

BUCHAREST UNIVERSITY OF ECONOMIC STUDIES
The Faculty of International Business and Economics
The Department of Modern Languages and Business Communication of ASE
11th International Conference: Synergies in Communication (SiC)
Bucharest, Romania, 26 - 27 October 2023

THE COMMERCE OF THE FUTURE. AGAINST E-COMMERCE

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Abstract

Nowadays, all the stages of consumption have been influenced by digital transformation, this phenomenon having a significant impact on purchasing standards. By considering the evolution of stores and the profound changes they need to face today, this article means to reflect on the future of shops in the era of digitalization, envisaging them not only as purchasing areas, but also as social spaces inviting to interaction, discovery and relaxation.

The paper intends to show that, in order to establish a profitable business, contemporary stores need to improve the purchasing experience by taking advantage of the technological innovations and by building with the customers a relationship necessary for sales. The article also aims to study consumer behaviour over time and to draw up a portrait of the consumer of tomorrow.

Keywords: *commerce, future, store, digitize, consumer.*

DOI: 10.24818/SIC/2023/06.13

1. Introduction

With the rise of large-scale distribution in the middle of the 20th century, the commercial system has changed dramatically. During the 1960s, the development of electronic data (EDI) enabled the birth of e-commerce. EDI permitted companies to place orders and transfer funds, but the diffusion was slow. The Internet also appeared in the sixties, but, by the end of the 1980s, it still possessed a noncommercial nature. It was only by the early nineties that the Internet transformed into an attractive tool for business, and, by the mid-1990s, this tool was already heavily used for commercial purposes. (Tian, Y., Steward, C., 2006).

Nowadays, we are dealing with a digital economy² in which all stages of consumption have been influenced by digital transformation: information on the offer, the transaction, the place of acquisition.

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² The notion of “digital economy” is related to the concepts of “e-commerce” and “Internet economy”. E-commerce (electronic commerce) is understood as the activity consisting of purchasing or selling products electronically through online services or the Internet. E-commerce makes use of technologies such as mobile commerce, electronic funds transfer, online transaction processing, supply chain management, Internet marketing, electronic data interchange, systems inventory management and automated data collection systems.

The term “Internet economy” designates the economic activities that produce revenue from the Internet. However, some practices, such as establishing Internet connections in order to get customers, belong to the Internet economy, but cannot necessarily be considered e-commerce. Digital economy relies on digital technologies and is usually equated to e-commerce. Still, an activity like buying a laptop from a storefront retailer does not represent e-commerce, but it is strongly related to it. Thus, the concepts of „e-commerce”, „Internet economy” and „digital economy” have similar, yet slightly different meanings. (Tian, Y., Steward, C., 2006).

The motto has become “Digitalize or die”, and this phenomenon has greatly affected all markets. New consumption standards place traditional stores in a worrying situation, determining them to reinvent their business model. In order to build a profitable store, sellers are forced to consider technological changes and to invest in social networks in order to create a community and thus build a relationship necessary for sales, they need to exploit purchasing data to design advertisements and a targeted offer and to integrate digital devices in shop to improve the purchasing “experience”. (Chabault, 2020).

This article intends to reflect on the future of the traditional store in the era of digitalization, envisaging it not only as a purchasing area, but also as a social space involving a commercial culture and other non-exclusively economic elements. It conceives the store as a place of interaction, discovery, information seeking and relaxation.

2. *The store*

The store emerged in the second half of the nineteenth century as a result of the mass urbanization and industrialization in metropolises such as Paris, New York, Montreal and other big cities all over the world. Its rise was, by itself, a great innovation for business as well as for society, for it revolutionized every aspect of social and economic life. Talking about the department store as the precursor of the contemporary shopping center, Tamilia notices:

The department store contributed directly and/or indirectly (as a major change agent) to the adoption of numerous new technological innovations. Its channel impact, both upstream and downstream the distribution chain, revolutionized the retail store itself, the shopping experience, availability and assortment of goods, credit policies, price awareness, media and promotional techniques, and was a major contributor to new managerial techniques from hiring practices to inventory control procedures. [...] The department store was one of society’s most democratic institutions and was a major force toward a more egalitarian society, especially for women. No wonder many social historians and feminist researchers firmly believe the department store liberated women and gave some women their rightful place in society. The department store made jobs available to women and opened new career opportunities, such as the professional fields, and even in politics. The department store changed society’s values in accepting that women could go and shop on their own without being accompanied by others. [...] It is no wonder that department store owners offered so many services to them so that they could shop at their leisure, eat, relax and even be entertained during their stay. (Tamilia, 2011, 3-4)

According to Olivier Badot, commerce has always fulfilled a function of animation, community integration, as well as a function of urban marking, being a driver of technological innovation (Badot, 2005, 23-24). From his analysis, he brings out three major categories (structuring, inversion, magic), joining together the socio-anthropological functions of commerce, including self-construction, linguistic and narrative function, re-enchantment and psychological and collective regression.

The store is not only a place for selling goods. It facilitates an encounter between objects, socio-technical devices and customer expectations. It also encourages engagement, giving consumers the opportunity to demonstrate their commitment to certain values. In order to attract and retain customers, the product is no longer enough. “The imperative of atmosphere”, an important element of the advertising discourse, is seriously considered. Five ways of achieving market appeal are envisaged: surprising the consumer, offering the extraordinary, stimulating the five senses, creating a bond with the consumer, using what the brand refers to. The ambience and atmosphere of the stores is as important as the product. (Chabault, 2020)

Today, approaches aimed at providing consumers with emotional and sensory experiences illustrate the development of what Gilles Lipovetsky calls the third phase of consumption: the rise of the “emotional” consumption. (Lipovetsky, 2006, 41-42). According to him, consumers act today less to differentiate themselves from others than to benefit from emotional and bodily satisfaction. Thus, in-store marketing techniques invite the customer to explore sensations of well-being.

3. The nearby market

One of the peculiarities of the market is its ability to present local production and consumption. The products are placed in the public space, each customer who waits in line being able to see what other people purchase. Conversation is essential for the development of the relationship between traders and customers.

According to Chabault, one of the conditions for the market to function is to seem relaxed and detached from any concern for profitability, to appear as being driven more by the desire to meet people than by an obsession with the cash drawer. Exaggerated gestures, humour, flirting, the identification of the customer by the salesperson are all stratagems that make the exchange between sellers and consumers very appealing. (Chabault, 2020) Erving Goffman also talks about gossip, discussions about states of health that evoke sympathetic responses. A penultimate category of tactics implies light and playful messages (jokes, teasing). Finally, manifestations of courtesy (small services rendered, assistance) also play this role of linking people (Goffman, 1988, 105).

4. The mall

Appearing in the 1950s in the United States, malls are the heirs of the galleries built in the 19th century in big cities like Paris or Milan. This commercial format, reproduced in different places of the world, encourages a homogeneous lifestyle embraced by the middle class. (Chabault, 2020, 42) According to Hameli:

A shopping mall, shopping centre, shopping arcade, shopping precinct or simply mall is one or more buildings forming a complex of shops representing merchandisers, with interconnecting walkways enabling visitors to easily walk from unit to unit, along with a parking area – a modern, indoor version of the traditional marketplace [...] Shopping centers of the latest generation are currently under intensive development. These multifunctional, integrated premises are becoming not only a shopping destination, but also a place in which it is possible to satisfy other needs: social and cultural needs, the need for entertainment, recreation, sport or relaxation. (Hameli, 2017, 503)

In her book titled *Un monde en toc*, Rinny Gremaud talks about five of the world's largest shopping malls: Edmonton, Beijing, Kuala Lumpur, Dubai, Casablanca, focusing on the economic model of these players that compete with online commerce:

Tant que les gens s'y rendent pour un cinéma, pour une baignade, une soirée au piano-bar, un tour en autos tamponneuses ou un black jack au casino, les malls peuvent, selon elle, continuer d'afficher des chiffres de fréquentation suffisants pour attirer de nouveaux locataires et maintenir le niveau des loyers. Le fait que ce flux se traduise toujours moins par des dépenses en magasins est un problème indirect pour le mall, qui n'est que le propriétaire des murs. (Gremaud, 2018, 49).³

However, visiting these commercial structures frequently does not imply that all purchases are made there. It only means that consumers use smart buying strategies, such as price reading or trying on products before buying them online. There are places on the planet where the shopping centre can also be a place of identity construction, of relative autonomy in relation to the power of the family. Therefore, the decline of this centre in some countries has a more relevant impact than it might appear. (Chabault, 2020)

5. A pleasant environment

In order to create a pleasant environment, the seller must take into consideration not only the products, but also their arrangement in the store, the atmosphere and the professionalism of the salesperson. The

³ "As long as people go there for a movie, a swim, an evening at the piano bar, a ride on bumper cars or a blackjack game at the casino, malls can, according to her, continue to display sufficient attendance figures to attract new tenants and maintain rental levels. The fact that this traffic translates into less and less spending in stores is an indirect problem for the mall, which is only the owner of the walls." (Gremaud, 2018, 49)

ambience plays a significant role in purchasing decisions. The scents, colours, verbal and non-verbal exchanges, the temperature are all very important and their impact on shopper behaviour is measured. The right manipulation of these elements makes a good impression on the consumer. Among the components of the atmosphere, temperature has been controlled by shops for a century. With the integration of air conditioning, the commercial space is protected from all disruptive elements. We are dealing with an idealised city centre focused solely on consumption.

6. The hypermarket

The notion of “hypermarket” implies “finding everything under the same roof” (Perrigot, Cliquet, 2006, 2) and was born in France in 1963. (Cameria, 2009, 3) Perrigot and Cliquet explain the creation of this concept in the following way:

At the end of the 1950's and at the beginning of the 1960's, many French retailers came to Dayton (Ohio) to listen to Bernardo Trujillo, director of the International Management Systems Seminars. One of his arguments during his seminars on modern retailing was: “No parking, no business”. Most of these French retailers came back to France very enthusiastic. A new concept then was launched in the French market: the hypermarket. (Perrigot, Cliquet, 2006, 3)

The hypermarket combines self-service and a wide range of food products with an offer of non-food products at affordable prices. Its definition in terms of sales area differs from country to country. However, we may affirm that, in Europe, hypermarkets are divided into small and big ones. Since the beginning of the 2000s, hypermarkets have been showing sign of exhaustion. Economist Philippe Moati thinks that this slowing down is due, among others, to the “return to favour of local trade” (Moati, 2013, 2). This model of mass distribution is being challenged, and distributors need to revise it. In addition, the competition posed by e-commerce is making retailers question their practices and their relationship with the consumers.

7. The bookshop

Contrary to popular belief, printed books have not disappeared since the arrival of the Internet. Despite the culture of screens, the decline in reading and the significant time spent on social networks, bookselling is not a business that has collapsed. However, we are witnessing the erosion of the bookstore's market share in favor of online sales and large specialised stores. The rise of online retailing has created a shopping environment based on constant information, encouraging a shift of some purchases from stores to the web. This new competition is being driven mainly by Amazon, with the fascination it arouses and with the shopping routines it encourages. Yet, there are also other factors that destabilise the bookshop, such as the increase in rents and the taxes for independent businesses. In addition, this sector is facing a major generational challenge: more than half of booksellers' customers are over fifty. The challenge is therefore to attract other generations.

Amazon a conduit les professionnels à élaborer un discours offensif contre Amazon, mais surtout à repenser leurs pratiques, leur métier, leur relation aux lecteurs et ainsi mettre en évidence les atouts de la librairie. Cela simultanément à l'arrivée de nouvelles librairies et du départ à la retraite d'une génération entrée dans le métier au cours des années 1970, période pendant laquelle les achats de livres connaissaient une augmentation. (Chabault, 2020, 111-112)⁴

Faced with the competition of e-commerce, retailers were forced to adopt new technologies like creating a commercial site or joining a platform. However, they also had to reflect on their relationship with customers and on the place the bookshop occupied in the cultural identity of the consumers. If the visitor finds quality advice in the bookshop, if he can read the reading reviews of other customers, and if the

⁴ "Amazon has led professionals to develop an offensive discourse against Amazon, but above all, to rethink their practices, their profession, their relationship with readers, and thus highlight the strengths of the bookstore. This occurred simultaneously with the arrival of new bookstores and the retirement of a generation that entered the profession in the 1970s, a period during which book purchases experienced an increase". (Chabault, 2020, 111-112)

bookshop becomes a familiar place for the client, loyalty will be won. Reading is only apparently an individual practice: peers are important for recommending, borrowing, buying, discussing books. Managing a community of readers means offering events that help to create social links. It is important to also involve the reader in the animation of the bookshop, so that the store may become a space of self-definition for them, a framework for defining their cultural profile. The bookshop is a space where the choices of the buyer are influenced and legitimised by cultural professionals. These three principles - connection, animation, identity - are essential for the future of the bookstore. Still, the current risk is not so much the disappearance of bookshops as their inclusion in the luxury sector and the appropriation of codes such as rarity or exception. (Chabault, 2020)

8. The limitation of consumption

The future of the store must be considered in the light of technological change and of the development of online commerce. But we must not ignore the changes in the social norms that govern consumption.

La consommation ne sert pas seulement à répondre à des besoins, elle sert à afficher son statut social. Tel est l'un des enseignements formulés par Thorstein Veblen en 1899 dans la *Théorie de la classe de loisir*, ouvrage devenu un classique, que l'auteure revisite à l'aide de nouvelles données économiques. La mondialisation, la production et la consommation de masse, mais aussi le marché des contre-façons, ont contribué à sa démocratisation pour de nombreux individus, en particulier pour ceux appartenant aux classes moyennes. (Currid-Halkett, 2017, 13).⁵

Today, access to expensive products no longer defines the lifestyle of the new elites, even though these consumption standards have been a mark of success for decades. New standards are now being created by the ambitious class. They revolve around two principles: on the one hand, attentive parenting and, on the other, ostentatious production that is an expression of environmental awareness. The priority given to education and health shows an interest in the production of goods, an attention paid to the origin of the products, to their history. Shops, but also restaurants, cafés and cultural venues reflect this new system of preferences. (Chabault, 2020)

9. The new store

The development of online commerce has highlighted the social function of shops and the role they play in people's lives: they give rhythm to daily life, contribute to the creation of a sense of identity and respond to a desire for sociability and authenticity. By disrupting shopping routines and urban activities, the global Covid-19 pandemic has made retail activity visible, making it the subject of countless press articles and television reports. The crisis has also reactivated old debates: the debate between large and small shops and the more recent one about the competition from the multinational Amazon. The pandemic has accelerated many changes in the sector: the development of e-commerce, the platformisation of trade, the politicisation of consumption, the environmental awareness regarding products, the revaluation of small independent businesses. The sellers had to ask themselves whether the key to the growth of the shop does not lie in the social proximity between the new urban elites and the traders. (Chabault, 2020)

10. Conclusion

Although they have a positive impact on urban life, small businesses appear ambivalent in several respects. Shops have a strong social component, and one has to master certain social codes in order to enter these places and feel comfortable when purchasing there. Prices are sometimes discouraging, and not everyone can move around the shop, adapt their behaviour or even collude with the shopkeeper.

⁵ "Consumption not only serves to meet needs but, also serves to display one's social status. This is one of the lessons formulated by Thorstein Veblen in 1899 in the *Theory of the Leisure Class*, a work that has become a classic, which the author revisits with the help of new economic data. Globalization, mass production and consumption, as well as the counterfeit market, have contributed to its democratization for many individuals, especially those belonging to the middle classes". (Currid-Halkett, 2017, 13)

These habitudes show us how the spread of self-service and the depersonalisation of commercial interaction have freed customers from the obligation to maintain a relationship with the salespeople in small stores.

Nowadays, we witness the rise to a new figure of the shopkeeper: the curatorial shopkeeper, who finds and highlights the most suitable products, who supports small producers or independent publishers. In large cities, one commercial standard is usually promoted: the hygienic and networked commerce. Thus, local policies remain torn between the need to meet customer expectations and the desire to reclassify businesses.

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