

Levallois-Perret, 19 May 2021

PRESS RELEASE

RETAIL & CONSUMPTION | #FUTURETRENDS

*Bulletproof connectivity, managing people's needs and expectations,  
radical change(s) in healthcare, mobility and the economy:  
**Welcome to the post-pandemic world***

*In just a few months, Covid-19 has fast-forwarded the retail and consumption digitalisation process several years ahead, transforming their traditional front-end operating paradigm into an immersive connected system, according to the Commerce Reloaded 2021 outlook report by Echangeur BNP Paribas Personal Finance.*

For the last ten years, experts at **Echangeur BNP Paribas Personal Finance** have been delivering a **trend report to economic players on the innovative technologies** that are poised to impact retail and consumption: **Commerce Reloaded**. The groundwork required to author this report involves detecting the weak signals and trend-setting breakthroughs driving digital innovation, retail and commerce in general.

**Echangeur BNP Paribas Personal Finance** is now releasing **the results of this future trend survey** aimed at shedding light on the ecosystem as a whole as it evolves now and in the future. A 2021 version impacted by the overwhelming Covid-19 pandemic, a turning point for both consumer behaviour and commerce itself. A sector that has relentlessly evolved over the past decade from a model involving frontal interaction between its main protagonists - brands and individuals - to rock-solid connectivity. Faultless management of our more or less conscious needs and expectations seems to be looming on the horizon. An in-depth look at a rapidly evolving sector.

### **2010s & the emergence of Uber: the stem cell of today's commerce**

When Commerce Reloaded began ten years ago, Uber was already on its way to conquering the world and becoming the stem cell of a new business trend whose initial forms and byproducts, soon to be dubbed uberisation, would turn our relationship with retail upside down. Symbolised by Google Now, Ebay Now, Tinder and others, the simplification of our lives as customers and citizens was now underway. Armchair shopping and the one-click world became the norm, interaction started to generate new forms of dialogue, demands, and ended up creating value in everyday life. Streamlining, automated purchase processes and one-hour delivery became the first signs of an Ambient Commerce totally dedicated to improving the customer journey.

In 2014, Google's takeover of Nest initiated the spread of the algorithm craze, capitalising on the faintest spoor we leave behind us on our online excursions, thereby giving rise to an economy based on the uninterrupted flows of life. These ecosystems, crystallised by Amazon, Alibaba, Google and the like, supported by the connected objects that have become commonplace, have had no trouble taking over our daily lives.

### **Covid-19 accelerates the advent of a new world**

Today, the Covid crisis affecting our planet in its entirety is assertively accelerating this digital and structural change, against a backdrop of sustainable and responsible consumer imperatives. This unbridled digitalisation has spread, breaching the last surviving bastions like education,

healthcare and work, until every dimension of our lives has been forced to transform as a contactless world dawns.

Inspired by how living organisms function, the technological innovation that is now using DNA through synthetic biology is positioned as humanity's salvation, just like Messenger RNA. This biomimicry is gradually integrating our daily lives and the approach to future business centred on deep tech and the circular economy, among other things.

During the periods of lockdown, our virtual and computational doubles had the chance to walk through Animal Crossing in Gucci or attend a giant concert on Fornite, leaving the real world behind. What with binge-watching and managing virtual identities, many have moved seamlessly into Metaverse-like fictional worlds, where the new markers are called NFTs (non-fungible tokens or crypto-arts), Loot boxes (virtual treasure chests providing a higher degree of customisation) and skins (virtual objects or goods). Welcome to the new world!

## 6 variants to define post-pandemic reality

### 1. Digitalisation bolting to the point of no return

The crisis has been a marker of unprecedented digital acceleration in our lives. Never before has humanity spent so much time staring at screens: social media, streaming videos, gaming, telecommuting and videoconferencing: the world is more digital-centric than ever. The tech giants are becoming the pillars of these new habits, and are taking over more and more of our daily lives with data and Artificial Intelligence.

#### *Companies are being marched into digitalisation*

For JP Morgan & Chase CEO Jamie Dixon, the pandemic has accelerated digitalisation by about two years for 70% of US businesses, while Deliveroo CEO William Shu believes that his brand has gained three years in market penetration in a mere five months.

#### *A new version of e-commerce*

Chinese shop streaming has seen its turnover double by 2020 to the equivalent of €134 billion. It now represents almost 13% of the country's e-commerce. As a direct consequence, retailers from Carrefour to Walmart are launching an assault on this new sales format.

#### *Shopify, the big winner on the pandemic bandwagon - the next Amazon challenger?*

In 2020, Shopify clocked up \$120 billion in transactions, or 40% of Amazon's marketplace. The pandemic's big winner and the biggest threat to the Seattle giant seems to be Canadian.

*"With the pandemic, we've reached a point of no return in terms of digitalisation, whether as consumers, in a professional or even a personal capacity," explains Nicolas Diacono, Digital Trends Analyst at the Echangeur BNP Paribas Personal Finance. "It's becoming likely that e-commerce will account for 50% of sales within a few years. E-commerce will evolve and reinvent itself on the basis of the Ambient Commerce model that we've been talking about for some time now. "*

### 2. Radical transformation underway in Commerce

The world of retail is changing, evolving and transforming to better take account of the new uses dictated by the health crisis. From video streaming to self-checkout, the world of retail is coming up with the therapies that best suit it. Faced with tomorrow's environmental threats, retail must commit to championing responsible consumer behaviour, overseeing our well-being and therefore of our future. We are at the beginning of a new era, with the circular economy as its key note.

*Robotic delivery, a 33 billion market by 2030*

According to a study by Euromonitor, nearly 50% of Europeans would be willing to have their goods delivered by robots or drones, provided this would shorten delivery times. For 55% of consumers, robotic delivery should take no more than two hours, whereas only 19% of retailers are currently able to deliver in under 48 hours.

#### ***Rethinking design and logistics for sustainability***

Repack suggests discontinuing single-use packaging for online orders. Once the parcel reaches destination, the consumer is invited to return the packaging free of charge to the e-commerce site, which will recycle it. The startup is currently working with over 150 brands across Europe and North America.

#### ***On the way to socially accountable commerce***

For 90% of young people born in the early 2000s (GenZ), businesses have a duty to take action against global warming and fight inequality. Commerce is already embracing these new expectations, as evidenced by the upsurge in the second-hand marketplaces.

*"For physical shops, the future lies in social dialogue,"* continues Nicolas Diacono. *"Shops as we know them are going to become support tools for e-commerce, and will have to cater to sustainable and responsible imperatives. Their role is likely to change considerably over the next few years, especially for the major retailers."*

### **3. Multi-modal and connected **Mobility** through software**

Mobility is now understood from the multimodal and connected angles, making software the vector for profoundly transforming the classic automotive industry into a service-centric industry. The players have to make important decisions about the technologies they deploy in new vehicles: should they make a deal with the technology giants, or become software companies themselves?

#### ***Software will dictate the future of the car industry***

As the connectivity revolution progresses with C-V2X, otherwise known as "Cellular Vehicle-to-Everything", divisions are breaking down. Unbridled "softwarisation" is bringing new players into the picture and adding uncertainty to the mix. With this revolution poised to unfurl, a lot of historic references like Volkswagen, Renault, Mercedes-Benz have decided to take the plunge into the digital world.

#### ***When the Chinese automotive industry changes into a software economy***

For China, 2021 is when software and cars converge. Historic manufacturers like SAIC or Geely are accumulating partnerships with tech giants such as Baidu, Tencent, Alibaba and Foxconn with a view to becoming true providers of everyday services.

#### ***The automotive industry building tomorrow's cities***

In 2016, the Japanese giant Toyota recruited a former Google employee, James Kuffner, to develop an open OS called "Arene" supporting its "Woven City" inaugurated mid-February 2021. Technologies like self-operation, robotics, personal mobility, smart homes and AI can be developed and tested in this real-world environment.

*"Automakers want to break out of their limited role as vehicle suppliers. They want to collect as much data as possible and make the most of it. Their clearly-stated aim is to sell a maximum number of services in the form of subscriptions, and even go as far as describing what tomorrow's cities will look like"* says Guillaume Rio, Head of Technological Trends at Echangeur BNP Paribas Personal Finance.

### **4. Reshaping the **Healthcare** system with artificial intelligence**

Healthcare is the first industry that will be permeated by AI. Every medical process, from diagnosis to daily monitoring, is driven by AI, supported by numerous connectors which grow more and

more precise with patients' medical records. The health crisis is accelerating and reshaping the existing health system, leaving room for new players and concepts. Whether they are tech giants, retailers or start-ups, multiple contenders are on the starting blocks, some not hesitating to transform to be part of the debate. This does pose the question: who are the guarantors of this domain, long preempted by the medical profession?

#### *Making connected objects ubiquitous in healthcare*

Covid-19 will certainly accelerate the widespread use of wearables, especially those championed by the digital giants. Indeed, the Covid-19 pandemic has prompted researchers to explore their potential in monitoring infectious diseases. By 2023, the global e-health market could be worth \$235 billion according to Frost & Sullivan.

#### *US and Chinese tech giants now healthcare players*

The big names in the digital sector are openly looking to set up a health monitoring system with ancillary services such as individualised insurance in real time, based on connected objects and AI. Apple, Tencent, Amazon and others are all eager to disintermediate the existing medical system.

#### *Retail and healthcare, the \$3.8 trillion market*

As of March 2020, the US retail sector has become a major healthcare player for millions of Americans, particularly as a consequence of its involvement in the vaccination campaign. Brands like Walmart, Kroger, Target, are encroaching on the daily lives of consumers, to the point of becoming trusted third parties.

*"While the world continues to count on traditional public health measures to combat the pandemic, there are a multitude of connected technologies now available to accelerate this fight. We are about to enter the world of ambient intelligence, where communicating objects will coordinate to deliver services and make our lives easier, turning our bodies into a veritable network of real-time health information,"* surmises Guillaume Rio.

### **5. Future-as-a-Service: the platformisation of the **Economy**, beyond GAFAM and BATX**

A new landscape is emerging for commerce: ecosystems. Commerce has elected its new leaders in the past few years: GAFAM in the US (Google, Amazon, Facebook, Apple, Microsoft) and BATX (Baidu, Alibaba, Tencent, Xiaomi) in China. However, the struggle for ownership of this new real estate is increasingly aggressive. The company-as-a-service model is everyone's business, and everyone should embrace the connected software paradigm if they want to be part of tomorrow's world.

#### *Mobility-as-a-Service*

While the automotive industry plunges headlong into the service arena, mobility players, from delivery to car sharing, also seem to be starting to spread this trend, in the wake of the Indonesian and Singaporean multi-service delivery "super apps" like Gojek or Grab.

#### *Banking-as-a-Service*

Santander CEO Ana Botín recently raised concerns about how ecosystems like GAFAM and BATX will be building the financial component into their paradigms. Guerman Gref, her counterpart at Russia's Sberbank says that his bank has become "more than a financial assistant: rather, it's a life assistant that can help solve all the urgent tasks of daily life."

#### *Retail-as-a-Service: Cdiscount, the French example*

Following in the footsteps of heavyweight foreign retailers like Walmart and Suning, which are trying to build converging ecosystems like the digital marketplaces, France's Cdiscount is emulating Amazon by constantly adding new offers and services.

*"Today, a lot of e-commerce players are looking to infiltrate our lives. And they will - by laying down their rules!"* warns Guillaume Rio. *"With audiences that are often in excess of several*



Echangeur BNP Paribas Personal Finance is the centre for technological and marketing innovation applied to the retail sector, deciphering the latest consumer habits for the major players in retail and e-commerce and assisting them in designing their development strategies. The support provided by Echangeur is founded on a combination of expertise, marketing tools, data, new tech and innovation. For more than 20 years, CAC 40 companies, retailers and major brands have placed their trust in L'Echangeur BNP Paribas Personal Finance. Read an analysis of the latest news [at the Echangeur BNP Paribas Personnel Finance website](#)

### **About BNP Paribas Personal Finance**

BNP Paribas Personal Finance is the leading consumer finance company in France and Europe, offering a wide range of consumer credit products. A wholly-owned subsidiary of the BNP Paribas group, BNP Paribas Personal Finance employs close to 20,000 people and operates in some 30 countries. With brands such as Cetelem, Cofinoga, Findomestic and AlphaCredit, the company offers a full range of personal loans in stores, at car dealerships or directly to customers through its customer contact centres and online.

BNP Paribas Personal Finance has rounded out its offering with insurance and savings products for its customers in several countries including Germany, Bulgaria, France and Italy.

Over a number of years, BNP Paribas Personal Finance has developed an active partnership strategy with retail chains, car manufacturers and distributors, e-commerce websites and other financial institutions (banking and insurance) based on its experience in the credit market and on its ability to offer integrated services tailored to the business activities and commercial strategy of its partners.

To support its customers and partners, BNP Paribas Personal Finance is committed to promoting access to more responsible and sustainable consumption.



#### **Press contact: Rumeur Publique**

Arthur Vandekerckhove: [arthur@rumeurpublique.fr](mailto:arthur@rumeurpublique.fr) | +33 6 24 35 21 38

Marie Goislard: [marieg@rumeurpublique.fr](mailto:marieg@rumeurpublique.fr) | +33 6 21 23 37 75