Fasten Your Seatbelts: Forecasting Ecommerce Trends in 2013

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Today’s Agenda

• 2012 Year in Review

• What to expect in 2013
  – M-commerce matures
  – Pressure for faster shipping
  – Comparison shopping skyrockets
  – Content becomes the new SEO
  – Amazon strengthens its power

• Live Q&A
2012 Year in Review

Quarterly Ecommerce Sales: 2010-2012
(billions of dollars)

- Quarterly sales increased around 15% YoY
- Ecommerce sales continued to take higher portion of retail sales
  - Closed over 5% for first time
  - Outpaced retail growth
- Holiday sales break records
  - Cyber Monday: $1.46B
  - Black Friday: $1.04B
  - Total: $42.286B, (+14%)
Top Stories of 2012

- Pinterest becomes the darling of social commerce
- Google Penguin gives sites the cold shoulder
- Tablets take center stage for mobile commerce
- State governments take action on internet sales tax
- Amazon continues to build its empire
<table>
<thead>
<tr>
<th>Event</th>
<th>2011</th>
<th>2012</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 1-December 31</td>
<td>$37,170</td>
<td>$42,286</td>
<td>14%</td>
</tr>
<tr>
<td><strong>Thanksgiving Day (Nov. 22)</strong></td>
<td>$479</td>
<td>$633</td>
<td>32%</td>
</tr>
<tr>
<td><strong>Black Friday (Nov. 23)</strong></td>
<td>$816</td>
<td>$1,042</td>
<td>32%</td>
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<tr>
<td><strong>Thanksgiving Weekend (Nov. 24-25)</strong></td>
<td>$1,031</td>
<td>$1,187</td>
<td>15%</td>
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<td><strong>Cyber Monday (Nov. 26)</strong></td>
<td>$1,251</td>
<td>$1,465</td>
<td>17%</td>
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<td><strong>Green Monday (Dec. 10)</strong></td>
<td>$1,133</td>
<td>$1,275</td>
<td>13%</td>
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<tr>
<td><strong>Free Shipping Day (Dec. 17)</strong></td>
<td>$575</td>
<td>$1,013</td>
<td>76%</td>
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<tr>
<td><strong>Christmas Day</strong></td>
<td>$212</td>
<td>$288</td>
<td>36%</td>
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</table>
What to expect in 2013
Mobile commerce matures

**The Facts**

- M-commerce to account for 24% of ecommerce revenues by 2017 (ABI)
- 74% of US mobile subscribers own a smartphone (MorganStanley)
- In 2013, smartphone sales projected to grow 50%, reach $12B (Forrester)
- Tablet commerce
  - Tablets expected to outship PCs by 2016
  - Tablet users are more likely to purchase from this device than on smartphones
  - Tablet users more affluent, savvier online

**What to Do**

- Enable and optimize your mobile store to cater to mobile shoppers
- Think about mobile with your marketing communications, particularly social
- Keep track of mobile traffic
  - Use Google Analytics’ Mobile Report
  - Look at most popular devices
  - Monitor key performance metrics
Pressure to ship faster

The Facts

- Amazon already dabbling in same-day delivery in major metro areas
- eBay, Macy’s Target and Best Buy now following suit
- Third-party couriers to jump on board to meet retailer demand
- Shipping providers offering same-day options in major US cities

What to Do

- Don’t freak out – this expectation won’t be the norm for most of your customers
- If you’re able/willing to offer same-day shipping, charge a high premium
- Make priority shipping options available and prominent on your site
- Find other value-adds to make up for the lack of same-day shipping
## Comparison shopping skyrockets

### The Facts

- New tools and apps (Hukkster) are now alerting shoppers when prices drop
- Increase in “showrooming” impacting physical and online retailers
- Traffic to comparison shopping sites increases, especially during the holidays
- 27% of online shoppers say they visit coupon sites before purchasing (RetailMeNot)

### What to Do

- Get started with Comparison Shopping Engines (CSEs), now
- Ramp up your competitive reconnaissance for pricing levels
- Work to improve customer loyalty and drive repeat traffic
- Actively communicate coupons, discounts and special promotions
# Content becomes the new SEO

**The Facts**

- Low quality sites continue to be impacted by additional Google Panda updates

- 61% of people are more likely to buy from a company that delivers custom content (Custom Content Council)

- Social sharing signals have a growing impact on search results

- 90% of respondents believe content marketing will become more important over the next 12 months (Econsultancy)

**What to Do**

- Remember Google’s mission: to deliver the most meaningful and useful results possible to its users

- Launch or ramp up your blogging efforts; mix up your content formats

- Add social buttons and encourage social sharing

- Identify key informational needs and target specific keywords
Amazon strengthens its power

**The Facts**

- Over 100 million people visited Amazon.com in Dec. 2012 (Quantcast)

- Revenues from Q4 2012 are projected to reach $22 billion (Business Insider)

- Amazon’s sheer size and network allow it to accept razor thin margins, or even losses

- Amazon set to acquire more companies, after purchasing Zappos and investing heavily in LivingSocial

**What to Do**

- Embrace being small, then showcase it to your advantage

- Personalize customer experience to establish unwavering brand loyalty

- Focus on product specialization and expertise

- Support a worthy cause

- Don’t compete on price, but do what you can
Economic and government uncertainty shakes consumer confidence, impacts growth rates
  - Despite this, ecommerce continues to climb

Facebook unveils a game-changer

Google+ plays a bigger part in search results

New attention given to internet sales tax
A few things that won’t change this year:

• There will still be 24 hours in a day
• Money will not be engineered to grow on trees
• Your products and customers still come first
• You’ll face setbacks and celebrate big victories
• Your overall goals
Stay informed all year long!

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