



AddWebSolution
"let's talk solution"



E-Commerce Growth Strategies

The growth plan to be on the road of success



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INTRODUCTION

It is no secret that 2020 and 2021 have been strange years. The coronavirus outbreak wreaked havoc on the day-to-day lives of millions worldwide.

One of the most significant behavioural and economic shifts has been the notable acceleration in digital online shopping behaviours across different demographics and socio-economic categories. As a result of retail stores being forced to close during the lockdown in cities across the globe, it has accelerated the growth and share of eCommerce globally.

The eCommerce sector has seen unprecedented growth, especially during two years. The adoption of technology has enabled retailers to be more reachable and efficient. The home-grown players have shown tremendous growth and attracted some giant investors to grow their business even more.



The roaring success of Amazon, Flipkart, eBay, and other eCommerce businesses has been an inspiration to many entrepreneurs. New online stores are opening daily, and most offline businesses have an eCommerce site to grow their business. The low entry cost of setting up an online store, compared with a brick and mortar store, and the ability of eCommerce to help retailers hit a massive customer base seems a significant fit for the ambitions of a typical small retailer or an entrepreneur.

But this optimism blinds many to the actual problems and challenges of running an online store smoothly and achieving desired growth in a defined timeline.



While the demand to buy goods online has increased, the competition to retain the customer has also increased. Retailers that offer a smooth and personalized experience are winning the battle. When we talk about the growth of the eCommerce business, it is not just about upsell, cross-sell, or renewals, and it is more about the company's revenue and customer retention.

So, how do you scale up your eCommerce business and achieve desired growth without runaway IT costs and endless development wormholes?

The simple answer is: **"A Well-planned Growth Strategy..."**

Read on to find out challenges in eCommerce business growth and different aspects your business should be focusing on to grow your business with more customers, better operational processes, and a building brand with the help of a rock-solid customer experience.



THE STATUS QUO OF E-COMMERCE GROWTH

Consumers worldwide increasingly rely on online shopping, and they are more demanding these days. Given COVID-19 and lockdown measures in many countries, consumer behaviour became increasingly digital across industries. Consumers have shifted towards online channels, leaving behind conventional in-store shopping, triggering eCommerce growth.

According to **Nosto**, global daily eCommerce sales increased by **66%** during the recent lockdowns across the globe.

Retail eCommerce sales are expected to grow double-digits by 2023. By 2023, the worldwide eCommerce sales will be somewhere around **\$6.169 trillion** and will hold a **22.3%** market share of total retail sales

The US eCommerce market will reach **\$1 trillion** by the end of 2022

In the UK, **95%** of purchases will be facilitated by the online stores by 2040.

The global retail eCommerce sales CAGR (Compound Annual Growth Rate) is predicted to be **6.29%** from 2021 to 2025.

ECommerce retail sales accounted for 18% of all retail sales across the world in 2020 and the share is expected to reach **21.8%** by 2024.

These numbers indicate that eCommerce is indeed booming and growing globally. The COVID-19 pandemic accelerated the industry by a decade in a couple of months – what McKinsey coined “the quickening”. This indicates that online retailers, regardless of their field, must adapt quickly and embrace new technologies to achieve sustainable growth and stay competitive in the market.



GROWTH CHALLENGES

Though the eCommerce industry is growing exponentially, it is difficult for online retailers and business owners to achieve desired growth. The simple new eCommerce site is launched, and many entrepreneurs jump into the silver lining industry of eCommerce; not all managed to achieve desired success or growth. The eCommerce market shows about 80% failure rate according to different studies.

90% of eCommerce companies fail within 120 days of starting their digital journey.

78% of eCommerce companies managed to survive for a year to do the business.

The retailer popular retail brands including industry leaders from **Art Van Furniture and Lort & Taylor, filing for bankruptcy.**

The statistics are horrifying and clearly state that even though the eCommerce industry is growing, retailers are like a double-edged sword. Leaders worldwide face many growth-breaking challenges while adapting to digital commerce solutions.

- **High Competition.** Many market players are doing the same business in an almost similar manner. With intense competition, it becomes difficult for small or medium retailers to maintain profitability due to aggressive pricing strategies, heady discounts and offers from the industry giants.

Getting into the shoes of such an eCommerce giant to achieve desired growth is ideal, but it often results in the worst nightmare for many. Online retailers lost approximately **INR 10 billion** while giving a hefty discount to attract customers.



- **Attracting the right customer.** Today, shoppers have a myriad of options to choose from. Whether it is about finding a simple pen to a costly or branded handbag, they often conduct detailed research before finalizing the one. When shoppers have multiple choices, it becomes difficult for online retailers to ensure they choose them. It becomes a daunting task for retailers to find the perfect customer who wants to buy their product.

- **Never-ending customer expectations.** To achieve the desired growth, retailers across the globe are continuously trying to build their reputation and a razor-sharp brand image with an exceptional customer experience.

However, customer experience isn't as simple as delivering an excellent product. Many online retailers struggle with the complex checkout process, poor site speed, complicated sales journey, flexibility, and many more problems. Fulfilling the ever-evolving customer needs and expectations is a massive challenge for retailers today.

- **Being consistent.** Consistency is the most critical element while building a successful omnichannel strategy. Customers use multiple platforms to search for items before deciding, which requires businesses to provide seamless purchasing encounters through every product or service they offer.

However, analyzing and understanding customer interactions across all touchpoints and building a consistent and seamless customer experience is one of the significant eCommerce challenges for retailers.

- **Retaining existing customers.** One of the most significant growth breakers is customer retention, and even some eCommerce giants are struggling to retain their customer base. Constantly changing customer needs, the presence of similar options, failure to provide exceptional customer experience, and lack of agility are some of the significant contributors to failure to retain the customers.

Customer loyalty is a determining aspect of a business's success, and even a small mistake from a retailer can ruin their brand impression in the market. Moreover, most companies often fail to understand that retaining a customer is about investing in a rewarding relationship with them, bringing more business in the future.



GROWTH CHALLENGES



GROWTH STRATEGIES

Here're a few of the most important growth strategies to help your eCommerce business not just grow, but innovate, penetrate the market, adopt new business models, and leverage available and evolving technologies for eCommerce.

#1 Marketplace Mastery

The marketplace is a platform where sellers and buyers collaborate to sell and buy products online. One of the significant benefits of the marketplace model is that you can bring a much more comprehensive range of products for the target audience without taking any inventory risk. Gartner predicts that approximately 15% of medium to high-grossing merchandize digital commerce companies will have their marketplaces, which will create a whole digital ecosystem.

At present, marketplace sales account for 62% of global retail sales. In 2020 alone, approximately **\$2.67 trillion** was spent on the top 100 marketplaces of the world. More than **29%** of the enterprise marketplaces launched will serve the majority of the B2B transactions by 2023.

It brings a wide range of benefits for online retailers, including increased profit margins, diversifying their offerings, enhancing SEO and boosting traffic, and fostering customer loyalty. Therefore, mastering a marketplace is a sure-shot way of effectively growing an eCommerce business for the future. Getting a marketplace is a sure-shot way of effectively increasing an eCommerce business for the future.



#2 Get a "HEAD" (less) Start

"By 2023, prices of B2C digital eCommerce platforms will be 30% less than 2019 due to headless technology and commoditization of the features." - [2021 Magic Quadrant for Digital Commerce](#), Gartner, 31 August 2021

Forbes mentioned headless something like this: "Aristotle said the human body is at its best at age 30. The same can now be said for e-commerce, which turned 30 this year. The best way to celebrate this milestone is with a new headless architecture."

Headless means decoupling the front-end and back-end. It helps eCommerce organizations to become more agile and adaptable to the rapidly changing eCommerce market. It becomes easier to connect various sales channels, including mobile, wearable, social, voice assistants, and more.

It brings enormous flexibility, personalization, faster time to market, and agility for eCommerce retailers. It will be a crucial growth strategy for businesses willing to adapt to evolving market and customer needs.

#3 Automate Marketing

Automating your marketing is a guaranteed eCommerce growth strategy, and it will help you save time while improving your brand's customer experience. Whether it is about scheduling delivery social media content, email marketing, or anything other marketing activity, there are a whole host of automation tools available in the market that allow you to convert users into prospects by streamlining the entire marketing process.

One of the most significant benefits of marketing automation is customer segmentation. Automated customer tracking lets you classify your eCommerce site or mobile app users into different segments based on various parameters.

#4 Personalize Shopping Experience

A personalized shopping experience makes customers purchase and sticks around for the long run. The days are gone when the one-size-fits-all equation was working perfectly fine. Expectations are higher from online retailers, and thus, it becomes even more difficult for them to predict sustainable growth. A personalized shopping experience is a key to boosting your sales figure.

"**72%** of the shoppers will engage when marketing messages are customized to fit their interest."



"Artificial Intelligence's market value is predicted to hit **\$126 billion** by 2025."

There are many ways to do it, but the best one is to use Artificial Intelligence and Machine Learning tools to customize the customer journey and live up to a customer's expectations. Starting from personalized search recommendations, predicting the purchase, and geographic location-based language preferences to offer deals and discounts, there are various ways to add personalization to your online store. It is one of the most important growth strategies you must consider the year ahead.

#5 Expand Your Geographic Reach

When it comes to eCommerce, geographic boundaries are nothing but a thin line of sand. A customer residing in Europe can easily order products from India or vice versa. It is predicted that cross-border purchases will be **20%** of all eCommerce businesses by 2022.

Online retailers need to go global and understand the international market to grow their business. However, you may have to focus and streamline a few basic things when you plan to go global.

You must sort out your logistic infrastructure to fulfil the customers' delivery expectations before launching any large international campaigns for your eCommerce store. You can go global with the help of the enterprise marketplace. It is an effective way to validate your products in the different markets before investing huge on transforming your online store for a global audience.



ADDWEB SOLUTION'S ECOMMERCE CAPABILITIES IN ACTION

Experts at AddWeb Solution, with their years of experience, meticulously craft custom eCommerce solutions depending on the business needs. We thrive on solving complex problems about eCommerce with ease so that start-ups and small retailers can get a fair chance to stand firm in front of the leading eCommerce giants across the world.

Bradley's Fish, one of our esteemed clients in the UK, came to us to grow their family seafood business and catch up with the latest eCommerce trends. Check out how we've helped our customer Bradley's Fish, an online seafood retailer in the UK.

Bradley's Fish Concerns

With their increasing customer base and thousands of orders, Bradley's provides uninterrupted services, and excellent user experience becomes the need of the hour. Given the immediate nature of online consumers and fiercely competitive market, Bradley's was facing the following challenges:



- The client's existing online storefront was underperforming to grab the consumer's attention and increase sales.
- Cluttered and outdated design
- Poorly written product descriptions and lack of product categorization
- Lagging in terms of essential eCommerce storefront elements

The client was not satisfied with the performance of his online store. They were looking for a strategic eCommerce solution provider who was equally motivated towards providing exceptional user experience and becoming a helping hand in their ongoing store enhancement activities.



Solution

After consulting with AddWeb Solution, a pioneered eCommerce service provider agency, Bradley's Fish team has agreed with AddWeb Solution to transform the old company website to the next-level eCommerce store for their seafood business. The AddWeb Solution team offered a clear action plan to revamp Bradley's front-end.

Results

After the transformation, Bradley's frontend became app-like and engaging, and page load was no longer an issue. The store observed an increase in the conversion rate on mobile while reduced mobile cart abandonment rate.

To know more about our eCommerce Solutions, please [click here](#).



CONCLUSION

Growth is a little scary, and you need a lot of courage, technical expertise, and vision for growth. And that's what it takes to help you grow your eCommerce business.

Successful online retailers aren't afraid of change and growth – they embrace it. Whether it is about transforming your online storefront to better your business or to please the consumers, you will have to evolve with time to survive in this highly competitive eCommerce market.

Whichever growth strategy you are considering, AddWeb Solution and our eCommerce expertise can help your business reach your growth milestones like Bradley's Fish!



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ABOUT ADDWEB SOLUTION

Founded in 2012, we worked with small and medium-sized webshops and digital agencies to scale their teams up and down. Now, we are harvesting the fruits of our labour. We are proud to announce that we have been recently named as one of the top 1000 companies in Clutch.

Every project is a unique project and hence – requires exceptional and dedicated treatment. Besides the critical triangle of cost, time, and scope – the working model between the client and the agency also plays a crucial part in balancing the former. That's why we follow agile methodology when developing any custom solution. Furthermore, we define a sales funnel to help clients leverage maximum benefit from their digital marketing strategy.

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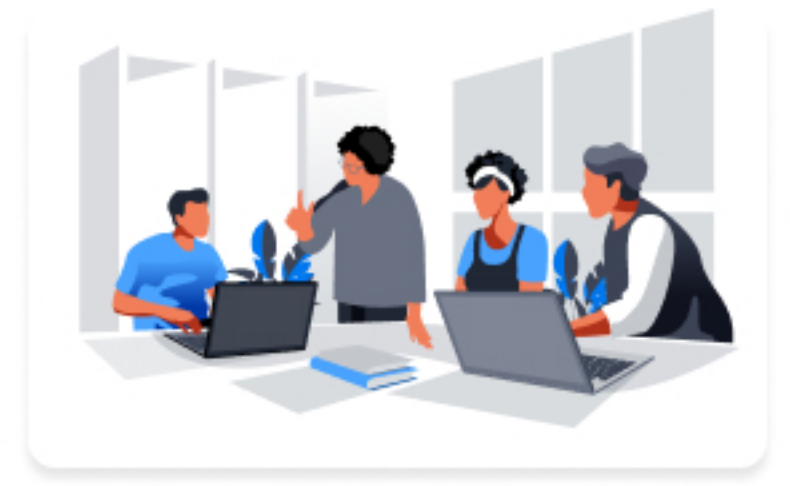
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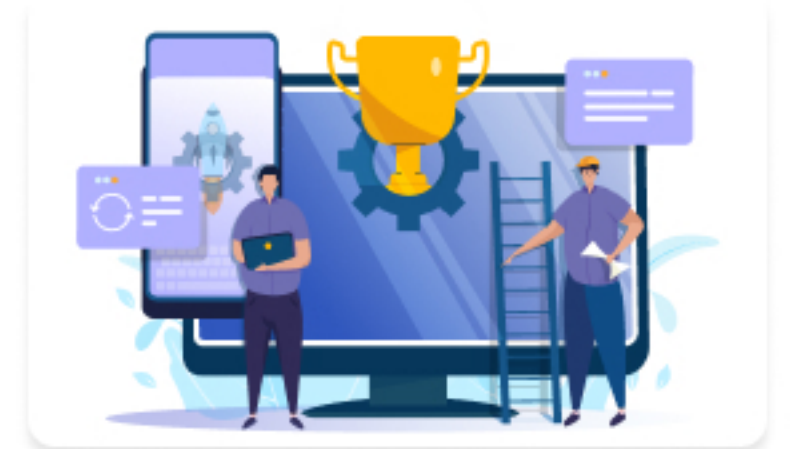
We Have 100+
Technology Experts
Working with Global
Brands.



We Have Delivered
2500+ Innovative
Solutions & Products.



100% Agile Approach



We are a leading
offshore development
company founded in
2012.



We Add Value To The
Web By Providing
Accurate And Timely IT
Solutions.