

Ecommerce Trends 2021

SURVEY REPORT



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Opening Word

Last year's eCommerce Trends 2020 Survey Report was successful because of one main reason: we gave a real voice to 150+ eCommerce leaders and then simply published it. We didn't hire copywriters to share their opinion nor created artificial trends from our bias perspective.

Again, this year, we gave a voice to decision-makers from big eCommerce companies and again published the real trends to help you form a winning strategy for 2021.

This year the main topic, of course, is COVID-19. We see from the report that although the world faces serious challenges by managing the crisis, many people lose their jobs and, unfortunately, beloved relatives, eCommerce only wins. Therefore I believe that this is a great chance for the eCommerce industry to help the world fight the Coronavirus crisis and make our lives better. And it's already happening.

First of all, eCommerce helps to keep social distancing. We don't need to risk our health by going to physical places to buy things we need. From groceries to board games, from drugs to bikes.

Secondly, eCommerce helps to keep the economy and businesses alive. Therefore many people don't lose their jobs or find new ones in this industry. Ecommerce needs much more couriers, marketers, accountants, managers, and many other specialists.

Finally, eCommerce helps us keep our emotional well-being by giving us access to things and activities we enjoy. The renaissance of board games has started as we want to have more fun at home, bike sales have grown as never before as we still want to enjoy outdoor activities, online-streaming services offer quality content to entertain us, or even online psychotherapy have become widely available to cope with our emotional challenges.

And here comes the tipping point in the eCommerce industry that raises an important question: where will the profit be distributed gained from the COVID-19 crisis?

The majority of the eCommerce companies that participated in our survey are planning to increase their budgets and invest in improving their business through new technologies and new practices on a larger scale.

It means more jobs, more modern technology companies to serve the market, and most importantly - way better shopping experience for the people. I believe that the shopping experience directly correlates with our well-being because it saves lots of time, effort, and money.

Thank you for your work, dear eCommerce professionals, and let's continue helping the people fight the Coronavirus crisis by creating more and better shopping experiences in 2021!

Antanas Bakšys

CEO & Co-Founder

 SearchNode



Background and Methodology

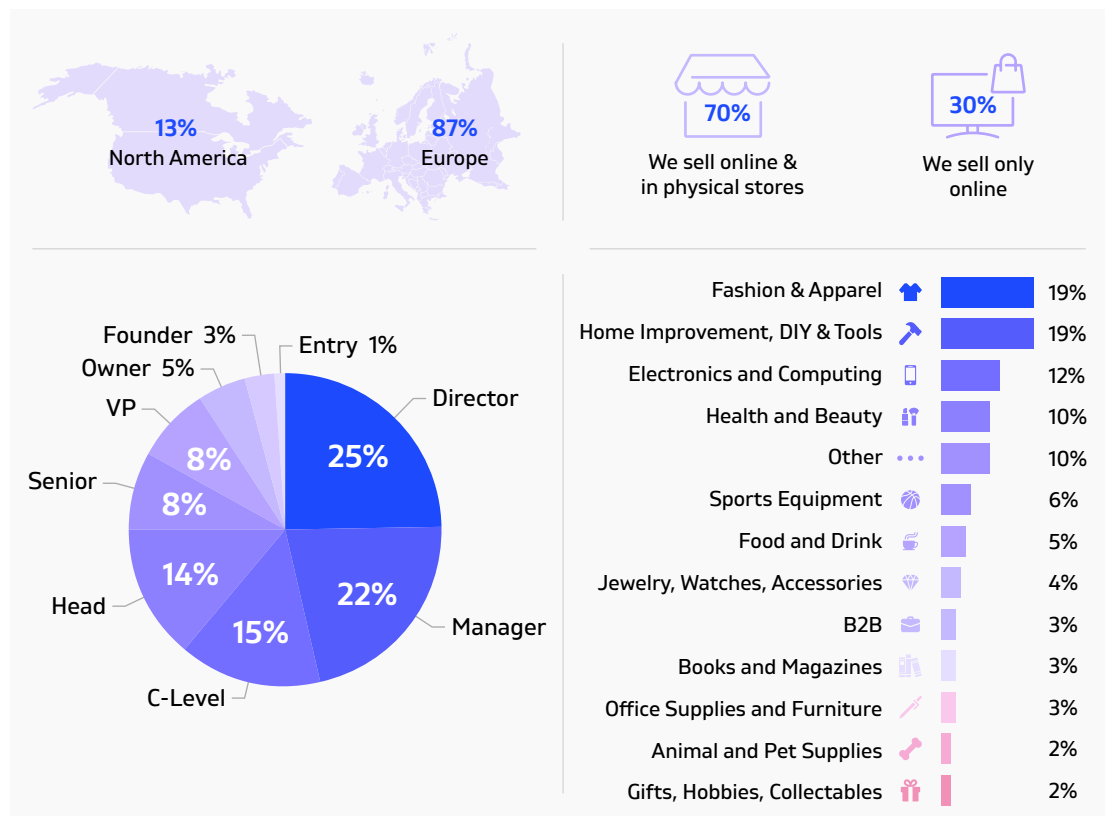
About The Survey

This is an annual global initiative created by SearchNode Inc., aiming to help retailers prepare their businesses for the upcoming years. This year, in October 2020, SearchNode conducted an online survey, where nearly 100 eCommerce decision-makers from Europe and North America participated. Full anonymity was guaranteed for all of the respondents. The research aimed to collect insightful information about the current and future trends of eCommerce and how COVID-19 impacted the industry. The survey consisted of various questions, covering the most important and progressive topics in the eCommerce industry.

The goal of the Ecommerce Trends 2021 Survey Report is to show possible directions, explain why different cases happen, and enrich it with opinions from other sources; thus, we didn't want to form an opinion from our perspective, as it wouldn't be objective. We decided to let our readers make the conclusions themselves, based on rich survey data. With the knowledge gained from research questions, the readers will be able to incorporate their own ideas about the future.

Note: Values may not add up to 100 percent due to rounding.

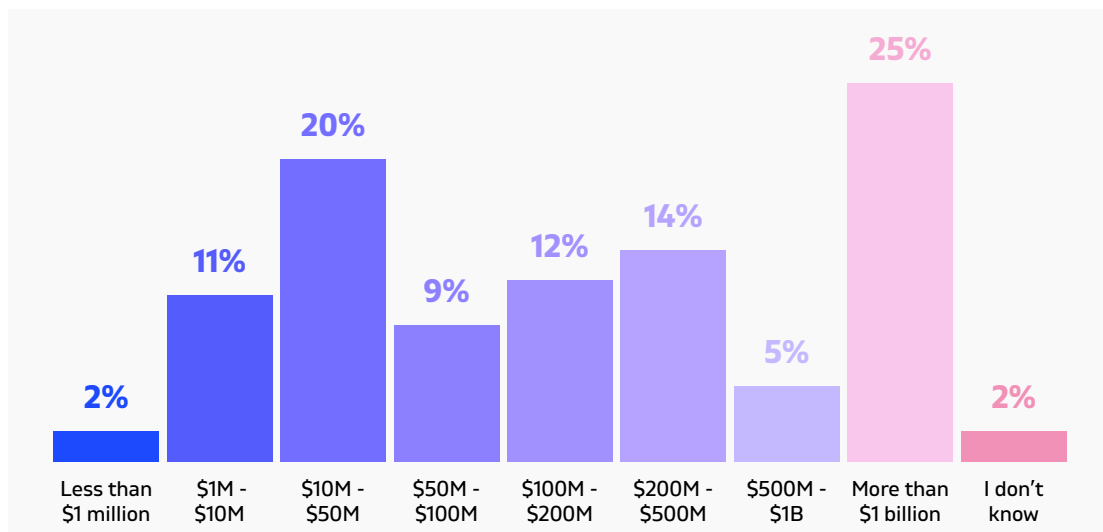
Respondents Profile



The vast majority of respondents (99%) were in a decision-making role, based in Europe (87%) or North America (13%). The majority of people who participated in the survey (70%) work in companies that operate eCommerce businesses and brick-and-mortar stores. The other 30% sell purely online. Thus, all of the companies, which took part in the survey, have an eCommerce presence.

The participants were representing various verticals, such as Fashion & Apparel (19%), Home Improvement, DIY & Tools (19%), Electronics and Computing (12%), Health and Beauty (10%), and other categories. The vast majority of companies (97%) serve the B2C segment.

What was the revenue of your company in 2019?



The respondents were from various sizes of companies ranging from less than one million USD in 2019 revenues to more than one billion USD. 13% of companies were from small eCommerce companies, with up to 10M revenues in 2019. 41% were from medium-sized businesses with \$10M-200M revenues in 2019. And 44% were from big eCommerce companies, having revenues ranging from \$200M to more than \$1B in 2019 revenues.

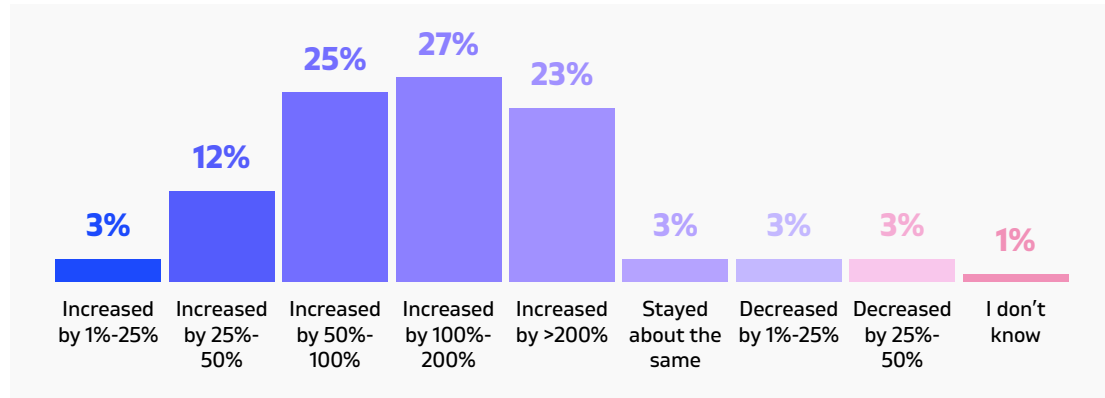
COVID-19 Impact On Ecommerce

COVID-19 Impact On Ecommerce Revenues

Coronavirus demanded a lot of changes in the way we live our daily lives. One of the most extreme measurements introduced is the lockdown. It spread to the global level in the Spring of 2020. People were not able to visit physical stores, so naturally, they switched to online shopping. In fact, [7 out of 10 shoppers](#) said that they started to buy more online than they

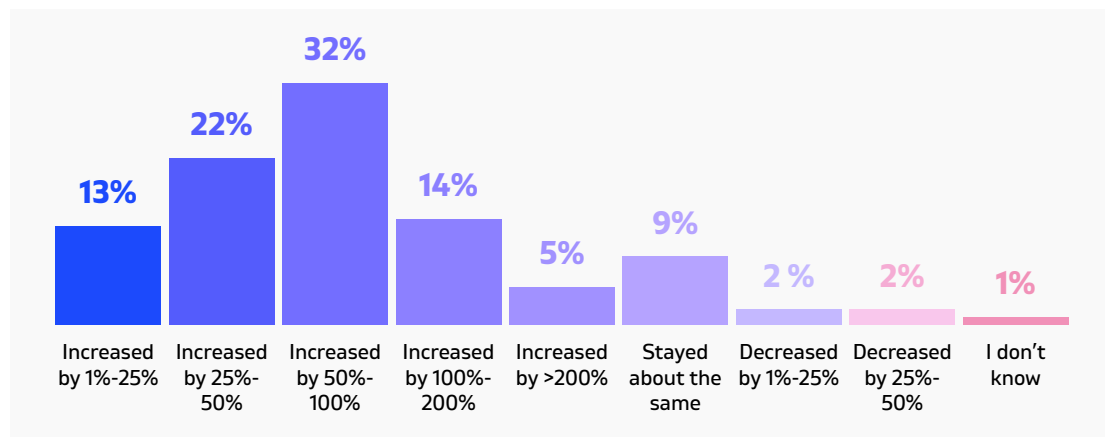
usually do because of the lockdown. We wanted to see if this trend was felt by eCommerce leaders who participated in this survey.

DURING the global lockdown in spring, how was your ONLINE REVENUE affected, compared to pre-COVID period?



We asked respondents how their online revenues were affected during the lockdown, compared with the period before COVID-19. The vast majority of participants (90%) said that during the global lockdown in Spring 2020, their online revenue increased at least a bit. Also, half of the participants claimed that it grew by more than 100%. While most respondents managed to increase their revenues, 3% claimed that it stayed about the same. And, sadly, 6% stated that it decreased, compared to the pre-pandemic period.

AFTER the global lockdown in spring, how was your ONLINE REVENUE affected, compared to pre-COVID period?



Moving on, we wanted to see how the online revenues were impacted after the lockdown was over, and people were able to visit brick-and-mortar locations again, as this could signalize a change in users' behavior.

In comparison, after the global lockdown, 86% of the respondents marked that their online revenues increased, ranging from 1 to more than 200 percent. 9% said that it was similar, and only 4% marked that it decreased, compared with pre-COVID times.

Diving deeper into the results allows us to see the before-after effect. From those respondents who claimed that their online revenues increased during the lockdown, 92% was still seeing growth after it was over. Surprisingly, only 1% said that their revenue decreased after. Also, 7% stated that it stayed about the same.

Next, half of the participants who claimed that their online revenues decreased during the lockdown claimed that it also decreased after it was over. Whilst another 50% said that revenue increased.

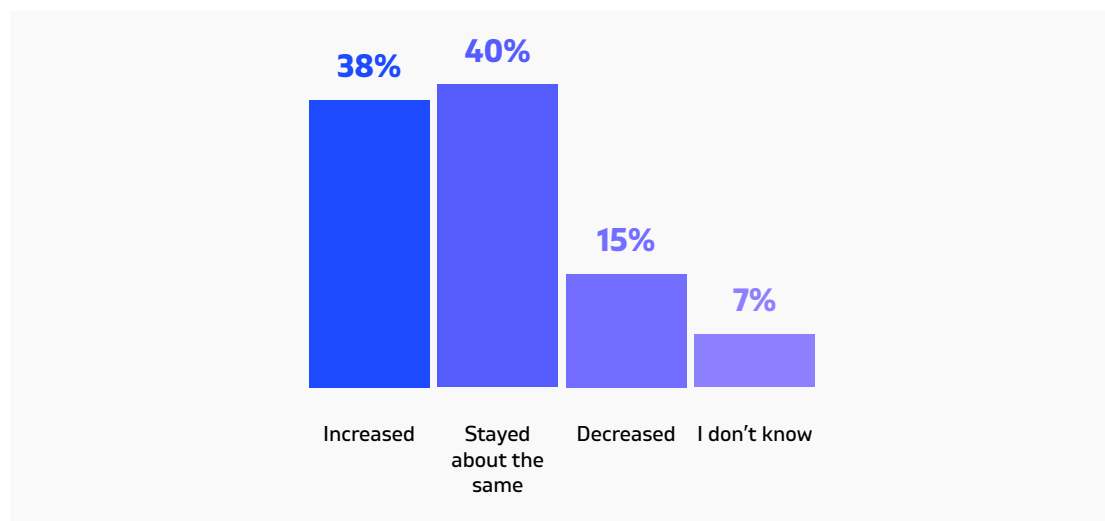
Lastly, from those who stated eCommerce revenues stayed about the same during the lockdown, 67% saw growth in online revenues after. 33% still kept it similar, thus were not really affected by the pandemic.

To wrap up, we can see from the survey results that most participating companies had positive effects both during and after the lockdown on their online revenues, compared to the period before Coronavirus.

COVID-19 Impact On Ecommerce Profit Margin

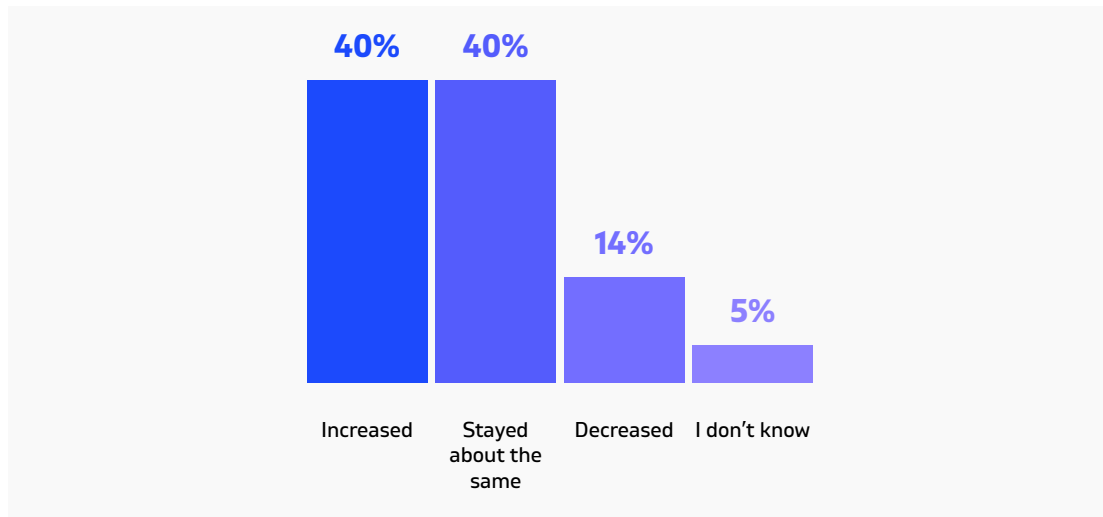
Coronavirus affected eCommerce businesses on various levels. Companies needed to address many challenges, directly affecting the online profit margin - from disrupted supply chains to more aggressive competition. Thus, we wanted to find out how eCommerce leaders, who participated in the survey, were touched by lockdown in the sense of profit margins.

DURING the global lockdown in spring, how was your ONLINE PROFIT MARGIN affected, compared to pre-COVID period?



Surprisingly, 38% of respondents said their online profit margin increased during the global lockdown in spring 2020, compared to the pre-pandemic period. Another 40% stated that it stayed about the same, and only 15% claimed that it decreased.

AFTER the global lockdown in spring, how was your ONLINE PROFIT MARGIN affected, compared to pre-COVID period?



A very similar trend can be seen after the spring global lockdown was over: 40% saw an increase, 40% stayed about the same, and only 14% saw a decrease in online profit margins, compared with times before Coronavirus.

Let's look into the before-after effect. From those respondents who said their online profit margin increased during the lockdown, 74% still saw a boost after. 14% claimed it stayed about the same, and 11% had to decrease it, compared to the pre-COVID period.

Half of the respondents who stated that their online profit margin decreased during the lockdown also claimed that it declined after. Another 29% revealed that it increased, and 21% said that it stayed the same in contrast with the online profit margin before the virus.

Lastly, from those who claimed it stayed about the same during the lockdown, 16% saw growth in online profit margin after, 78% kept it similar. Only 5% saw a decrease, compared to pre-coronavirus times.

Overall, it's clear from the results that most companies participating in this survey had a positive or at least no negative effect on their online profit margins.

COVID-19 Impact On Workforce

Another sphere where retail had to react fast, and make adjustments, was their workforce. Hence, we wanted to identify what changes to the personnel eCommerce leaders made because of the pandemic situation.

What workforce adjustments your company had to make since the start of COVID-19?

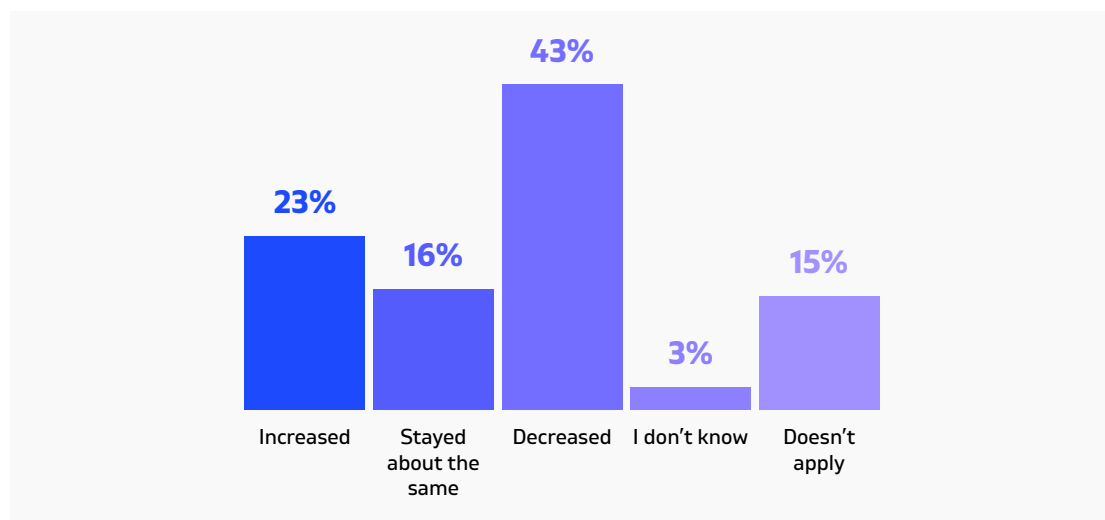


According to our survey participants, 44% of companies said they had to relocate staff because of COVID-19. More than a third (31%) hired more people, on the other hand, almost the same amount - 26% had to fire some. Wistfully, 15% had to reduce their employees' salaries; however, 5% managed to increase it. Curiously, 21% of companies managed to keep up without adjusting their workforce.

COVID-19 Impact On Physical Stores Sales

Next up, we were curious how those retailers, who besides online stores, have physical ones, were affected by the virus in the sense of sales of 2020.

[For those with physical stores] How your offline sales changed in 2020 compared to the previous year?



Not surprisingly, 43% of participating companies with brick-and-mortar stores said their offline sales decreased. These respondents were from the following verticals: Books and Magazines, Fashion & Apparel, Food and Drink, Health and Beauty, Home Improvement, DIY & Tools, Jewelry, Watches, Accessories, and Sports Equipment.

Interestingly, 16% managed to keep it similar. These were people working in Books and Magazines, Electronics and Computing, Fashion & Apparel, Gifts, Hobbies, Collectables, Home Improvement, DIY & Tools and Sports Equipment type of companies.

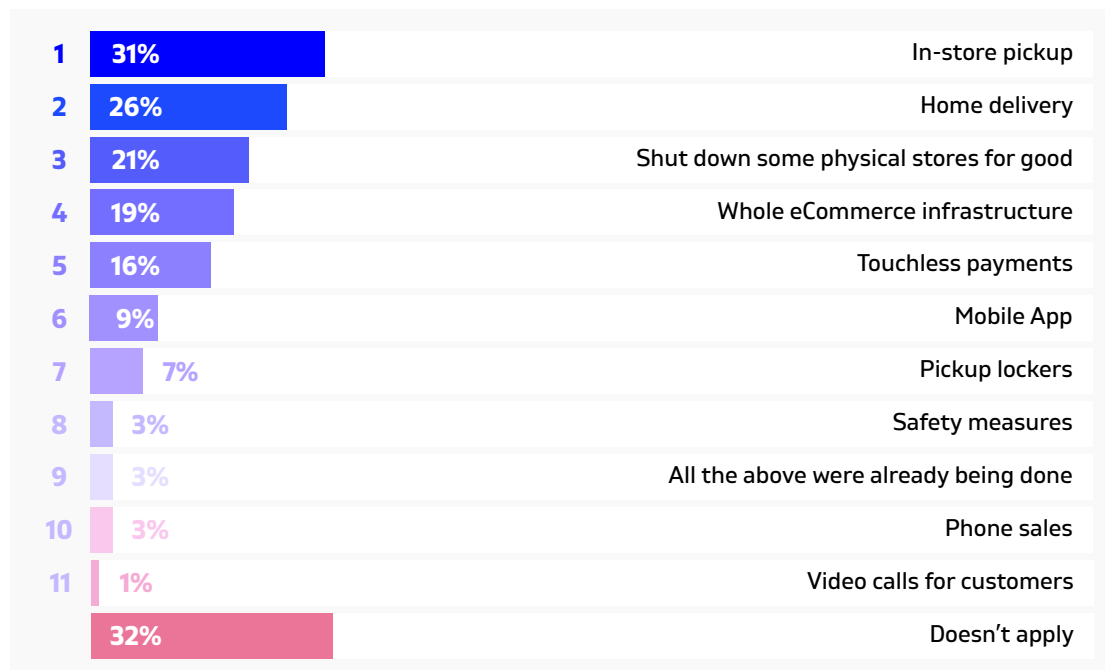
Lastly, 23% managed to increase it. They were from companies operating in Animal and Pet Supplies, Electronics and Computing, Food and Drink, Health and Beauty, Home Improvement, DIY & Tools, Office Supplies, and Furniture verticals.

To wrap up, the small majority (43%) of participating companies, who sell both online and offline, saw a decrease in offline 2020 sales. However, 23% still managed to increase their offline sales, and 16% managed to keep it. All three types of companies were from various verticals, so it's not clear which one is the biggest winner.

COVID-19 Measurements For Physical Stores

Companies with physical stores had to implement some alterations in the way they operate. Therefore we wanted to see what measurements and practices were used most by retailers.

[For those with physical stores] What new practices you introduced because of COVID-19?

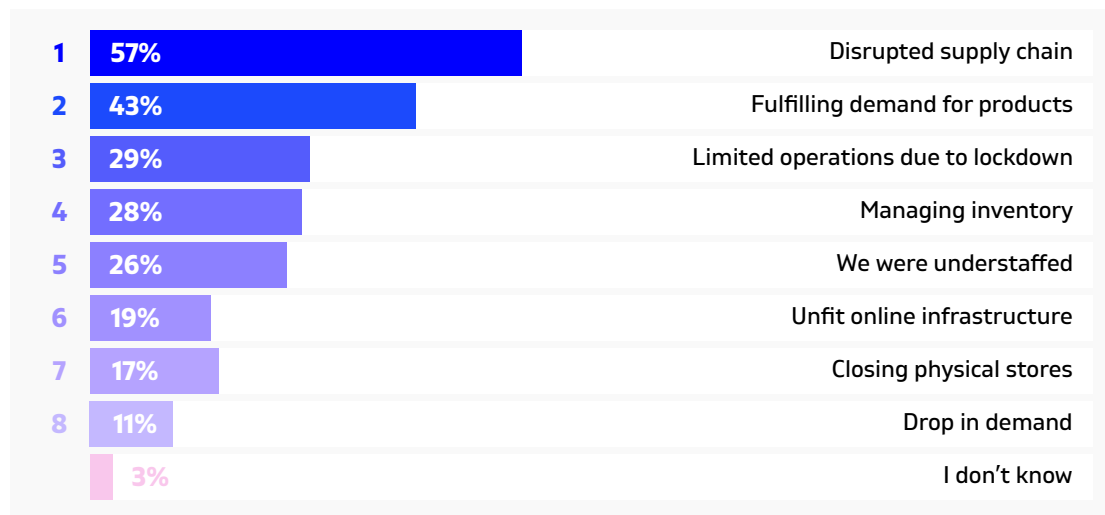


The most mentioned measure was in-store pick up (31%), followed by home delivery (26%). Another 19% had to build the whole eCommerce infrastructure. There were also touchless payments (16%), mobile apps (9%), pickup lockers (7%), safety measures (3%), phone sales (3%), and video calls (1%) mentioned. Sadly, 21% of respondents said that they had to close some of their stores for good. Another 3% claimed that they already had all of the mentioned practices before the COVID-19 crisis.

COVID-19 Main Challenges For Ecommerce

As coronavirus heavily impacted retailers, we wanted to explore the biggest challenges of the pandemic for eCommerce leaders who participated in the survey.

What is the main challenge for your company because of COVID-19?

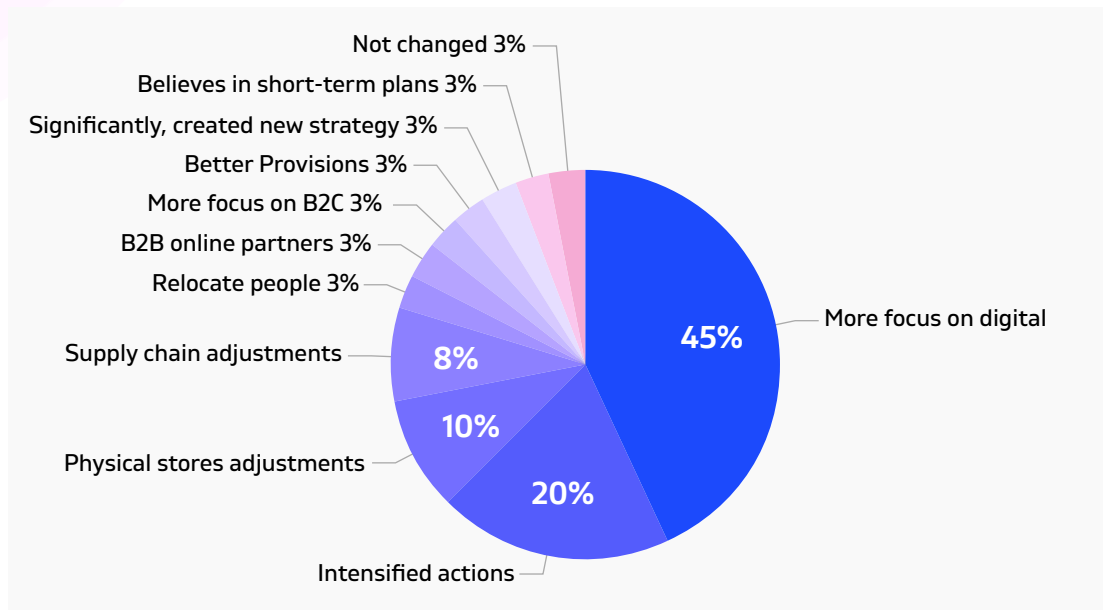


Disrupted supply chain (57%) and fulfilling demand (43%) were mostly mentioned options. They were followed by limited operations due to lockdown (29%), managing inventory (28%), and lack of employees (26%). Another 19% mentioned unfit online infrastructure, and 17% said it was challenging because they need to close their physical stores, and 11% experienced a drop in demand.

COVID-19 Impact On Ecommerce Strategy

Moving on, another interesting point to explore was how the overall strategic vision was affected by the pandemic. This was an open-ended question; hence, we summarized the results using qualitative analysis.

Overall, how your strategic vision shifted due to COVID-19?



Most of the comments (45%) were focused on the digital part of the business. Respondents said that eCommerce grew overall, and they also noticed a growth in demand. Companies needed to accelerate their actions, adjust the assortment to keep up. Also, participants claimed that they invested in the new software or strengthened the old one. Moreover, companies were also focusing more on online marketing channels or expanding the number of them. Also, participating companies were adjusting their global presence, depending on lockdown situations. Lastly, digital revenue forecasts were increased.

Digital was followed by intensified actions (20%), meaning that the companies simply needed to execute their strategies and act faster. Next went physical store adjustments (10%), which was already deeply discussed in the previous question. Moving on, supply chain adjustments - from the minor ones to completely new supply chain or logistics, received 8%.

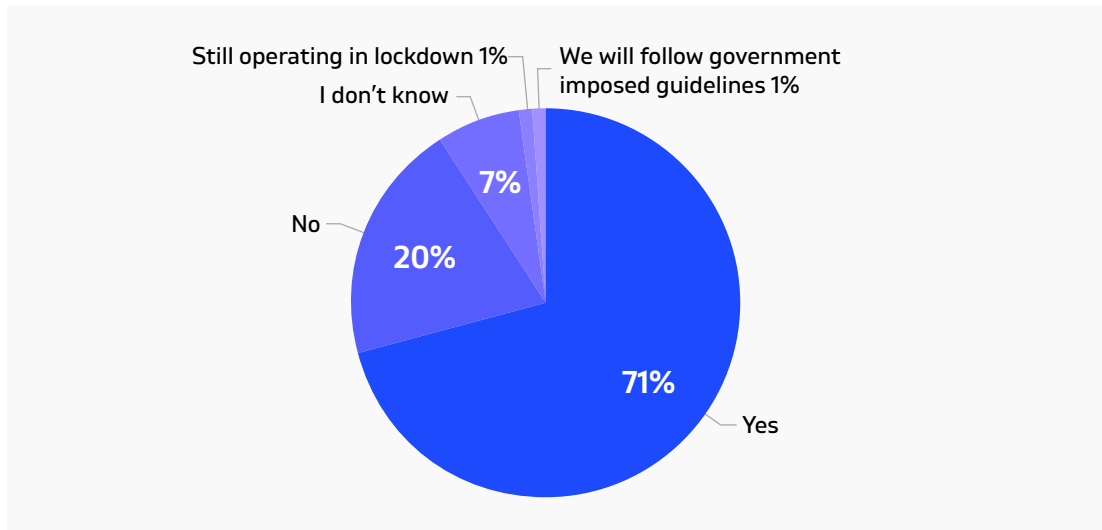
Relocating people, B2B online partners, better provisions, and more focus on B2C all received 3% of respondent choices.

Interestingly 3% of participants said that the overall strategy was not changed at all. Another 3% stated that they believe in short-term plans. And lastly, 3% claimed they had to significantly change their strategy and craft a completely new one.

COVID-19 Measurements For 2021

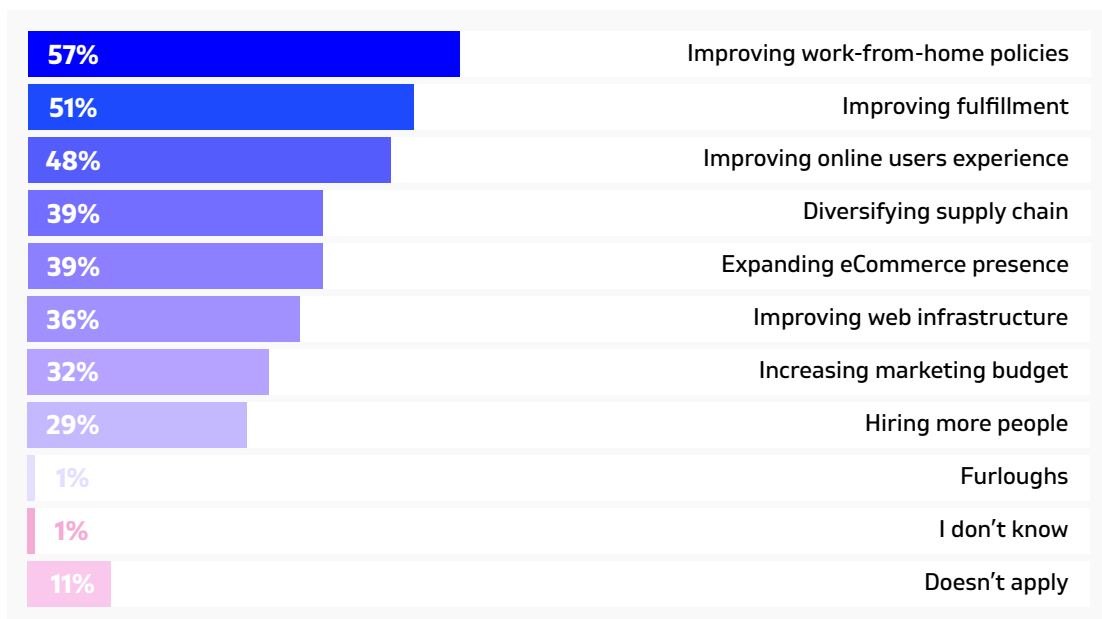
When the survey was prepared, there were still only some signs of the strict lockdowns being brought back globally. At the time of writing, new lockdowns are already imposed on different degrees of restrictions in some countries. This only proves what uncertain times we live in and how swiftly the situation can change in a matter of a few weeks. We wanted to see if the eCommerce leaders are preparing for another situation like we had in 2020 spring globally.

Is your company preparing for another lockdown?



The vast majority of respondents, 71%, said that they are preparing for it. 1% claimed that they are still under lockdown, which is not surprising. Also, 1% stated that they would simply follow government regulations. Interestingly, 20% of participating companies are not preparing for another lockdown at all.

If yes, what actions are you taking?

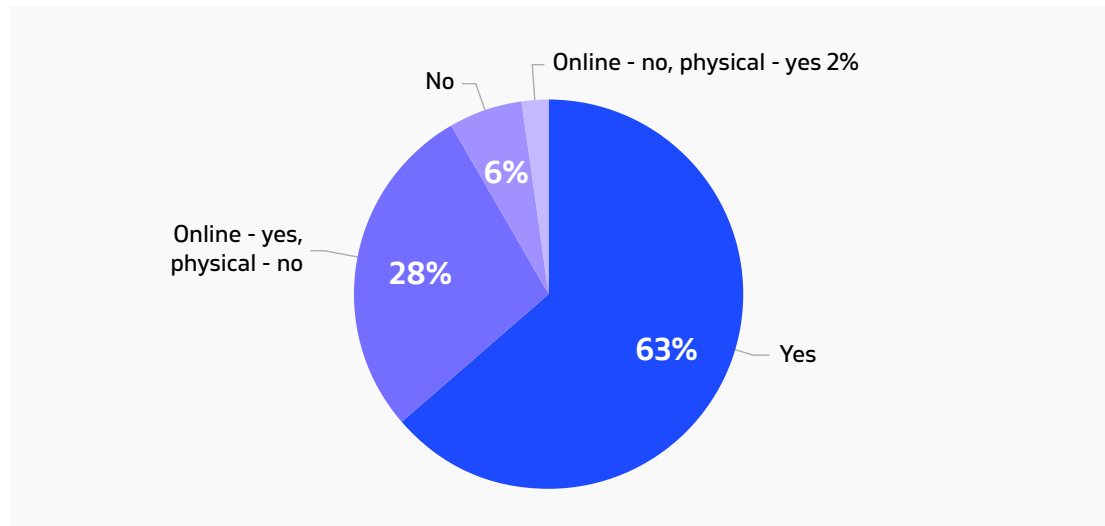


Next, we wanted to see how companies are preparing for another lockdown. Among mostly mentioned measurements, which received around half of the respondents' choices, were improved work-from-home policies, fulfillment, and online users' experience. It was followed by supply chain diversification (39%), eCommerce presence expansion (39%), web infrastructure improvement (36%), enlarged marketing budget (32%), and hiring more people (29%). Also, 1% mentioned furloughs.

Ecommerce Financial Overview

2020 Ecommerce Finances

Do you consider 2020 financially successful for your company up until now?



We asked survey respondents how successful the last year (up to October) in the sense of their finances was. The vast majority (63%) stated that the year was financially successful for their companies. Also, almost a third (28%) claimed that their eCommerce business was financially favorable, but their physical stores were not. More interestingly, 2% said the exact opposite - that their online presence was not prosperous, but their brick-and-mortar stores were.

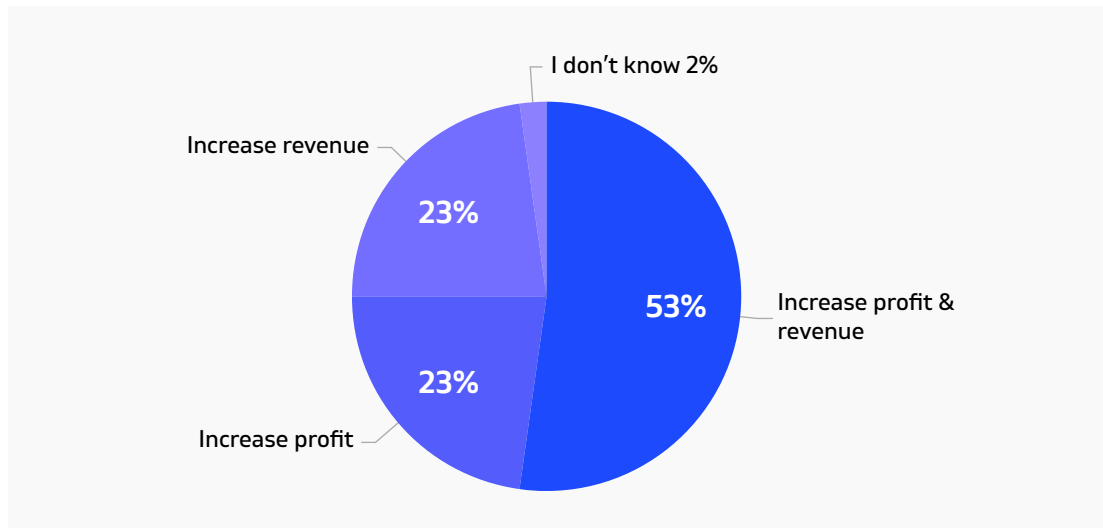
But not everyone considers last year financially successful: 6% of respondents answered negatively. This is perfectly normal - as in most of the fast-growing industries, some win, some lose, especially this year, as the COVID-19 crisis hit the world. In conclusion, 94% of participants claimed that at least some part of their businesses were prosperous.

This question could also be looked at from the perspective of the activity field of companies. From the companies, who sell only online, 92% marked 2020 as financially successful, and only 8% as not. From the companies selling both online and offline, 54% said that 2020 was

financially favorable for both sides of the business, 37% claimed that online was successful but offline not. 3% claimed that offline was a success, while online not, and only 6% said that both weren't favorable.

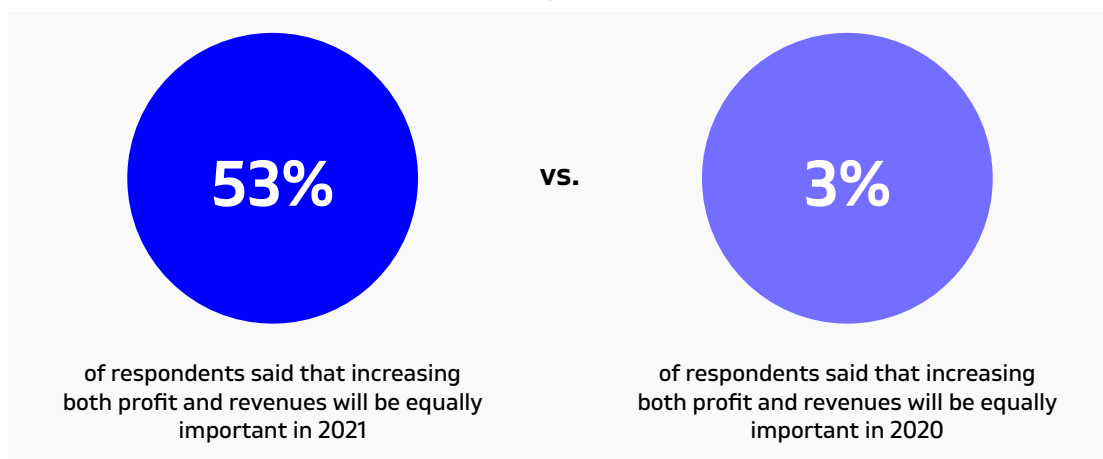
Profit vs. Revenue Importance For Ecommerce

What will be more important for your company in 2021: profit or revenue?



While focusing on overall business growth, it might not be easy to stay profitable in eCommerce. Talking about the focus for 2021, 53% said that increasing both - profit and revenues will be most important for their companies. Interestingly, 23% said that profit will be more important than revenues, and the same amount - 23% chose revenues over profit. Thus, it's safe to say that in 2021 both metrics will be equally important.

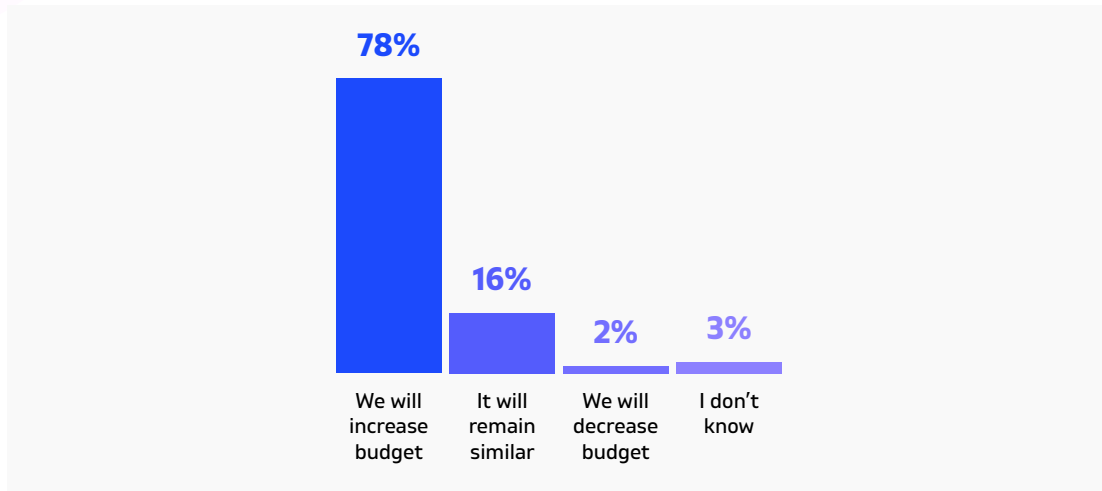
Profit and revenue importance: 2021 vs. 2020



It's interesting to see how the focus shifted compared with last year's data. In 2020 53% focused more on profits, and only 3% focused on both metrics.

Ecommerce Budget For 2021

Will you increase your overall eCommerce budget in 2021?



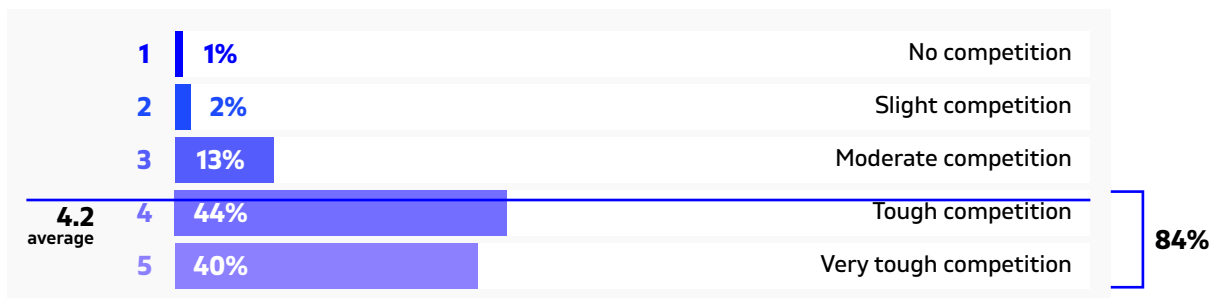
Ecommerce is a rapidly growing market, and this trend is not going to change in 2021. In fact, according to Statista, the worldwide retail eCommerce sales were growing significantly every year since 2014 and is [not planning to stop up at least until 2023](#). Besides, [COVID-19 accelerated this growth](#) even more.

This reflects in the budget planning part of our survey, as the vast majority of respondents (78%) are planning to increase their eCommerce budget for 2021, and only 2% to decrease it. Another 16% are planning to keep it around the same amount.

Last year, the trend was very similar, with 69% planning to increase it, and 4% to decrease it.

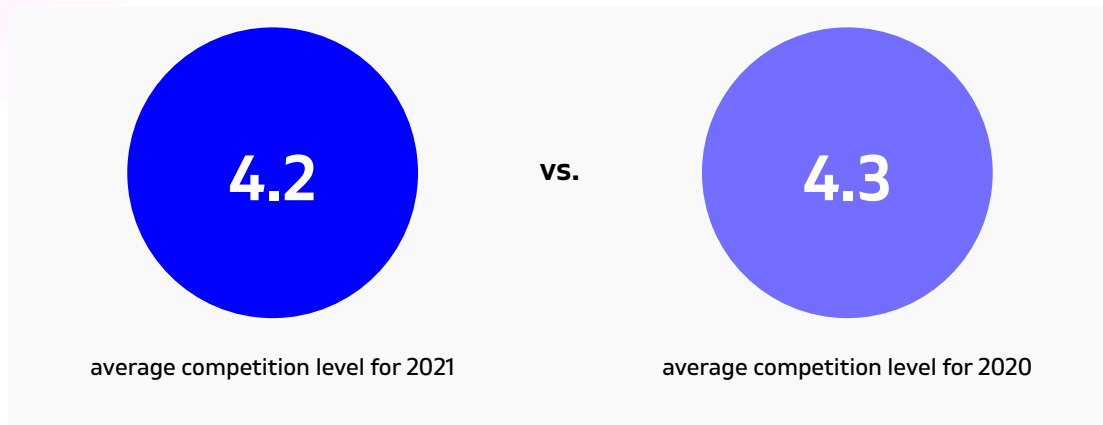
Ecommerce Competitive Environment

How would you evaluate the competition level in your market?



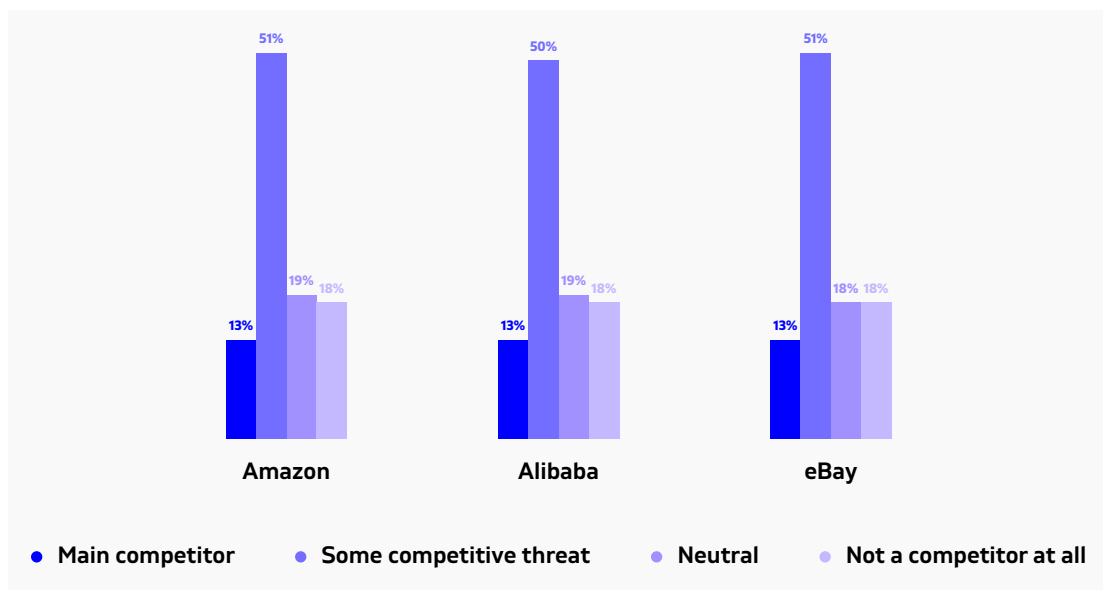
Ecommerce is a highly competitive market. The survey shows that rivalry will stay - more than 84% of respondents said competition in their market is extremely tough or tough.

Average eCommerce market competition level: 2021 vs 2020



On average, participants evaluated their competition level as 4.2 out of 5 possible scores. In last year's survey, the results were quite similar - on average, respondents evaluated their competition level as 4.3.

How would you evaluate following companies as your competitor?



Amazon, Alibaba, and eBay are the juggernauts of the eCommerce industry. Hence, we asked survey participants how they evaluate these companies as rivals. The results scattered quite similarly for all three companies - 18% of respondents said that these companies are not their competitors at all, another 18-19% said it's neutral. The majority - around half of the participants said that they feel some competitive threat, and only 13% identified these companies as their main rivals.

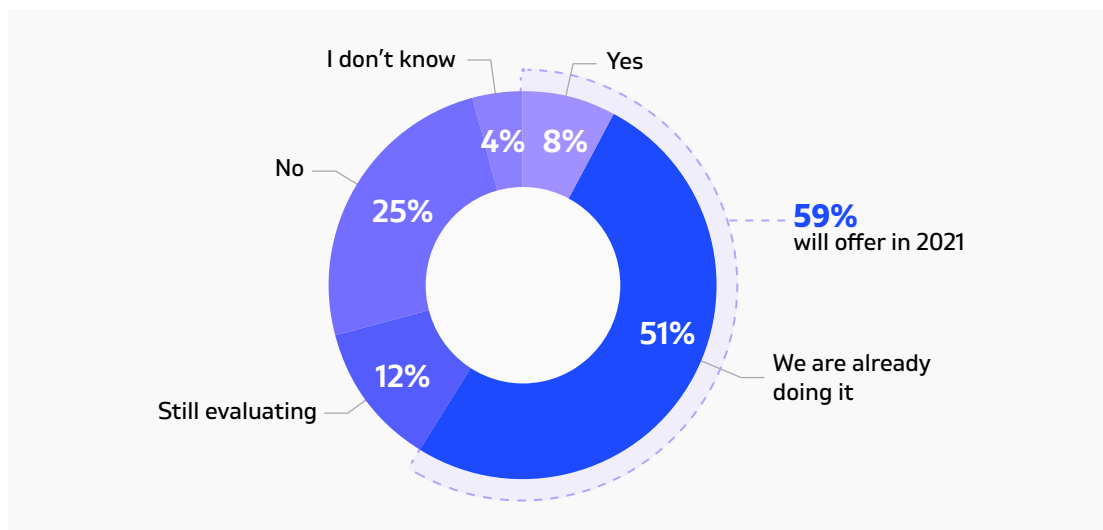
Ecommerce Strategy Trends For 2021

The latest industry developments encourage eCommerce leaders to enrich their strategies with new business practices that could improve their businesses in a significant way. Hence, we wanted to explore how online retailers feel about using certain popular practices in 2021.

Free Returns

Free returns are an important part of the overall eCommerce business strategy. Customers expect free returns, especially in the face of the pandemic, so they will only keep growing in 2021, as the survey shows.

Will you introduce any of the following practices in 2021? (Free Returns)



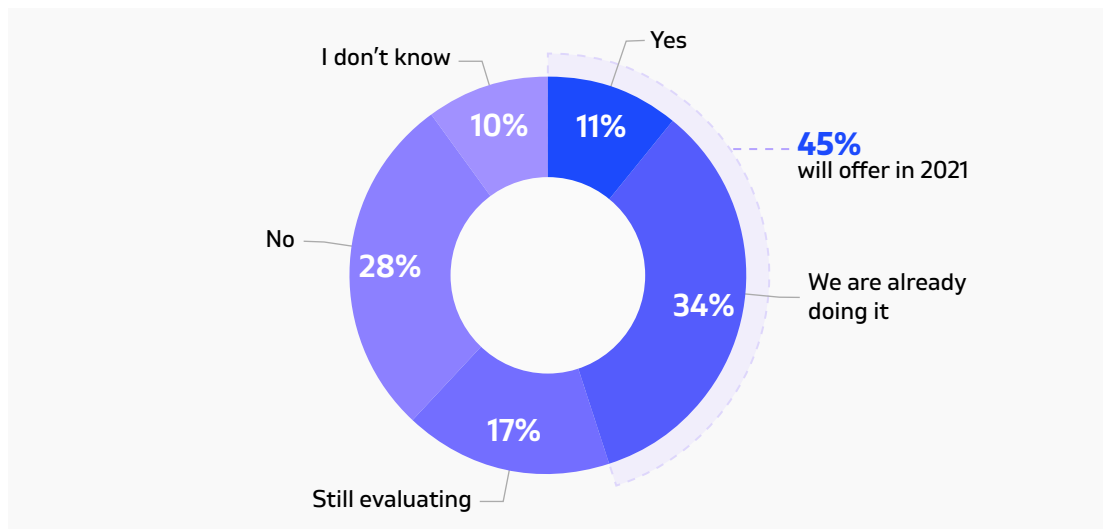
59% of respondents claimed they will offer free returns in 2021, with 8% saying they will introduce it, and another 51% that they already offer it. The remaining 12% are still evaluating free returns.

There is also a dark side to free returns, as it heavily contributes to greenhouse gas emissions. Thus, some companies are trying to get rid of them - not a small portion of respondents (25%) revealed they will not use this practice in 2021.

Financing Customers

Ecommerce financing has gained popularity, as it allows customers to buy desired products now and pay for them over time. It was interesting to see if the eCommerce leaders will focus on this strategy more in 2021, as COVID-19 brought a crisis, causing many people to lose their job or face lower income.

Will you introduce any of the following practices in 2021? (Financing Customers)

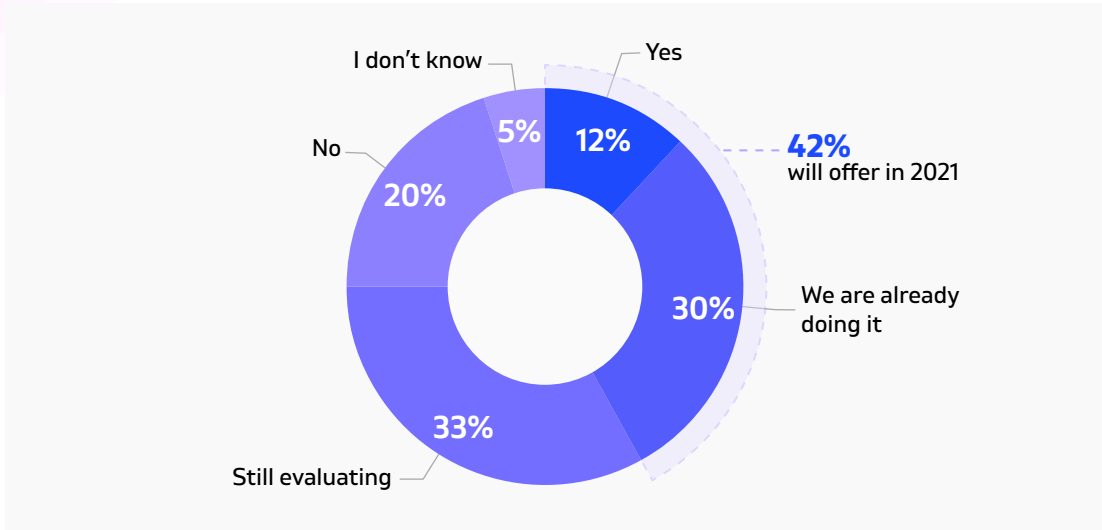


Curiously, it was the second most mentioned practice, which will be used in 2021. Of the respondents, the small majority (45%) will offer financing for their customers next year, with 34% already doing it and 11% planning to introduce it. Another 17% are still evaluating this option. On the other hand, almost a third of the respondents (28%) said they are not planning to finance customers in 2021.

Direct Selling In Social Media

Direct social selling is another strategy that eCommerce companies could consider implementing. Buying directly from social networks is simply much more convenient, and the user journey is much shorter. Thus it means less confusion and fewer cart abandonments.

Will you introduce any of the following practices in 2021? (Direct Selling In Social Media)

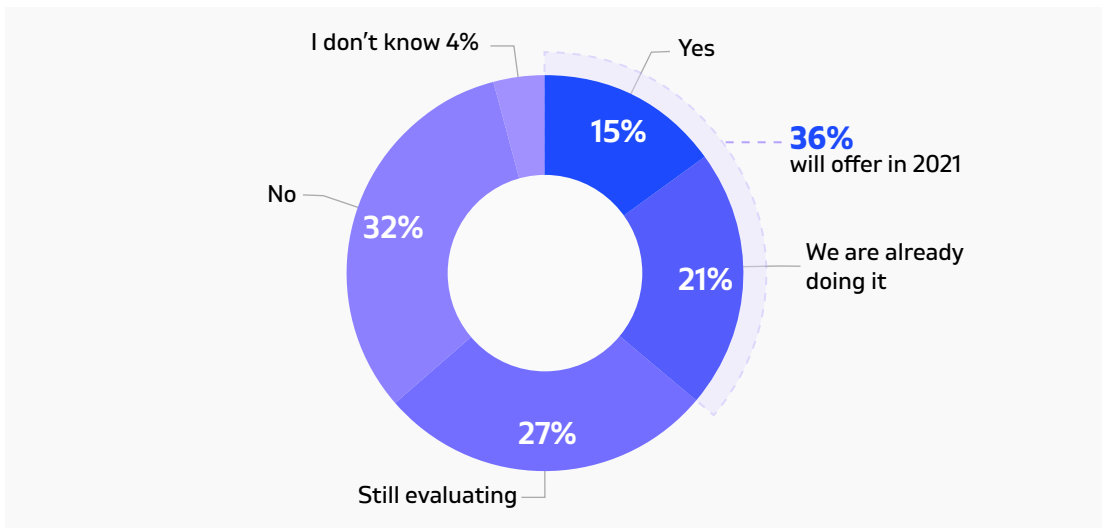


From the survey results, 42% of respondents are either planning to start selling on social media directly (12%) or already doing that (30%). Interestingly, 33% are still undecided if it's worth a while. Lastly, 1 out of 5 participants is not planning to sell directly in social media in 2021.

Dynamic Pricing

Dynamic pricing can be an important marketing method in the eCommerce age. This offers online vendors the ability to be more knowledgeable about current market requirements and be fully briefed about rivals' and customers' actions, helping them improve their conversion.

Will you introduce any of the following practices in 2021? (Dynamic Pricing)

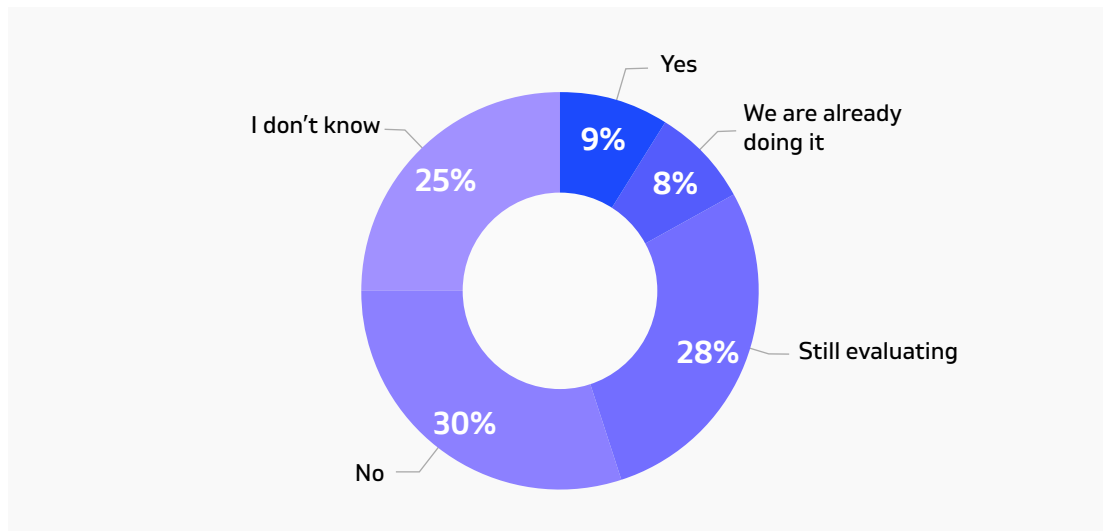


If to look into survey results, 15% of the respondents plan to use it in 2021, while 21% already use dynamic pricing and are not planning to stop. This adds up to a more significant proportion of 36% of the participants confident about dynamic pricing. On the other hand, a very similar portion of respondents (32%) said they will not use this practice for 2021. And another 27% are still considering whether to use dynamic pricing or not.

PWA

Progressive web apps (PWA) lets customers purchase products across connections, devices, or operating systems. It is proposed that in the future, they're likely to replace web or native apps.

Will you introduce any of the following practices in 2021? (PWA)

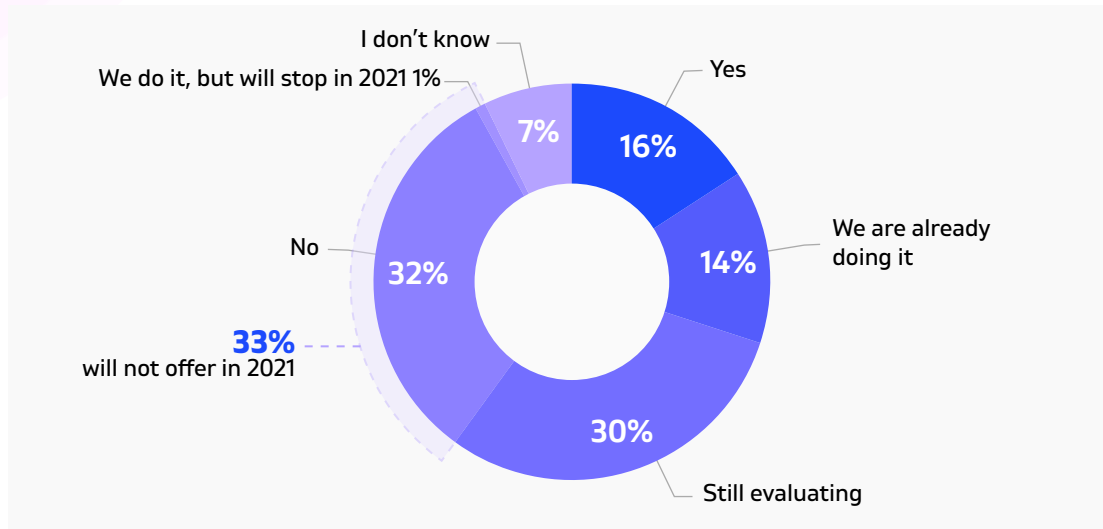


Looking at these survey results doesn't provide a clear outlook of PWA in 2021. 30% of survey participants said that they are not planning to use PWAs next year. 28% are still evaluating this option. Lastly, 17% stated that they had either already implemented a PWA into their eCommerce (8%) or will invoke it in the following year (9%).

Product Subscription Services

Subscription eCommerce has been growing rapidly in the last few years, as it is quite an attractive model for consumers. This is a personalized, convenient, and in most cases, cheaper way to receive the desired goods and/or services.

Will you introduce any of the following practices in 2021? (Product Subscription Services)

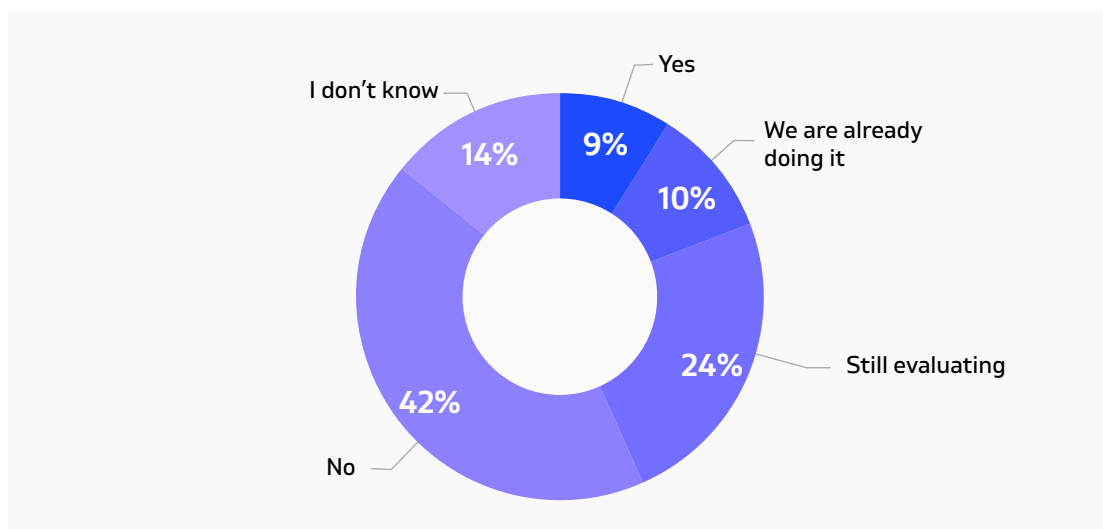


However, from the survey results, more respondents (33%) said they will not use this practice in the following year than those who will be using it in 2021 (30%). Another 30% are still evaluating this option.

Voice Commerce

Voice commerce is gaining popularity fastly, as it allows to expand the customer base, improve customer retention, and satisfaction. Voice commerce sales are predicted to reach [\\$40 billion by 2022](#), according to data from OC&C Strategy Consultants.

Will you introduce any of the following practices in 2021? (Voice Commerce)

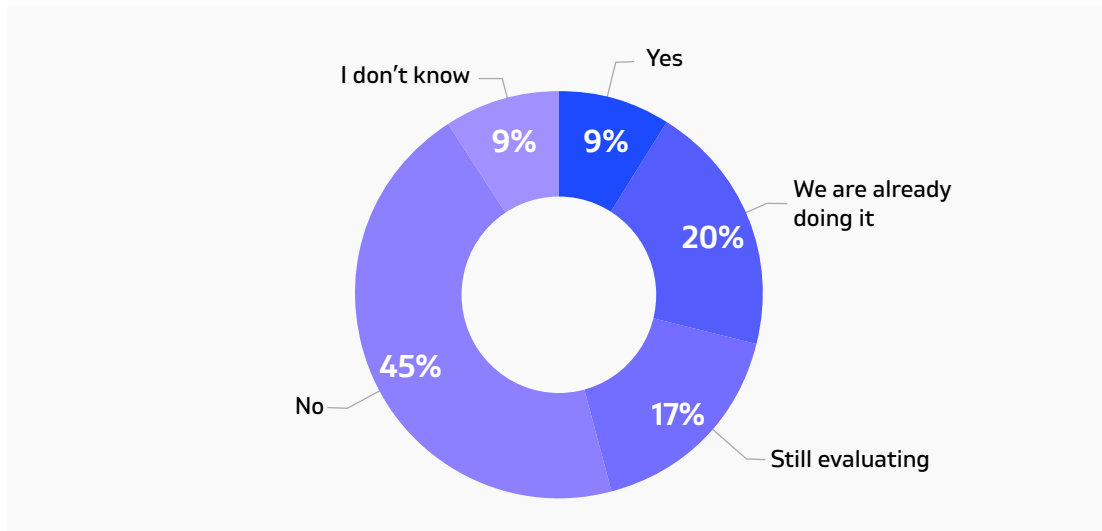


However, survey respondents are not so excited about voice eCommerce, with 42% stating that they will not use voice commerce in 2021. Another 19% will either continue to use it or will begin to use it in 2021. 24% of the remaining participants claimed that they are still undecided about voice commerce.

Digital Wallets

Digital wallets are another way to improve the customer experience. It can help eCommerce companies to reduce cart abandonment rate, lower bank transaction fees, and even increase security.

Will you introduce any of the following practices in 2021? (Digital Wallets)

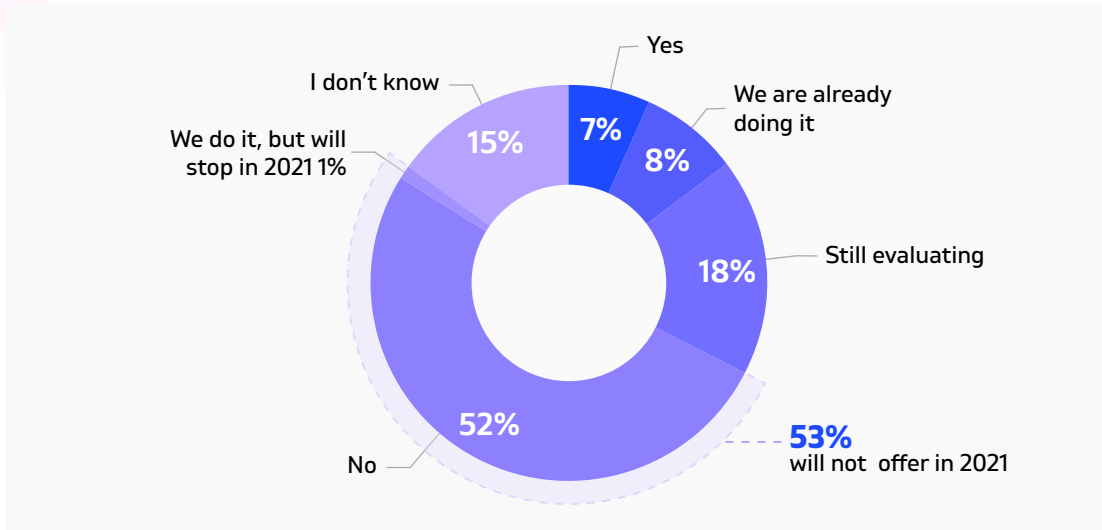


But it seems it won't be so popular among eCommerce leaders - 45% said that they are not planning to use digital wallets in 2021. Less than a third of survey participants claimed that they will use it, with 20% already having digital wallets implemented, and 9% more planning to start using it in the following year. Some respondents are still considering this option (17%).

AR/VR

Augmented and virtual reality is another area, which creates a lot of conversation among eCommerce folks. There is loads of speculation on how innovative technologies enriched with AR and/or VR will be a game-changer in retail. Thus, we wanted to see what eCommerce leaders are planning for this.

Will you introduce any of the following practices in 2021? (AR|VR)

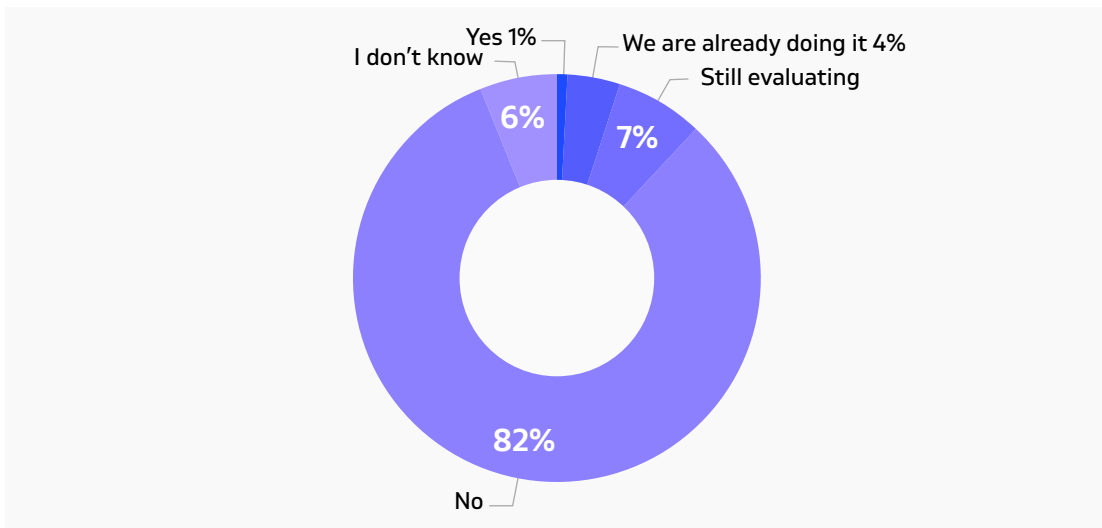


AR/AR was also not so popular, with 53% of respondents answering negatively. However, 7% will introduce it in 2021, and 8% already use this practice. Another 18% is still undecided about augmented and virtual reality.

Cryptocurrencies Payments

Crypto is a buzzword that has been revolving around eCommerce for a while now. This payment form has its own benefits, such as speed, but its market is still very unpredictable.

Will you introduce any of the following practices in 2021? (Cryptocurrencies Payments)

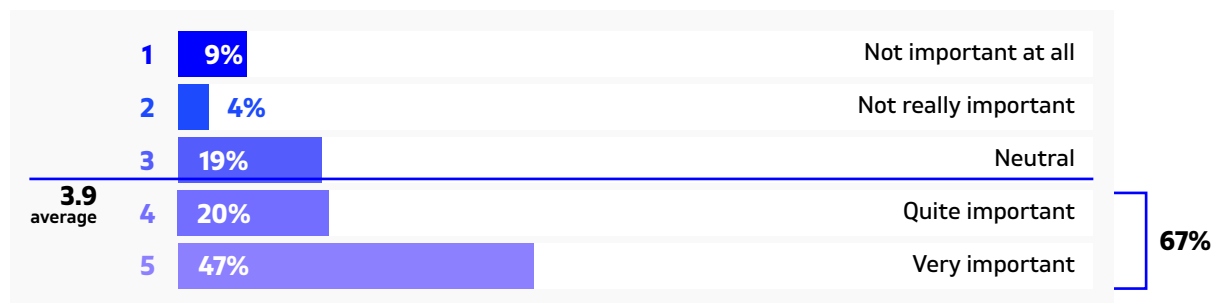


Cryptocurrencies payments will probably not thrive among our respondents' companies, with 82% selecting plain "no" for this practice. On the other hand, 1% is planning to introduce it, and 4% already have this option. Also, another 7% is still thinking if it's worth implementing crypto payments.

Omnichannel Ecommerce Trends 2021

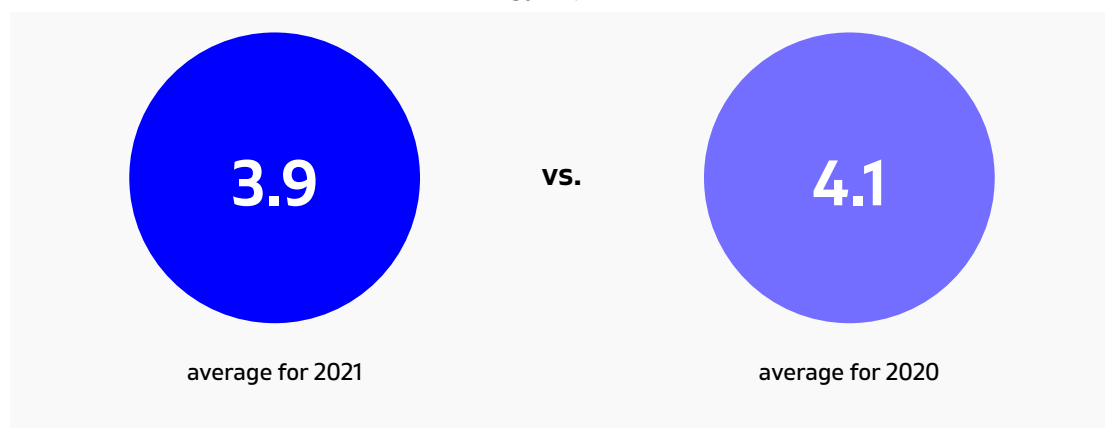
Omnichannel strategy is something that should be considered by any online store owner. Research from [Fluent](#) revealed that 47% of the shoppers, who had an engagement with online stores in at least 10 channels, are more willing to make purchases, compared to 21% who engaged with 1-4 channels.

How important the omnichannel strategy will be for your company in 2021?



From the survey, it is clear that omnichannel will be relevant for most respondents (67%): 47% said that omnichannel strategy will be crucial for their companies in 2020, and 20% claimed that it will be quite important.

Omnichannel strategy importance: 2021 vs 2020

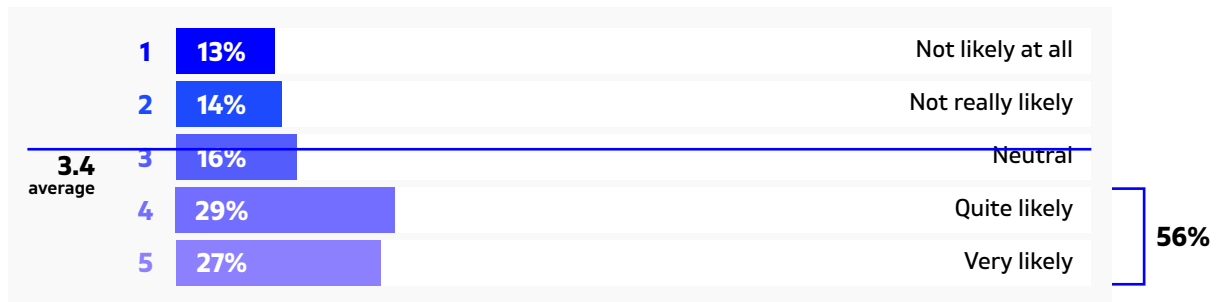


The average score for 2021 was 3.9. The 2020 score was a bit higher, with an average of 4.1.

Building Technologies In-House

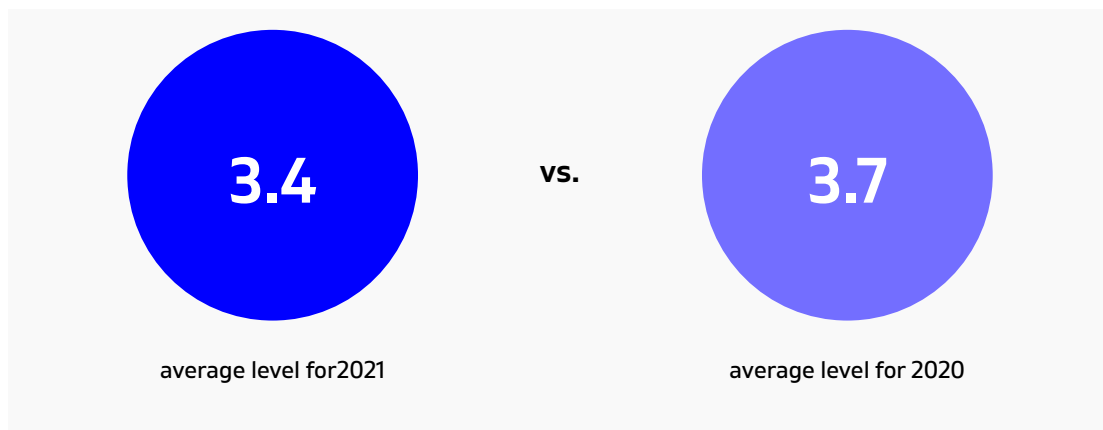
Building technologies in-house can take a lot of time and money, not to mention that it is quite hard to succeed. Thus, sometimes outsourcing technology or service from 3rd party providers is cheaper and more efficient. That's why we wanted to find the preference of eCommerce leaders who participated in the survey.

How likely will you build/improve features & technologies in-house?



It seems that the majority of participating companies prefer to build their technologies themselves (56%): 27% of respondents said that it is very likely that they will build technologies themselves, as they prefer in-house development, and another 29% claimed that it is also quite likely that they will build their technologies themselves. On the other hand, almost a third of participants (27%) are not likely to build technologies in-house.

Building technologies in-house: 2021 vs 2020

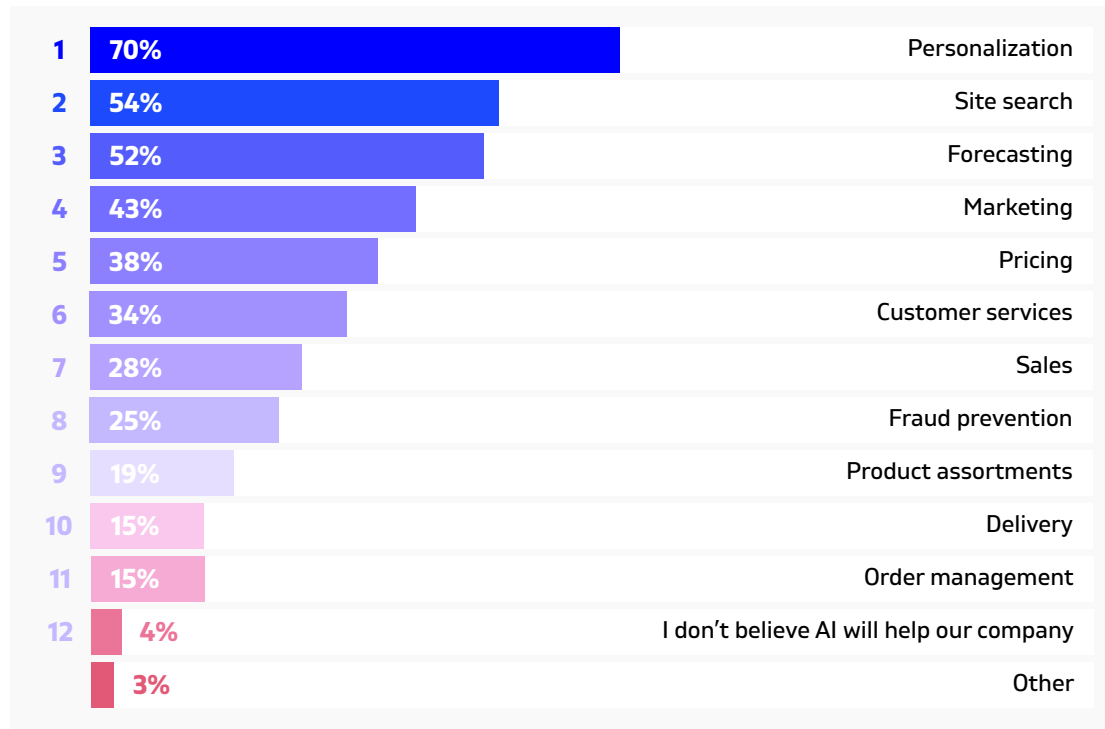


The average score for respondents was 3.4, and last year the average was a bit higher: 3.7.

AI Ecommerce Trends 2021

Artificial intelligence based technologies have been beneficial for eCommerce in the past few years. Of course, there is still lots of space for improvements. Thus, we decided to find out where eCommerce leaders thought AI would be the most helpful for the industry in the following year.

Where do you believe AI will help your business in 2021?



The respondents recognized personalization (70%), site search (54%), forecasting (52%), marketing (43%), pricing (38%), and customer services (34%) as the areas most likely to receive AI assistance in 2021. Other options received less than a third of participant votes. Interestingly, there were respondents (4%) who think that artificial intelligence will not be useful for their companies in the next year.

Ecommerce Technology Trends For 2021

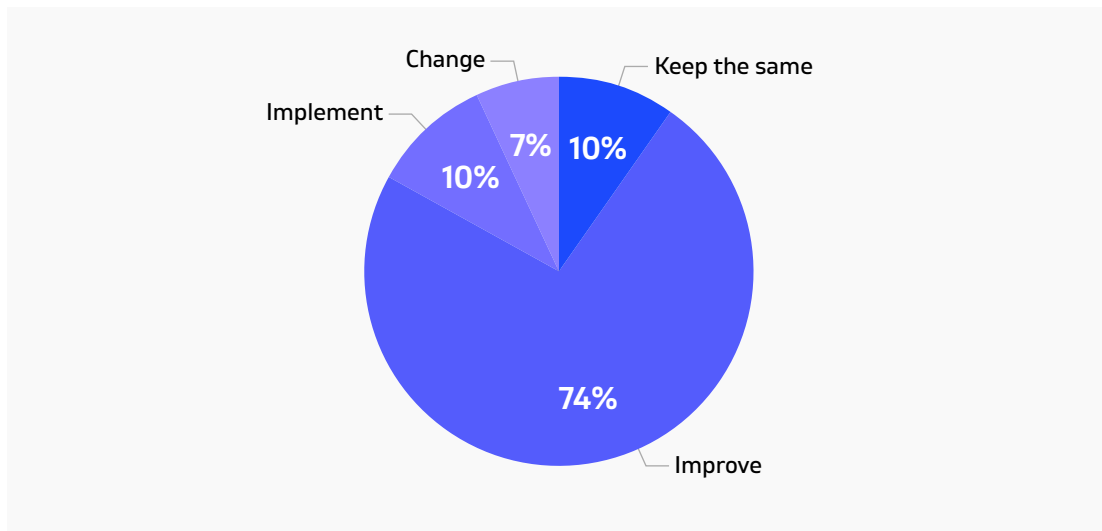
We live in an age where technological advancements happen fast and heavily impact our personal lives and businesses. Choosing the right technology for your eCommerce business can bring a tremendous advantage over your competitors. Thus, we wanted to learn more about

what technologies eCommerce leaders plan to implement, improve, change, keep the same, or cancel in 2021. This should help to paint the picture of where their efforts will be focused in the coming year.

Analytics & Data Insights

Analytics and data is a technological area from which eCommerce can benefit greatly. Having the right data and insights can help businesses to act faster and create the right strategy.

What technologies in 2021 will you implement, improve, change? (Analytics & Data Insights)

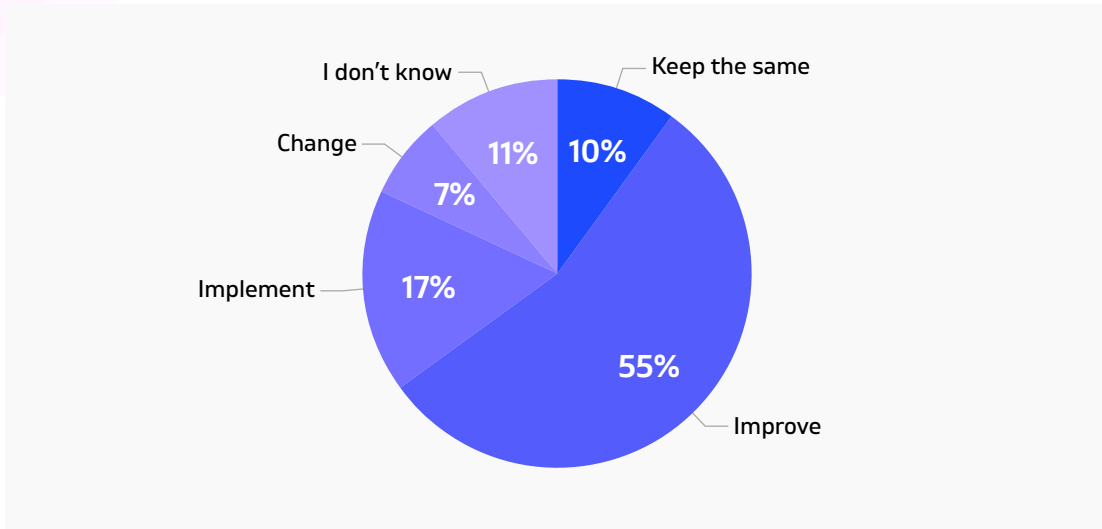


From the results, it is clear that most survey respondents (74%) will invest in improving their analytics and data insights. Next, 10% plan to implement something new, and 7% said they will change their analytics technology in 2021. Another 10% said they will keep it the same.

Marketing Automation

Ecommerce marketing can be quite monotonous, not to mention time-consuming. Technologies related to marketing automation can help eCommerce companies execute more in less time while producing more revenues.

What technologies in 2021 will you implement, improve, change? (Marketing Automation)

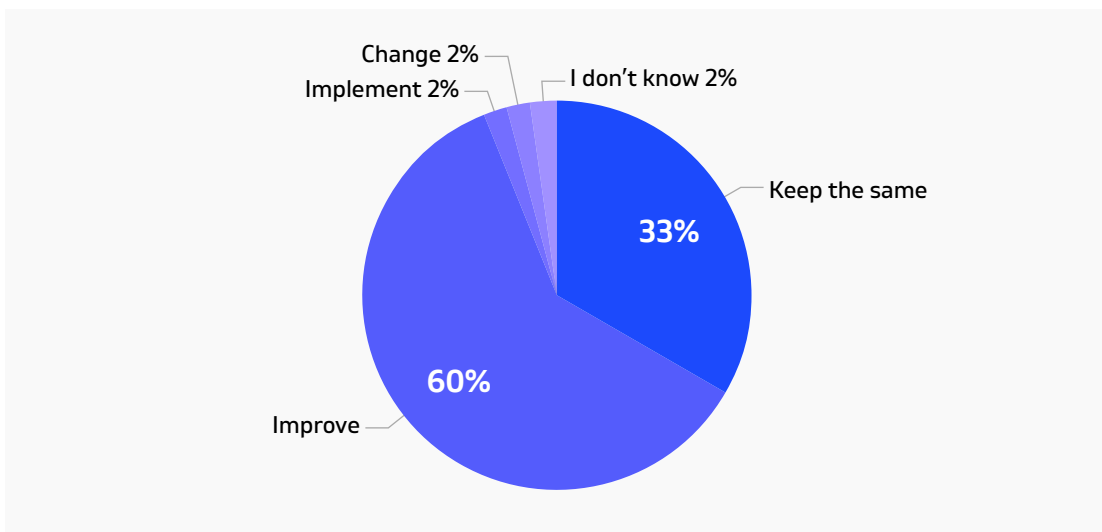


Naturally, the majority of 55% said they will improve their marketing automation next year. Besides, 17% stated that they plan to implement it in 2021, and another 7% will change it. Finally, 10% do not plan to do a thing with their marketing automation efforts in the following year.

Product Visualization

Product visualization is one more interesting eCommerce technology, which can result in a better customer experience. With the help of product visualization technologies, online retailers can improve the experience with high-quality images that portray exactly what the customer will receive upon delivery.

What technologies in 2021 will you implement, improve, change? (Product Visualization)

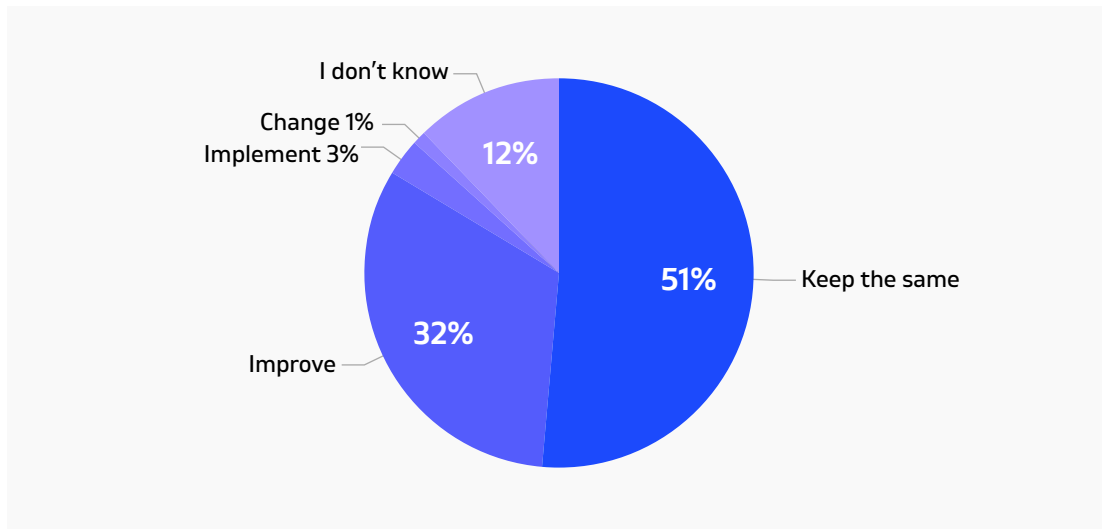


It is clear that the majority of 60% will improve its product visualization in the coming year. More than a third of respondents (33%) said they will keep it the same. Moving on, 2% are planning to implement something new, and 2% stated they will change product visualization technology in 2021.

Fraud Prevention

Fraud continues to be a serious issue for eCommerce players. So it's important to have prevention technology implemented to create brand trust and credibility and protect online shoppers.

What technologies in 2021 will you implement, improve, change? (Fraud Prevention)

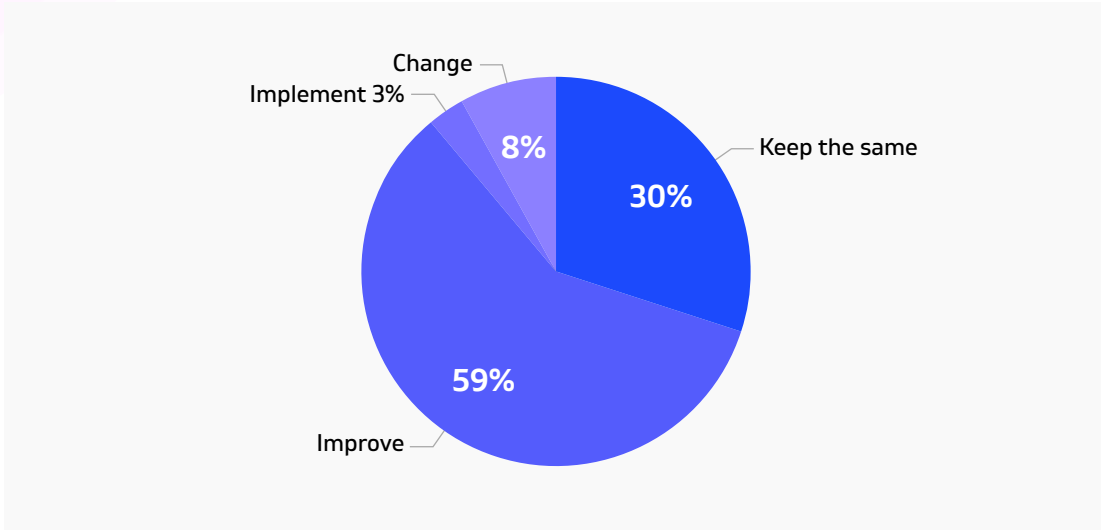


More than half (51%) of survey participants said they will keep it the same for 2021. A further 32% will improve their fraud prevention next year. 3% claimed that they are planning to implement it, and another 1% will change this technology in the following year.

Payments & Checkout

Payments & checkout is another part of eCommerce, which heavily impacts the overall business. It is probably the worst to lose customers in the last step of the purchase, and this is exactly what happens with poor payments and checkout technology.

What technologies in 2021 will you implement, improve, change? (Payments & Checkout)

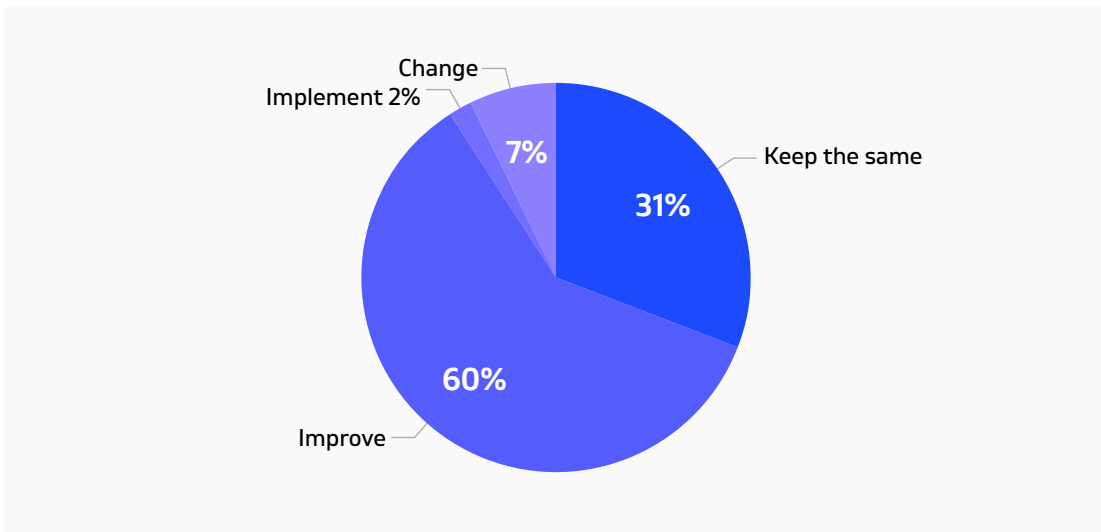


Not surprisingly, 59% of respondents are planning to improve it in 2021. Also, another 3% said that they will implement it, suggesting that they are not using any now. Moving on, 30% are keeping their payments and checkout technology the way it was. Lastly, 8% of participants expressed their plans to change it in the following year.

Order Management

Order management systems (OMS) empowers eCommerce to deliver great customer experiences at scale for all channels. The benefits range from visibility at every step of the sales process, reduced risk of human error, time efficiency to improved accuracy.

What technologies in 2021 will you implement, improve, change? (Order Management)

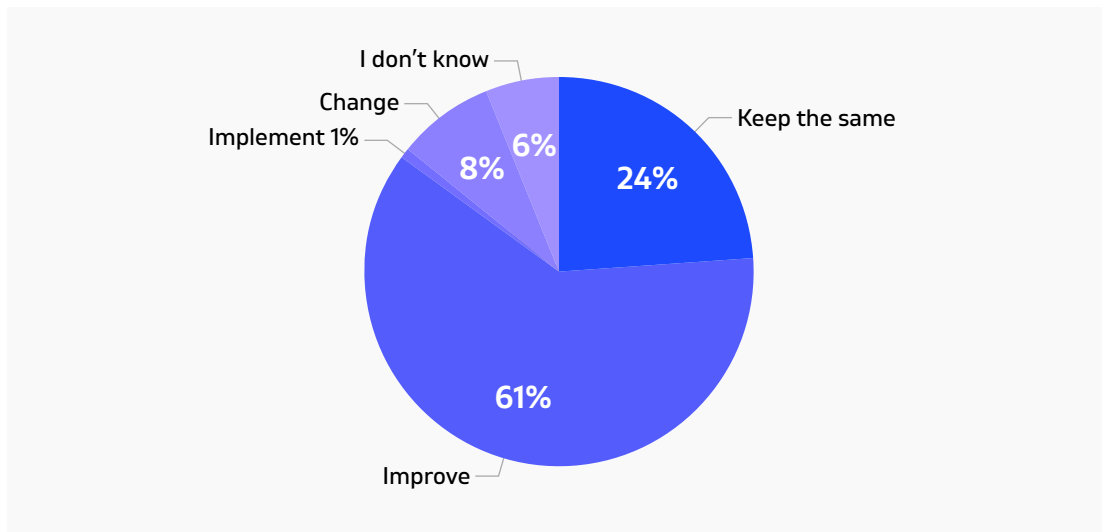


From the results, it is clear that most survey respondents (60%) will invest in improving their order management systems. Next, 2% plan to implement something new, and 7% said they will change their orders technology in 2021. Another 31% said they will keep it the same.

Product Feeds

Product feeds have a crucial role for eCommerce businesses as well, as they contribute highly to products being discovered by customers.

What technologies in 2021 will you implement, improve, change? (Product Feeds)

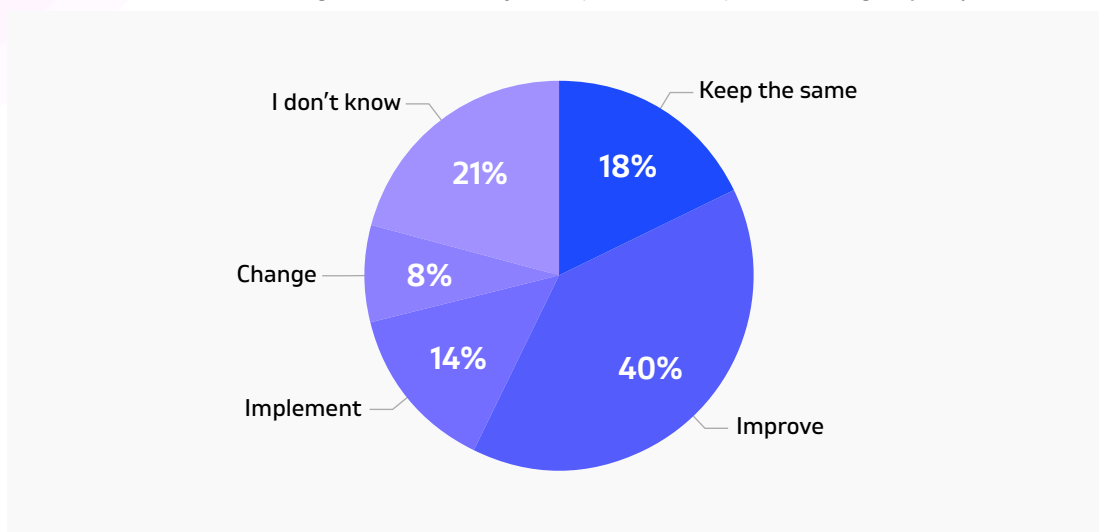


Naturally, the majority of 61% said they will improve their product feeds technology next year. Besides, 1% said that they are planning to implement it in 2021, and another 8% will change product feeds tech. Finally, 24% do not plan to do a thing with their product feeds in the following year.

PIM

Product information management (PIM) technology ensures that existing or new product information will be updated efficiently.

What technologies in 2021 will you implement, improve, change? (PIM)

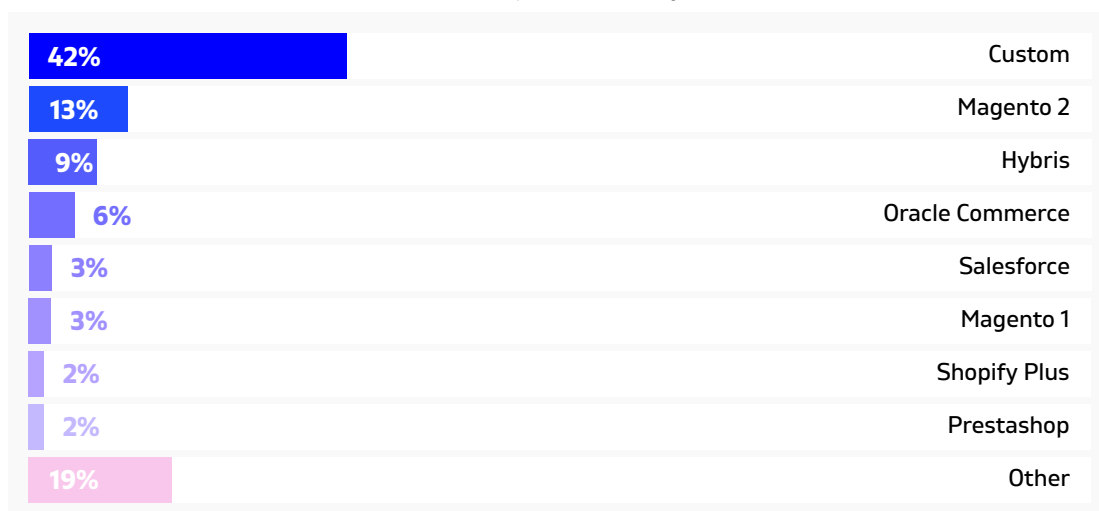


However, the most popular choice was to improve it in 2021 (40%), followed by 18%, who said they will keep their PIM technology the same. Moving on, 14% are planning to implement something new, and 8% claimed they will change their PIM technology in 2021.

Ecommerce Platform Trends

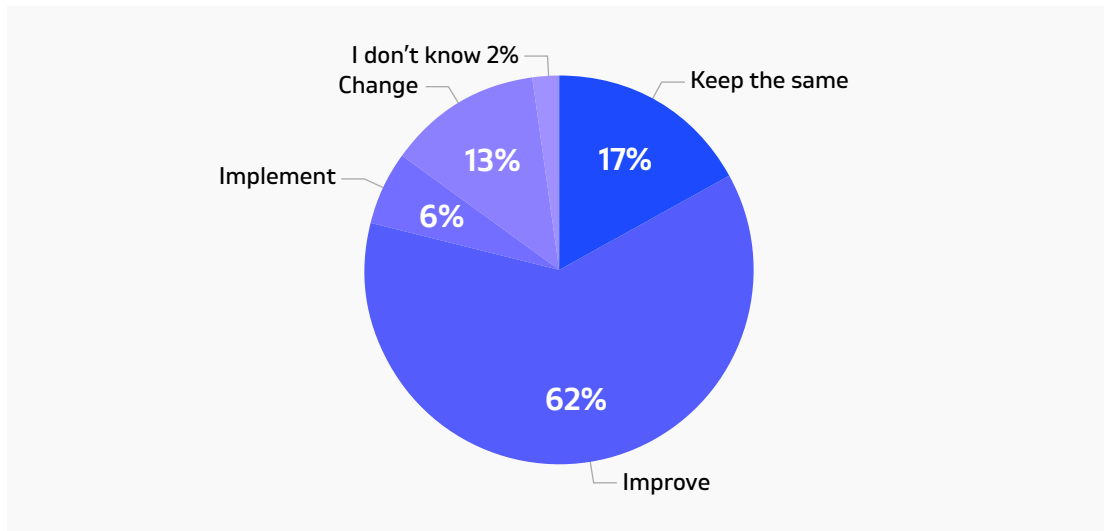
The eCommerce platform is one of the cornerstones of running an online store, if not the most important one. There are many eCommerce platforms, so choosing the right one can be really difficult. Among 90 respondents who answered the question about their current eCommerce platform, 23 different platforms were mentioned.

What eCommerce platform are you on now?



The most popular answer was that they use a custom platform (42%), followed by Magento 2 (13%), Hybris (9%), Oracle Commerce (6%), Salesforce (3%), Magento 1 (3%), Shopify Plus (2%), and Prestahop (2%). Other platforms received less than 2 answers.

What technologies in 2021 will you implement, improve, change? (Ecommerce Platform)

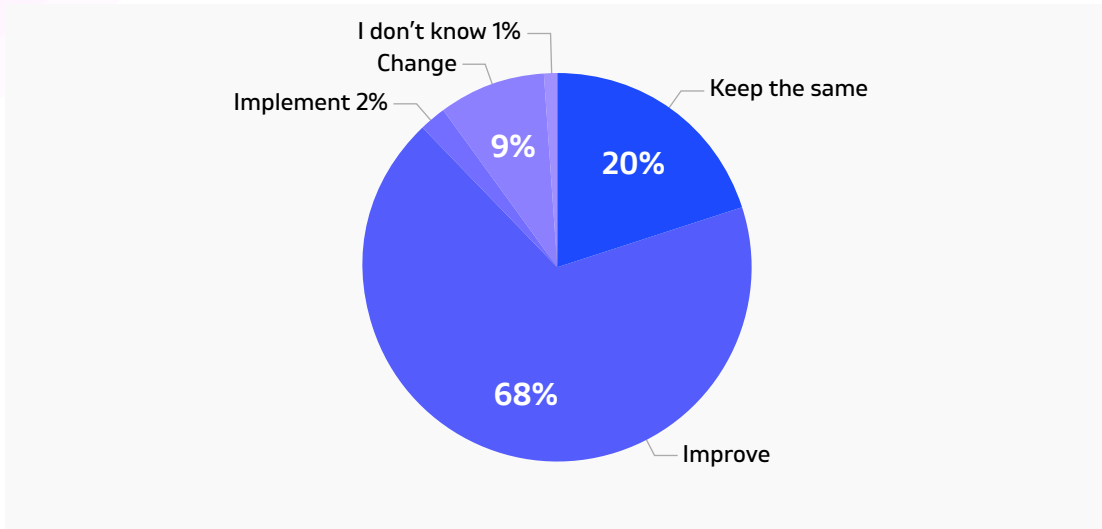


As was already mentioned, the eCommerce platform is one of the most important technologies for online stores. Not surprisingly, 62% of respondents are planning to improve it in 2021. Another 6% said that they will implement it, suggesting that they are not using any now. Moving on, 17% are keeping their platform the way it was. Lastly, 13% of participants expressed their plans to change the platform in the following year. These were respondents who said they currently use such platforms as Magento 1, Bitrix, Sitecore, or their own custom one.

Ecommerce Site Search Trends 2021

Site search can be critical for driving conversion and ensuring that your site's visitors have a pleasant search experience. Customers' expectations are as high as ever before - [80% of users](#) leave the online store if it fails to provide them with convenient website navigation, relevant search, or clear product information. In fact, visitors who use search can generate around [30-60% of ALL revenues](#). Thus, we explored the site search topic from various angles in the survey.

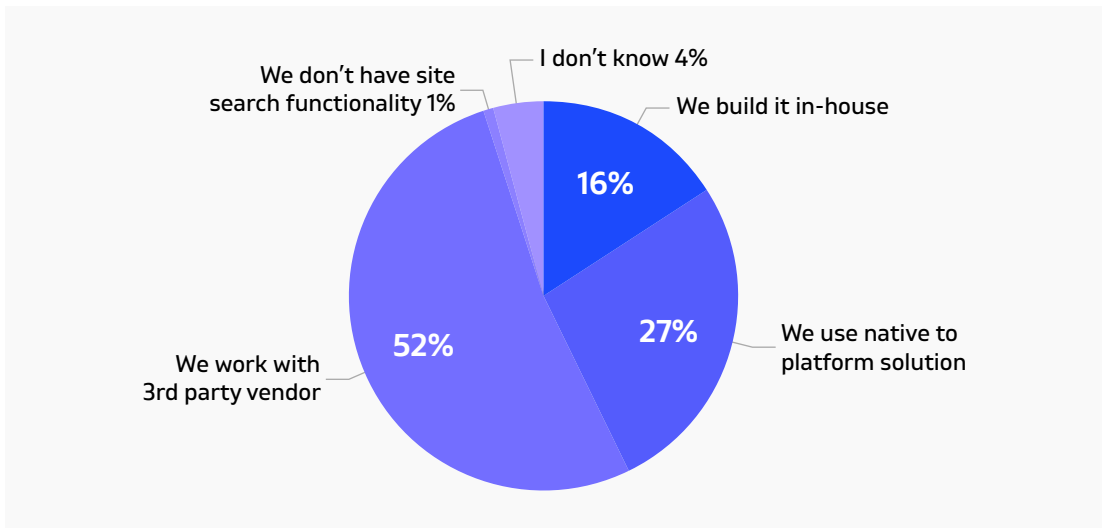
What technologies in 2021 will you implement, improve, change? (Site Search)



It's not unexpected that the majority of 68% are planning to improve their site search in 2021. Next, 20% are keeping their eCommerce search the way it was. Only 9% of participants expressed their plans to change it in the following year. Also, there were respondents (2%) who claimed that they are planning to implement site search technology next year, as they most probably do not currently have it.

Ecommerce Site Search Solutions

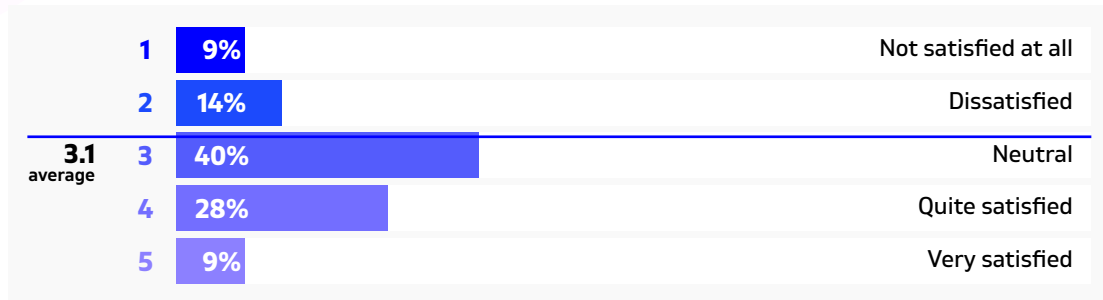
How do you deal with site search?



Let's look at how the participants deal with the site search. There are three major ways to do that - build it yourself, use a pre-built solution from the third-party provider, or native to platform solution. The survey proves this: most of the respondents - 52% said that they outsource it from the 3rd party solution provider. 27% claimed that they use native to platform solutions. 16% said that they are dealing with their site search themselves. It's quite strange, but 1% stated they don't even have site search functionality.

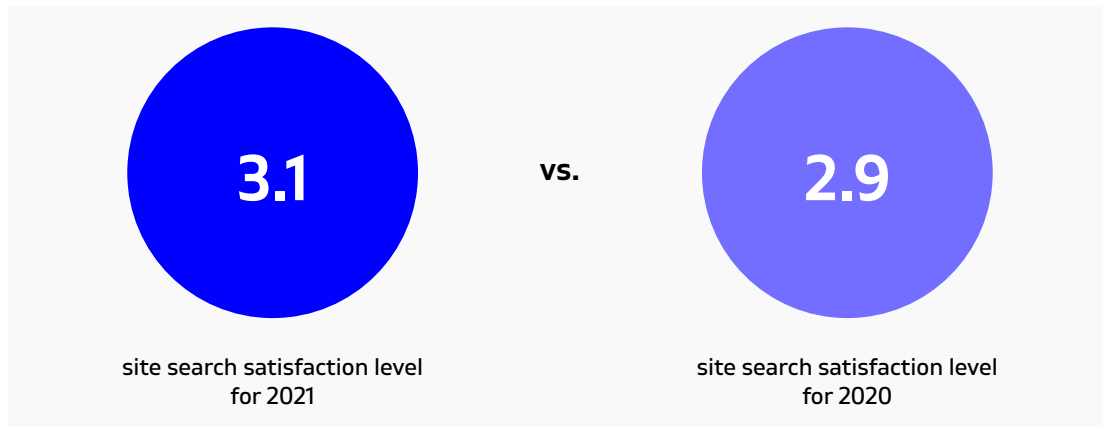
Ecommerce Site Search Satisfaction

How satisfied are you with your site search?



Most of the participants have quite moderate satisfaction with their site search - the majority of the results are scattered around the scale of 3 (40%) and 4 (28%). Only very few respondents expressed the highest level of satisfaction with their site search (9%). On the other hand, 9% are not satisfied with their site search at all, and another 14% are not really satisfied with it.

Site search satisfaction level: 2021 vs 2020

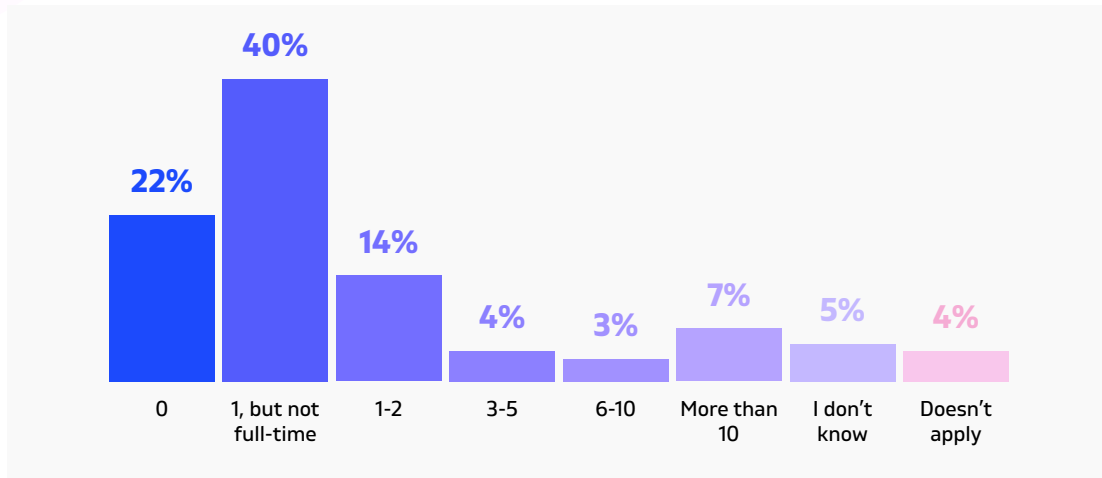


On average, respondents' satisfaction with their site search was 3.1 on a scale of 5, which is higher from last year 2.9.

If to go a bit deeper into the data, the average satisfaction of those respondents who trust their search to third party vendors was 3.6 points out of 5 possible. For comparison, the average satisfaction of those building search themselves was 2.8 points out of 5. And the average satisfaction of those participants who are using native-to-platform solutions was 2.5 points out of 5.

Ecommerce Site Search Workforce

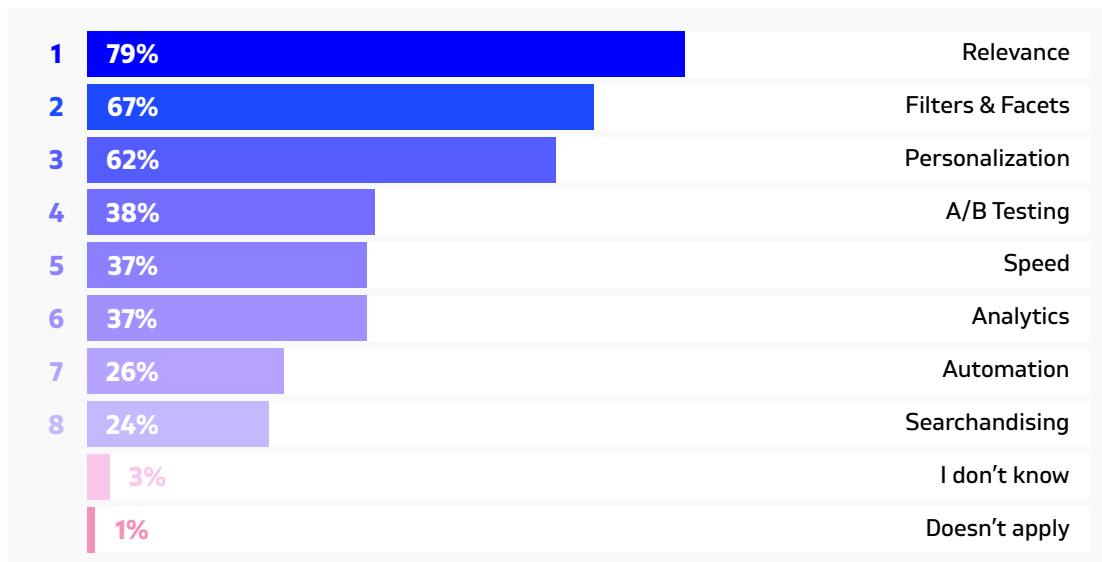
How many people in your company work full-time with site search?

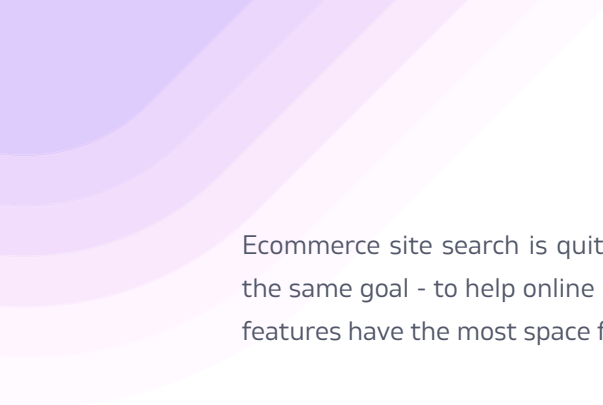


Next, we asked survey participants how many people are involved full-time with their site search. 40% of respondents marked that 1 person works with their site search, but not full-time. 14% said that 1-2 people work full-time. Another 7% claimed that 3-10 people are fully involved in the site search. And 7% stated that more than 10 people work with it. Interestingly, 22% said that no one works on site search at all.

Top Ecommerce Site Search Features

What site search features would you most want to improve?





Ecommerce site search is quite a complex field, with lots of different features, each serving the same goal - to help online retailers sell more. Thus, we wanted to learn more about which features have the most space for improvement, according to eCommerce leaders.

Relevance (79%), filters & facets (67%), and personalization (62%) took the lead. It was followed by A/B testing (38%), speed (37%), analytics (37%), automation (26%), and searchandising (24%).

Expert Comment

Antanas Bakšys, CEO & Co-founder of SearchNode:

"The Coronavirus crisis is horrible, but we have to be honest and admit that the eCommerce industry was (and probably still is) one of the biggest winners. This can be seen from our survey as well: the vast majority of respondents indicated that they had positive effects both during and after the lockdown on their online revenues, compared to the period before COVID-19.

When you think about 2020, it's peculiar how fast the world changed and adapted. It seems that almost overnight, people stopped going out and started spending more and more time at home due to lockdowns. No doubt, this is a major behavioral change. Without the possibility of going and buying stuff they want in stores, naturally, the transition to online happened. And the behavior change is a huge thing - once people try online shopping, they are likely to stick to the habit. Of course, only if they have pleasant experiences.

But we have to focus on the upcoming 2021 to reach better results, and most importantly, overrun competitors. With all modern technologies and advancements, customer expectations are as high as ever. COVID-19 only amplified the importance of satisfying customers, as there are simply more people browsing your catalog. But there are also more online stores to serve them. Your rivals are not having a siesta, and neither should you.

At SearchNode, we believe that the key to success is **Customer Experience**.

There are many ways to improve the experience, from special offers to smooth delivery. But as we are experts in eCommerce site search, I decided to share my experience working with big eCommerce companies and how they are dealing with site search to wow their customers.

What I often see in eCommerce people is the desire to find that one polished search tool, the best of the best, which they will implement once, and *poof* all of the problems will suddenly go away.

The truth is, the reality is quite different. There is no magical site search tool that can do this, and if someone promises you this - that's an empty promise. **Technology still needs people** to deliver the best possible results. And it's especially true with such a dynamic field as eCommerce.

All I am saying is that the success factor in having the best possible search experience is to have a team of search experts behind the powerful technology. And by experts, I don't mean merchandisers, who are manually putting synonyms & redirects in the dashboard or consulting on setting up a tool. I mean true search experts that are engineers and product managers

who continuously improve the search experience by implementing data-driven changes to core search algorithms.

Think about Amazon. They have ~400 employees working full-time to develop a better customer experience with the site search. In addition to that, Amazon has the best search experts on their team, such as Michael Sokolov and Mike McCandless. Moreover, they invested a massive amount of money in their site search, and they keep doing that to this day. So can we really expect that one shiny tool and a person working partly on surface issues can do all the job?

Well, no...

And this is exactly why we do what we do every day. We shifted from being a simple API search solution/SaaS provider to a boutique company that continuously improves custom search solutions. Now we use our powerful AI technology (that we also had when we were just a SaaS tool) and adapt it to our clients' business needs and specifics. We prepare it for the client's unique product data, build custom automated merchandising algorithms, and modify and/or build other great stuff.

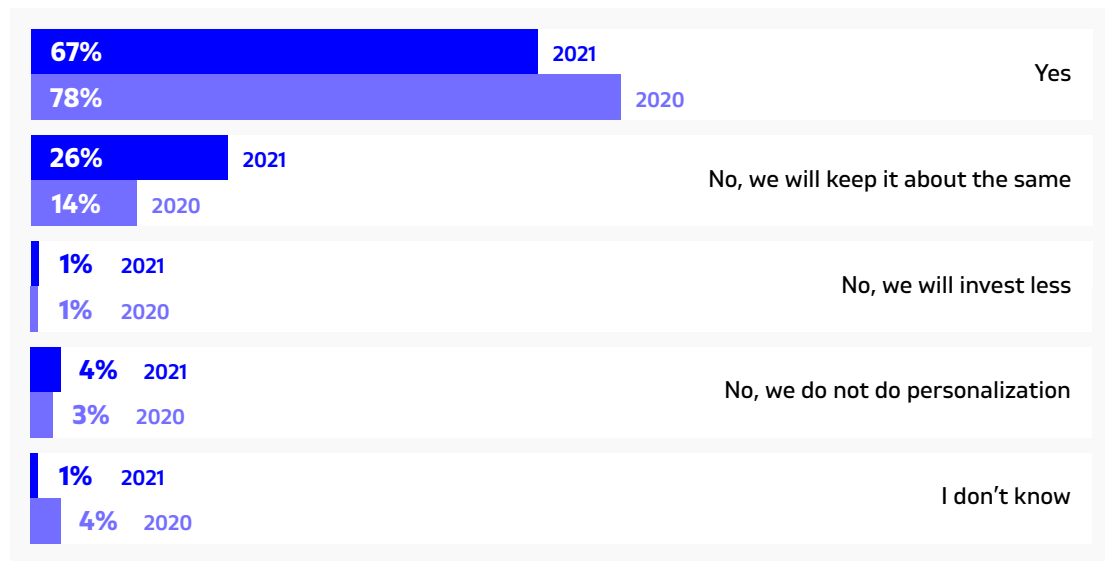
In the end, the client has a tailor-made solution, with a continuous improvements process and a team of search experts behind without hiring them full-time. NOT just a one-size-fits-all tool. And then the [numbers speak for themselves](#).

Site search is just one part of the overall customer experience mix for eCommerce. The same principles can be applied to many other tools and technologies. As provoking as my words may be, I really hope they will inspire those who want to provide their customers with the best experience possible. I'm a firm believer that the future lies not in advanced standalone tools but in the tools + teams & processes. All the best and Goodluck!"

Personalization Ecommerce Trends 2021

Ecommerce personalization is the concept used by digital retailers to build personal interactions or experiences on eCommerce websites. It can boost online store conversions significantly and improve loyalty.

Will you invest more in personalization in 2021 vs 2020?



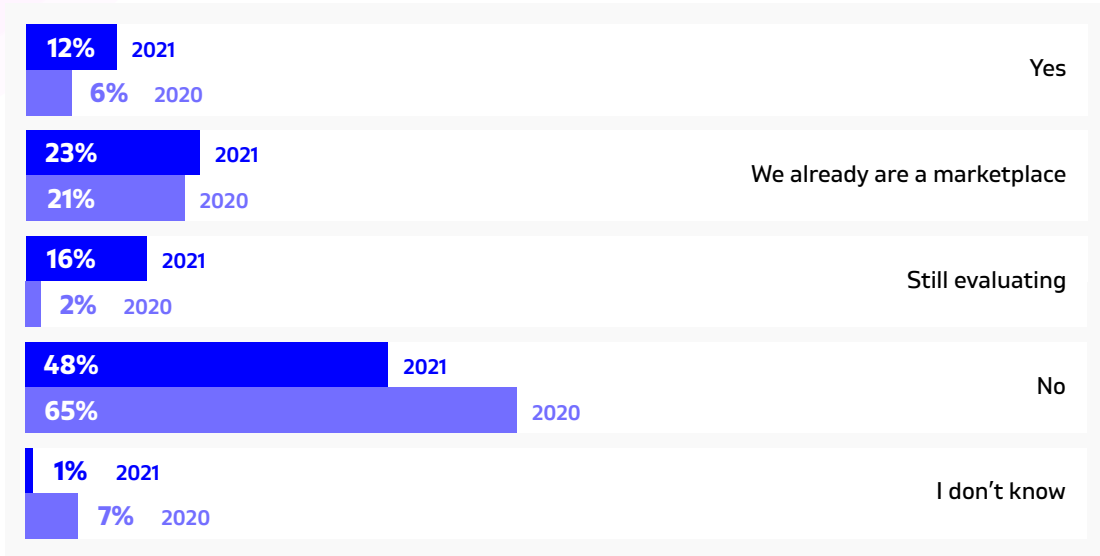
According to our survey - personalization will be one of the top priorities for respondents, with 67% saying they will invest more in it. 26% claimed that they are planning to keep investment levels about the same. Interestingly, 1% stated they will reduce the investment, and 4% said they do not even do personalization.

Last year, 78% said they will invest more, 14% will keep it about the same, 1% decrease, and 3% didn't do personalization.

Ecommerce Marketplace Trends

Becoming a multi-vendor platform could be a huge competitive advantage in the market, but it's not an easy task to do.

Will you become a marketplace in 2021 vs 2020?



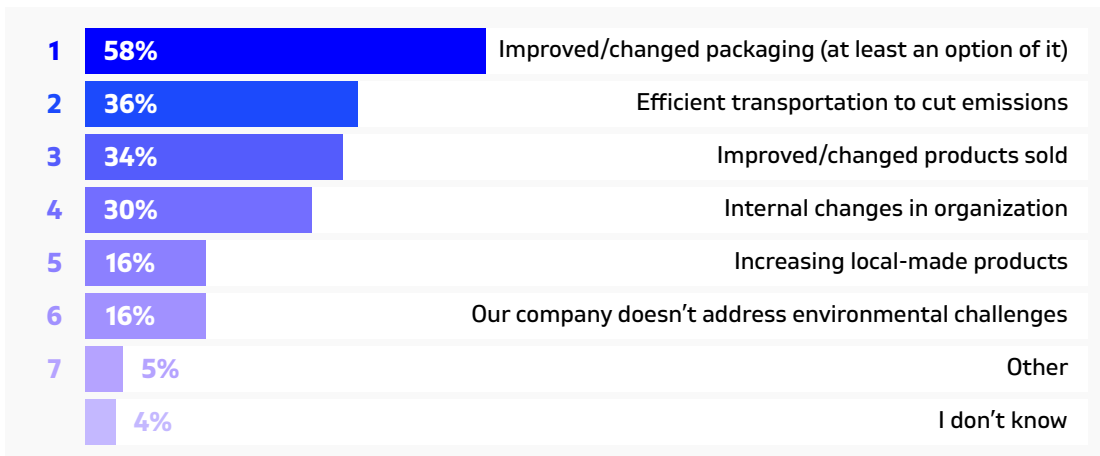
48% of respondents said that they will not become a marketplace in 2021. On the other hand, more than a third (34%) of participants claimed they will be a marketplace in 2021, with 12% planning to become, and 23% already being a marketplace. Another 16% are still undecided.

To compare it with last year, an even bigger part of respondents were not planning to become a marketplace (~65%). On the other hand, not such a small part was already a marketplace (~21%), and there are some as well who are planning to do that (~6%), adding up to 27%, who was planning to become a marketplace in 2020.

Ecommerce Sustainability Trends

Being environmentally conscious is an emerging trend in eCommerce. This is influenced by a rising sustainable mindset all over the world.

How is your company addressing environmental challenges?



Based on our survey, 75% of respondents take at least one action to address environmental challenges, 47% take 2-3 actions, and 10% take more than 3 actions.

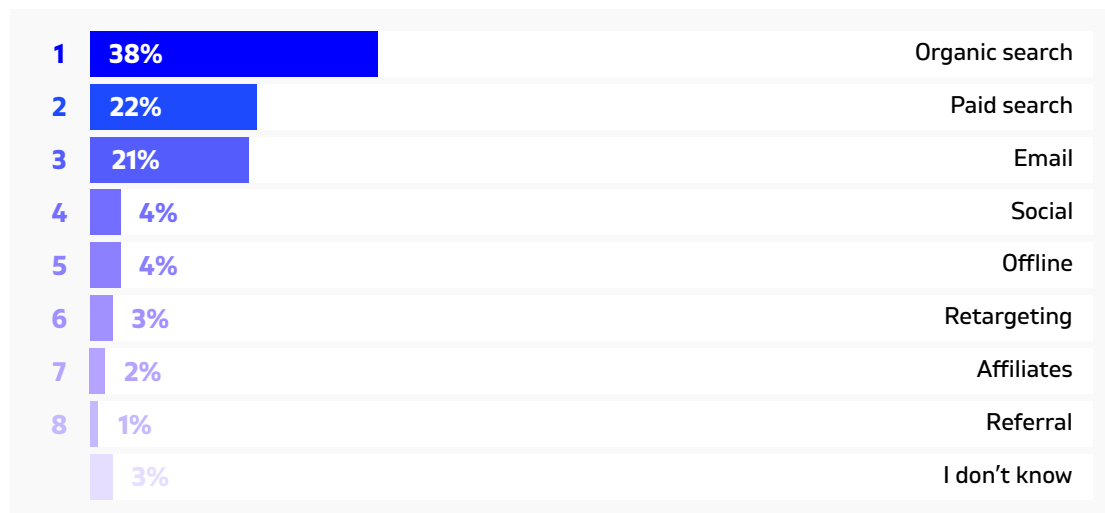
Among mostly mentioned measurements to address environmental challenges were improved or changed packaging (at least an option of it) - 58%, efficient transportation to cut emissions (36%), improved or changed products (34%), internal changes in the organization (30%), and increasing local-made products (16%). Another 5% are doing other measurements.

On the other hand, there is still room for improvement - 16% said that they are not addressing environmental challenges at all. Last year this number was 28%, so it's a positive trend to see that fewer companies are not addressing these challenges.

Ecommerce Marketing Trends For 2021

Just as for any other type of business, marketing is essential for eCommerce. It can help to heavily increase customer base, brand awareness, and of course, profits. Return on investment (ROI) is significant when choosing the right marketing strategy. Thus, we asked eCommerce leaders about the most successful marketing channels for their company regarding ROI.

Which marketing channel has the best ROI for your company?



The organic search seems to take the lead with 38% for the second year in a row. Last year, SEO was leading eCommerce practice as well, with a small majority of 34%. Next, survey participants mentioned paid search (22%) and email marketing (21%). Other digital marketing initiatives, such as social, retargeting, affiliates, and referrals, received less than 5%. Not surprisingly, offline marketing received only 4%, meaning that eCommerce focuses on digital efforts most.

Final Word About Ecommerce Trends 2021

The eCommerce trends explored in this survey focus on painting a real picture of what the industry can expect in 2021 and the years beyond. 2020 proved how turbulent the industry is given the massive changes that online retailers experienced due to the pandemic. In the future, eCommerce can evolve rapidly in ways that we cannot expect. But with the right information, preparation, and speed, it's possible to not only survive but thrive. We hope that information provided in this survey will contribute to the success of eCommerce in the future!

Ecommerce Trends 2021 Survey Report



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