

E-COMMERCE

TRENDS to WATCH

in 2021 and BEYOND

Introduction



Digital transformation in the B2B sector didn't come out of nowhere – but the coronavirus pandemic accelerated it dramatically. Amid travel restrictions, lockdowns and social distancing measures, the world has had to rely on digital solutions to cope. Digitization has bridged the gaps and been crucial in navigating these challenging times.

Now more than ever, digital technologies such as mobile devices, apps, machine learning and other tools are widely used by consumers to access what they need, when they need it. The Internet is fast becoming the primary sourcing gateway for B2B purchases, as online marketplaces already leverage these technologies to make it easier for buyers and suppliers to do business.

Faced with rapid, widespread migration to digital technologies across industries, companies must keep up, adapt to the new normal and embrace digitization – or face the prospect of more losses and ultimately, perhaps, closure of their business.

About This E-book

E-commerce Trends to Watch in 2021 and Beyond offers buyers and sourcing professionals an in-depth overview of the fast-evolving world of e-commerce. The book delves into the emerging trends that are set to take the spotlight this year and how shifting consumer behaviors and responses from e-commerce companies have significantly shaped these trends.

Moreover, the book highlights the digital technologies and data-driven strategies buyers can tap to increase their market base and meet consumer expectations. It discusses how artificial intelligence (AI), virtual reality (VR) and machine learning (ML), as well as advancements in mobile apps and payment modes and the use of chatbots, big data mining and application programming interface (API) improve the overall consumer experience.

Lastly, the book provides insights into the new age of e-commerce aggregators, payment trends, and order fulfillment and delivery. Through this book, Global Sources helps buyers make well-informed decisions on how to take their business to the next level and beyond.



E-commerce Trends 2021

To re-invent a popular saying, disruption is the mother of all invention. With 2020 witnessing what arguably has been the mother of all disruptions in recent history, it will not be surprising if 2021 sees some of the most interesting shifts and innovations in the global economy, particularly in the fast-evolving e-commerce world.

As reported by econsultancy.com in December 2020, new items – some as expected and others not so – suddenly popped up in the usual boxes of food, fashion and gadgets that people could buy online and have delivered to their doors. “Groceries, furniture and even vehicle parts have joined the list,” the report said. “These changes to buying habits might slow down slightly as people are able to return to their regular routines, but they certainly won’t stop.”

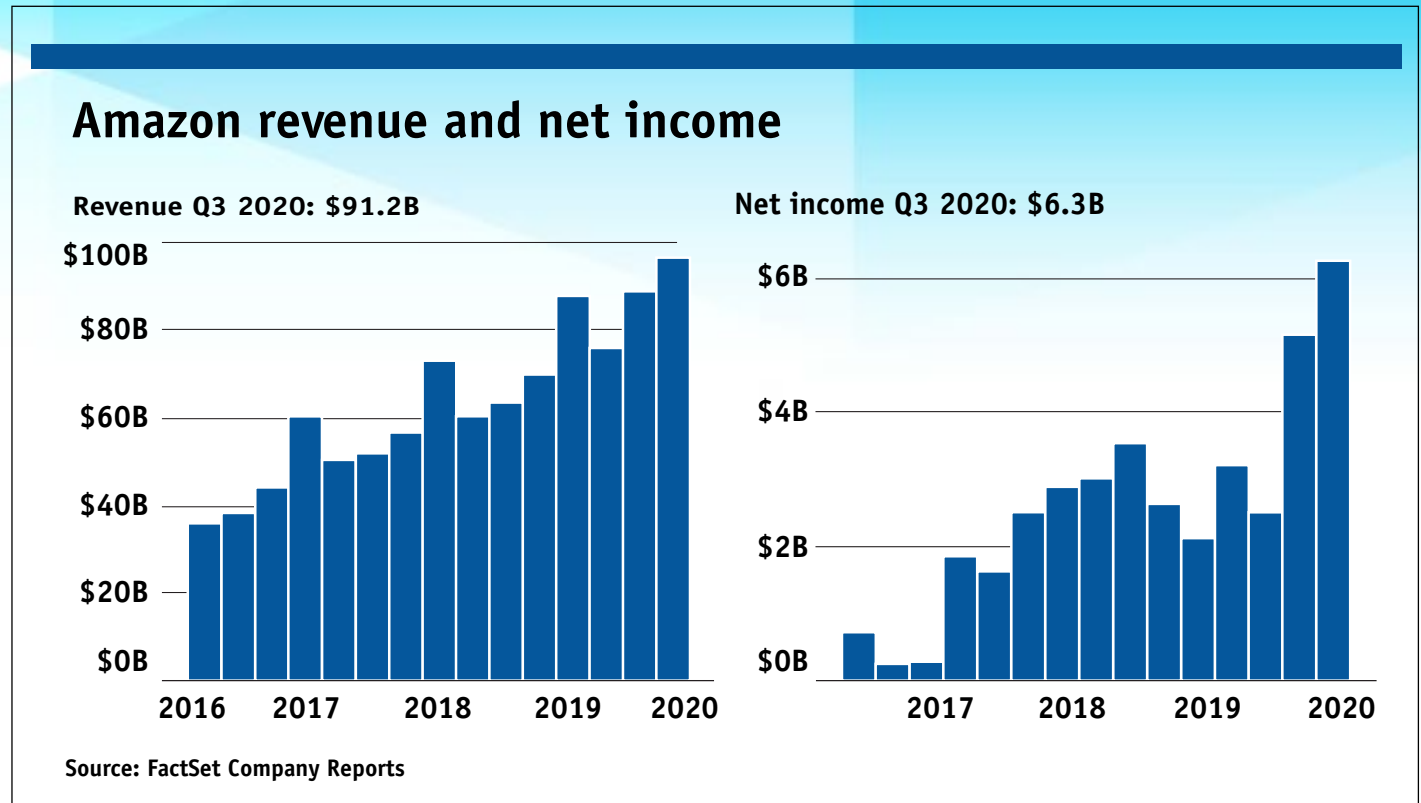
Indeed, if trends continue, e-commerce will soon dominate the global exchange of goods and services, including intangibles. According to Statista.com,



global e-commerce sales at end-2019 hit US\$3.5 trillion, or about 14 percent of retail sales worldwide. Early last year, Statista projected that global e-commerce sales by end-2020 would reach US\$4.2 trillion, or about 16 percent of total retail sales. Statista then tipped this figure to hit US\$5 trillion by 2021 – a blistering 265 percent surge from 2014.

Meanwhile, eMarketer.com expects global e-commerce sales to hit US\$6.5 trillion by 2023. But as 2020 is forecast to be a surprisingly buoyant year for e-commerce due to the pandemic restrictions that forced even more people to shift to online purchases, these projected numbers will likely prove a tad too conservative.

Take the case of Amazon, the bellwether of the e-commerce world. As reported by CNBC late last year, Amazon's third-quarter 2020 revenue hit US\$91.2 billion, or a jump of 37 percent from the same period in 2019 (see chart). Revenue from its "Other" category (primarily its advertising business), surged by 51 percent to US\$5.4 billion, while sales from subscriptions (including Prime memberships), climbed 33 percent to US\$6.58 billion. Interestingly, revenue from third-party merchants soared by 55 percent. Even more interestingly, Amazon said it expected fourth quarter 2020 sales of between US\$112 billion and US\$121 billion, or a growth of 28 percent to 38 percent from a year earlier.



As of early 2020, according to etailinsights.com, there were 7.1 million online retailers (businesses that sell to consumers – or B2C – on their own websites or on online marketplaces) around the world, with 1.8 million in the US alone. Such e-tailers – whether selling their own trademarked products, items made by other companies or virtual goods such as streaming services – were expected to have multiplied during the pandemic as consumers were forced to buy online. And that's only the B2C category, with many more jumping on or adding to their business-to-business (B2B) or direct-to-consumer (D2C) bandwagons.

Challenges and Opportunities

Such an increasingly crowded e-commerce market means competition has become cutthroat, online advertising rates have surged, and the digital chatter has turned cacophonous. As a result, e-commerce players have faced mounting challenges to attract, convert, and retain customers via traditional online tactics such as niche products, heavy discounting, low prices or being first to market.

However, the same challenges have engendered new strategies and trends in the e-commerce world, such as fast delivery, easy payment methods, loyalty programs, mobile platforms, and – especially among those trying to capture the millennial and Gen Z customers – omnichannel and comparative shopping, sustainable products and services, and frictionless but authentically “human” transactions.

Other e-commerce trends have inspired or been inspired by new retail technologies, as cited in an April 2020 report by United Perfectum, an Israel-based custom software developer. These tools are in such areas as Artificial Intelligence (AI), Virtual Reality (VR), Augmented Reality (AR) and Machine Learning (ML), as well as advances in mobile apps and payment modes. Innovations are also seen in voice search and natural language processing, chatbots and robotics, personalization via smart mining of Big Data, and the re-calibration of e-commerce backbones driven by headless application architecture or modular application programming interface (API).

According to bigcommerce.com (one of the world’s leading cloud e-commerce platforms), these innovations are aimed at boosting customer acquisition and improving user experience. As underscored by blogs on bigcommerce, even more shifts are happening in the B2B sector, with the number of clients surging and most of them expecting customer personalization, fast order



fulfillment and loyalty perks similar to those in B2C. As a result, according to bigcommerce blogs, these expectations have boosted e-commerce marketplaces such as Amazon and Shopify.

Most of these trends are largely being shaped by shifting consumer behavior and the responses by e-commerce companies – and vice versa. To meet consumer expectations, businesses have tapped their R&D departments or external consultants to come up with the needed tech tools, market practices and metrics.

These trends understandably do not exist in a vacuum – they are fluid and interconnected. For instance, the need for speed and feature-rich apps and websites necessitated the shift to 5G technology. But 5G technology itself will most likely engender yet unknown e-commerce tools and features.

Other big unknowns are government regulatory changes that could squeeze or disrupt the e-commerce market if tech giants are forced to splinter. There is also the risk of the further shrinking of manufacturing and people’s purchasing power if pandemic restrictions dragged on – on top of uncertainties in the post-COVID-19 global economy.

Consumer Behavior

Artificial Intelligence (AI) and Deep E-commerce

AI and Big Data have been mainstays in the e-commerce world, allowing for customized search, targeted marketing and hyper-personalization. Much has been written about the potential seismic impact of facial-recognition technology on the global economy (including e-commerce), but it's advanced and implementation has been met with resistance amid allegations of negative racial profiling and privacy fears, among other issues.



With facial recognition and other bio-ID technologies taking a backseat for now, many expect smart data mining to hog the limelight instead. In its December 21, 2020 report, [econsultancy.com](https://www.econsultancy.com) flagged big strides in the execution of “granular data mining”, which will integrate Big Data on customers with CRM, CMS and other internal information-management tools for a much sharper 360-degree view of each company’s customer base and e-commerce business.

“Segmentation is going to go beyond just one-time sales and loyal customers,” Vanhishikha Bhargava of content

marketing experts Contensify told econsultancy. “It’s going to be a lot about how they interact with your e-commerce business – knowing who your price-sensitive customers are, which one would rather buy full-price and who are more likely to abandon carts, and so on.”

With the help of Machine Learning, AI is also expected to further automate customer support through chatbots and virtual shopping assistants, and to generate timely and targeted offers for optimized pricing, discounting and demand forecasting.



Next-Gen Micro-Marketing

Ultimately, AI can help maximize digital ad spending through bullseye marketing. This can assist e-tailers in fine-tuning their product pages to make sure their offerings stand out across all their marketing channels. Tactics could include dynamic ads on Facebook, shopping ads on Google, on-site promos such as streaming videos, product demo podcast or blogs, or sponsored videos on TikTok and Instagram Reels.

As reported by bigcommerce.com, marketing has followed customers from the analog world of cold calling, collateral and trade shows to the digital realm, especially via social media. “Today’s B2B

buyer conducts approximately 12 online searches before making a purchase from a specific brand. In response, 55 percent of B2B marketing budgets are directed toward digital efforts that help provide a more personalized buying experience,” bigcommerce.com said.

Hence, Customer Relationship Management (CRM) has moved front and center, especially in the digital marketing world. “For 2021... it’s not enough to send transactional emails and then add [first-time customers] to your standard email campaigns (when you have an opt-in flag),” James Gurd, owner of e-commerce re-platforming consultancy Digital Juggler told econsultancy.com in a December 15, 2020 report. “When new customers make their first purchase, it’s the start of your relationship. You need to nurture that relationship and give them a reason to stay engaged and active.”

Gurd cites CRM platforms such as Ometria, Salecycle and Intercom as big trends for 2021 as they can help track customers based on customized criteria set by the user,



with engagement based on the behavior of each customer, both on-site and outside.

In the same econsultancy.com report, Sherene Hilal, senior vice-president for product marketing and business operations at retail marketing technology specialists Bluecore, highlighted the need for the meaningful use of first-party data as a big trend this year. “If brands and retailers are going to continue collecting first-party shopper data, they will need to begin actioning it in meaningful ways, predicting what their shoppers want to see next, and understanding where shoppers are in their buying cycles to predict when they’ll want to buy,” Hilal added.



New Realities

According to bigcommerce.com, AR will make major e-commerce inroads this year. It added that by 2022, about 25 percent of enterprises are tipped to launch AR and another 70 percent will experiment with it.

Early examples are some apps using ARKit to place true-to-scale 3D models of furniture in photos of living rooms and bedrooms taken on customers' iPhones and iPads. Experts are also expecting breakthroughs in Extended Reality or XR, with "experiential" e-commerce powered by AR and VR. If definitive proof is needed to confirm this trend, look no further than Amazon – it has just announced Prime Wardrobe, which will allow its

customers to try on clothes before buying, among other next-generation features.

This trend will be reaching even smaller to mid-market businesses, according to Tessa Wuertz, director of marketing and partnerships at efelle.com, a digital marketing and design agency based in Seattle. "We are expecting a lot more businesses utilizing AR for their products and businesses, so much so that it will become more standard in e-commerce 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."



Celebrities and Micro-Influencers

On the “real” reality front, celebrity endorsers are expected to continue exercising their multi-million-dollar clout in the e-commerce world. But parallel to the hyper-personalization trend will be the growing presence of micro-influencers – social media personalities who position themselves in niche markets and aim at small but lucrative communities of e-commerce customers.

In its December 21, 2020 report, econsultancy.com made a brave forecast that “influencers will become brand partners”, driving the relationship between businesses and social media endorsers ever closer in a market estimated by Influencer Marketing Hub at US\$9.7 billion in 2020. The main driving force here is the growing practice of outsourcing in the burgeoning gig economy.

“Many e-commerce brands have a content problem in that they are unable to create enough content at scale to support their marketing efforts,” Jordie



Black of influencer marketing platform ZINE was quoted as saying in the econsultancy.com report. “In 2021, a trend we will see is brands looking to influencers as content creators to support the content creation process in lieu of a content agency. We’ll also see brands add paid media spend to this content so that they can control the reach and audience.”

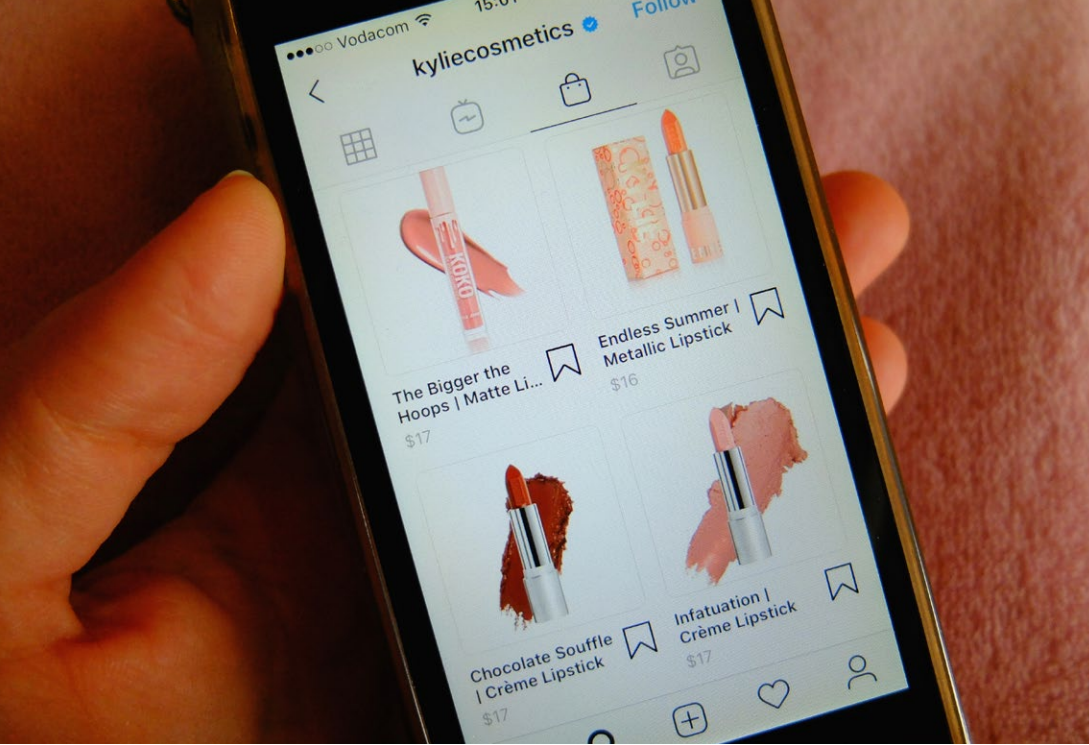
Fueling the growth of the influencer market is another major trend this year: shoppable user-generated feeds. So how does it work? For instance, a business partners with bloggers to take product photos aimed at capturing eyeballs online. The company then uses those photos for basic social media campaigns to select the top performers, perhaps via online voting. The most popular photos are then pushed with maximum SEO support, possibly used as Promoted Pins and Buyable Pins on Pinterest, for example. This promising trend is already being mined by social commerce companies such as BazaarVoice, Yotpo and Like2Buy.

E-commerce Messaging: Taking it Personally

In its recent research, Indianapolis-based multichannel behavioral marketing platform SmarterHQ found that 72 percent of customers only engage with personalized messaging. Given this market preference, businesses are re-discovering the potentials of smartphones and tablets for individualized marketing, especially with the use of existing and affordable tech such as Wi-Fi, Ultra-Wideband (UWB), Bluetooth Low-Energy (BLE), cellular and GPS for “geolocating” customers and “geofencing” them – essentially sending messages to a captive market within a specified area.

“In 2021, forward-thinking retailers will embrace popular messaging apps like WhatsApp and Facebook Messenger, which have been chronically underused as e-commerce channels,” predicted Lucy Hawkes, regional e-commerce director of OMG Transact, the e-commerce arm of the global Omnicom Media Group. “If we look at China... the whole process of discovering a product or experience, buying or booking it and then telling your friends about it, can take place in WeChat. I believe this is the future of shopping...with WhatsApp set to become the next e-commerce battleground, thanks to its low bandwidth requirements and widespread adoption.”





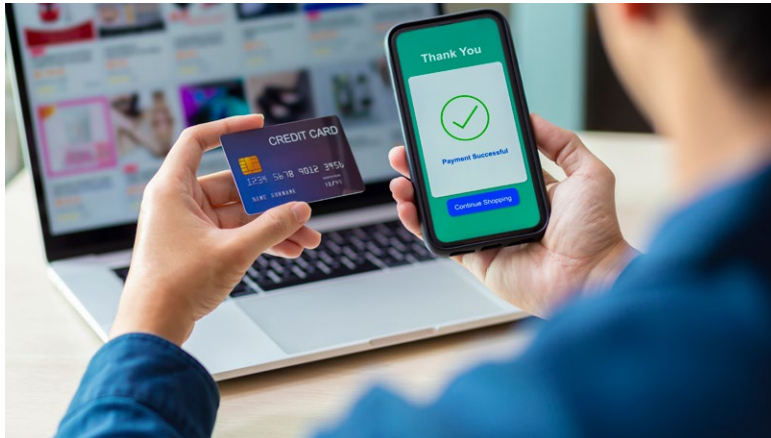
Veni Vidi Videos

WeChat is not the only trendsetting Chinese brand. In 2020, the TikTok phenomenon grabbed people's imagination, even though its purported Chinese links have clipped its wings amid US government restrictions. Still, TikTok seems to be pointing to another big trend this year – short, sassy and increasingly shoppable video ads.

The efficacy of video as a marketing tool is not a new discovery. Way back in 2019, in a survey by Isoline, some 53 percent of B2B decision makers said that video was the most useful – and viral – form of content. This was evidenced in the growing use of short-video stories on Instagram and Snapchat as a marketing tool. Meanwhile, Facebook has just launched Instagram Shops while Shopify has allied with TikTok.

“Zoomers spend hours scrolling TikTok and Instagram feeds,” digital growth initiator Eduard Klein told econsultancy.com in a December 21, 2020 report. “Merchants are in seventh heaven [as] video is the perfect channel for reaching the curious young target audience. Gen-Z can make buying decisions literally from their social media feed, and videos let them shop straight away.”

Seamless Shopping

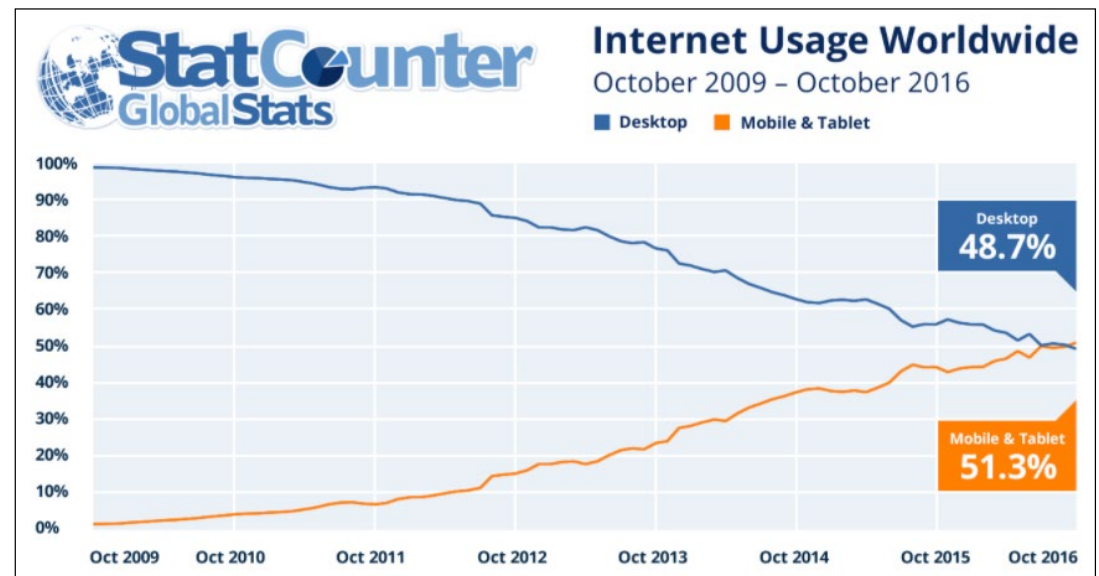


Omnichannel Omnipresence

The use of smartphones and other portable devices has only intensified during the pandemic restrictions. Way back in September 2020, the Omnichannel Retail report from bigcommerce.com already noted that people were e-shopping while at their office or home-office desk, in bed, in the car, standing inside another retail store, and even in the toilet – using smartphones, tablets, laptops and desktops. “Omnichannel e-commerce isn’t a tactic,” the report said. “It’s about being everywhere at all times. Because that’s how people are increasingly shopping: Fragmented, hopping from device-to-device, and channel-to-channel.”

Businesses are tipped to turn omnichannel this year as it makes a lot of economic sense. A report in September 2020 by econsultancy.com stated that “47 percent of shoppers who engage with brands on 10 or more channels will make purchases ... at least once a week, compared to 21 percent who just engage on up to four channels.”

Omnichannel is the ultimate in customer autonomy, giving e-consumers total control over the online shopping experience based on their needs, schedule and preferences. To many online marketers, this is the Holy Grail. As a Forrester Consulting study found, almost 80 percent of consumers contend that the most important component of providing quality customer service is when a company values their time. The key here is flexibility, and that magical experience comes courtesy of mobile devices. Needless to say, desktop use is diminishing, while mobile has become the gadget of choice to search for products and services online (see chart).





5G

5G Puts Mobility on Steroids

This brings us to the next big trend this year – the advent of 5G and its multiplier impact on mobility. Based on data from Google and the Boston Consulting Group (BCG), mobile drives some 40 percent of revenue in leading B2Bs. The same BCG report showed that 50 percent of B2B queries are via smartphones – a figure expected to grow to around 75 percent by 2021. In effect, mobility is the motherlode of e-commerce gold.

As mentioned, omnichannel marketing and selling will be the next big thing in e-commerce.

Coupled with newfangled marketing tools such as shoppable videos, podcasts, blogs and TV shows on handheld devices, mobility will

require plenty of bandwidth to deliver on its promise. If one adds the increasingly popular tech gadgets that make up the Internet of Things, global telecoms and computing definitely need an upgrade. This is where 5G comes in.

“Omnichannel selling will become the new normal,” Lauren Davis, of Just After Midnight (a provider of managed cloud and app support), told [econsultancy.com](https://www.econsultancy.com) in a December 2020 report. “We’re really seeing this with the public cloud platforms moving into this space with tools like Amazon Personalize and Pinpoint. This could be disruptive in an interesting way, but the bottom line is omnichannel selling, and those kinds of capabilities, will be cheaper and more accessible. 2021 will be the year this moves from something some are doing to something most are doing.”





Headless, Progressive and Pop-up

New expectations from very demanding online customers are forcing businesses to examine their e-commerce architecture. In this space, market observers expect systems integration as the underlying trend this year. Based on a recent survey by digitalcommerce360.com, 57 percent of B2B executives saw e-commerce integration as an urgent task for 2021. This refers to integrating back-end technology for managing operations such as inventory and customer orders with their e-commerce platform.

Techies and software developers have responded to this integration challenge with various solutions, including Progressive Web Apps (PWAs), headless e-commerce and modular Application Programming Interface (API). Although web-based, PWAs mimic mobile apps with features such as the ability to work offline and allow push notifications. Meanwhile, headless e-commerce basically entails decoupling an online store's e-commerce platform from its front-end presentation layer, giving it the flexibility to plug into various omnichannel platforms. Finally, modular API refers to a bundle of programming code that serves as a bridge between two digital services.

Kristin Moyer, research vice-president at Gartner, believes API will be a key trend this year. "It's an enabler for turning a business or organization into a platform," she said. "Platforms multiply value creation because they facilitate the creation and exchange of goods, services, and social currency."

API will also be the one to watch for what could be a very interesting sub-trend for 2021 – the rise of "pop-up" e-commerce. "Getting started online was once a long and painstaking process, but 2020 has changed the narrative and shown us how quickly small businesses and solopreneurs can digitally pivot their businesses," Chris Byrne, the CEO of marketing automation platform Sensorpro, told econsultancy.com in December last year. "The trend for 2021 will favor platforms that deploy and sell quickly online, without the need for a small army of developers and consultants."

New Age of E-commerce Aggregators

There's still hope for companies that may not be nimble or moneyed enough to set up their own e-commerce shopfronts. That hope comes courtesy of e-commerce aggregators or marketplaces such as Amazon, eBay, Alibaba.com, Etsy and Catch. These platforms have been dominating the B2C industry since 2018, accounting for more than 50 percent of global retail sales, according to Gartner.

Marketplaces are also dominant in the B2B sector, as more than 95 percent of B2B buyers use such online aggregators while 75 percent of B2B procurement spending is projected to happen via an online marketplace within the next five years, Gartner added. The advantages of marketplaces are obvious: economies of scale, global reach, time- and cost-savings, engaged audiences, ready-made infrastructure and the solid track record of the big players.

“Shoppers have realized that shopping in a marketplace is easier and more convenient than shopping on multiple e-commerce stores, with the mental satisfaction of two- to three-day shipping and free returns on most items,” Nick Hayes of leading Washington-based automotive parts dealer RANDYS Worldwide told econsultancy.com in a December 2020 report. “Big e-commerce companies offer the best of both worlds: they provide value to consumers, low barrier to entry for brands to sell online, and user-generated content that perpetuates both product and content relevance as well as search rank.”



Payment: Trends and Challenges



Flexibility is the Key

Last year, something small but significant happened in the e-payment sphere that promised even more convenience and flexibility for consumers: the Amazon Pay platform launched its Alexa payment option in the US that, among other features, let customers pay for petrol from the safety of their cars with a simple voice command.

This Alexa Skills innovation is just one of many that are expected to trigger fresh trends in e-payment modes this year. One of the more interesting developments are financing options such as Affirm, Afterpay and Zip Pay that allow customers to “shop now, pay later.” Basically, they take a big-ticket purchase and chop it up into manageable chunks to lighten the financial load of online buyers.

“With more of us shopping online post-pandemic, 2021 will see retailers offer customers greater choice,” Nikhita Hyett, the managing director for Europe of online payment solution provider BlueSnap, told econsultancy.com in December 2020 report. “By offering a range of third-party and secure payment options, retailers can unlock the full spending potential of their customer base.”

Regulatory Hurdles Ahead

Not all online payment options are created equal. For one thing, crypto-currency and blockchain-enabled digital wallets are constantly being scrutinized amid fears over online theft and fraud. And in a report on January 6, 2021, BBC.com said that US President Donald Trump had cited national security concerns in signing an executive order that would practically ban online government transactions via eight popular Chinese payments platforms: Alipay, QQ Wallet, WeChat Pay, Tencent QQ, CamScanner, SHAREit, VMate and WPS Office. Unless reversed by the incoming administration of Joe Biden, such a US federal ban is expected to spill over into the civilian world of American e-shoppers.

Although these systems operate largely in China, they are nevertheless used by many non-Chinese customers to pay for goods bought on Chinese aggregator sites. The Trump ban appears to continue the crackdown that has also snared Chinese social media app TikTok and telecoms giant Huawei. Similar regulatory curbs are hanging over the heads of big-tech players such as Google, Facebook and Instagram, not only in the US but also in Europe. Back in China, Alibaba spin-off Ant Financial had to cancel its planned IPO after Beijing officials raised some red flags over its operations. These regulatory uncertainties are certain to continue this year and beyond.



Order Fulfillment and Delivery



Driverless Vehicles and Drone Delivery

Right on the heels of California's announcement in late 2020 that it would allow Nuro's driverless vehicles to deliver goods bought online starting this year, Tesco revealed that it was in the midst of trials for drone delivery in the UK. These developments are just

the latest signposts in e-commerce's continuing shift to automated warehousing, order fulfillment and delivery.

"The spike in demand seen during Q1-Q2 of 2020 has been the catalyst for the shift in focus to supply chain improvements as businesses began to realize that they did not have the infrastructure to fulfill such a sharp increase in orders," said Lucy Hawkes of OMG



Transact. "This has paved the way for more automated fulfillment processes to come to the fore... An increasing number of retailers will adopt this approach and integrate automation within their supply chain from 2021."

Those who don't have the technical know-how or financial resources to set up their own automated fulfillment system are expected to fuel the third-party fulfillment (3PL) trend. Metapack.com said that such competitively priced 3PL entities can help ensure two-day delivery speeds by using regional distribution centers that relies on automation for receiving inbound stock, storing and tracking inventory, receiving orders, as well as picking, packing and shipping.

Re-purposing Retail

Nikhita Hyett of BlueSnap Europe expects omnichannel marketing and selling to lead to omnichannel fulfillment options, such as ship from store, curbside pickup, and Buy Online and Pick up In Store (BOPIS).

That last option was apparently the main reason behind Amazon's acquisition of Whole Foods Market and what appears to be its reverse – Wal-Mart's move to buy e-tailer Bonobos. As noted by econsultancy.com way back in September 2020, physical stores are increasingly being re-purposed as showrooms, allowing customers to walk in, test out and try on products before ultimately buying online.

Indeed, Bonobos has promptly revamped its brick-and-mortar stores into "Guideshops" for customers to try on the merchandise without buying in-store. In effect, physical stores have evolved into wired and tech-heavy hubs where customers can interact with products and be inspired, seek out customer service, and pick up items bought online.

New Customers. New Priorities

New Generations Take Over B2B

Beyond the pandemic period, a generational change is expected to reshape the e-commerce world as those born in the 1990s and the turn of the millennium slowly take over roles on both sides of online transactions, especially in the B2B sphere.



As noted by Forrester, the “analog generation” of Baby Boomers typically got their market information from data sheets, sales literature and product trials. Meanwhile, the Gen X crowd grew up amid print ads and were creatures of trade shows and conferences. The typical Gen X buyer prefers the handheld experience that a sales rep can provide, while Millennials expect that same personalized experience through streamlined, digital channels. Up next is the super tech-savvy Gen Z that will most likely prefer things via AR or VR, balanced by a sense of community.

Forrester estimated that as of 2020, half of all adults were Millennials, with a corresponding increase in Millennial buyers in the B2B market that Statista has projected to hit US\$1.1 trillion this year. Forrester analysts believe that Millennial and Gen Z audiences would go for much simpler and more self-service user experience, giving them the freedom to research and decide without going through salespeople.

“The days of orders needing to be placed through fax order forms or phone calls only are shrinking,” said Connie Wong, marketing manager at digital agency and e-commerce solutions provider Silk Software. “More and more businesses are beginning to see the value in servicing their customers online... They are shifting their focus towards what matters most: engaging with customers, providing them with an excellent customer experience, and establishing ongoing client relationships.”

According to a [marketsandmarkets.com](https://www.marketsandmarkets.com) research, 50 percent of B2B buyers cited improved personalization as a crucial element when they’re searching for potential long-term online suppliers. And they spend 48 percent more when their e-commerce experience is personalized. In effect, the new generation of B2B customers want the same individualized treatment, special promos and discounts, and other perks that they have been getting on B2C platforms. Such preference is expected to fuel the trending convergence of customer data, AI and Machine Learning to power loyalty or reward programs for B2B, [marketsandmarkets.com](https://www.marketsandmarkets.com) reported.



Communities of E-shoppers

Coming out from the virtual isolation of pandemic lockdowns, shoppers both young and old – but particularly the gregarious Millennials and Gen Zers – are eager to make connections and physically engage with their “cyber tribes” or communities. It appears that people still crave an authentic “human-to-human” experience, despite the emphasis on fast delivery times for e-commerce transactions, as gleaned from a survey

by Retail Zipline, an American company that helps old-school physical stores streamline communication and task management.

This trend means that the beleaguered brick-and-mortar shops may again regain a certain importance, this time as meeting places for e-commerce customers where they can check out new products and services together, and document their activities live online. “Your retail space also gives you opportunities to hold events and promotions that wouldn’t be possible if your only storefront was digital,” best-selling author Rhett Power wrote in an article for Forbes.com in March 2020.

“The mall could be seen more like a community experience – exercise, movies, food, medical and education,” said Courtney Hawkins, a US retail industry veteran and former vice-president of Old Navy, in a podcast interview with Wall Street Journal bestseller author Michael Gale in September 2020.



E-Commerce Gets a Conscience

Perhaps noting the sign of the times or following the lead of the “socially woke” Millennials and Gen Zers, e-market players are slowly but surely embracing the precepts of ethical e-commerce.

According to Lucy Hawkes of OMG Transact, 2020 saw a shift in focus away from environmental matters to those of health, given the global COVID-19 crisis. “In 2021, the spotlight will no doubt pivot to sustainability once again... An increasing number of consumers will expect their brands to change their business models, introducing sustainable packaging solutions to eliminate plastics completely as well as introducing refillable or reusable packaging options for as many products as possible,” she added.

Such shift towards sustainable e-commerce will likely prove economically sustainable as well because it does offer solid returns. In its September 2020 report, econsultancy.com said that 47 percent of customers buy at least monthly from brands that support a cause, while 72 percent would recommend the brand or product over one that doesn’t support a cause. Indeed, green consumers are also flexing their



purchasing power, with 65 percent of buyers wanting to make purchases from brands that aim for sustainability, according to the Harvard Business Review.

“Sustainability is no longer reserved for a few brands,” said econsultancy.com contributor and blogger Sam Saltis in a December 2020 piece. “In fact, changes in the economic, cultural and social landscape in many countries worldwide have shifted the focus towards making products that protect the environment.”

Interestingly, an emerging social movement that has sprung from the sustainability bandwagon may prove just as disruptive. Its adherents call it “Minimalism”, with believers leading low-carbon-footprint lives and getting on with just the bare necessities. With its focus on drastically reduced consumption, minimalism may yet prove to be a drag on the growth of global e-commerce. But then again, it may just lead to even more e-commerce innovations and another cycle of lucrative disruptions.

About Global Sources

Global Sources is a trusted, internationally recognized B2B sourcing platform that has been driving global trade for more than 50 years. The company connects authentic buyers and verified suppliers worldwide with tailored solutions and trusted market intelligence through trade shows, digital platforms and magazines.

Vision

To be the most trusted, customer-centric, multi-channel B2B trade platform that promotes authentic global trade geared towards enhancing the quality of human lives

Mission

Connect authentic buyers and suppliers worldwide with tailored sourcing solutions and actionable market intelligence. Help them meet the rapidly changing dynamics of the global trade, source more effectively and seize new opportunities

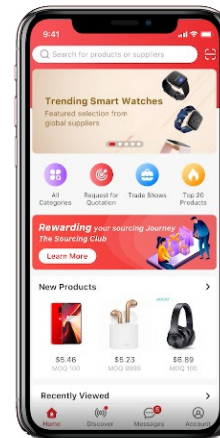
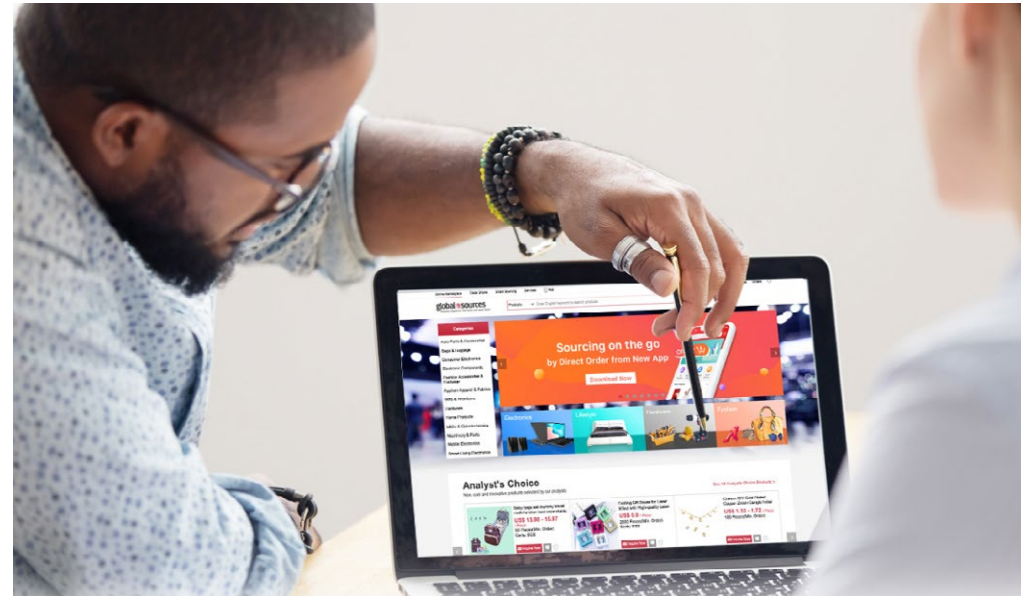
Global Sources helps buyers find the right suppliers and products through its range of customized sourcing solutions:

- ▶ MATCH: Business matching service for buyers
- ▶ Trade shows
- ▶ Online events for the Global Sources community
- ▶ Analyst's Choice
- ▶ Hot new releases



[How to Source Products on GlobalSources.com](#)

Watch the video to learn how you can source the right products for your market and contact verified suppliers.



Source anytime, anywhere via the Global Sources app. It's an easy, all-in-one sourcing tool for buyers to search millions of products and manage their inquiries and quotations.

Download app now

www.globalsources.com

E-COMMERCE

TRENDS to WATCH

in 2021 and BEYOND