

LIMELY.

YOUR GUIDE TO

The State of Ecommerce



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Introduction

The global ecommerce industry continues to thrive! Back in 2022, Shopify predicted that global ecommerce sales would reach \$6 trillion by 2025 [1]. Now, ecommerce sales are set to reach that figure prematurely in 2024, with ecommerce accounting for 25% of all retail sales across the globe! [2]

Whilst it's no surprise that ecommerce has continued to grow over the last decade, it's clear that various external factors have contributed to the exponential growth that shows no sign of slowing down. By 2027, ecommerce sales are expected to reach a staggering \$10 trillion globally, so it's no wonder you're here wanting a slice of the ecommerce action! [2]

Global Ecommerce Sales (23-27) [3]



In this report, we've gathered all of the latest data, statistics and predictions from a wide range of credible sources to help you get a deeper understanding of where the ecommerce industry sits today, and where it is heading. Whether you're a startup ecommerce business selling products on a Shopify site or a more established brand operating with the latest technologies such as Magento 2, Aero Commerce or Hyvä, this report holds valuable insights for anyone looking to drive growth for their ecommerce business, no matter what industry you're in.

We'll cover everything from the impact of the Covid-19 pandemic to how artificial intelligence (AI) is infiltrating ecommerce at all levels, the rise of Q-commerce and everything in between.

We hope to equip you with the knowledge needed to make truly informed decisions that will guide your business in the right direction and most importantly, get you ahead of the competition!

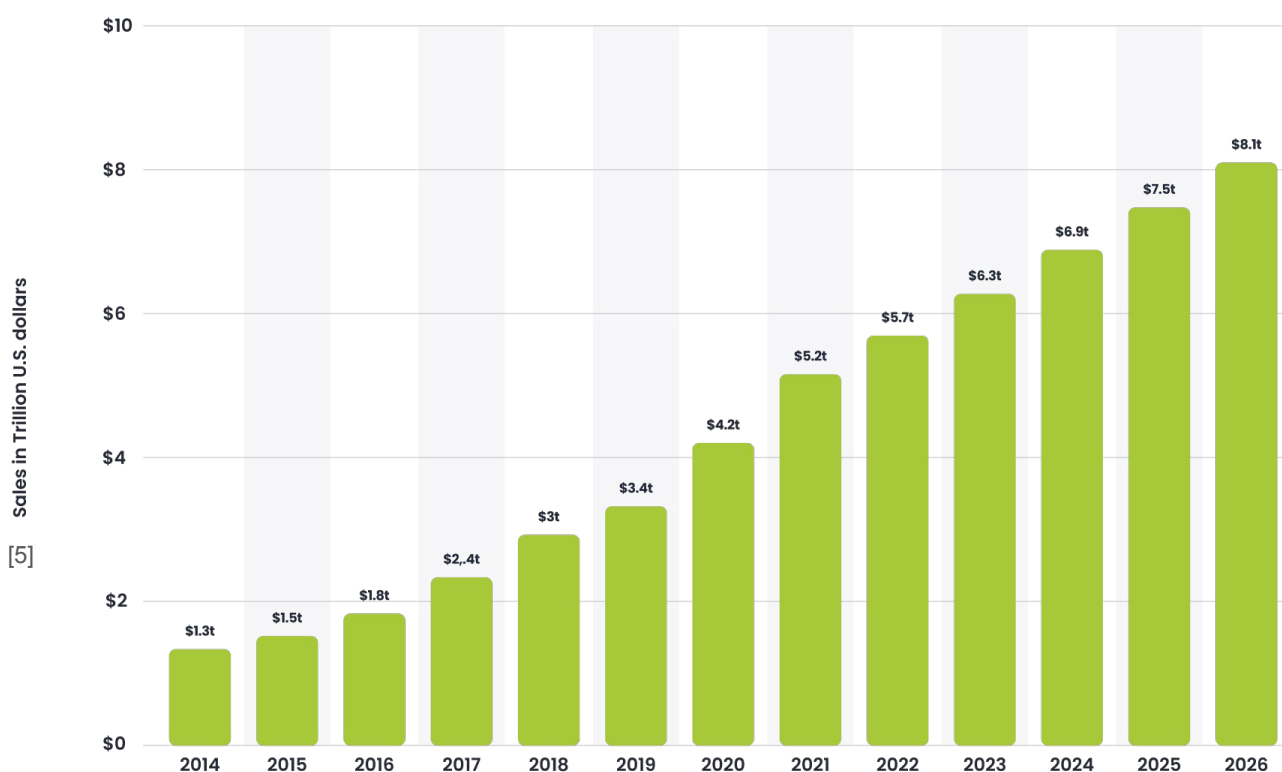
Specifically created with ecommerce managers, marketing executives and other key stakeholders in mind, we want this report to act as your guiding light when it comes to making key business decisions about ecommerce growth strategies.

Without further ado, settle in, grab a hot drink and get focused as we unravel the complexity of the ecommerce industry and uncover how you can use key changes and advancements to your advantage.

State of Global Ecommerce

In 2024, the retail industry will surpass \$30 trillion global sales for the first time in history. Considering that ecommerce sales already account for 25% of all retail sales across the world, it's clear that ecommerce is rapidly growing, with an average growth rate of 4.4%. [4] By 2027, global retail sales are expected to reach a staggering \$34.9 trillion.

To truly understand where the ecommerce industry is right now, it's key that we look back over the last decade. If we flash back to 2014, global ecommerce sales sat at just over \$1 trillion. During this time, headless ecommerce was becoming extremely popular with the likes of Shopify and SquareSpace allowing business owners to take their brands online with little technological knowledge or experience, for the very first time.



Since then, ecommerce has continued to increase in popularity for both consumers and businesses alike. For consumers, the convenience of online shopping enables them to order items from the comfort of their home and have goods delivered to their door, within just a matter of days or hours. Previously, this level of convenience wasn't attainable for retail businesses and online shopping offered numerous advantages for consumers who didn't have time to go to the high street. For business owners, headless ecommerce offered a brand new way of getting products in front of customers across the world, increasing brand reach and driving sales in a way that was previously impossible without tons of investment.

It's safe to say that the rise of ecommerce happened so rapidly in the early 2010s due to the profound value it offered for both retailers and consumers alike. On the one hand, consumers could get the products they needed at lightning speed, without having to venture outside of their front doors and on the other hand, businesses could increase sales and profits in a previously unachievable way.

From that moment on, ecommerce has truly taken off and taken the world by storm by integrating deep into everyday life. The ubiquitous nature of ecommerce is truly staggering when you look back over the last decade and reflect on the remarkable growth that occurred between 2010 and 2020.

Considering that ecommerce was relatively in its infancy at the beginning of the 2010s, its colossal growth is truly unlike anything we've seen before within the retail industry. For the most part, this was due to the convenience and ease of shopping at home from a laptop or computer, but technological advancements also coincided with the growth of ecommerce, taking the industry to a whole new level.

Over the last 15 years, technological advancements such as the invention of smartphones, tablets, 4G and the Internet of Things are largely to thank for the rise of ecommerce as we know it today. Cast your mind back to 2010 and you might have a vague, distant memory of the time when the iPad wasn't around. The invention of the iPad (2010) paved the way for a new way to shop online as it made the internet much more accessible to those who weren't dab hands at technology such as the older generations. [7]

During the 2010s, smartphones also became an integral part of everyday, mainstream life. Fuelling immense ecommerce growth and driving business owners to explore the opportunities mobile commerce had to offer. Considering that in 2010, only 5% of retail sales were made online, there is a clear correlation between the widespread adoption of smartphones, tablets and iPads over the last decade and the rapid growth of the ecommerce industry. [7]

How Tech Has Evolved (2000 - 2020)



2000

Google Creates Google AdWords

Google launches AdWords, an online advertising tool for businesses to market to consumers via Google Search.



2005

Amazon Introduces Amazon Prime

Amazon launches Amazon Prime which sets the global standard of two-day shipping for online orders.



2005

First Cyber Monday

The first ever Cyber Monday launches to encourage customers to purchase goods online.



2011

Google Launches Google Wallet

Google launches Google Wallet for users to make payments via an app on smartphones.



2010

Apple Released the First iPad

Apple launches the first ever iPad just three years after the iPhone was launched.



2007

First Smartphones are Born

The Apple iPhone launches in June 2007 followed by the Android in 2008.



2014

Apple Launches Apple Pay

Apple Pay launches into the world, allowing users to pay by phone, without having to download an app.



2016

Social Media Shopping Launches

Facebook becomes the first social media channel to allow in-app purchases at the touch of a button.



2020

COVID-19 Triggers a Surge in Sales

The global pandemic causes a surge of ecommerce sales as lockdown was in full swing.

Whilst technology has continued to evolve and advance since then, the biggest catalyst to ecommerce growth in the 2020s is undoubtedly the impact of the coronavirus pandemic. In 2020, the pandemic saw the closure of the majority of brick-and-mortar stores throughout the globe, leading to a significant, negative impact on high-streets and retailers. However, it also provided a unique opportunity in the world of online shopping. Many experts claim that the pandemic accelerated consumers' inevitable move to online shopping by a staggering 5 years. [6]

As a result of the innovations of the 2010s and the social distancing requirements that were enforced by the global pandemic in 2020, remote working became an increasingly apparent solution. For remote workers during this time, ecommerce became a lifeline and offered a necessary convenience like never before.

Innovative digital marketing strategies and platforms also made way for the rise in ecommerce over the last decade. The likes of Instagram, Facebook and TikTok all offer online shopping solutions that play on the impulsivity of users to drive sales through these means.

When it comes to getting down to the nitty gritty of the ecommerce landscape, it's key to understand the various industries that make up the majority of the market. First and foremost, it's probably no surprise that the fashion industry makes up the majority of the ecommerce market, accounting for a significant 31% of global ecommerce sales.

The second largest ecommerce industry is the toys, hobbies and DIY market which accounts for 19% of global ecommerce sales whilst electronics and media comes in third place, accounting for 18% of sales [9]. Whilst the fashion industry remains miles ahead of other markets when it comes to ecommerce sales, it may be surprising that the toys, hobbies and DIY industry comes ahead of the likes of electronics, personal care, food, furniture and appliances. It's clear that the ecommerce industry holds great power, opportunity and value for almost every retail market.

Highlighting the importance of taking your business online (if you haven't already done so) and ensuring your brand offers the best level of customer experience in the online realm.



Fashion
31%



Toys, Hobby & DIY
19%



Electronics & Media
18%



**Food & Personal
Care**
17%



**Furniture &
Appliances**
15%

[9]

We can't talk about the state of ecommerce without mentioning one of the key global players which is of course, Amazon. In the US, Amazon holds 37.8% of the ecommerce market share and as a result, has set the industry standard for many aspects of ecommerce businesses; including two-day delivery, personalisation, easy returns and one-click shopping. [15] These high standards have rippled across the ecommerce industry and become the standardised consumer expectations across the globe. Therefore, if you're an ecommerce business, it's absolutely essential to adhere to these expectations if you want to drive sustainable growth for your brand and build customer loyalty.

Ecommerce in the UK



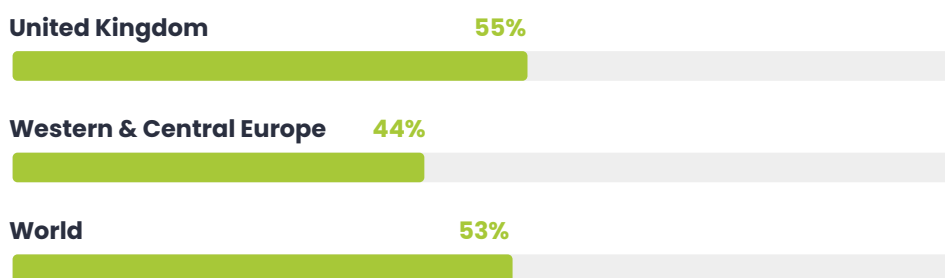
Whilst the pandemic in the early 2020s clearly had a profound influence on the global ecommerce landscape as a whole, the UK perhaps felt its effects more intensely for a variety of nuanced reasons.

As the UK is a very mature ecommerce market, with plenty of advanced digital and physical infrastructure, exceptional smartphone adoption, internet connectivity and fantastic logistical links with the rest of the world, ecommerce grew even more rapidly for the UK during the pandemic than most other countries across the globe. [8]

As 84% of the UK's population is online in one way or another, there is huge potential for ecommerce businesses to soar in the market. [9] Online sales account for a staggering 27.9% of all retail sales in the UK, slightly above the global average of 25%, highlighting that the UK is one of the countries leading the way for ecommerce. [9] This is demonstrated again by the fact that many businesses are testing new, innovative ecommerce and omnichannel models in the UK with the likes of rental sites and secondhand marketplaces teaming up with established legacy brands to drive sales. [8] The UK is clearly a hotbed for ecommerce thanks to its outstanding digital infrastructure and consumer adoption, highlighting the incredible opportunities in the UK for ecommerce businesses.

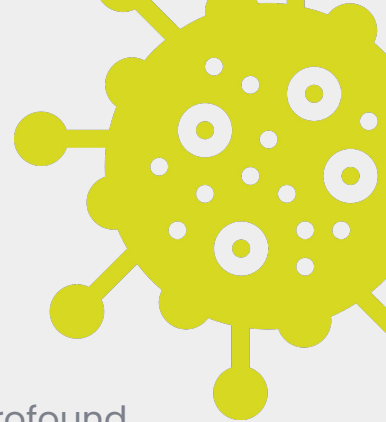
The UK ecommerce industry is growing at a rapid rate of 9% every year whilst m-commerce (mobile commerce) is growing even faster at 13.6% a year. [10] Clearly the UK market holds the biggest opportunity for businesses wanting to utilise m-commerce as 55% of all ecommerce sales are completed on a mobile device. [9]

Ecommerce Completed on A Mobile Device [9]



Now that we've got a deeper understanding of the ecommerce landscape as a whole, we can start to unravel new, upcoming trends that are beginning to take shape and find out how we can utilise these opportunities to drive ecommerce growth. By analysing key trends and innovations of the past, we can truly start to get a grasp of how new trends and technologies will change the ecommerce landscape in the future.

The Impact of the Covid Pandemic



Whilst it's clear that the coronavirus pandemic had a profound impact on the ecommerce industry, understanding how it accelerated ecommerce growth and changed consumer expectations, is key to getting ahead of new trends and competitors.

Flash back to 2020; It was a time defined by countless lockdowns, social distancing, remote working and limited access to any activities outside of your own home. This concoction of circumstances gave rise to a new era of ecommerce; One that would change the way we shop online for many years to come.

As consumers couldn't access groceries at supermarkets in the same way they previously would, online shopping became the go-to destination for the weekly shop. Prior to the pandemic, 81% of US consumers had never ordered groceries online. [12] However in 2020, 79% of US consumers ordered their groceries online, whether for collection or home delivery. [12] The most interesting part is that this seismic shift in consumer behaviour didn't end after the pandemic. The new customers who had switched to online grocery shopping during the pandemic, seemed to like it so much that they adopted this new method of grocery shopping as the new normal. This trend is also echoed in the UK as only 40% of shoppers were buying groceries online as of April 2020, with that figure rising dramatically to 75% by February 2021. [14]

This trend was not only echoed across the globe, but also across a range of industries including DIY, electronics, hobbies and fashion ecommerce. However, it's important to note that fashion ecommerce sales didn't rise as sharply as other industries as fashion was already so far ahead in terms of ecommerce adoption.

During the pandemic, ecommerce sales soared by an unfathomable 55%. [12] Putting a strain on many businesses who didn't have the infrastructure and internal processes to deal with such a sharp rise in demand for their products. If we learn anything from the coronavirus pandemic, it should be to ensure robust fulfilment processes that prevent customer frustration and disappointment. This can be done relatively easily with advanced ecommerce integrations that allow employees to manage stock levels, inventory, customer orders, shipping and fulfilment, all in one centralised location.

Not only does this ensure that existing customers are satisfied and more likely to recommend your products to a friend, it can also future-proof your ecommerce business and ensure that your team is fully prepared for any spikes in sales, delivery interruptions or anything else that might crop up and disrupt usual operations.

The pandemic also saw a rise in the number of people utilising Buy Now Pay Later (BNPL) schemes offered by the likes of Klarna and PayPal Pay in 3. According to Adobe, the use of BNPL skyrocketed by a staggering 528% between October and November 2020 and continued to grow another 53% year-on-year in February 2022. [12] It's clear that these types of credit payment options are becoming increasingly popular with over 36% of British consumers having used BNPL services as of 2023 - Triple the 12% of consumers who had done so in 2021. [16] It's key that brands incorporate BNPL schemes into their sites to ensure they're not missing out on sales.

The pandemic clearly had a profound impact on the way in which consumers interact with ecommerce and online shopping as a whole; From doing their weekly grocery shop online to purchasing products with BNPL services. But it also had a huge impact on consumer behaviour. According to a report by BigCommerce, more than 80% of consumers admitted to purchasing from a different brand than usual in 2021. [17] The trend of 'shopping around' emerged during the pandemic as consumers were more easily able to find the cheapest prices and get the best deals. Since then, consumer loyalty has declined and provided an opportunity for ecommerce brands to gain new customers. We'll go into how brands can capitalise on these trends in a little while but briefly, strategies can include:

- Developing an emotional connection with consumers through engaging content
- Ensuring an omnichannel presence so users can interact with your brand across many different platforms
- Offering personalised online customer experiences

Rising Ecommerce Trends

The last few turbulent years have given rise to many trends that are sure to have an impact on ecommerce businesses across the globe. From artificial intelligence to augmented reality, q-commerce and omnichannel presence, there are many key trends to keep in mind as you develop your ecommerce business. Without further ado, let's delve in!

Mobile Commerce

The advancements in mobile devices and their capabilities have paved the way for an ecommerce revolution in recent years. In 2021, global smartphone users reach a staggering 7.1 billion. [18] The ubiquity of smartphones across the globe has provided a unique opportunity for ecommerce brands to be accessible to users at all times and in turn, has led to a new segment of ecommerce dubbed m-commerce.

The rapid integration of smartphones into our everyday lives is largely to thank for the rapid growth of m-commerce. In the UK, 92% of the population own a smartphone. [9] Highlighting the opportunity for brands to drive mobile sales. That is, if they can offer a superior experience than their competitors. Streamlined website navigation that ensures a seamless and lightning-fast experience is absolutely integral to driving mobile sales and impulse purchases via smartphones or tablets. Thanks to the high-level of smartphone saturation across the globe, mobile sales are expected to account for a huge 42.9% of all ecommerce sales by 2024. [21]

Smartphone Penetration [9]



As a result of the growing popularity of m-commerce, ecommerce brands must offer a superior mobile shopping experience if they want a chance of success in such a competitive market. The first thing to consider when developing an m-commerce strategy is responsive website design. Put simply, responsive websites ensure that web pages, images, and content are displayed beautifully across a wide variety of devices including smartphones, laptops, desktops and tablets. [19] For ecommerce brands, this ensures that the user encounters an equal experience no matter which device they prefer to use. Thus, improving the overall brand perception and increasing customer loyalty. After all, if a user has an extremely positive experience, no matter whether they visit your site from their phone or laptop, they're much more likely to purchase from your brand again and become a repeat customer or even advocate for your brand.

Over the last few years there has been a significant push moving the trend from ecommerce to m-commerce as more and more brands want a slice of the action. Annual ecommerce app revenue has been increasing steadily since 2016, with app sales now reaching over \$3.5 trillion dollars. [20] With the predictions that this will only continue to grow, many brands have either already launched or are beginning to develop bespoke ecommerce apps that users can download. Allowing ecommerce brands to have a permanent place within a consumer's smartphone and as a result, driving impulse purchases through features such as one-click checkouts and invasive push notifications.

Mobile Ecommerce Annual App Revenue 2016–22 (\$tr) [20]



Whilst ecommerce apps can provide key advantages for brands, they can be an extremely expensive investment that require continuous maintenance and upgrades to keep up with evolving technology and consumer expectations. For ecommerce brands who want to avoid this major upfront investment whilst taking advantage of the m-commerce trend, there are a range of advanced features and integrations that can be incorporated into most ecommerce platforms to drive tremendous growth. Below, we've created a handy checklist to ensure that your website is fit for 2024 m-commerce:

M-Commerce Checklist

- Responsive web design
- Lightning-fast page speed
- Optimised imagery and graphics
- Thumb-friendly navigation
- Sticky navigation for a seamless customer experience
- Streamlined UX/UI
- A variety of payment options (e.g. Apple Pay, Google Pay, PayPal & BNPL services)

Social Commerce

We can't discuss m-commerce without discussing social commerce which has taken the world by storm, largely since the coronavirus pandemic. Over the past few years, social commerce has become increasingly popular with the younger millennial and Gen-Z generations in particular. And that growth doesn't show any sign of slowing down!

Back in 2018, 54% of social media users were using social platforms to actively research products and brands. [22] Fast forward to today, and that percentage has increased to 73% of social media users not only using social media for research purposes, but actively shopping and purchasing products via the platforms. [23] Once again, highlighting the growing importance of a strong social media presence for ecommerce brands across all industries. The stats below clearly demonstrate the increasing opportunity that brands have to leverage social commerce to drive sales for their business and gain a competitive advantage.

65% of consumers are looking for tips and ideas on social platforms



73% of social media users are actively shopping on social platforms



60% of home furnishing consumers are shopping on social platforms



81% of consumers are shopping for fashion on social platforms



91% of people now prefer buying cosmetics through social media



60% of consumers shop based on influencer recommendations



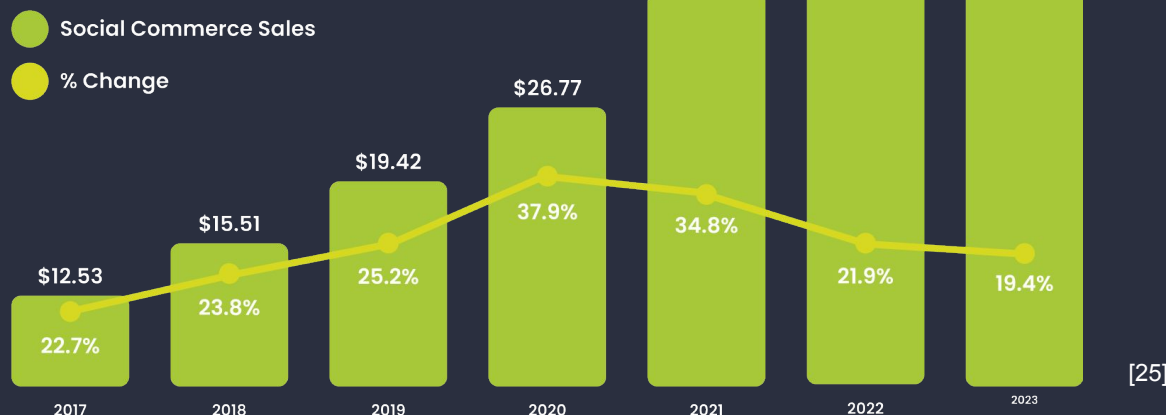
[23]

In order to utilise the social commerce trend, it's key to gain a deeper understanding of the concept and why it has become such a popular tool for consumers. Social commerce is more than just an online shop designed to generate sales; it's an immersive, interactive experience that is facilitated by brands showcasing their products and brand values whilst allowing consumers to interact with one another, often to share product recommendations and provide honest feedback.

This approach particularly resonates with younger generations who love to feel a sense of community when shopping online.

For ecommerce brands, this trend provides a unique opportunity to build loyal customer advocates. That is, if they lean into the community aspect of social media and build their social media presence around their brand values, ethos and beliefs, as opposed to simply posting images about their products.

In contrast to traditional retail sales models which saw brands engaging in a one-way rhetoric, almost telling consumers what they should buy and why, social commerce provides bidirectional communication between consumers, brands and everyone in between. [24]



[25]

So what are the top social media platforms for social commerce?

Instagram

Unsurprisingly, Instagram remains one of the most popular social commerce platforms with over 70% of all shoppers looking to the app for product discovery. [25] Setting up an Instagram shop is relatively easy and simply requires you to create a Facebook business profile where you can upload your product catalogue. As Instagram shoppers can purchase products directly within the app, the user experience is seamless and marketing within the app feels a lot less 'salesy' and much more personal. Be sure to hone in on this aspect of social commerce and plan your posts according to what is relevant and valuable to your target audience.

TikTok

Whilst TikTok is relatively new to social commerce, it is rapidly growing in popularity! Shoppable posts allow users to seamlessly engage with short-form videos and make instant purchases. The USP of TikTok for social commerce is that it has the unique ability to drive immense growth for small businesses, making some of them go viral overnight! "TikTok Made Me Buy It" is an all-too common phrase that so many consumers have been using since the social platform soared to success during the pandemic and highlights the influence the platform has in the world of retail. TikTok is certainly a key player in increasing organic growth, brand awareness and driving conversions for ecommerce businesses.

Pinterest

Pinterest is one of the oldest social media platforms around but that doesn't make it any less influential. The platform itself is consistently growing by 7.5% year-on-year and 80% of weekly pinners have discovered new brands or products via Pinterest. [26 & 27] Highlighting the significant opportunity for ecommerce businesses to drive growth and sales via the platform. As Pinterest has a creative focus and an aesthetic-led interface, the platform has long been extremely popular with fashion, lifestyle and interior brands. In recent years, the platform has become increasingly popular with the male demographic and is definitely a platform to keep up with.

Subscriptions

Since 2018, the subscription ecommerce market has grown a staggering 100% every year and this trend is set to continue to grow over the next decade.[28] Subscription ecommerce models provide a personalised and unique experience for consumers who want to readily receive a monthly or weekly subscription to a brand. There are various ways ecommerce brands can boost sales and drive growth with subscription services.

Replenishment subscription boxes can offer a superior level of convenience so users never run out of their favourite products. The likes of Amazon already offer this service extremely effectively to ensure that consumers always have their favourite products on hand.

Curation subscriptions can be utilised by brands to increase customer satisfaction, engagement and to create an exciting experience for consumers. Curated subscription boxes often include a range of products that vary each month or week to keep things exciting for consumers and are great for brands who have a large product inventory.

Consumers who prefer curated products are likely to be of the younger millennial and Gen-Z generations who are actively seeking new, innovative and on-trend products. Therefore, these types of subscriptions have been extremely popular within the beauty and self-care industries.

Global Ecommerce Sales (23-27) [28]

Ecommerce Subscriptions (%)	Key Consumer Value	Description	Example Companies
Subscribe for Replenishment 32%	Save Time and Money	Subscriptions that simply replenish items with the same/similar products. Mostly for commodity items such as shampoo or dog food.	Amazon Subscribe & Save, Hairburst, Butternut Box
Subscribe for Curation 55%	Be Surprised by Product Variety	Subscriptions that provide a curated selection of various items within a particular category. Mostly for beauty, fashion, lifestyle and alcohol products.	Birchbox, Craft Gin Club, Beer 52
Subscribe for Access 13%	Gain Exclusive Access	Membership subscriptions that provide access and exclusive perks. Mostly for digital products, food & fashion.	Shutterstock, Spotify, Disney+, Netflix

Artificial Intelligence

In 2022, artificial intelligence (AI) became accessible in the mainstream with the likes of ChatGPT launching into the world. As many search engines including Bing and Google utilise AI to improve online experiences, it was only a matter of time until ecommerce brands jumped on the trend. Today,

AI-powered chatbots and virtual assistants are becoming increasingly popular as brands want to offer a more personalised and efficient customer experience. AI-powered machine learning algorithms are also helping brands in analysing customer data and displaying relevant product information for a more personal online shopping experience. As a result, AI can have a profound impact on ecommerce businesses as the tools can help to nurture customer relationships, increase brand loyalty and drive customer retention. [29] It's clear that AI-powered chatbots are

becoming a must-have for ecommerce brands as a recent study showed that over 80% of retailers already use or plan to use them in the very near future. [30]

Not only has AI had a positive impact on the customer experience, it has also begun to improve fulfilment and logistics for many ecommerce brands. Predictive analysis powered by AI can be utilised by brands to forecast various factors such as demand levels, transit times and shipment delays.

Augmented Reality

According to a recent report, the augmented reality (AR) market in the US is expected to be worth a staggering \$250 billion by 2028. [31] As a result, many technology platforms including social media apps and search engines have been heavily investing in the technology to ensure that they get ahead of the game.

In previous years, AR was largely reserved for high-value items within the luxury market. However in the last few years, we've seen the technology creeping into fashion, interiors and other industries. AR is an innovative and advanced tool that allows consumers to view products within the environment they are in, whether that is viewing a new sofa in their own living room or virtually trying on a dress. This tech enhances the shopping experience as users can 'try before they buy'. For ecommerce brands, AR can keep users engaged on their website for much longer, reduce returns and increase customer loyalty.

In 2023, many ecommerce brands also invested in high-end marketing campaigns featuring their products with AR. This trend is set to continue in 2024 and brands who jump on this quickly, could see great results in terms of consumer engagement and conversions. Considering that 70% of consumers believe AR can offer great value and benefits, it's clear that this is a key opportunity for ecommerce brands to explore and actively engage with over the next few years. [32]

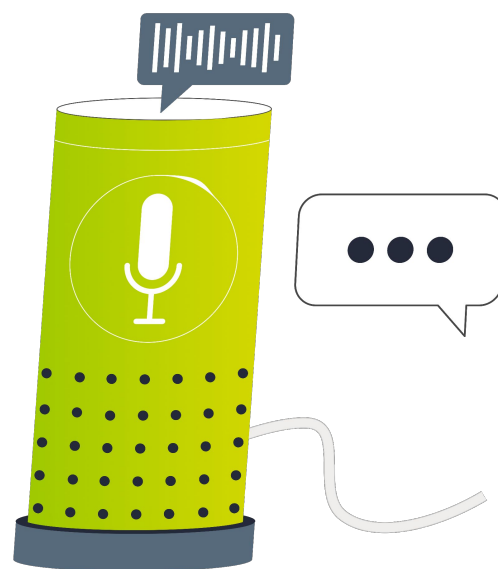


Voice Search

As accessibility, inclusivity and convenience become increasingly important within society, many ecommerce businesses have tried to ensure their sites are extremely user-friendly and accessible for all. As a result, we've seen a sharp increase in users utilising voice search to discover new products and brands. Now, over 71% of all consumers prefer to conduct searches by voice as opposed to typing, it's clear that this is a trend that ecommerce brands should take very seriously. [33]

Voice search technology such as Apple's Siri and Amazon's Alexa have been increasingly integrated into everyday life throughout the globe. As of 2023, there are 4.2 billion voice assistants in use worldwide but by 2024, this number is expected to jump to a staggering 8.4 billion. [34] Not only that, the global voice commerce industry is worth a whopping \$19.4 billion as of the end of 2023. In light of these statistics, it's key that ecommerce brands continue to invest in voice search technologies as they strive to drive growth. [35]

In light of these statistics, ecommerce brands will need to optimise their websites for voice search in order to get ahead of the competition and ensure customer satisfaction is at an all time high. Most ecommerce brands will employ a keyword SEO strategy but for voice search, businesses will need to embrace spoken language and a semantic strategy in order to optimise content for voice searches. By utilising conversational language within blog posts, articles and product descriptions, your products are much more likely to be presented to users using voice search.



Experiential Ecommerce

Experiential ecommerce is a rising trend that retailers can truly take advantage of to drive growth for their businesses. Encompassing a range of trends we've previously discussed including AR and social media, experiential ecommerce delivers a memorable and authentic shopping experience that keeps consumers engaged throughout the entirety of their buying journey. Experiential ecommerce is reconceptualising human connections and developing new communities and methods of communication, all whilst promoting products. The key to capturing the experiential ecommerce trend is by putting consumers front and centre of every decision that brands make. Personalisation is key to this trend so ensuring your brand offers unique experiences that engage users is key to creating an immersive experience for users. We've listed a few ways that brand could utilise experiential ecommerce below:

- Utilising AR to allow users to 'virtually try' products in their environment
- Creating detailed quizzes on social media to ensure your product is catering to a consumers' specific needs
- Engaging with influencers to provide product recommendations to their audience
- Creating broadcast channels within Instagram to provide behind-the-scenes content and content made specifically for your target audience
- Launching interactive social media competitions where users can win great prizes in exchange for creating content

Omnichannel Ecommerce

Omnichannel ecommerce describes an evolving trend which is a multichannel approach to sales, putting the customer experience at the forefront. Similar to experiential ecommerce, omnichannel ecommerce aims to immerse consumers in an engaging experience through various different channels include brick and mortar stores, websites, social media, pop-up events and other channels. This hybrid approach is a relatively new direction for retail that integrated a range of techniques to build long-term customer relationships and ultimately, brand advocates.

Ecommerce brands must ensure that each of their touchpoints provide a seamless and engaging experience for customers, no matter what stage of the buying journey they're up to. Ensuring that every touchpoint and channel is harmonised in terms of a brand's messaging, experience, pricing and branding is absolutely paramount to the success of an omnichannel strategy. Additionally, enabling customer details to be saved between various platforms will ensure a seamless experience, no matter which platform they use to interact with your brand. Consistency is the most important consideration when it comes to developing an omnichannel ecommerce strategy so be sure to keep marketing materials, visuals, messaging and in-store displays coherent to give your strategy the best chances of success.

For ecommerce brands who also have retail stores or are planning to hold an 'in real life' pop-up event, we've collated three lessons to take note of to ensure you're maximising the opportunity.

3 Big In-Store Lessons For Brands

01

Product demonstrations are a fantastic way to create an immersive experience for all consumers but in particular, this is what **Gen-Z** and **millennials** are looking for when they venture in-store. Offering interactive experiences that they can use without assistance is the best way to engage this market.

02

Convenient and **streamlined in-store experiences** are what **older generations** are looking for when they venture to the high-street. Seamless store organisation, clear signage and short queues are paramount to customer satisfaction for this target market.

03

Loyalty points and other rewards are what **Gen X** are looking for so be sure to offer exclusive points and discounts for those visiting your brick-and-mortar stores.

Sustainability

As sustainability is becoming increasingly important to the majority of consumers, with 84% claiming that an ecommerce brand with poor sustainability credentials would alienate them and prevent them from engaging, it's clear that prioritising sustainability will be key to retaining customers and driving growth. [36] 87% of consumers would purchase a product based on a company's environmental and sustainability values. [37] Highlighting that even small steps towards sustainability can make a huge difference to a consumer's perception of a brand and drive sales.

Brands who invest in eco-friendly packaging, reduce carbon emissions or develop fully sustainable products are likely to see much more success over the next few years than those who don't.

Studies show that retailers who prioritise sustainability achieve 5.8X faster growth than their counterparts who don't, highlighting the importance of implementing sustainable practices and reducing carbon footprints. [38] Not only that, they also saw their conversion rates increase by a staggering 20% after implementing sustainable changes. [38]



Q Commerce & same-day delivery

As customer expectations continue to rise, speed is of the essence. A staggering 85% of consumers expect their goods to be delivered within 48 hours and even more surprisingly, 47% expect delivery within just 24 hours. [39] With these stats only expected to grow into 2024 and beyond, ecommerce brands must up their game if they want to beat the competition.

Since global ecommerce powerhouse Amazon, introduced next-day delivery in 2007, consumer expectations have grown exponentially. More recently, the rise in popularity of on-demand delivery services including Deliveroo and Uber, has set a new precedent for ecommerce brands to adhere to. In recent years, Amazon's same-day delivery service has been gradually increasing consumer expectations even further and by 2024, we expect this to be an industry norm. If businesses can aim to compete with this rapid delivery service, or even commit to one-hour delivery for local customers, they will gain a significant advantage over their competitors. Whilst one-hour delivery is the ultimate goal for many ecommerce brands, the logistics don't often allow this to happen.

Therefore, creating a fulfilment and delivery strategy that suits your unique brand will be key to ensuring that your ecommerce brand thrives over the next few years. Choosing a range of products that can be delivered the same-day and allocating some products for local delivery could be a step in the right direction of delighting users and improving customer loyalty and retention.



Where Are We Heading?

The last few years in the ecommerce industry have been relatively turbulent but also given rise to many trends that are sure to have a positive impact on ecommerce businesses across the globe.

From AI and AR developments to changes in sales strategies, sustainability improvements and m-commerce, we hope this report has given you some helpful insights into how the ecommerce industry is expected to evolve in 2024 and beyond.

In terms of where the industry is heading, a key aspect to consider for 2024 is the change in consumer buying behaviour. Whilst the ecommerce industry as a whole is set to continue to grow, a lack of disposable income is becoming a challenge for many consumers. The impact of this is likely to be that consumers become more discerning in terms of what they buy and where they buy. For ecommerce businesses, this means that

messaging needs to be succinct, powerful and prioritise developing deep connections and relationships with their target audience. Standing out against the competition will be paramount to gaining new, loyal customers and driving sales despite an economically challenging period. The ecommerce trends we've discussed in this report are the key to gaining a competitive advantage and should be utilised to both attract and retain customers.

To ensure that you're all set to have your best ecommerce year ever, despite the challenges you may face, we've created a handy checklist so you can tick off everything you've need to do to drive success for your brand:

- Responsive & mobile-friendly website
- Lightning-fast page speed
- Two-day delivery as standard
- Optimised content for voice search
- Environmental policy
- Seamless omnichannel messaging
- Subscription services
- Thumb-friendly navigation
- Streamlined checkout process
- Simple & easy returns process
- Augmented reality tools
- Eco-friendly packaging
- Personalised experiences
- Social media strategy

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