

These 5 Trends Are Shaping the Future of Ecommerce – Here's the Only Way to Capitalize on Them

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Data and analytics have become the driving force behind successful competition across industries. In this article, we'll focus specifically on the role of data in the future of ecommerce.

What follows is a discussion of some of the key ways in which data relates to and supports the major emerging trends shaping today's and tomorrow's ecommerce.

Related: [How Ecommerce Businesses Are Leveraging Web Data to Understand Their Customers and Stay Ahead of the Competition](#)

Trend 1: Personalization and context

Personalization has been a major trend in ecommerce for years. However, with the improvement of data technology, the speed and quality of personalized offers are reaching new levels. More advanced personalization engines push the envelope by also incorporating data points like seasonal trends, weather patterns and local events. For instance, a customer may get a recipe suggestion based on data predicting a rainy day ahead.

To expand their reach beyond their own platforms, savvy retailers have been working diligently to acquire more

contextual data. Tracking social media sentiment, monitoring how competitors are pricing their products, staying abreast of broad market trends – you name it. These alternative data sources help them construct a far richer understanding of their customer base. And when those estimates prove reasonably accurate, they can refine everything from inventory management to pricing strategies.

Trend 2: AI and the smarts behind the interface

Ecommerce and the magic of AI have been walking hand in hand for some time now. And it's not just about deploying credible and flexible chatbots to shoulder some of the more formulaic customer support. Today, AI is used even in such vital initiatives as reinforcing entire supply chains. Still, the effectiveness of these applications is completely reliant on the quality and quantity of data that feeds into them.

To function well, conversational commerce platforms require a substantial amount of customer interaction data to train their NLP models. In addition to “understanding” customers’ words, they must be able to grasp the actual intentions behind those words. For instance, to distinguish a casual browser from a serious buyer, these models need to constantly graze on successful sales dialogues, customer service chats and even samples of failed transactions to get a grip on what tends to trigger breakdowns in communication.

Meanwhile, AI-based predictive analytics help avoid overstocking while keeping stock-outs at a minimum. By drawing on historical transaction data, inventory levels, outside market signals and economic trends, these systems can be harnessed to anticipate demand with unprecedented accuracy.

For retailers that want to benefit from comprehensive AI systems, the data requirements are substantial. Such systems

require clean, structured data from multiple sources, including customer relationship management systems, inventory databases, financial records and third-party market intelligence.

Related: [How Your Online Business Can Use AI to Improve Sales](#)

Trend 3: Rising data security concerns

While ecommerce platforms manage increasingly granular customer data, cybercriminals are devising schemes to target these high-value assets for themselves. Recent breaches affecting major retailers have highlighted the critical importance of data security, not just as a technical concern, but as a fundamental business requirement.

The GDPR, the CCPA and other legal requirements don't let companies off the hook until they're able to prove compliance with mandatory practices like maintaining detailed records of what data they collect, how they use it and who they share it with. Along with staying on the right side of the law, platforms that effectively ensure compliance gain an extra asset of customer trust by signalling their commitment to transparency.

Thus, security-minded companies are embracing zero-trust security frameworks, encryption for data transmission and data storage protocols and similar advanced measures to protect customer information.

Trend 4: Sustainability goals

Research shows that over 70% of consumers are willing to pay premium prices for environmentally responsible products. The time when marketing buzzwords and "greenwashing" still work is passing. Savvy consumers, who are increasingly skeptical of

non-committal statements about sustainability, are driving demand for unprecedented levels of transparency in supply chains and manufacturing processes.

To make carbon tracking across entire supply chains viable, companies must, at a minimum, gather data from suppliers, shipping companies and even customers' delivery preferences. The most progressive retailers use this data to offer things like:

- Carbon-neutral shipping options
- Low-emission delivery routes
- Environmental impact scores for individual products

The data requirements extend beyond environmental metrics, though. If sustainability is really put front and center, the entire product lifecycle – from raw material sourcing to packaging materials and end-of-life disposal – must be tracked as well. Another significant advantage for retailers is that the same data systems used for tracking environmental impact can also be leveraged to identify cost savings, supplier risks, and even to initiate circular economy initiatives.

Related: [How to Make Your Ecommerce Business Truly Sustainable \(and Why It's Important\)](#)

Trend 5: Mobile commerce – a crucial data frontier

Mobile commerce now makes up the bulk of transactions online, and the potential for data analysis to improve its results is vast. Factors like touch patterns, location data, app usage habits and responses to push notifications are ready to be tapped into by enterprising retailers. Location data, for example, enables ecommerce platforms to do things like adjust

inventory displays based on regional preferences, optimize delivery options for specific neighbourhoods or coordinate online promotions with events scheduled at nearby brick-and-mortar stores.

Mobile platforms also generate real-time behavioral data that allows for immediate responses. A good example of this is utilizing mobile analytics (with data streaming in from multiple touchpoints) to identify customers struggling with the checkout process and offering help, rather than waiting for a formal complaint to be made.

The trends reshaping ecommerce all share one thing in common: They're only as effective as the data strategies that undergird them. And companies that recognize this connection and invest accordingly won't just participate in the future of ecommerce – they'll define it.

The upshot of this is that in the coming decade, the ecommerce leaders won't necessarily be those with the biggest marketing spend or the flashiest products. More likely, they'll be the ones that strategically utilize their resources to bulk up their data capacity.

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