***E-Commerce Solutions***

**Introduction -**

This report will Discuss the types of strategies that could be used to drive an E-Commerce solution. It will also examine the strategies employed and the impact of E-Commerce on business organisations.

The start of a new year always seems like a good time to pause and give some thought to what's coming on the horizon. What are the trends, the innovations, and new technologies that are going to reshape (or at least influence) the way we do business?

Global e-commerce sales will skyrocket to $4.5 trillion by 2021; an increase of over 246%. If you want your company to participate in that kind of growth, it's crucial to anticipate it and know what's coming.

Here are a few factors that we think will be very important for e-commerce success in the months and years ahead.

**1. Personalization**

A recent 2018 Internet Trends Report discusses the current 'privacy paradox' which is the double-edged sword that people are reluctant to share their private information but clearly respond well to personalization and recommendations.

The arrival of web-based commerce with the introduction of the massive selection and convenience of eBay and Amazon shifted the driver towards utility. That lasted only about 20 years when data became the dominant driving trend.

When personal data is managed well and responsibly to offer targeted recommendations and curated product discoveries, the benefits are clear. However, if personal information is seen to be mismanaged, the reputational risk is massive (think Facebook - Cambridge Analytica scandal).

Good data usage for personalization purposes has an important impact on customer satisfaction. Of the five leaders in internet data usage, four of them rate an American Customer Satisfaction Index (ASCI) score that is above the average of 77, with Amazon rating 85. Conversely, 33% of customers who abandon business relationships report doing so because the service lacked personalization.

The introduction of the General Data Protection Regulation in the EU in 2018 has made the collection of personal data more difficult with users more readily opting out of data collection. Nevertheless, personalization remains a critical component for the growth and success of any e-commerce endeavor.

**2. Subscription Models**

Personalization is also an important factor in the growth of another leading e-commerce trend, that of online subscription services. In just one year, Netflix and Spotify have achieved 25% and 48% subscriber growth and have leveraged user data to retain them, In Spotify's case, to convert them from users of their free service to their premium paid subscription.

Subscription e-commerce sales have more than doubled every year, climbing to $2.6 billion. But the rising popularity of subscription isn't limited to the consumption of media. An increasing number of consumers are signing up to receive products on a recurring basis via a monthly 'box subscription'. Among online shoppers, approximately half have signed up for a subscription service of some kind, and 30% of them are subscribers for a monthly box of curated goods.

E-commerce subscription services can generally be categorized into three sections:

**Curated services**

This category represents 55% of e-commerce subscribers and aims to provide customers with new or highly personalized selections. Blue Apron and Birchbox are two well-known examples.

**Replenishment services**

Of e-commerce subscribers,32% opt for these services for the convenient, recurring purchase of items. See Dollar Shave Club and Amazon Subscribe and Save.

**Access service**

To gain exclusive access to discounts and other perks,13% of e-commerce subscribers sign up for services such as NatureBox and Thrive Market.

**3. Social Commerce**

For years, there has been a great deal of hype about the integration of e-commerce on social media platforms, but the "buy" buttons were slow to pick-up. What has happened is that social media has become an important resource for discovering products that people will later purchase.

With the average digital adult spending as much as 2½ hours per day on their devices for entertainment, social, or messaging purposes, according to Flurry, it's a segment that cannot be ignored.

In the Internet Trends report, Meeker cites the results of a consumer survey found that 78% of respondents discovered products on Facebook, while Instagram and Pinterest both were discovery sources for 59% of them, and Twitter for 34%.

What’s even more encouraging is that 55% of those who reported discovering a product on social media went on to make the purchase online.

Social media’s importance as a referral source to e-commerce sites also continues to climb. In 2015, it represented 2% of all referrals which has now tripled to 6%.

**4. Multi-Channel and Omni-Channel Retail**

73% of consumers will connect with a brand at multiple touchpoints in their journey to making a purchasing decision. That means that your product has to be everywhere your customer shops or even gets information about products.

It may seem like implementing and managing a multitude of selling channels will represent a massive undertaking requiring lots of time and resources, not to mention the headache of managing inventory. Out-of-stock issues can be very costly in terms of revenue and from a customer service perspective. Being in an overstock position can be equally expensive.

Fortunately, some platform solutions can provide the kind of infrastructure needed for multi-channel and omni-channel retail. Your multi-channel software should guarantee consistency across all platforms, consolidate data from all channels, reach customers at every possible touchpoint, and help manage inventory.

Some of the leading solutions include Sellbrite, SellerCloud, and BigCommerce.

**5. Good Content**

Custom content remains a valuable driver for e-commerce engagement. It’s often the best way for a potential customer to learn about your product.

It has become such an important marketing strategy that 78% of Chief Marketing Officers consider custom content to be the future of marketing. A good content strategy should attract more people to follow your brand on social media and increase conversions significantly.

E-commerce marketers will increasingly look to interactive content as part of their strategy. Consider adding videos of your products since 60% of consumers prefer watching a product video over reading a description. Furthermore, they are up to 85% more likely to purchase after watching the video.

**6. Voice Search**

Cortana, Siri, and Alexa are now mainstays in the daily lives of countless potential customers. Shopping searches are now increasingly done hands-free from the car, on the phone, or in the home with shopping by voice in the U.S. predicted to grow to $40 billion in 2022.

The average voice search is done quite differently than standard typed queries. Where one might type "best sushi restaurants Albuquerque," the voice search will be formed as a question in natural speech: "What's the best place for sushi in Albuquerque?”

It’s also important to understand the relationship between the form of the question posed and the customer’s intent to purchase. What, who, and how questions generally seek information and would, therefore, be used more in the research phase of a purchase. When and where questions may suggest a readiness to buy. These are general guidelines to think about and not hard and fast rules. For instance, a question asking, "What is the best price for an iPhone X?" is an indication that the customer is closer to purchasing than a question like "What is the difference between an iPhone X and a Galaxy S9?"

In order to capitalize on this trend, companies will need to adapt. Content should be written conversationally to answer the possible questions customers may be asking and take into account the intent behind a question. The future of web content is less and less about keywords and more and more about context and semantics.

**Conclusion**

When thinking about the future of e-commerce, there is much to be excited about, plenty of opportunities and maybe one or two challenges to overcome.

But with the right kind of planning, the proper infrastructure, and sound strategies, your company will be ready to experience substantial growth.

Learn the tools and technologies needed to meet the challenges of tomorrow with a Postgraduate Diploma in Digital Marketing. Download a brochure today!