

# E-COMMERCE TRENDS - 2017



### FULL SERVICE E-COMMERCE AGENCY

Best practice e-commerce since 1997. We design, build, host, support & update websites.



Here's our summary of what you can expect in 2017 in the rapidly changing world of e-commerce.

### A dynamic shopping experience that adapts to the shopper in real-time

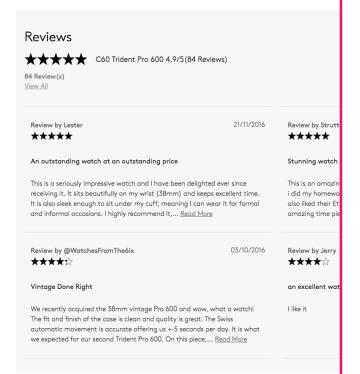
Each shopper will have access to unique content which is generated automatically: product recommendations and add-ons chosen based on their preferences, geographic location, market trends, demographic group, past purchases and brand interactions. Even better, their next visit will be entirely different because it will be based on the previous one and on the merchant's current promotions.

While this could seem a little intrusive, the opposite is actually true: no more weird recommendations that seem to come out of left field. With platforms like Monetate, Magento 2, Shopify Plus or Sitecore, they'll be replaced with relevant recommendations and search results that are based on the customer's recent online activity and brand interaction; a bit like walking into a shop where the salespeople know your name and what you like.

### Data as a service - the perfect product & the perfect fit

If 92% of Internet users regularly read product reviews and comments from other buyers, it's because uncertainty is a huge obstacle to online purchasing. The more information there is available about a product (pictures, reviews, descriptions, specifications, etc.), the less reluctant people will be to buy it online. However, constantly refreshing the information on each individual product on a website is a near-impossible task for any merchant who doesn't have the resources.

In 2017, many retailers will start working with data aggregators that compile data on millions of products: pictures, descriptions, price comparisons, specifications, UPC codes, reviews, and comments. There are even aggregators that contain data on millions of pieces of clothing that can be used to suggest the perfect size! A merchant will be able to link its site to these databases to automatically update product information. Say goodbye to uncertainty and poor product descriptions!





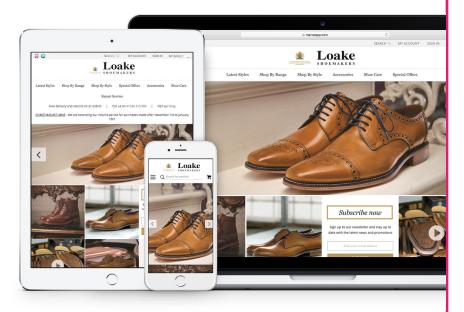
#### Mobile will continue to boom

This is a given at this point. As phones become more and more powerful, and mobile-responsive sites have become better and better, more people are buying more on their phones (or tablets) than ever. In fact, as of Q1 2016, smartphones officially took over desktop computers as the top source of traffic for e-commerce sites, and by the end of 2017, they're projected to be 60% of all e-commerce traffic.

It's not for certain, but it's also likely that with that increase in mobile usage will come an increase in mobile wallet usage. Mobile wallets haven't grown quite as fast as expected, with late 2015 estimates saying that 20% of mobile buyers would be using wallets in 2016. Now that we're nearing the end of 2016, Apple Pay is still struggling with user retention. That said, mobile wallets seem to be more popular among millennials by a healthy margin. Android users are also more likely to use mobile wallets than Apple users, although Samsung Pay may be a factor there, because it offers technology that lets users pay at most cash registers. At any rate, if your customer demographics skew towards either of those groups (younger people or Android users), mobile wallet integration should be high on your priority list.

Aside from straight-up shopping through browsers or apps on their phones, people will also start using mobile digital assistants to go shopping. Gartner estimates that these will be used in \$2 billion worth of purchases within the next two years. Tools like M or Magic (which isn't Artificial Intelligence , but still has a text-based interface) will continue to help overworked, overwhelmed people when they don't want to sort through pages of search results to find the perfect item.







### Hello, Artificial Intelligence - consumers will interact with AI & they'll love it!

In 2017, many consumers will have their first interaction with a chatbot, a fully automated chat agent that will answer their questions and act as the first point of contact with the brand. A chatbot increases the number of platforms on which a brand can transact by offering guided, interactive browsing at all times.

Chatbots will soon become as commonplace as automated phone systems, only much more interactive and interesting. At the same time, store sales staff will become more important than ever, as they'll be increasingly involved in the online experience.

What are the potential impacts of a chatbot on e-commerce?

- Live chat users spend an average of 5%-30% more.
- The buyer conversion rate is 5 to 10 times higher following a chat session.

#### Customer engagement & user-generated content will become more important

Customer service has always been important, but as customers have more and more shopping options available, it can't be ignored. It's especially important for drop-shipping based businesses, because the products they offer their customers are available elsewhere. In situations like this one of the main differentiators you have is how you treat your customers. Good customer engagement creates an emotional connection which keeps customers coming back.

In general, your customer service needs to be top-notch. Your responses need to be fast and you need to respond via whatever channel your customer contacts you on (whether that's phone, email, Twitter, or Facebook). Using platforms like Zen Desk or Sprout Social can help you manage customer communication and respond in time. You might also want to incorporate live chat (which has been growing in recent years) into your website.

User generated content (or UGC) is another way to engage customers. It also has strong side benefits for your business, namely, the ability to repurpose content and create content with less time and effort.



#### Bye - Bye wallet - the beginning of the end for the wallet & cash



Consumers these days can already make many purchases and transactions without ever using their wallets.

The upgrades to consumers' mobile devices and merchants' point-of-sale systems will spell the end of the traditional wallet for many people in 2017, especially since mobile payments will be possible using more than just smart phones, watches, and other wearable devices. Merchants would be wise to set themselves up to accept these new payment methods as soon as possible.

### Predictive analysis - accurately predicting the customers next purchase

Predictive analysis is a technology that's quickly gaining popularity with merchants. By exploiting the massive amount of data (Big Data) collected through interactions and customer profiles or personas, merchants can use predictive analysis to better understand consumers' purchasing habits, preferences, and yes, even their next purchases, based on the behaviour of other customers with similar profiles.

This technology, available on certain e-commerce platforms (e.g.Nosto), promises to be very lucrative for retailers, but even more so in the B2B sector, where orders are larger and sales cycles are often more laborious.



### The Uber-isation of shipping smaller stores, local drop-off & same day delivery

While the 'big box' model continues to lose ground, e-commerce and especially online retail orders, continues to grow, bringing with it both challenges and opportunities related to logistics and delivery. In 2017, many consumers will receive their first same-day delivery, whether at home, at work, or at a drop-off point of their choosing.

Many stores will now operate out of smaller spaces, which will serve as showrooms, fitting rooms, or drop-off points. Customers will be able to order the product they want after having seen it and touched it.

### Unified commerce

Unified commerce is the next logical step in the omni-channel strategy. Instead of adding a digital storefront to the in-store infrastructure, merchants will instead integrate their stores (physical or digital) into a centralised infrastructure.

With platforms such as Magento's Commerce Order Management (MCOM), which centralises all systems and gives access to them in real time, retailers can now offer consumers an unprecedented amount of freedom. The timing of this development couldn't be better, with consumers now expecting to be able to search for, interact with, purchase, receive or pick up and return products wherever and whenever they want. They'll spend their money with merchants who will let them make purchases however it's convenient for them, and not the other way around.





### Disintermediation - buyers want to deal directly with brands

Millennials want to deal directly with the brands, so it's only natural that the relationship between end users and brands is becoming less circuitous. These same brands and manufacturers will pull out all the stops to make the sale with the end user (Direct-to-consumer or D2C), to the detriment of their traditional distribution channels, distributors and merchants.

Conversely, distributors and merchants will attempt to cement their relationship with the customer by becoming indispensable and by offering added value: warranties, complementary services and, of course, independence from the brands. This trend, called disintermediation, will take hold in both B2C and B2B commerce, where automated processes and CRM systems are being used more than ever to maintain relationships and to simplify the ordering process.

#### Conclusion

It's important that online retailers keep abreast of these developments, otherwise they'll lose customers to their competitors who do. If you'd like to find our more about how to implement these solutions in your e-commerce activities, please contact us at Screen Pages.

Screen Pages has extensive experience in doing this. We employ certified developers and solution experts. Our designers understand usability and e-commerce best practice in many verticals ranging from fashion, homewares and gifting to charities and B2B online retailers. Our professional, well qualified project managers will guide you through the process and help you get the most out of this important transition.

For further information on how we can help you, please call 01932 359160 or email info@screenpages.com



Call us +44(0)1932 359160



Visit 4-5 THE COURTYARD, WISLEY LANE, WISLEY, SURREY, GU23 6QL



Email us INFO@SCREENPAGES.COM

