Ecommerce Ins&der

Plus Bewildher on creating change // Empire on aligning values // la Vie en Rose on listening to shoppers

All that glitters

Mia Bijoux helps a new generation of shoppers look beyond the sparkle to understand the brand's values







Delivering a sustainable future

Canadians have spoken. They expect businesses to take meaningful action when it comes to the environment. To them, the way you deliver is just as important as what you deliver.

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Ecommerce Insider

Spring & Summer 2023

5 Letter from CEO

President and CEO Doug Ettinger discusses how Canada Post is creating a better tomorrow for Canadian businesses and their customers.

6 Cover story

Mia Bijoux appeals to shoppers looking beyond sparkle to understand the brand's values.

10 Infographic

Explore everything you need to know when targeting the newest generation of shoppers.

20 Infographic

Discover 10 effective packaging choices that can reduce a retailer's impact on the environment.

28 Canada Post news

Delivering more for the greener good with a number of initiatives.

30 Business profile

Empire stays aligned with values as business, customers and competitors evolve.

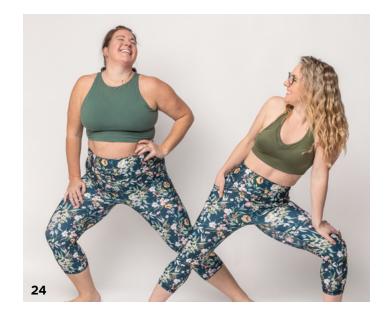
36 Business profile

la Vie en Rose is shaping the future of the brand by listening to – and meeting – the needs of shoppers.









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Investing today for a better tomorrow



There's no better investment than in tomorrow.

For our communities. For our planet. For our collective future. Over the last few years, we have watched with pride as Canadian businesses like yours have taken incredible strides into the future, investing in the infrastructure, insights and strategies necessary to create a better tomorrow for your business and your customers.

At Canada Post, we believe you deserve a partner as committed to tomorrow as you are.

That's why we're investing substantially over the next five years – to build capacity, enhance our network, improve service and launch innovative solutions. As part of this commitment, we are investing in our environment – working toward a sustainable future with climate-action targets and through large-scale initiatives including electrifying our fleet, greening our buildings and introducing carbon-neutral shipping.

As ecommerce continues to grow in Canada, we want to be the delivery partner that enables your success by understanding the needs of your business and your customers.

In this issue of *Ecommerce Insider*, we celebrate a few Canadian businesses creating new possibilities for tomorrow. Protecting the environment. Supporting local and global communities. Establishing purpose and leading with values. Creating new and responsible ways of doing business. We hope you are equally inspired by their stories as they are just a few examples of the many great businesses across this country.

As we move forward, Canada Post is committed to delivering more for your business and in serving Canadians across our great country, building a stronger tomorrow, together. •

Doug Ettinger President and CEO

All that glitters

Mia Bijoux appeals to a new generation of shoppers looking beyond the sparkle to better understand the brand's values



Even the most traditional of industries are being seen through fresh eyes by modern shoppers.

Take jewelry. In Canada, this \$3.6-billion business has been defined by its highest end for decades, with shoppers more attuned to eye-popping price tags than what work it takes to bring these stunning pieces to market.

But all that is changing thanks to a keenly astute new shopper looking beyond all that sparkle.

"It is difficult to stand out in the jewelry industry right now. You need to use strategies that will connect with Gen Z and younger Millennials. If you don't, you just fade into the competition," said Melissa Robert, Director, Marketing and Ecommerce, Mia Bijoux. "That's why everything we do keeps systemic sustainability in mind. Every move, every strategy focuses on the customer and their values.

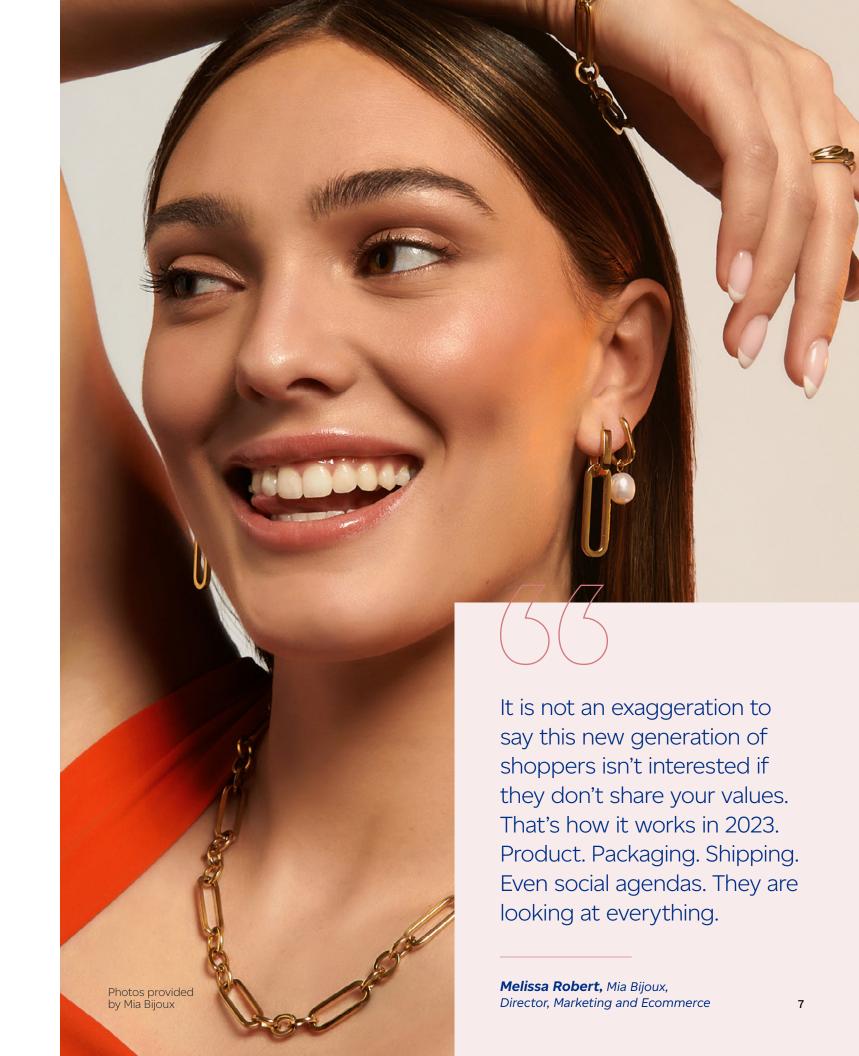
"It is not an exaggeration to say this new generation of shoppers isn't interested if they don't share your values. That's how it works in 2023. Product. Packaging. Shipping. Even social agendas. They are looking at everything."

Founded in 2011, Mia Bijoux creates beautiful and sustainable jewelry that is also allergy free and safe for the skin. Free of toxic materials, the Quebec-based brand's creations use the softest, most hypoallergenic materials possible, including pioneering the use of stainless steel and lab-grown stones in high-quality women's jewelry.

Largely, the company targets young professional woman, 25-45 years old, but it has begun to attract a new generation of younger shoppers: Gen Z and younger Millennials. This new wave is attracted to the brand's environmental and social sustainability efforts that drive every corner of the operation.

"All of our customers are looking for quality and value, but we fit with the needs of this upcoming generation as they are very conscious shoppers. Once they discover Mia, they like what we have to offer," Robert said.

When it comes to social and environmental issues, Generation Z is not only hyperaware of what's going on in the world, but feel their actions can create lasting change. It's an incredible consumer microscope that Mia Bijoux welcomes being examined under.



COVER STORY

Beyond the products, the company prides itself on presenting a socially responsible, authentic and eco-friendly face for shoppers.

"Gen Z doesn't only buy a product; they buy into a company, its values and its people," said Kim Labrecque, General Manager, Mia Bijoux. "They want to know everything. This is the big difference between this new generation of shoppers and all others. They look beyond the product."

Labrecque pointed out the importance of social responsibility, for example.

"They want to know if we have a human touch," he said, citing the brand's Earrings of Hope campaign.

Every year since 2014, Mia Bijoux has created an exclusive pair of earrings in collaboration with Leucan, an organization that supports children during their fight against leukemia. For each pair sold, the company donates \$20 to the organization.

To date, the Earrings of Hope campaign has donated more than \$1.1 million.

That's just one piece of solving a larger puzzle of Gen Z. Robert added.

"They don't shop the same way. They may love a product, love the style, even love the price, but that doesn't mean they buy right away. They do more research about the brand first. They read reviews. It's very important what their friends think about the products, too," she explained.

"They love quality, they want quality, but if they find a company offering something very similar that fits more with their values, they will choose that one."

Those conditions create incredible pressures on brands to understand shoppers.

For Mia Bijoux, that means listening and watching shoppers closely. In addition to direct communication with customers, the company also follows trends online, including watching what people are sharing through social media. It's all about staying active in the conversation, Robert said.

The largely ecommerce brand also looks to expand its ambassador programs in the coming year to help "spread the word about Mia" through social media, particularly across English-speaking Canada.

That's not something the industry has worried about with previous generations of shoppers. But, as Robert points out, the industry has changed.

"It's a lot of pressure. But we want to stand out from the competition and so we need to understand everything they want from an enterprise," she said. "We all need to realize that this generation of shoppers is much more conscious. They are looking for the best thing for themselves and the planet. We are not going to change them; they are going to change us."

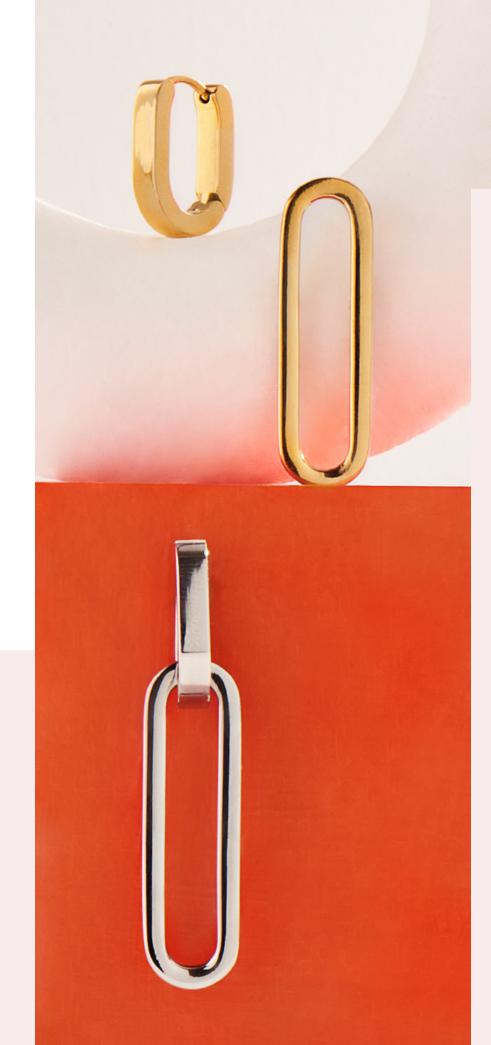
mia-bijoux.ca 🗧



We all need to realize that this generation of shoppers is much more conscious. They are looking for the best thing for themselves and the planet. We are not going to change them; they are going to change us.

Melissa Robert, Mia Bijoux, Director, Marketing and Ecommerce







Key Takeaways

01

Brands can prepare for the future by taking note of the bottom-up shifts in shopping behaviour that arise as older generations follow their lead.

02

When engaging Gen Z and Millennials, be clear about your brand's purpose and values and how they are part of how you do business.



Share your sustainability story and what you're doing to positively impact the environment and society across every customer touchpoint.

Source

Canada Post's 2022 eShopper Survey conducted by Phase 5 Consulting Group, May 2022.



Know tomorrow's shopper from A to Gen Z

Introducing Generation Z!

Born between 1995 and 2008, these digital natives have been raised on the internet. This group of up-and-coming shoppers – representing **more** than 7 million in Canada alone – is overturning the expectations of brands, accumulating spending power and even starting to influence the shopping habits of all Canadians. Here's why your business should start thinking about appealing to this demographic, sooner rather than later.

Loves to get social (media)

Gen Zers are dependent on two-way conversations - not just with their peers, but with brands, too. Digital media plays an important role in enabling these interactions.

When it comes to shopping inspiration,

32% turn to social media,

26% refer to online video, while

22% look to blogs and influencers.

Majorly mobile

Having grown up in an always-on, mobile world, Gen Zers prefer to shop online using their mobile devices - leading the shift away from laptop and desktop dependency in ecommerce.

Share of online purchases made by device:



Tips to attract Gen Z

Embrace mobile by offering frictionless payment options that enable customers to buy their way - from PayPal, Apple Pay, Google Pay and Shop Pay.



smartphone



laptop



tablet

Checking out

As mobile-first shoppers, they have been a driving force in the evolution of online payment technologies and processes, with a razor-thin tolerance for poor checkout experiences.



multiple payment options

(e.g., credit card, PayPal and Apple Pay)



guest checkout option

(no log-in required)



instant checkout for returning customers

Demanding speed and flexibility

Gen Zers appreciate fast, flexible and convenient delivery experiences. When choosing among retailers, they look for the following delivery features:



fast (same- or next-day) delivery



choice of shipping speeds



flexible delivery options



11

INFOGRAPHIC

Taking personal responsibility

Before buying from a retailer, Gen Zers consider the retailer's values, in many cases far more than previous generations, including whether it:

Protects the environment

20% Gen Z

15% Millennials

12% Gen X

11% Boomers

Treats its employees well

19% Gen Z

14% Millennials

12% Gen X

11% Boomers

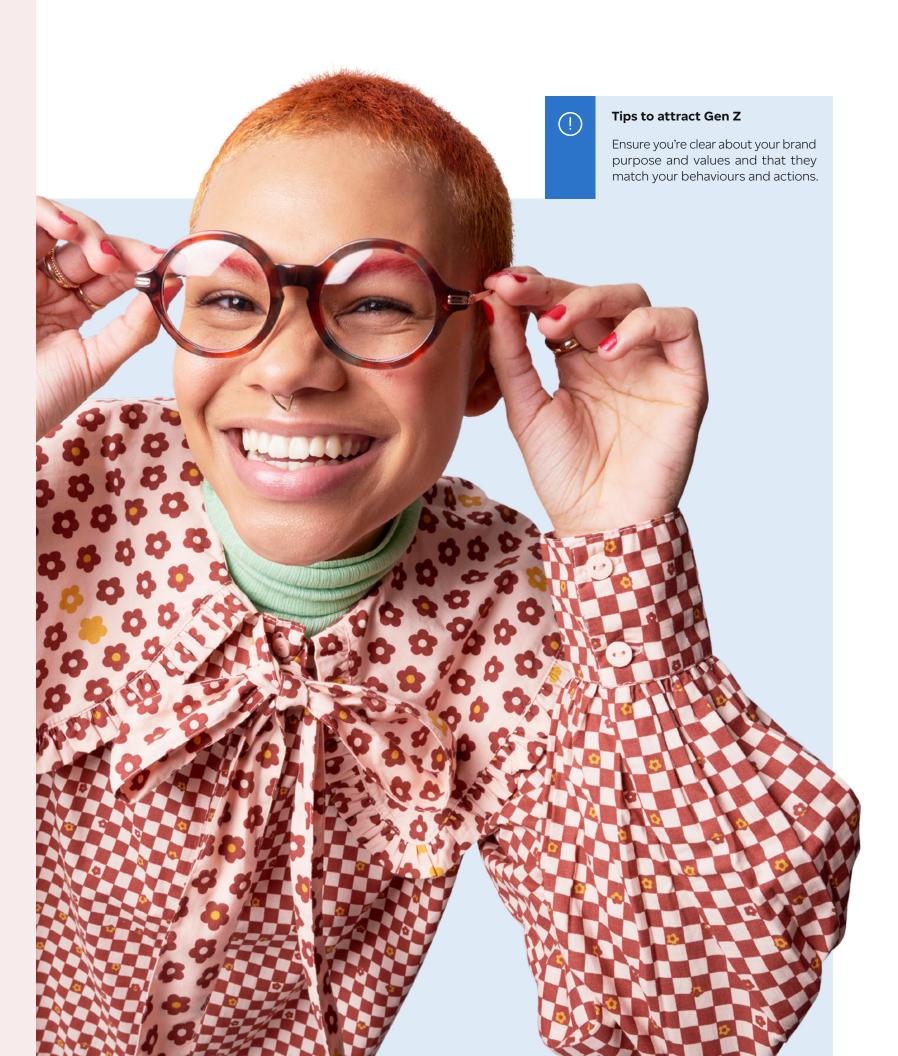
Carries sustainably and/or ethically sourced products

18% Gen Z

12% Millennials

8% Gen X

8% Boomers



Is owned/operated by BIPOC individuals

12% Gen Z

% Millennia

% Gen

4% Boomers

Is owned/operated by women

10% Gen Z

8% Millennials

5% Gen X

4% Boomers



Meet Generation Z

Discover more insights and advice on how ecommerce brands can engage the next generation of online shoppers.

Read the full report.

Sources:

Canada Post's 2022 eShopper Survey conducted by Phase 5 Consulting Group, May 2022.

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<u>Canada Social Network Users 2022</u>, eMarketer, January 2022.

The power of positivi-tea

DAVIDsTEA embraces global vision over what's possible for its business and industry when it comes to sustainability

Sometimes rules are meant to be broken.

Founded in 2008, <u>DAVIDSTEA</u> has grown from a single store on Queen Street in Toronto into the country's largest specialty tea boutique with 18 locations nationwide, thousands of retail outlets across North America and a vibrant ecommerce site.

The Montréal-based brand takes pride in "democratizing the world of tea" – removing the perception of stuffiness sometimes associated with tea and replacing it with a friendly environment of discovery.

"We have always wanted to make tea accessible – nobody should ever feel excluded," said Sarah Segal, CEO and Chief Brand Officer. "We are here to shake up the world. We like to say that we're not your grandmother's tea shop. We're here to break the rules."

Part of breaking the rules has involved rewriting them – especially when it comes to sustainability.

From the start, DAVIDsTEA has set itself apart with a commitment to environmental and social causes that align with its business. From the in-store experience to tea gardens around the world, the company prides itself on doing what's right for the business, its customers and the planet.

"It's not always the scale of your impact. We would always like to do more. But our success is measured in making sure what we do touch is meaningful," Segal said.





Photography by: Jun Chiyabari Tea Garden

Stronger together

For DAVIDsTEA, that journey toward sustainability began in-store.

Starting with allowing customers to bring their own canisters, to offering a free tea if customers brought in their own mug, the company has pioneered numerous solutions that continue to this day – from compostable and recyclable packaging; to samples on web orders shipped in entirely plastic-free and biodegradable material packages with vegetable-based inks and water-based glue; to compostable mailers replacing boxes with excess packing material for smaller, non-breakable orders.

Even its famed silver bags are recyclable.

While impressive steps, DAVIDsTEA wanted to have a larger impact outside its own stores. The company knew its industry had a larger responsibility, especially when it came to ethical and sustainable tea sourcing.

"Throughout the years, we've built great relationships and trust with our suppliers," explained Nadia de la Vega, Director, Tea Sustainability and Content.

"From the start, we have been open about what ethical sourcing means for us. We've always had robust supplier guidelines, but those have become more entrenched in the last few years as we've become involved in the Ethical Tea Partnership."

The Ethical Tea Partnership is a membership organization working with tea companies, development organizations and governments to improve the lives of tea workers, farmers and the environment. With the support of its 50 members, including the biggest multinational companies in the tea sector, the organization has worked with more than one million people in team communities around the world

Shared ideas and shared values are important for us. To be part of organizations like the Ethical Tea Partnership or the Tea and Herbal Association of Canada gives us a voice.

Sarah Segal, DAVIDsTEA, CEO and Chief Brand Officer

"Tea history has been riddled with racism and wars and inequalities, and that's not just the past, but it's also its present. That's why it's important the industry bands together to help address these issues," de la Vega continued. "Oftentimes, we're working with our competitors, but in this space, it doesn't matter that we're competitors – it matters that we're all working for the benefit of the tea community."

Segal agreed, "Shared ideas and shared values are important for us. To be part of organizations like the Ethical Tea Partnership or the <u>Tea and Herbal Association of Canada</u> gives us a voice. That's been empowering for us as a company. We don't exist alone. We can't create change alone. Some of our impact projects have great impacts, but fundamentally, if you don't take part in those bigger conversations, you're at a disadvantage. We've always taken it from a DAVIDsTEA perspective, but now we're trying to take that global."

Building up communities

Community is at the heart of DAVIDSTEA. The company has donated more than 1.3 million cups of tea to frontline workers since the start of the COVID-19 pandemic. It partnered with Tea Horse, a woman-led Indigenous artisanal tea company, to raise funds for the David Suzuki Institute to support Indigenous communities through the Reconciling Ways of Knowing program.

And then there are its water programs.

"A cup of tea is roughly 99 per cent water – so it's an important part of the job to protect water resources whenever possible. Without water, there's no life. Without water, there are no plants. Without water, there's no tea. Water has always been a big part of DAVIDSTEA," Segal said.

In November 2020, the company launched the DAVIDsTEA Impact Fund, which contributes to local and global initiatives. Among those was a clean water project with Jun Chiyabari Tea Garden in Nepal, designed to provide four government schools with drinking water, impacting the lives of more than 3,200 students, teachers and staff where the company sources its Organic Nepal Black tea.

"The community that provides us with the tea that we love was worried about their kids not having potable water at their school. That compelled us to act," de la Vega said. "This wasn't a campaign; this was about a long-term project that was developed with the local community."

Water sustainability and stewardship will continue to be a priority for the company going forward, with plans to help improve water quality and access across Canada and abroad by partnering with local non-governmental organizations.

"We have a natural product. We have a product that comes from the Earth. It's a beautiful product in itself – tied to the planet around us. You cannot look at it in isolation. If you do, you don't understand the full cost of goods," Segal said. "From an environmental perspective, sustainability can sometimes be a little more distant for other industries, but we have a product that people consume. So, the cleanliness, the safety, the beauty of it is part of the experience. Us investing in that should not be an option."



Photography by: Jun Chiyabari Tea Garden

Connecting with modern shoppers

Today, Canadians are paying close attention to brands' social and environmental sustainability efforts, including shoppers demanding brands treat employees well (58 per cent), operate their business (53 per cent) and source product (47 per cent) ethically, support the communities they operate in (43 per cent) and back social causes (36 per cent).

It's a challenge, Segal said, that the brand welcomes.

"Business and sustainability are not separate. It is one conversation," she explained. "A sustainable product is our business model. Customers expect businesses to have a high-quality product and sustainability is table stakes in making a high-quality product today." The above numbers cut across generations. But drill down into the next generation of shoppers – that's when the trends come into even sharper focus. Among Gen Z, for instance, nearly half of shoppers are paying attention to how the brands they affiliate with are impacting society broadly (41 per cent) and will stop shopping with a brand that is negatively impacting the environment or society (47 per cent).

That doesn't worry the DAVIDsTEA team who realize sustainability is a journey, not a destination.

"We know we won't see immediate results for all of our efforts. This isn't a promotion or sale. This isn't like financials that are tracked quarter to quarter. Sustainability is a long-term strategy. It is not a fast train, but we're going to get there," de la Vega said. "Knowing that we're doing the right thing helps."

davidstea.com «



Key Takeaways

01

Working with partners that share the same values allows companies to combine their knowledge and expertise to address the issues that really matter.

02

By avoiding excessive or wasteful packaging, you're making a statement to your shoppers about your brand's commitment and what your business values.



Every business, big or small, has the power to make a positive impact in their communities and better the lives of people and the planet.

Source

Canada Post's 2022 eShopper Survey conducted by Phase 5 Consulting Group, May 2022.

Packaging with the planet in mind

There are many their impact on the environment The sustainability of your ecommerce packaging can influence whether environmentally minded consumers shop with you. In fact, Canadians say sustainable packaging (61 per cent) and waste reduction (54 per cent) are valued most when purchasing from a particular retailer or brand.

Sustainability is important to consider, as it continues to gain momentum as a powerful motivator for online shoppers.

10 ways footprint

to reduce your brand's

Invest in recyclable void fillers

Packaging paper, tissue paper, biodegradable or corrugated bubble wrap, crinkled and shredded paper, biodegradable packaging peanuts and die-cut kraft paper are all environmentally conscious options that will protect items during transit.

Increase the percentage of recycled content in your packaging

This is different from material that can be recycled; it's material that has already been recycled, and it's a big selling point with eco-minded customers.

Avoid multi-material packaging

Packaging that is composed of different materials can make it difficult for customers to recycle.

Use optimally sized packaging

Don't pack items in boxes that are unnecessarily large or that are filled with excess unrecyclable filler. It suggests you are not taking waste into consideration when packaging - which could get you a bad review or make your brand the subject of a negative post on social media.

Pack items from a single order together when possible

Optimize packages heading to the same address, when possible. This will help you save on several fronts: shipping costs, inventory of packaging materials and carbon emissions.



06

Consult suppliers on sustainable packaging

Growing ecommerce businesses can engage environmental consulting firms to help understand the pros and cons of using different packaging materials and for advice on how to incorporate sustainable practices into their operating model.

07

Explore reusable packaging models

This allows customers to return the product and/or packaging to the retailer or third-party company for it to be controlled, cleaned and returned for reuse.

08

Train your packaging teams

Ensure they know customers are also evaluating packaging in environmental terms and have staff package items securely to avoid excess space, damage and a return as a result.

09

Communicate with your customers

Tell them if and how your packaging can be recycled. Whether on your website, social media or order confirmation emails, make sure they are aware of your commitment and how it supports theirs.

10

Factor in weather conditions

Some compostable and biodegradable packaging options can be affected by extreme weather conditions. This means that additional care and considerations are needed due to the biodegradable nature of the packaging. It's important to work with partners that have weather-secure mailboxes or lockers that will protect items and keep items intact upon delivery.





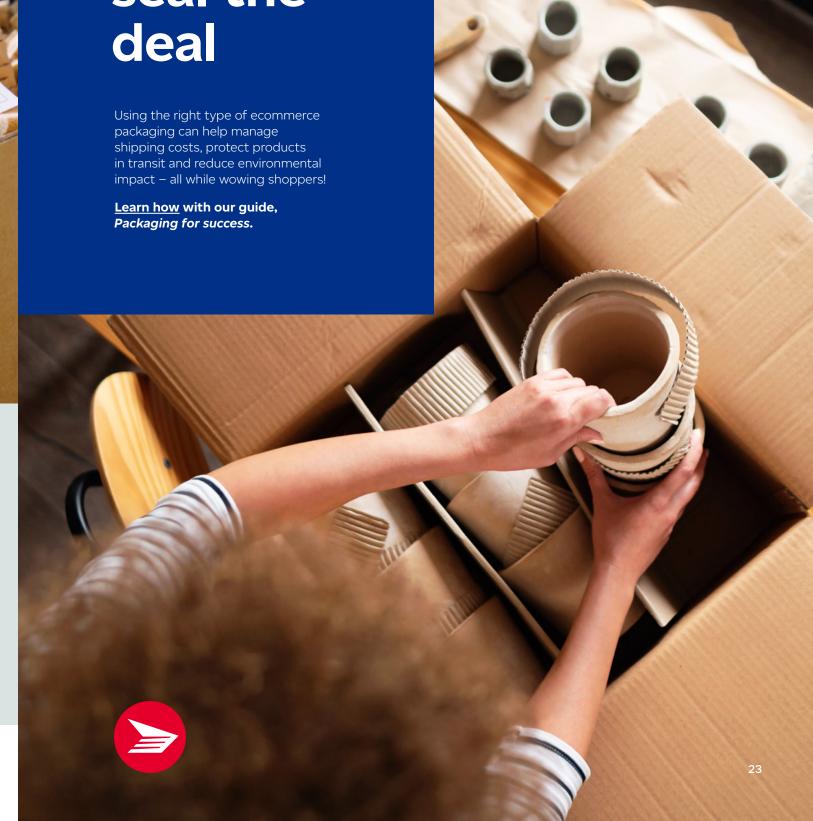
Keep greening

For more tips on how to incorporate sustainable practices into your ecommerce business, read the full guide, **Greening your ecommerce operations**.

Source:

Canada Post's 2022 eShopper Survey conducted by Phase 5 Consulting Group, May 2022.

Let your packaging seal the deal



'Wild' at heart

Bewildher sheds traditional fashion model to create industry change its customers can buy into

For Nadine Manson, change is made one dollar at a time.

"As consumers, we often put all of the responsibility for sustainability on the businesses we buy from," said the <u>Bewildher</u> founder, designer and chief visionary. "When actually, we need to be a bit more responsible for ourselves, do the research, and figure out what the most sustainable option is for us based on our needs."

"Any change in the world is consumer driven. We're voting with our dollars every day. Where we put our money decides where the industry is going to go. That means consumers need options. Bewildher – and brands like it – exist to be that option."

Desire for a better way

For Manson, a passion for fashion and design led her to an internship and later job with a sports apparel company – where she found herself "comfortably stuck." This traditional brand overproduced to meet factory minimum order quantities and offset the liability by negotiating the lowest unit price possible – practices that can encourage unfair wages for garment workers and cutting corners during production.

"It didn't feel right. The capital spent on excess inventory would be better spent on ensuring ethical and sustainable manufacturing."

That's when she set out to create her own brand – one based on the use of sustainable materials and local manufacturing with lower minimum order quantities and controlled minimum wage. She soon discovered, however, that even the "right way" of doing business could produce the wrong results.

Photos provided by

Paula Owen Photography



"I thought I was doing it right, but I was still following this traditional business model of building inventory up front, then trying to sell it, and ending up with a whole bunch of excess that I didn't know how to sell," she explained.

At the same time, she was learning the local minimum wage was several dollars below the poverty line.

That pattern was creating problems. She was massively in debt, couldn't pay her suppliers and soon decided to quit the whole idea. If she couldn't operate the right way, she wasn't going to operate at all.

Manson informed customers she was ceasing all manufacturing. That's when they stepped up with an idea: They loved her products, so what if they prepaid for their orders? Would she be able to make the products then?

That's when the idea was born.

With customers willing to prepay and wait, Manson had the financial security needed to uphold her values, work with a different factory that paid fair wages and make good on her environmental initiatives – all while not being personally at risk.

"In the era of two-day shipping from large online retailers, it was a lot to ask people to pre-order and wait. But they did," she said.

Today, Bewildher is a slow-fashion activewear brand ethically sewn in Canada from recycled plastic bottles. The Squamish, BC-based company connects active women to the process and people behind its products, while facilitating giving back in ways that empower women and protect the planet.

In the era of two-day shipping from large online retailers, it was a lot to ask people to pre-order and wait. But they did.

Nadine Manson, Bewildher, Founder, Designer and Chief Visionary A tiered discount system helps customers see beyond speed and embrace slow. A pre-order gets the best discount. An "arriving soon" order (meaning the item is in production but hasn't arrived) gets a bit of a discount. And full price kicks in when then the item is fully in stock.

The process serves as a funnel: Pre-orders signal how many to make, plus a few extra for arriving-soon customers. That little bit of extra in stock is usually for new customers who want to try the brand without having to wait. Once they know their size and like the quality of the product, they'll pre-order next time to get the discount.

"This process is how the business came to be and made it possible for me to grow," Manson said. "It's way outside the traditional route. Even now, I don't have a warehouse because I have very little inventory."

Need a little understanding

Customers were quick to get slow fashion. Then again, most came to the brand for a reason.

"Half of my customers are values driven; they come in because we have similar values. They choose to shop with me because I can answer all their questions and meet their needs when it comes to these values," Manson said. "The other half come to me because they liked what they saw: the prints, the styles. Something spoke to them. They come because they like the product – and then they learn about the values."

A big part of that education process comes via the company website.

Far from hiding it under a "sustainability" tab, or beneath an "about us" pulldown, Bewildher's website makes bold statements at every turn: An updated ticker logging the brand's impact on everything from CO₂ emission offset to trees planted to dollars donated. A blog outlining the owner's personal journey. Ambassador profiles. Even a behind-theseams look at the people who produce the products.

Transparency, Manson said, is the key aspect of the process. "One of the values of slow fashion is to try and connect the customer to the people in the process, take them behind the scenes of what's going on, help them understand, let them feel a part of it. When people feel part of something, they're much more likely to take action for it."

55

One of the values of slow fashion is to try and connect the customer to the people in the process, take them behind the scenes of what's going on, help them understand, let them feel a part of it.

Nadine Manson, Bewildher, Founder, Designer and Chief Visionary

Being "super honest" is a hallmark of the brand, even when it appears to work against its interests.

"Activewear, inherently, is not environmentally friendly. It is really bad for the environment and always will be. But there's a lot the industry can do to make it more environmentally friendly than it is," Manson continued. Instead of simply saying something is "environmentally friendly," for example, the brand speaks in terms of comparisons – its product is more environmentally friendly than another, but it still contains these sustainability shortcomings. Then it lets the customers decide for themselves.

Manson continued, "It's important to be honest with the customer. It's important to be clear in our wording because otherwise, anything else is just greenwashing."

Continue to create change

The brand's primary demographic is 25- to 45-year-old women, and while values-driven shopping has been ascribed to Gen Z, it's a growing trend across all shoppers. For instance, while 41 per cent of Canadian Gen Z shoppers are paying more attention to how the brands they affiliate with impact society broadly, those numbers are quite close for Millennials (40 per cent) and Gen X (38 per cent) shoppers, as well.



Those questions not only let Manson know where the customers are in terms of concerns, they help educate her. She learns more about pushing her brand, its products and the industry in even more sustainable directions.

"We're creating data that's going to help drive change across the industry. The big brands see what's happening. They will react when it makes financial sense for them," Manson said. "When I first started, I was the only slow fashion brand in the activewear space. Now, there's more popping up. I was one of the few using recycled materials, and the only one doing pre-orders. Now, I'm seeing more and more companies are taking on initiatives like these.

"It's really cool to see that growth and think I'm at least a part of that."

bewildher.com <



Key Takeaways



Investing in slow, ethical and sustainable fashion works toward creating an industry that benefits people and the planet.



When you provide shoppers with information and options to make informed purchase decisions, they may surprise you.

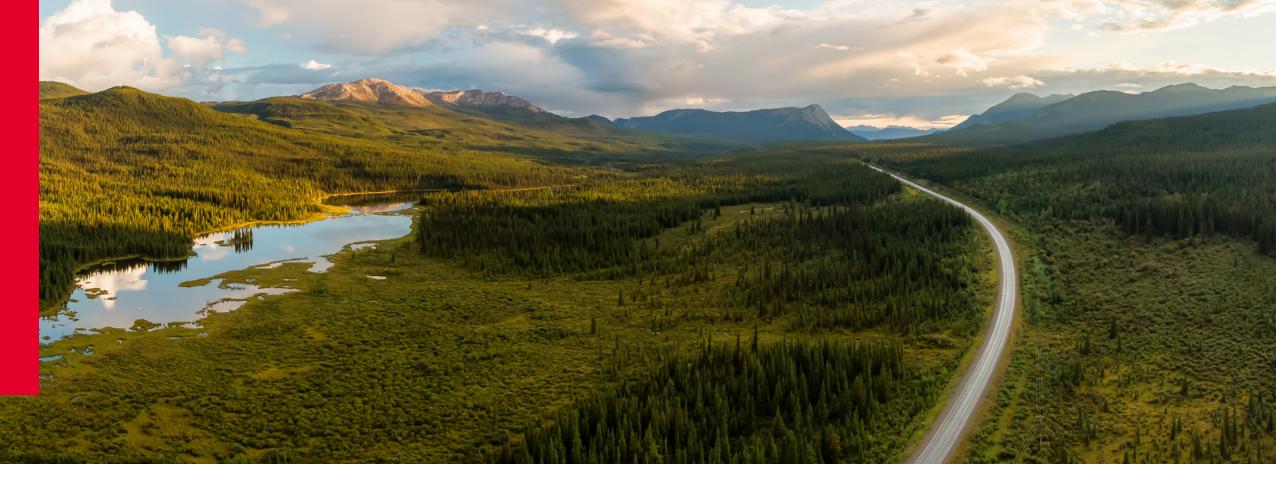


By focusing on the environment, greater equality, fair wages and investing in diversity, you are building a stronger business operation.

Source

Canada Post's 2022 eShopper Survey conducted by Phase 5 Consulting Group, May 2022.

Delivering more for the greener good



As Canada's largest delivery company, we have a responsibility to do more.

That's why our commitment to a sustainable future is reflected in our promise to deliver more for Canadians and Canadian businesses. With our size and scope, we have a considerable environmental footprint – and when we reduce our footprint, we can make a meaningful difference.

As Canadians take stock of their values, sustainability is emerging as a key priority. For businesses we serve like yours, the *way* we deliver is just as important as *what* you deliver.

That's why we have set an ambitious goal to lower greenhouse gas (GHG) emissions across our network by half by 2030 and achieve net-zero emissions by 2050. To do this, several initiatives are underway:

Greening our buildings

The greening of our real estate is an exciting – and big – undertaking. For existing buildings, the priority is retrofits and upgrades, with the goal of consuming as little energy as possible.

Recently, we executed pilot projects at 62 facilities across the country. The learnings from these pilots

will help us measure the impacts of various greening initiatives, such as LED lighting retrofits, solar panels, electrification of our energy sources (e.g., heat pumps), system upgrades, and sensor-controlled heating and cooling.

Set to open in Q3 of this year, the Albert Jackson Processing Centre will meet the <u>Zero Carbon Building Standards</u> designation of the Canada Green Building Council. This state-of-the-art facility in the Greater Toronto Area is currently the largest industrial project in Canada built to these standards.

Spanning 585,000 square feet, the Albert Jackson Processing Centre will process one million packages a day at full capacity and achieve this as a net-zero facility. It's built with solar panels, a high-performing envelope, building system automation, efficient HVAC and sensor-controlled light fixtures, among other innovations.

Electrifying our fleet

Already boasting Canada's largest fleet of hybrid delivery vehicles, we are working toward a goal to make our 14,000 vehicles 50 per cent electric by 2030 and 100 per cent electric by 2040. Currently, more than 10 per cent of our fleet is made up of electric vehicles.

As we work toward electrifying this large corporate delivery fleet, it will mean installing building charging infrastructure at approximately 350 depots across the country and ensuring we're powering our fleet with green grids wherever possible. To address our biggest source of carbon emissions, we are also testing other low-carbon options for our last-mile delivery fleet, including e-cargo trikes and low-speed vehicles.

Shipping more sustainably

We are transforming the way we deliver on so many fronts, including taking meaningful steps to provide Canadians and Canadian businesses with more sustainable delivery options.

As we support your business' growth and the growth of ecommerce in Canada, we recently introduced carbon-neutral shipping, which balances GHG emissions generated from shipping by purchasing carbon offsets and neutralizing their impact. Our GHG calculation methodology is validated by <u>UL Solutions</u> and represents the emissions of each parcel delivered, and is based on the distance it travels, its weight, dimensions and the mode of transportation.

We are offsetting emissions generated by regular and expedited shipping services within Canada – that's more than 200 million packages travelling lighter on the earth.

In doing so, we prioritize Indigenous-owned or -led, nature-based offset projects in Canada. Our third-party-verified carbon offset purchases are recognized by the BC Carbon Registry under the Forest Carbon Offset Protocol. Through them, we support the Great Bear Forest Carbon Project, an effort dedicated to protecting forests, conserving and growing existing carbon stocks, and reducing emissions caused by forestry operations. •



Delivering a more sustainable future

We're investing in a greener future for all Canadians – with a promise to deliver more for businesses so we can be a partner you'll be proud to have as your delivery company. See how we're transforming at Canada Post.

Building an Empire

Quebec-based board sports chain stays aligned with values as business, customers and competitors evolve



Skateboard shops would barely have snowboard equipment in stock, and when they did, the choice was very limited. Hardcore snowboarders and skateboarders were looking for places meeting their special expectations.

Maxime Fortin, Empire, Co-owner and Vice-president, Ecommerce and Digital Marketing

You've got to be strategic and take actions that will, collectively, make you stand out.

That's the approach adopted by Empire, an independent Quebec-based chain and leading provider of board sports equipment and accessories.

"In the early 1990s, the board sports community was pretty much underserved. Skateboard shops would barely have snowboard equipment in stock, and when they did, the choice was very limited. Hardcore snowboarders and skateboarders were looking for places meeting their special expectations. That's why my partners Philippe Grisé and Frédéric-Pierre Antoine started Empire," explained Maxime Fortin, who joined the team in 2007 as Co-owner and Vice-president, Ecommerce and Digital Marketing.

Purpose that brings people together

Empire opened in 1999, in Sainte-Julie, Quebec. The store quickly became a haven for board sports enthusiasts – the best brands, an impressive inventory and, above all, staff members who were handpicked for their love and knowledge of a discipline channelling an entire generation's need to be daring and make a statement.

"That's important to us," Fortin said. "It's part of Empire's DNA, and we're proud of that."

Empire's value proposition is clear: Boarders feel understood and well served.

The success of Empire's first brick-and-mortar store quickly led to another in Boucherville that was closer to the metropolitan area, followed by more locations in Quebec. Today, the brand has 11 physical outlets across the province, as well as an online store.

"The move to digital has increased competition. As leaders in the independent sector, we need to meet the expectations of our customers, especially skaters and snowboarders who can't get to our physical stores," said Fortin, who takes pride to grow and improve Empire's online offer.

Empire has continued to set the standard for board sports, becoming an industry powerhouse.

Small group of diehards

What people don't know is that under its big-box look, Empire is run by a small team.

"For us, it's not the number of people that matters. It's how passionate and energetic they are," Fortin said. "At first, the team behind our online store had fewer than five people, orders came in fast, and we made sure we processed and delivered them within 48 hours."

Today, about 20 people work behind the scenes of <u>ThinkEmpire.com</u>. The site carries more than 500 brands, including those leading the industry. More than 80 per cent of purchases are shipped the next day, free of charge.

Empire's facilities have been specifically set up to manage and process online orders, and the digital platform is connected to the inventory of all 11 physical stores. The pace of orders is fast, so the company is making significant investments to build an inventory dedicated to online sales, offer same-day delivery and reach skateboard and snowboard enthusiasts across the country. This flurry of activity is spearheaded by just a handful of diehards who are determined to expand their niche market and build strong customer relationships.

Growing community

Gen Z and Millennials make up most of Empire's customer base, but the brand also serves Gen Xers who started gearing up at Empire at an early age. The team is proud of their customer loyalty – living proof of Empire's vision of creating a community united by a passion for a fringe sport.

Times are changing, and Empire is on board. Through its social media presence, blog posts on skateboard parks, event sponsorships, product reviews and tutorials about different tricks and more, Empire knows that communication is key to maintaining customer loyalty and brand awareness.

A study commissioned by Canada Post in 2022 showed that Gen Z is increasingly influencing consumption patterns among older generations. The tastes and values of Gen Z consumers are drawing in customers who might have never considered either board sports or the Empire brand.

That same study also expanded on the influence of sustainable practices in the shopping behaviour of Canadians. Fortin has noticed that consciousness

BUSINESS PROFILE

among Empire's young markets and staff. In fact, recycling shipping boxes and reducing plastic material are quite organic in the company. They are also studying the possibility of using compostable envelopes and having their packages delivered by electric vehicles.

"Our customers and staff are part of a generation conscious of their environmental impact. The question to be part of the movement didn't arise: we were already and naturally into it. It's also a value we consider when making a business decision," Fortin continued.

Strategic partnerships

To support its growth, Empire is consciously joining forces with partners who can amplify the company's value proposition.

Empire's ecommerce is powered by Shopify Plus. The technology enables visibility on all channels and provides the features customers want, like an availability and location search tool, shipping options and fees displayed before checkout as well as a quick and easy payment process.

Canada Post's reputation and extensive network provide support to customers living in remote areas, and our secure points of call, like parcel lockers, help drive online purchases, especially for people living in apartment buildings.

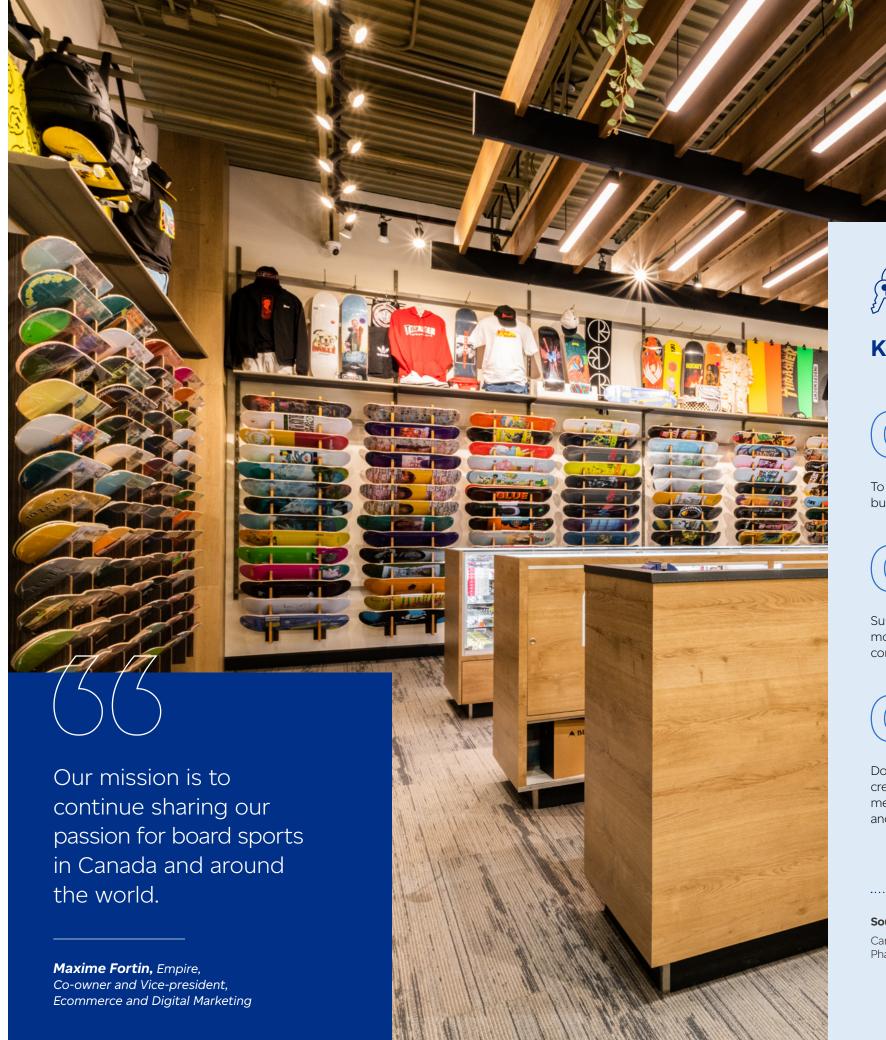
"Our clients trust Canada Post, and for many, they are the company of choice for delivering their online orders."

Breaking new ground

Regardless of how big Empire's operations team is, the company's purpose is an unequalled strength that drives its ambition.

"Our mission is to continue sharing our passion for board sports in Canada and around the world," Fortin concluded. With that in mind, Empire plans to open stores outside Quebec, and the company is intensifying its social media presence and content. "Our efforts have paid off: our customers believe in us. They know we can do great things, and that adds fuel to our fire."

thinkempire.com :





Key Takeaways

05

To create a customer experience that builds loyalty, stay in tune with your market.

02

Surround yourself with a team of motivated people who believe in the company's purpose, and success will follow.



Don't follow the crowd. Be agile and create a movement of your own, that meets the needs of your target market and helps you achieve your goals.

Source

Canada Post's 2022 eShopper Survey conducted by Phase 5 Consulting Group, May 2022.

Read. Watch. Listen.

Explore what business leaders tap into in order to educate themselves, further their businesses or simply find a bit of relaxation and enjoyment

Nadine Manson

Bewildher, Founder, Designer, Chief Visionary

Read

I am constantly reading and re-reading the *Harvard Business Review Guide to Setting Your Strategy.*Hoping to get the full box set of *Harvard Business Review* books soon.

Watch

I was obsessed with figure skating as a kid and would fall asleep watching it on TV. Now that my son is 5 and I'm taking him to the public skate at the local rink, I've been watching YouTube videos by Coach Julia on how to figure skate and have been practising at the rink. I also love watching mountaineering documentaries. Climbing K2 is something I'll never do, yet find it fascinating!

Listen

I love running with music, but don't have much time for putting together playlists, so I tend to search "best running playlists" on YouTube. At the moment, I've got <u>Best of Tiesto</u> and <u>Best Shuffle Dance Music of 2023</u>, making pounding the pavement feel more like a fun dance party.



Mirna Saffouri

la Vie en Rose, Vice President, Marketing & Digital Strategy

Read

I really miss reading more. When I do, it's usually to learn something. I read very little fiction. I recently purchased a quantum physics for beginners-type book that is waiting to be read. I find the subject very intimidating and intangible. It's a first attempt to grasp the basics of it. Wish me luck!

Watch

Last series I watched was <u>The Last of Us</u>. Let's hope mutated Cordyceps fungus contagion is not a thing. Ha! Otherwise, I really enjoy learning about a lot of different subjects on Netflix's <u>Explained</u>.

Listen

When it comes to music, I am a big fan of blues and jazz, but I will listen to anything in the right setting. I am a huge fan of the band <u>TOOL</u>. With podcasts, one of my favourites is <u>Philosophize This!</u>, short 25-minute episodes about different philosophers or schools of thought. It's perfect for the ride home after work.



Intimate details

la Vie en Rose is shaping the future of the brand by listening to – and meeting – the needs of shoppers

It doesn't matter if you're talking about the styles they sell or the business strategies they deploy, la Vie en Rose always wants to find the perfect fit for its customers.

"We think of our brand this way: It's the first garment that touches the woman's body. It's lingerie, sleepwear and swimwear – all very intimate apparel," said Mirna Saffouri, Vice President, Marketing & Digital Strategy, la Vie en Rose. "It's not like an oversized shirt. It has to fit perfectly."

"There is a commonality among women – they want to feel empowered and they want to look their best. That cuts across all ages and cultures. That's why our brand resonates across the globe."

Like the products they sell, la Vie en Rose also believes in creating close connections with customers – ones built on listening, reacting and meeting their needs. Helping grow online and off, that approach to business now defines the brand's place with a new generation of shoppers.

Growing new connections

Founded in 1985, la Vie en Rose has stood out as a Canadian leader in the lingerie and swimwear industry since its acquisition by François Roberge in 1996. Based in Montréal, the company has more than 4,500 employees and 273 stores across Canada under two separate brands, <u>la Vie en Rose</u> and <u>Bikini Village</u>.

Internationally, la Vie en Rose has seen incredible growth – nearly 400 stores in 19 countries, including 45 stores opened in the last three years alone with new locations in the Philippines and India.



Traditionally, the brand has appealed to women in their 30s and 40s, personally and professionally established. But there is a shift downward in recent years. Women in their 20s, even older teens, have turned their attention toward the brand when direct competitors and other retailers closed.

The la Vie en Rose team first noticed the opportunity when they saw a lift in categories that previously underperformed. It seems that items associated with younger shoppers were suddenly in demand. While the age swing was a bit of a surprise, the brand's core appeal across generations was not.

"One thing that ties all women together is that they're all looking for comfort," Saffouri said. "Even if they're looking for lingerie or swimwear, they want something that's comfortable, that they feel confident in, that they feel good in. That's why our brand resonates no matter the woman's age." What these new, younger shoppers did require, however, was a different approach to understanding their needs.

Traditionally, la Vie en Rose counted on its strong brick-and-mortar presence to connect with shoppers. "We're always there. We're everywhere," Saffouri laughed. "But we knew for this younger generation that wasn't going to be enough."

The brand began to speak more and more to shoppers through its online and digital channels. On social media, they targeted audiences better, tested different types of content and adapted the message for different audiences, cultures and platforms, all toward understanding the customer better.

"Every day, we understand our shoppers' behaviour a bit better," Saffouri said, noting that digital channels continue to grow with 200,000 Instagram followers and more than a million followers globally across all channels. "It's exciting to see that we're reaching them where they are."

There is a commonality among women – they want to feel empowered and they want to look their best. That cuts across all ages and cultures. That's why our brand resonates across the globe.

Mirna Saffouri, la Vie en Rose, Vice President, Marketing & Digital Strategy

Offering more than hope

Those conversations are not all about products either, as the younger generation of shoppers requires deeper conversations, often about social commitment – a conversation la Vie en Rose is more than happy to have.

Since its creation, the Roses of Hope Foundation has donated more than \$3 million to organizations dedicated to improving women's lives. More than half of this amount has gone toward the fight against breast cancer and the support offered to women affected by this disease. Beyond that, the foundation has supported programs dedicated to aiding women in difficult situations or helping young women afford clothing to attend prom.

"We have to keep asking ourselves, challenging ourselves to adapt to women's needs - no matter what they are," Saffouri said. "We're extending the foundation's reach beyond just health and toward the well-being and empowerment of women. That's really appreciated by our followers and our clientele."

From diversity and inclusion, to environment and conservation, the brand follows the lead of its customers when it comes to the issues that need support.

"The well-being of women goes through all of these topics," Saffouri said. "Sometimes, the answer to what needs to be done is as simple as listening to our customers. Sure, we have to make tough choices. But if an issue encourages women and supports their well-being, we try to find ways to support it."

We have to keep asking ourselves, challenging ourselves to adapt to women's needs no matter what they are.

Eyeing the future

As la Vie en Rose looks forward, it does so with a host of ideas in mind: What does the brickand-mortar store of the future look like? How do they embrace new shopping channels like video? What does a future loyalty program look like? How can they begin to use technology in new ways where they are not just analyzing customer behaviours, but predicting them?

They ask these questions, Saffouri notes, with the knowledge they can be answered thanks to the customer relationships they have established.

"We have to start anticipating what shoppers' needs are going to be. We need to carefully think about where the customer is going to be and meet them there – and the best way to know that is by listening to them along the way."





Key Takeaways

The younger generation of shoppers is keen to hear how you're making a difference in people's lives.

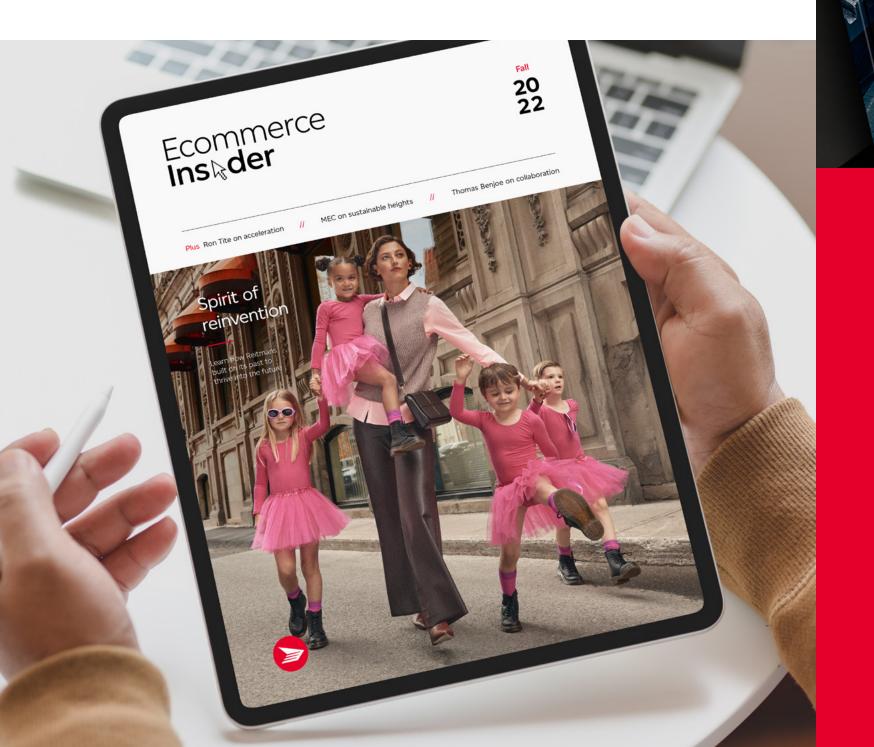
Having a strong connection based on listening, reacting and meeting needs helps customers feel more secure and connected with a brand - and that can lead to growing customer retention.

The best way to find out what gesture, program or initiative combinations work best is to test, learn, repeat and scale up quickly when you achieve success.

Celebrating female leaders

Calling all women who disrupt the status quo. Are you making waves in your industry? Influencing a brighter future for generations ahead? We want to hear from you.

Share your story with us at <u>canadapost.ca/InsiderSubmission</u>.





In the DIRECT EFFECT issue of *INCITE*, our experts offer advice to marketers as they navigate the marketing challenges and opportunities of a rapidly evolving DTC landscape. Also, check out our cover story about how Princess Auto used direct mail to drive lapsed customers online for an incredible upside.

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