

# **ECOMMERCE TRENDS 2022:**

TOP TRENDS FROM

10 INDUSTRY LEADERS





# WHAT ARE THE TOP ECOMMERCE TRENDS IN 2022?

Given ecommerce's breakneck rate of change, brands need to constantly monitor the trends shaping consumer expectations and shopping behaviour.

At Vaimo, we're big on tracking trends. They help ensure that each client's business objectives are aligned with their digital commerce models through technology selection, customer experience alignment, roadmap creation, and brand virtualization.

But which trends are most relevant? You can't keep track of all of them. Well, no need to worry!

We have asked our partners: **Adobe, Akeneo, Nosto, Klevu, Dotdigital, Adyen, Zendesk, Yotpo, Signifyd** to share their top 3 trends for 2022.

#### VAIMO

66

Vaimo is one of the world's most respected experts in digital commerce and experience. We are a full-service omnichannel partner with a 12-year track record of driving success in digital commerce across the B2B, B2C, and D2C sectors. We work with brands, retailers, and manufacturers globally and our 500+ employees are based in over 15 countries.



Brian Dearth
Head of Strategy
and Growth

#### **Linear Ecommerce – Starting With the Audience**

For a product to be purchased, there must first be an audience who wants or needs it. Based on this fundamental of business, linear commerce flips the normal cycle of creating a product, marketing to an audience, and selling said product on its head. Instead, this approach focuses on the audience first and products second.

"

Linear commerce is changing how new companies are birthed and is causing existing businesses to rethink how they acquire customers.

One way it does this is through the increased focus on foundation—once the audience understands the foundation of your product, they are more convinced to buy from you. Secondly, using organic engagement methods, helps you to understand your customers better and tweak the product accordingly before releasing it.

#### **Phygital Experiences**

A combination of the physical and the digital, phygital experiences promise the best of both worlds. Adding wearable tech, interactive product descriptions, livestream ecommerce, QR codes, and even animation to digital apps, sites, and



experiences are a few of the ways future thinking ecommerce operators are adding a navigable experiential quality to their platforms.

Phygital experiences amplify both in-person and online shopping experiences. You could go to a store, try on a pair of sneakers, and then be offered a VR headset that allows you to see it in different colours or perhaps a different environment. Or you could be sent a coupon with a QR code, when you've ordered a physical product, that will convert into loyalty points or accessory products on the company's website.

#### Supply Chain Issues Remain a Challenge

Getting enough products to consumers will continue to be THE most daunting challenge for nearly everyone in 2022 and beyond. Recently, even the US President Joe Biden addressed this issue with retailers in a special session. This trend is not going away anytime soon and I believe we are just at the beginning of a major shift in the Global Supply Chain.

This trend is even more impactful as consumers are taking a flexible approach to shopping. According to a recent study by McKinsey & Company in October, the majority of US shoppers either switched brands or products (39%) or switched retailers (32%) when their item of choice was unavailable. Meanwhile, 13% waited for the item to come back in stock, and 16% simply opted to do without.

# **ADOBE**

66

Adobe is an industry leader in commerce and experience. Adobe Commerce offers end-to-end commerce that grows with you. Their future-proof technology gives you a commerce platform that's endlessly flexible, extensible, and scalable.

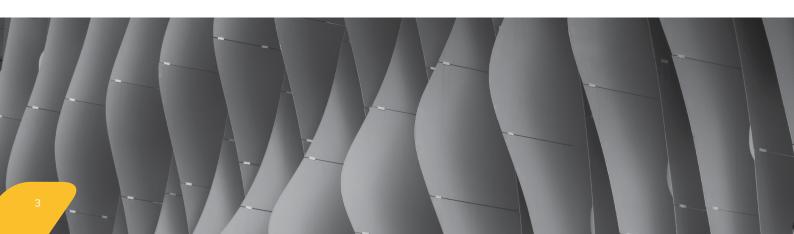


Jason Ford Lead Solution Consultant

#### **Headless Customer Experiences**

Whether that's a new website powered by PWA Studio, a native app connecting to GraphQL APIs, or to less traditional ecommerce experiences such as AR, VR, and Voice. All these experiences have a decoupling of customer experience and ecommerce functionality that allows for rapid experimentation and revolution.

I am excited to see the innovation that is coming from the industry, such as AI chatbots that can find and recommend products to customers and IoT enabled products that can place orders on demand.





#### Take-over of D2C

The move to D2C, and away from traditional models, has been going on for some time. However, this trend has accelerated during the pandemic. In 2022 I see D2C being the go-to for manufacturing brands.

We all know the benefits of D2C; such as better relationships with end customers, more insights and better future planning, more margin, and the list goes on. Whilst brands might not be choosing to go 100% D2C, I see a consolidation effort from brands trying to simplify their go to market and capitalising on the automation and scalability of an ecommerce platform.

#### The Key to Working Smarter, Not Harder is Here! It's Al!

We're seeing Artificial Intelligence being used throughout the shopping experience to drive unparalleled personalisation at scale. This means customers are finding more relevant products, faster, which is driving up conversions and AOV.

Whether it's an Al-powered catalogue search, where products are uniquely prioritised (with a little sprinkling of merchandising on top), or using Al to power trending product recommendations, or shop the look features throughout the catalogue. Al allows your team to work at new levels of scale, and spend more time on building the customer experience.

# **AKENEO**

66

Akeneo is a global leader in Product Experience Management (PXM) helping businesses with products to sell, to unlock growth opportunities by creating a single source of truth for product information and delivering a consistent and compelling omnichannel product experience.



James Barlow Regional Director I UK & IRL

#### **Composable Commerce**

Driven by engagements through various touchpoints and channels, the path to purchase is no longer defined along a linear funnel. This means online retailers face a dilemma. It is not practical to operate multiple siloed systems and frontends to engage with customers – the cost and complexity of implementation, integration and operation would be prohibitively high and significantly increase over time.

One increasingly popular way to overcome this is through using Composable Commerce. Composable Commerce is API-first, meaning that each piece of software communicates through APIs allowing businesses to form a best of breed architecture for each business need, rather than being shackled to the limitations of a monolith platform.

#### **Omnichannel Strategy**

Improving customer service and streamlining the omnichannel experience is at the epicentre for 2022 as the world begins to repair. Consumers expect and demand an excellent omnichannel commerce experience.



Having accurate, quality product information and engaging, curated content is fundamental to delivering the ultimate commerce solution, yet is often overlooked or underinvested in.

A PIM system will not only save time and costs when it comes to digital commerce, it can also be used in-store via handheld devices, allowing staff to provide engaging, tailored recommendations.

#### **Social Media Selling**

There is a lot of importance placed on the use of social media, and it is indeed justified. A 2021 report by Sprout Social found that 76% of consumers have used social media more in the past year, and 63% have bought from it, highlighting the importance of capitalising on this.

But so far, retailers haven't quite hit the mark, frequently over-promising and under-delivering to customers. Retailers tend to think that social media is an effective way to push out advertising and messaging, to drive more sales. However, customers want to engage on social media with businesses that listen to feedback and create a two-way dialogue.

# **NOSTO**

66

Nosto is a leading ecommerce personalisation platform. Nosto makes it easy to quickly deploy fully personalised, integrated commerce experiences with fine-tuned control of merchandising rules — across product recommendations, content, triggered overlays and popups, category pages, and more.



Ellie Docherty
Technology and Agency
Partner Manager

# **Segment Experiences for Target Audiences**

More people are shopping online these days, which means a one-size-fits-all shopping experience won't cut it anymore. Brands that hope to boost their online sales in an increasingly competitive landscape will make sure they deliver the most relevant content to site visitors based on real-time insights.

By segmenting site visitors, brands can deliver more tailored website experiences. Of course, there are myriad ways to slice-and-dice an audience. To keep it simple, we suggest brands limit their first round of segmentation to no more than six predictive audience blocks covering key visitor types—each with a different goal. For example, a segment could be dedicated to someone's stage in the customer lifecycle (new visitor, returning visitor, new customer, returning customer, window shopper, etc.)





#### **Showcase Authentic Visuals**

Did you know 88% of consumers say authenticity is important when deciding which brands they like and support? User-generated content (UGC) is the content your customers and brand fans generate about your products online, and its authenticity is unmatched. In 2022, we expect to see wider adoption of this style of content.

Plus, 79% of consumers say UGC highly impacts their purchasing decisions. UGC is also highly cost-effective for brands, as the people posting these photos are often doing it for free—brands just have to be sure to request the rights. Once enough content is collected, share the photos on your website and social channels, and watch the engagement and sales numbers tick upwards.

#### **Automated Merchandising**

Another trend we expect to see more of this year is automation of the merchandising process. With the growth of smart tools, ecommerce managers have more options than ever to optimise the merchandising process:

- **Improve user experience** Automate dynamic product discovery to any shopper, new and return, to get an optimal experience on your site.
- Save time Keep your site up-to-date by providing best-selling, high-converting, and out-of-stock item updates in real time—things that are all the more important now with industry-wide inventory problems from ongoing COVID regulations.
- Make more data-driven decisions Brands can make the most out of new shoppers by showing them what's the
  most popular on your site.

#### **KLEVU**

66

Klevu is an Al-powered discovery suite, that is loved by 3000+ retailers worldwide. It offers ecommerce personalisation tools like smart search, smart category merchandising, smart recommendations, and the personalisation engine.

"



Aanya Ali Global Head of Marketing

#### **Personalization With Privacy**

A recent study from Salesforce found that 72% of consumers would stop buying from a company because of privacy concerns. The problem is, the concerns keep mounting. From news of hacks and data breaches, Google or Apple allowing users to blanket opt-out, to the flipside, TikTok forcing users outside of the EU to opt-in to personalised ads.

Users are having to weigh up experience with privacy. Klevu believes that personalization doesn't require personal data. That privacy is too high a price to pay for a good experience, and that behaviour and action on a website speak louder than profiling and segmentation.





#### **Conversational Commerce**

Gartner predicts that by 2025, 80% of large enterprises will need to have a conversational-technology-focused centre of excellence or skills resource.

Shoppers have realised that being more specific in how they search can get them relevant results quicker. In fact, according to Google, mobile searches including qualifiers like "me" and "I" have grown over 60% in two years, and this trend isn't going away. And this behaviour is influencing not only web discovery but ecommerce product discovery.

#### RIP 'Single View of Customer'

The reality is, there are so many channels these days and the shopping journey is more fragmented than ever before. According to a recent study by Gartner, it's not commercially viable or even necessary for businesses to keep everything seamlessly connected.

But there is a golden thread of opportunity tied to a great onsite search and product discovery experience. Making sure that the on-site ecommerce search enriches the product catalogue and is set up to understand the intent behind searched terms, will help customers find items on your online store that they may have seen in real life, in-store, on a friend or in a flash on a TikTok.

# **DOTDIGITAL**

46

Dotdigital is a cross-channel marketing automation platform trusted by 4000+ brands. They help you deliver cross-channel messaging with an easy-to-use marketing platform that lets you do more with your data.

Frank Brooks
Head of EMEA Marketing

#### **Shift Toward Responsible Marketing**

Spurred on by conscious consumers becoming more aware of how their data is collected and stored by brands – in 2022 we'll see a greater shift towards ecommerce brands needing to become responsible marketers.

"

We forget it, but there is most definitely a human being on the other side of the laptop or smartphone. Brands need to think about how their marketing will affect them and use the data and insights they hold to better understand their customer's



situation. Finding harmony with your consumer's data privacy and security will only bolster trusted relationships, promote advocacy, and of course most importantly encourage loyalty.

#### More Brands Will be Turning D2C

The past two years have really paved the way for businesses to skip the middleman and go straight to the consumer, and 2022 will be no different. So many businesses (increasingly smaller ones) are finding the courage to create new and exciting brand experiences directly with their end-user.

Choosing to become a D2C brand has many benefits, like more control and clearer brand identity, which are ultimately built upon stronger customer relationships. But D2C ecommerce is only as successful as your marketing strategy. To truly delight your newfound customers and develop loyal shoppers for life, you'll need to provide experiences that stand out.

#### **ADYEN**

Adyen is the payments platform of choice for many of the world's leading companies, connecting businesses to Visa, Mastercard and popular global payment methods in a single system. This makes it easy to deliver frictionless payments across all channels.



Philippa Mathews Sales Manager

#### **Unified Commerce for the Win**

The last year and a half has seen online payments soar, but that hasn't stopped customers from appreciating an in-store experience. According to our data, 73% of UK consumers and 83% of Irish consumers want brands to continue to sell across multiple channels. When done right, unified commerce can have a great impact on your sales—Adyen data found that omnichannel shoppers spent 200% more than single-channel shoppers.

So, if your website or app is in need of some TLC, now's the time to turn your attention to it. Research in our latest snapshot report: The Expectation Gap, shows that there is a gap in customer expectation and brand readiness when it comes to unified commerce. Customers want to buy online and return in-store, as well as checkout in-store, using an app, while brands are focusing on this significantly less.

#### **Lockdown Loyalty Prevails**

Consumers aren't about to forget the brands that were there for them during the dark days of the pandemic, and Irish consumers are particularly grateful. 70% of them, along with 53% of UK consumers, say they will stick with the brands they used during the pandemic. And not just online—23% of UK and 32% of Irish consumers committed to sustaining their local high streets.

#### The Rise of the Conscious Consumer

It appears the pandemic has awakened a mass social consciousness, influencing people's expectations from brands when it comes to doing good.



You can hone in on your customers' values by giving them the ability to donate at checkout, which is prioritised by 35% of UK and 46% of Irish consumers according to Adyen research. On top of that, an ethical supply chain will be appreciated by 54% of UK and 68% of Irish consumers, so it's definitely an area worth focusing on.

And if as a company you already support any charities or organisations, make it known to your audience. This will go down well with the 47% of UK and 62% of Irish consumers who view standing up for worthy causes as important.

# **ZENDESK**

66

Zendesk is a trusted and beloved CRM customer service software company and the champion of great customer service everywhere for everyone. Alexa Seefeldt, Senior Partner Sales Manager EMEA at Zendesk, shares the 3 retail trends: meeting customers where they are; focusing on agent experience; and investing in the future CX.



Alexa Seefeldt Senior Partner Sales Manager

#### **Meet Your Customers Where They Are**

As the number of online shoppers grows, and competition increases, convenience and simplicity are more important than ever. Customers want to reach you however is most convenient for them—according to the 2021 Zendesk CX Trends report, 64% of customers tried a new way of getting in touch with businesses last year, Social Messaging being the top growing channel.

It's not just novel channels, but the connected experience and messaging that seals the deal. It allows both the customer and the company to maintain an ongoing conversation rather than one-off transactions. With Zendesk, customers can now reach out to you wherever and whenever is most convenient—and your teams can be there for them when they do, backed up with the 360° view of the customer.

#### **Support Your Agents First**

Happy agents are better positioned to provide better and more empathetic customer service, but the CX Trends Report found that 68% of CX agents reported feeling overwhelmed in the past year.

Make sure to let your team know they're one of the most valued parts of your business, and use the tools and workflows to manage the workload. Proactive customer communications, automated responses to most common questions and easy-to-navigate help centres help to redirect straightforward enquiries so your agents' time can be more productive. That can help to reduce their frustration and give them some time back to focus on more complex requests.

#### **Invest In The Future**

A recent Zendesk study with analyst firm Enterprise Strategy Group, found that leading mid-sized and large businesses in Europe expect to increase their CX-related spending by 32% from this fiscal year to next. Beyond capital investments, these businesses also invest more executive attention on CX metrics and optimising customer experience.



Making smart use of your tools and teams to manage expectations and make it easy for customers will help your business get ahead of the peak, but holding on to customer loyalty for the long-term requires a long-term investment strategy for your CX, and leadership buy-in, too.

# YOTPO



Yotpo is an ecommerce marketing platform that offers the most advanced solutions for customer reviews and ratings, visual marketing, loyalty, referrals, and SMS marketing.

"

#### **Increase in Mobile Adoption & SMS Marketing**

Investment in mobile channels is a trend we've been seeing for a while. However, new privacy changes are shifting the investment toward SMS specifically. iOS15 email changes are impacting visibility metrics, the iOS audience is still primarily a mobile audience. This makes **SMS marketing** the ideal channel to effectively engage mobile consumers, in light of these new changes.

# Loyalty Programmes Used to Connect Online & Offline Channels

In 2022 and beyond, in order to create consistent and highly engaging customer experiences at every touchpoint, brands will need to ensure the journey between online and offline channels is completely seamless.

Loyalty programmes will be the ideal tool to connect online and offline channels. A loyalty programme allows shoppers to redeem loyalty perks in store or gain points from in-store purchases or actions to be redeemed online later. And it enables brands to effectively collect data from engaged shoppers to create holistic, personalised experiences through both channels.

# Third-party Selling via Ecommerce Marketplaces Will Boost Acquisition

In 2022, brands will leverage third-party selling on ecommerce marketplaces to extend reach and drive results. More than 60% of all product searches start on third-party retail platforms. With growing acquisition costs, leveraging a third-party marketplace is a great opportunity for brands to gain more exposure and leads. For smaller brands, it also increases trust and authority through an association with a known company like Google, Walmart or Meta.

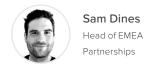




# **SIGNIFYD**

66

Signifyd is the number one Commerce Protection Platform. Signifyd recognises the true identity and intent behind every payments and helps you put CX at the heart of ecommerce operations to continually strike the perfect balance between conversion and fraud prevention.



#### **Returns optimisation**

As online commerce gains a bigger share of retail sales, the outsized returns for ecommerce become a bigger drag on margins.

"

This is why we see many companies focusing on getting their returns under control in 2022. We expect increased focus on product description, sizing guides, and Q&As. And eliminating return fraud, which costs retailers billions a year. Stopping fraud instantly eliminates 7.5% of returns, according to a prominent study.

### **SCA (Strong Customer Authentication) Readiness**

Ecommerce merchants would almost be forgiven for thinking that the Strong Customer Authentication (SCA) requirement of PSD2 is never going to be enforced. But it will be here on March 14th. So companies are now having to adapt to the new regulations.

The new regulations aim to reduce fraud and provide a more secure checkout experience, but the required two-factor authentication means potential disruption for retailers and their customers.

More companies will have to build a deep understanding of the role of exemptions in SCA, to provide a seamless customer experience given the new, more robust, authentication requirements.

#### Focus on Rapid Fulfilment

In a world of powerful marketplaces promising next-day and same-day deliveries, in order to keep up, retailers need to process orders quickly. To meet these increasingly demanding customer expectations, delays anywhere in the order flow need to be eliminated.

We see more and more companies using cutting-edge order automation — automation that uses vast amounts of data and constantly learning machine models — to be successful in offering a true omnichannel experience when it comes to fulfilment.



# **KEY TAKEAWAYS**

As you can see, many current trends will likely continue into 2022, as well as new ones becoming more prominent. If you look closely, it becomes clear that many of these emerging trends have something in common—they're about making the customer's shopping experience more accessible, more enjoyable, and more straightforward. In one way or another, many of the ecommerce trends in 2022 will all aim to enhance the buying experience.

#### Need help with your ecommerce store?

Vaimo is one of the world's most respected experts in digital commerce and experience. We are a full-service omnichannel partner with a 12-year track record of driving success in digital commerce across the B2B, B2C, and D2C sectors. We work with brands, retailers, and manufacturers globally and our 500+ employees are based in over 15 countries. And we are happy to help you.

# **ABOUT VAIMO**

Vaimo is one of the world's most respected experts in digital commerce and experience. We are a full-service omnichannel partner, driving success in digital commerce through digital enablement, customer experience, solution development, and managed services.

We have a 12-year track record of technical excellence, working with select industry partners, to provide our clients with the best solutions across the B2B, B2C, and D2C sectors.

We are a global company with a local presence, focused on cultivating close, long-term relationships with our clients. We work with brands, retailers, and manufacturers all over the world and have over 500 employees, who are based in offices in 15 markets across EMEA, APAC, and North America.

12+ 15+ 500+ years markets employees

For more information on how to drive success in digital commerce visit: www.vaimo.com

