

Evolving Ecommerce: 14 Trends Driving Online Retail In 2021



It's a new year. A new decade. And from the way people shop to the way online business tech is managed — ecommerce is gearing up for some major changes.

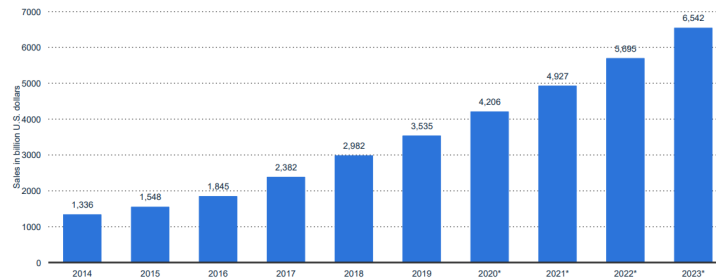
We could rhapsodize about how far ecommerce has come in the last decade or two, but at the end of the day, what you care about is where ecommerce is now and where we're going.

So where is ecommerce now? Well, by the end of 2019 (according to data from [Statista](#)) the [global ecommerce market](#) had sales reaching \$3.5 trillion and represented 14% of the total share of global retail sales.

And what's coming in 2020?

Retail e-commerce sales worldwide from 2014 to 2023 (in billion U.S. dollars)

Global retail e-commerce sales 2014-2023



This data predicts that by the end of 2020, global ecommerce sales will reach \$4.2 trillion and make up 16% of total retail sales. And these numbers are only predicted to go up as we continue into the '20s.

But for store owners, it isn't as simple as sitting back and watching the cash flow in. Competition online is steeper. Advertising rates are higher. The digital noise is louder. And the way people are shopping is changing.

Keeping up with the latest trends in ecommerce, including both backend efficiencies and frontend conversion-optimizing experiences, is paramount to growing in the retail landscape of 2020.

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14 Ecommerce Trends Leading the Way

We talked to industry experts and thought leaders to gather consensus on the big things they see buzzing in ecommerce and retail this year.

Without further ado, here are our best bets for the ecommerce trends we see cropping up (or continuing to be major players) in 2020.

1. AR enhances the reality of online shopping.
2. There will be a growing volume of voice search.
3. AI helps shops learn about shoppers.
4. On-site personalization uses those insights to create individualized experiences.
5. Big data plays a big part in creating personalized experiences.
6. Chatbots improve the shopping experience.
7. Mobile shopping is still on the move.
8. More ways to pay.
9. Headless and API-driven ecommerce allow continued innovation.
10. Customers respond to video.
11. Subscriptions keep customers coming back.
12. Sustainability is becoming more important.
13. Businesses should optimize digital strategy for conversion.
14. B2B is growing...and changing.

1. Augmented reality enhances the reality of online shopping.

Augmented Reality (AR) has become a major game changer when it comes to online shopping, significantly closing the gap of ambiguity. It helps online shoppers visualize the products that they're

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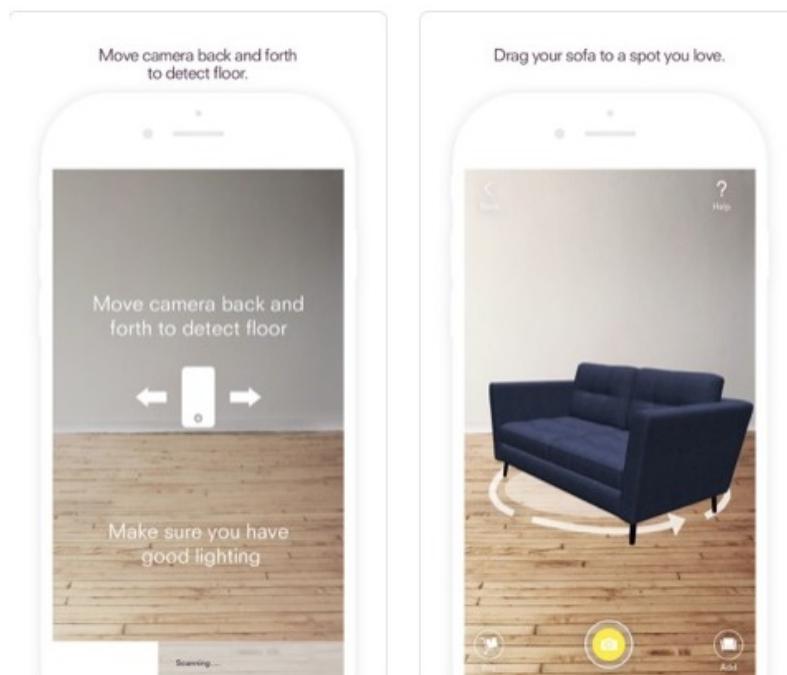
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interested in, whether it's a clothing item or furniture. Shoppers can now see how they would look while wearing a certain item or how nice their home would look with a certain paint color, all before hitting the "Buy Now" button. This helps online shoppers overcome the hurdle of not being able to see the product firsthand, bringing comparison shopping to a whole new level.

While fast [shipping options](#) have been able to lend online shopping almost the same instant gratification of retail shopping, there has historically been one downside: you can't feel the product or see it on your body or in your home. AR makes visualizing the product in your life possible.

[Burrow](#), a DTC furniture brand, uses AR to help customers visualize how their couches will fit in their living rooms. Their Burrow at Home app uses [ARKit](#) to place true-to-scale 3D models of Burrow's couches in photos taken on customers' iPhones and iPads.



In 2019, [Gartner](#) predicted that 100 million consumers will shop using AR by 2020, so it will be interesting to see how that shakes out in the coming year.

Michael Prusich, Director of Business Development at [1Digital Agency](#), agrees with this prediction:

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“Polls have shown some really powerful numbers in regards to AR too: 35% of people say that they would be shopping online more if they could virtually try on a product before buying it, and 22% would be less likely to visit a brick-and-mortar store if AR was available via their favorite [ecommerce store](#). AR grants a person with the ability to not just see a 3D model of a product but lets a user see how it looks if they were actually wearing it. Some products and industries lend themselves better to traditional shopping methods, but AR is going to shake things up sooner than later.”

Tessa Wuertz, Director of Marketing & Partnerships, [efelle.com](#), also sees the potential for even smaller to midmarket businesses joining the trend:

“We are expecting a lot more businesses utilizing AR for their products and businesses — so much so that it will become more standard in ecommerce and [social media](#) platforms. We’re seeing it put to use with larger companies, but I think we’re soon going to start seeing it become mainstream for businesses of all sizes.”

2. There will be a growing volume of voice search.

[Loop Ventures](#) forecasts that 75% of U.S. households will own a smart speaker by 2025. People are increasingly relying on voice assistants like Google Assistant or [Amazon Alexa](#) to do everything from check the weather to buy [products online](#).

Picture this: you’re in your kitchen, realizing you’re running low on milk, bread, dog food and lunch meat, all of which you can order with a simple voice command on your voice assistant. It saves time on browsing, entering your payment and shipping information, and the device remembers past purchases, making it very easy to repeat the order. You can also order takeout while you’re at it, while never having to touch a single screen.

As more and more households gain this technology and grow more comfortable using it to make purchases, there’s a lot of untapped potential for ecommerce businesses looking to get in on the ground floor.

David Zimmerman, Director of eCommerce Solutions, [Kensium](#), included “*more involvement of voice-enabled solutions in the commerce space with Amazon Alexa and Google Home*” high on his list of 2020 trends to keep an eye on.

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3. AI helps shops learn about shoppers.

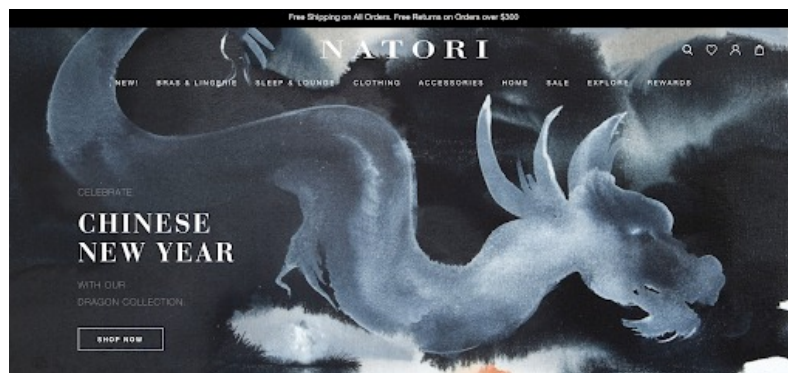
Another aspect of brick-and-mortar shopping that has historically been lost in [online shopping](#) is the helpful in-store associate who can offer product recommendations and personalized guidance based on the shopper's needs or requests.

The prevalence of [Artificial Intelligence \(AI\)](#) and machine learning will increase, as retailers target new ways to enhance personalization and [improve customer service](#), which is why all online businesses should invest in this development.

AI can also:

- Help businesses learn about their customers and supply them with the personalized experiences they are demanding.
- Help companies connect customer data with real-time insights to improve the shopping experience.
- Automate tasks such as customer support through [chatbots](#) to help customers 24/7 or generate timely offers.
- Optimized pricing and discounting and demand forecasting.

Leading fashion brand [Natori](#) used artificial intelligence to make smarter choices for their digital ad spending. The result was a [76% increase](#) in social media revenue.



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Ron Smith, Editor in Chief, [The Digital Outdoor](#), emphasizes how the complexity of AI and the ability to make it more human is also increasingly important:

“People want to know that brands care about them, and AI will be programmed accordingly. We have currently seen the opposite behavior on [social media](#), where AIs learn from humans’ more negative remarks, but it’s highly likely that consumers will crave the impact. If bots can learn how to form sentences to convey an emotion, companies can soon teach them to offer comfort and products based on customers’ moods.”

4. On-site personalization uses those insights to create individualized experiences.

As mentioned above AI is increasing in ecommerce and with a number of applications. One way AI can be used is to [gather information about visitors](#) and then help adjust the site to their wants and needs. Humans value [experiences](#) and products that have been tailored to them. This again is something that is often lost in the switch to online, self-service shopping.

Implementing [personalized](#) experiences on-site or in marketing efforts has been shown to have a strong effect on revenue, with [one study](#) finding it had a 25% revenue lift. [Recent data](#) also shows personalization efforts can reduce bounce rates by 45%.

[Kaleigh Moore](#), freelance writer and ecommerce specialist, sees AI-powered personalization becoming increasingly relevant in 2020:

“As brands harness and leverage more data, they’ll be able to create incredibly relevant experiences for shoppers that feel tailor-made.”

5. Big data plays a big role in creating personalized experiences.

Of course, not all personalization is created equal, and different experts have different visions for where ecommerce personalization will go in 2020. Some also consider personalization to be a double-edged sword because data and privacy are being raised as concerns for some consumers.

Luis Catter, Conversion Rate Optimization Expert at [Kensium Solutions](#), has his own predictions for how personalization will continue to evolve alongside data concerns:

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“As the tech giants continue to expand and bring more services in-house, personalization will eventually make its way to the internet of things. In addition to seeing suggestions on search engines or shopping platforms, we’ll also see them on our thermostats and our doorbell cameras. However, with some of the legislation being enacted, we’ll be able to opt out of it. This will create an interesting dichotomy — people who have ultra-personalized experiences and those who do not. This will have interesting impacts on how we as marketers are able to reach new users.”

6. Chatbots improve shopping experiences.

At the crux of personalization and AI capabilities is the cheery chatbot who can serve the role of the [brick-and-mortar](#) greeter and salesperson. [Chatbots](#) allow stores to communicate with thousands of customers while giving them the feeling of personal attention and thoughtful recommendations based on their responses.

And in reality, a growing number of shoppers actually prefer to converse with bots and other digital self-service tools. One study found that more than [60% of customers](#) report preferring having websites, apps, or chatbots answer their simpler inquiries. One of the major reasons for this is because of the faster response time.

Experts predict that [80% of businesses](#) will be using chatbots in 2020. In addition to just increasing in frequency, there are a number of ways experts predict bots will evolve in the coming years.

Shane Barker, Founder and CEO of ecommerce thought leadership blog [shanebarker.com/blog](#) posits:

“Chatbots are all the rage today for [customer support](#). However, I think they’ll drastically change the way people shop online. They’ll become one of the most important marketing tools. In the retail space, self-checkout kiosks will probably become the norm and in-store marketing will increase.”

Duran Inci, CEO of [Optimum7](#), sees chatbots becoming increasingly personalized to improve the customer experience:

“The same way chatbots are becoming more intuitive, so do I think that personal shopping assistant bots online will become more prevalent, using previous data to help anticipate new products that you’ll like. Similar to Amazon’s suggestions for similar products.”

7. Mobile shopping is still on the move.

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So far, we've mostly focused on the ways ecommerce is closing the gap and bringing [physical store experiences online](#). However, there are still many things that ecommerce has up on in-person retail. One of the clear advantages is the ability to shop from anywhere.

In 2019, [Statista estimated that by the end of 2021, 73%](#) of ecommerce sales will take place on a mobile device. With that in mind, your site must be built using robust responsive design. Consumers should be able to shop on their phones just as easily as they can on their desktops.

Ecommerce businesses are doing their best to provide a smooth user experience on their ecommerce sites with a number of payment options including e-wallets. China is a leader in online payment, with WeChat and Alipay each having over 1 billion users.

Corey Dubeau, VP of Marketing at [Northern Commerce](#), is one of many who see *“improved quality and more mobile payment integrations”* to be a harbinger of change in 2020.

Another response to ever-increasing mobile users is the use of [PWAs](#) or progressive web apps. PWAs can give mobile shoppers a native app-like experience with features like the ability to work offline and allow [push notifications](#). They can give ecommerce brands another way to improve the customer journey for online shoppers using mobile devices.

8. More ways to pay.

We talked about the expectation around payment options for mobile, but customers are also expecting more and better payment options full stop.

For example, when shopping from an overseas business they may expect to be able to buy using their preferred local payment provider.

Additionally, customers are used to the ease of shopping on big online retailers like Amazon and Walmart. They save the customers' billing and shipping information to make for a fast and easy checkout experience without a lot of data entry. Ecommerce websites are increasingly using payment options like Apple Pay, Paypal, and other financing options that enable a frictionless checkout.

Joe Chilson, Head Writer and Account Manager, [1Digital Agency](#) sees centralization of payments also making strides in 2020:

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“Think about how easy it would be to buy a product on any website if, at checkout, you could simply give them an ID unique to you. This unique ID would be for a centralized wallet service that would securely store all your payment info, shipping and billing addresses, preferences, etc. Companies like [Apple](#) and [PayPal](#) have taken shots at this in the past, but I think it could become more normalized.”

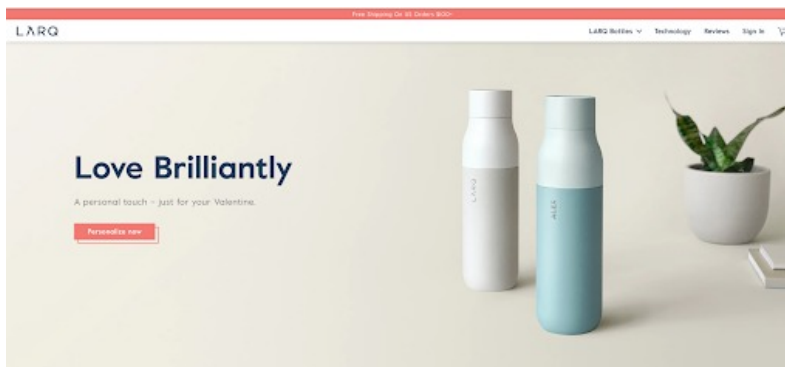
9. Headless and API-driven ecommerce allow continued innovation.

So far most of the trends on this list have been things that the customer interacts with directly. However, the backend tech structure of their favorite online store is probably not something they’re aware of — even if it has a huge effect on their overall experience.

[Headless commerce](#) is a solution that allows a store’s [ecommerce platform](#) to be completely decoupled from the frontend presentation layer. This can allow them to use a [CMS](#), [DXP](#), [PWA](#), or many other existing or custom frontends to complete their tech stack. This can have powerful implications for what the store is able to accomplish with content marketing, [SEO](#), and digital experience on their storefront.

2020 may see an increased adoption of [headless](#) — particularly new headless frontend solutions like more IoT and PWAs. It will also likely be considered by a wider market including smaller businesses and [B2B](#) use cases.

[LARQ](#), a seller of a self-purifying water bottles, recently launched their headless site using BigCommerce as the backend ecommerce engine and a custom-built frontend using React.



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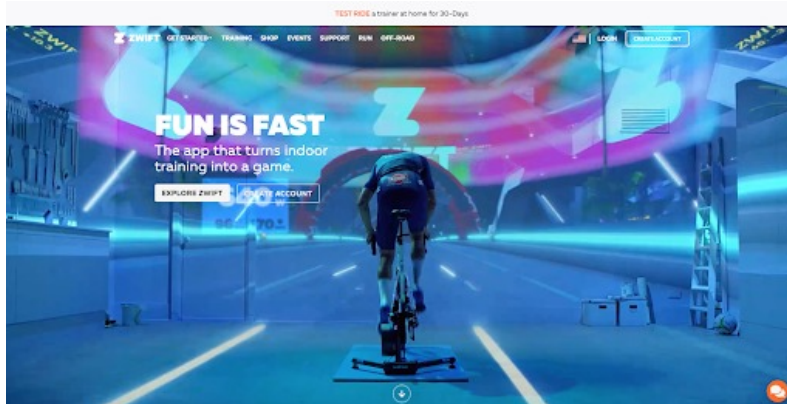


LARQ Ecommerce Architect Antonio Kaleb explains: “With headless, we get more control over our content and customer journey through checkout. We had a multi-region need that was solved for with the headless BigCommerce solution, allowing us to combine all of our stores into one single domain, for which we have developed additional features.”

10. Customers respond to video.

In 2019, video was shown to increase conversion rates with [62% of consumers](#) saying they watch [product reviews](#) before making a purchase. If you’re not taking advantage of this already, 2020 could be a good year to start.

Streaming video on your homepage can also be an eye-catching way of drawing customers’ attention. [Zwift](#), a fitness app, uses video on their homepage to capture the excitement and energy of their product.



Ron Smith, Editor in Chief, [The Digital Outdoor](#) considers how video can be used to help educate customers:

“I see the use of podcasting and [short video content](#) to augment the opportunity for buyers to learn about how an ecommerce brand’s products and services provide the solution to the opportunity, challenge or problem a buyer is looking to answer. With these two forms of content development comes the technology to micro track a viewer’s engagement...”

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[Shane Barker](#) further emphasizes the importance:

“The importance of videos can’t be understated. Videos can help you explain and showcase your products better than images ever can. You should consider adding videos of your products in your ecommerce store.”

11. Subscriptions keep customers coming back.

By 2020, we’ve come a long way from the fruit of the month club. Subscription plans have a number of advantages for retailers because they make it easier to predict fulfillment needs and allow you to maintain customers for a greater long term value.

Some experts caution that consumers are potentially growing more aware of the impact of multiple [subscription services](#) on their budgets, so they may be more choosy in the future. Retailers adopting this business model in the coming year will need to be cognizant about what makes their particular subscription a must have.

David Zimmerman, Director of eCommerce Solutions, [Kensium](#) still predicts that *“more companies will offer subscription services or monthly payment options for larger purchases”* in the coming year.

12. Sustainability is becoming more important.

In what is hopefully not a passing trend, people are becoming more aware of the role their purchasing decisions have on the Earth’s limited resources.

[Sustainability](#) is taking on a renewed importance for modern shoppers and brands are finding ways to weave that into their products, their fulfillment strategies, and their marketing. [One survey](#) found that 50% of respondents wanted more sustainability in the fashion industry, and 75% wanted to see less [packaging](#).

Brands that are improving their operations on behalf of the environment will have a robust impact on buying decisions. Some environmentally-friendly initiatives include:

- Biodegradable packaging
- Sourcing products from fair-trade organizations

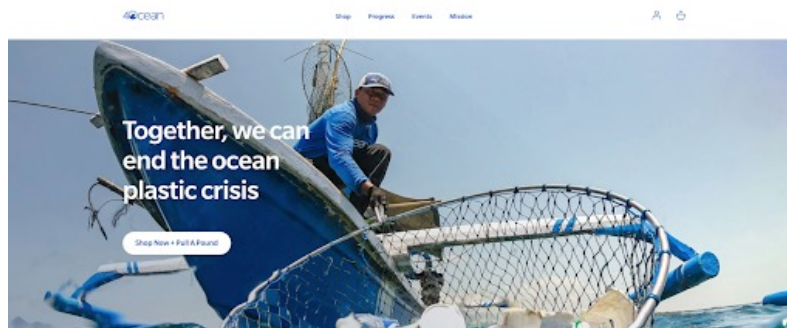
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- Going paperless
- Using recyclable supplies
- Conserving energy by demonstrating that your business uses LEDs, turns off all computers at EOD, employees work from home, etc.

[4ocean](#) has made this a fundamental part of their business model. They match the purchase of each bracelet or other product sold with the removal of waste from the world's oceans. They also use eco-friendly packaging from [EcoEnclose](#) to ship their products.



Taking on more sustainable practices and making sure your customers are aware of them can be a good way to stay competitive in 2020.

13. Businesses should optimize digital strategy for conversion.

No matter what you sell, chances are you have some competitors. Staying ahead of them means not only getting more potential customers to your site but also converting them once they're there.

[Conversion](#) optimization is a growing concern in 2020 as businesses look to finetune their [product pages](#) and make sure their products stand out across their multi-channel marketing avenues. This might include dynamic ads on Facebook, shopping ads on Google, or on-site [digital marketing](#) efforts.

Scott Ginsberg, Head of Content, [Metric Digital](#) adds:

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“More and more brands are competing for the same eyes. Facebook’s algorithm rewards video and motion-based creative that are more likely to hook your audience quickly. And customers are also more demanding, impatient and curious than ever before. Make sure you understand the ins and outs of Performance Ad Creative that doesn’t only look cool, but also drives conversions. Using those channels intelligently is the best way to make sure your brand will be uniquely positioned to stand out in the continually changing digital marketing landscape.”

14. B2B is growing... and changing.

The global B2B market in ecommerce is moving solidly upward currently, and likely into the future. Global retail ecommerce sales for B2B are expected to reach \$1.1 trillion in 2021, according to data from [Statista](#).

As more B2B businesses move online and existing online businesses hone their offerings, one factor to take into account is the changing expectations of B2B buyers.

[Forrester](#) predicts that by 2020 almost half of all adults will be Millennials, which also means an increase in [Millennial](#) B2B buyers. [Gen Z](#) is starting to enter the workforce as well. These audiences prefer a simpler, more self-serve user experience that allows them to research and get the information they need without talking to salespeople.

B2B ecommerce brands are working to meet these needs. Connie Wong, Marketing Manager, [Silk Software](#), talks about this transition:

“The days of orders needing to be placed through fax order forms or phone calls only are shrinking. More and more businesses are beginning to see the value in servicing their customers online. By automating these tasks through their ecommerce site, teams are moving away from spending the bulk of their time on processing order entries from email spreadsheets or hard copy forms. Instead, they are shifting their focus towards what matters most: engaging with customers, providing them with an excellent customer experience, and establishing ongoing client relationships.”

Find more B2B specific trends [here](#).

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Weighing Your Options: Deciding If a Trend Makes Sense for Your Business

The list above are some of the top ecommerce trends that we think will be driving and/or affecting ecommerce and retail in the coming year. However, does that mean that you need to jump on the bandwagon of every trend?

Not every trend is the right fit for every business. While some will provide a huge value-add, others might be out of touch with your particular audience or might be too costly to implement for your business to maintain a reasonable ROI.

Knowing what trends will be a good fit for you will often come down most to knowing your own customers, vertical, and competitors backwards and forwards. You can then make informed decisions on what makes sense to move forward with. Here are a few other thoughts:

1. Keep track of industry influencers and publications.

You're on the BigCommerce blog already, which is a great source for news, how-tos, and thought leadership in ecommerce and [retail](#). Here are a few other [ideas](#) for places to keep up with ecommerce at large.

You will also want to keep current on industry news in your particular vertical, be it fashion, home goods, B2B, etc. Knowing what is happening and what is gaining traction will keep you from being left behind.

2. Absorb up-to-date industry research and trends reports.

In the same vein as the above, keeping current on the latest trends reports, not only for the ecommerce industry, but for your vertical, will help you stay ahead of the curve.

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3. Make the most of digital tools and analytics to assess your customers' behaviors.

You may have noted that several of the trends above rely on understanding your customers and being able to speak directly to their needs. That, of course, takes data and following their behavior to understand what they most want.

4. Get feedback from your customers.

Of course, observing what your customers buy and what pages they visit is only part of the picture. Hearing from your customers directly, either through reviews or post-purchase surveys, can give you powerful insights into how you can improve your store.

5. Observe your competitors.

Are your competitors trying anything innovative recently? If so, are there things that seem to be working for them that you might replicate? Or are there ideas that might resonate with your customer base and help set you apart?

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Conclusion

There's a lot of 2020 remaining, so we're excited to see what new ideas will pop up in ecommerce and retail as the year (and decade!) progresses.

While these are the top ecommerce trends we see impacting the industry, there are plenty more waiting in the wings for their moment. Will delivery drones turn the skies into a whizzing buzz of constant commerce? Will facial recognition in stores connect to customer shopping [data](#) online? Will one-day shipping become the new expectation? Time will tell. We're excited to see what 2020 will bring.

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