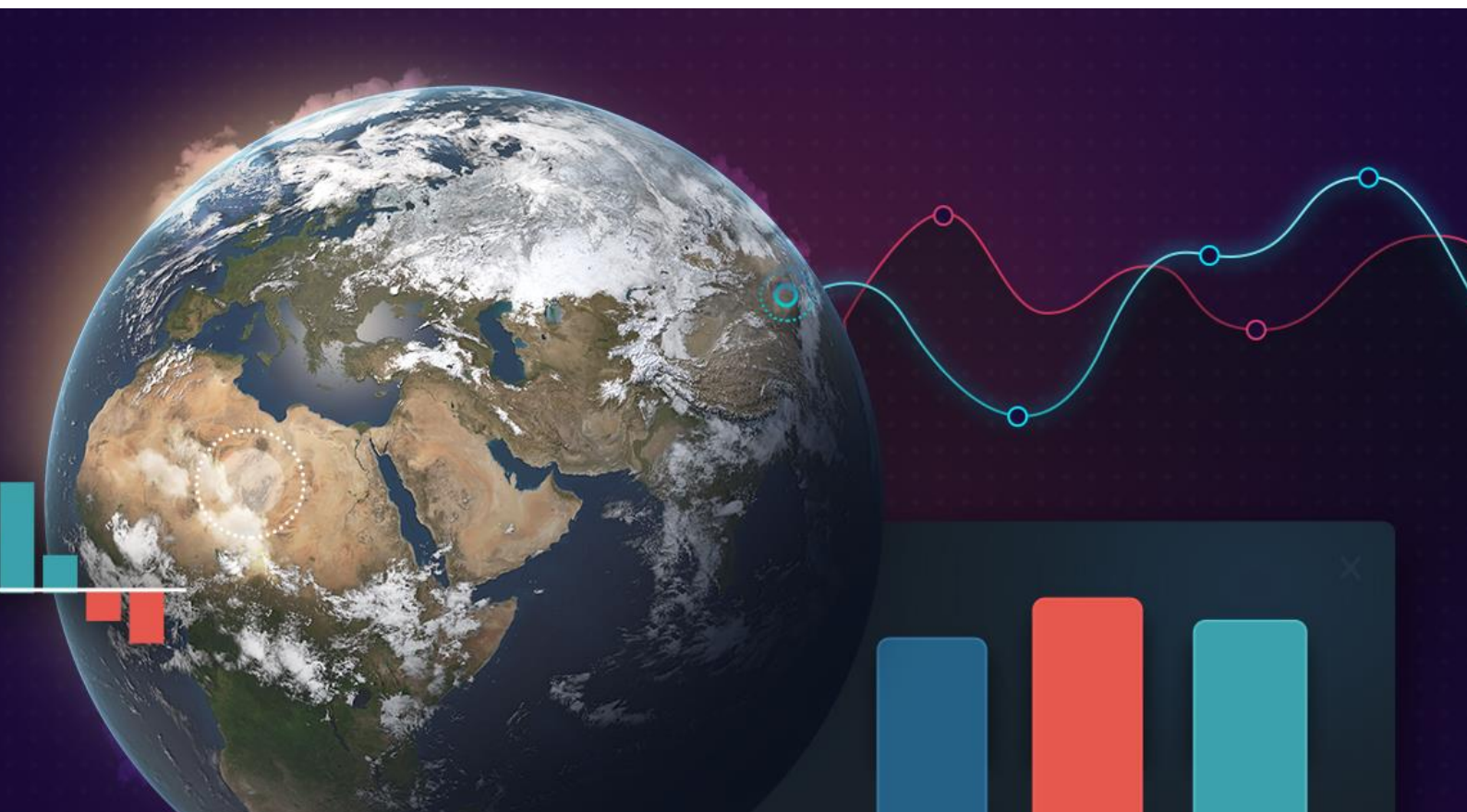


GLOBAL E-COMMERCE TRENDS AND STATISTICS [2017-2018]

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WELCOME BACK, AMASTY BLOG READERS!

Unlikely anyone will argue that e-commerce global share is being continuously enlarged. Today we speak about increasing rates in market volume and sales revenue for both countries with the advanced economy and developing nations.

However, do either of you know what it really means?

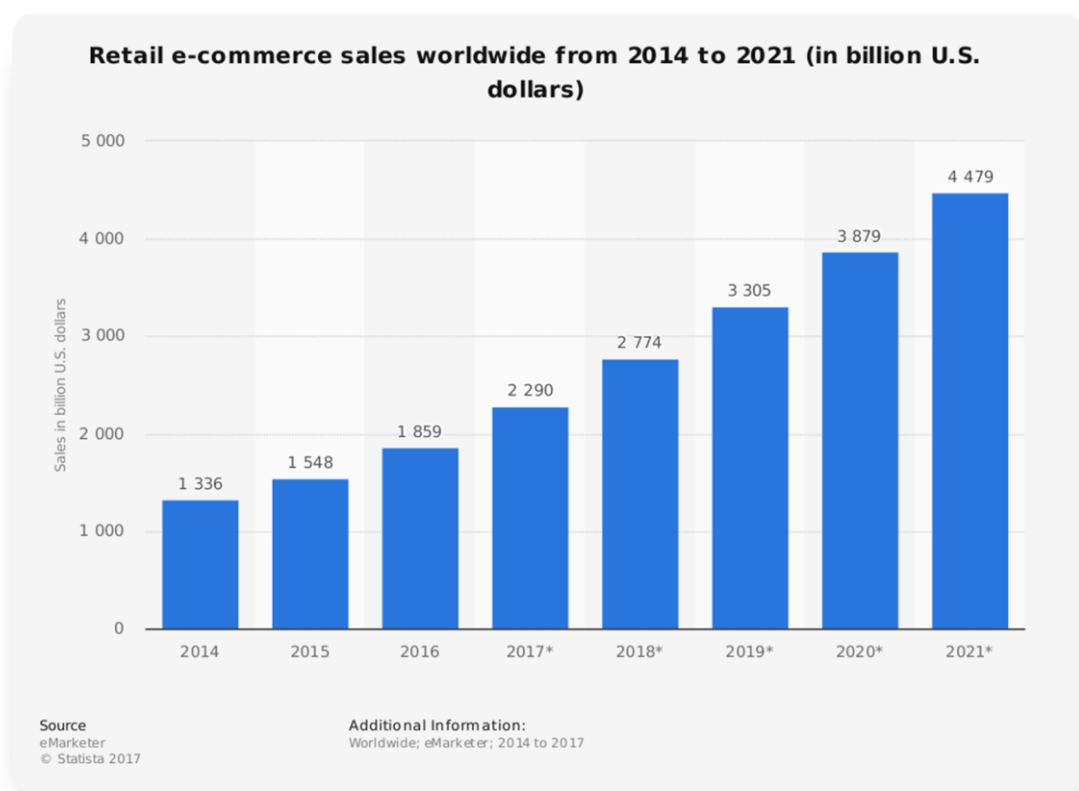
Let's dig a little deeper to learn what changes were introduced to e-commerce in 2017.

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GLOBAL E-COMMERCE STATISTICS OF 2017

Retail e-commerce sales worldwide were 2290 billion US dollars and are expected to rise to 2774 billion in 2018, according to [Statista](#).

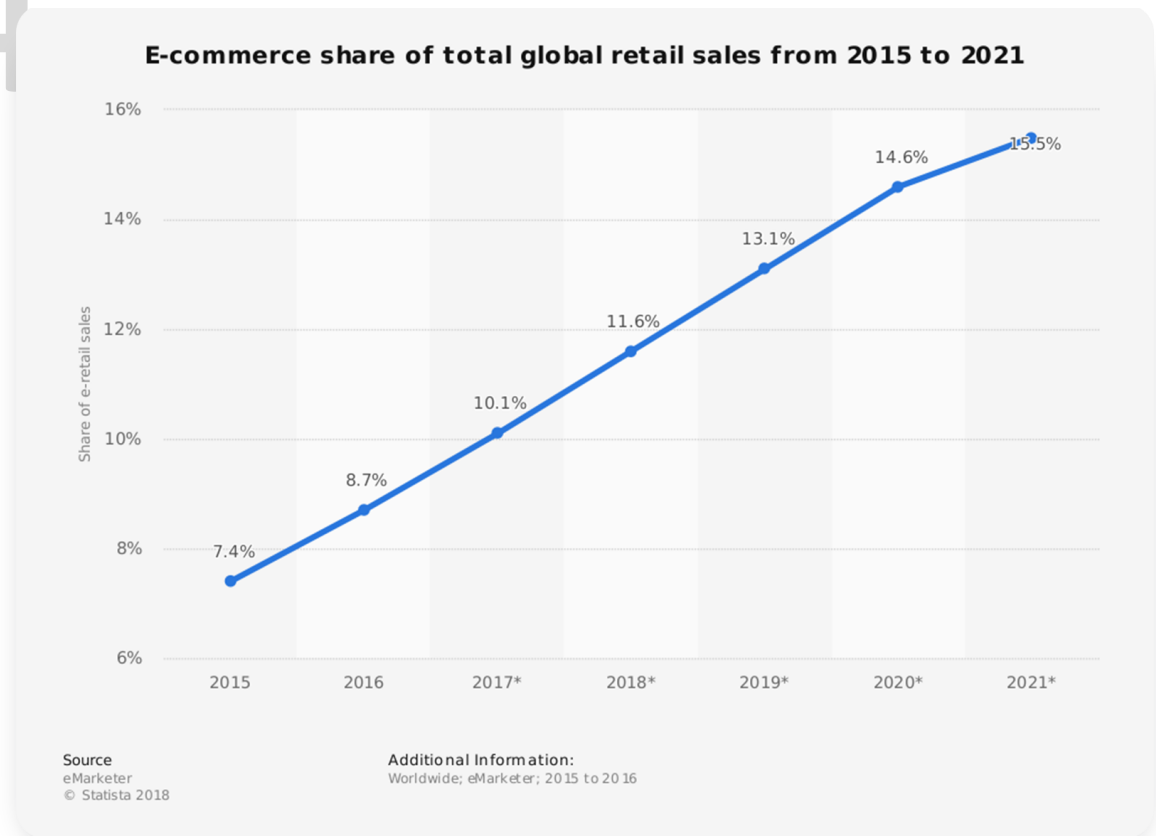
Thus, global e-commerce sales are predicted to show 20% growth, which is a huge number for business and certainly a steady trend with no signs of decline.



Source

Same steady growth goes to the share of e-commerce when it comes to its global share of retail – from 10.1% in 2017, it jumps to 11.6% in 2018 as [predicted](#).

4



Source

Digital buyers penetration worldwide states for 46.4% and will increase to 47.3% in 2018.

Globally, e-commerce is a strongly growing domain with no signs of decline for 2018 and even the following years. It remains a popular choice for investments and new businesses, and further growth will promote development of experiences, technology, and, of course, rising competition.

5 ONLINE SHOPPING TRENDS AND STATISTICS

MOBILE MAJORITY

- 18% of local searches lead to a sale within 24 hours.
- Mobile will be [reaching](#) 70% of e-commerce traffic by the end of 2018.
- By the end of 2017, over two billion mobile phone or tablet users [made some](#) form of mobile commerce transaction.
- Mobile commerce [was hitting](#) US\$700 billion in revenue in 2017, which is more than 300% growth over the past four years.

That being said, *mobile e-commerce is growing faster than e-commerce in general*. And with Google's mobile first principle to roll out in 2018, being mobile is no longer a fancy trend – it's a necessity, avoiding which will lead to significant losses in sales and revenue.

“What some call ‘mobile first’ is in truth already ‘mobile majority’.

“...being mobile-friendly, having content that is quick, usable, graceful and compelling on smartphones is not optional.”

Tom Grinsted, the Guardian

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For those who sell globally, it's important to know that Asia is responsible for almost a half of the mobile commerce market. China, UAE, and Turkey have the highest number of mobile shoppers, with 68%, 57% and 53%, respectively, of the total population.

Also, the emerging markets with the highest growth rates are India, Taiwan, and Malaysia. The first-world countries are not staying behind: the highest growth rates are detected in Japan, the United Kingdom, and South Korea.

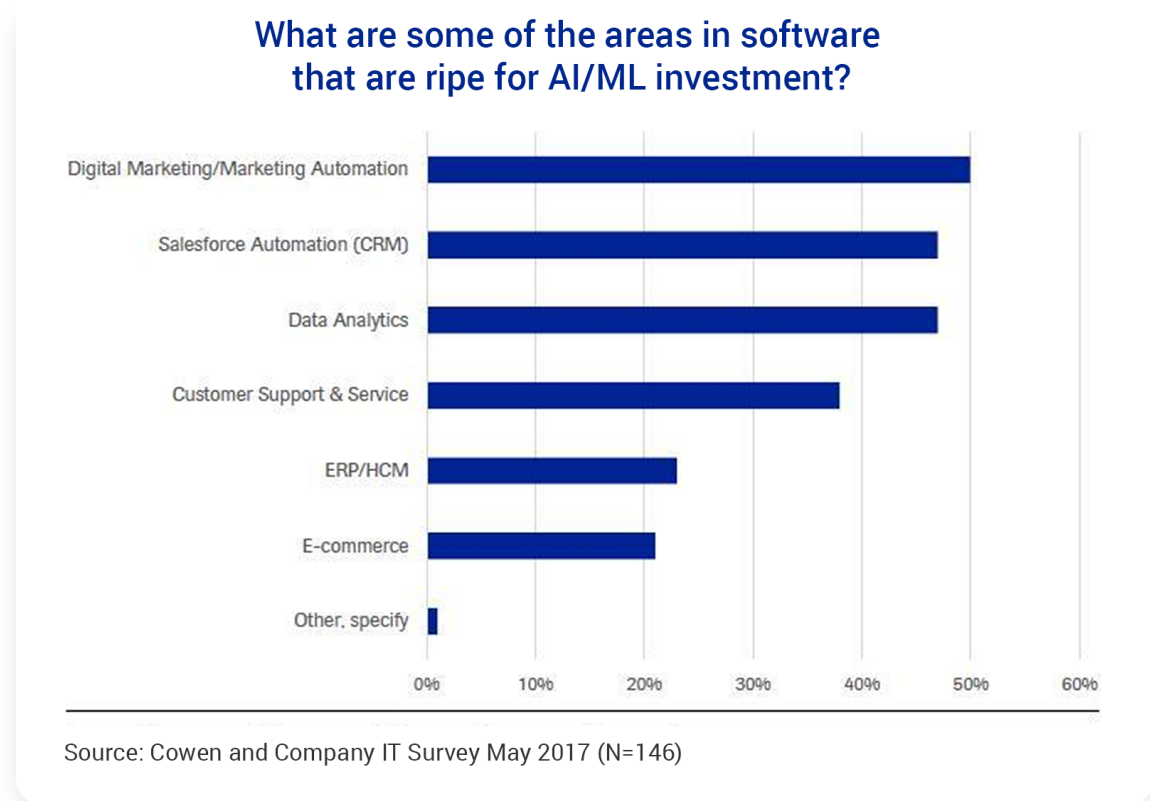
WHAT TO DO

simply speaking, your e-commerce store should be conveniently available on mobile, be it a mobile app, a separate mobile version or responsive design. Not tomorrow or next month – today.

7

ARTIFICIAL INTELLIGENCE TO BLOSSOM

The following graphic provides an overview of the areas in software that were found the greater potential for AI/ML investment. E-commerce is one of them.



Source

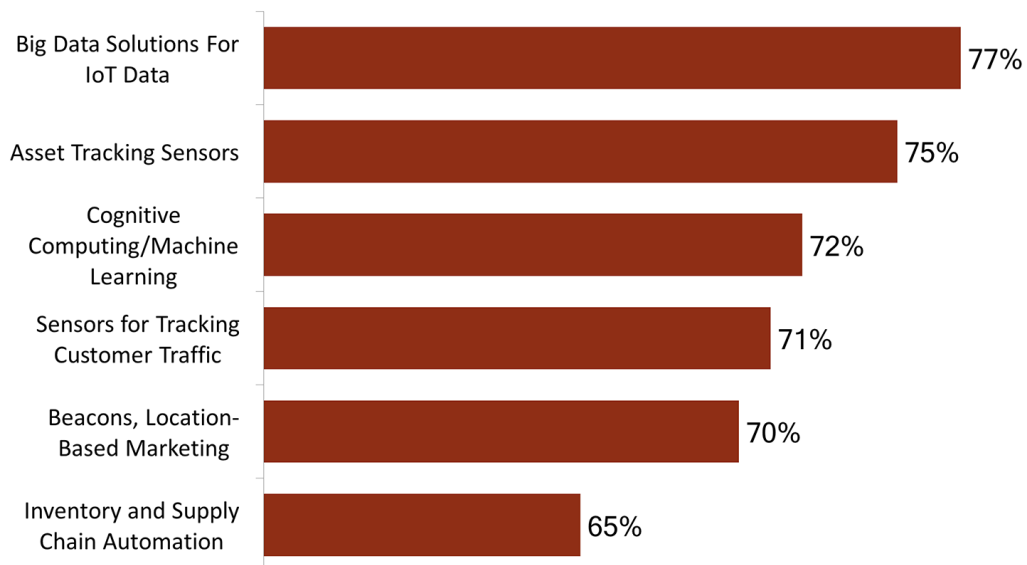
Whilst artificial intelligence and machine learning have been a prerogative of huge global companies due to its price, the trend is inevitably growing, and we can expect some new cheaper tools to hit the market. Eventually, in a couple of years they will be available to each and every business.

8

- **Forrester Research** predicts that AI-related investments have grown by about 300 percent in 2017, with businesses becoming more competitive by 2020 and gaining \$1.2 trillion per year.
- **Gartner** predicts that by 2020 over 80 percent of all customer interactions will be handled by AI.

Percentage Of Retailers Planning To Invest In AI And IoT Technologies By 2021

Global



n=1,700
Source: Zebra Technologies, 2017

BI INTELLIGENCE

Source

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VISUAL AND VOICE SEARCH TO EXPAND

Image and voice activated search [may make up](#) 50 percent of all searches by 2020.

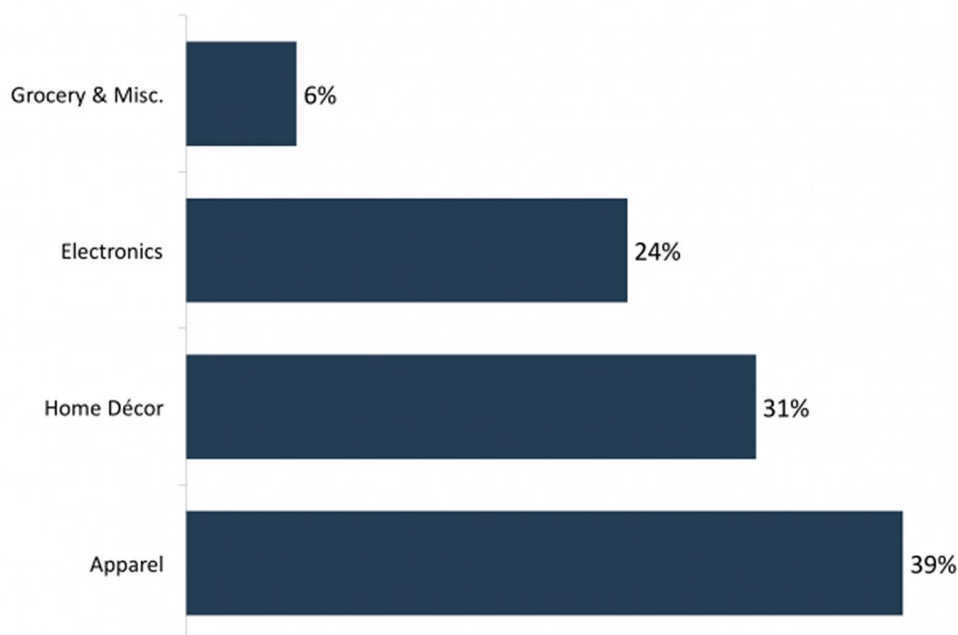
By 2021, early adopter brands that redesign their websites to support visual and voice search [will increase](#) digital commerce revenue by 30%. Voice-based search queries are the fastest growing mobile search type. While voice and visual search are closely connected to AI/ML, they're [more incorporated](#) into e-commerce now.



Source

There are lots of stats that say voice search is definitely [growing](#). The voice assistants are taking the market – while they preoccupied almost every smartphone and tablet, now smart speakers from Amazon Alexa and Google Assistant are stealing the show.

Retail Categories Consumers Use Visual Search For



Note: Percentages are based on over 12 million global users.
Source: Slyce

BI INTELLIGENCE

[Source](#)

Visual search is implemented not only by companies like Pinterest. Search engines are also improving the technology behind image search. While visual search is an enormous trend pushing the apparel and fashion e-commerce domain forward, for smaller companies this is not only about the technology, but rather about the rankings in search engines and marketplaces – which have their own peculiarities.

As visual and voice search use pretty much the same ranking factors as text search, there are additional factors connected to the content form as well. And it's more difficult to rank for voice search – as it gives only one result, not ten (as a typical Google search page). In such times of even greater competition, hyperlocal and personalized results take the stage.

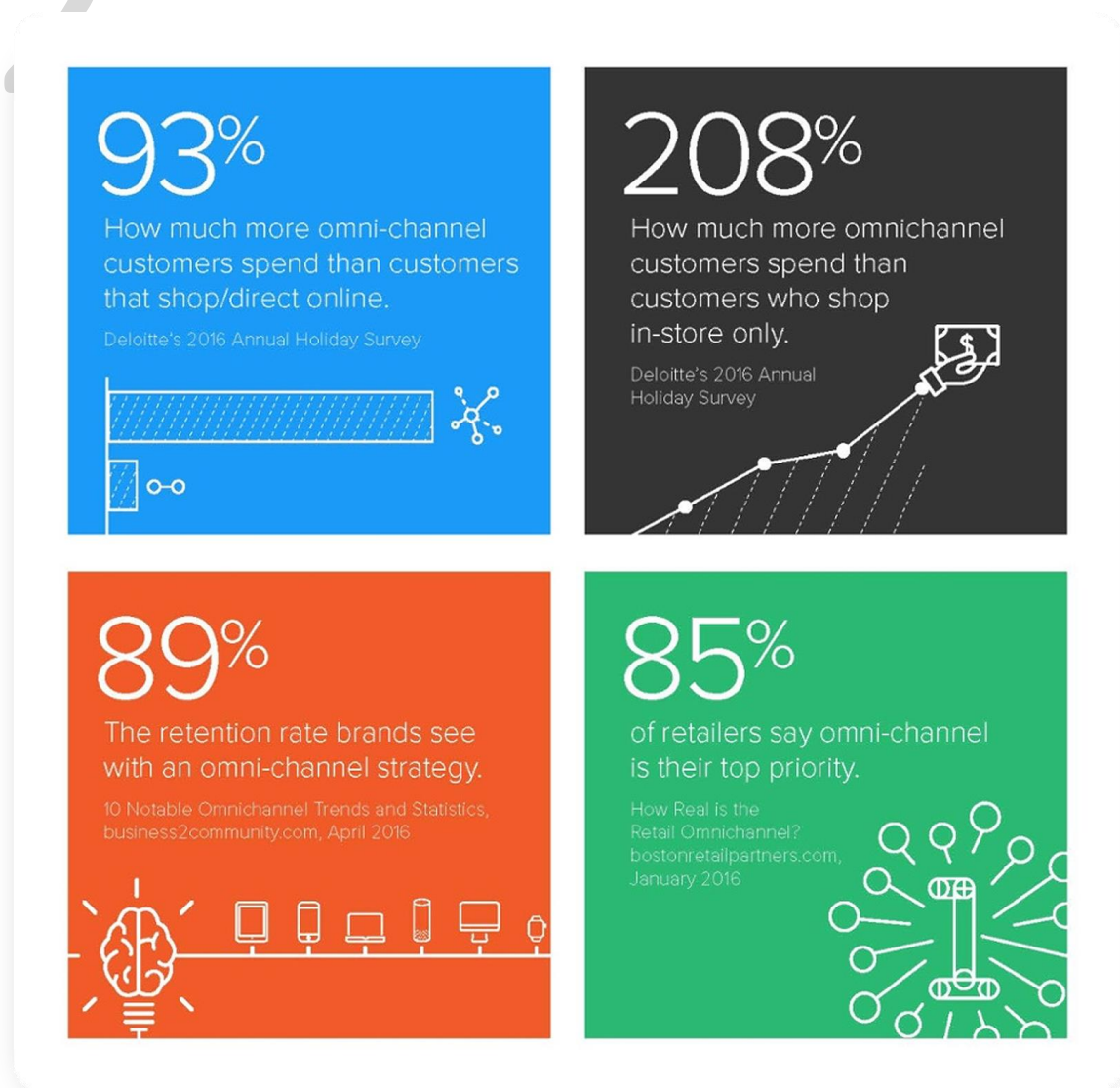
11

WHAT TO DO

study how you can rank for visual and image searches on Google and other engines and keep a close eye on the tools that appear on the market to be ready to incorporate them into your business.

OMNICHANNEL IS THE NEW NORMAL

- ***Eight out of ten*** customers use their smartphones while shopping as in-store shopping assistants.
- ***78% rate*** the importance of integrating e-commerce and in-store experiences as important/business critical.
- Digital influences ***up to 56%*** of in-store purchases.



Source

Apparently, the omnichannel e-commerce trend of 2017 seems to be the most sophisticated. The approach is largely based on customer service quality. However, it doesn't only imply improved navigation and better shopping experience, but stands for providing a high-quality experience within all the channels of communication.

What can ruin your customers' impression of the shopping process? In line with the studies, customers realizing the mismatch of the inventory data on the website and in-store get aggravated.

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Receiving different data on orders/products online and offline can tick off your customers too.

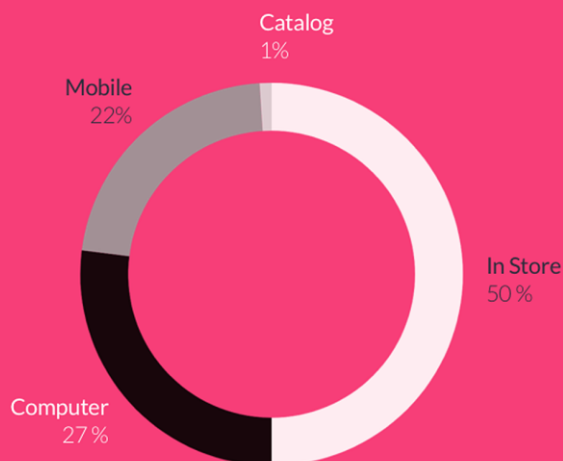
So, we get that the omnichannel trend, which has become a real challenge for many merchants, is based not only on high expectations of technology but also of customer service.



Source

And, of course, we cannot stress the importance of technology enough: from customer trackers to apps, from e-commerce platforms and solutions to digitalized stores – all of these are helping merge and incorporate e-commerce channels into one, along with improving inventory management, orders processing, managing data, prices and promotions.

Where do Millennials prefer to shop?



50% of millennials actually PREFER going to physical stores at some point in the buying journey.

Source

WHAT TO DO

you have to identify all the connecting points with your customers – from the website to the physical store, from social media to phone calls, and to make sure you're providing solid experience across all these channels altogether.

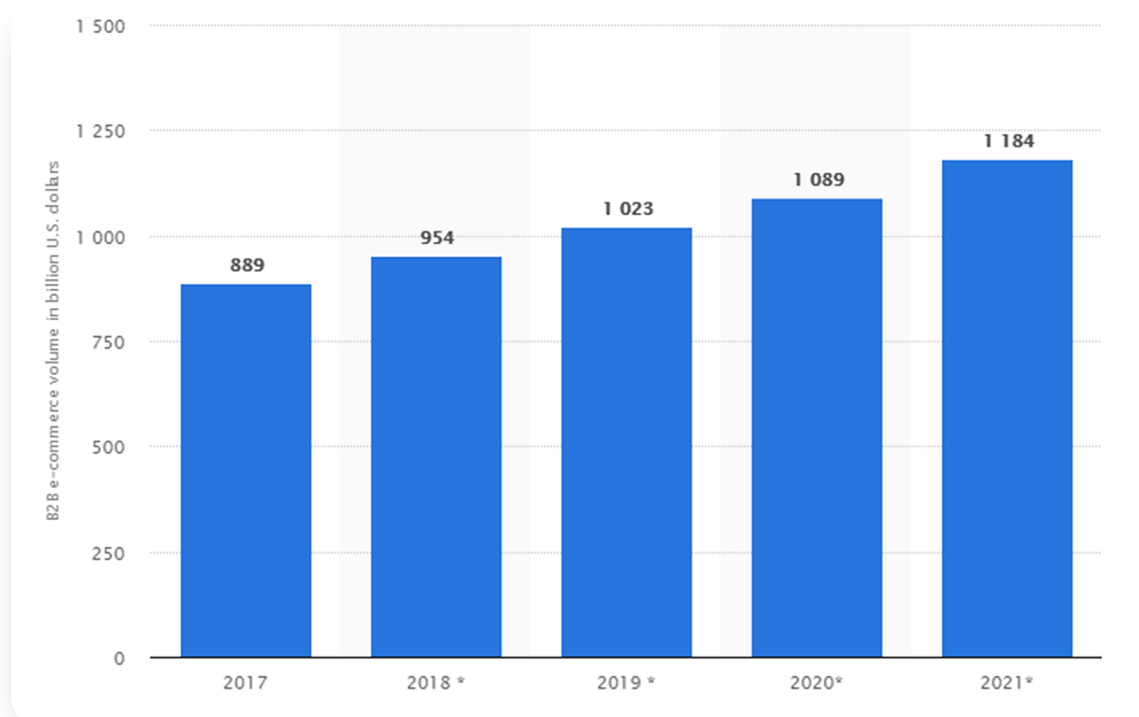
Remember that omnichannel itself is not an aim – in the end, it is all about customer service and shoppers satisfaction. With the appearance of many connection channels experiences were split into pieces. Your task is to collect them together into one solid machine.

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B2B E-COMMERCE ROCKING

B2B e-commerce global sales reach \$7.7 trillion in 2017. Thus, B2B e-commerce market is twice bigger than the B2C one, and it continues growing.

US B2B e-commerce sales predictions 2017-2021
(in billion U.S. dollars)



Source

And we see that the simplified B2C experience makes its way into B2B – that is why companies like Magento put additional forces into the trend of building advanced functionality for B2B market. Quote management, price negotiation, easy ordering, order and inventory management and other essential B2B e-commerce features are now available on Magento.

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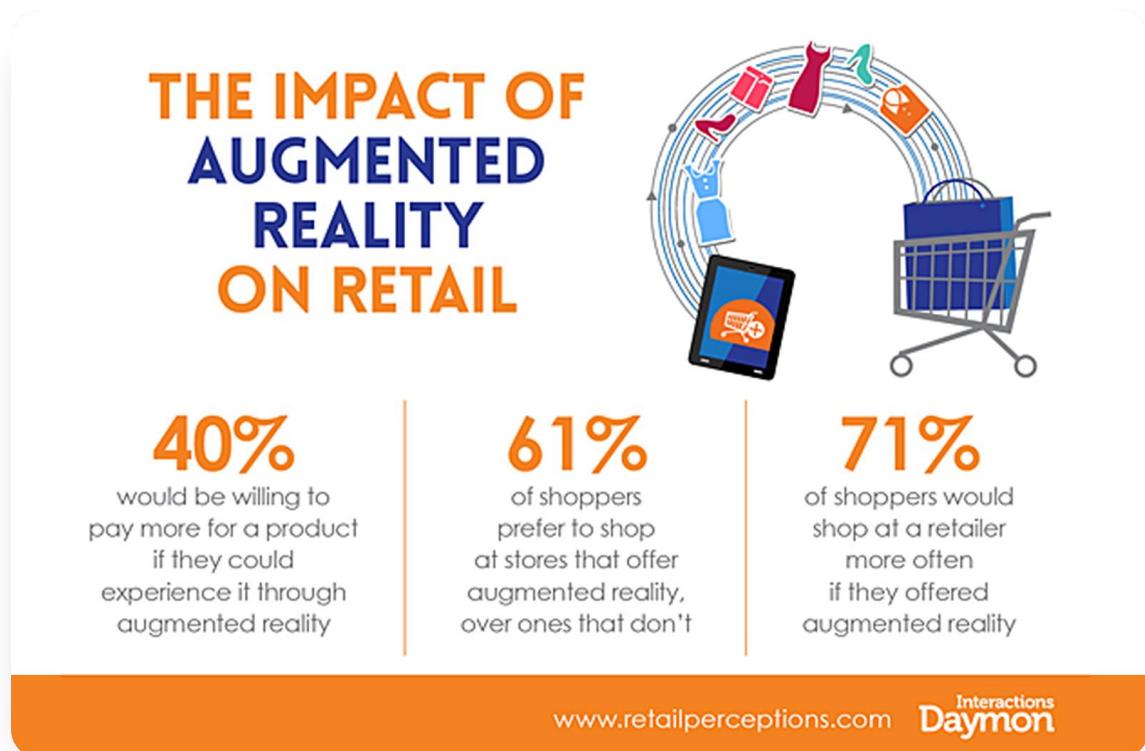
- By 2019, B2B firms **will spend more** on e-commerce technology than online retailers do.
- **89%** of B2B researchers use the Internet during the B2B research process.
- **69%** B2B entities say **they expect** to stop printing catalogs within five years.
- **80%** of companies implementing B2B e-commerce believe that their customer expectations have changed due to B2C practices.

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AUGMENTED REALITY (AR/VR) IS FOR REAL

Augmented reality will generate \$120 billion in revenue by 2020.

After viewing the 2D printed display advert, 45% would consider buying, spend more on a product and show longer engagement.



Source

As with AI, AR/VR is still a technology that needs a long way to go before it provides exactly the experience customers are waiting for. Still, now it is expected to rise the surprisingly low e-commerce conversion rates and to solve the big problem of online shopping returns, which has been causing losses to e-commerce businesses since it all even started.

**Allan Zander**

@ajzander



Top [#NRF2018](#) takeaways: e-commerce may be a catalyst for [#BrickAndMortar](#) innovation :augmented reality may do for ecommerce what [#omnichannel](#) did for physical

10:11 PM - Jan 15, 2018 · Newark, NJ



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[See Allan Zander's other Tweets](#)[Source](#)

WHAT TO DO

Virtual makeup and try-on rooms, 3D visualization of furniture, AR storefronts, – all this looks like high-budget solutions.

But even now you can implement many of the smaller solutions, such as 360 degrees shots and videos on product pages or adding a [virtual dressing room](#) to your store.

Keep an eye on the market to see which new cheaper tools you can implement without challenging budget issues.

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MORE E-COMMERCE TRENDS TO EMERGE SOON

MOBILE CHECKOUT EVOLUTION

Statistics show that mobile e-commerce conversions are still lower compared to desktop ones. Among other reasons, it is the result of the fact that mobile checkout is still far from perfect when it comes to user experience.

In 2017, 28% of US online shoppers [have abandoned](#) an order in the past quarter solely due to a “too long / complicated checkout process” – which includes mobile shoppers, too.

PERSONAL INTERACTION

The market is growing, new products and brands are appearing, and more personal interaction will help people choose exactly the products they want or receive the information they require to make a purchase. While the brick-and-mortar return rate [is around 9%](#), online it's more than double that at 20%. During the holidays it can get [as high as 50%](#), [depending on the industry](#). 1-1 interaction should be of great help with solving the problem via omnichannel experiences.

IN-STORE AND ONLINE ROI MERGE

While online you can measure each and every step of a customer, in a brick-and-mortar store such marketing entities as customer journey, enter-to-purchase time and other parameters are measured differently or cannot be measured (yet).

More tools and [technologies](#) for measuring and tracking in-store customer behavior will appear in 2018, finally letting store owners merge the online and offline data to get the full picture.

MARKETPLACES TO GROW FURTHER

Amazon is estimated to be responsible for whopping 44% percent of US e-commerce sales in 2017. Same happens to other big players – and the trend will live into 2018. The growth of marketplaces continues in 2018 and will influence the map of e-commerce even further.

BROWSERLESS EXPERIENCE

E-commerce is no longer just desktop, it's not only desktop and mobile now. Mobile, app, AR and other technologies are merging and now have nebulous borders, where we can't exactly define the shopper experience by its type – and it's no longer needed.

NEW CONTENT AND ADS

Based on new experiences such as AR/VR, new content and ad types are appearing and evolving in the marketing world. They are offering people completely different types of interaction, which gives birth to new marketing strategies and new sales channels.

AUTOMATION AND DATA DRIVEN DECISIONS

As e-commerce is growing and becoming more complicated, more and more activities are being passed to the technology – from chatbots talking to people to marketing automation software producing data-driven decisions, leaving merchants with more time and effort to deal with more important tasks which cannot be solved with technology yet.

PRICE FLEXIBILITY

Dynamic prices are a trend which is only starting to penetrate the e-commerce market. But with rising competition, marketplace domination and hyperlocal marketing challenges, it will definitely grow in the next couple of years, as the market demands price flexibility built on AI and big data automation solutions.

AND THAT'S A WRAP, EVERYBODY!

At this time we can state e-commerce offers infinite possibilities for business. Obviously, it isn't just about the replacement of brick-and-mortar stores with the modern-day equivalent.

All this indicates the changes in the way we exist, the way we buy products and services, the way we treat our free time and social life as a whole. Being a part of the e-commerce market, we are happy to take the way on our own and monitor the latest news to share our experience with you.

BEST WISHES FOR A SUCCESSFUL BUSINESS!



KSENIA DOBREVA

Ksenia is a devoted marketer with special love to blogging. *She believes that content with several pinches of SEO and social can be a brilliant daily special. When she's not working on **Amasty** updates and blog posts, Ksenia runs a blog on movies and books and helps animal shelters.*