Genuine observatory of department stores around the world, IADS studies, analyzes and shares best practices in the sector with its international members, including Galeries Lafayette in France. Focus on its activities, initiatives and vision of the future with its General Manager.

<u>What is the role of IADS?</u>

IADS, the International Association of Department Stores, was created in 1928 by department store owners who were aware that their family model could evolve by drawing on the managerial practices of the United States. Today, it brings together 12 members and acts as a think tank, sharing best practices between different department stores around the world, identifying problems and advances in the sector to initiate conversations between players, and joining forces in joint actions. Our starting point is that department stores are large companies with many employees but also with strong local roots. It is therefore possible that initiatives carried out at the country or regional level are useful to other members. We have to identify them and pass them on. To do this, we organize meetings between CEOs, HRDs, sales marketing, and buyers, and we answer their questions. We also make available, via our website and our newsletter reserved for our members, precise analyses and figures on retail. The association aims to be a representative observatory of department stores around the world, which is quite unique. And we mustn't forget our Academy, founded 26 years ago, through which 40% of the world's department store managers have passed.

<u>Tell us about your project to create a platform for professional buyers in department stores.</u>

We have noticed that with the health crisis, reflexes have changed. Of course, buyers are starting to travel again, but not as often and for a shorter period of time. That's why we wanted to support them and make their lives easier with a platform created in partnership with Born. Thanks to artificial intelligence, it allows us to manage discovery, to lead the buyer to new products that correspond to him, in short, to send the right information to the right person. This platform is reserved for our members. It is currently in the testing phase and will be operational in the first quarter of 2022.

<u>How are department stores evolving after this particular period?</u>

Overall, we have seen an unexpected agility emerge! With the closures, department stores have, for example, generalized telecommuting, which they had previously considered impossible. This great flexibility is confirmed. We are also seeing a generalization of topics around digitalization. Awareness and changes have been very concrete. We can take the example of El Corte Inglés stores in Spain, which until the crisis considered themselves omnichannel. However, during the closures, they sent all the head office employees to the stores to fill the customers' boxes as part of a click & car program. Gradually, they also introduced innovative services. Today in Madrid, the company is able to deliver a luxury bag and a fresh fish at the same time and in two hours after a simple phone call or an online order. Not even Amazon can do that. Obviously, this raises other questions such as the systems to be put in place today to be efficient or how to project ourselves into the sales channels of the future. Finally, CSR is a central issue. All our European members are certifying that their own brands will be 100% responsible by the end of 2022, beginning of 2023. Even in markets where it is not a priority, such as Mexico and the Philippines, we can

see that CSR is a theme that CEOs are defending. In addition, there are developments more specifically related to Paris or the world's major tourist cities. While waiting for the return of tourists, it is necessary to recreate a link with local customers who have been forgotten. This leads to interesting initiatives such as the responsible offer of Galeries Lafayette Haussmann (Re)Store or their live shoppings imagined during the confinement. New, more adapted languages are being put in place and it's exciting.