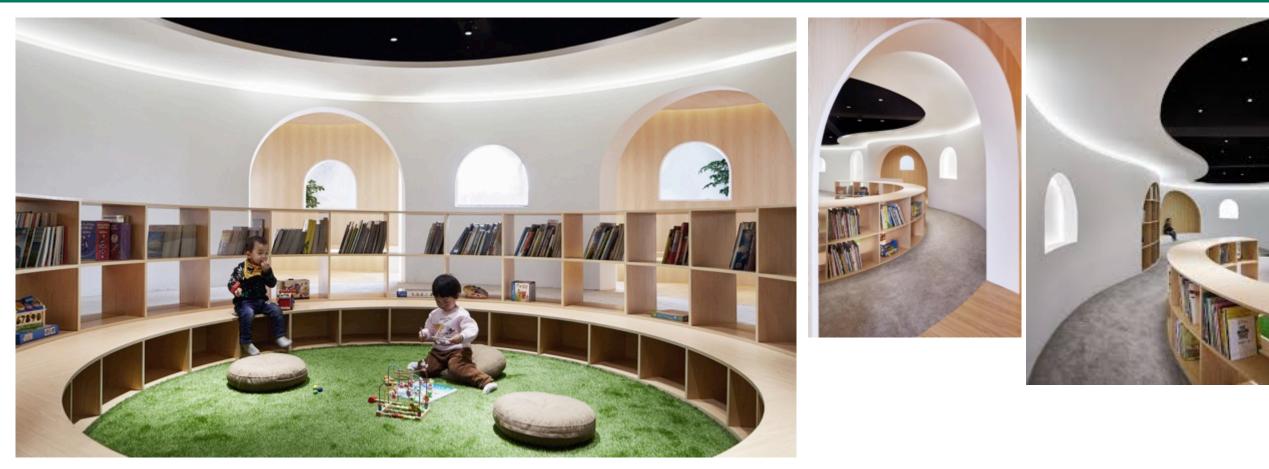


Reinterpretation of childhood toys for a playground installation

Italian fashion brand Marni designed a playground for Milan Design Week filled with brightly colored, traditionally designed toys and furniture. Different areas marked out by changing colors of sand. Each piece designed to allow children and visitors to interact as they choose



Sissi's Wonderland Library, Shanghai, China



Private reading spaces in a public library

Curves and simple open spaces combine with pockets of privacy, all aimed at encouraging children to read and to enjoy the experience. The idea is that the building is designed to have the look and feel of a giant toy, the building itself is meant to be interacted with in a tactile manner



Images sourced: Pinterest, dezeen

Moonlite, USA



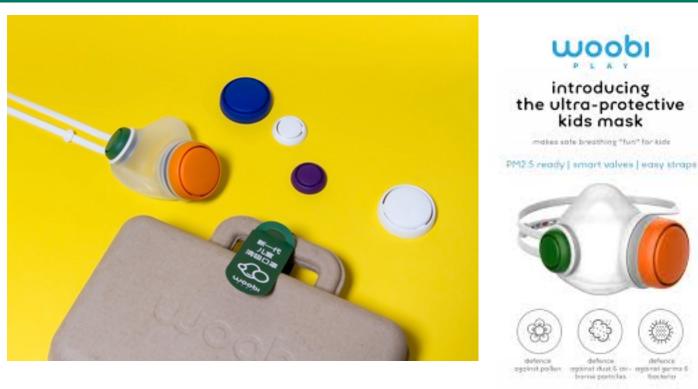
Story time projector for your phone

Smartphone projector clips onto a phone and uses its flash to project an image onto any surface. Provides an added dimension to story telling, clip in the story reel, tell a story and let the projector help to stimulate the imagination



Images sourced: kickstarter, mogulbaby

Kilo Design's Woobi Play, Denmark





Anti-pollution mask aimed squarely at children

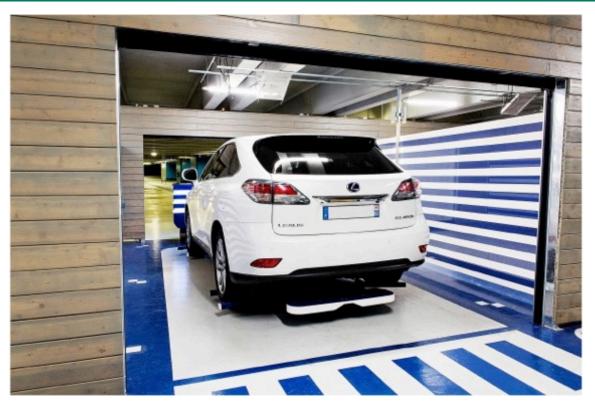
The product comes disassembled with an educational manual, aimed at children 6 years and older. Modular approach encourages children to put the product together themselves and the different color parts allow for customization. Launches in China later this year. (Unicef reports 300m children live in areas with the most toxic reported levels of pollution)

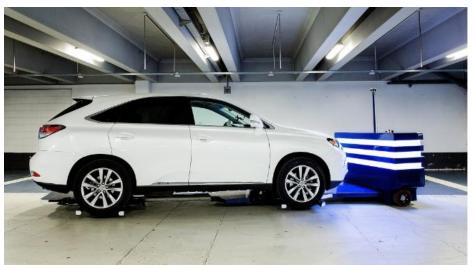


MAKING LIFE EASIER A CONUCOPIA OF NEW IDEAS



Stanley Robotics, Charles de Gaulle, Paris, France









Robotic valet parking

Trials underway at Charles de Gaulle airport for automated garage and parking system. Drivers park in a designated bay and then a robot 'parks' their car, booking linked to flight details and car ready for when you return. Robots allow much better density of parking



Images sourced: techcrunch, designboom

DrnkPay, London, UK



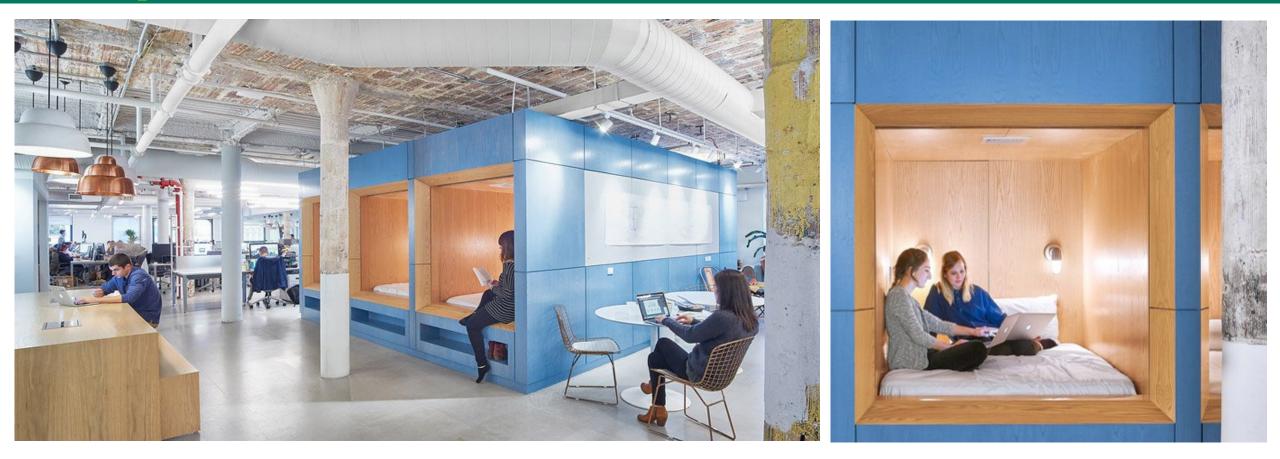
No more regrets the morning after.....as far as purchase decisions that is

The world's first mobile payment system that stops people spending when they have had 'too much' to drink. It's an APP that connects a breathalyzer or biosensor to the users credit / debit card. Once a preset limit has been reached the app will lock your cards (all purchases or just set types)



Images sourced: Evening Standard, spanet

Casper, New York, USA



You said you wanted to relax at work, right?

Recent CBRE research into millennials clearly highlighted the importance of rest and relaxation space at work. Staff are encouraged to hold meetings or just to take a nap on beds provided in the office. The whole office is designed to be a relaxing yet efficient working and living space

CBRE

Images sourced: Float Studio, retaildesignblog

iSalone de Mobile, Milan, Italy



Stress reduction pods

reset

A multi-disciplinary team of experts joined forces for the exhibition 'Work 3.0 – a joyful sense of work.' The focus being the creation of a fully immersive structure that offers proven stress reduction methods. **CBRE** Stress reduction and reaction to the differing methods is captured and allows for ongoing refinement

Images sourced: createscapes, designboom

Instant City, New York, USA





CBRE

Conceptual design to 'solve' New York's housing challenge

Calls for vacant airspace above existing New York buildings to be used to create low cost housing options. The modular solution would contain housing and public space and encourage shared living. Although this particular concept is unlikely, it is possible because of purchased air rights (TDRs) which allow developers to buy the 'air' above existing buildings Images sourced: artistworks, newyorkhousingchallenge





Q2 2017

ANDREW PHIPPS Head of Retail Research, EMEA



Retail Science from CBRE