**Beat: Business**

# TOWARDS INDIVIDUALIZATION OF CUSTOMER RELATIONS IN COMMERCE IN 2033

**ECHANGEUR BNP PARIBAS PERSONAL FINANCE**

PARIS, 18.12.2023, 11:46 Time

**USPA NEWS -** Throughout the Ten Editions of the "Innovate Service Centric Conference" offered since 2013 by L'Echangeur BNP Paribas Personal Finance, Commerce has radically changed. The Internet Industrial Revolution is now behind us. Innovation now mainly aims to optimize Purchasing Journeys and make them more Profitable.

Throughout the Ten Editions of the "Innovate Service Centric Conference" offered since 2013 by L'Echangeur BNP Paribas Personal Finance, Commerce has radically changed. The Internet Industrial Revolution is now behind us. Innovation now mainly aims to optimize Purchasing Journeys and make them more Profitable.

The Next Step for the Coming Decade against a Backdrop of Ecological Imperative?
Artificial Intelligence of course, which could restart the Machine and constitute a Lever for Strong Growth of New Points of Contact, New Audience Platforms such as Streaming Services or Social Networks, Future Competitors of Physical Points of Sale and e-commerce. With a Key Underlying Issue for Brands: how to keep Control of your Customer Relationship to ensure your Future?

An Issue scrutinized by the Specialists at Echangeur BNP Paribas Personal Finance, which has been supporting Retail Players in their Transformation for more than 25 Years. This 10th Edition of the "Innovate Service Centric Trends Report" highlights Five Major Areas of Transformation for the Coming Years.

- The Internet Revolution is behind us.

Today, 5.16 billion People use the Internet, or 68% of the World's Population (Digital Report 2023 Study published by We Are Social and Meltwater). Growing by +1.9% in one year, this Penetration is experiencing a Clear Slowdown compared to Previous Years. For example, in 2013, the Growth Rate was +10.3%, for a penetration of 35%.

The Internet has been structured over the Years and the last few years show that it is reaching a Plateau. As a Result, Innovation slows down and becomes more Marginal. From the Consumer's Point of View, "Online" and "Offline" are therefore One and the Same. In Recent Years, many Brands have merged the Best of E-Commerce with their Physical Points of Sale.

For example, the latest Adidas Store in Berlin now offers a Lively Place, open to the City, but also a Digitalized Customer Experience. The Visitor no longer needs to wait for a Salesperson to be Free to try on a Pair of Shoes. Inside the Store, all he has to do is launch the Brand's Application with Three Stripes and point the Smartphone Camera at the Model he wants to try. Once the Latter is recognized, he grabs his Size and waits on the Shelf for the Product to be brought to him while looking at other Items.

While many talk about Digital in this Post-Pandemic Period, Humans remain and will remain Key to Commerce. Interpersonal Exchanges are at the Heart of the Relationship between a Brand, a Retailer and the Consumer. However, the Latter is no longer the Prerogative of the Physical Point of Sale. The Proof ? The Proliferation of Chat, Video and Remote Advice Solutions, such as that developed by the House of Dior: from their Computer or Smartphone, the Customer contacts a Remote Advisor in order to obtain an Immediate and Precise Answer to their Question. Without being New, the Service has established itself as an Essential Part of the Business; so much so that even Apple has just converted to it by deploying Chat with a Specialist on its Digital Channels, a True Online Extension of the Apple Genius Bar.

- Be Profitable Above All.

While Inflation has set in to last, for many European Brands, the Increase in Prices more than compensates for Volume Losses. However, Payment Defaults remain High, forcing Brands to return to a Basic of Commerce: to survive, you have to be Profitable. The most Blatant Example concerns the Fall of Quick Commerce, which was booming in 2021 with Great Fundraising. One of the Market

Leaders, "Getir", left Spain, Italy, Portugal and France this Year. After wanting to conquer the World, the Players are all refocusing on their Original Market, in search of a Profitable Economic Model while Free Financing is becoming Rarer.

Behind this Logic of seeking Profitability, Business Models are evolving, notably under the Impetus of ever more Restrictive Regulations. Proof that Times are changing with the Shift taken by Netflix this Year. Last May, the Streaming Platform ended Account Sharing. Concretely, all Subscribers who want to share their Account with a Person Outside their Household must now pay €5.99 Per Month.

Facing Inflation, Consumers seek to reduce their Bills by buying at the Lowest Price. To attract it, Brands are starting to promote and Even Low Cost. Thus Carrefour, based on the Analysis of its Data, has implemented an Anti-Inflation Button. When the Buyer browses the Brand's Website to do their Shopping, they can, if they wish, click on the "Find Cheaper" Button in order to have a Selection of Equivalent Items sold at a Lower Price. A Quick and Simple Solution to minimize the Cost of Food Shopping.

The Popularity of the Circular Economy also continues to grow. To minimize their Impact on the Planet, some Brands are opting for Pre-Orders. This is particularly the Case in the Clothing Sector with, for example, the French Brands "Asphalte" or "Forlife". To buy a Piece of Clothing, the Customer must pre-order it on the Website or in the 85 $m^2$ Store. Once the Minimum Number of Parts is reached, Production is launched. A Maximum of Three Weeks of waiting is required to be able to recover it. In return, the Consumer benefits from an Affordable Price, because Consuming Responsibly should not be a Luxury. A "Tour De Force" achieved by combining Pre-Ordering to produce the Right Quantity and a Short Circuit: all Partner Factories are located less than Fifteen Hundred Kilometers from Paris, mainly in Portugal.

- The Promises of Artificial Intelligence.

New Avenues for Optimization are emerging with the Ever-Increasing and Rapid Deployment of Artificial Intelligence. Thanks to it, Innovation restarts. New Services become Possible, thus allowing Brands to gain Market Share. If the Internet Industrial Revolution has created a Considerable Mass of Data, that of Artificial Intelligence will make it Possible to exploit it in Substance and Form, opening a New Era for Commerce: that of "Individualization".

Just Two Months after its Launch in November 2022, ChatGPT reached 100 Million Users. Incredible Enthusiasm compared to those surrounding Netflix, Airbnb or Instagram who, respectively, had to wait Ten, Eight and Two and a Half Years to achieve this Performance. ChatGPT thus surpassed the Previous Record established in 2016 by TikTok: Nine Months.

If Predictive AI makes it possible to analyze Past Transactions to anticipate Future Behavior, Generative AI makes it possible to create a Personalized Offer to send to the Consumer. In Brazil, the Faculty of Medicine of Porto Alegre (UFCSPA) launched "bAIgrapher", the First Platform using Generative AI to make Reminiscence Therapy (Recalling Memories by Presenting and Re-Contextualizing Objects from the Past) accessible to People with Alzheimer's Disease. This Example illustrates the Positive Social Impact that Artificial Intelligence can have. Furthermore, Brands like Levi's also use it to promote Inclusion and ultimately develop their Turnover. Thus, Models with Normal Measurements, in Line with the Evolution of Society, of all Colors and Origins, appear Today on the Sites.

The Main Advantage of Generative AI for the Company is therefore the Following: offering the Consumer a Perfectly Individualized Offer in Real Time. Each Consumer has their Own Offer, both in Form and Substance. Throughout the Purchasing Journey, Artificial Intelligence streamlines and personalizes the Experience. The Adoption Effort is Minimal.

Generative AI is capable of processing Natural Language but also of generating it. ChatGPT therefore brings the Conversation Up To Date. Chatbots are now Enriched to better understand and communicate with the Consumer. First, he will have to unlearn how to talk to a Machine. On Search Engines, today he expresses himself using Keywords and not as he would Naturally do with a Human Being. Striving towards Increased Practicality rather than Increased Dialogue, this is the Objective of Carrefour with Hopla. Simply start the Conversation based on an Objective, for example, “Please prepare me a Shopping List for the Week for a Budget of €100 Maximum and for a Family of Five People". The Chatbot immediately offers Associated Products as well as a Recipe for Each Day of the Week. If the Customer is satisfied, all they have to do is click on “Buy The Products” to add them to their Shopping Cart.

- The Desintermediation of Customer Relations has begun.

Artificial Intelligence is spreading across all Customer Relationship Points, whether Historic such as the Store, Website, Application or New Ones such as Social Networks, Streaming Platforms and Digital Voice Assistants.

Generative AI will be inserted into many Touch Points, particularly Streaming. Amazon Prime, Netflix, Roku or even Disney+, all these Audience Platforms integrate Technology and in doing so are Gradually Evolving to become Commercial Sites. But they are not the only ones to possess the Black Gold of the 21st Century that is the Audience: Social Networks too. 59% of the World's Population spends an Average of Two Hours and Thirty-One Minutes on it Every Day. If Facebook remains the World's Leading Social Network in Terms of Audience, it is TikTok which is showing the Most Audacity Today. His Influence among Young People is well established. For Example, a Uniqlo Store in Berlin has just installed a Giant Screen in the Children's Section to broadcast Videos of Teenage Girls unpacking their Purchases made at the Store on the Social Network.

- Subscription, Gamification: New Models are emerging.

Distribution Margins and the Model that currently structures Commerce will continue to shrink. Due to a Tense Geopolitical Context, it will always be more Expensive and Costly to buy and transport Items Produced in Asian Factories to Europe. At the Same Time, the European Consumer will always want to Pay Less. Because it is Virtuous for All Players in the Value Chain, from Producer to Consumer, Subscription will gradually establish itself as the Dominant Business Model.

Example with the Initiative of a Lyon Restaurant, "UNI". For €5.90 Per Month, Customers have Access to a Range of Offers and Services such as Discounts, the Possibility of Choosing their Table, Rating the Dishes, Offering Suggestions for the Menus for the Coming Weeks or Participating in Dedicated Events. The Objective is to create and maintain a Community of Loyal Customers and Ambassadors of the Restaurant.

Gamification is also Emerging to encourage Behavior Change by Enhancing it and Rewarding Consumers. How can we encourage Travelers to favor the Least Polluting Modes of Travel? In Shanghai, People who choose an Environmentally Responsible Mode of Transport such as the Metro or Bus are now Rewarded with “Green Credits”. These Points earned for Each Trip fund their Account on the City's Mobility Application, called "Suishenxing". These Credits can then be Exchanged for Gifts.

About L’Echangeur BNP Paribas Personal Finance
L'Echangeur BNP Paribas Personal Finance is the Center for Technological and Marketing Innovation Applied to Retail, which deciphers New Consumer Habits for Major Players in Distribution and E-Commerce and supports them in Designing their Strategies of Development. The Echangeur's Support is based on the Combination of Marketing, Data, New Tech and Innovation Expertise and Tools. For more than 25 Years, CAC 40 Companies, Retail Brands and Major Brands have trusted the BNP Paribas Personal Finance.

About BNP Paribas Personal Finance
BNP Paribas Personal Finance is a Major Player in Consumer Credit in France and Europe, offering a Wide Range of Consumer Credit Products. A Fully-Owned Subsidiary of the BNP Paribas Group, the Company Offers, with its Cetelem, Findomestic or Alpha Credit Brands, a Complete Range of Personal Loans in Stores, at Car Dealerships or directly to Customers via its Customer Contact Centers and Online. BNP Paribas Personal Finance has completed its offering with Insurance and Savings Products in Several Countries such as Germany, France, Italy, etc.

Source: 2023 Report Echangeur BNP Paribas Personal Finance " Innovate Service Centric" (In French)
Inflation, Ecological imperative, AI: Towards Individualization of Customer Relations in Commerce in 2033
"A Cake To Be Shared"
Presented on December 15, 2023 @ Restaurant La Démesure"
With The Presence of:
* Elisabeth Menant, Innovation and Services Trends Analyst @ Echangeur BNP Paribas Personal Finance
* Matthieu Jolly, Head of Innovation & Services @ Echangeur BNP Paribas Personal Finance

Ruby BIRD
http://www.portfolio.uspa24.com/
Yasmina BEDDOU
http://www.yasmina-beddou.uspa24.com/

**Article online:**

https://www.uspa24.com/bericht-23959/towards-individualization-of-customer-relations-in-commerce-in-2033.html

**Editorial office and responsibility:**
V.i.S.d.P. & Sect. 6 MDStV (German Interstate Media Services Agreement): Ruby BIRD & Yasmina BEDDOU (Journalists/Directors)

**Exemption from liability:**
The publisher shall assume no liability for the accuracy or completeness of the published report and is merely providing space for the submission of and access to third-party content. Liability for the content of a report lies solely with the author of such report. Ruby BIRD & Yasmina BEDDOU (Journalists/Directors)

**Editorial program service of General News Agency:**
United Press Association, Inc.
3651 Lindell Road, Suite D168
Las Vegas, NV 89103, USA
(702) 943.0321 Local
(702) 943.0233 Facsimile
info@unitedpressassociation.org
info@gna24.com
www.gna24.com