

# THE FUTURE OF CONSUMER SERIES

30 October 2020 | Global  
Legal Briefings

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It is an exciting time for The Future of Consumer with the opportunities from innovation and technology, yet constant pressure to keep pace with regulatory intervention and change; disruptive technologies; and business model adaptations. The Future of Consumer series tackles a range of issues to help businesses including their legal teams to maximise success from opportunities.

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## READ

### **FIGHTING FOR A CONSUMER-FRIENDLY MARKET: STRICTER RULES IN THE EU**

A spate of high-profile cases across the EU has brought the spotlight firmly on how to combat unfair commercial practices and increase consumer protection. The European Commission has been focussing on how to increase consumer protection and reinforce the EU's reputation for being a high quality, safe trading place. The outcome is the EU's "New Deal for Consumers" legislative package which came into force on 7 January 2020. Member States have 24 months to implement it.



[Read the full article](#)

## **DO YOU WANT IT RIGHT NOW? THE EXCITING FUTURE OF CONTEXTUAL COMMERCE**

E-commerce has revolutionised the retail experience by enabling individuals to purchase goods and services from the comfort of their homes with a simple click. "Contextual commerce", the next frontier for retail experience enhancement, takes the convenience and spontaneity of one-click purchasing even further by providing a platform through which to make those purchases the instant you see something you want to buy, be it a product appearing on your favourite TV show or advertised on a billboard as you're walking around town, or perhaps even a piece of clothing being worn by someone you pass on the street. Contextual commerce is the concept behind the buy buttons that we have started to see on social platforms such as Instagram, Pinterest and Facebook.

[Read the full article](#)

## **NAVIGATING THE DISTRIBUTION CHANNEL OPTIONS FOR CONSUMER PRODUCTS IN CHINA**

With around 1.3 billion potential consumers, foreign investors have long considered China to be an important retail market. However, despite a relatively comprehensive set of national rules governing distribution activities, China is best thought of as a combination of many smaller markets. Consumer tastes and preferences vary from region to region, and logistics costs may make it hard to establish and maintain a nation-wide distribution network. Getting the right commercial operations in place is crucial for success. But without solid legal foundations, commercial success can be very short lived.

This article explores the different models for selling your products in China (including through cross-border e-commerce) and navigates you through the legal and regulatory regimes on product distribution in China.

[Read the full article](#)

## **PLASTICS: HAVE CONSUMERS FALLEN OUT OF LOVE?**

In our latest edition of our Future of Consumer series we take a look at the existing and proposed regulation of plastics in the UK and EU as well as the nature of plastics and what makes them such a convenient material for so many industries.

[Read the full article](#)

## **RETAIL CVAS: TRENDS AND FUTURE DIRECTION**

The face of the UK's high streets and shopping centres continues to change rapidly as consumers, shopping and leisure habits change and evolve.

In this latest article in our "future of consumer" series, we look at the continued use of company voluntary arrangements (CVAs) by retailers (and restaurant owners) to reduce their exposure to landlords under their leases and ask what are the trends and the future direction of this restructuring procedure.

[Read the full article](#)

## **GDPR AND CONSUMER BUSINESS SUPPLY CHAINS**

In the latest briefing "[GDPR and consumer business supply chains](#)" in our Future of Consumer series, we examine how GDPR regulatory requirements with respect to data are resulting in commercial scrutiny of privacy provisions in supply chains as parties try to ensure that they are not left with a data liability gap. Further, where customer data analytics are being used to derive value, thorough due diligence will be needed throughout the supply chain together with robust data protection mechanisms.

In our Future of Consumer series, we have previously explored how supply chain management is business critical in the consumer goods and retail sectors. Good management ensures that the right goods and ingredients get to market when they are freshest, when there is demand, in time for any promotions, and at the lowest cost. However, supply chains are also often engaged in relation to the processing of consumer data, including consumer preferences, purchasing history, financial and credit card details, and data analytics.

In a world where data is fast becoming a company's most valuable asset, engaging a service provider to process personal data on behalf of a company is commonplace. However, since 25 May 2018, the advent of the EU General Data Protection Regulation ("GDPR") has triggered specified regulatory requirements with respect to any commercial agreement involving the processing of personal data.

[Read the full article](#)

## **BRICKS AND CLICKS: HOW M&A IS ACCELERATING THE CONVERGENCE OF THE HIGH STREET AND ONLINE**

In previous articles in our Future of Consumer series we have examined how artificial intelligence, augmented reality and virtual reality are being used by retailers to offer an enhanced retail experience to consumers. Our latest briefing [Bricks and clicks - How M&A is accelerating the convergence of the high street and on-line](#) focuses on the fundamental changes to retailers' models of operation that have occurred since the emergence of the internet as a retail platform. We look at how these changes have influenced recent M&A activity in the retail space and how this activity indicates a growing convergence of the operating models of online retailers and traditional, bricks and mortar retailers.

While significant M&A activity between online and bricks and mortar retailers has only occurred in the past few years, the types of transactions that have been occurring are indicative of a convergence of the online and bricks and mortar operating models, as online retailers seek to take advantage of the operating models that bricks and mortar retailers had developed in response to the threat of online

The consumer of the future may choose to order goods online during their lunch break and to pick them up from their local convenience store on the way home, whilst purchasing food for their evening meal. At the weekend they will likely travel to an out-of-town mega-mall to peruse the latest fashions and consumer electronics, which they order in-store for home delivery the next day, before heading for a meal and a trip to the cinema, or sample the latest interactive experience, all in the same bricks and mortar shopping mall.

Having spent the best part of two decades assessing the relative strengths and weaknesses of the apparently opposing, online operating model, it appears that traditional retailers are now ready to embrace an operating model that spans both online and bricks and mortar, and they are using M&A to accelerate such a move.

The last two to three years have seen a number of significant M&A transactions between traditional bricks and mortar retailers and online retailers. In part these transactions may be seen to be a result of the maturing of the online retail space. Traditional retailers are now more comfortable with online operating models and the valuations applied to these businesses, not least because nearly all retailers of note will have some online presence themselves. The nature of the recent transactions also provides some indication as to the future development of retail and, in particular, the growing convergence of the online and bricks and mortar business models.

[Read the full article](#)

## TARGETING ONLINE RISK

In our [latest publication](#) in our Future of Consumer series on issues facing the Consumer sector, we look at some of the online risks threatening businesses today.

We examine the options available to tackle IP infringements online, such as the sale of counterfeit goods, with a focus on the most powerful weapon for rights holders – blocking injunctions from the courts. We also provide some practical tips to help tackle and combat online infringements.

[Read the full article](#)

## THE SUPPLY CHAIN AND BRAND VALUE

Supply chain management is business critical in the FMCG sector. It ensures that the right goods and ingredients get to market when they are freshest, when there is demand, in time for any promotions, and at the lowest cost. But it also ensures that consumers are getting what they pay for: not only a product that's consistent with its marketing – including where it comes from and what it contains – but also a product consistent with the consumer's values. These values increasingly focus on sustainability and business ethics as part of a brand's image.

In this article we look at how transparency and business ethics are driving supply chains to the foreground, and how new technologies can give your business an edge.

[Read the full article](#)



# TARGETED ADVERTISING

It is estimated that the average consumer is exposed to up to 10,000 ads in a single day. Advertising is a big part of the consumer experience and as technology increasingly plays a protagonist role in our daily lives, it is no news that online advertisements are steadily replacing the more traditional forms of publicity.

The UK's Internet Advertising Bureau recently announced that the overall digital ad spend in the UK grew by 13.8% to £5.56bn in the first half of 2017 alone, with spend in online video ads overtaking the expenditure on banner ads for the first time. At the same time, over 40% of the world's population now has access to the internet and users are constantly leaving digital footprints, across a range of online channels, by willingly sharing mass volumes of useful data.

This creates a huge market for advertisers, as well as a vast pool of insightful information about consumer behaviours and preferences. Technology giants such as Google and Facebook are also making an impact by creating platforms that enable data not only to be collected more easily but also analysed and extracted.

These combined developments have kick-started the reshaping of the advertising industry, particularly in terms of enabling organisations to target advertising at their most receptive audiences. And the forms of targeted advertising continuously evolve – they can be based on a wide range of information, including browsing history, purchasing habits, sociodemographic traits such as consumers' age, gender, race and economic status, psychographic characteristics, including a consumer's lifestyle, opinions and values, or geographic location, to name a few. Add to the mix the increasingly sophisticated technologies that companies are developing and applying to deepen their understanding of consumer reactions and accurately predict behaviours, and you end up in a world where advertising becomes almost shockingly personalised.

In our second article in our Future of Consumer series on the key issues facing the Consumer Sector, we look at Targeted Advertising, including some of the methods that can be used for tracking consumers' digital footprints, new technologies which are developing to identify consumer reactions to adverts, as well as certain privacy, data and consumer protection issues arising from this topic.

[Read the full article](#)

## THE FUTURE OF RETAIL: AI, AR, VR

When you think of current trends in the consumer and retail sectors, buzzwords like "artificial intelligence", "augmented reality" and "virtual reality" spring to mind. The retail scene is undergoing fundamental disruption – and these emerging technologies are centre-stage. Traditionally, such technologies were often characterised as mere "hype" and considered better suited for sci-fi movies rather than the real world. However, they are now very much a reality and continue to develop rapidly, causing consumers and retailers alike finally to take them seriously.

Today's consumers have an overwhelmingly large range of products and services to choose from, and are inundated with a constant flow of advertisements wherever they go. The result is that they crave a more personalised experience. Retailers have therefore started to exploit the progress made by tech giants to fulfil this demand. The gradual deployment of artificial intelligence, AR and VR in the consumer sector is enabling retailers to collect a large volume of data and gain a deep understanding of customer behaviours and preferences, which can translate into long term benefits for the consumer of the future. However, there are legal issues which arise and require consideration.

In this article we explore these technologies, including examples of their use in the retail sector and the associated legal issues.

[Read the full article](#)

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## WATCH

Consumer sector companies are regularly changing and it is interesting to look ahead to see what the future consumer sector company will look like. A number of themes such as digital transformation and supply chain resilience have been accelerated by the continuing impact of Covid-19. Other themes are emerging with the increasing importance of trust – in products, people, places and technology.

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# LISTEN

## **THE FUTURE OF CONSUMER - SUPPLY CHAIN RESILIENCE**

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