



Whitepaper

Top eCommerce Trends 2024

Artificial Intelligence, Social Commerce, ReCommerce, Augmented Reality and Subscriptions: **Discover the trends that are shaping the future of eCommerce.**

eCommerce Trends Covered in This Whitepaper

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eCommerce Finally Embraces Artificial Intelligence

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Social Media Is the eCommerce Platform of the Future

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Sustainable ReCommerce Reaches All-Time High

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Augmented Reality Gains Popularity With Shoppers

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Subscriptions Are the Future of Grocery eCommerce

TREND 1

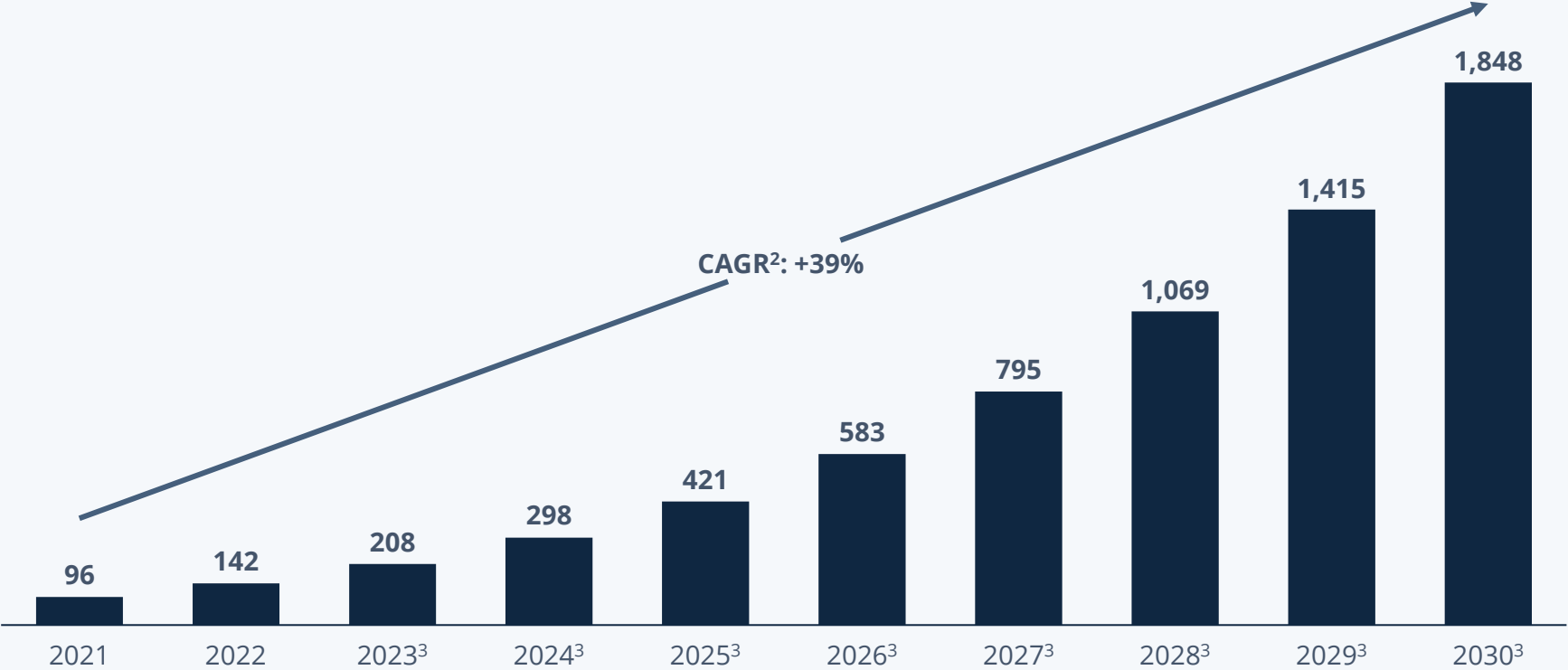
eCommerce Finally Embraces **Artificial Intelligence**

As AI adoption will **increase global GDP by 14%** until 2030, Artificial Intelligence is already playing a **major role in shaping the future of eCommerce.**



Estimated at More Than US\$ 200 Billion in 2023, the Global AI Market Is Expected to Increase Eightfold Over the Course of the Decade

Global Artificial Intelligence Market Size, in US\$ Billion



No other trend has moved financial markets as much as Artificial Intelligence did in 2023. PwC, a professional services network, estimates that **AI adoption will increase global GDP¹ by 14% until 2030 with double-digit impact over all regions.** This is the equivalent of an additional US\$ 15.7 trillion over the course of the decade.

And while much of this growth is achieved through automation and increased productivity, there also exists a massive primary AI market. **The global AI market (hardware, software and AI-related services) is estimated to grow by an annual 39% over the next years, reaching a market value of US\$ 1.8 trillion by 2030.**

Taking the Public Discourse by Storm, Many Retailers Have Integrated Artificial Intelligence Into Their eCommerce Experience



Chatbots & Voice Assistants

Chatbots are designed to simulate human conversation with users, providing instant and personalized assistance. These virtual assistants are integrated into online stores to engage with customers, answer queries, and guide them through the shopping process. By leveraging natural language processing, **eCommerce chatbots enhance user experience, streamline customer support, and contribute to increased sales** by providing real-time, automated assistance.



Image Recognition

Image recognition employs advanced algorithms to analyse visual content, enabling the automatic identification of products within images. **This technology enhances the user experience by facilitating visual search capabilities, allowing customers to find products more efficiently** based on images rather than text, facilitating quicker decision-making and improving overall satisfaction.



Personalized Search

Personalized search tailors product recommendations and search results to individual user preferences, shopping history, and behaviour. By utilizing algorithms and user data, **eCommerce platforms can offer a more relevant and curated shopping experience**, increasing the likelihood of customers finding and purchasing products that align with their interests. This could ultimately enhance customer satisfaction and boost conversion rates.

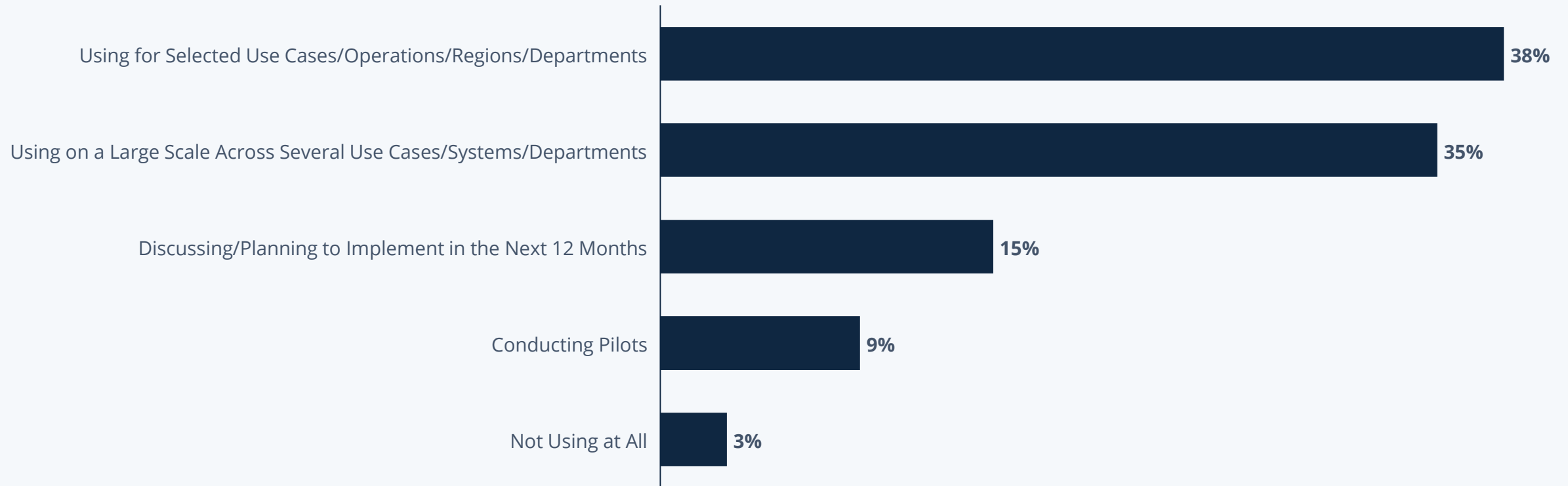


Auto-generated Product Descriptions

Auto-generated product descriptions can create concise and compelling textual content for products. This automation could streamline the content creation process, ensuring consistent and informative descriptions across a large inventory. **This efficiency might save time for merchants and enhance the online shopping experience** by providing customers with relevant details, fostering better-informed purchasing decisions.

More Than Two-Thirds of Retailers in the U.S. and EMEA Are Using Artificial Intelligence to Enhance the Customer Shopping Experience

Share of Retailers Using Artificial Intelligence, Computer Vision or Machine Vision¹, 2023





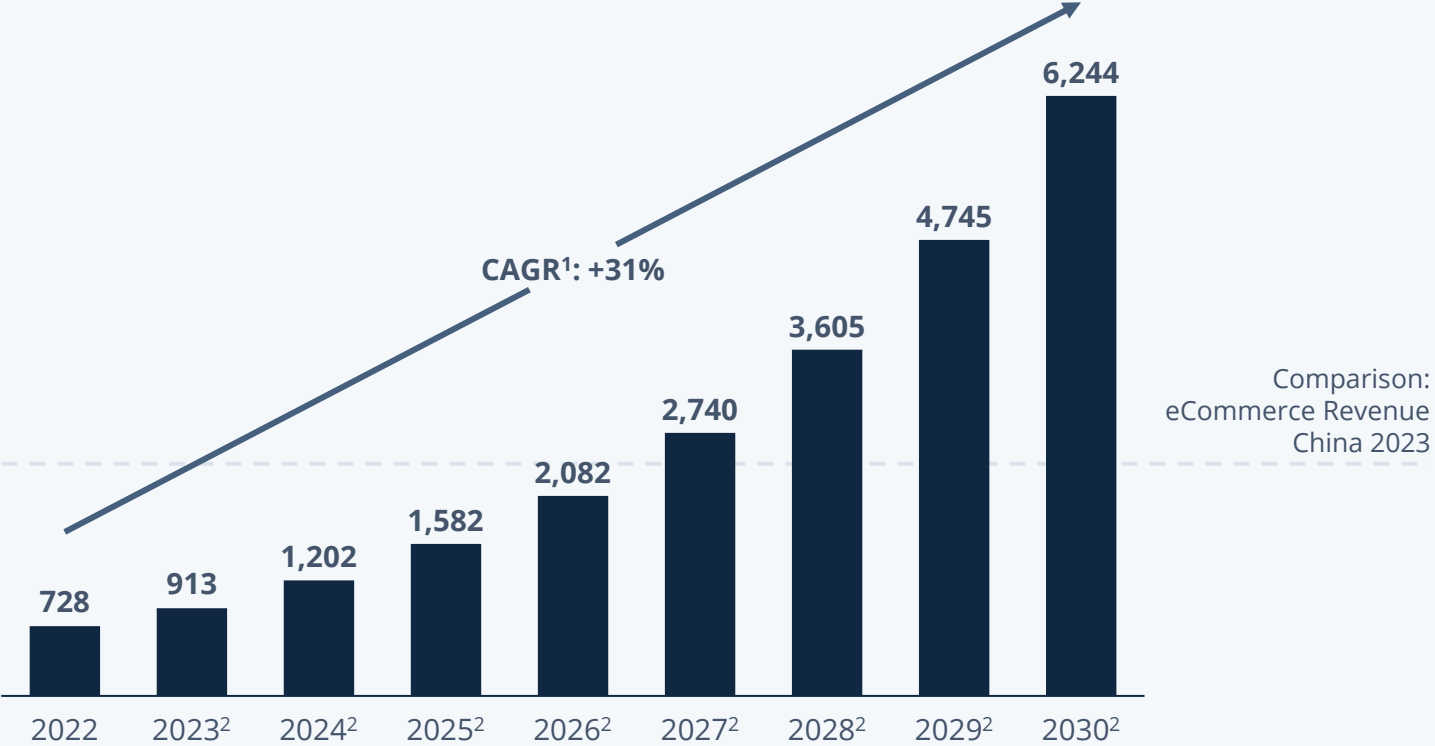
TREND 2

Social Media Is the eCommerce Platform of the Future

Just as it has taken over Chinese eCommerce, we believe that **Social Commerce** is bound to have a larger impact on the global market.

Driven by Content Creators and International Network Effects, the Social Commerce Market Is Projected to Grow to US\$ 6.2 Trillion by 2030

Social Commerce Revenue Worldwide, in US\$ Billion

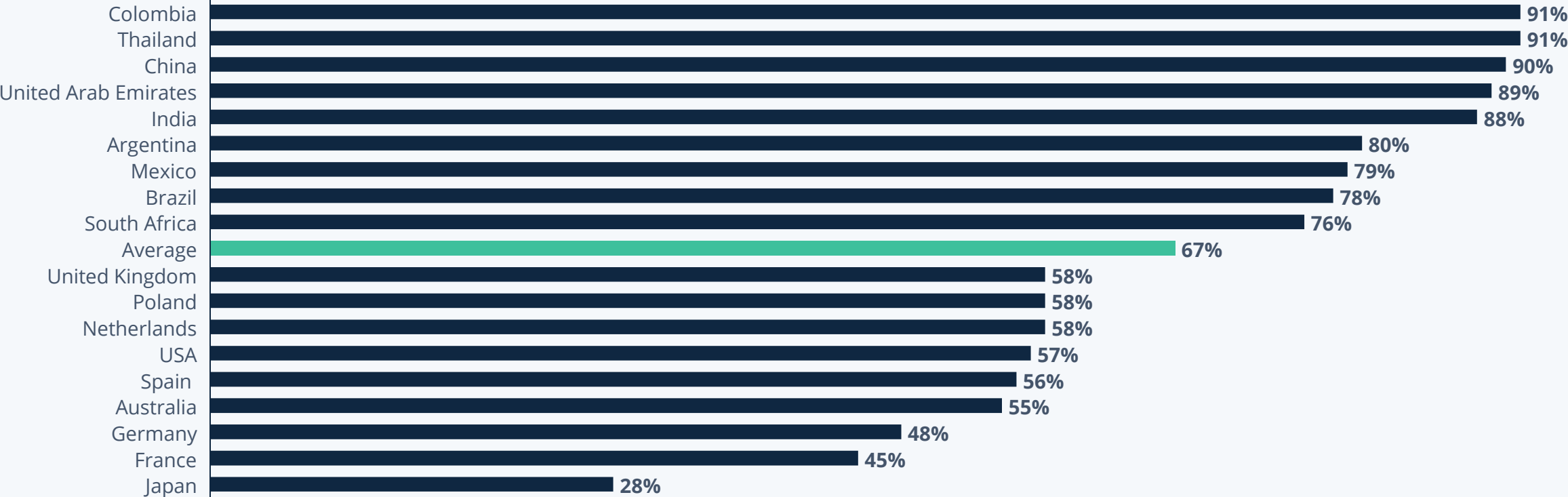


Driven by social media platforms like Instagram, Facebook and TikTok, social commerce has rapidly emerged as a dominant force in the eCommerce space. Boasting billions of active users and already high engagement numbers, it gives retailers access to targeted audiences while facilitating a social experience in the digital shopping process. **On the back of these strengths, the social commerce market is projected to grow annually by 31% over the next years to US\$ 6.2 trillion by 2030.**

And while social commerce penetration is still the strongest in Asia and Latin America, other major regions are slowly catching up. **The share of social commerce users in North America and Europe grew by double-digits in 2023.** It remains to be seen how the seamless integration of eCommerce features into existing platforms, combined with strong network and follower effects, will affect traditional eCommerce powerhouses.

67% of Global Consumers Have Already Bought Something Through Social Media Platforms, While 53% Intend to Shop More This Way

Share of Consumers That Have Already Used Social Commerce to Make Purchases Online, 2023

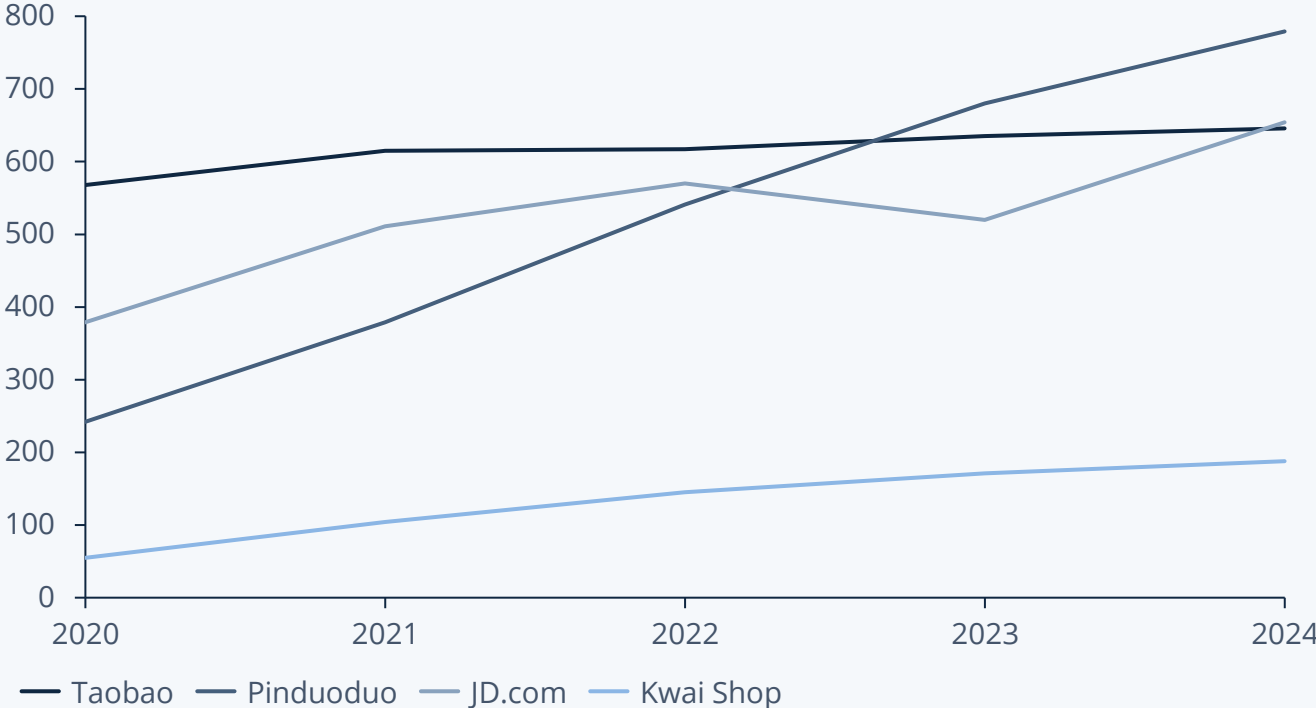


On the Back of Rising Live Commerce Revenues, All Major Chinese Marketplaces Show Significant Growth of Gross Merchandise Volume

One of the most profitable trends within the social commerce space is the emergence of live commerce. **Influencers are promoting and selling products through livestreams on their social media.** This allows for an interactive experience for consumers outside of physical shop-ping while also stimulating sales through the influencer’s popularity as 46% of global shoppers have made a purchase through such an event. **After rapid expansion in recent years, the market is expected to reach sales of US\$ 700 billion by 2023.**

Having its origins in Asia and experiencing its highest growth in China, **Chinese marketplaces dominate the live commerce landscape.** All of the big players have integrated livestreaming into their eCommerce platforms with great success. Taobao, a marketplace run by Alibaba, has long been the driver of live commerce after being the first major marketplace to introduce live shopping. But in recent years, newer competitors such as Pinduoduo as well as short-form video platforms such as Douyin and Kuaishou have threatened to outpace Taobao.

Gross Merchandise Volume of Leading Marketplaces with Live Commerce Integration, in Billion US\$



A woman with long dark hair is seen in profile, looking at a rack of clothes in a clothing store. The background is slightly blurred, showing other clothing racks and store fixtures. The overall tone is blue and professional.

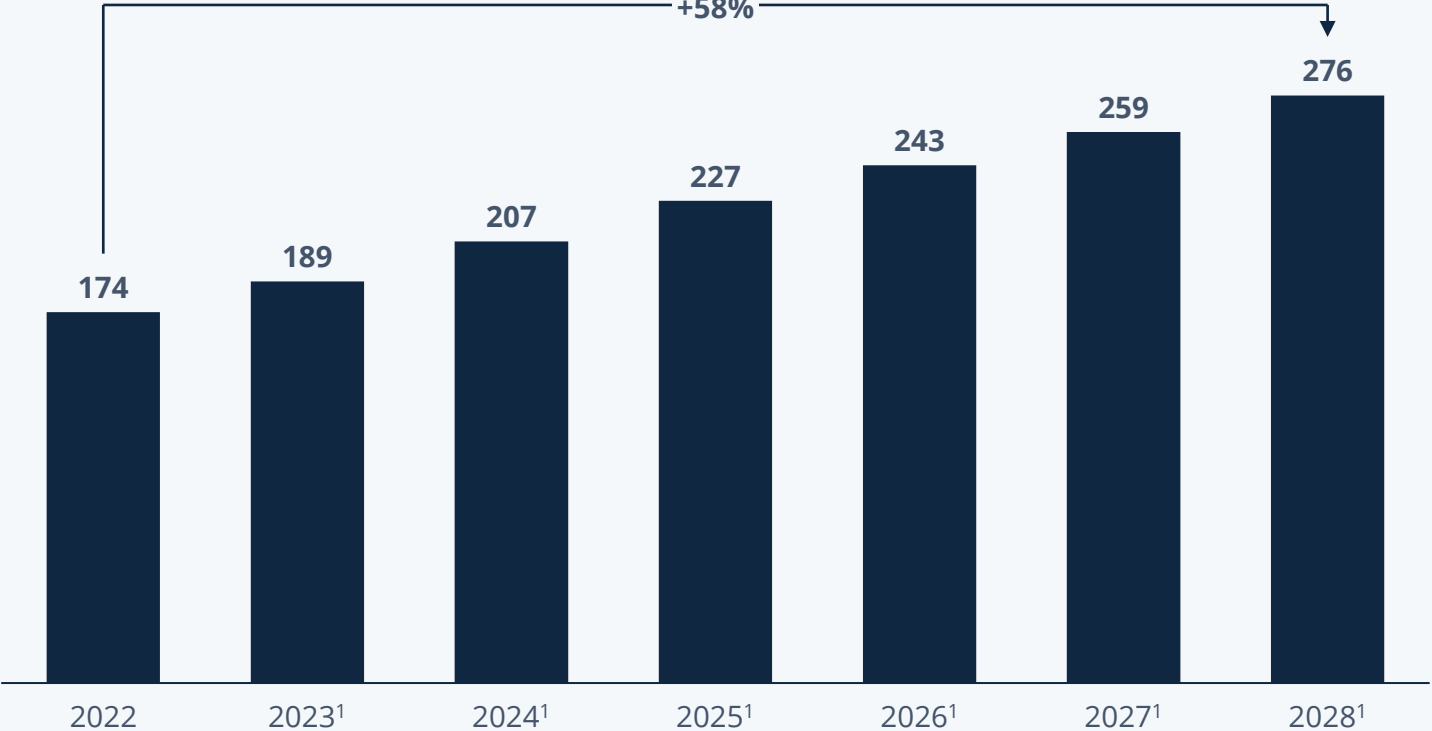
TREND 3

Sustainable ReCommerce Reaches All-Time High

85% of online shoppers actively buy or sell second-hand while the reCommerce market grows faster than the global retail market.

Growing by 58% From 2020 Until 2028, the Global ReCommerce Market Will Outpace the Overall Retail Market Over the Coming Years

Global ReCommerce Net Sales, in Billion US\$



In recent years, sustainability has become an ever more important topic in eCommerce as everywhere else. Combined with higher price-sensitivity among consumers due to inflation, this has given rise to the ReCommerce market – the sale of pre-owned products in form of a circular economy. **According to surveys, 85% of shoppers actively buy or sell second-hand.**

In 2023, the ReCommerce market generated US\$ 189 billion in global sales. This represented an 8.6% increase compared to 2022, slightly higher than the overall eCommerce market. The market is expected to hold this pace, growing to US\$ 276 billion by 2028.

This trend is reflected in the largest ReCommerce marketplaces. **ReCommerce platforms such as Vinted, Back Market or Etsy all saw double-digit annual growth over the last five years,** emphasizing the continuous strength of the market.

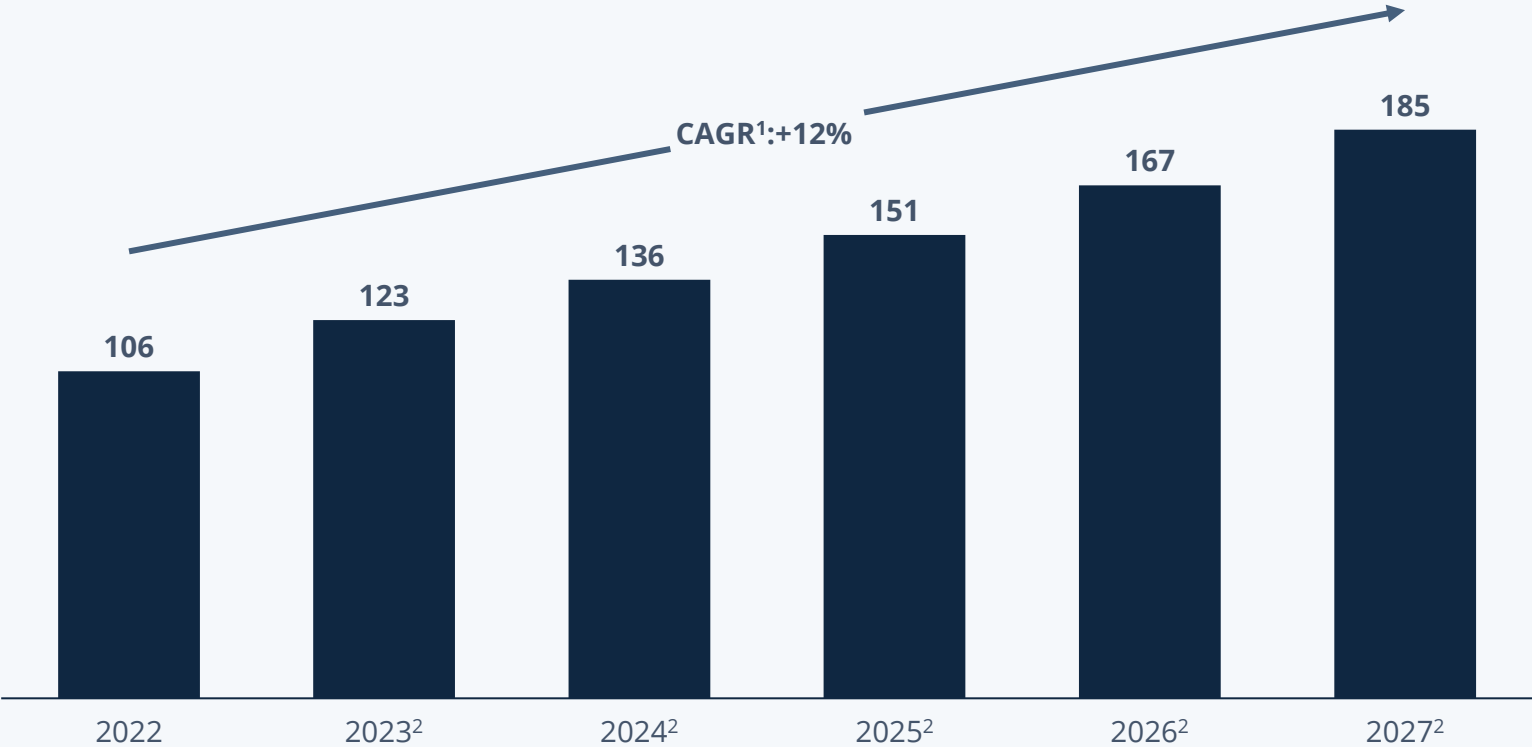
While Sustainability Is the Largest Driver of Recommerce, a Sizeable Share of Consumers Is Opposed to Wearing Other People's Clothes

Share of Consumers That Agree With The Following Recommerce Statements¹



Despite a General Shift Towards Sustainability, Fast Fashion Sales Are Growing Faster Than the Secondhand Market

Global Fast Fashion Net Sales, in Billion US\$



While sustainability has reached a prominent position in the public eCommerce discourse, this has done no harm to the popularity of fast fashion. **Driven by high product turnover and low prices, the fast fashion market has generated US\$ 123 billion in sales in 2023.** Estimated to grow by an average of 12% per year, it is estimated to reach yearly sales of US\$ 185 billion by the year 2027.

At the forefront of the fast fashion trend is the Chinese apparel powerhouse Shein. Especially popular among Gen Z and Gen Y users, Shein releases up to 10,000 new items each day. **Projected to generate US\$ 48 billion in 2024, the company is the largest fashion retailer in the world.** Chinese eCommerce companies such as Temu and Alibaba have started to replicate this global success in other categories.

A person wearing AR glasses, holding them up to their eyes. The background is dark blue.

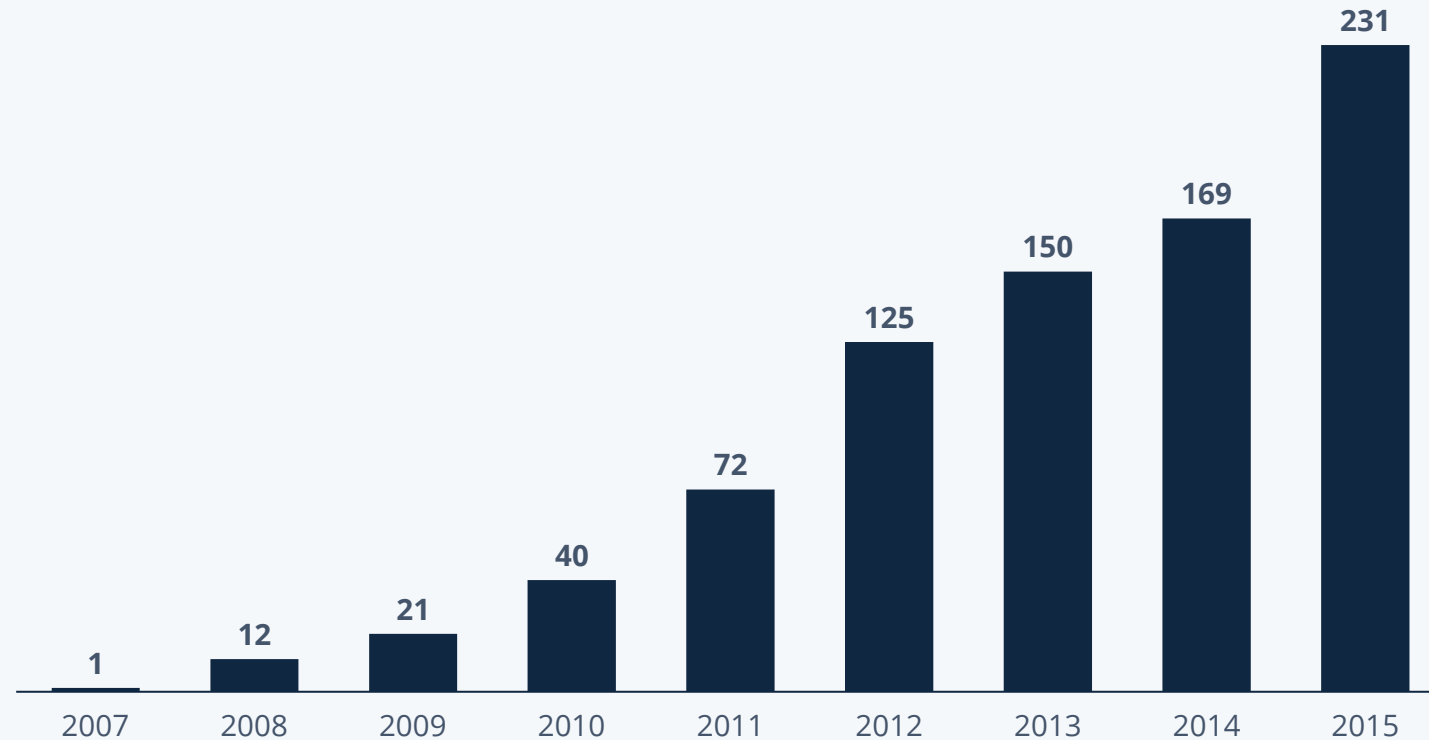
TREND 4

Augmented Reality Gains Popularity With Shoppers

As Apple gears up to disrupt a new field of technology, we believe that this is a **new phase of AR applications in the eCommerce space.**

With the Release of the Apple Vision Pro, Apple Is Trying to Bring iPhone-Level Growth to the Augmented Reality Space

Global Sales of the Apple iPhone, in Million



When Apple released its first iPhone in 2007, it was hardly the first phone on the market. Commercial cell-phones had been around for over two decades and the iPhone was more expensive than its competitors. **But the appeal of the smartphone proved to be too disruptive and achieved unparalleled success on the back of loyal early adopters.** Starting with sales of just 1 million in 2007, the iPhone quickly reached critical mass, selling 231 million devices by 2015 as the competition rapidly shifted its focus to follow the trend.

Fast forward to 2024 and Apple is trying to bring this disruption to the AR space. Its Apple Vision Pro promises the most user-friendly AR device leveraging Apple's ecosystem. And despite a steep price tag of US\$ 3,499, early adopters are thrilled by the device with waiting lists growing. **With Apple's experience in shaping consumer technology, this looks like a new phase for a technology that struggled to fulfill its potential.**

88% of Consumers Think That Augmented Reality Will Play a Big Role in the Future, With Asian Markets at the Forefront of AR Growth

Share of Consumers That Think Augmented Reality Will Be Important in 5 Years



Retail Is One of the Fastest Growing AR Use Cases, With Almost Half of All Consumers Expecting to Shop More Through AR Applications

Share of Consumers Planning to Use Augmented Reality More in the Future



Popular social media apps like Snapchat and TikTok have popularized the use of AR features in areas such as communication and entertainment. But outside these main drivers, AR has also seen a silent rise in the retail landscape. **More than 40% of consumers are already using AR for online shopping and even more users plan to significantly increase the role of AR in their shopping experience.**

But recent surveys have also shown that Augmented Reality has an impact on the quality of eCommerce experience. **AR provides higher levels of consumer attention for brands while also increasing consumer trust and product transparency.** And integrating an AR experience into the marketing mix leads to an up to 94% higher conversion rate following strong brand connection and the possibility for consumers to better assess products.

TREND 5

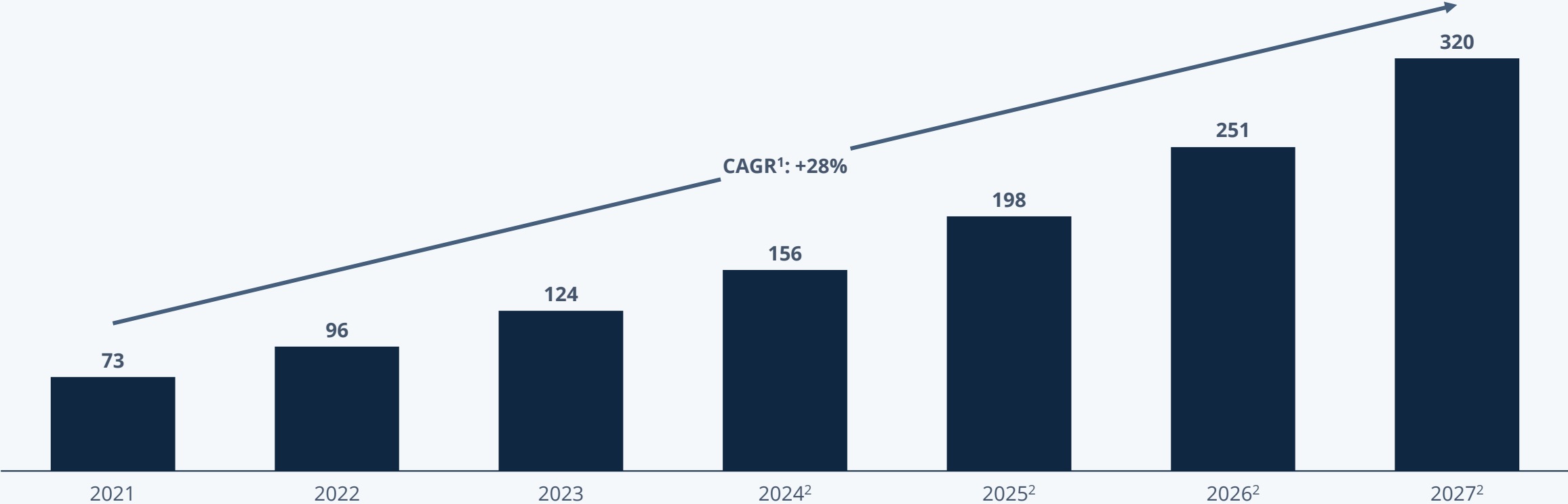
Subscriptions Are the Future of Grocery eCommerce

Customers of grocery subscriptions are most loyal and spend the most in a rapidly expanding market.



Global Subscription Market Will Grow to US\$ 320 Billion by 2027, Showing a Strong Consumer Preference for Convenience

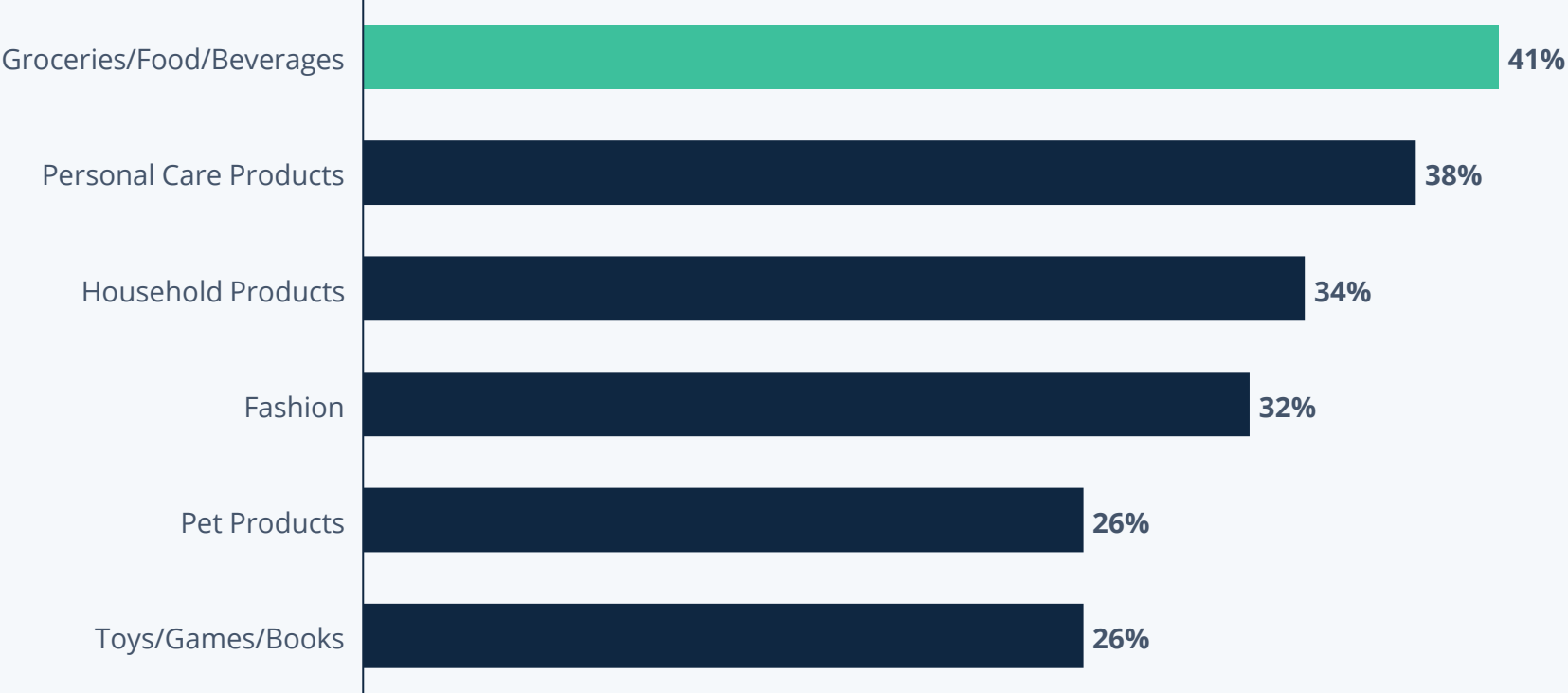
Global eCommerce Subscription Market, in US\$ Billion



20 | Notes: (1) Average Growth Rate per Year (2) Forecast.
Sources: eMarketer, Mordor Intelligence.

General Merchandise Is Leading the Subscription Trend, With More Than 40% of Consumers Paying for Grocery Subscriptions

Global Share of Consumers Using Subscription Service Types

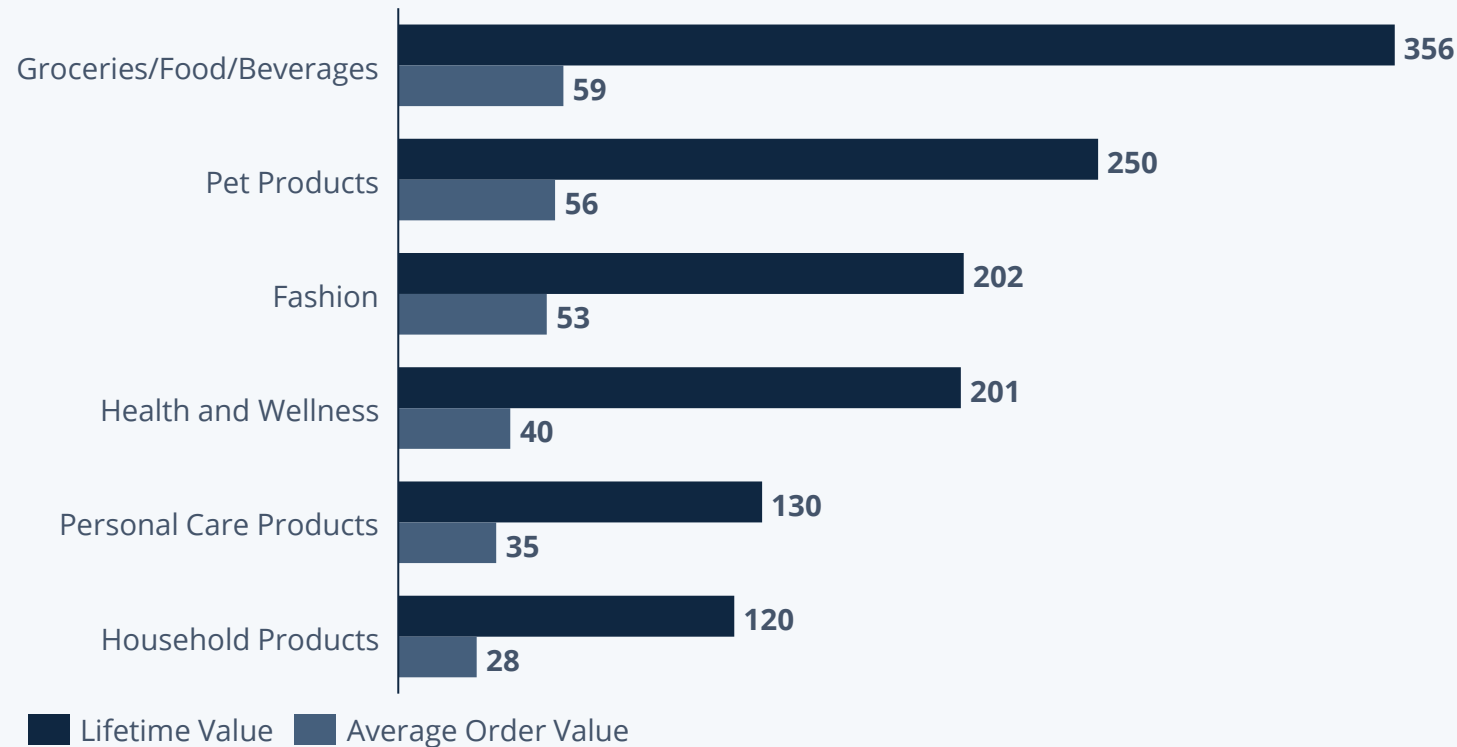


Over the course of the pandemic, physical eCommerce subscriptions have become increasingly more popular. And while subscriptions have always been the main business model for digital entertainment or mobile plans, they are becoming more and more common for general merchandise and fast-moving consumer goods.

More than 40% of all consumers are using subscription services such as Walmart+, Instacart or Amazon Fresh to do their groceries. Other everyday goods like Personal Care Products (38%) or Household Products (34%) are also popular targets for subscriptions as the recurring nature of these purchases makes subscriptions more appealing.

Subscribers of Grocery Subscription Services Are Spending US\$ 356 on Average Over the Course of Their Membership

Lifetime Value and Average Order Value of Global Subscription eCommerce by Category, in US\$



Among retail subscriptions, grocery subscriptions stand out with the highest lifetime and average order value. This can be attributed to the essential nature of groceries for consumers, leading to predictable purchases over an extended period. The relative loyalty and subscriber quality makes grocery subscriptions an appealing business for retailers.

Following are subscriptions for Pet Products and Fashion. Pet owners tend to be dedicated to the well-being of their pets, resulting in regular purchases of goods through subscriptions. Fashion subscriptions offer consumers curated clothes and accessories, fostering repeat purchases.

In contrast, Personal Care and Household Products exhibit lower lifetime and average order values in subscription models. While these products are essential, they often have longer replacement cycles compared to groceries.

A young woman with blonde hair, wearing a dark button-down shirt, is smiling and holding a tablet. The background is a blurred office environment with other people and a whiteboard.

ECDB

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