



5 Trends Reshaping the Future of Ecommerce



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For modern ecommerce businesses, it's not enough to expect growth because you have a great product. You also need to be in the right place at the right time to meet your customers where they shop.

As we know, shopping is now an "always-on" experience. What often begins as a simple search for information will trigger the buyer's journey down a path of research and consideration. Email newsletters, social media, banner ads featuring recently searched products, review sites and countless other sources can lead your audience to shopping options. These options include your site, your products on marketplaces and, unfortunately, your competitor's products.

Any time a prospective customer sees your products, there's an opportunity for your brand to connect. But these encounters may also add complexity to an already busy, fragmented shopping experience. After all, your customers search for products and solutions across hundreds of stores and channels.

We know that showing up in every relevant search and on key marketplaces isn't easy. Your business must manage orders and inventory across multiple locations while responding to the needs of each customer. The underlying challenge is meeting your customers wherever they are and offering an appealing solution to their problems or wishlist.

How can growing companies keep up with market changes and trends while addressing the needs of their customers and scaling their business to handle growth? While there's not a universal answer, taking a hard look at your business for opportunities to streamline and optimize processes can improve efficiency, drive sales and help you expand your market presence and your audience.

With shoppers purchasing online more than ever, retailers must provide seamless, speedy and connected shopping experiences. Customers expect convenience, which means you must say goodbye to slow processes, stockouts and guesswork so you can say hello to more business and happy customers.

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In 2021, Linnworks surveyed more than 1,000 shoppers across the U.K. and U.S. to better understand the needs and experiences of modern consumers. The need for a convenient, seamless consumer experience was evident in the 2021 survey, with 76% of customers saying convenience was a key factor when selecting a retailer. In 2022, we refreshed the survey and collected over 400 additional responses.

The latest findings? Shoppers no longer consider convenience as an added benefit. It's essential and expected.

To win over modern consumers, you need real-time visibility into your inventory, along with easy access to data and insights and total control of your operations. Having the right systems in place is critical to making your shopping experience convenient for customers. When you make all aspects of shopping easy, you get the customer's attention and can share the value you offer. Use convenience as an invitation for customers to discover everything that differentiates your business, such as frictionless payments or fulfillment.

Our survey highlights five ecommerce trends that brands and retailers must understand to effectively compete in what we call the “effortless economy”:



1. Convenience is table stakes in ecommerce.



4. Flexible payments drive faster sales.



2. Price and quality are more important since the pandemic.



5. Multichannel selling is a must.



3. Shoppers are open to purchasing through more social channels.

Convenience is table stakes in ecommerce

Despite volatile market conditions and challenges including economic concerns and supply chain disruptions, one trend is clear: Convenience is now expected in ecommerce. Standard consumer expectations like two-day shipping and flexible payments can be the difference between winning or losing a sale. Nearly two-thirds of respondents consider convenience and ease of purchase as a top factor in their purchasing decisions. Convenient delivery options also enjoy almost universal appeal — over 95% of respondents.

Quality and cost are essential for consumers, but they also prioritize a convenient online shopping experience. The overall shopping experience, including research, takes place across multiple screens and devices. Customers are finding product information, competitors and the products themselves on numerous channels.

Shoppers are also giving more thought to the purchase experience, not just the product itself. They're more sensitive to price and product reviews, highlighting the importance of seller transparency, accurate listings, and up-to-date product information across channels and locations. More than one-third of consumers listed return policies as an important factor in their purchasing decisions, and 45% mentioned expedited shipping and delivery times.

Ultimately, providing a convenient customer experience means providing a clear path to easy, affordable purchases of quality products. Retailers that want to connect those interactions and provide a seamless customer journey should invest in a centralized ecommerce platform.

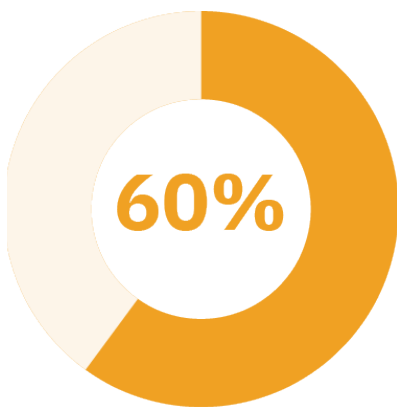


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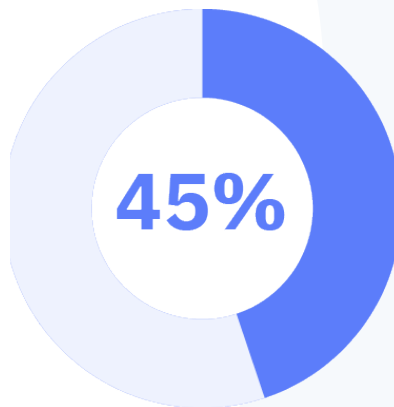
Linnworks research shows that consumers are loyal to brands that make shopping easy. Nearly two-thirds of consumers said that convenience is a priority. Other key findings:

- **Price was the most mentioned factor (74% of respondents) influencing consumer purchasing decisions.**
- **More than 60% of respondents cited product reviews, convenience and ease of purchase.**
- **45% prioritize expedited shipping and delivery times.**

When considering a purchase, over 60% of shoppers focus on product reviews and convenience, while 45% prioritize quick shipping.



60% of shoppers focus on product reviews and convenience



45% prioritize quick shipping

Unfortunately, when you offer a convenient experience for your customers, they typically won't realize all the work that went into providing it. But doing the right things will pay off with repeat business.

One key to providing a great experience is great communication. When your customers have questions, how can they resolve them? Some people prefer to connect with a customer service agent over the phone or via live chat or email; others don't want to speak with anyone. Those customers benefit from automated or self-service options or automated returns through a sales channel.

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Order and inventory management systems can give you more control over your business and improve efficiency and productivity. These systems can also save you time and reduce errors because they rely on automation, which frees you up to focus on other critical business tasks.

“Shoppers in this category can be very particular. ... It’s important that we offer a wide variety of high-quality products to choose from, as we know shoppers will return to us again if we can offer a strong range and can offer them a positive buying experience.”

Mark Crowhurst
Founder, Mcslots



Pro Tips

Consider your business from the perspective of a customer. Look for opportunities to make it easier to find your products and place orders.

- Review customer-facing elements, such as product listings, to ensure that all information is accurate, up to date and easy to navigate.**
- Offer shipping options, such as free or expedited shipping, that help move customers toward a purchase decision.**
- Provide multiple options for customers to contact your business in ways that are convenient for them.**



Price and transparency are paramount

High inflation and economic uncertainty in the U.S. and U.K. are causing many consumers to prioritize the value and longevity of their purchases. Nearly 75% of shoppers are most concerned about price, while 65% cited product reviews, suggesting an emphasis on quality.

Meanwhile, returns are a fact of life with ecommerce purchases, especially in certain verticals. Customers have realized this and are increasingly making purchase decisions based on the returns policy.

Our survey found that:

- **72% have abandoned a purchase over a lack of shipping transparency.**
- **72% are influenced by the returns policy.**
- **89% don't want the returns process to involve customer service assistance.**
- **87% expect a prepaid return label.**
- **47% more likely to shop with brands offering self-service returns.**



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To win in online retail, you need to have simple pricing and transparent return policies. Prices can be difficult to control due to external factors such as production and distribution, but having an efficiently run business with reliable forecasting and fulfillment can help offset rising costs. Manage your orders and inventory effectively to ensure you have the necessary products and resources in the right locations.

“People want better value, faster delivery and better prices, and that’s OK, because with smart business decisions and good systems that manage the order fulfillment and manage the purchasing, we can deliver that.”

Richard Goss
Co-Founder, Rinkit

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Pro Tips

Your policies should be easy to comprehend, provide a clear time frame for returns and cover other requirements, such as acceptable product conditions and whether orders should be returned unopened or in the original packaging.

- Review your return policies to determine whether they provide customers with easy options. You also should indicate how refunds will be processed and by what methods.**
- Avoid unnecessary restrictions or legalese and other jargon, which can trigger additional service requests or even drive away customers before they purchase. Return policies should be concise but comprehensive, including any applicable fees such as restocking or shipping.**
- Make sure your return policy is visible and easily located, whether it’s linked on your website footer, lives on a dedicated page or is included in the checkout process.**

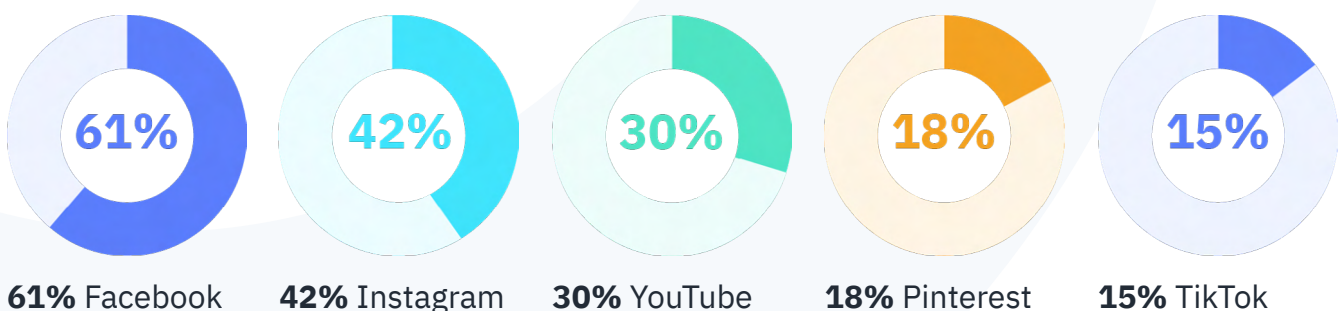
Shoppers are open to purchasing through more social channels

Social media is a massive presence in consumers' lives, and social selling can help you create meaningful connections in an engaging environment. Facebook is still the leading social platform that shoppers use to make purchases, followed by Instagram. TikTok was included in responses for the first time this year, with nearly 15% of respondents saying they'd make purchases there.

Facebook and Instagram are today's champions of social selling, but changes in consumer behavior and technology continue to disrupt the environment. TikTok has gained momentum, and it's beginning to make waves in ecommerce, quickly gaining on other social channels like Pinterest and YouTube.

- **Over 60% of respondents listed Facebook as the platform they'd most likely use for a purchase. Instagram came in second, at 42%.**
- **TikTok made an impressive first appearance this year, cited by 15% of respondents.**
- **30% of respondents mentioned YouTube, which ranked third.**

Social Shopping *Most used platforms*



The social media landscape is dynamic, and today's popular choice might not be the best fit for your audience tomorrow. Regularly test new sales channels to find out what works best for you and where your customers are engaging. Social media is a natural avenue to learn more about your customer's interests. And when you understand your audience, you can optimize your growth strategy.

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Social media is a prime example of how seamless journeys are essential for a good customer experience. Customers access social media at all times of the day and across devices. Sellers need to be available to connect whenever customers want — and for them to pick up where they left off in their shopping journey without extra effort.

When customers decide to buy with you through social platforms, ensure you have a simple checkout process. It's not unusual for a person to casually browse social platforms when searching for products. Take advantage of the relaxed shopping environment by offering an easy way to complete an order. For many consumers, this means a one-page checkout, accurate shipping information and convenient payment options.

“Whenever we want to expand into a new channel or integrate certain functions into our systems, they (Linnworks) are always responsive and help us look for the best solutions possible.”

Braden Mark
Ecommerce Specialist, Toyota



Pro Tips

Consumers spend a lot of their time on social media and are open to shopping there. Your business needs to meet them there while regularly reassessing what mix of social channels is right for you.

- Make sure your checkout experience is mobile-friendly. Social buyers are on their phones.**
- Develop a strong presence on the social channels that matter most to your buying audience across age groups. Understand the demographics of each social channel, and tailor your messaging and offers.**
- Tailor your creative for each channel, too. Social media engagement isn't one-size-fits all. What works for Facebook won't necessarily succeed on TikTok, for example.**

Flexible payments drive faster sales

With price listed as a serious concern by most respondents, it should be no surprise that flexible payment options make purchasing decisions faster and easier, according to nearly 75% of respondents.

Two factors noted by most shoppers as having a substantial impact on purchases are delivery and payment options:

- **95% of surveyed consumers agreed that convenient delivery options are a factor in purchasing decisions, with 45% indicating they “strongly agree.”**
- **Most shoppers (74%) agree that flexible payment options make purchasing decisions faster and easier.**

Consumers are clear about what they expect in a frictionless journey: the ability to easily and securely buy from any device. They want brands to keep their information for later convenience, but they also don't want the hassle of logging in. This is evident from consumers' top three convenience criteria.

- **56% want a guest checkout option.**
- **56% want cross-device seamless shopping.**
- **54% want shopping information stored for future visits.**

Even simple inconveniences can have a lasting impact, with two-thirds of shoppers saying they've abandoned a purchase when the search or checkout process was too complicated. It's not just individual purchases that consumers abandon — more than half of shoppers have dropped retailers entirely because they're too difficult to buy from.

Our survey also found that:

- **90% will prioritize using convenient online stores.**
- **67% have abandoned purchases over complicated checkouts (74% in the U.K.).**
- **58% have dropped ecommerce stores that are burdensome to use.**

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This research indicates the importance of the entire checkout process and why winning brands should rethink purchasing from the customer's point of view. Look at how you can make purchasing easier with the technology you already have. For example, platform integrations with **Buy on Google** can help expand your reach and make it easier to convert shoppers where they already spend their time online.

However, while customers want convenience and functionality, they also want more payment options. It's common for businesses to offer special financing options, such as an introductory offer for a private-label credit card, and other options are becoming popular, too.

Pro Tips

Consumers like having options when it comes time to pay. Set yourself up for success by covering the most popular and building out based on what your buyers need.

- Partner with a buy now, pay later (BNPL) provider, such as Affirm, Afterpay or PayPal's Pay in 4. These options allow customers to buy products and divide costs into smaller payments over weeks or months. These provide an easy purchase experience, but they can also expand your total addressable market to include customers who would otherwise be unwilling to buy from you.**
- Model your checkout process and payment options based on what large marketplaces are offering. This is a situation where you don't need to reinvent the wheel. These organizations have already figured out what works!**
- Many shoppers check out as a guest because they don't have time to create an account or believe it's a hassle. Follow up with customers to create an account (often via email) so the next visit is even easier.**



Multichannel selling is a must

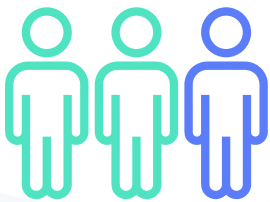
Today's customers are less likely to hunt for your products. When they face seemingly limitless options, they prioritize brands that meet them where they're already spending their time online.

67% of customers use online marketplaces — such as Amazon and eBay — and social media when searching for products. To meet your buyers in all the places they are shopping, your business must have a presence across multiple marketplaces and social channels.

The ecommerce shopping experience is rarely linear these days. Consumers are constantly on and off their computers and phones throughout the day, browsing various platforms and channels. For instance, they might begin researching or shopping on their phone in the morning but complete the purchase from another device later that day.

Recognize where your customers spend their time and how they find your business.

- **Over two-thirds of respondents use online marketplaces and social media when searching for products.**
- **22% of those respondents “strongly agree” when asked if they are using these when shopping, underscoring that marketplaces and social media have become primary tools for finding, researching and purchasing products.**



More than **two out of three** shoppers use online marketplaces and social media when searching for products.

Multichannel selling doesn't mean selling on every available channel. Start with channels and locations where you're most comfortable and likely to find your customers. Wherever you're selling, you need access to real-time reporting and insights. This is especially important when testing new sales channels or strategies. Track your performance across each platform or market to find high-performing stock-keeping units and other trends.

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As you test new channels, look for key metrics such as stock history over time and channel sales by date or fulfillment partner. These data points help you quickly recognize trends and compare data to see how performance has changed over time. Supplement this data with customer feedback to identify what they love and where you can improve.

“I want to keep a pulse on changes in consumer preferences and buying behavior and discover what channels these open. I’m excited to explore these new opportunities with Linnworks to sell everywhere our customers are and continue our fantastic partnership that started way back in 2016.”

Aaron Peterson
Owner, Macdaddy Music



Pro Tips

While selling on multiple channels is a key to growth, including international reach, it’s also more complex than just selling on your own website. These tips can help you scale without the headaches!

- Prioritize a few marketplaces and social channels, and learn what works.**
- Leverage tools to automate inventory management, order management and marketplace listings so you can manage the complexity of being all the places where your buyers are shopping.**
- Don’t try to automate everything at once. Get help from your partner on the best path to success – e.g. inventory management first and then order management – and select a software that can grow with you and comes with a company with great human support. You aren’t alone!**

Ecommerce businesses need visibility and control

Consumers want to shop on their terms. They want the buying journey to be effortless. They've made it clear they're ready to say goodbye to complicated shopping and hello to convenience. Customer expectations are only increasing as they have more options for what to buy and where to buy from. Today's customers expect convenience at every step of their journey, with little disruption to their everyday lives.

We believe that retailers who sustain growth and customer loyalty will be part of the "Effortless Economy." Making the buyer's experience effortless isn't as easy as flipping a switch, but expectations are higher than ever for delivering a best-in-class experience and showing up as a modern retailer. We also know that selling products in multiple places requires automation to make complexity appear easy.

Providing a great customer experience requires a complete view of your customer to connect the dots between channels, platforms and devices. Every business today needs to establish a buying journey that's easy to engage with from discovery through delivery. Do that, and you'll win customer loyalty while showing them how you stand out from your competition.

The results are clear: Brands that are easy to shop with will win a greater share of wallet as customers spend more and make impulse purchases. Convenience is table stakes for businesses that want to win. They provide convenience by ensuring a seamless customer journey regardless of when, where and how the shopper interacts with them.

If your business is committed to meeting this challenge, you need a central platform to manage your orders, inventory, listings and other critical aspects of your business. You need the ability to launch new channels and products with ease, offer fast, accurate fulfillment and have the data and insights available to make decisions that drive success.

With Linnworks, you can say goodbye to stockouts, mis-ships, spreadsheets and guesswork. Instead, you'll solve these problems with accurate forecasts, optimized fulfillment, and important data and reporting. Automated workflows can eliminate the headache of slow, manual processes and you can have more time to focus on your customers and your growth. Say hello to Linnworks so you can say hello to automation, real-time inventory and reporting, five-star reviews and, most importantly, happy customers.

About Linnworks

Linnworks connects modern retailers with their customers around the world through software designed for the effortless economy. Manage your multichannel listings, orders, inventory and fulfillment from a single platform, easily accessing insights across all of your sales channels and operations.

Book a demo at www.linnworks.com/demo.

