

Payments Outlook

nets 

2020

Nets Innovation Hub



***The future isn't
what it used to be***

Content

Introduction to Outlook 2020

Looking Ahead4
 Methodology4

Identified Trends

Consumer, Technology, Market, Regulation5
 Radar Framework6

Themes for 2020

Themes Overview7
 2020 Themes in 20 Seconds7

1 Seamless Access to Funds

Predictions10
 Insight11
 Perspectives12
 Examples14

2 Fluid Commerce

Predictions16
 Insight17
 Perspectives18
 Examples20

3 Customized Privacy

Predictions22
 Insight23
 Perspectives24
 Examples27

4 Quantified Self

Predictions29
 Insight30
 Perspectives30
 Examples31

5 Simultaneous Bundling and Unbundling

Predictions33
 Insight34
 Perspectives35
 Examples38

6 Decentralized Trust

Predictions40
 Insight41
 Perspectives42
 Examples43

7 Responsible Consumerism

Predictions45
 Insight46
 Perspectives47
 Examples49

8 Glocal Commerce

Predictions51
 Insight52
 Perspectives53
 Examples54

Sources55

About61

Get in Touch62

Introduction to Outlook 2020

Looking Ahead

The digital transformation is upon us, and it is picking up the pace. Although it may not seem so rapid in real-time, the changes are all around us. That is because we are experiencing the changes on a day-to-day basis with minor updates, new features, and new smart devices. At least that is how it feels to consumers. They tend to gradually ease into the changes because it is essentially serving their needs. It is the merchants, not the consumers, who will have a hard time keeping up with demand, trying to foresee the future.

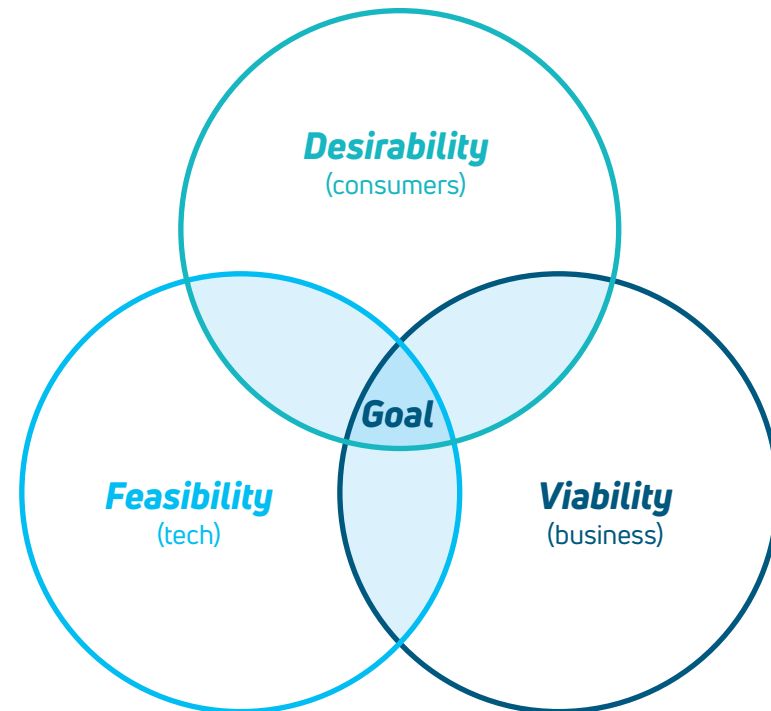
This is where Nets Innovation Hub comes into the picture. We are on a mission to help merchants deliver a consumer experience with frictionless payments. In order to stay ahead of the curve, we want to look into the future, and see if we can identify trends. Before we get carried away let us make it absolutely clear: predicting the future is an impossible task. However, following a systematic approach to spot trends goes a long way. We have identified eight themes that are naturally interlinked and likely to pave the way for new payment methods.

“
Predicting the future is an impossible task. However, following a systematic approach to spot trends goes a long way”

Methodology

To identify new themes relevant to merchants and the payment industry, we reviewed more than 70 reports from leading industry researchers and consulted more than 300 online sources. Furthermore, we interviewed experts within the Nets Group as well as top

industry experts. From all those sources we identified 64 trends that could potentially impact merchants and the payment industry.





Identified Trends

In this section we list all the trends we have identified during our research. Each trend is placed in one of the four categories; Consumer, Technology, Market or Regulation.

Consumer

- A1 Digital detox
- A2 Sharing economy
- A3 Customization
- A4 Data minimalism
- A5 Circular economy
- A6 Health tracking
- A7 Sustainable consumerism
- A8 Sub-sub cultures

Technology

- B1 Speech recognition
- B2 Emotional recognition
- B3 Computer vision
- B4 AI in BI
- B5 AI hardware
- B6 Real time personal analytics
- B7 Brain-computer interfaces
- B8 Biometrics
- B9 Crypto wallets
- B10 Smart contracts
- B11 Edge computing
- B12 Serverless computing
- B13 Quantum computing
- B14 Neuromorphic computing
- B15 Holographic and haptic interfaces
- B16 AR/VR
- B17 Wearables
- B18 Sensors and intelligent devices
- B19 Connected homes
- B20 Autonomous mobility
- B21 Micro & nano tech
- B22 Physical robots
- B23 Digital personal assistants
- B24 DLT (Distributed ledger technology)

Market

- D1 Subscription economy
- D2 Online marketplaces
- D3 Sustainable development goals (UN)
- D4 Personalization for the masses
- D5 Product bundling
- D6 Micro payments
- D7 Payments as a service (PaaS)
- D8 Market consolidation
- D9 Strategic alliances
- D10 Cash conversion
- D11 Open banking
- D12 Omnichannel integrated experience
- D13 Circular economy
- D14 European cashless conversion
- B15 Platform economy
- B16 TechFin market entry
- B17 Account to account
- B18 Mobile wallets
- B19 Alternative payment methods

Regulation

- C1 GDPR
- C2 PSD3
- C3 Accessibility standards
- C4 AML5
- C5 MIFID II
- C6 Basel III
- C7 Pan-EU P2P payments
- C8 eIDAS
- C9 PSD2 in effect
- C10 AML6
- C11 SCA introduction
- C12 GDPR article 6(1) clarification
- C13 5MLD



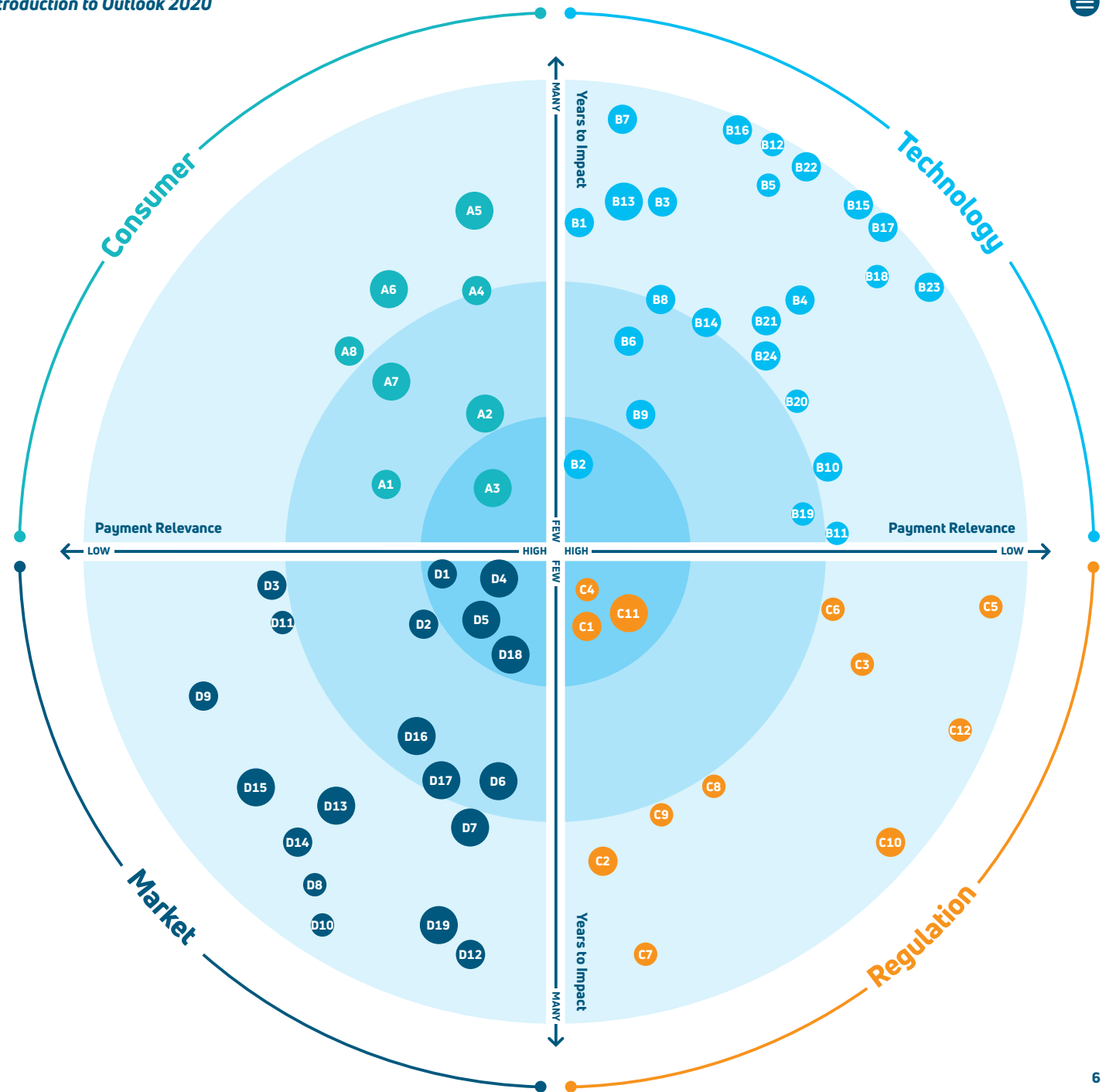
Radar Framework

In order to understand these trends, we have developed a framework inspired by the three dimensions of design thinking. As regulatory requirements are highly important (and impactful) to the financial sector, in particular to the payment industry, we have added regulatory as a fourth dimension.

- **Desirability:** Consumers
- **Feasibility:** Technology
- **Viability:** Market
- **Compliance:** Regulation

Each trend is placed in one of the four dimensions: Technology, Consumer, Market or Regulatory. Furthermore each trend is measured with respect to relevance to payment (x-axis), years to materialize (y-axis), and the bubble (size) is the perceived impact, in relative terms of the particular trend impact of the particular trend. The closer a bubble comes to the center the more relevant it is.

[Read more about the 'Identified Trends'](#)





Themes for 2020

Themes Overview

Based upon the Outlook Radar we conducted several workshops with industry and innovation experts - internal and external - turning trends into themes. Many discussions and combinations of trends were proposed, explored, analyzed and combined. At the end, consensus was reached upon the following themes for the Payments Outlook 2020.

- 1 **Seamless Access to Funds**
- 2 **Fluid Commerce**
- 3 **Customized Privacy**
- 4 **Quantified Self**
- 5 **Simultaneous Bundling and Unbundling**
- 6 **Decentralized Trust**
- 7 **Responsible Consumerism**
- 8 **Glocal Commerce**

On the following pages we will describe each theme, rationalize why we think it is important, and last but not least, we will make predictions for the future with respect to each theme.

2020 Themes in 20 Seconds

New **seamless** ways for consumers to **access funds** will craft new personalized experiences. These will allow merchants to establish new touchpoints and deliver value propositions around consumer identification. The touchpoints will further boost the development of new kinds of merchant-consumer interactions. **Commerce** will become increasingly **fluid**: online and in-store will blend together and increase customer value. Consumers will lead their path to purchase, and expect flawless interactions between channels.

Data collection and profiling will be fundamental to deliver seamless interactions. Hence, merchants will need to address consumer rights and the request for **privacy**, which will have to be fully **customizable**.

This does not mean that companies will necessarily have a hard time collecting data, but rather that they will have to be able to provide value in exchange for data. In fact, the average consumer's willingness to share personal data is increasing. This phenomenon is demonstrated by the growing trend of measuring every aspect of one's life, what

we call **"quantified self"**. Lots of consumer data will be generated, and its distribution across different platforms together with the proliferation of the so called "API economy" will lead to new waves of disruption through **simultaneous bundling and unbundling** cycles. On the flip side, data dispersion and the consequent demand for privacy, control and trackability, will continue to drive investments towards the exploration of blockchain technologies and systems allowing for **decentralized trust** by design.

At a macro-level, consumers' awareness of social and environmental issues will continue to increase. Companies need to address the growing demand for **responsible consumerism** in order to remain relevant. At the same time, the continuous search for authenticity and differentiation will lead consumers to shop **glocally**, meaning shopping local products from all corners of the world.

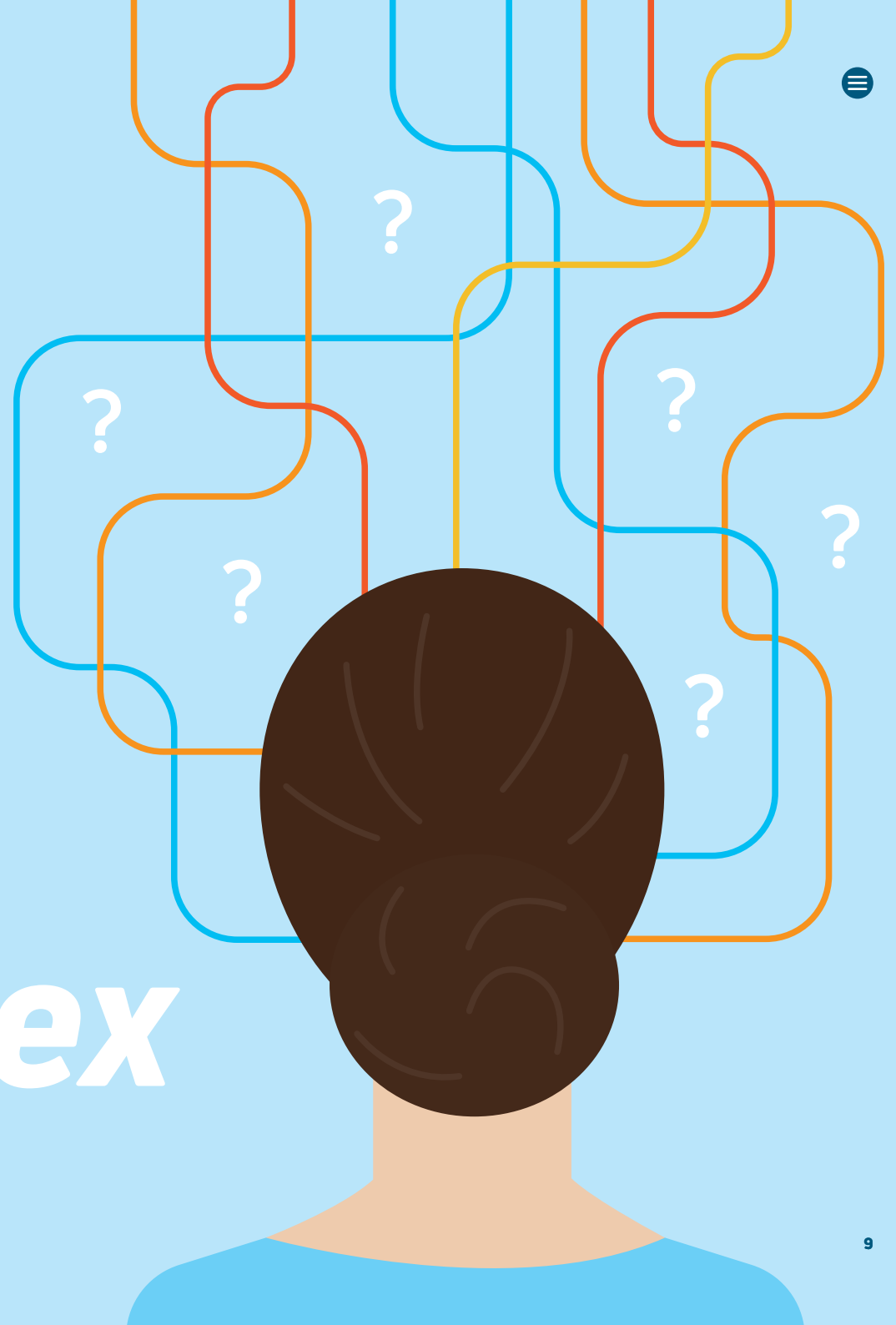


“

***Buckle-up and
enjoy the ride!***

1 Seamless Access to Funds

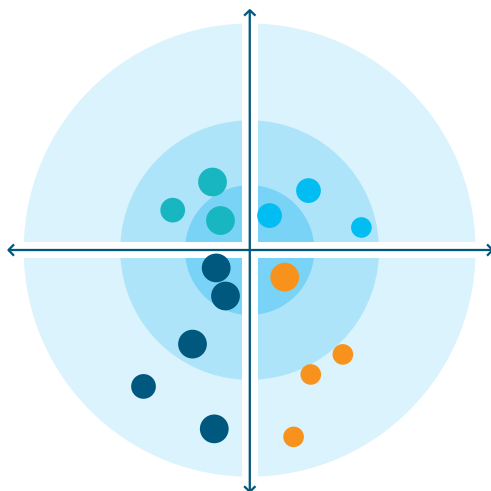
*It's
simply
going to
be complex*



Seamless Access to Funds

With regulatory changes and technological developments, we have seen an enormous transformation in how consumers access and transfer their funds, as well as the very nature of these funds. This development crafts new innovation platforms, that are opening up for new opportunities but also bringing new levels of complexity for merchants.

Radar: Relevant Trends



Consumer: Customization, Digital Detox, Sharing Economy

Technology: Biometrics, Crypto Wallets, Wearables

Market: Mobile Wallets, TechFin Market Entry, Alternative Payment Methods, Personalization for the Masses, European Cashless Conversion

Regulation: PSD2 in Effect, SCA Introduction, Pan-EU P2P Payments, eIDAS

[Read more about the 'Identified Trends'](#)

Predictions

A

New digital payment methods will continue to emerge enabled by mobile acceptance, cryptocurrencies, "loyalty currencies" as well as PSD2/Open Banking

B

Emerging payment methods will create new forms of personalization and value-adding opportunities at POS for merchants – but also increase the complexity

C

In-store biometric payments – specifically facial recognition – are well positioned to become the next payment form factor, enhancing convenience, security and personalization



Insights

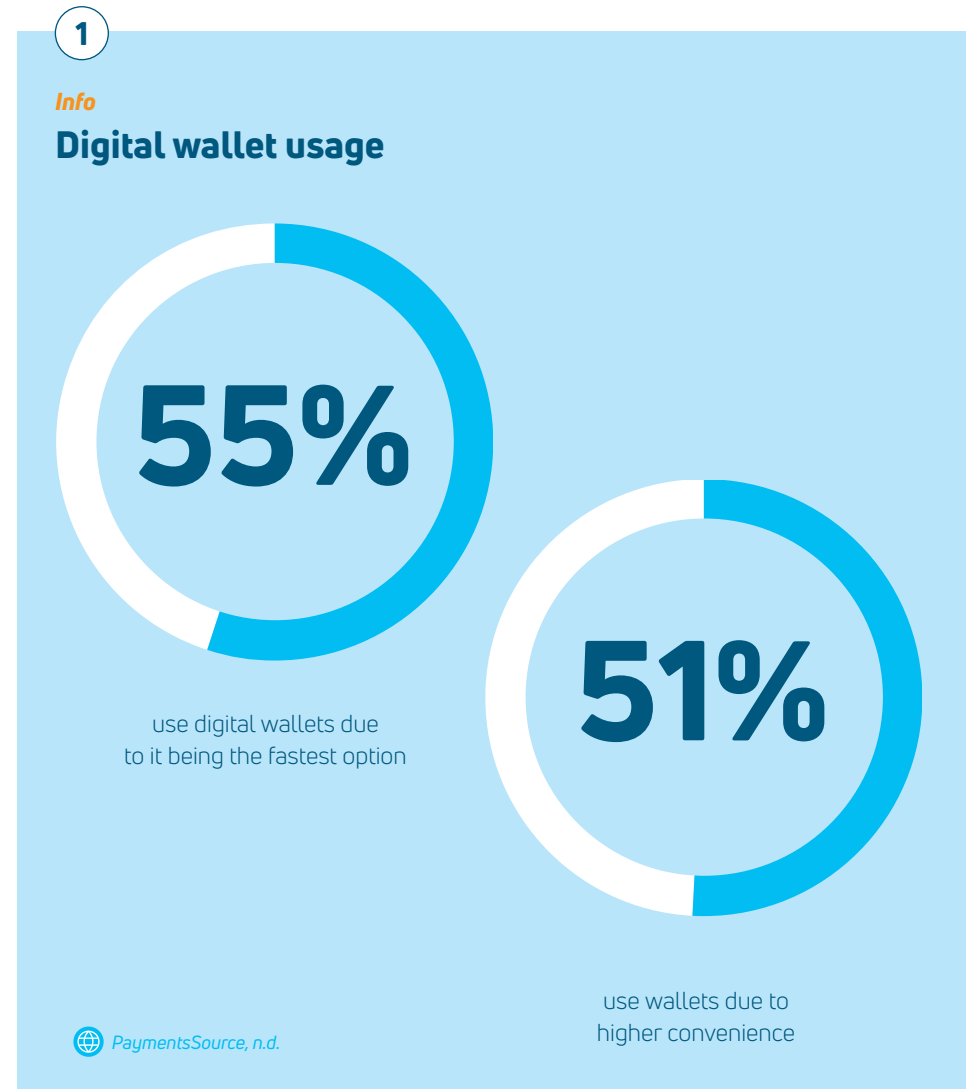
How we pay for goods has changed over time. A payment transaction involves three basic elements: the nature of funds, how you access them (i.e. the payment form factor) and the system connecting the two. Traditionally these elements were all controlled centrally by governments, and linked to fiat currency. With the transition from analogue to digital, new parties were allowed into the payment value chain: private organizations got involved in introducing new form factors as well as in creating new frameworks for connecting schemes. The very nature of funds has evolved as well, from fiat currencies only, to also include “loyalty currencies” and crypto currencies.

Over the past few decades, payment form factors - the most evident element of change for consumers - have expanded from cash to payment cards, and now to mobile. This change was led by digital technologies, smartphone penetration, as well as consumers’ demand for convenience and security ①. With NFC readily available at point-of-sales (POS) and in smartphones, digital wallets like Google and Apple Pay have quickly become the obvious evolutionary step. Looking at changes in the nature of funds, a major breakthrough was brought about by Bitcoin, which enabled the emergence of

“*The very nature of funds has evolved as well, from fiat currencies only, to also include “loyalty currencies” and crypto currencies*”

blockchain and other crypto currencies. At the same time, increased interaction opportunities between merchants and consumers via digital channels allowed for a reinvention of “loyalty currencies”. Finally, considering the connecting protocols between funds and payment form factors, recent changes in the regulatory framework (i.e. PSD2), are leading to a progressive erosion of card transactions in favour of account-to-account payments.

The ever-changing landscape within the payment ecosystem has brought about a great deal of complexity for merchants: different





Insights *(continued)*

3

Info

Payment methods are changing

The share of card-in-hand transactions is expected to decrease from **46%** to **34%** in Western Europe by 2022.

McKinsey, 2019

payment methods have different characteristics and often different costs. Consumers are increasingly reluctant to shop where merchants impose certain payment methods in favour of others. At the same time, this evolution has unlocked new opportunities for merchants to turn payments from a simple collection task into a new channel around which to build personalization and loyalty **2**. A prominent example of these new opportunities is offered by mobile payments at POS. With the adoption of wallets expected to continue growing in coming years **3** **4**, merchants now have the opportunity to leverage this trend and interact with the end user via e.g. a merchant app used at POS.

With the increased digitization and widespread consumer adoption of mobile wallets, solutions like consumer reward programmes, cash-back and loyalty-points will be much easier for merchants to implement into their customer journey and purchase flow. This will enable merchants to identify and personalize a consumer's shopping experience before, during, and after payment, as well as blurring the line between online and in-store buying. On top of this, new frontiers of payment form factors, such as biometric identification, are currently being tested, and are likely to reach the market in the near future, further enabling for easier, more personal and safer interactions **5**. The speed at which fintech innovation is entering the market is unprecedented. To the average consumer it means they are faced with multiple choices across many payment methods. This implies an inevitable period of transition in which no technological paradigm will dominate the market, but rather a lot of options will coexist. Therefore, complexity for merchants will dramatically increase. Like the consumers, they will face an increasing amount of choices they need to make.

Perspectives

2

Info

Mobile payment is important

80%

of merchants see mobile payments as a fundamental part of their business strategy

92%

of merchants expect to maintain or increase investments in mobile infrastructure over the next 12 to 18 months

80%

of respondents cited consumer demand as one of the main reasons for adopting mobile payments

FinExtra, 2019

4

Graph

Mobile wallet usage

Number of mobile wallet users expected to increase from 670 Mn in 2017 to 1,500 Mn in 2022F

Global increase of mobile wallet users over time
(Millions)



Payments Cards & Mobile, 2019

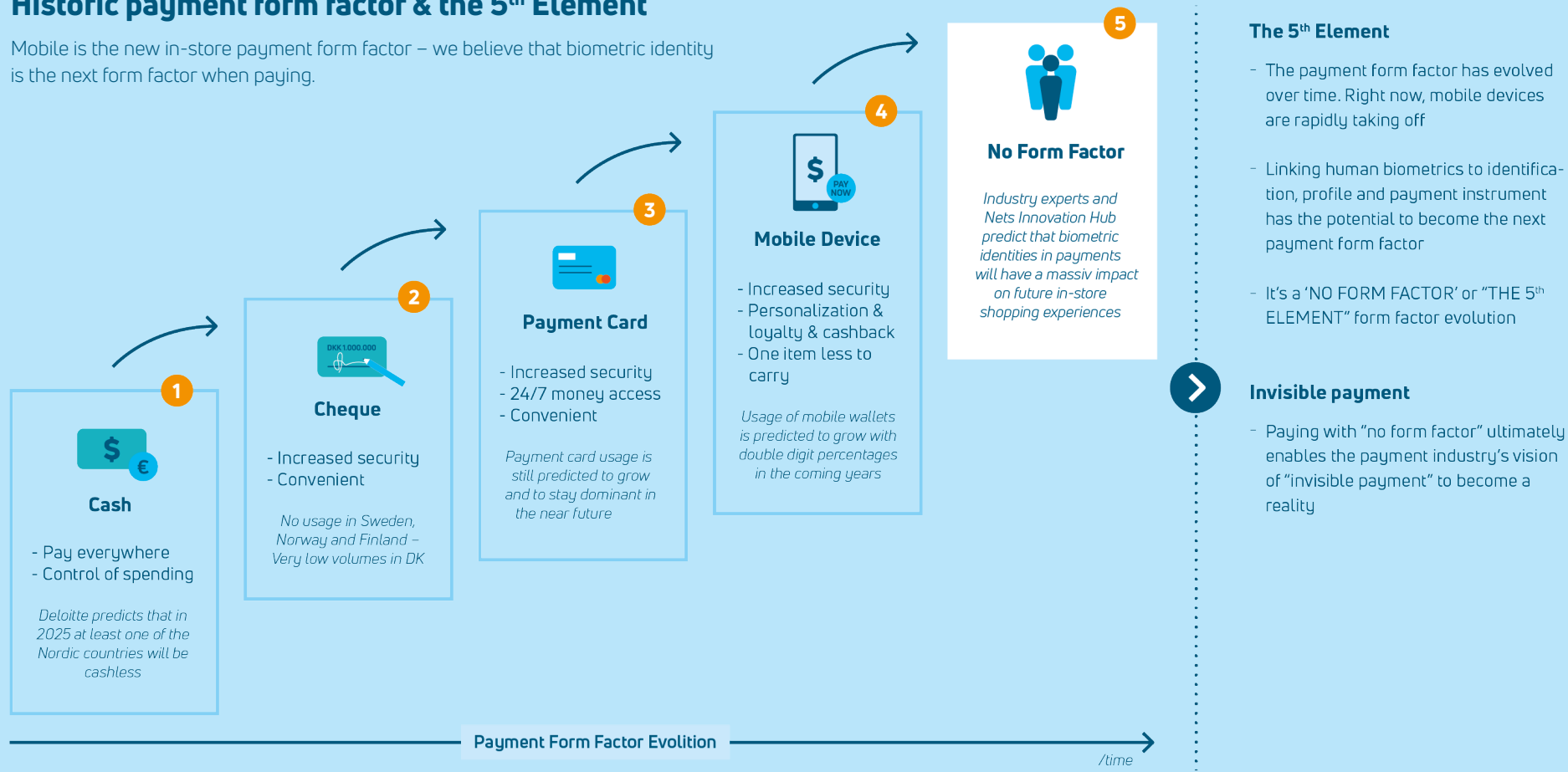
Perspectives (continued)

5

Illustration

Historic payment form factor & the 5th Element

Mobile is the new in-store payment form factor – we believe that biometric identity is the next form factor when paying.



Source: Nets analysis

Examples

I




Caliburger

Facial recognition

Californian restaurant chain specializing in burgers. Using facial recognition to identify consenting consumers ordering at self-service kiosk in order to offer personalized loyalty offers, repeat previous orders, and eventually facilitate payment

 caliburger.com

II




NIGHTLIFE PROFESSIONALS

Rekom

NightPay

Scandinavia's largest nightlife group with 150+ bars in DK, NO, FIN, servicing over 10 Mn consumers annually. Introduced NightPay, a mobile wallet app where consumers earn loyalty points and receive great discounts when paying for service in any of their bars

 rekomgroup.com

III



WeChat


WeChat

Messaging app

WeChat is China's most popular messaging app with a monthly user base of more than 1 Bn people, and offers users an in-app method of paying in-store, peer-to-peer, and online. WeChatPay is the most dominant mobile wallet in China, and is used for everything, including topping up the electricity supply for your apartment

 wechat.com

IV




Square

Square Wallet

Location-based mobile wallet

Because it is location-based, the store knows when you are in-store trying to purchase a product, and will charge it to the card linked to your Square account. At check-out, consumers simply say their name to the cashier, who then connects your purchase to your profile and a hands-free payment is made

 hongkiat.com

2 Fluid Commerce

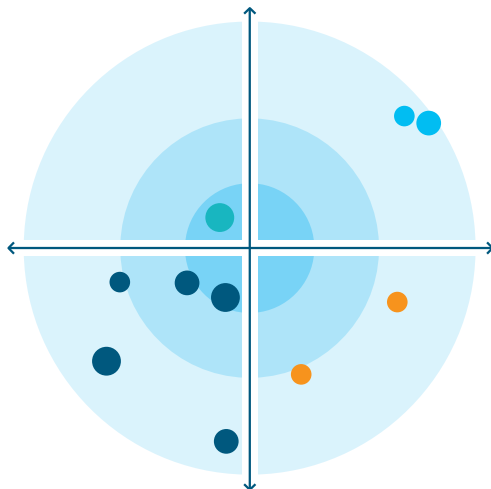
I want my channels shaken, not stirred



Fluid Commerce

The online and in-store shopping experiences is increasingly merging and integrated experiences are key if merchants want to win the hearts and minds of consumers. Consumers expect personalized user journeys across all channels in exchange for their data. The exchange of data for recommendations and customizations facilitates a mutual value exchange. Brick and mortar stores and webshops will go hand-in-hand, contributing to a unified path to purchase in which the consumer has full control.

Radar: Relevant Trends



Consumer: Customization, Digital Detox, Data Minimalism

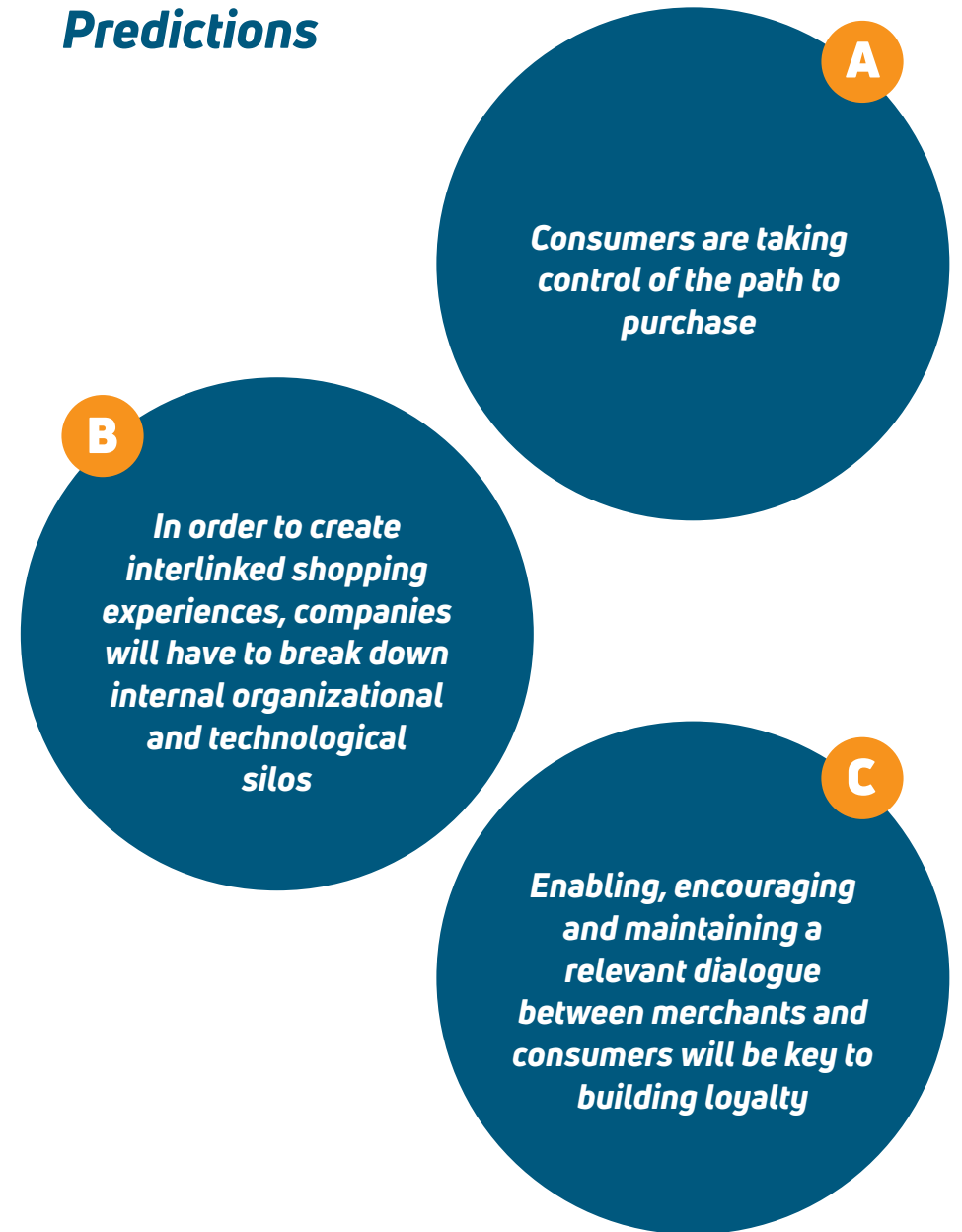
Technology: Digital Personal Assistants, Biometrics, Edge Computing

Market: Online Marketplaces, Omnichannel Integrated Experience, Mobile Wallets, Personalization for the Masses, PaaS, Alternative Payment Methods

Regulation: PSD2 in Effect, Accessibility Standards, GDPR, SCA Introduction

[Read more about the 'Identified Trends'](#)

Predictions



Insights

1

Info

Consumer experience is key



of consumers expect a connected experience regardless of the channel/device they are using

Salesforce, 2019

The internet has dramatically disrupted in-store shopping. As a result, a new balance between the digital and the physical world is emerging. While commerce is heading in a digital direction, consumers still have the basic urge to smell, touch, taste, and try on

for size. This is a fundamental part of human nature and will not go away. Hence, both the online and offline shopping experience will inevitably continue to overlap and finally blend together in natural coexistence. If consumers are to engage and finalize a purchase, this harmony is essential.

The constant emergence of new technologies allow continuous reinvention of the retail landscape, in which consumer-centricity is increasingly present: consumers feel more empowered and expect to be able to lead the path to purchase ① ②.

“
Consumers feel more empowered and expect to be able to lead the path to purchase”

Most businesses are familiar with the concept of multichannel ③, as they necessarily have to be able to reach their consumers across a variety of channels. Merchants are increasingly evolving their multichannel propositions into omnichannel, ensuring a

5

Illustration

Omni vs Fluid commerce

Omni

Consistent experience across all channels and devices

In-store experience enhanced with wayfinding and contextual messaging

Ordering via store or digital property

Fulfillment via pick-up or delivery

Customer loyalty rewarded for purchases

Fluid

→ Personalized and contextual experience across all channels and devices

→ In-store experience transformed with predictive merchandising, digital displays, and contextual promotions

→ Ordering wherever or however the consumer wants

→ User-defined fulfillment

→ Customer loyalty rewarded for referrals and engagement

Rightpoint, 2019

Insights *(continued)*

consistent experience across mobile, online and physical channels ④. The next hurdle to overcome is how to create a consumer experience that allow simultaneous consumer-merchant interactions. An experience that transcends all channels by blending them together seamlessly.

With a demand for a different shopping experience, merchants need to consider new approaches, leading to what can be defined as a fluid commerce proposition ⑤. Consumers expect to move through the purchase flow on their own terms. In a rapidly accelerating digital world, keeping the consumer engaged across channels has become a top priority for many merchants. As more channels are emerging, including voice ⑥ and AR/VR, it is important for merchants to understand how to create the right "channel portfolio". By doing so, they are able to serve the optimal fluid commerce proposition, depending on industry, consumer segment and desired positioning.

To win the hearts and minds of consumers, merchants will have to turn their omnichannel proposition into fluid commerce. Merchants and consumers will increasingly interact, but in the near future it will be increasingly on the consumers' terms. Retailers will no longer be able to dictate or pro-

voke consumer engagement and the entire shopping journey will have to be reinvented. Any given consumer will decide when, where and how they want to interact with a brand - not the other way around ⑦.

To succeed, merchants will have to invest in a comprehensive fluid commerce strategy. This includes ensuring presence in both the physical and digital world with a guaranteed consistent experience regardless of the interaction channels. Companies will have to cater for the right interaction at the right time on the right channel, according to the consumer's preference. This is how merchants will maximize conversion and customer return. Furthermore, merchants should combine and analyze consumer data across all touchpoints, by bringing down technological and internal organisational silos. This highlights the essential need for an ongoing conversation between merchant and consumer, providing a holistic view of a consumer's behavior and needs. Only then can a company be allowed to be part of a potential customer's life.

Perspectives

2

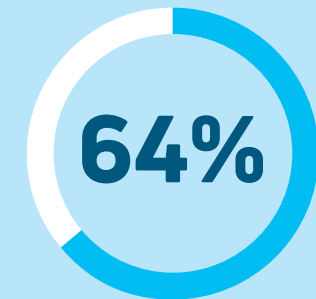
Info

Consumers expect to interact cross-channel and -device



prefer different channels depending on the context

Salesforce, 2019



have used multiple devices to start and complete a single transaction

4

Source

Merchants and omnichannel

Importance of omnichannel spans wide, as merchants within transportation, entertainment, banking, and retail are implementing omnichannel strategies

HubSpot, 2020

7

Source

Omnichannel 2.0

Meeting consumer expectations is all about creating a contextual and relevant experience across all touchpoints, as well as maintaining an ongoing conversation between consumer and merchant

Rightpoint, 2019

Perspectives *(continued)*

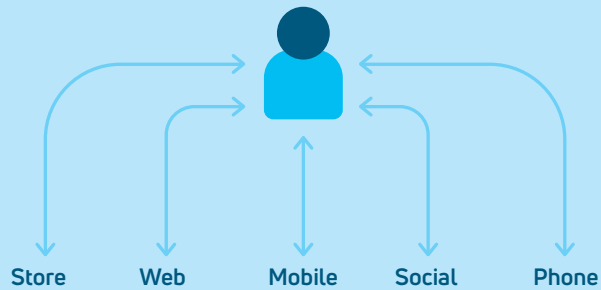
3

Illustration

Multi vs omnichannel

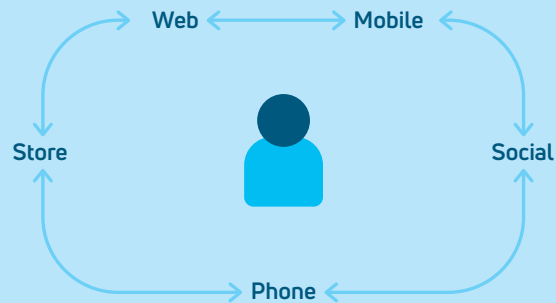
Multichannel

All channels are available to the consumer but are not integrated



Omnichannel

All channels are available to the consumer and they are connected



Fit Small Businesses, 2019

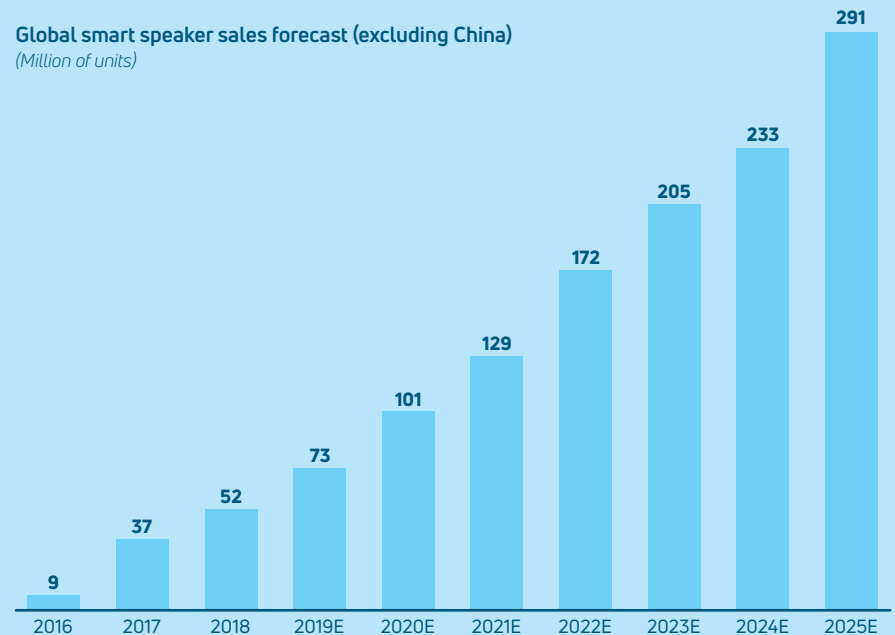
6

Graph

The voice revolution is already happening

Number of smart speakers globally (excluding China) in private homes expected to quadruple by 2025

Global smart speaker sales forecast (excluding China)
(Million of units)



Voicebitai, 2019

Examples

I



Nike House of Innovation 000

Geo-fencing technology

Global retailer of athletics- and sportswear. Nike's Manhattan store provides exclusive offers, experiences, product recommendations and self-checkout directly on their mobile device for Nike+ membership owners. By using geo-fencing technology, the app detects when the consumer enters the store and is automatically updated to provide customized features

nike.com

II



Zara

Buy and reserve products online

Global fashion brand, both present in the online and in the physical world, interlinking the experience, by offering the possibility to buy/reserve products online and then try it on/pick it up in the closest physical store. They provide offers based on previous buys in their app, and have created a scanning feature where you can see whether or where it is in stock

zara.com

III

T O P S H O P

TopShop

Virtual reality fitting rooms

Global fashion retailer of clothing, shoes, make-up and accessories. Currently testing virtual reality fitting rooms in their flagship stores that allow consumers to 3D scan themselves and virtually try on products

topshop.com

IV



IKEA

Engaging e-commerce mobile platform

Global furniture retailer. The official Ikea app works as an engaging e-commerce mobile platform, letting users know exactly where specific items are located in physical IKEA stores. Furthermore, they utilize virtual reality to allow consumers to see products in their own homes, while also opening showrooms with day-to-day delivery

ikea.com

3 Customized Privacy

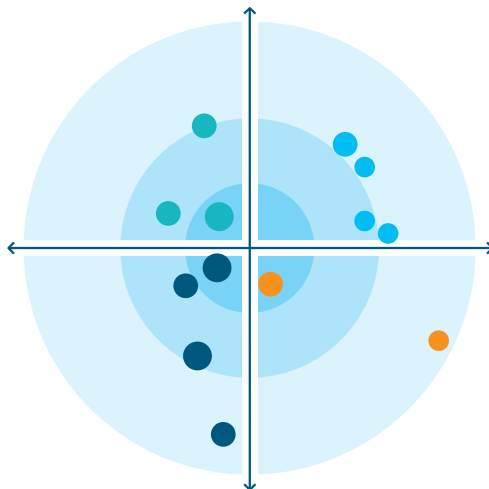
*I'll take
a cookie
to-go,
please*



Customized Privacy

Customization is no longer an option, it is expected and required. Data is a gold mine for companies, but also a potential minefield. In a society dominated by digital marketing initiatives, the rate at which consumers disconnect, unsubscribe and opt-out to flee the bombardment of undesired content is increasing dramatically.

Radar: Relevant Trends



Consumer: Digital Detox, Data Minimalism, Customization

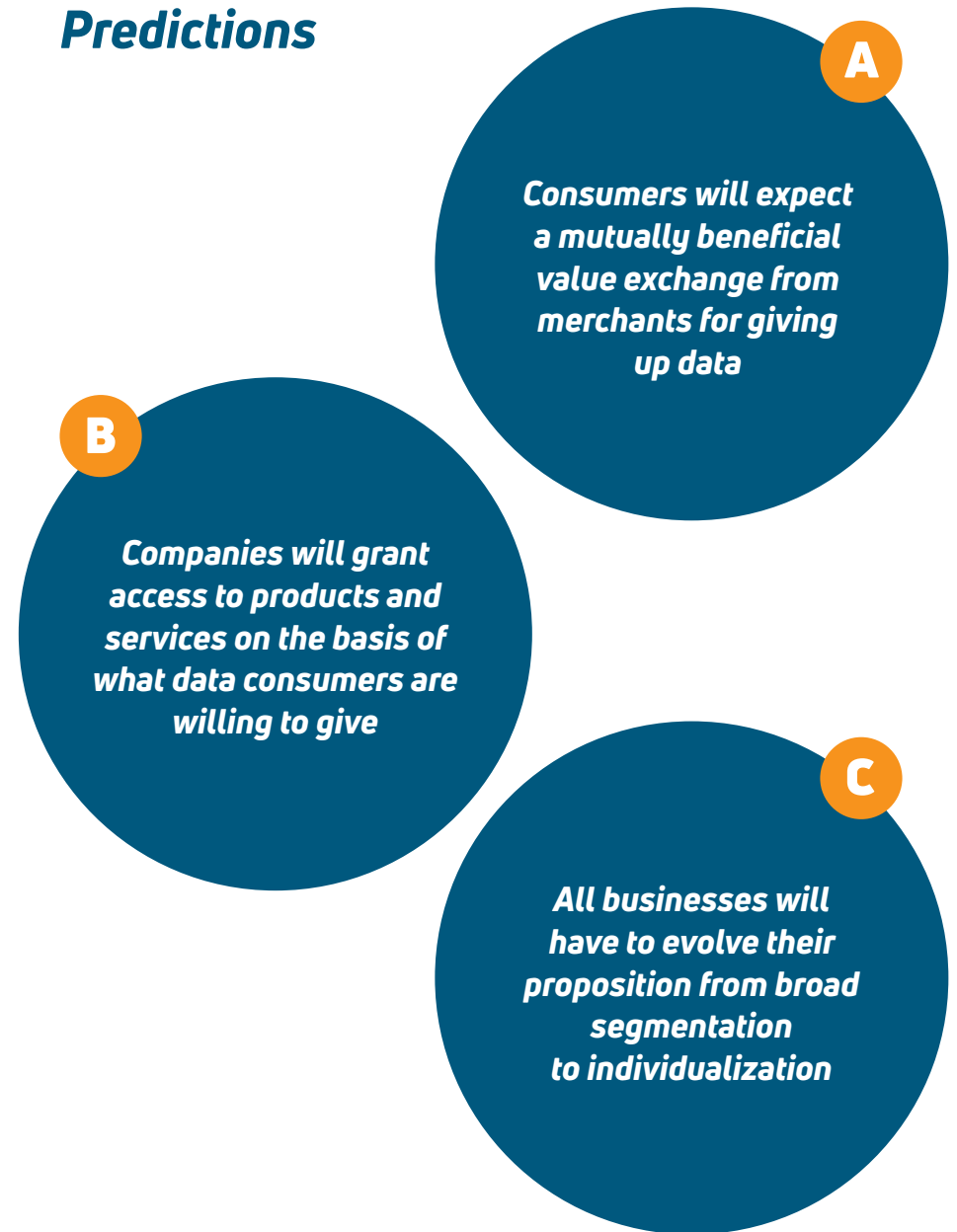
Technology: Real-Time Personal Analytics, Connected Homes, Wearables, Digital Personal Assistants

Market: Online Marketplace, Account-to-Account, Personalization for the Masses, Omnichannel Integrated Experience

Regulation: GDPR, GDPR Article 6(1) Clarification

[Read more about the 'Identified Trends'](#)

Predictions



A
Consumers will expect a mutually beneficial value exchange from merchants for giving up data

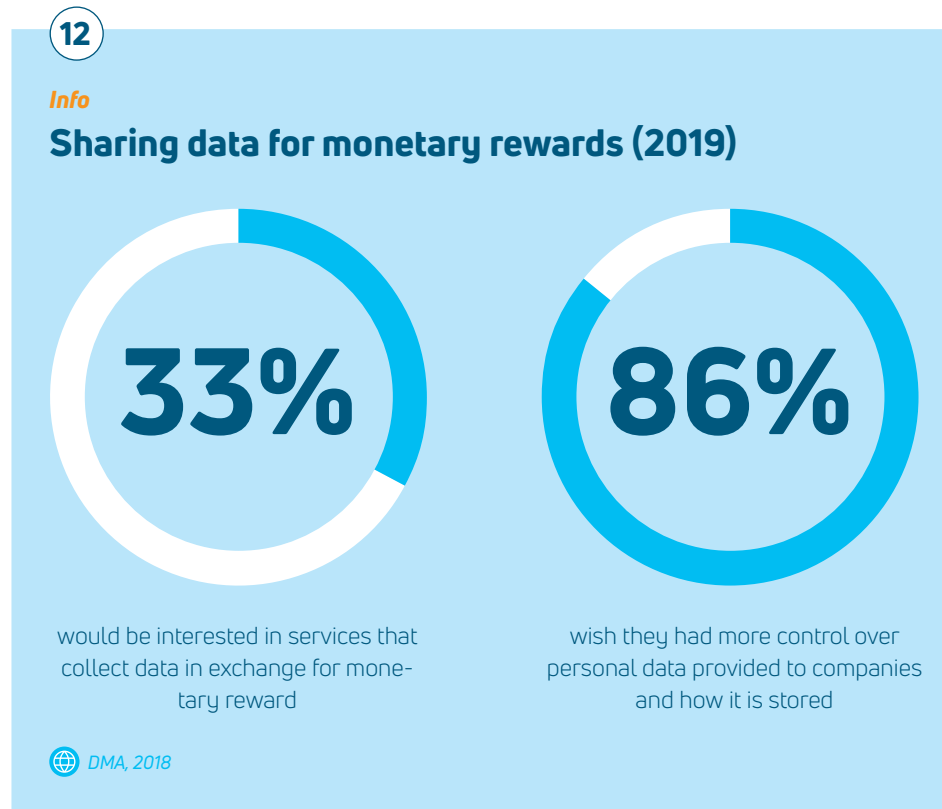
B
Companies will grant access to products and services on the basis of what data consumers are willing to give

C
All businesses will have to evolve their proposition from broad segmentation to individualization

Insights

Three years ago, The Economist declared that the world's most valuable resource was no longer oil, but data ①. Data has since been widely debated and the recent General Data Protection Regulation (GDPR) has hardly gone unnoticed by any company or consumer in Europe. In an increasingly digital world consumers continuously leave behind digital footprints and businesses are not allowed to misuse this data by law. Consumers' privacy preferences are heterogeneous, hence the need for customized privacy.

Today the average consumer has a relatively high understanding and awareness regarding personal data ②, and the power it holds ③. This is partly due to new legislations (i.e. GDPR), large fines for misconduct to major search engines, and the scandal-ridden political case involving the biggest social media company in the world ④. Many companies are requesting consumer data, without informing consumers what they get in return. This is often done via lengthy and complicated Terms and Conditions and Privacy Policies, resulting in fewer read-throughs, which are consequently often accepted without real conscious understanding ⑤ ⑥. However, consumers are actually willing to give away personal data if they trust the company and can see the personal advantages of providing data ⑦. Younger generations are especially more comfortable with how com-



panies are handling their information ⑧. They want to be recognized, remembered and offered relevant recommendations ⑨, and are willing to share their information to receive customized services and discounts ⑩.

Most businesses need personal consumer data to provide a customized, hassle-free experience. This calls for trust and transpar-

ency in a very complex area with lots of information. As consumers demand increased transparency, companies must become stricter in providing an account of the data they use. This is required not only by law, but especially to satisfy the consumers, and prevent them from becoming diffident towards the product/service provider ⑪.



Consumers expect merchants not only to understand their needs but also to customize experiences according to their individual preferences

The consumers should start to see the value in a data-driven economy and the merchants should contribute to this development.

The benefits of a customized experience needs to be crystal clear to the consumer before they are asked to provide any personal data. This ought to be the very foundation for a mutually beneficial relationship with any company ⑫. Data collectors are expected to be transparent about the purpose of collected data and what value is received in return. Consumers expect merchants not only to understand their needs but also to customize experiences according to their individual preferences. A holistic approach towards data harvested from all channels and touchpoints is needed, while complete transparency is an indispensable requirement.

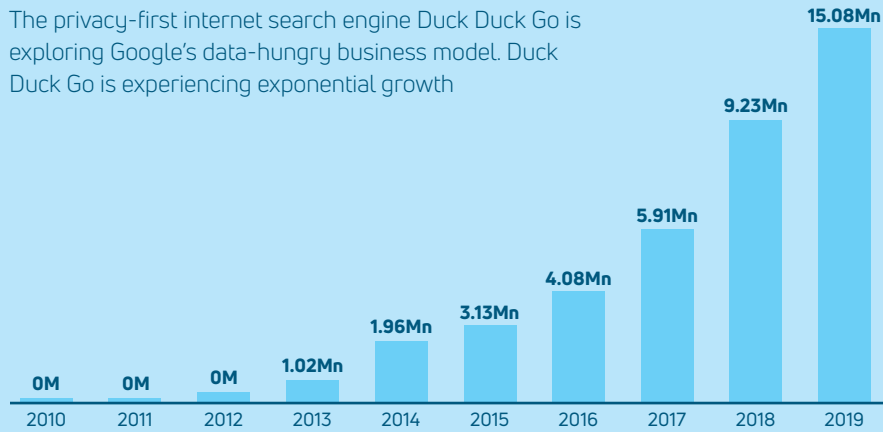
Perspectives

2

Graph

Privacy first internet search engine

The privacy-first internet search engine Duck Duck Go is exploring Google's data-hungry business model. Duck Duck Go is experiencing exponential growth



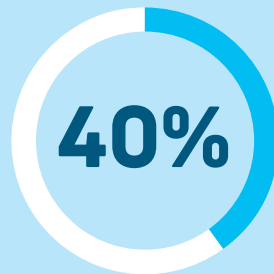
DuckDuckGo, 2019

3

Info

GDPR's influence on sharing data online

Since GDPR has been implemented, **40%** of respondents agree they feel more knowledgeable about the way information about them is collected and used online



Digital Marketing World Forum, 2019

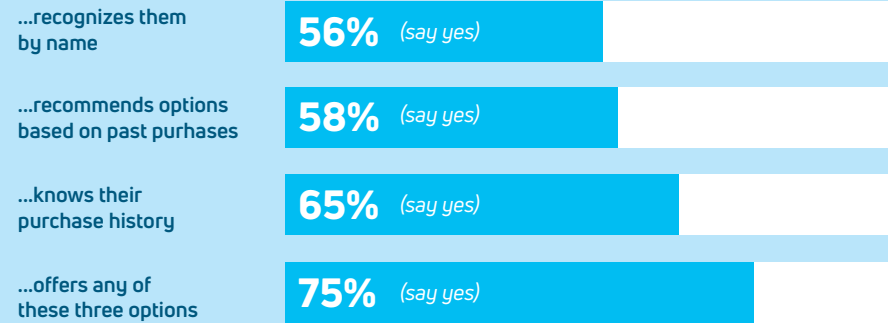
9

Graph

How should a merchant personalize?

Recognize, remember and offer relevant recommendations:

Consumers are more likely to buy from a retailer (online, offline) that...



Accenture, 2016

6

Info

No one reads terms of service agreements

A survey of 2000 consumers in the US, from Deloitte, found that **91%** of the respondents consent to legal terms and conditions without reading them; for younger people the number is **97%**

Business Insider, 2017

Perspectives *(continued)*

1

Quote

Data is the new oil

“The world’s most valuable resource is no longer oil, but data”

The Economist, 2017

4

Source

Cambridge Analytica

British political consulting firm had a major scandal when it was revealed that they had harvested personal data from millions of people’s Facebook profiles

The New York Times, 2018

5

Source

Terms and conditions

Companies are harvesting data from consumers today, without telling them why

TermsFeed, 2019

10

Graph

Consumers’ willingness to share data

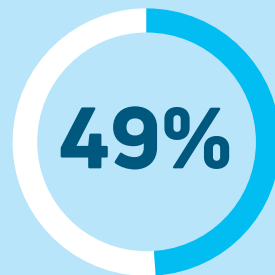
Percentage of the 6.387 respondents agrees with the following statement: “Digital-born consumers are the most comfortable with data sharing”:



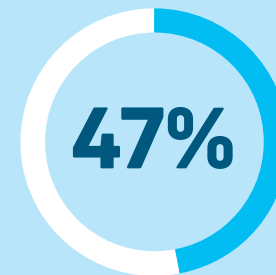
of Gen Z (born 1995-2001) agreed



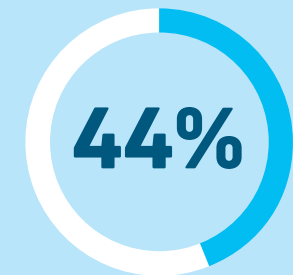
of younger Millennials (born 1985-1994) agreed



of older Millennials (born 1975-1984) agreed



of Gen X (born 1965-1974) agreed



of Boomers (born before 1965) agreed

RSA Data Privacy & Security, 2019

Perspectives *(continued)*

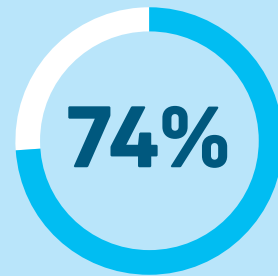
7

Info

The benefit of sharing data



of global consumers are still happy to exchange their data with businesses, if it is beneficial



of the respondents have some degree of concern about their online privacy

Fedma, 2018

11

Source

Value-based customized approach

"In 2019, the unintended consequence of organizations' activities will be customers feeling inundated and overwhelmed; organizations must embrace a new design ethos that puts human value back at the center of their innovations."

Fjord, 2019

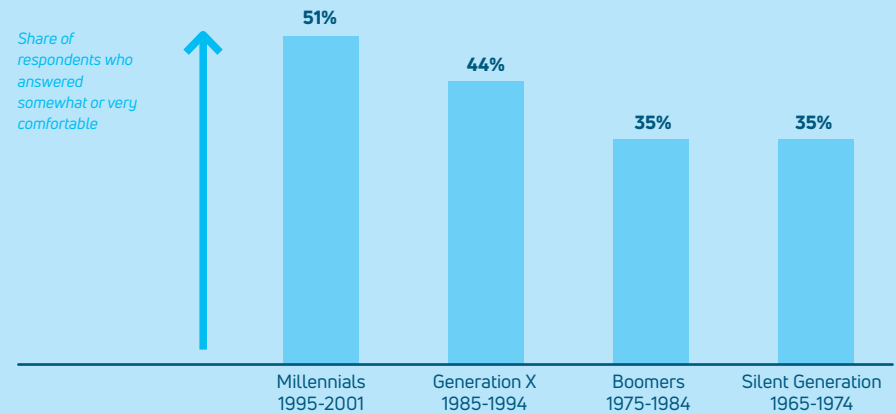
8

Graph

Data usage

Younger consumers are more comfortable with companies handle their data

Q: For each of the following categories, how comfortable do you feel about a company in that category handling your personal data?



Columbia Business School, 2015

Examples

I



DuckDuckGo

DuckDuckGo.com

Web search engine

DuckDuckGo is a web search engine in direct competition with google, but refrains from tracking personal usage of the service. They claim to be able to deliver search results that are equally good as those of Google, and put emphasis on privacy and providing identical search results to all users

 duckduckgo.com

II

care/of

Care/of us

Individual monthly subscriptions

A company based in New York, which offers subscriptions for vitamins, proteins and other food supplements. The individual monthly subscription of supplements is personalized, as the consumer must fill in a questionnaire for a personalized delivery.

 takecareof.com


III

Atolla

Atolla skincare

Atolla Skin Health online interface

Provides a personalized serum based on an analysis of individual consumer's skin. Furthermore, they offer a tracking of the consumers' skin health via their Atolla Skin Health online interface

 atolla.co


IV

DNAfit

DNA Fit

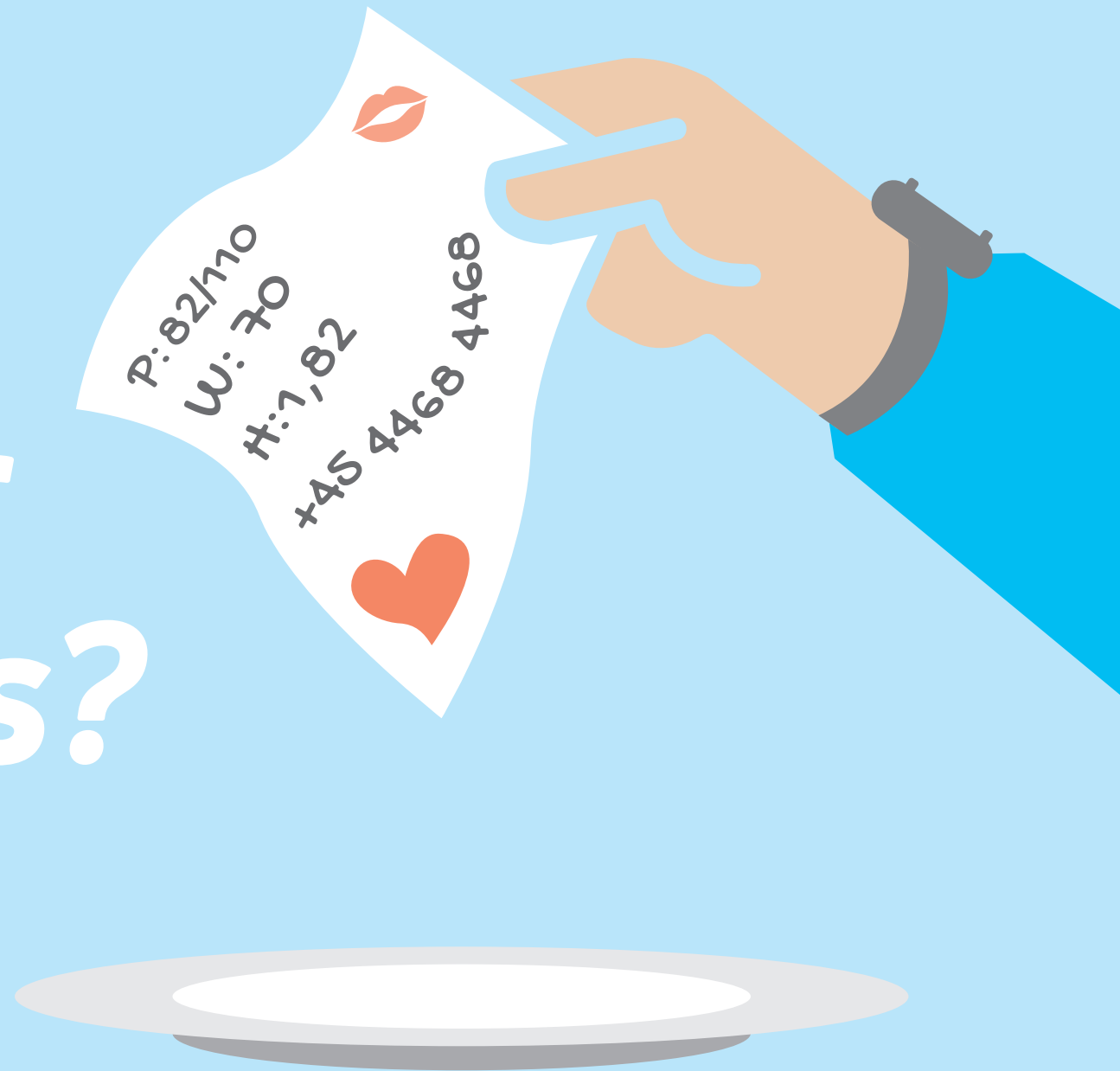
Location-based mobile wallet

Offers diet optimization based on DNA provided by consumers. DNA is provided in an easy, four-step process, and shortly hereafter consumers will receive personalized meal plans, personal diet coaching, and diet insights

 dnafit.com

4 Quantified Self

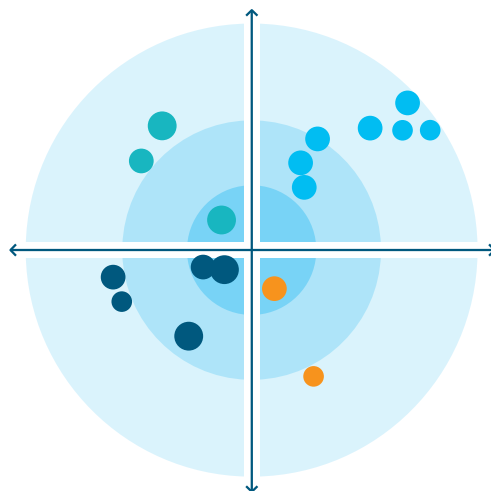
*Can I
get your
numbers?*



Quantified Self

Individuals can achieve performance improvements by tracking and benchmarking personal data points in their daily life. This data is related to several aspects of life, including physical, mental, emotional, environmental, and financial health. Tracking everything that matters to the individual has become the new normal.

Radar: Relevant Trends



Consumer: Customization, Health Tracking, Sub-sub Culture

Technology: AI in BI, Real Time Personal Analytics, Mobile Wallets, Digital Personal Assistant, Wearables, Biometrics, Sensors and Intelligent Devices

Market: Subscription Economy, Sustainable Development Goals (UN), Personalization for the Masses, TechFin Market Entry, Open Banking

Regulation: GDPR, PSD2 in Effect

[Read more about the 'Identified Trends'](#)

Predictions

A

Quantification will expand from being centered around health into anything that has a logical or emotional value for consumers

B

Tracking will enable new and unpredictable business models, as well as allow merchants to build loyalty with their customers

C

The scope of quantification will expand from self to business and will eventually quantify everything

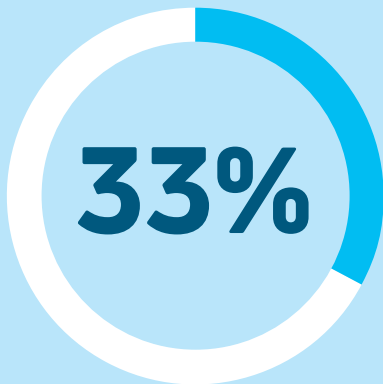
Insights

Quantified Self refers to the cultural phenomenon involving more and more people monitoring habits in an attempt to become the best version of themselves. Among the most popular areas of self-tracking are health and fitness measures ①, which are expected to experience double-digit growth in revenue in the coming years ②.

1

Info

Fitness-tracking has become a global trend



monitor their health or fitness via an online or mobile application, fitness band, clip, or smartwatch

Growth from Knowledge, 2016

The success of fitness and health tracking has led to heavy investments in various industries. Personal finance management and environmental consciousness are just two of the areas experiencing heavy growth, as consumers are given new ways to explore spending and carbon footprints. Financial startups are offering management tools to provide enhanced control of individual spending patterns. Startups within green tech help you understand and reduce your carbon footprint by automatically tracking your travel, banking, shopping and energy consumption. Efforts made by these startups have proven highly attractive to consumers, particularly personal financial management apps ③. The end-goal is to create incentives for consumers to change behavior or repeat positive patterns in order to make a desired impact in their lives.

The transformation towards Quantifying Everything is a conscious choice for the consumer, who wants to break a habit, highlight own behavior, or boost a desired action, whether it is physical, mental, financial, etc. Consumers are becoming addicted to measuring. Tracking one's own behavior is becoming a 'truth' that ties directly into new marketing initiatives. Businesses have plenty of opportunities to build loyalty by serving as a guiding star or motivational factor for those consumers trying to change their behavior.

“

The digital transformation will drive the way towards quantified everything

The Quantified Self movement will inevitably grow as technology advances, data becomes more accessible, and new tech evolves. If complete transparency is accomplished, the amount of data provided from the consumer is practically limitless, and this value exchange between consumers and businesses is highly beneficial for both parties and creates strong bonds boosting loyalty. However, the quantification will not only be of value through the tracking of consumers but also by businesses tracking their own behavior. Eventually, the digital transformation will drive the way towards quantified everything, increasing the possibility of analyzing and predicting consumers' and businesses' every move.

Perspectives

2

Graph

The fitness tracker market is booming

The global fitness trackers market was valued at 17.9 USD Bn in 2016, and is expected to reach 62.1 USD Bn by 2023, a CAGR of **19.6%**

Allied Market Research, 2018

3

Info

Consumers increasingly adopt PFM services

Global consumer adoption of personal finance management services is increasing: from 2015 to 2019, the adoption of budgeting and financial planning increased from **8%** to **29%**

FinExtra, 2019

Examples

I

NORTH

North
Automatically tracking

The North app helps consumers understand and reduce their carbon footprint by automatically tracking spending within travel, banking, shopping and energy apps.

north-app.com

II

Fitbit
Wearable activity trackers

Fitbit is a consumer electronics company specializing in wearable activity trackers. By tracking daily activities, consumers get an overview of their performances. In November 2019, Google announced to buy Fitbit for 2.1 USD Bn, thereby getting access to millions of health-related data points

fitbit.com

III

Doconomy
Mobile bank

Doconomy is a mobile bank that combines technology, finance and sustainability to combat climate change. Spending is measured by its carbon footprint, both negative and positive. Furthermore, Doconomy enables users to compensate for carbon emissions by financing UN-certified carbon offset projects or investing in fossil-free sustainable funds

doconomy.com

IV

N26

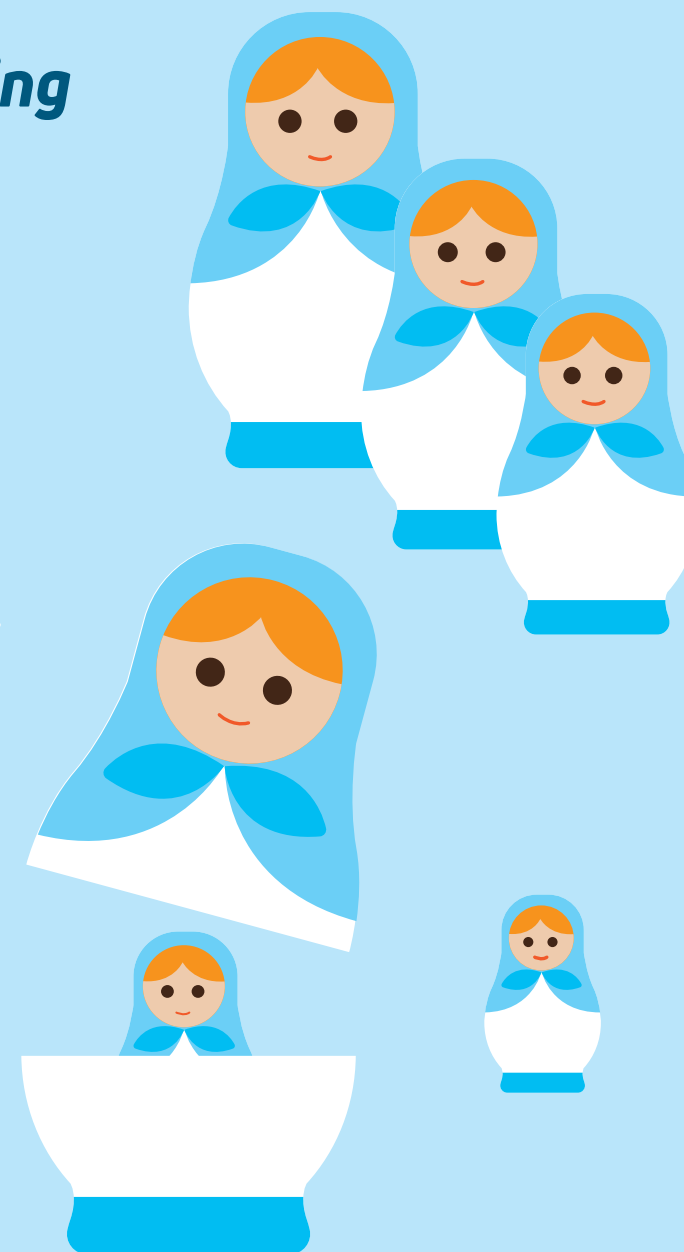
N26
FinTech challenger bank

N26 is a FinTech challenger bank that allows users to manage their personal finances. The mobile bank automatically sorts transactions according to categories and displays them in the N26 mobile app, for an optimal overview of spending

n26.com

5 *Simultaneous Bundling and Unbundling*

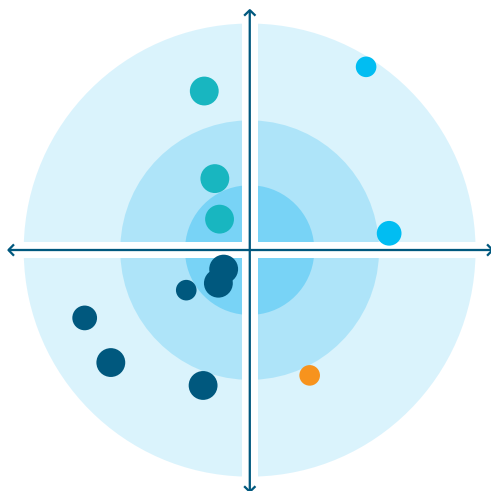
*To bundle
or unbundle,
that is the
question*



Simultaneous Bundling and Unbundling

Bundling and unbundling have long been the underlying forces drive cyclical business model innovation and reshaping industries. The ongoing digital transformation will further accelerate this trend, making room for near limitless bundling and unbundling opportunities, at a much more unpredictable pace.

Radar: Relevant Trends



- Consumer:** Customization, Sharing Economy, Circular Economy
- Technology:** Edge Computing, Serverless Computing
- Market:** Online Marketplaces, Product Bundling, Personalization for the Masses, PaaS, Strategic Alliances, Platform Economy
- Regulation:** PSD2 in Effect

[Read more about the 'Identified Trends'](#)

Predictions



A

Companies will create a platform for bundling and unbundling opportunities when moving into the cloud and enabling API access

B

The unbundling and bundling cycle – and visa versa – will become even faster, ever-dynamic, and more unpredictable

C

Opening up business models for API access will imply risks, but staying out of the game will lead to irrelevance



Insights

The bundling and unbundling ① of businesses have gone hand in hand seemingly forever and have long been a successful marketing and business strategy ②. However, bundling new offerings into the current value proposition often comes with the risk of overinterpreting consumer needs, and losing control of the core product ③. Bundling enables unbundling, and the two have a cyclic relationship, as consumers needs and demand change over time.

This cyclic trend has been the case within many industries, in which startups have been able to capitalize at the expense of consolidated firms by unbundling specific parts of their value propositions and bundling them back into new forms ④. Facilitated by the new wave of possibilities brought about by the internet economy and the consequent shift towards digital products and services, unbundling has been even easier in the past few decades ⑤. This approach has led to the establishment of new tech giants disrupting entire industries and well-established players ⑥. Now those same companies lie in the incumbent position themselves and are exposed to new waves of disruption driven by the bundling and unbundling of their core offering.

Along with the digital transformation, a lot of businesses have increasingly moved data

2

Quote

Bundling and unbundling

“My old boss, Jim Barksdale, used to say there’s only two ways to make money in business: One is to bundle; the other is unbundle”

- Marc Andreessen, Investor of Netscape and VC at a16z

Harvard Business Review, 2014

into the cloud ⑦ ⑧. Spurred by the diffusion of API-based services, this is predicted to continue in coming years ⑨. This transformation is already opening new ways to bundle and unbundle, allowing for a modular approach to business model innovation and differentiation. Simultaneously, the transparency of the internet allows new entrants to target certain niche consumers more effectively than ever before, and in general it is significantly lowering the entry barriers in many industries. Consequently, it is safe to assume that we are at the verge of a new wave of disruption and reshaping, driven by the nearly infinite new bundling/unbundling-enabled business model recombinations, fueled by API access.

Bundling and unbundling will happen faster and become increasingly more unpredictable.

8

Quote

Cloud adoption

“At this point, cloud adoption is mainstream”

- Sid Nag, research vice president at Gartner

Gartner, 2019

“**Bundling enables unbundling, and the two have a cyclic relationship, as consumers needs and demand change over time**”

Consolidated companies will see disruption coming simultaneously by bundling and unbundling competing propositions, making it increasingly harder to navigate in a dynamic market. At the same time, the modular configuration unlocked by the “API economy” ⑨ will allow companies to respond faster to changes in market conditions by adapting faster to changes in consumer demands and offer products and services tailored to specific mutating needs. Over time, some offers might phase-out, while others will disrupt industries by appealing to a larger audience. This can happen in parallel, and it seems there will be an ever-dynamic variety of bundling and unbundling possibilities driven by development in technology.

Perspectives

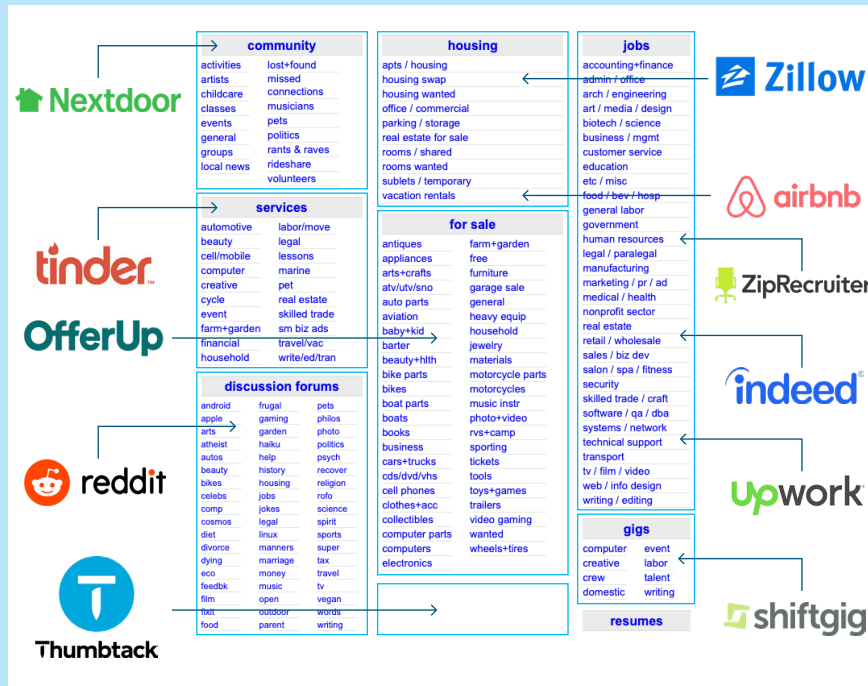
4

Illustration

Unbundling Craigslist

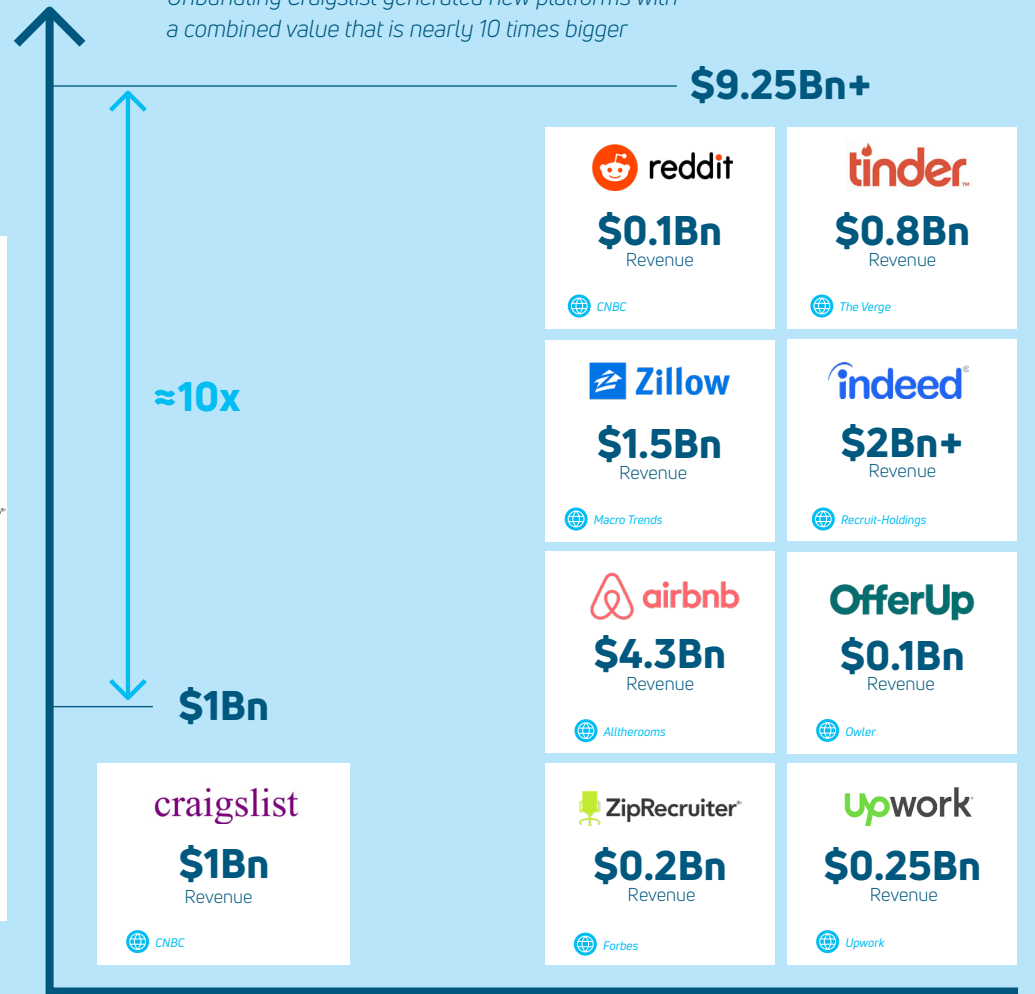
"[...] newcos who aspire to take chunks out of that emergent platform [...]" – by creating a user experience or business model that's much more tailored to the unique attributes of that vertical."

Here is an overview of the different verticals that have been unbundled out of Craigslist



Adapted from Jordan and Coolican, 2019

Unbundling Craigslist generated new platforms with a combined value that is nearly 10 times bigger



Perspectives *(continued)*

1

Definition

Bundling and unbundling

Bundling can refer to both the marketing strategy involving pooling products into a combined offering, as well as to business model bundling, combining different value propositions into a end-to-end one. Unbundling refers to the opposite, splitting previous bundles to offer the core service, or splitting business models vertically or horizontally

Source Internal

5

Quote

Unbundling and disruption

“The Decoupling Effect of Digital Disruptors”

Thales S. Teixeira Peter Jamieson, 2014

9

Quote

API economy

“The API economy is an enabler for turning a business or organization into a platform”

- Kristin R. Moyer, vice president and distinguished analyst at Gartner

Gartner, 2016

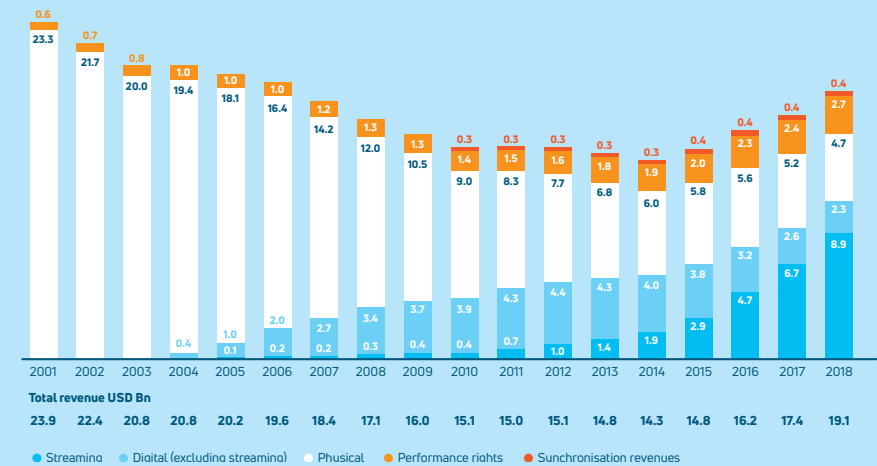
6

Graph

Unbundling and bundling the music industry

The CD music industry was unbundled by iTunes (single song purchase), then rebundled by Spotify’s “all you can eat” business model. It is a cycle with different drivers having huge business impact.

Global Recorded Music Industry Revenues 2001-2018 (USD Bn)



Ifpi, 2019

Perspectives *(continued)*

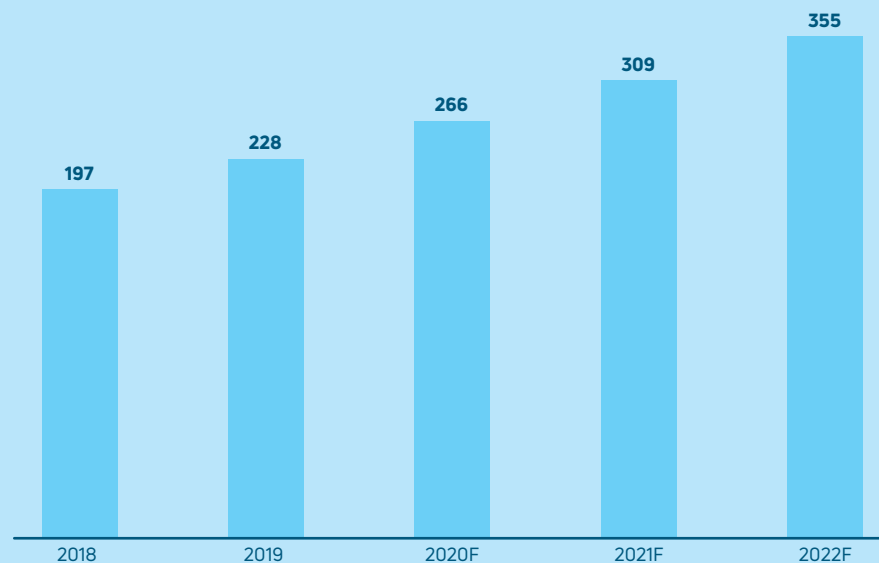
7

Graph

Cloud revenue growth

Gartner predicts that cloud revenue will grow from 197 USD Bn to 355 USD Bn.

Worldwide public cloud service revenue forecast
(USD Bn)



Gartner, 2019

3

Quote

Disruption and unbundling

“As technology matures, however, it eventually overshoots the raw performance that many consumers need. As a result, new disruptive innovations emerge that are more modular – or unbundled – as consumers become less willing to pay for things like power and increased reliability but instead prioritize the ability to customize affordably by mixing and matching different pieces that fit together according to precise standards”

Christensen Institute, 2014

Examples

I




Coursera (Unbundle)
Unbundling university degree into individual courses

Offers online courses, certificates, and degrees from world-class universities and companies, thus distributing world class education to anyone with internet access at a fraction of the cost, by unbundling a full university degree into individual courses


 coursera.org

II




Spotify (Bundle)
"All you can eat" digital streaming

Is a digital music service, re-bundling music into an "All you can eat" digital streaming offering. Streaming accounts for nearly 50% of the global recorded music industry revenue in 2018, disrupting pay-per-song business models, pioneered by Apple's iTunes unbundle


 spotify.com

III




Momondo (Bundle)
Travel metasearch site

Momondo is a travel metasearch site that finds and compares the best offers on flights, hotels, car hire and package holidays. Started with flight price comparison, but have over time bundled other services

 momondo.dk

IV



Netflix (Bundle)
Monthly subscription-based streaming

Netflix's primary business is its monthly subscription-based streaming service which offers online streaming of a library of films and television programs, including those produced in-house. It's an all-you-can-eat bundle

 netflix.com

6 **Decentralized Trust**

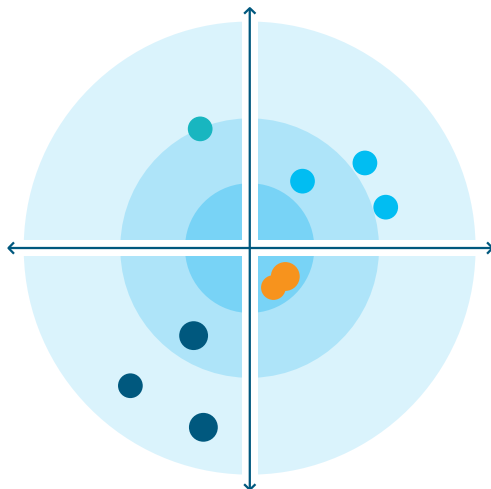
*In
technology
we trust*



Decentralized Trust

Consumers are becoming more critical towards corporations and central power. Society is looking at tools promoting transparency, decentralized and distributed power, where trust is established through technology rather than centralized third-parties. Disruptive technologies are introducing an array of new challenges, but also business opportunities.

Radar: Relevant Trends



Consumer: Digital Privacy, Data Minimalism

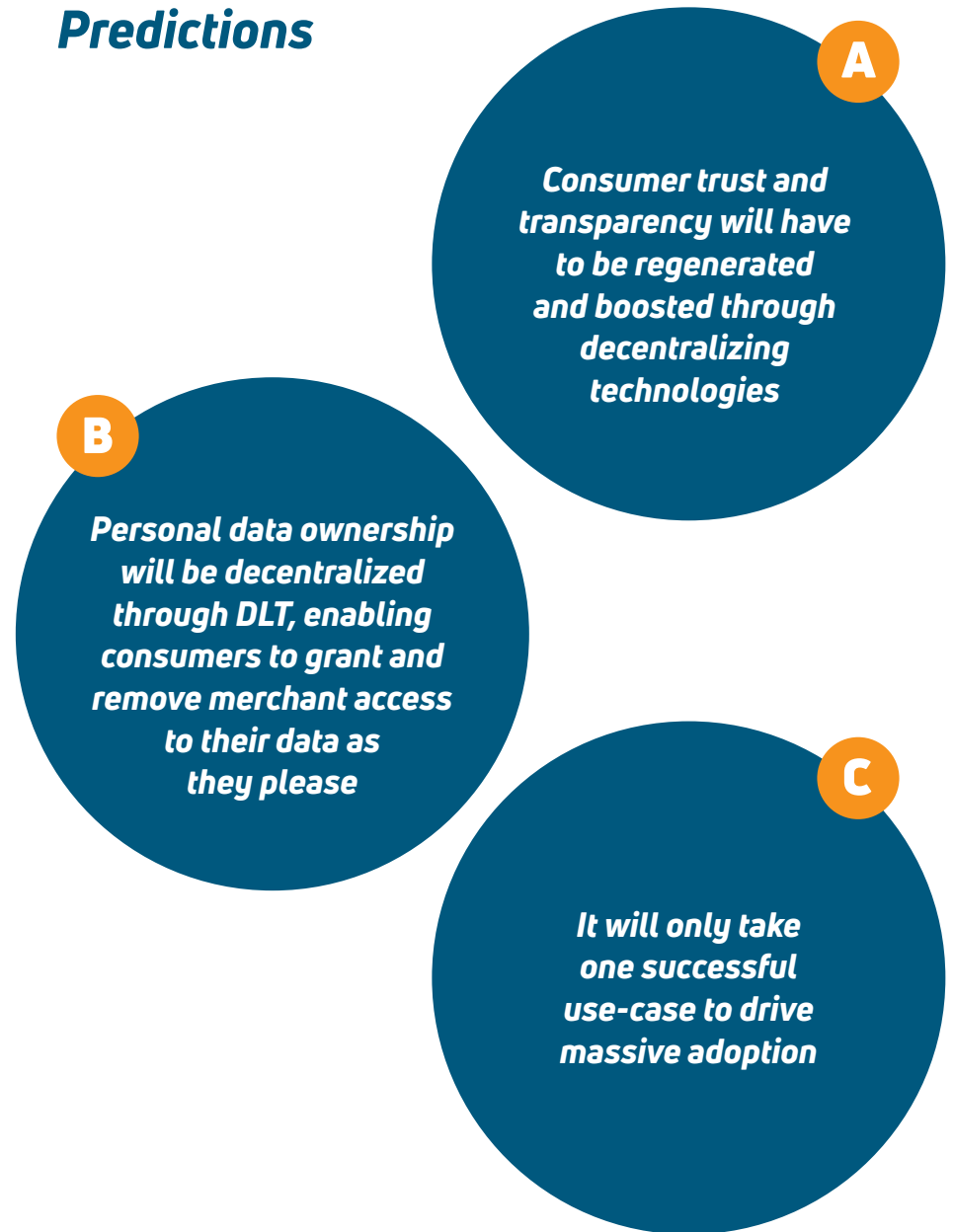
Technology: Distributed Ledger Technology (DLT), Smart Contracts, Crypto Wallets

Market: Alternative Payment Methods, European Cashless Conversion, TechFin Market Entry

Regulation: SCA Introduction, GDPR

[Read more about the 'Identified Trends'](#)

Predictions



A

Consumer trust and transparency will have to be regenerated and boosted through decentralizing technologies

B

Personal data ownership will be decentralized through DLT, enabling consumers to grant and remove merchant access to their data as they please

C

It will only take one successful use-case to drive massive adoption

Insights

Rumors and misinformation is not a new concept, however, the multiplication of on-line social channels have paved the way for fabricated news to gain momentum. As a result, the public increasingly distrusts centralization of power ①. Numerous cases of data breaches, election interference, and blatant disinformation have further widened the gap between the government and the people ②. Hence, the need to facilitate trust in a decentralized matter is becoming more imperative every day.

After the financial crisis in 2008, decentralized mechanisms started to form as an alternative to central banking. The same

1

Info

Global lack of governmental trust

80% of 33,000 respondents in 27 countries does not believe the current governmental systems work for them

Edelman Trust Barometer, 2019

year, the Bitcoin white paper was published, introducing a decentralized and distributed currency as an alternative to centralized banking systems ③. The core purpose of decentralization is tied to freedom and safeguarding against entities with too much power ④. The fundamental technology enabling Bitcoin and other digital currencies is known as blockchain. It is a type of distributed ledger technology providing the opportunity to create peer-to-peer networks for asset transactions without the need for a third-party facilitator, like a bank, or another private entity. Blockchain paved the way to other digital currencies, which emerged in the following years. Established companies and new entrants jumped on the wagon as an attempt to be first-movers into the evolving space. Venture capitalists and private investors spewed money towards companies, promising cryptocurrencies would be the future. However, the crypto currency market has so far proven hard to monetize and scale.

Despite numerous initiatives made by the world's biggest corporations, push-back from governments and lack of regulations are blocking successful implementations. This might force companies to explore other applications for blockchain technology. Many opportunities are linked to logistics

optimization, data and asset management and exchange infrastructures. In other words, trust can be established in a decentralized manner at any point of the supply chain, and between any given actor. Even though the hype around blockchain has calmed, there is still exploration happening in many industries, and executives still believe the technology will solve current challenges and lead to a competitive advantage ⑤ ⑥.

“

The core purpose of decentralization is tied to freedom and safeguarding against entities with too much power

The effects of establishing decentralized trust are twofold: it will generate trust between consumers and merchants, especially in regards to transparency, data management and privacy. It can also build market trust that can lead to cross-company and -industry efficiency gains. Each effect will by

5

Info

Reaction to decentralized market opportunity

+200% increase in the number of smart contract related patents filed in 2019 compared to 2018

Nets analysis

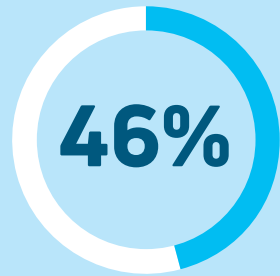
itself prove highly disruptive. Consumers will continue to request more transparency and safe transaction methods. Despite the challenges distributed technologies have faced in the current markets, the number of organizations exploring blockchain and distributed ledger technology continues to grow, as the opportunities are too big to ignore. A single successful use-case can potentially drive mass adoption and disrupt industries as we know them.

Perspectives

2

Info

Consumers worldwide want more transparency



of consumers feel they have lost control over their own data



of consumers say most companies are not transparent about how their data is being used

Salesforce, 2019

4

Source

Decentralization to safeguard freedom

“We are at a critical time in history where governments and corporations own our information. This will eventually lead to a society of surveillance and censorship. The alternative is decentralization”

Alex Gladstein, CSO of Human Rights Foundation, 2018

3

Definition

Terminology

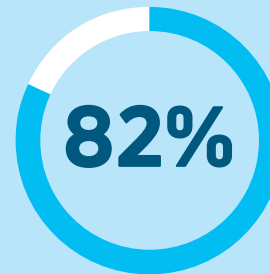
Distributed Ledger Technology (DLT): Technology based on peer-to-peer computing and cryptography

Blockchain: A DLT network and database, for storing and registering irreversible asset transactions on a transparent chain of “blocks”

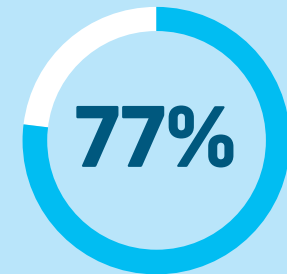
6

Info

Executives believe in blockchain



of executives claim suppliers, consumers and/or competitors are discussing or working on blockchain solutions to current challenges



of executives believe they will lose competitive advantage if they do not adopt blockchain technology

Deloitte, 2019

Examples

I



Libra
Calibra, the digital wallet

Libra is a crypto currency running on the Libra Blockchain, operated in collaboration by 100 major tech corporations. Facebook is the leading figure of the union, and has developed Calibra, the digital wallet that will allow users to store and transfer Libra coins. The project is promoting financial inclusion to users without access to central banking, in addition to easy and efficient cross-border transfers

 libra.org

II



D F I N I T Y

Dfinity
Next generation decentralized internet connectivity

Dfinity raised 102 USD Mn (2018) to build the next generation decentralized internet connectivity, by defining a new protocol (ICP), enabling virtual computers to communicate in a decentralized trusted network

 dfinity.org

III




TRADELENS

Maersk/IBM Tradelens
Open and neutral industry platform

Tradelens is a collaboration between IBM and Maersk to create an open and neutral industry platform for supply chain management. It runs on blockchain, and is already supported by major industry players


 tradelens.com

IV



Nestlé and Carrefour
From cow to shelf

Implementing an opportunity for consumers to track the origin and movements of their baby milk products – from cow to shelf. The consumer will be able to scan a QR code on the packaging, and gain access to a range of information

 coindesk.com

7 *Responsible Consumerism*

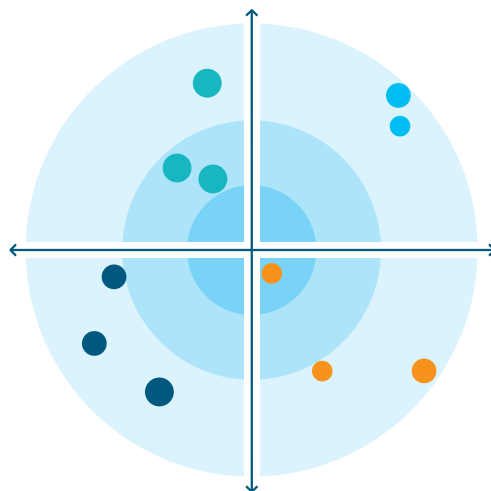
*Green is
the new
black*



Responsible Consumerism

Climate change awareness is at an all-time high and consumers as well as businesses have to act responsibly in order to create a more sustainable product- and service life cycle. Merchants should consider how to provide truly ethical and sustainable products and services as well as supporting initiatives that accommodate responsible and collaborative consumption.

Radar: Relevant Trends



Consumer: Sharing Economy, Circular Economy, Sustainable Consumerism

Technology: Sensors and Intelligent Devices, Wearables

Market: Sustainable Development Goals (UN), Strategic Alliances, Circular Economy

Regulation: PSD2, AML5, AML6

[Read more about the 'Identified Trends'](#)

Predictions



A

Individual and organized green initiatives will grow, and consumers will ignore companies that are not taking action

B

Greenwashing will not be enough as consumers will increasingly will be able to see through the intentions

C

Consumers will increasingly expect merchants to support ecosystems in local communities



Insights

The visible effects of global warming and global green movements have led to a rise in responsible consumption, meaning consumers are starting to support sustainable companies and reward green initiatives through their daily purchases. Consequently, companies that take responsibility for their production and emissions are becoming more attractive to consumers.

There is pressure on the world's resources, and especially on sustainable ways of exploiting them. This mindset is having a profound effect on supply and demand, both economically, ethically, environmentally and even at a geopolitical level. More than three-fourths of Europeans state that they are personally committed to protecting the environment (1). This trend has been underway for quite some time but is now accelerating rapidly, showcased by a more responsible behavior and spending pattern among consumers. More companies are adopting sustainable actions as well (2). The price will no longer be the decisive purchase factor and especially younger consumers are willing to pay a higher price for ethical and sustainable products (3), while cutting back on things they do not really need (4). The growing focus on responsible spending is increasingly encouraging consumers to share goods and services.

2

Quote

BlackRock on responsible investments

"I believe we are on the edge of a fundamental reshaping of finance," Larry Fink, CEO, BlackRock

Blackrock is an investment firm with 6.96 USD Tn Assets under management

The Economist, 2020

There are clear indications that consumers are consciously making choices according to a more sustainable lifestyle (5), among others by the reusing and recycling of resources. The transformation and the rapid acceleration within sustainability has shifted from individual actions by consumers towards actions made by politicians and companies. Today's self-informed consumers are being more critical towards merchants and their suppliers. They are explicitly telling companies to implement initiatives in favor of the environment, forcing them to



People are starting to prioritize sustainability, and are willing to pay more for ethical products/services

implement sustainable production, recycle materials, and work towards a responsible development (6). However, not all companies are trying to adapt to the circumstances, or wish to be first-movers. Despite an increase in awareness, some companies still lack a sustainable business perspective. This will evidently put them at risk of losing shoppers' trust over time (7), especially if they are greenwashing (8).

The consumers hold the power to change. As environmentally conscious individuals become mainstream, it will force companies to act accordingly. People are starting to prioritize sustainability, and are willing to pay more for ethical products/services. Community and sharing economy initiatives are growing. A few merchants have already started support-

ing local initiatives to further empower collaborative consumption. This is all evidence of a growing awareness of sustainability and it is backed by tangible action.

8

Definition

Greenwashing

Behaviour or activities that make people believe that a company is doing more to protect the environment than it really is

For example, a company may eliminate the use of shrink wraps for packaging to cut costs but portray it as a green initiative

Cambridge Dictionary, n. d.

Perspectives

1

Info

Protecting the environment



"The vast majority (94 %) of Europeans think protecting the environment is important and 87 % are personally committed to the task"

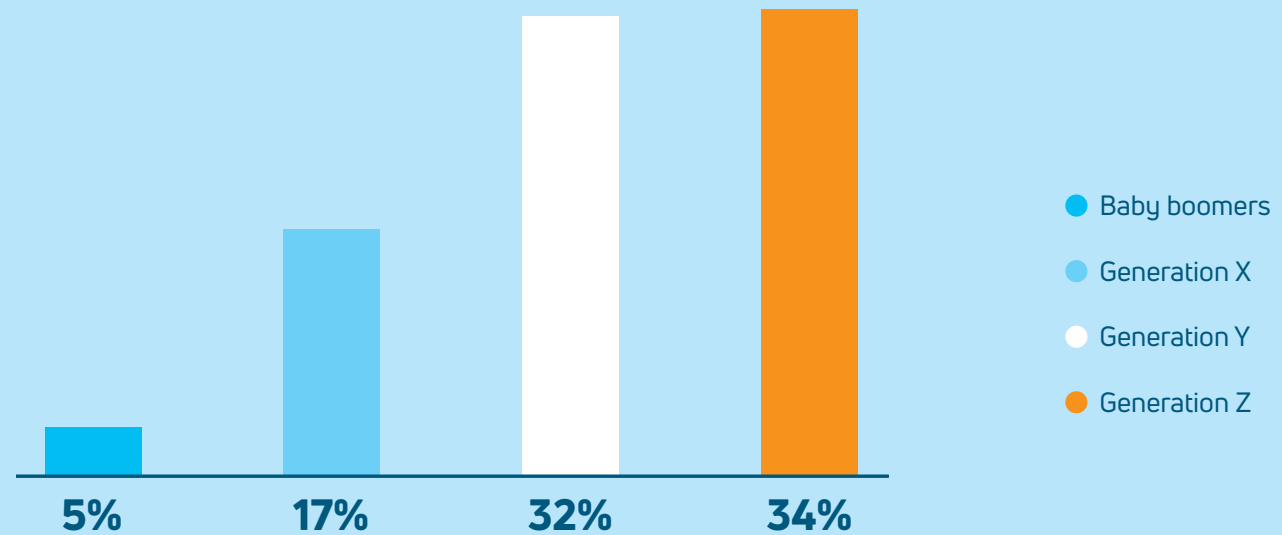
European Commission, 2018

3

Graph

Younger consumers are willing to pay more for ethical products

"Percentage of different generations willing to pay at least 20 percent more for ethical products"



Raconteur, 2019



Perspectives *(continued)*

4

Info

Ethical clothing

20%

From 2016 to 2017, ethical clothing increased by **19.9%** and buying second-hand clothing for environmental reasons increased by 22.5%

Ethical Consumer Research Association, 2018

5

Info

Company ethics



of consumers say a company's ethics matter more than the previous year

Salesforce, 2019

6

Info

Environment



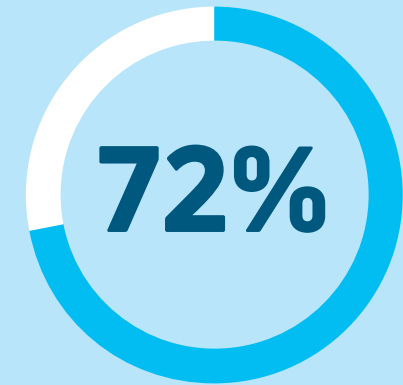
of the respondents of a global survey felt strongly that companies should help to improve the environment – for millennials the number is 85%

Nielsen, 2018

7

Info

SDG



of companies mention the UN's Sustainable Development Goals (SDGs), in their annual reporting, but only 27% include it in the business strategy

PwC, 2018

Examples

I




NextGen Cup Consortium
Completely degradable and recyclable cup system

Starbucks and McDonald's, among other major players, are partnering to launch the NextGen Cup Consortium's challenge, in order to create a completely degradable and recyclable cup system

nextgenconsortium.com

II



H&M
Rental clothes solution

Global clothing brand H&M is the latest major fashion retailer to trial a rental clothes solution. Other big brands doing this include Banana Republic, Urban Outfitters, American Eagle, Express, New York & Co., and Ann Taylor

qz.com/quartzly & about.hm.com

III



Lego
Sugar-based lego bricks

One of the biggest toy manufacturers in the world wants to replace oil-based lego bricks with sugar-based ones. Three years ago, Lego invested 155 USD Mn into a new Sustainable Materials Center, which employed more than 100 people with the task of producing Lego using solely sustainable materials by 2030

wired.com

IV



Patagonia
A mission to change the world

An outdoor clothing company with an acclaimed mission to change the world. Their approach is twofold: they donate time, services and at least 1 percent of sales to support grassroots initiatives. They also aim to design garments that last longer, offer to repair their products if they are broken and campaign for consumers to lower their consumption, rather than buying their products

patagonia.com

8 **Glocal Commerce**

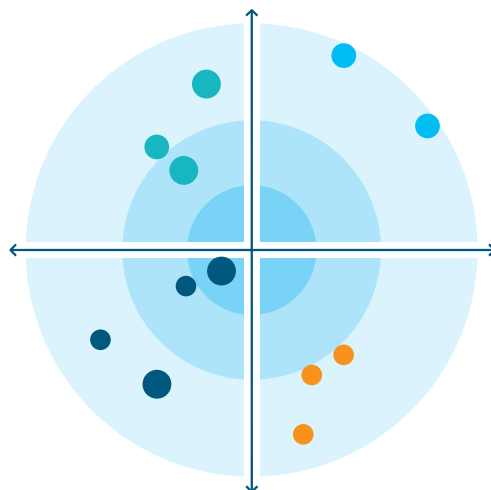
*Go
global,
feel
local*



Glocal Commerce

'Glocal' consumers demand a local purchase experience while at the same time searching for products online. They value authenticity and the idea of supporting local producers. Local can be in another region of the world or just around the corner.

Radar: Relevant Trends



Consumer: Sub-sub cultures, Sustainable Consumerism, Circular Economy

Technology: AR/VR, Digital Personal Assistant

Market: Online Marketplaces, Personalization for the Masses, Strategic Alliances, Circular economy

Regulation: PSD2 in effect, eIDAS, Pan-EU P2P Payments

[Read more about the 'Identified Trends'](#)

Predictions

A

Consumers have a global outlook but will increasingly expect a local feel in their purchase experience and product choice

B

Merchants with a "local feel" will have an opportunity to make it internationally by staying true to their origin

C

Global merchants will increasingly adapt to local markets with a physical presence



Insights

In a world where mass production and big multinational brands dominate the scene, more consumers are looking at new ways to make a statement and differentiate themselves ①. The 80s' motto "Think global, act local" ② is re-gaining momentum - however, with a new connotation, as the internet is reshaping the concept of local. Shopping locally resonates well in terms of tackling the global challenges of the 21st century, as it supports local initiatives and addresses environmental concerns. On top of this, shopping locally is also perceived as an exclusive, authentic experience. In short, glocal consumers orient themselves globally, but seek a "local" feel.

4

Info

Marketplaces global

"1.66 USD Tn spent globally on the top 100 online marketplaces in 2018"

Digital Commerce 360, 2019

E-commerce has brought a great deal of change in the competitive retail landscape ③ ④ ⑤. Competition is truly global: long distances are no longer an obstacle to commerce and consumers shopping online tend to crosscheck products and prices, pushing pressure to a whole new level. This is driving an ongoing development towards differentiation, leading merchants towards clear, ever-relevant propositions, ultimately trying to deliver a unique experience to consumers.

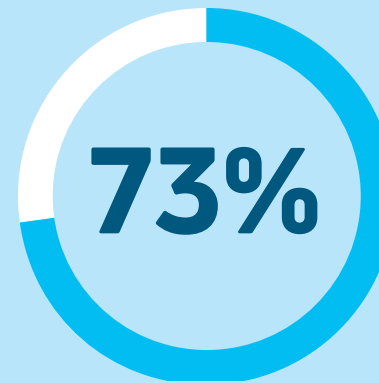
“
Glocal consumers orient themselves globally, but seek a "local" feel

Consumers are realizing that supporting local vendors is a necessity if they want to keep them alive and get access to products conveying authentic stories and experiences ⑥. Such "local" products often happen to be far from local though, as the concept of "local" is

5

Info

Consumer understanding



of consumers expect companies to understand their needs and expectation

Salesforce, 2019

increasingly moving away from its original meaning, defining more than the geographical origin.

As wealth will continue to rise in developed markets, consumers will increasingly demand products that can deliver an authentic local feel. Consumers will continue to pursue this at a global scale, as digitalization empowers them to do so. This global outlook will force merchants to 'think global and act local' to stay relevant to consumers. Having a "local" feel will increasingly be used as a strategy for the commercial success of e-commerce. This trend is paving the way for local players to scale into global markets with local-feel products and services.

Perspectives

1

Info

"Segment of one"

"A recent survey of US consumers and retailers by Infosys found that among retailers using personalized offers and promotions, 74% experienced an increase in sales; 61%, an increase in profit; and 55%, an increase in consumer loyalty"

Bain & Company, 2016

2

Definition

"Think global act local"

From a marketing perspective, the phrase relates to having a global strategy, adapted to local markets

IMS Marketing, 2019

6

Info

Fashion shopping



of the purchases in the fashion category are still made offline

McKinsey, 2020

3

Info

Cross-border shopping


40%
to
50%

of Scandinavians are shopping cross-border via the internet

Nets, 2019

Examples

I



Han Kjøbenhavn
Fashion label going global

Han Kjøbenhavn is a fashion label going global as a result of increasingly exporting its strong loyalty to Danish design aesthetics to the world. The Copenhagen-based collection of casual menswear and accessories thoroughly steeped in Danish design tradition enjoys an international cult following, aided by the Internet

hankjobenhavn.com

II



Netflix
Producing local content

Netflix is a global movie streaming service with more than 140 Mn subscribers. They excel in personalizing content to their viewers. Furthermore, they invest in producing local content in order to stay relevant. Creating local content with international relevance is a clear strategy for Netflix

netflix.com

III



Uniqlo
Products made by local businesses

Global clothing chain with focus on simple, high quality designs. The flagship U.K. store in London dedicated two out of six floors to showcase local cultures, featuring a selection of products made by local businesses. Furthermore, the Uniqlo warehouses are hosting events arranged by the local community, aiming towards creating local hubs around the world, serving as a portal from one culture to another

uniqlo.com

IV



Lululemon
Local ambassadors of the brand

An athletic apparel retailer of technical athletic clothes for yoga, running, and workouts. Lululemon invites people with a positive influence on the health and mindfulness of the local community, to become ambassadors of the brand. Lululemon drives traffic to their 1,500 ambassador's studios, provides the ambassadors with clothes, and let them sell Lululemon clothes

lululemon.com



Sources

This section lists all the online articles (title and URL) we have read during our research. The articles are listed in any particular order or importance! Be inspired and enjoy!

1 Seamless Access To Funds

1. The Future of Mobile Payment Technology
<https://www.alliedwallet.com/blog/blog-posts/future-mobile-payment-technology/>
2. 5 trends driving growth of digital wallets
<https://www.paymentsource.com/list/5-trends-driving-growth-of-digital-wallets>
3. Top 5 most prevalent digital wallet trends of 2020
<https://www.peerbits.com/blog/top-prevalent-digital-wallet-trends.html>
4. Mobile Payments and Digital Wallets in Europe
<https://www.clearhaus.com/blog/mobile-payments-and-digital-wallets/>
5. 8 THINGS YOU SHOULD KNOW ABOUT MOBILE PAYMENTS AND MOBILE WALLETS
<https://www.nayax.com/8-things-you-should-know-about-mobile-payments-and-mobile-wallets/>
6. Payment Methods Report 2019
<https://www.europeanpaymentscouncil.eu/sites/default/files/inline-files/Payment%20Methods%20Report%202019%20-%20Innovations%20in%20the%20Way%20We%20Pay.pdf>
7. Are Digital Wallets The Future Of Payments?
<https://www.finextra.com/blogposting/17469/are-digital-wallets-the-future-of-payments>
8. Fact box #4: It's a wallet war
<https://www.clearhaus.com/blog/mobile-payments-and-digital-wallets>
9. E-Wallet Market, Analysis by Growth, Emerging Trends and Future Opportunities Till 2023:
<https://www.marketwatch.com/press-release/e-wallet-market-analysis-by-growth-emerging-trends-and-future-opportunities-till-2023-2019-10-14>
10. The Next Decade in Digital Payments
<https://www.reuters.com/sponsored/article/next-decade-digital-payments>
11. Ingenico Enterprise Retail and Limonetik present the Payments Overview Infographics
<https://blog.ingenico.com/posts/2019/12/payment-panorama-infographics.html>
12. Accenture 2019 – Driving the Future of Payments
https://www.accenture.com/_acnmedia/pdf-62/accenture-driving-the-future-of-payments-10-mega-trends.pdf
13. Digital commerce and the rise of alternative payments methods
<https://www.mckinsey.com/industries/financial-services/our-insights/banking-matters/digital-commerce-and-the-rise-of-alternative-payments-methods>
14. The Future of Payment - Part I. Cash: the Dinosaur Will Survive ... For Now
https://www.dbresearch.com/PROD/RPS_EN-PROD/PROD000000000504353/The_Future_of_Payments_-_Part_I__Cash%3A_the_Dinosaur.PDF
15. The Future of Payments - Part II. Moving to Digital Wallets and the Extinction of Plastic Cards
https://www.dbresearch.com/PROD/RPS_EN-PROD/PROD000000000504508/The_Future_of_Payments_-_Part_II__Moving_to_Digital.pdf
16. The Future of Payment - Part III. Digital Currencies: the Ultimate Hard Power Tool
https://www.dbresearch.com/PROD/RPS_EN-PROD/PROD000000000504589/The_Future_of_Payments_-_Part_III__Digital_Currency.pdf
17. Winner-takes-all in the battle for e-wallet supremacy
<https://www.oliverwyman.com/our-expertise/insights/2018/jun/winner-takes-all-in-the-battle-for-e-wallet-supremacy.html>
18. Winner-takes-all in the battle for e-wallet supremacy
<https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2018/june/Winner-Takes-All-In-The-Battle-For-E-Wallet-Supremacy.pdf>
19. Fintech Trends 2020
<https://fintechcircle.com/wp-content/uploads/2020/01/Fintech-Trends-2020-by-FINTECH-Circle-Institute.pdf>
20. Shopping via smart speakers is not taking off, report suggests
<https://techcrunch.com/2020/02/04/shopping-via-smart-speakers-is-not-taking-off-report-suggests/>
21. A Case for Paying With Your Phone
<https://www.nytimes.com.cdn.ampproject.org/c/s/www.nytimes.com/2020/02/05/travel/contactless-payments-phone.amp.html>
22. Big Ideas 2020 by ARK Invest
<https://ark-invest.com/disruptive-innovation-research>
23. Top 3 Mobile Wallets of 2019
<https://www.investopedia.com/personal-finance/top-mobile-wallets/>
24. Mobile Wallet Trends
<https://www.poweredbygate.com/wp-content/uploads/2019/03/GATE-Mobile-Wallet-Trends-Final-03.26.19.pdf>
25. E-wallets: an overview of key developments and essential trends
<https://thepayers.com/expert-opinion/e-wallets-an-overview-of-key-developments-and-essential-trends--1239463>
26. You can pay for your burger with your face at this fast food restaurant, thanks to A.I.
<https://www.cnn.com/2018/02/02/pay-with-facial-recognition-a-i-at-caliburger-in-pasadena-california.html>



2 Fluid Commerce

1. Omnichannel, first seen in 2009
https://www.researchgate.net/publication/267269215_From_Multichannel_to_Omnichannel_Retailing_Review_of_the_Literature_and_Calls_for_Research
2. Mens vi venter på nyt stort varehus: IKEA åbner showroom midt på Vesterbro
<https://www.berlingske.dk/virksomheder/mens-vi-venter-paa-nyt-stort-varehus-ikea-aabner-showroom-midt-paa>
3. VIRTUAL REALITY - INTO THE MAGIC
https://www.ikea.com/ms/en_US/this-is-ikea/ikea-highlights/Virtual-reality/
4. Fluid Experiences Guide B2B consumers on Their Buying Journey
<https://theblog.adobe.com/fluid-experiences-guide-b2b-consumers-buying-journey/>
5. Omni-Channel Retail and Beyond: Delivering Superior consumer Experiences
<https://www.salesforce.com/eu/learning-centre/ecommerce/omni-channel-retail/>
6. Optimizely 2019: Digital Trends 2020 - The 8 trends you can expect to see in the coming year
<https://www.optimizely.com/resources/digital-trends-2020/>
7. Omni-Channel is Growing up: Meet Fluid Commerce
<https://www.rightpoint.com/-/media/rightpoint%20fluid%20commerce%20pov.pdf?la=en&hash=06E69392D48BB4C395DA32FC73B2984411E372C8>
8. Hyper-personalisation implemented by 10 successful brands
<https://thegrowthrevolution.com/hyper-personalisation-implemented-by-10-successful-brands/>
9. 5 ways Sephora creates a seamless consumer experience
<https://nrf.com/blog/5-ways-sephora-creates-seamless-customer-experience>
10. A Digital consumer Experience Case Study: Sephora's Supremacy
<https://www.mcorpcc.com/articles/a-digital-customer-experience-case-study-sephoras-supremacy>
11. From multichannel to omnichannel
<https://www.mcorpcc.com/articles/a-digital-customer-experience-case-study-sephoras-supremacy>
12. Merchant engaging in omni-channel experience
<https://blog.hubspot.com/service/omni-channel-experience>
13. Consumer experience is key: Salesforce 2019: State of the Connected consumer
https://c1.sfdcstatic.com/content/dam/web/en_us/www/assets/pdf/salesforce-state-of-the-connected-customer-report-2019.pdf
14. Omnichannel is growing
<https://www.rightpoint.com/landing-pages/2019-fluid-commerce-pov>
15. From multichannel to omnichannel (figure and explanation)
<https://fit-small-business.com/omnichannel-multichannel-retailing/>

16. Audience Project Insights 2018, Q2 2018, 16.000 respondents worldwide
https://www.audienceproject.com/wp-content/uploads/audienceproject_study_device_usage.pdf
17. Digital Nation (2011) link
https://www.infrastructureusa.org/wp-content/uploads/2011/02/ntia_internet_use_report_february_2011.pdf
18. Digital transformation, Google Trends
<https://trends.google.com/trends/explore?date=all&q=digital%20transformation>
19. Fluid commerce
<https://medium.com/@Kela/fluid-commerce-an-evolution-of-e-commerce-and-on-demand-b2523721a810>
20. Global Smart Speakers Market Challenges, Key Vendors, Drivers, Trends and Forecast to 2022
<https://marketersmedia.com/global-smart-speakers-market-challenges-key-vendors-drivers-trends-and-forecast-to-2022/204534>
21. Loup Ventures Says 75% of U.S. Households Will Have Smart Speakers by 2025, Google to Surpass Amazon in Market Share
<https://voicebot.ai/2019/06/18/loup-ventures-says-75-of-u-s-households-will-have-smart-speakers-by-2025-google-to-surpass-amazon-in-market-share/>

3 Customized Privacy

1. GDPR's influence on sharing data online
<https://www.digitalmarketing-conference.com/consumer-research-how-eu-citizens-perceive-digital-advertising-since-gdpr/>
2. 51% of consumers would be happy to share data
<https://www.fedma.org/2018/05/new-global-study-reveals-consumers-are-happy-to-share-their-data/>
3. Digital-born consumers are willing to share data
<https://www.rsa.com/content/dam/en/misc/rsa-data-privacy-and-security-survey-2019.pdf>
4. Organizations must embrace a more value focused customized approach
https://trends19.fjordnet.com/Trends_2019_download.pdf
5. Sharing data in exchange for rewards
https://dma.org.uk/uploads/misc/5a857c4fdf846-data-privacy---what-the-consumer-really-thinks-final_5a857c4fdf799.pdf
6. DuckDuckGo hits new milestone of 30 million private searches per day
<https://www.theverge.com/2018/10/12/17967224/duckduckgo-daily-searches-privacy-30-million-2018>
7. Younger generations is comfortable with companies handling their data
https://www8.gsb.columbia.edu/globalbrands/sites/globalbrands/files/images/The_Future_of_Data_Sharing_Columbia-Aimia_October_2015.pdf
8. Alexa and Google assistant
<https://www.perficientdigital.com/insights/our-research/digital-personal-assistants-study>



9. Next generation, personal assistant
<https://medium.com/voice-tech-podcast/the-future-of-personal-digital-assistants-f4b469a57f91>
10. How customization can drive the next wave of mass customization
https://www.mckinsey.com/~ /media/mckinsey/dotcom/client_service/bto/pdf/mobt32_02-09_masscustom_r4.ashx
11. Walmart.com's latest overhaul drives more personalized omnichannel experiences
<https://www.retaildive.com/ex/mobilecommercedaily/walmart-coms-latest-overhaul-drives-more-personalized-omnichannel-experiences>
12. Statistics, 26 essential personalization stats
<https://smarterhq.com/blog/personalization-statistics-roundup>
13. Personalization implemented by 10 successful brands
<https://thegrowthrevolution.com/hyper-personalisation-implemented-by-10-successful-brands/>
14. How should a merchant personalize
<https://newsroom.accenture.com/news/consumers-welcome-personalized-offerings-but-businesses-are-struggling-to-deliver-finds-accenture-interactive-personalization-research.htm>
15. The younger consumers are more comfortable on how companies handle their data
https://www8.gsb.columbia.edu/globalbrands/sites/globalbrands/files/images/The_Future_of_Data_Sharing_Columbia-Aimia_October_2015.pdf

4 Quantified Self

1. GFK 2016: A third of people track their health or fitness
<https://www.gfk.com/insights/press-release/a-third-of-people-track-their-health-or-fitness-who-are-they-and-why-are-they-doing-it/>
2. Allied Market Research 2018: Fitness Trackers Market by Device Type - Global Opportunity Analysis and Industry Forecast, 2017-2023
<https://www.alliedmarketresearch.com/fitness-tracker-market>
3. Finextra 2019: What banks should know about PFM development in 2020?
<https://www.finextra.com/blogposting/17968/what-banks-should-know-about-pfm-development-in-2020>
4. Smartwatches, Wristbands Maintain Strong Growth in Q2 2019: IDC Report
<https://www.wearable-technologies.com/2019/09/smartwatches-wristbands-maintain-strong-growth-in-q2-2019-idc-report/>
5. EY TechWatchNow 2019 — Plug in to the Future of Tech Innovation
https://assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/advisory/ey-techwatchnow-2019.pdf?download
6. EY – The combinatorial effect of emerging technologies 2019
7. Deloitte: DI Tech Trends 2019
https://www2.deloitte.com/content/dam/Deloitte/br/Documents/technology/DI_TechTrends2019.pdf

8. Deloitte Consumer Review 2019; made-to-order: the rise of mass personalization
9. ATOS – Look Out 2020+ Tech Trends
10. Gamification
https://www.researchgate.net/publication/322689691_Gamification_quantified-self_or_social_networking_Matching_users_goals_with_motivational_technology
11. Use Screen Time on your iPhone, iPad, or iPod touch
<https://support.apple.com/en-us/HT208982>
12. The Endless Scroll: How to Tell if You're a Tech Addict
<https://uk.pcmag.com/features/94973/the-endless-scroll-how-to-tell-if-youre-a-tech-addict>

5 Simultaneous Bundling and Unbundling

1. IFPI Global Music Report 2019
<https://www.ifpi.org/news/IFPI-GLOBAL-MUSIC-REPORT-2019>
2. What are the most successful cases of a company bundling products together to get an advantage in a market?
<https://www.quora.com/What-are-the-most-successful-cases-of-a-company-bundling-products-together-to-get-an-advantage-in-a-market>
3. McDonald's is bringing back retro Happy Meal toys
<https://edition.cnn.com/2019/11/01/business/mcdonalds-happy-meal-toys-trnd/index.html>
4. McDonald's is bringing back 17 beloved vintage toys in a limited edition Surprise Happy Meal. Here's what you could get
<https://www.businessinsider.com/mcdonald-happy-meal-includes-17-vintage-toys-80s-90s-2019-11?r=US&IR=T#dino-happy-meal-box-changeable-mcdonalds-1991-5>
5. Unbundling and re-bundling in higher education
<https://www.christenseninstitute.org/blog/unbundling-and-re-bundling-in-higher-education/>
6. The unbundling & rebundling of the Fintechs
<https://www.datadriveninvestor.com/2019/02/07/the-unbundling-rebundling-of-the-fintechs/>
7. Unbundling banks in 2019
<https://medium.com/@untone/unbundling-banks-in-2019-e735832facf2>
8. Is rebundling still the answer for FinTechs
<https://fintech.global/is-rebundling-still-the-answer-for-fintechs/>
9. Do Cool S*it
<http://mirceam.com/do-cool-sit/>



10. Disrupting Banking: The Fintech Startups That Are Unbundling Wells Fargo, Citi and Bank of America
https://www.cbinsights.com/research/disrupting-banking-fintech-startups/?utm_term=0_9dc0513989-0f915dc19a-87016533&utm_content=buffer03bcf&utm_medium=social&utm_source=twitter.com&utm_campaign=buffer
11. Facebook Groups: The Next Craigslist for Startups - Drew Meyers Blog
<http://www.drewmeyersinsights.com/2015/10/02/facebook-groups-the-next-craigslist-for-startups/>
12. Know Your Industries: 100+ Market Maps Covering Fintech, CPG, Auto Tech, Healthcare, And More:
<https://www.cbinsights.com/research/industry-market-map-landscape/#AI%20100>
13. Product Bundling is a Smart Strategy -- But There's a Catch
<https://www.forbes.com/sites/hbsworkingknowledge/2013/01/18/product-bundling-is-a-smart-strategy-but-theres-a-catch/#3e72f7567a51>
14. Product bundling
https://en.wikipedia.org/wiki/Product_bundling
15. Unbundling:
<https://en.wikipedia.org/wiki/Unbundling>
16. Bundling And Unbundling
<http://strategictoolkits.com/strategic-concepts/bundling/>
17. Product bundling: How it works, optimization tips, and examples
<https://www.skubana.com/product-bundling/>
18. The Future of Work, Cars and the Wisdom in Saying 'No'
<https://a16z.com/2013/12/18/the-future-of-work-cars-and-the-wisdom-in-saying-no/>
19. Disrupting Banking: The Fintech Startups That Are Unbundling Wells Fargo, Citi and Bank of America
<https://www.cbinsights.com/research/disrupting-banking-fintech-startups/>
20. FinTech VC Funding: Lending, InsurTech, Payments & Blockchain Top the Charts in Oct 2019
<https://gomedici.com/fintech-vc-funding-statistics-october-2019>
21. 2018 FinTech VC Investment Landscape
<https://cdn2.hubspot.net/hubfs/5169784/Innovate-Finance-2018-FinTech-VC-Investment-Landscape.pdf>
22. Unbundling and Rebundling Higher Education in an Age of Inequality
<https://er.educause.edu/articles/2018/10/unbundling-and-rebundling-higher-education-in-an-age-of-inequality>
23. Unbundling And Re-bundling In Higher Education
<https://www.forbes.com/sites/michaelhorn/2014/07/10/unbundling-and-re-bundling-in-higher-education/#25baae783ec1>
24. Higher education, unbundling, and the end of the university as we know it
<https://www.tandfonline.com/doi/abs/10.1080/03054985.2017.1343712?journalCode=core20>
25. College Disrupted: The Great Unbundling of Higher Education
<https://www.amazon.com/College-Disrupted-Unbundling-Higher-Education/dp/1137279699>
26. Higher education - Not what it used to be
<https://www.economist.com/united-states/2012/12/01/not-what-it-used-to-be>
27. Higher education, unbundling and the end of the university as we know it
https://discovery.ucl.ac.uk/id/eprint/1571228/1/Higher_education_unbundling,%20author%20version.pdf
28. The unbundling of higher education
<https://scholarship.law.duke.edu/cgi/viewcontent.cgi?article=2514&context=dj>
29. Exploiting The Unbundling Of Education
<https://www.forbes.com/sites/forbestechcouncil/2019/12/26/exploiting-the-unbundling-of-education/#3b9d0eac692b>
30. Student Loan Debt Statistics In 2019: A \$1.5 Trillion Crisis
<https://www.forbes.com/sites/zackfriedman/2019/02/25/student-loan-debt-statistics-2019/#51aee5de133f>
31. Platforms vs Verticals and the Next Great Unbundling
<https://a16z.com/2019/09/11/platforms-verticals-unbundling/>

6 Decentralized Trust

1. TV 2 Nyheder – Halvdelen af danskerne har ikke tillid til Skat
<https://nyheder.tv2.dk/samfund/2019-11-24-halvdelen-af-danskerne-har-ikke-tillid-til-skat>
2. Edelman Trust barometer Global report 2019
https://www.edelman.com/sites/g/files/aatuss191/files/2019-03/2019_Edelman_Trust_Barometer_Global_Report.pdf?utm_source=website&utm_medium=global_report&utm_campaign=downloads
3. Salesforce 2019: State of the Connected consumer
https://www.salesforce.com/content/dam/web/en_us/www/documents/e-books/state-of-the-connected-customer-report-second-edition2018.pdf
4. Alex Gladstein - From WeChat to Blockchain
<https://youtu.be/9ZldWOAytHE>
5. Deloitte's 2019 Global Blockchain Survey
https://www2.deloitte.com/ie/en/pages/technology/articles/Global_Blockchain_survey.html
6. Deloitte: DI Tech Trends 2019
https://www2.deloitte.com/content/dam/Deloitte/br/Documents/technology/DI_TechTrends2019.pdf
7. Accenture 2019: Driving the Future of Payments
https://www.accenture.com/_acnmedia/pdf-62/accenture-driving-the-future-of-payments-10-mega-trends.pdf
8. Blockchain 101: Cryptocurrencies, Digital Assets and Blockchains
https://blockchaincenter.nyc/wp-content/uploads/2019/05/SRO_Blockchain101_NYCBLOCKCHAINCENTER_15May19_Final.pdf



9. EY TechWatchNow 2019 — Plug in to the Future of Tech Innovation
https://assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/advisory/ey-techwatchnow-2019.pdf?download
10. Finastra (by Kapronasia) 2018: The Future History of Payments - How the world is moving away from cash
<https://www.finastra.com/viewpoints/market-insights/the-future-history-payments-how-world-is-moving-away-from-cash>
11. Forbes 2019: Top 10 Digital Transformation Trends For 2020
<https://www.forbes.com/sites/danielnewman/2019/07/14/top-10-digital-transformation-trends-for-2020/#25d3ee3b76be>
12. PWC Financial ServicesTechnology 2020 and Beyond: Embracing disruption
<https://www.pwc.com/gx/en/financial-services/assets/pdf/technology2020-and-beyond.pdf>
13. 20 Enterprises Which Are Implementing Blockchain Technology
<https://101blockchains.com/enterprises-implementing-blockchain/#prettyPhoto%E2%80%8B>
14. Forbes 2019: Why Enterprise Blockchain Projects Fail
<https://www.forbes.com/sites/dantedisparte/2019/05/20/why-enterprise-blockchain-projects-fail/>
15. Techcrunch 2018: Walmart is betting on the blockchain to improve food safety
<https://techcrunch.com/2018/09/24/walmart-is-betting-on-the-blockchain-to-improve-food-safety/>
16. Coindesk 2019: Nestle, Carrefour Extend Blockchain Tracking Effort to Baby Milk
<https://www.coindesk.com/nestle-carrefour-extend-blockchain-tracking-effort-to-baby-milk>
17. Dfinity - Frequently Asked Questions
<https://dfinity.org/faq>
18. Blockchain Trends In Review
<https://www.cbinsights.com/research/report/blockchain-trends-opportunities/>
6. UN's Sustainable Development Goals (SDG) mentioned in companies' annual reports
<https://www.pwc.com/gx/en/sustainability/SDG/sdg-reporting-2018.pdf>
7. 73% of consumers say a company's ethics matter more than they did a year ago
https://c1.sfdstatic.com/content/dam/web/en_us/www/assets/pdf/salesforce-state-of-the-connected-customer-report-2019.pdf
8. Young consumers are willing to pay more for ethical products
<http://res.cloudinary.com/yumyoshoin/image/upload/v1/pdf/future-retail-2019.pdf>
9. Ethical sustainable lifestyle
<https://www.globaldata.com/71-of-european-consumers-see-the-importance-of-living-an-ethical-or-sustainable-lifestyle/>
10. IBM Food trust
<https://interestingengineering.com/blockchain-to-track-your-purchases-to-their-origin>
11. NextGen Cup Consortium, creating a compostable and recyclable cup system
<https://stories.starbucks.com/press/2018/mcdonalds-joins-starbucks-closed-loop-partners-to-end-cup-waste/>
12. Carlsberg
<https://stateofgreen.com/en/partners/state-of-green/news/10-examples-of-circular-economy-solutions/>
13. H&M
<https://qz.com/quartz/1759525/hm-wants-a-piece-of-the-booming-clothing-rental-market/> &
<https://about.hm.com/news/general-news-2019/h-m-to-trial-clothing-rentals-for-the-first-time.html>
14. Lego
<https://www.wired.com/story/lego-sustainable-bricks/>
15. Patagonia
<https://www.patagonia.com/company-info.html>
16. Blackrock
<https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>
17. EU Parliament will ban single-use plastic
<https://www.theguardian.com/environment/2019/mar/27/the-last-straw-european-parliament-votes-to-ban-single-use-plastics>
18. Chinese government will reduce single-plastic
<https://www.bbc.com/news/world-asia-china-51171491>
19. McDonalds Joins Starbucks & Closed Loop Partners as Founding Member of Initiative to End Cup Waste
<https://stories.starbucks.com/press/2018/mcdonalds-joins-starbucks-closed-loop-partners-to-end-cup-waste/>
20. 10 Examples of Circular Economy Solutions
<https://stateofgreen.com/en/partners/state-of-green/news/10-examples-of-circular-economy-solutions/>
21. Ethical Consumer - Markets Report 2018
<https://www.askfood.eu/tools/forecast/wp-content/uploads/2019/08/EC-Markets-Report-2018-FINAL.pdf>

7 Responsible Consumerism

1. Sustainable consumption, facts and trends
https://saipatform.org/uploads/Modules/Library/WBCSD_Sustainable_Consumption_web.pdf
2. Blackrock wants to do more for the climate
<https://www.economist.com/finance-and-economics/2020/01/16/blackrock-says-it-wants-to-do-more-for-the-climate?fsrc=scn/li/te/bl/ed/greengiantblackrocksaysitwantstodomorefortheclimatefinanceandeconomics>
3. Microsoft carbon negative by 2030 and beyond
<https://news.microsoft.com/en-ca/2020/01/16/microsoft-announces-it-will-be-carbon-negative-by-2030/>
4. Second-hand closing increased
<https://www.askfood.eu/tools/forecast/wp-content/uploads/2019/08/EC-Markets-Report-2018-FINAL.pdf>
5. Consumers think that companies should help with the environment
<https://www.nielsen.com/us/en/insights/report/2018/the-education-of-the-sustainable-mindset/>



8 Glocal Commerce

1. Global Online Shopping Survey 2018 Facts, figures and fakery
https://www.markmonitor.com/download/report/MarkMonitor_Online_Shopping_Barometer-q4-2018.pdf?cid=pr&mod=article_inline
2. Her er butikkerne, der dør
<https://www.sondagsavisen.dk/forbrug-samfund/2017-08-24-her-er-butikkerne-der-dor/>
3. GO GLOCAL TO WIN THE HEARTS AND CARTS OF SOUTHEAST ASIAN consumers
<https://www.nielsen.com/wp-content/uploads/sites/3/2019/04/nielsen-go-glocal-report.pdf>
4. Glocal warming: How glocalisation is changing the business environment
<https://fabrikbrands.com/glocal-warming-and-glocalisation/>
5. Think globally, act locally
https://en.wikipedia.org/wiki/Think_globally,_act_locally
6. Seven reasons to shop locally
<https://www.theguardian.com/money/2013/dec/06/shop-locally-small-business-saturday-seven-reasons>
7. FACE OFF: Buy Local VS Buy Global
<http://www.tradeready.ca/2016/trade-takeaways/face-off-buy-local-vs-buy-global/>
8. Omni-Channel Retail Report Shows Results of Bigcommerce Study (INFOGRAPHIC)
<https://smallbiztrends.com/2017/09/small-business-retailers-need-know-online-consumer-behaviors-right-now.html>
9. Glocalization
<https://en.wikipedia.org/wiki/Glocalization>
10. Europe: retail e-commerce revenue forecast from 2017 to 2024
<https://www.statista.com/statistics/715663/e-commerce-revenue-forecast-in-europe/>
11. Consumer Expectations Hit All-Time Highs
<https://www.salesforce.com/research/customer-expectations/>
12. The Rise of Niche Consumption
<https://faculty.chicagobooth.edu/brent.neiman/research/NV.pdf>
13. Segment-of-One Marketing: Steps to Follow to Make It Pay Off
<https://www.bain.com/insights/segment-of-one-marketing-steps-to-pay-off-btsingapore/>
14. The State of Fashion 2020
<https://www.mckinsey.com/~media/McKinsey/Industries/Retail/Our%20Insights/The%20state%20of%20fashion%202020%20Navigating%20uncertainty/The-State-of-Fashion-2020-vF.ashx>
15. Netflix Drives Global Growth With Genuine Local Content
<https://www.fool.com/investing/2019/04/17/netflix-drives-global-growth-with-genuine-local-co.aspx>
16. Shop Glocal!
https://www.huffpost.com/entry/shop-glocal_b_2904709
17. GLOCALIZATION: WHAT IT MEANS AND WHICH BRANDS ARE DOING IT BEST
<https://veracontent.com/2019/03/27/glocalization-examples/>
18. How Global Brands Are Thinking Local
<https://www.businessoffashion.com/articles/intelligence/glocalization-localization-retail-lululemon-uniqlo-nike>
19. Cross-border shopping in Europe 2018
<https://ecommercenews.eu/cross-border-shopping-in-europe-2018/>
20. Cross-border ecommerce in Europe
<https://ecommercenews.eu/cross-border-ecommerce-europe/>
21. PayPal Cross-Border consumer Research 2018
https://www.paypalobjects.com/digitalassets/c/website/marketing/global/shared/global/media-resources/documents/PayPa_Insights_2018_Global_Report.pdf
22. The State of Fashion 2020
<https://www.mckinsey.com/~media/McKinsey/Industries/Retail/Our%20Insights/The%20state%20of%20fashion%202020%20Navigating%20uncertainty/The-State-of-Fashion-2020-vF.ashx>
23. Infographic: What are the top online marketplaces?
<https://www.digitalcommerce360.com/article/infographic-top-online-marketplaces/>
24. Cross-border payments: Go global, process local
<https://www.adyen.com/blog/cross-border-payments-go-global-process-local>



About

Nets

We see innovation of products as the foundation for growth and progress – both in commerce and society. Handling billions of transactions annually, Nets is among the top payment provider in Europe. We keep a tight focus on making it easier and more intuitive for our consumers to handle digital payments and related services. This has made us a trusted partner to more than 700,000 merchant outlets, including 170,000 online merchant outlets, more than 260,000 enterprises and over 250 banks across Europe.

Visit nets.eu for more information.

Nets Innovation Hub

We are an innovation and design hub that embraces co-creation and partnerships. Our mission is to help merchants deliver a great consumer experience where payments are as frictionless as possible. By co-creating in the cross-section of usability, viability and feasibility, we identify, conceptualise and craft solutions to real problems.

At Nets Innovation Hub we:



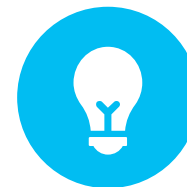
Research

We track market trends, consumer behavior, players and technologies, and put it into the context of our consumers and their challenges



Engage

We drive ideation, co-creation and Proof-of-Concepts (POCs) with our consumers, partners and fintech companies



Inspire

We inspire through keynotes, consumer tours, conference presence, and dialogues with our consumers, consumers and friends

Get in Touch

Innovate Together

Please do not hesitate to reach out to Nets Innovation Hub, if you would like to discuss or learn more about the insights or potential implications to your business – we are here to learn, innovate and co-create.

Let us move forward together.

Core Team

The Payments Outlook 2020 is the result of a team effort by Nets Innovation Hub - with significant contributions by Stefano Rigioli, Kristine Waldal Olsen, Kristin Möller, Magnus Westergaard Lund, Caroline Skanvig Bramhelt, Angela Moreno Recio, Celine Dufour, Jesper Kildegaard Poulsen, Jens Kaas Benner and Simon Buchwaldt-Nissen.

Contact Info



Simon Buchwaldt-Nissen

Director, Head of Innovation Strategy and Business Development

Email: sibuc@nets.eu

Phone: +45 2948 7486

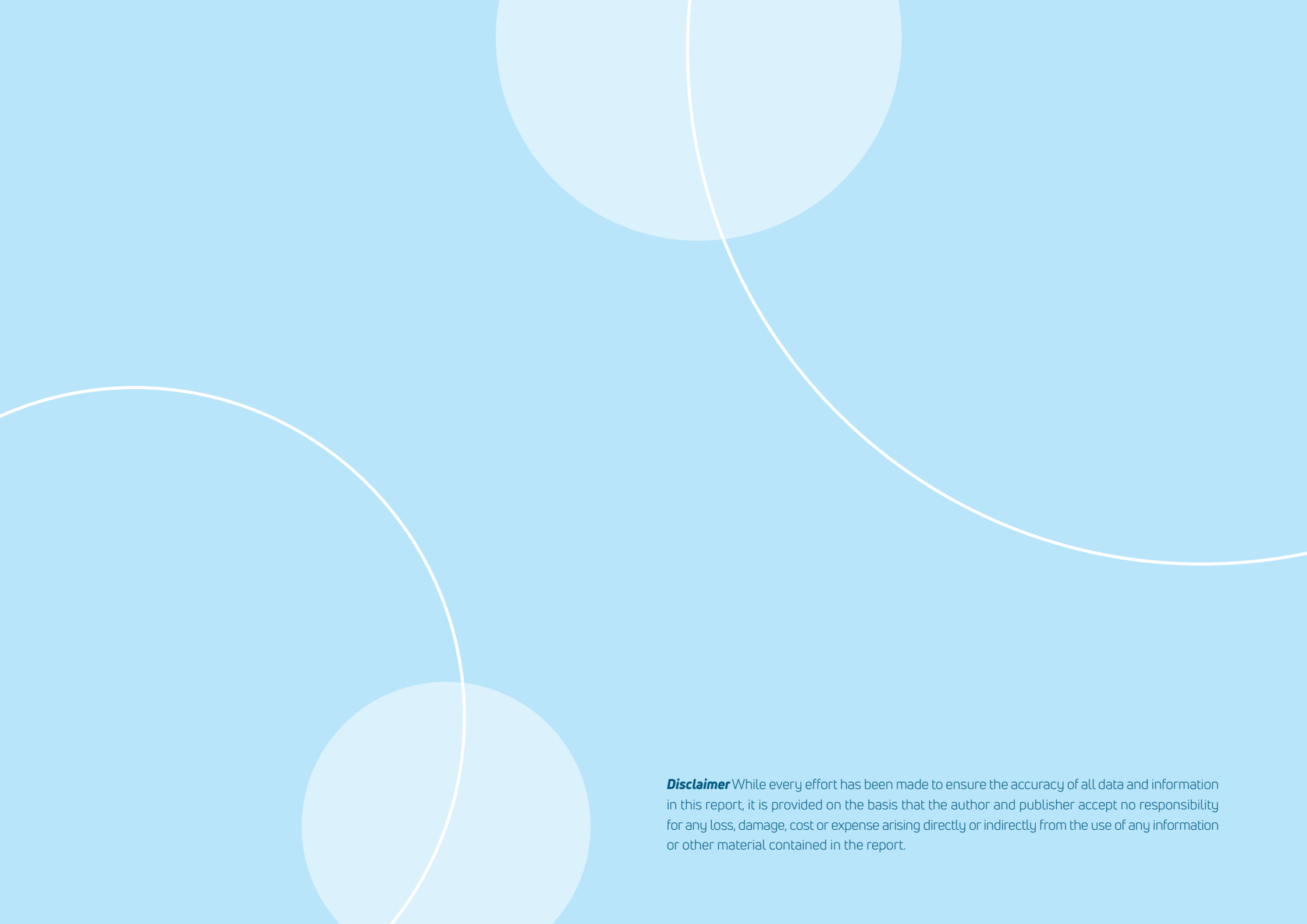


Stefano Rigioli

Business Development Analyst

Email: srigi@nets.eu

Phone: +45 2948 4911



Disclaimer While every effort has been made to ensure the accuracy of all data and information in this report, it is provided on the basis that the author and publisher accept no responsibility for any loss, damage, cost or expense arising directly or indirectly from the use of any information or other material contained in the report.



At Nets, we see easier products and solutions as the foundation for growth and progress – both in commerce and society. We help financial institutions, businesses and merchants make tomorrow a little easier for their customers while delivering unrivalled security and stability. Powering a tomorrow that's easier than today. This is what drives us.