

UNSTACK

Ecommerce Trends and Forecast for 2022

Introduction

The eCommerce industry is one that is constantly changing. Just take a look at the pandemic and how online businesses had to quickly pivot in order to ensure they hit their sales goals.

As you're looking toward 2022, we wanted to provide you with some trends you're likely to see more of.

We spoke with over 100+ eCommerce experts to see what they forecast for the year ahead. Find out what they predict and what your business can do to drive engagement and generate sales.



Drive Customer Loyalty

Chris Campbell, The Charming Bench Company

2022 will see even more eCommerce stores continue to drive customer loyalty by monitoring, managing, and engaging with customers' reviews and feedback. This will be to improve and build relationships as well as to understand their experience better.

AI-driven keyword categorization will become more specific to measure trends across words and phrases mentioned in feedback and reviews.

Proprietary Natural Language Processing engines identifying trends and sentiment across feedback and reviews will grow in popularity. Especially in the online post-pandemic atmosphere where customers and Google now sell your product or service.



Source: <u>Ring Central</u>

Supply Chain Changes

Kamyar Shah, COO of Kamyar Shah



The most trending strategy in eCommerce in 2021 is to apply technology in customizing advertising. In more detail, using Artificial Intelligence (AI) is a competition to decide who is the next winner. Learning data and getting to know your potential customers well is the key to success.

In addition, the supply chain is also changing after the COVID pandemic. Having an optimized supply chain with ethical and sustainable initiatives will become the trend of the upcoming years. Ecommerce players also need to pay attention to the video without sound advertising or searching engine with sound. These are habits of people in their daily life to scrolling without playing the sound, and shopping online with the support of a virtual assistant.

AI Personal Shoppers

Stewart McGrenary, Director at Freedom Mobiles



AI-powered personal shopping assistants that make purchases for you based on your preferences.

A virtual reality shop where customers can walk around and try products before buying it.

Augmented retail stores where retailers use technology like force fields or augmented reality to create exciting environments.



Source: <u>Eastern Peak</u>

Buying Directly from Social Media

Gavin Johnson, Managing Director at Evking



Social Trade

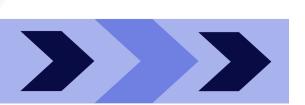
Following influencer marketing, social commerce will become a major eCommerce trend in 2022. What is it? Buying directly from social media platforms. You can now sell directly from Facebook and Instagram by integrating your store and building a product catalog. They do take a percentage of revenues, but with social commerce on the increase, it may be worthwhile.

Shop Livestream

Live video shopping is another 2022 eCommerce concept. Live video shopping (or Livestream shopping) occurs when products are exhibited in an online broadcast. Think of it as the digital age's shopping channels. Originally from China, influencers used live streaming applications to give their fans tours of stores in the US and Europe. It grew into separate streams for showcasing products and is currently a \$66 billion market in China. Facebook, Instagram, and YouTube all feature live video options you may use to show off and demonstrate your items.

Custom Product Lines

Customizable items enhance conversions and provide a personal touch to your product range. Big-name brands are cashing in on the trend, indicating the demand and rewards of personalized products. 'Nike By You' customize Nike shoes. In the Xbox Design Lab, users can design their own console accessories. Customized hair, skin, and body care products are Function of Beauty's USP. Not to mention the thousands of independent web businesses that specialize in customizing things ranging from jewelry to art to homewares. Customizable products are already trending and will continue to grow in 2022.



Personalized Products

Admir Salcinovic, Co-Founder of PriceListo



Technology is the biggest driver of e-commerce today, and advances made in terms of Augmented Reality/Virtual reality means we are going to see much more integration and use in e-commerce in 2022. Numerous surveys have shown that more customers will do business with e-commerce businesses that use AR/VR technology since it bridges the gap between what you see on online stores and what gets delivered to you. With this technology, shoppers have a feel of what the product looks like rather than edited photos of products usually displayed in e-commerce stores today.



Source: Blend & Boost

Personalized products are another trend that is quickly gaining traction from shoppers. To better satisfy customers which is an almost impossible task, creating a feeling of exclusivity to customers by offering personalized products brings them closer to total satisfaction more than ever. Customers increasingly prefer brands that allow them to create their designs, modify colors, add extras, and so on.

Finally, the integration of voice search for shopping is rapidly gaining popularity among customers. The feeling of being in the comfort of their homes and placing voice orders for products through voice-enabled gadgets is unmatched. It is no wonder why big tech companies like Apple, Amazon, and Google are adopting it through their AIs.

Understanding the "Why"

Kevin Miller, SEO Expert



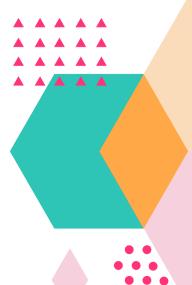
The Meaning and the Purpose. This trend continues to grow.

Understanding the "why" helps differentiate you from the competition and helps you to stand out in an authentic manner that attracts customers. In addition, a clear understanding of the "why" behind a brand can help you to position your product or services as a first-mover. Understanding your unique, authentic "why" provides clarity on what problems you are solving for customers and how those problems can be solved.

Understanding **Single Sign-On (SSO)** and other replacements for cookies so that your paid ad budget isn't wasted. This is important because the full social media integration will become more widespread in paid ads, at a time when Facebook has been accused of allowing too much information about users over to advertisers. If your campaign is not taking into account that cookie pooling doesn't exist on social platforms, you may be missing out on potential customers.

Brand Advocates and Influencers continue to be effective and affordable marketing strategies. Consumers trust their peers and are more likely to engage with a brand that a peer has recommended to them.

Video is another trend that won't go away anytime soon. TikTok, Facebook Live, and Instagram Reels continue to grow. Instagram announced that it is moving more towards video content, and marketers should be prepared for that so that audiences remain engaged.



Optimizing for Mobile

Olga Voronkova, Marketing Director of KeyUA



Long-form content - Increase your word count and your website rankings will improve exponentially. This is because users spend more time on these pages and when more time is spent on a website, Google sends more traffic to the site.

Image optimization - With image search becoming more popular every day, websites with better-marked images and appropriate keywords rank higher.

Mobile optimization - Mobile users are significantly more than PC browsers. If your page is not optimized for the mobile device, the customer might not stay very long on your page.

Value Based-Bidding

John Lincoln, CEO of Ignite Visibility



I know the three biggest trends because I've spoken with all the major ad networks about them. The first is **better offers, creative and database management** due to cookies and tracking going away. With Apple IoS updates and cookies going away in Google, it is critical for eCommerce brands to develop a wider upper funnel ad system.

The next is **value-based bidding**. Google says this is their next big thing, as it allows you to connect the actual sale to the ad system. This will be big and we have already started doing this for clients.

The last item is **machine learning**. Google Shopping, Google ads, Meta, Microsoft are all working to take the guesswork out of the equation for you. The more you spend and let the algorithms do the work, the more they will learn and sell. They want to move away from anything manual

Dynamic Remarketing Ads

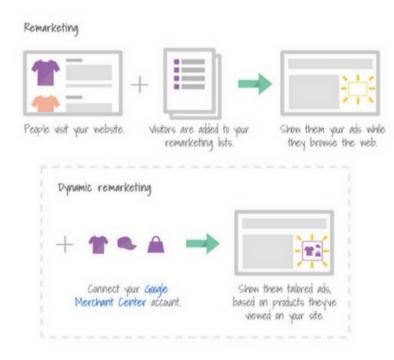
Rohan Kadam. Founder of Biking Know How



I implemented these steps on my client's website landing pages and was able to reduce the cart abandonment rate from 7% to 3%. The strategy worked wonders for me, it is as follows.

- Using countdown clock on my landing page (caused an 11% increase in conversions)
- Using exit pop-ups. (I used "Hello Bar" to do this)
- Running dynamic remarketing ads (it got me a 23% increase in conversions)

Running dynamic remarketing ads has been most effective for me because firstly, setting them up is very easy on the Google Ads platform. Secondly, through dynamic remarketing ads, I could target my audience (shopping cart abandoners) with highly personalized messages (ads had images of products that customers added into their shopping cart but did not end up buying).



Source: *Elevar*

3D Product Modeling

Gregory Zakowicz, Senior Ecommerce Expert at Omnisend





One of the biggest trends we're likely to see is the continued adoption and growth of **Augmented Reality (AR)** experiences in eCommerce. This is coming hot on the heels of Facebook's change to Meta, shifting the focus to a digital metaverse. More eCommerce stores will use AR to help users "try on" various products, like makeup, shoes, or jewelry, by uploading their own photos or video.

Similarly, another trend that's likely to take off in 2022 is the use of **3D modeling for products**. Instead of having to shoot multiple versions of products (in different angles, colors, or sizes), eCommerce merchants can use a 3D model and have the customer try out different combinations.

Lastly, **SMS marketing** is still on the rise. 2021 is seeing eCommerce merchants sending out three times as many SMS as they did in 2020, and this is set to continue in 2022. SMS is a great marketing channel since it reaches subscribers immediately, bringing with it a steady 2.4% conversion rate.

Tackling Social Justice

Nunzio Ross, Owner and Head Director at Majesty Coffee



One of the most popular e-commerce trends this year is shopping with purpose, and businesses that tackle and support social justice causes will continue to rise by 2022.

Consumers are now taking a stand when making well-informed business decisions online. Support for these messages has pushed brands to align and expand their missions with cultural, social, and purposeful conversations.

Utilizing Social Media

Jonathan Roque, Digital Marketing and Content Strategist at Zapiet



Curbside Pickup - Curbside pickup is a trend that was heightened during the pandemic and has proven to stick around even as countries emerge from lockdown and economies around the world reopen. The benefit of utilizing curbside pickup as a service for your customers is it can bring in higher sales. "Data shows that online shoppers have a 25% higher cart size" when ordering and choosing local delivery or curbside pickup as an option, according to Shopify. Curbside pickup has been successful in helping Shopify merchants increase their revenue and leads to less abandoned carts as customers can pick the different options of collecting their order at checkout.

Omnichannel Retail - One trend that has changed based on customers' habits is the ability for merchants to integrate into an omnichannel retail experience. An omnichannel commerce experience connects all of your strategies and creates a cohesive approach to ensure you are meeting customers where they are spending their time at. From target messages, to upsell opportunities directly on your website or a specific landing page, each customer's buying journey is different but can lead down to one ultimate destination.

Social Media and Ecommerce - One of the ways we shopped that increased in just one year along was the intersection of social media and eCommerce. Mobile commerce is an increasingly popular way of shopping habits continuing to grow as more brands become in line with a social media strategy and give users the ability to shop directly on these platforms. From Instagram Shop to Facebook Marketplace to TikTok's partnership with Shopify, social media is becoming a fast-growing channel for e-commerce brands and a great way to get exposure to new audiences.



Multiple Attribution Methods

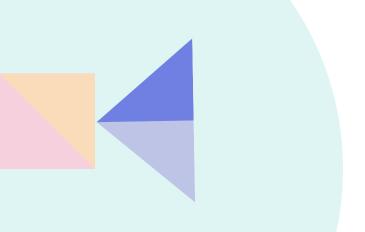
Aman Ghataura, Had of Growth at Alphagreen Group



Continued rise of TikTok first brands - Brands are seeing huge reach from TikTok, if you're a business that has a consistent creation flow of engaging short videos you can easily organically get the same reach you'd pay Facebook Ads for, along with all the social proof that comes with it. I expect best results to work for low AOV impulse purchases, vs logic-based purchasing of high-priced products.

Continued pullback from Facebook Ad Spend - The iOS updates resulted in skewed conversion attribution on Facebook, with some brands seeing hugely under-reported, or over-reported numbers. The result of which was brands pulling budget away from Facebook, for both an attribution reason but also the lack of data Facebook is able to act upon. A similar action happened with Snapchat then losing considerable share price due to ad spend pull back. Savvy marketers will be using multiple attribution methods to hone in on their conversions and you'll also see ad spend in old and initially disregarded channels to retest out profitably.

Event-based live shopping - Live Shopping presents one of the most attractive new digital spaces for brands. Several providers are able to directly integrate into your eCom store so you can serve fresh and live shoppable content to consumers. Amazon Shopping Live has shown considerable success. Social media first brands who can rally their audience to watch a "Live Drop" / "Live Collab" will see huge results as they can capture attention for the orders of minutes, compared to seconds we associate with traditional ad spends.



Next Steps

Now that you've learned from the top experts, it's time to start applying these tips to your eCommerce store.

Start planning your marketing strategies for 2022 and what channels you'll be using to interact with potential customers.

Don't stop there, though. Because the eCommerce landscape is rapidly evolving, it's important that you stay on your toes and make adjustments often. The best online retailers are always testing new methods.

To start creating landing pages that convert, get started on <u>Unstack.com</u>.

