

TOP 4 E-COMMERCE OPPORTUNITIES FOR RETAILERS AND BRANDS IN 2017

With global e-commerce sales are soaring and predicted to hit \$4 trillion by 2020, the current ever-connected world represents a huge opportunity for e-retailers.¹ But with growing competition and millions of sellers fighting to boost sales and maximise their chances for durability, how can retailers and brands keep pace? We compiled our top e-commerce opportunities to seize to drive sales and prosper.

1. MOBILE AND SOCIAL MEDIA

In the last quarter of 2016 we saw the most mobile orders in our history. Retailers and branded manufacturers must keep in mind that the new consumer is mobile first, with 1.5 billion smartphones shipped in 2016² and 2 billion people owning a smartphone worldwide.³ This represents an ever-increasing opportunity for retailers to capture customers, especially on the big dates of the [e-commerce calendar](#). For smaller brands using social to connect with customers and build an audience, social media and mobile open a door to an array of opportunities for e-commerce retailers.

Apps:

Users install an average of 33 apps on their device worldwide, using 12 apps daily (on average).⁴ Three apps dominate this landscape, accounting for 80% of app usage: Facebook, WhatsApp and Chrome. Users of these three apps spend an average of 4 hours per day on their phone.⁵ Social media consumes a large percentage of screen time, with 75% of Facebook users and 50% of Instagram users checking each site daily.

Chat Commerce:

Looking to use mobile messaging to grow e-commerce? Keep an eye on China, where messaging is used for “everything”. While messaging was historically all about picture sharing, millennials are now moving towards ‘chat and buy’ shopping experience, and this could be a behaviour to look out for globally. We call it “Chat Commerce” – it’s the convergence of an e-commerce app, chat and payment solution. While we are used to these three being separate across Europe and in the US, they could converge in the future.

2. REVIEWS

Consumers check positive and negative reviews before considering buying a product, and use these to compare brands or to compile information for future purchases. Connecting with potential customers through review sites is crucial. Check that you are responding to reviews, and always maintain a good number of reviews as they give precious information on your business. Authenticity is key here: 84% of consumers trust online reviews as much as personal recommendations.⁶

Use reviews to your advantage to build a reputation and give more information on products. Businesses with a large variety of online reviews are likely to attract more customers than the ones that don’t, as good reviews encourage purchasing through relatable, personal experience. Don’t fear the occasional bad review though: a perfect score of good reviews is also likely to dissuade potential customers.

1 <https://www.emarketer.com/Article/Worldwide-Retail-Ecommerce-Sales-Will-Reach-1915-Trillion-This-Year/1014369>

2 <https://www.strategyanalytics.com/strategy-analytics/news/strategy-analytics-press-releases/strategy-analytics-press-release/2017/01/31/strategy-analytics-global-smartphone-shipments-hit-a-record-1.5-billion-units-in-2016#.WMP4wRicaCQ>

3 <http://thehub.smsglobal.com/smartphone-ownership-usage-and-penetration>

4 <http://www.kpcb.com/blog/2016-internet-trends-report>

5 <http://www.kpcb.com/blog/2016-internet-trends-report>

6 <https://www.brightlocal.com/learn/local-consumer-review-survey/>

3. ZERO FRICTION

Customers are attracted to the idea of 'zero friction' when it comes to delivery, shipping and returns. A free returns policy, clear delivery information, tracking and good customer service are all likely to contribute to the increase of online shopping in 2017.

Fulfilment by Amazon (FBA) represents a growing opportunity to boost sales, with convenience at the top of convincing arguments for customers. A great feature for e-sellers, Amazon's FBA gives you access to Amazon's world-class logistics resources, fast – and free - delivery options for your products, and Amazon's premium customer service in your chosen local language. By all accounts, FBA has been a huge success, with Amazon reporting they shipped over 2 billion orders via FBA in 2016 (that's up 100% from 2015).⁷

The 'zero friction' model is a great example to follow. Following the steps of Amazon Prime (and Pantry), attract more customers by offering options such as free one-day or same day delivery for the UK, boxed-up essentials for a flat fee, Subscribe & Save options, and free standard delivery. Adapt your shipping options for a smoother customer experience.

4. EVALUATE YOUR B2B STRATEGY

You might have already heard that B2B is the new B2C in e-commerce, with most B2B buyers reporting that third-party sites and feedback from business partners, industry peers or social channels are more important than conversations with a company's sales team.⁸ Indeed business buyers enjoy making work-related purchases on the same B2C websites they use for personal purchases, and B2B customers increasingly expect B2C-like experiences.

With shopping behaviours changing in B2B, there is a growing opportunity for these brands to go direct to the consumer, especially through e-commerce channels. Brands must ask themselves if their distributors can match the Amazon/Amazon Business experience, to keep customers in the long run.

There are many opportunities for growth for e-commerce retailers and brands in 2017, from following mobile, social, reviews, shipping and B2B trends. It has never been easier for new brands to get started, or for existing brands to reach consumers. The various solutions within the ChannelAdvisor platform will help you seize these new opportunities and promote products within multiple channels and devices.

To learn more about how ChannelAdvisor can help you maximise sales and capture more customers visit our website or email ukteam@channeladvisor.com.

⁷ <https://www.internetretailer.com/2017/01/04/amazon-tops-2-billion-products-delivered-fba-2016>, <http://phx.corporate-ir.net/phoenix.zhtml?c=176060&p=irol-newsArticle&ID=2126161>

⁸ <http://www.cioinsight.com/it-news-trends/slideshows/enterprise-b2b-imitates-b2c.html>