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7 PRESSING E-COMMERCE TRENDS

Every Retailer Should Know

INTRODUCTION

A devastating number of local retailers have winded down their businesses as fallen victims of this current age of internet shopping.

Shopping malls today are dauntingly filled with either tenant occupants of international brands or retail chains of this industry's monopolies. Consumers unmotivated to patronise the malls with such limiting brand selections, find themselves shifting their shopping experience entirely online.

E-commerce (maintaining as world's top business model) has become a must for any retailer wanting to secure a foothold in the market.

Consequently, competition in the e-commerce world continues ramping up fiercely with leading retailers reshaping the e-commerce market customers harder to win over and retain than ever before.
Lo and behold.

Consumers will be spoilt for options, hence be fussier on prices and will expect an enjoyable user experience regardless their browsing device.

It's no longer just about having an online store selling some pretty items. Harshly put, retailers un-geared up for new marketing challenges and consumer trends, or still unplanned for a winning e-commerce marketing strategy, will not see their business last another prolonged year of sagging sales.

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7 E-COMMERCE TRENDS YOU NEED TO KNOW

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1. SIZZLING E-COMMERCE GROWTH IN ASIA

With China driving the boom in global e-commerce retail sales, Asia's e-commerce growth has been explosive in recent years (with China contributing to 80% of Asia's overall retail sales).

Online sales in China are estimated to double between now and 2019, which means an additional $1 trillion dollars for online sales in just three years.

It surprises no one that Asia is dominating as the largest global digital retail market (far surpassing USA) in this current climate. This boom till date shows no receding signs, with market predictions see it continue to flourish abundantly.

2. ROCKETING MOBILE CONSUMPTION

Although desktop still dominates for conversion, mobile browsing is reported to accumulate 59% of all sessions for e-commerce sites, and is the topping device consumers use for research.

This year, retail brands will be striving to improve **mobile engagement** functionality (eg. selecting products, device switch, digital payment types) with the focus on improving **consumer satisfaction** throughout the whole online shopping experience.

We also see a massive put out of video advertising such as live video streams and immersive apps, with the aim of increasing audience participation with today's rapidly increasing mobile speed and cheaper data costs.

3. E-COMMERCE 2.0

Moving onward e-commerce 1.0 to 2.0, firms will be basing their competitive advantage not on traditional economies of scale but on a mix of proprietary pricing, product selection and experience.

Digital Marketing will be all about **personalisation** and **customisation**; a strive towards increasing **user engagement** in the course of sophisticating the **experience**.

PERSONALISATION & CUSTOMISATION

Retailers are delving into whole new level of focus on personalisation for their online stores and digital marketing using collections of website visitors behavioural data.

With data interpretation and smart prediction techniques, retail marketers strategize and develop marketing campaigns catering to a highly-targeted audience.

- **Programmatic advertising** capitalises on the most advanced data, then determine the type of ad and its content to be shown to the right consumers at the right time, across respective network channels.

- **Contextual personalised shopping** will be also be widely adopted. Consumers will be personally greeted in email newsletters or websites upon entering, receiving product recommendations and personalised deals based on past orders or their browsing history.

Individual shoppers will access content **unique** to their demographic group, location, previous purchases, interactions with the brand and other identifiable **consumer trends**.

In the age of the customer, if you fail to adapt to your user's needs and expectations, you will lose them.

How efficiently your e-commerce site personalises its customer's experience will differentiate how effective it is for sales conversion, and between you and your competitors.

ENHANCING USER ENGAGMENT & EXPERIENCE

Consumers nowadays don't only have raised expectations of what they want to purchase but also their entire web experience when they are shop-browsing online.

- **Customer experience management** (CEM or CXM) is the process leading businesses deploy to oversee and track all customer interactions across multiple devices and channels. It has the objective to improve customer satisfaction and to continually develop an impressive customer experience, earning their brand loyalty in good time. Tracking and improvising on the effectiveness of this process requires a complex integration of data and smart technology.

- **Successful user engagement** also involves high social intelligence for identifying key consumer insights, and a meticulous study of the buyers' journey (see diagram below) in order to proficiently develop leading touchpoints that effectively end with sales conversion.

What Are Your Prospects & Customers Looking For?

Top of the Funnel
75% of Website Traffic

Broader Information on the industry or category

Middle of the Funnel
22% of Website Traffic

General Information on products, services & solutions in the category

Bottom
2-3% Web Traffic

Specific Information of your brand

iFoundU Methodology

A well developed e-commerce removes **any** location or time barrier from your customers who want to buy your products **anywhere.**

Many companies however, don't offer the service or experience consumers expect.

Established online brands ahead in the e-commerce game today strategically deliver customer service and their brand promise in a personalised and emotionally engaging way, through a trusty high-functioning Web Hosting site.

4. ARTIFICIAL INTELLIGENCE (AI) AND BOTS

Whether is it personalizing a customer's shopping experience, enriching customer service with a 'personal buying assistant', or effectuating successful content marketing (eg. automated translation, smart content crafting predictions, personalized content experiences, etc);

AI (Artificial Intelligence) is changing the way things are done in the e-commerce world, and is something retailers can't ignore this year.

MACHINE LEARNING

Machine learning is the umbrella term for various methods of data analysis where automated systems are programmed to thoroughly and accurately generate insights from data-search.

Machine learning algorithms, can trawl through massive data amount (unlike recommendation engines that are only able to access small set of data hence only able to extract limited data patterns) to churn out predictory insights and highly relevant recommendations.

CHATBOTS

So, what are Chatbots?

Sometimes referred to as 'Messenger bots', a bot is a software piece that impersonates a user. Before, Chatbots only performed automated repetitive tasks. Chatbots have high performing complex functions developed to imitate a person, facilitating close interactions with a consumer.

A smart Chatbot can detect what a customer is searching for, insightfully recommends relevant merchandises, direct the placement of orders and pre-emptively addresses a consumer's concern or any queries.
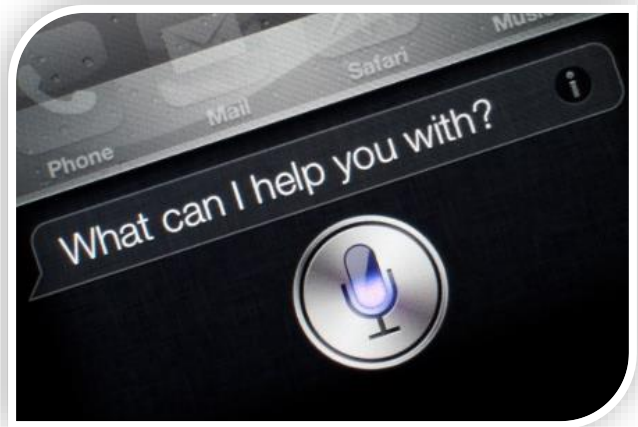
In 2016, Facebook added in-app purchase options to Facebook messenger for the functionality of bods helping complete a user's purchase entirely within the platform.

Netflix uses AI to provide personalized recommendations to subscribers based on their previous streaming habits.

We however must stress that bots are only worth investing if they help alleviate marketing tasks and improve their functional processes. It should not be confusing your marketing direction instead or be annoying your customers.

5. HEAVIER CONTENT INVESTMENT

*Content marketing is a strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content (eg. blog posts, articles, podcasts, videos, etc.) to attract and retain a clearly-defined audience.
(Content Marketing Institute, 2015)

Latest Content Marketing techniques and strategies builds around **buyer-centric**, **inbound processes** that function to foster a meaningful customer relationship with every individual.

These e-commerce Content Marketing stats say it all:

- 60% of people want to seek out a product after reading about it.
- 90% of people find customised and relavant content useful.
- 86% of consumers are willing to pay more for a better customer experience.

With 63% of B2C marketers believed that their content marketing results are successful as compared to a year ago; a visible rise in content investments both developmental and promotional can be expected this year.

Also, we predictably see a further shift towards prioritising content marketing over paid advertising this year, due to the outweighing business benefits below.

CONTENT MARKETING > PAID ADVERTISING:

- Promotes more successful branding intiaitive
- Builds and fosters better customer relations, trust and loyalty than traditional advertising
- More cost efficient and proven to achieve higher ROI than traditional advertising
- Better SEO
- Allow consumers better access to product information
- Builds and fosters customer relations, trust and loyalty better and more than traditional advertising
- Boosts each stage of the sales funnel (refer to diagram above) hence more effective and faster for sales conversions.

6. SOCIAL COMMERCE

Is this the year for social commerce? We very well think so.

We are currently living in a social media dominated world, and marketers and businesses will no doubt be taking full advantage of it.

We foresee brands heightening social marketing in these areas:

- Leveraging more variety of social platforms to sell products and services.
- Adding 'buy' buttons and shopping features to their social media accounts prompting followers to purchase products or services directly.
- Campaigning to enhance user engagement to increase the chance of users turning into loyal brand customer.
- Increase paid social media advertising

7. DATA-DRIVEN MARKETING

As mentioned above, data gathered from operative systems users search from, will be used to pre-empt their next search- what they want to buy, when they do and where they are buying from.

This year there will be an explosive number of newly integrated Web Development systems and Digital Marketing tools that perform the tasks of tracking and managing all web data.

DATA ISN'T EVERYTHING, HUMANISE YOUR BUSINESS

With the prevalence and accessibility of the recent Big Data hype, it is easy for us to fall into the trap of having strictly data-driven marketing intends.

However, we have to remember that it is people we are ultimately selling to, and there are no two ways about it.

> Businesses that fail to 'humanise' their campaign initiatives, **appealing to consumers' mental and emotional states**; will not see long-term results.

Successful business brands will be those that are able to bring a 'magic' spin to their marketing and sales campaigns; effectively driving user interaction and sales transactions ultimately.

USING DATA INTELLIGENTLY BUT SECURELY

Employing data with integrity will accrue the trust of consumers in the long term.

If done right, businesses will gain increased availability and substantiate access in their customer outreach, building strong lasting customer relationships.

The world of e-commerce is evolving at an extremely fast pace. Yearly, new trends emerge and the **early adopters** are the ones who reap the benefits most bountifully.

The main question for your business, is how to appropriate your current knowledge of these 7 latest e-commerce trends for a most suited adaptation for your e-commerce, stretching to reach its highest sales potential.

Before you get on board with planning an e-commerce strategy, it is crucial that your e-commerce website is fool-proofed with the necessary.

Established in 2005, iFoundries is a conversion-focused digital agency with an experienced team of in-house digital experts.

We help companies like Volkswagen, Singtel, Singapore Airlines and Goodwood Park Hotel to increase leads, sales & improve user engagement online with our tested & proven digital strategy .

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