

The State of Ecommerce



Contents

- 03** Executive Summary
- 04** Ecommerce Market Outlook
- 14** Consumer Behavior Insights
- 32** The Rise of Social Commerce
- 42** Tech Evolution in Ecommerce
- 49** Standout Ecommerce Brand Studies



Executive Summary

The State of Ecommerce 2024 is here, and it's packed with insights on where the global ecommerce industry is heading.

First, the numbers: ecommerce is set to skyrocket from \$5.13 trillion in 2022 to a jaw-dropping \$8.09 trillion by 2028. What's behind this massive growth? Rapid digital adoption and changing shopping habits are leading the charge. Asia—especially China—is paving the way (unsurprisingly), while the Americas and Europe are making strong contributions too. Here in the U.S., ecommerce will account for 20% of all retail sales by 2027. That's a huge slice of the retail pie, making it clear that businesses need to step up their digital game. If ecommerce is just another channel for you, it's past time to take it seriously.

Let's talk shoppers. What do they (read: we) really want? Price, quality, and convenience—no surprises there. A fun fact: while mobile devices bring in the most traffic, desktops still reign supreme for bigger purchases. Why? Maybe we like the focus a larger screen provides when we're splurging. Meanwhile, social commerce (which happens mostly on small screens) is booming in emerging markets but is moving slower in the U.S.

Could this be a missed opportunity? Absolutely. There's plenty of room to get more creative with social platforms.

Technology, of course, is shaking things up. Innovations like headless commerce, AI-powered personalization, and improved security are setting new standards for seamless and secure shopping. Want examples? Look no further than brands like Fishwife, Olipop, and HexClad—proof that killer products, bold branding, and direct-to-consumer strategies that focus on the customer experience can make waves in this competitive landscape.

Adapting is non-negotiable. To stay ahead, businesses need to embrace changing consumer expectations, experiment with tech, and make the most of digital and social platforms. The future of ecommerce is dynamic, fast-paced, and full of untapped potential.

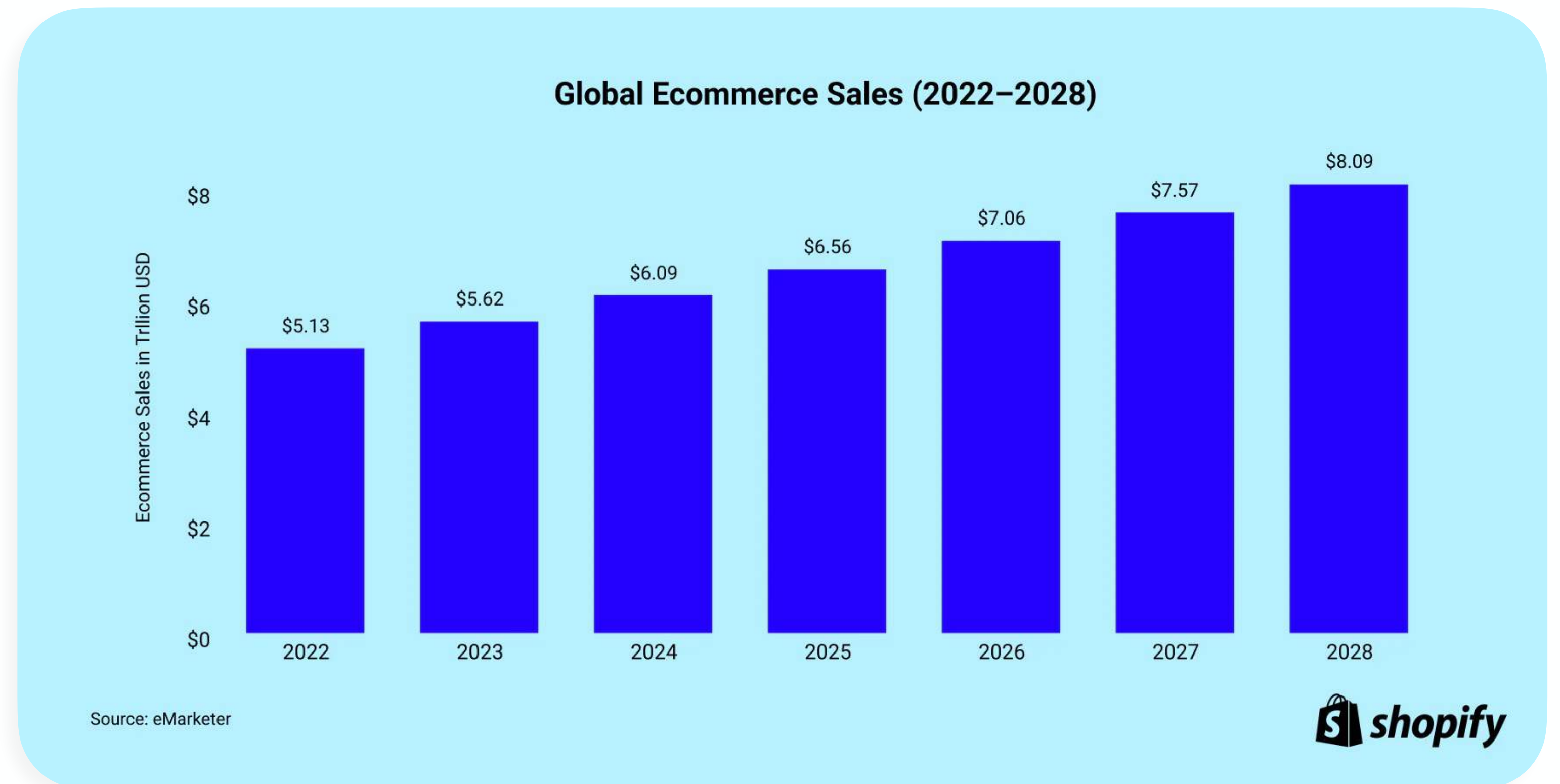


Ecommerce Market Outlook

By 2028, the global retail ecommerce market will reach \$8.09 trillion.

We've seen a steady increase in global eCommerce sales from 2022 to 2028, starting at \$5.13 trillion in 2022 and projected to reach \$8.09 trillion by 2028. This growth reflects the expanding digital economy and increasing consumer reliance on online shopping.

The annual growth rate appears consistent, emphasizing the sustained momentum of the eCommerce industry. Businesses should leverage this trend to innovate, optimize online presence, and meet rising customer expectations.



But, COVID-19 artificially inflated ecommerce sales growth rates.

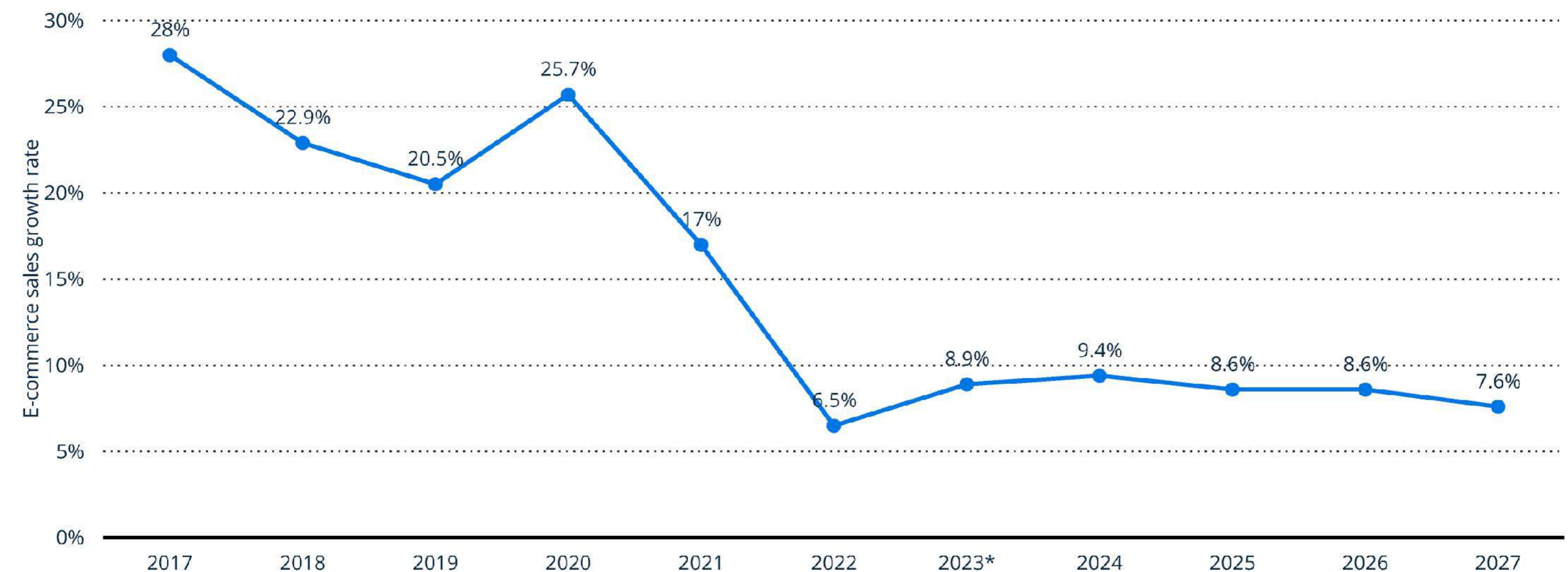
At the tail end of the 2010s, ecommerce sales growth rates began to slow.

Unsurprisingly, lockdown and isolation measures during the pandemic created an artificial boom in ecommerce growth. As COVID became more manageable globally, the decline in annual growth rate resumed—this time precipitously.

While growth rates are still forecasted to be positive (and now stable), the annual growth rate is projected to drop under 8% by 2027, a huge contrast to its COVID-era high of almost 26%.

Annual retail e-commerce sales growth worldwide from 2017 to 2027

Retail e-commerce sales growth worldwide 2017-2027



Description: In 2022, global e-commerce sales grew by 6.5 percent compared to the previous year. In that period, e-commerce accounted for approximately 19 percent of all retail sales worldwide. [Read more](#)
Note(s): Worldwide; 2017-2027; * Forecast. Includes products and services ordered using the internet via any device, regardless of the method of payment or fulfillment, numbers may not add up in total due to rounding. Excluding event tickets. [...] [Read more](#)
Source(s): eMarketer

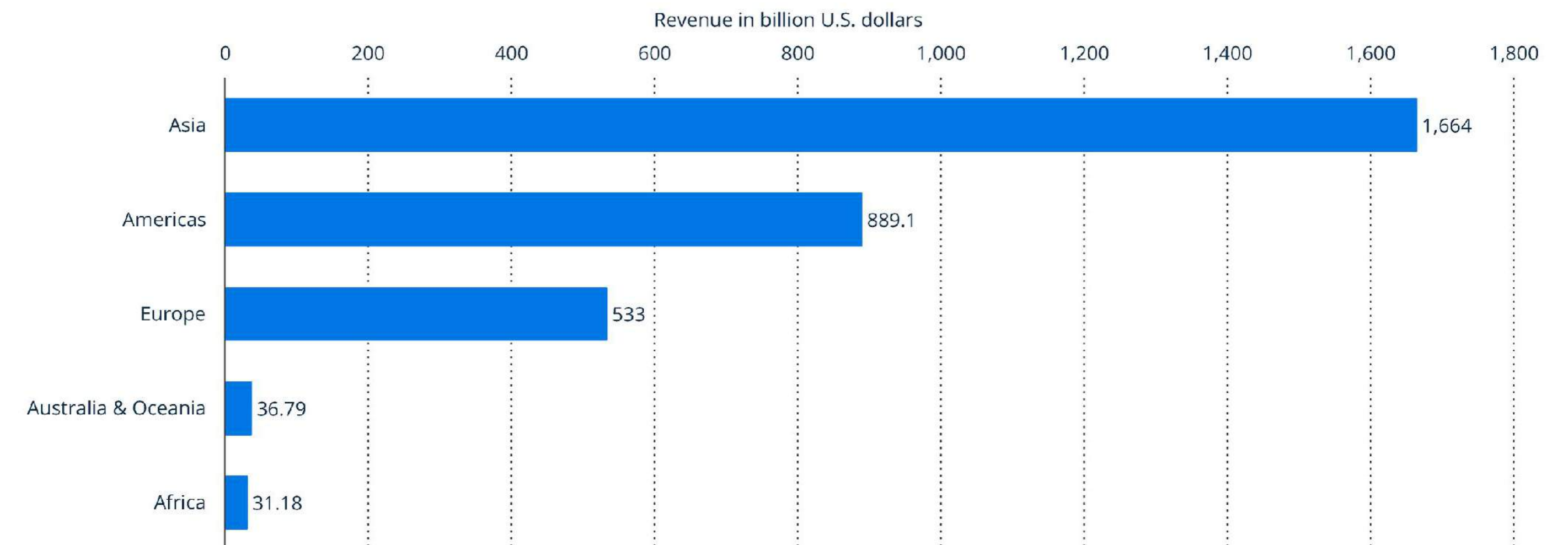
In 2023, Asian e-commerce revenue outpaced Europe and the Americas—combined.

Asia is leading the global e-commerce market by a huge margin, pulling in a massive \$1.664 trillion. The Americas come next with \$889.1 billion, followed by Europe at \$533 billion.

Meanwhile, Australia & Oceania and Africa contribute smaller amounts, at \$36.79 billion and \$31.18 billion, respectively. Asia's incredible growth is thanks to powerhouse markets like China, with its strong ecomm infrastructure and massive consumer base.

Total retail e-commerce revenue worldwide in 2023, by region (in billion U.S. dollars)

Global retail e-commerce revenue 2023, by region



4 | Description: Asia leads the ranking of biggest e-commerce markets worldwide. The total revenue of online retail in Asian countries added up to nearly 1.7 trillion U.S. dollars in 2023. This was approximately 800 million U.S. dollars higher than the e-commerce revenue reached in the Americas. Australia, Oceania, and Africa achieved far lower e-commerce revenues in 2023, with values below 40 billion U.S. dollars. Asia's leading position can mostly be ascribed to China, which achieved a revenue of over [...] [Read more](#)
Note(s): Worldwide; 2024
Source(s): Statista; Statista Digital Market Insights



A fifth of all retail purchases in the US will come from ecommerce channels by 2027.

Ecommerce as a share of total U.S. retail sales, are projected to vault from 9.9% in 2018 to a projected 20.6% by 2027. The jump to 14.7% in 2020 reflects the pandemic's impact on online shopping habits, with subsequent years showing sustained growth.

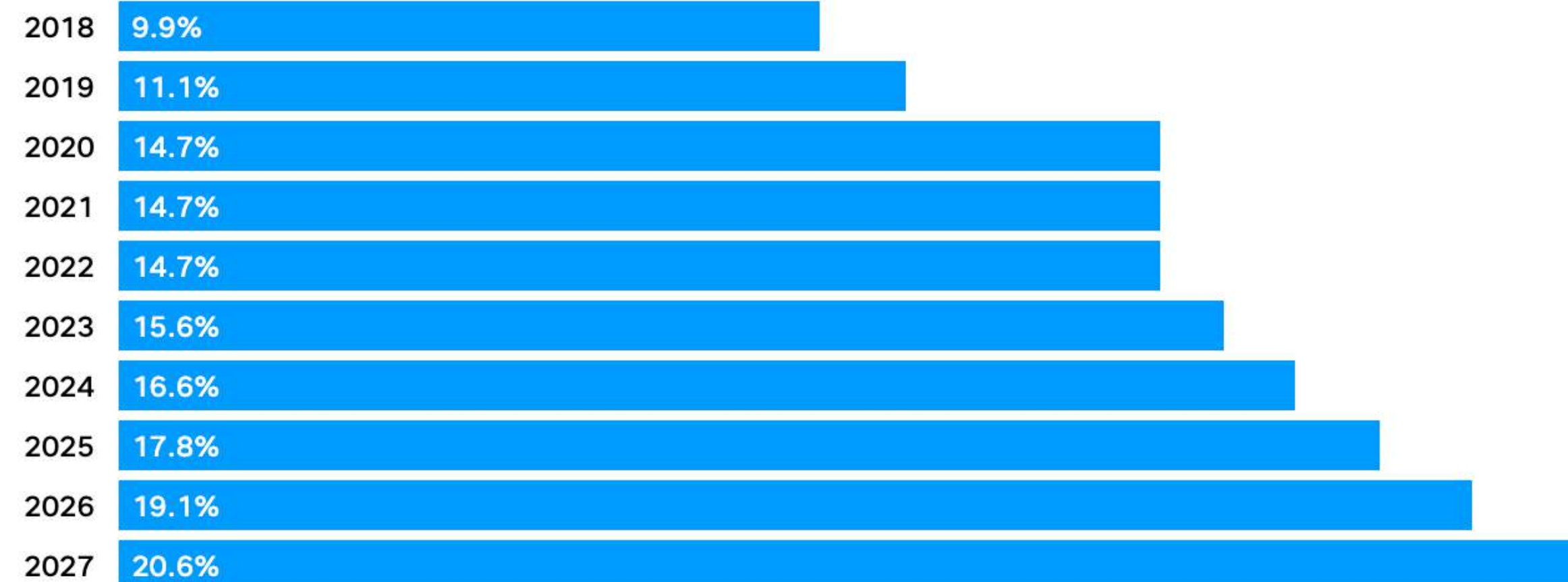
The consistent upward trend highlights the increasing need for businesses to invest in digital infrastructure and omnichannel strategies to remain competitive in the evolving retail landscape.

By 2027, one in five retail transactions in the U.S. is expected to occur online.

20%

of retail purchases are expected to take place online in 2024

E-commerce share of U.S. retail sales



Source: USA TODAY Blueprint via Obrero • [Get the data](#) • [Embed](#)

23%

of retail purchases are expected to take place online by 2027

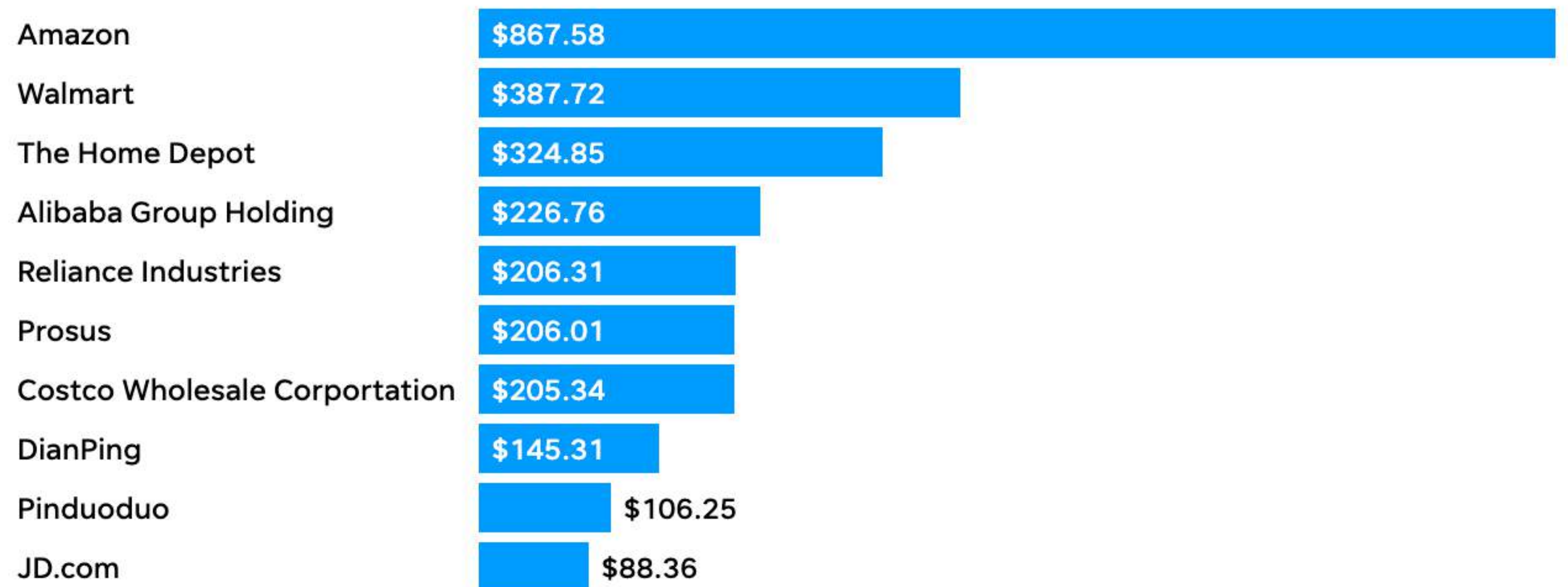
The world's top three ecommerce companies 1.6 trillion in total market value.

Amazon's total dominance dwarfs even other retail behemoths, with a market value of more than **double** that of second-place Walmart.

Home Depot, Alibaba, and Reliance Industries follow, showcasing their strong global presence. Amazon's commanding lead underscores its significant influence, while the presence of international companies like Alibaba and Pinduoduo demonstrates the importance of emerging markets in driving ecomm growth.

The world's largest e-commerce companies

Market value (Billion USD)



Source: [USA TODAY Blueprint via Doofinder](#) • [Get the data](#) • [Embed](#)



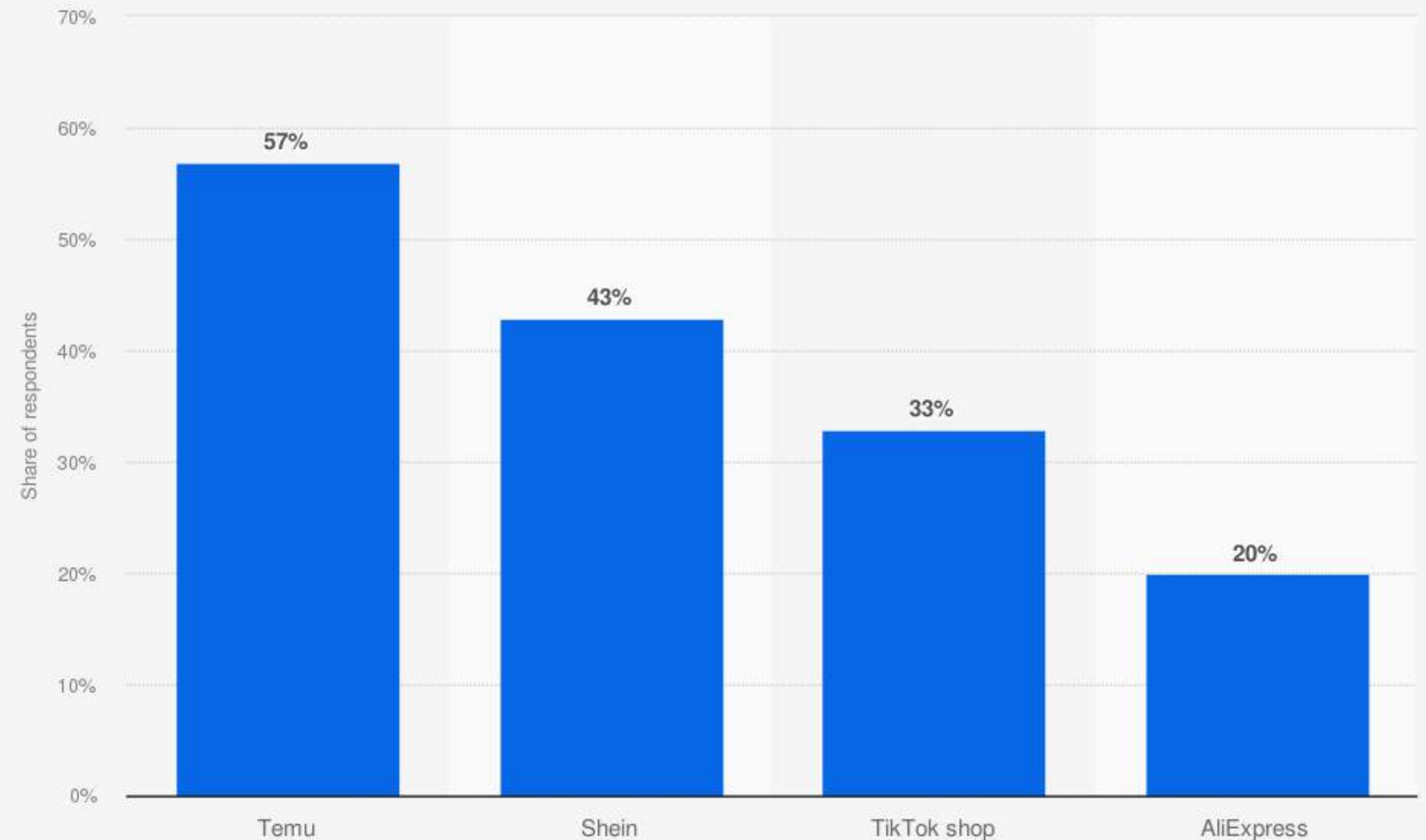
Even U.S. shoppers are flocking to Chinese marketplaces.

Temu leads Chinese marketplaces in the U.S., with 57% of respondents choosing it, followed by Shein at 43%.

TikTok Shop ranks third at 33%, leveraging its massive social media reach, while AliExpress follows at 20%, catering to a smaller niche.

Temu and Shein's success highlights the power of low prices, fast shipping, and smart marketing.

Share of consumers shopping on Chinese marketplaces in the United States in 2024



Sources
Cint; Omnisend
© Statista 2024

Additional Information:
United States; Cint; April 2024; 1,000 respondents

Amazon and Alibaba reign supreme in cross-border sales.

Amazon leads global cross-border purchases at 24%, showcasing strong international trust and logistics. Alibaba follows with 16%, leveraging its large marketplace and appeal in Asia.

Shein (9%), Temu (7%), and eBay (7%) target niche audiences with competitive pricing and unique products.

Smaller players like Wish (3%) and Zalando (2%) show limited cross-border reach, while "Other" retailers hold 31%, reflecting market fragmentation and regional preferences.



Amazon's dominance extends to its share of total ecommerce site visits.

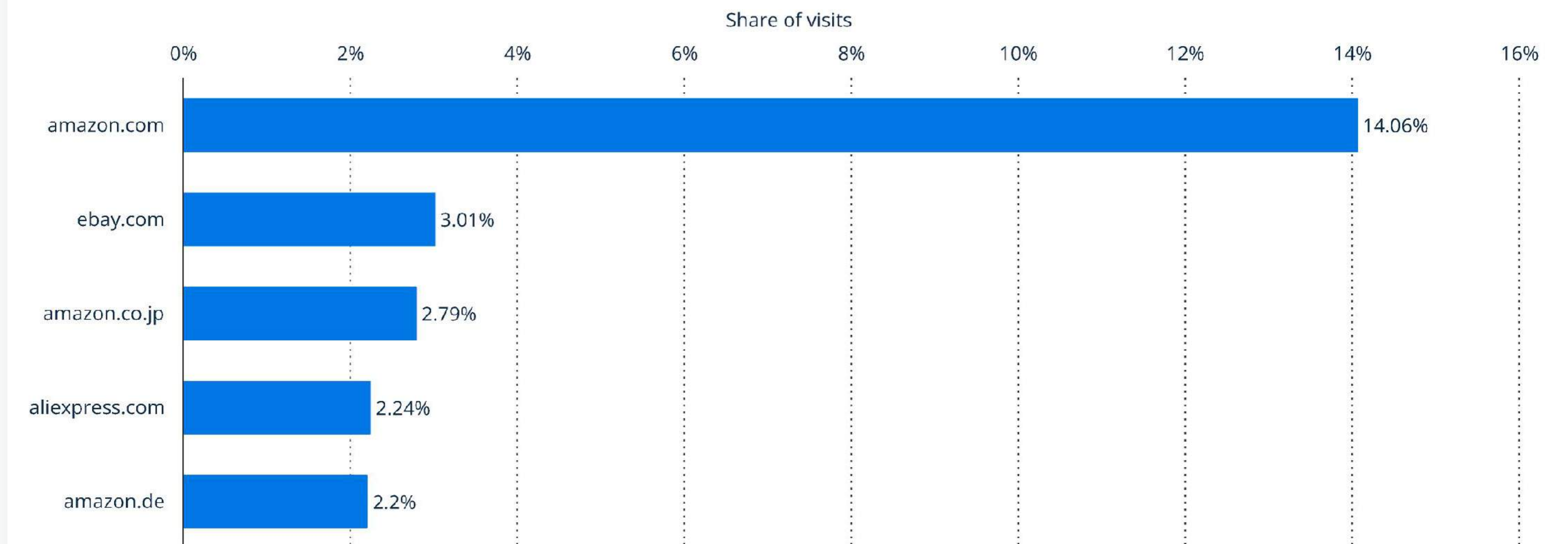
Amazon owns a whopping 14% of the total site visits to ecommerce websites worldwide.

In a distant second place, eBay pulls in a comparably small 3%.

But, Amazon's overseas sites also make an appearance in the top five sites by number of visits, with its Japanese and German sites adding another 5% to Amazon's ownership of the total share of visits.

Most popular e-commerce and shopping websites worldwide in December 2023, based on share of visits

Leading e-commerce and shopping websites worldwide 2023, based on visit share



Description: Amazon's global platform 'amazon.com' was the most popular e-commerce and shopping website worldwide, accounting for more than 14 percent of desktop visits to sites in this category in December 2023. Second place went to ebay.com with roughly three percent. [Read more](#)
Note(s): Worldwide; December 2023; desktop only; category: e-commerce and shopping
Source(s): SimilarWeb

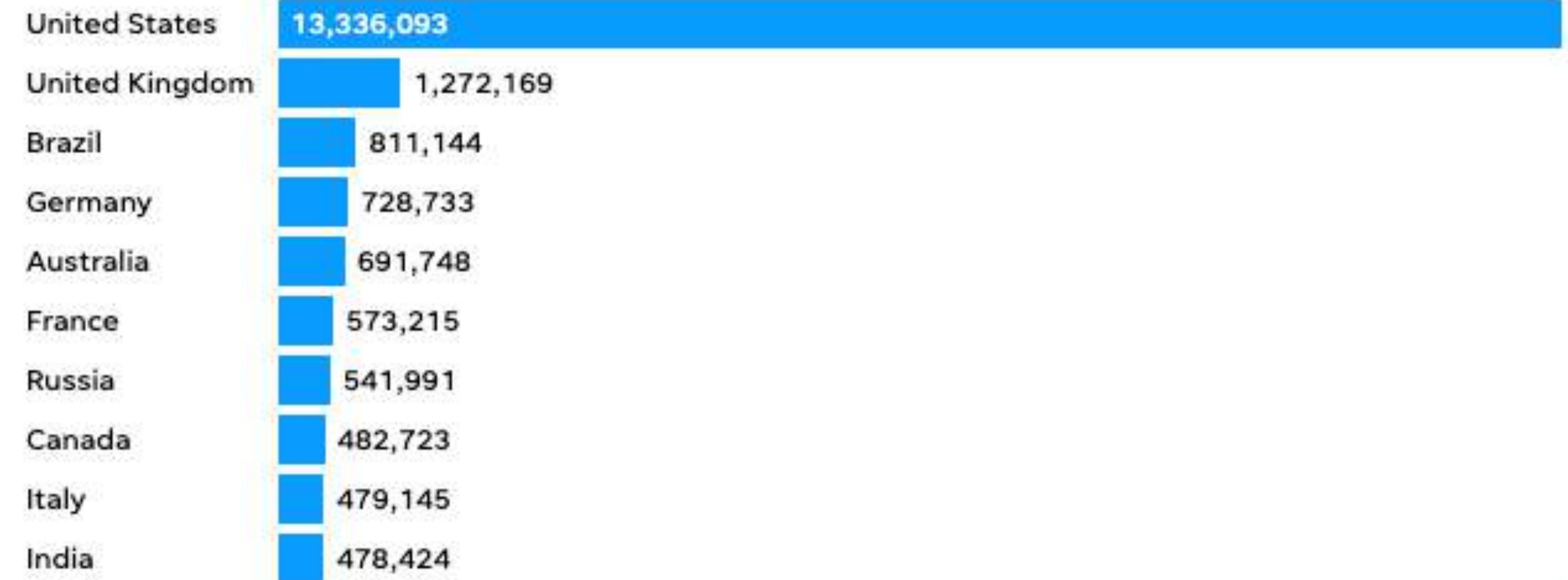
The U.S. dwarfs the rest of the world in its number of ecommerce sites.

While the U.S. outpaces even the second place U.K. by more than 10:1 in terms of its number of ecommerce websites, the number of sites paints a distorted picture of market share.

We've seen Amazon's dominance of the global ecomm market, but Chinese ecomm retailers like JD.com, Alibaba, Shein and Temu make up a huge proportion of global ecomm sales.

So, while China hosts a comparably low number of sites (112k), they own more than 50% of global ecomm sales.

Number of e-commerce sites by country



	Share	Sales (\$ billions)	Top e-commerce brands	2nd top e-commerce brands	3rd top e-commerce brands
China	52.1%	3,024	JD.com \$132.76	Tmall \$22.19	VIP.com \$16.38
United States	20.1%	1,163	Amazon \$130.27	Walmart \$52.40	Apple \$30.99
United Kingdom	3.4%	196	Amazon UK \$15.36	Sainsbury's \$7.04	Tesco \$7.04
Japan	3.3%	193	Amazon Japan \$12.83	Apple \$3.61	Yodobashi Camera \$2.50
South Korea	2.5%	147	Coupang \$18.25	Lotte Hi-Mart \$1.34	SSG \$1.33

CONSUMER BEHAVIOR INSIGHTS

Consumer Behavior Insights

CONSUMER BEHAVIOR INSIGHTS

There is a gap between marketing budgets and channels that actually influence purchase.

Retail giants, with their hefty budgets and myriad marketing channels, often misallocate funds when attribution blurs. But consumer insights cut through the noise, highlighting the most impactful channels driving purchase decisions.

Consumers prioritize search engine results (paid and organic), email marketing, and broadcast advertising. Following are event marketing, paid social ads, and direct mail.

Company marketing activities vs. consumer purchase influence

Klaviyo 2024 state of the ecommerce company survey Q22: Which marketing activities does your organization use? Please select all that apply. (n1402); consumer Q18: How influential are each of these marketing channels on your purchase decisions? (n808)

	Company marketing activities	Consumer purchase influence	Influence gap
Email marketing	36%	59%	23%
Paid social marketing/ads	34%	55%	21%
Influencer marketing	34%	33%	-1%
Paid/organic search	31%	78%	47%
Broadcast advertising (e.g., television, radio)	31%	58%	27%
Event marketing	29%	56%	27%
Print advertising (e.g., newspapers, magazines)	28%	36%	8%
Programmatic display advertising	27%	37%	10%
SMS marketing	26%	39%	13%
In-app marketing/push notifications	26%	43%	17%
Out-of-home (e.g., transit, billboards)	25%	41%	16%
Direct mail	25%	47%	22%

Consumer plans and retailer projections don't match.

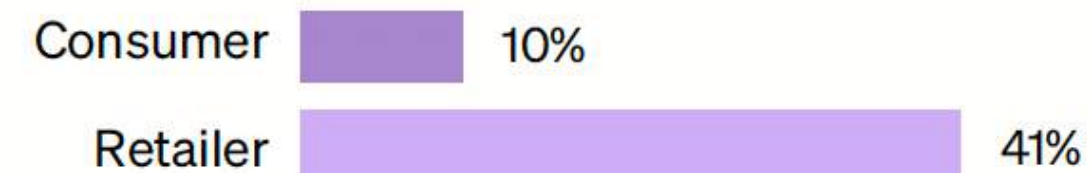
Retailers are optimistic, with 41% expecting significant revenue increases and 48% anticipating slight growth. In contrast, only 10% of consumers foresee significantly higher spending, while 26% expect slight increases. Nearly half of consumers (46%) plan to maintain spending, highlighting cautious behavior.

Decreases are minimal, with only 13% of consumers and 2% of retailers expecting slight declines. Retailers' confidence contrasts with more conservative consumer spending trends, underscoring potential gaps in expectations.

Consumer & Retailer YOY forecasted spending and revenue change

Klaviyo 2024 state of ecommerce consumer survey Q11: Please indicate how your spending for x products will change from last year to this year. (n808) Company survey Q14: Please indicate by what degree you think your company's annual revenue will change from last year to this year. (n1402)

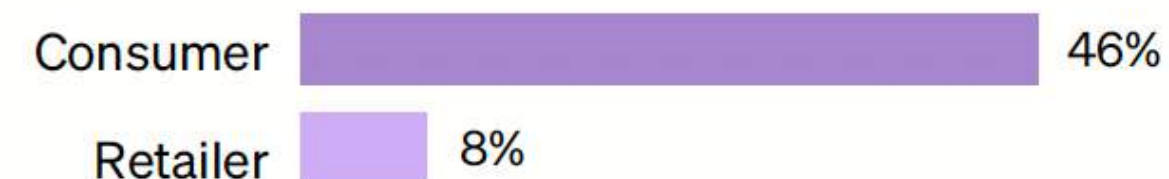
My spending/our revenue is likely to increase significantly



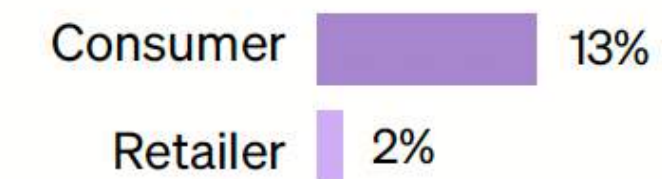
My spending/our revenue is likely to increase slightly



My spending/our revenue is likely to stay the same



My spending/our revenue is likely to decrease slightly



My spending/our revenue is likely to decrease significantly



Ecommerce company revenue YoY forecasted change by region

Klaviyo 2024 state of ecommerce company survey Q14: Please indicate by what degree you think your company's annual revenue will change from last year to this year. (n770)

	NA	APAC	EMEA	Total
Increase significantly	47%	44%	31%	41%
Increase slightly	45%	42%	56%	48%
Stay the same	6%	12%	9%	8%
Decrease slightly	2%	2%	4%	2%
Decrease significantly	0%	1%	1%	1%

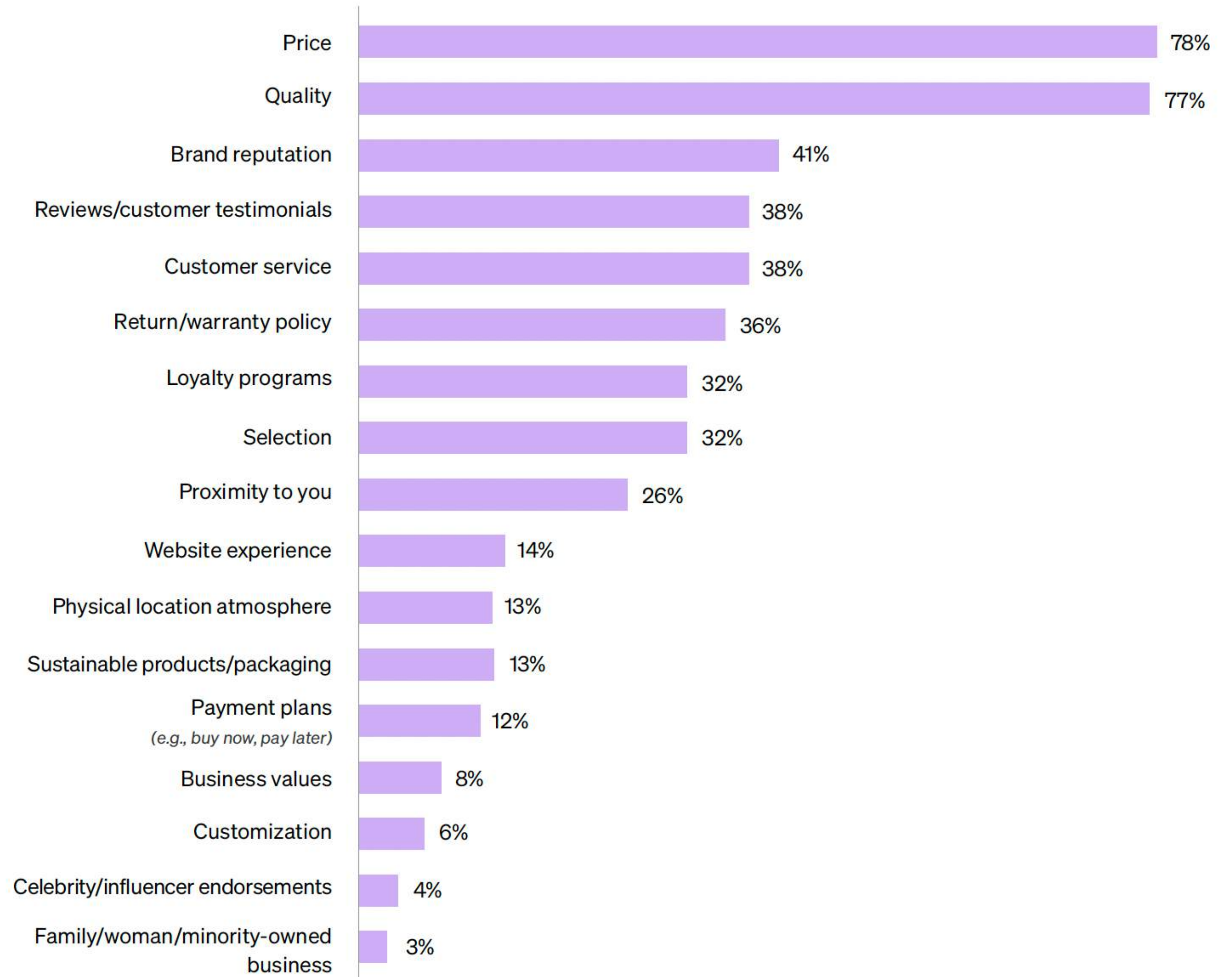
Value. Value. Value.

Price (78%) and quality (77%) are the top factors that influence ecommerce purchases—by a long, long way.

Combined, those two factors show that getting the best bang for their buck is what shoppers care the most about.

After those two factors, brand perception factors have the most impact, with overall brand reputation, reviews and customer service quality following close behind.

Top Consumer Ecommerce Selection Criteria



Smartphones own the traffic, but lose share on orders.

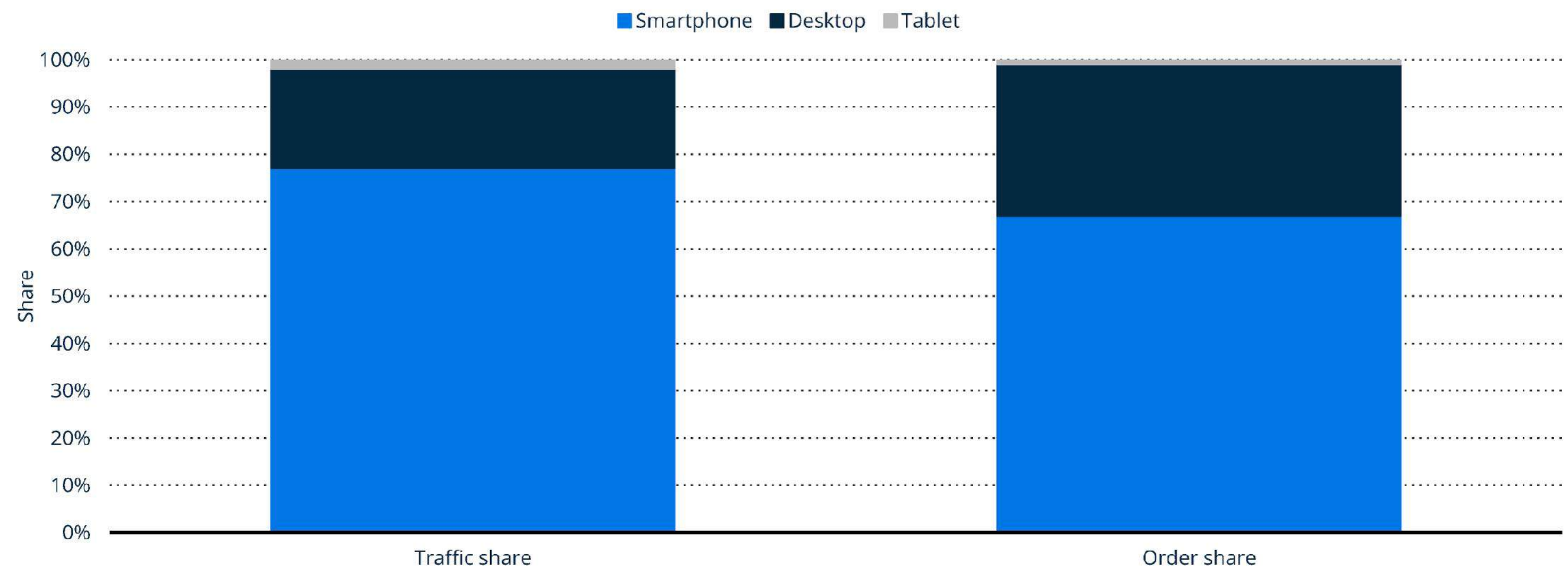
An interesting pattern emerges when we look at the disparity between how shoppers browse and where they actually order.

While smartphone and tablet traffic make up more than 75% of all traffic to ecommerce sites, they lose about 10% of the share when it comes time to actually order.

It appears that shoppers do their window shopping on their mobile devices, but not all of them buy on mobile devices.

Distribution of retail website visits and orders worldwide in 2nd quarter 2024, by device

Global online retail website visits and orders 2024, by device



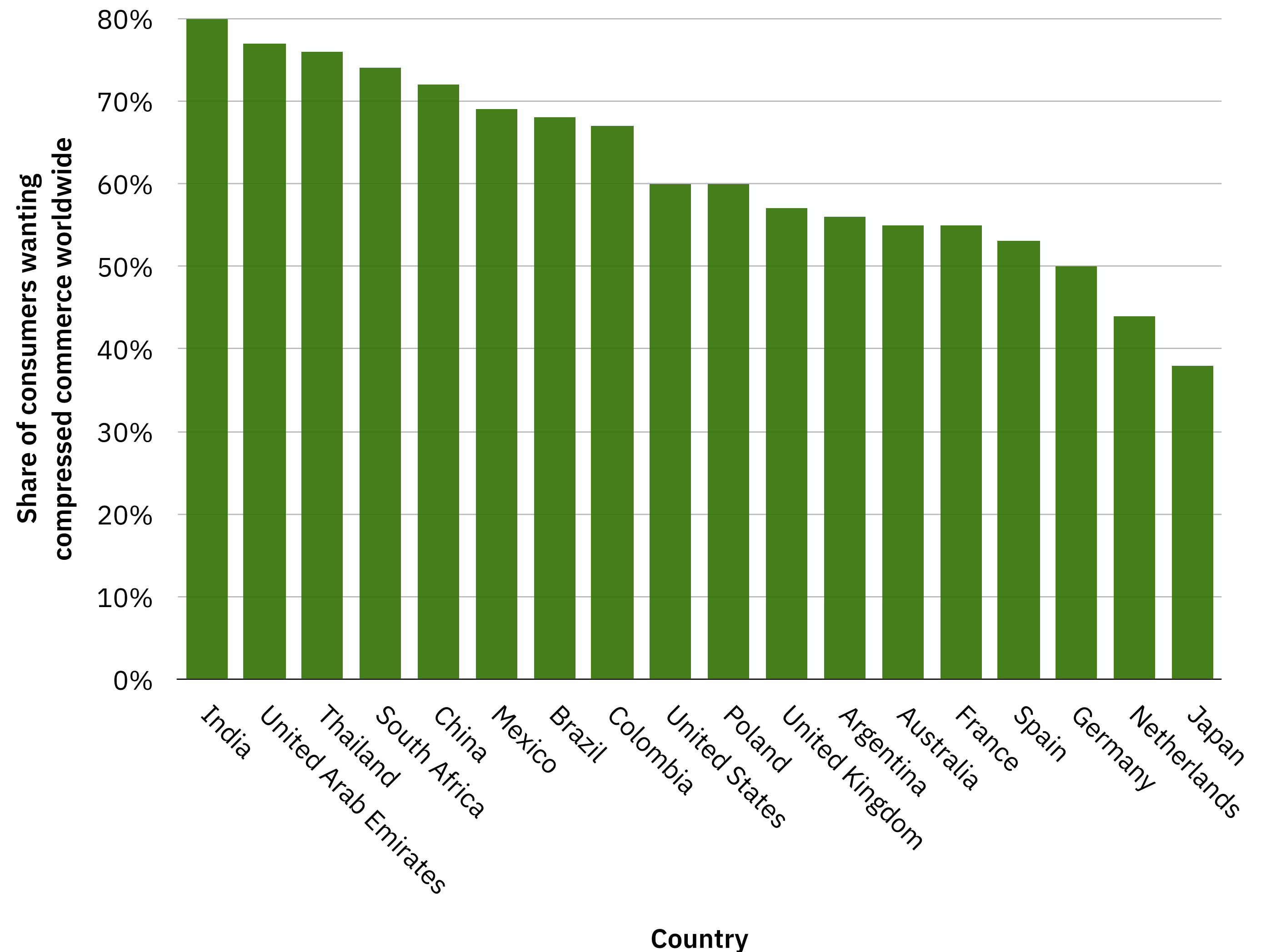
Description: Mobile phones dominate global digital commerce website visits and contribute to the largest share of online orders. As of the second quarter of 2024, smartphones constituted around 77 percent of retail site traffic globally, responsible for generating two-thirds of online shopping orders. [Read more](#)
Notes: Worldwide, Q2 2024
Sources: Salesforce Research

There is a huge desire for “compressed commerce.”

Compressed commerce is a movement taking shape to shorten the already short wait times many consumers experience from product discovery to having the product in hand.

India leads the consumer appetite for compressed commerce globally, with nearly 80% of consumers favoring compressed commerce, followed closely by Thailand, South Africa, and China. Interest remains strong across emerging markets like Mexico, Brazil, and Colombia, reflecting demand for faster, more integrated shopping experiences.

Culturally western nations, including the U.S., UK, and Australia, show moderate engagement, while Japan and the Netherlands rank lower.

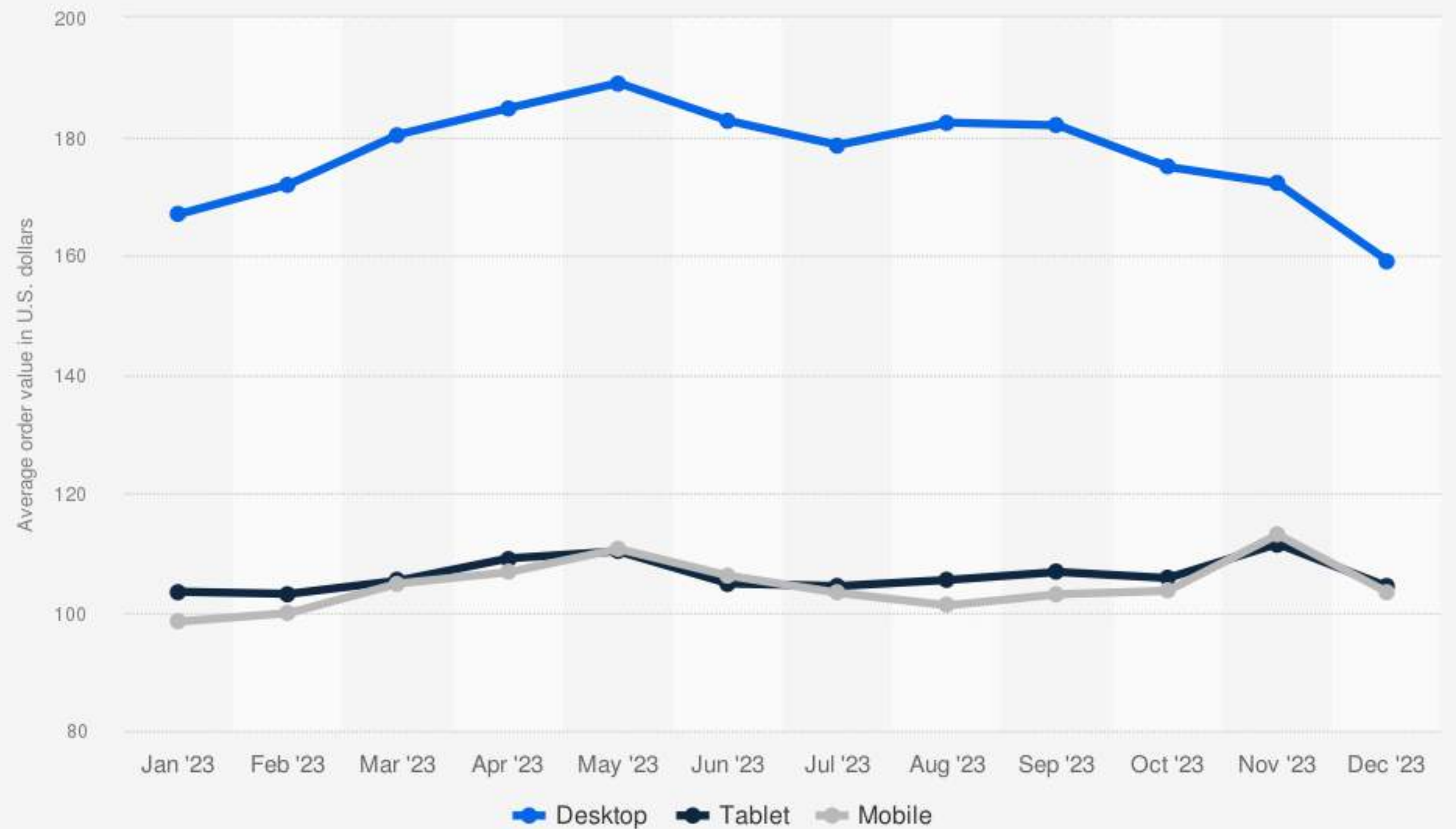


Larger purchases happen on desktop devices.

Desktop consistently leads in average order value (AOV) throughout 2023, peaking mid-year at nearly \$190. Tablet and mobile AOVs remain significantly lower, hovering around \$110-\$130. November shows a slight spike across all devices, likely due to holiday shopping events like Black Friday.

The desktop's higher AOV reflects its continued preference for larger or more deliberate purchases, while mobile's convenience drives volume but smaller transactions. This highlights the importance of optimizing experiences for all devices, particularly desktop for high-value purchases and mobile for accessibility and quick transactions.

Average value of online shopping orders worldwide from January to December 2023, by device (in U.S. dollars)



Source
Monetate
© Statista 2024

Additional Information:
Worldwide; January to December 2023

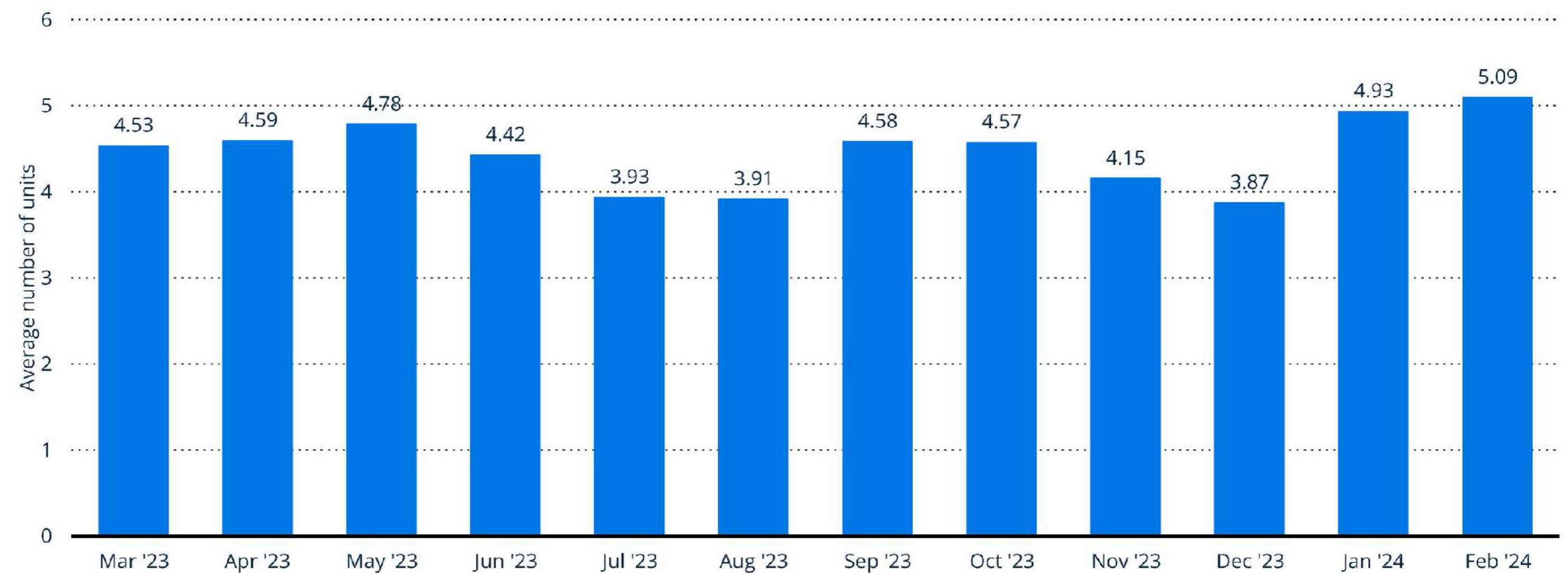
The average ecommerce order has four items.

The average number of products per ecommerce order shows seasonal fluctuations. It peaked at 4.78 in May 2023 and hit a low of 3.87 in December 2023, likely reflecting holiday-specific purchases.

Post-holiday recovery is evident with a sharp rise to 4.93 in January 2024, culminating at 5.09 in February 2024. This trend suggests consumers buy fewer, but more specific items during holidays and return to larger, more general purchases afterward.

Average number of products bought per order worldwide from March 2023 to February 2024

Average number of products bought per e-commerce order worldwide 2024



26 | Description: On average, 4.41 products per order are purchased by e-commerce users. A global study showed that the figure peaked in February 2024, after a twelve-months low of 3.87 units per transaction in December 2023. [Read more](#)
Note(s): Worldwide, March 2023 to February 2024
Source(s): Dynamic Yield

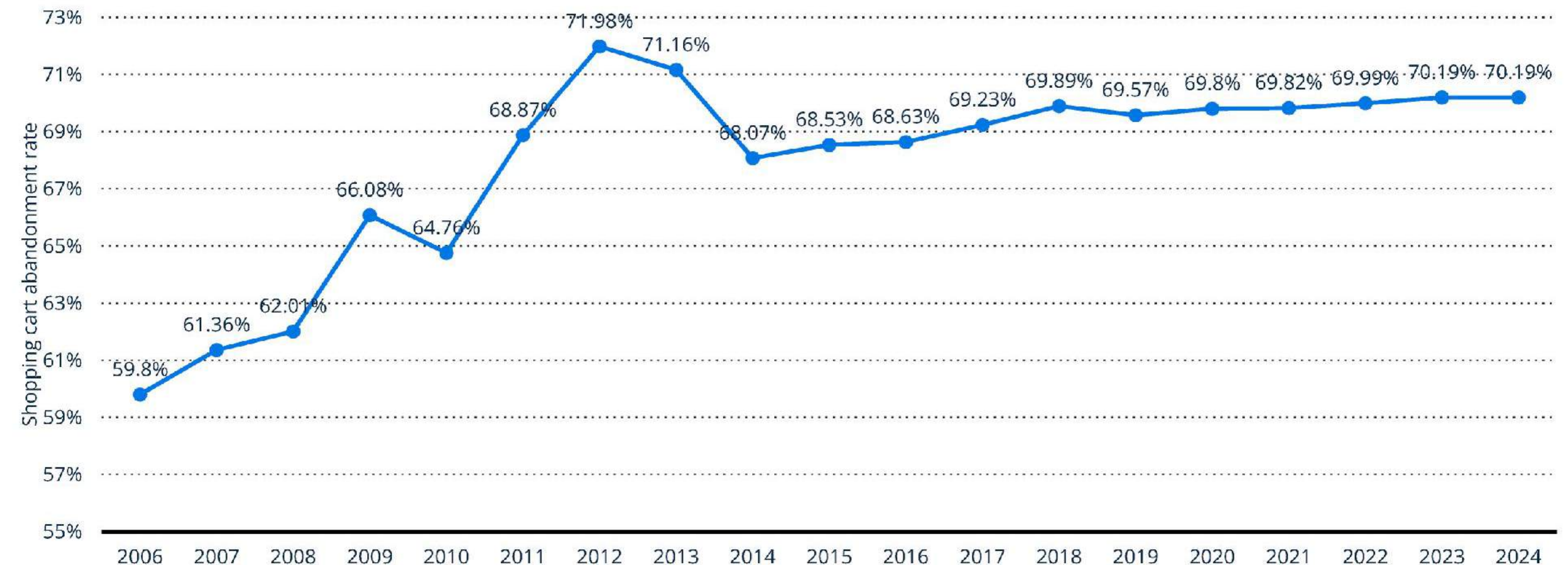
Cart abandonment rates have stabilized after soaring for years.

From 2006 to 2012, the average rate of ecommerce shopping cart abandonment shot up more than 12 percentage points from 58.8% of carts being abandoned, to nearly 72% of ecommerce carts being abandoned.

As the aftermath of the 2008-2009 financial crisis leveled out, cart abandonment rates began to stabilize around 2014, rising by only two percentage points in the intervening decade.

Online shopping cart abandonment rate worldwide between 2006 to 2024

Global online shopping cart abandonment rate 2006-2024



27 | Description: Cart abandonment rates have been climbing steadily since 2014, after reaching an all-time high in 2013. In 2023, the share of online shopping carts that is being abandoned reached 70 percent for the first time since 2013. This is an increase of more than 10 percentage points compared to the start of the time period considered here. [Read more](#)
Note(s): Worldwide; 2006 to 2024
Source(s): Baymard Institute

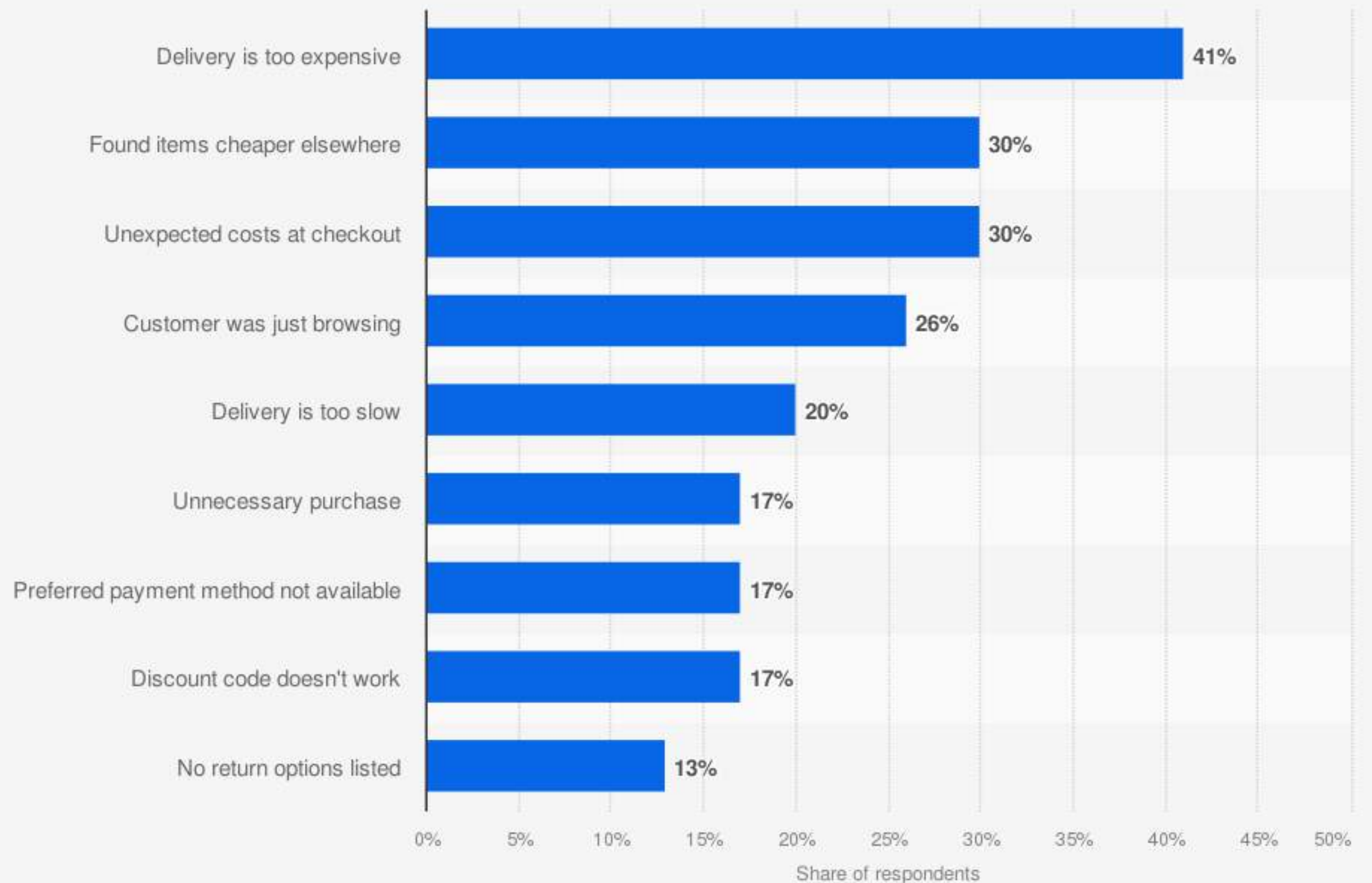


High extra costs drive most cart abandonment.

High delivery costs (41%) are the leading cause of cart abandonment, followed by finding cheaper alternatives (30%) and unexpected costs at checkout (30%). Browsing without intent to purchase accounts for 26%, while slow delivery deters 20%.

Lesser factors include unavailable payment options, non-working discount codes, and lack of return options, each impacting 17% or fewer. Improving transparency in pricing, offering competitive shipping, and addressing convenience factors like returns and payment options could significantly reduce cart abandonment rates.

Top reasons for cart abandonment among online shoppers worldwide 2024



Sources
SendCloud; Nielsen; E-commerce Nation
© Statista 2024.

Additional Information:
Worldwide; SendCloud; Nielsen; 2024; 12,000 respondents; Shoppers that have made at least one purchase online within three months prior to the time of survey.

The Food & Beverage category converts at the highest rate.

The food and beverage category boasts the highest average conversion rate in ecommerce at almost 4%.

Not surprisingly, smaller ticket items like skincare, general apparel and footwear have the next highest conversion rates.

Larger purchases like furniture, luxury apparel and appliances mark some of the lowest conversion rates in the ecommerce sphere.

Among the top countries by average conversion rate, the US ranks in the middle of the pack at 2.6%.

- United Kingdom (3%)
- Netherlands (2.8%)
- United States (2.6%)
- Canada & Germany (2.4%)
- Australia and New Zealand (2.2%)

Highest Converting Categories

3.3%

Beauty & Skincare

2.6%

General Apparel

2.4%

Home, Dining, Art & Decor

2.4%

General Footwear

Lowest Converting Categories

1.6%

Home Appliances

1.2%

General Handbags & Luggage

0.9%

Luxury Apparel

0.8%

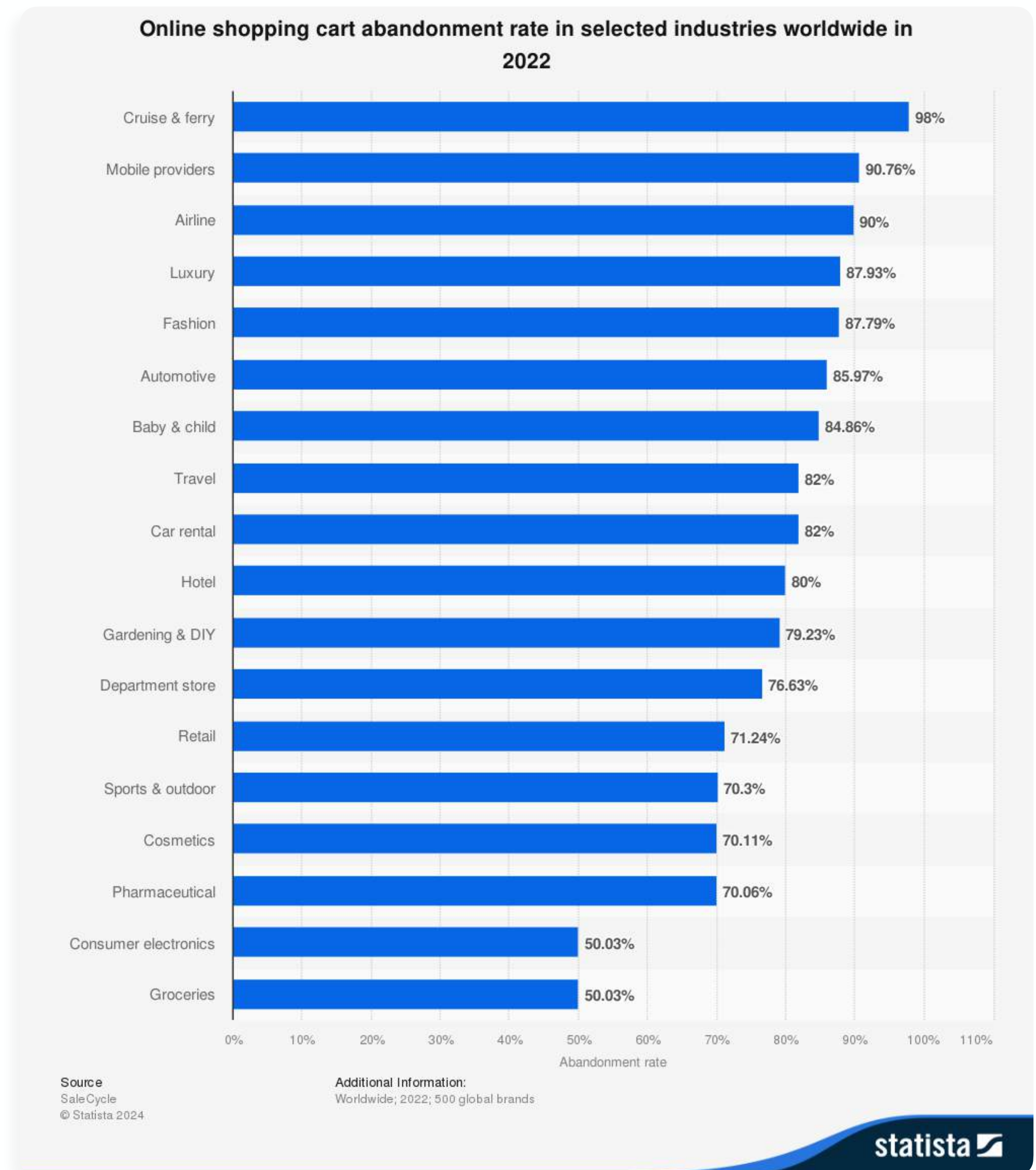
Home Furniture

Big ticket items with lots of options have sky-high cart abandonment rates.

Just as we've seen that pricier items and services have the lowest conversion rates, conversely they have the highest abandonment rates as well.

But if we look deeper, the top industries in term of cart abandonment are also industries in which consumers are spoiled for choice.

Cruises, mobile providers, airlines and automobiles are all purchases where consumers want to be sure that the large sum they're committing to when they purchase was the best choice available.



Millennials are all in on Buy Now, Pay Later.

Millennials, more than any other generation, are sold on the idea of Buy Now, Pay Later (BNPL) programs.

55% of millennials now say that they use BNPL more than they use their credit cards, and 70% report a higher level of trust in BNPL providers than their credit card companies.

And, they're using BNPL often. 52% of millennials report using BNPL at least once a month, with 18% of them using it every week.

Generation	I use buy now, pay later more often than credit cards	I trust buy now, pay later providers more than credit card providers
Gen Z	51%	60%
Millennials	55%	70%
Gen X	45%	57%
Baby boomers	31%	57%
Total	53%	62%

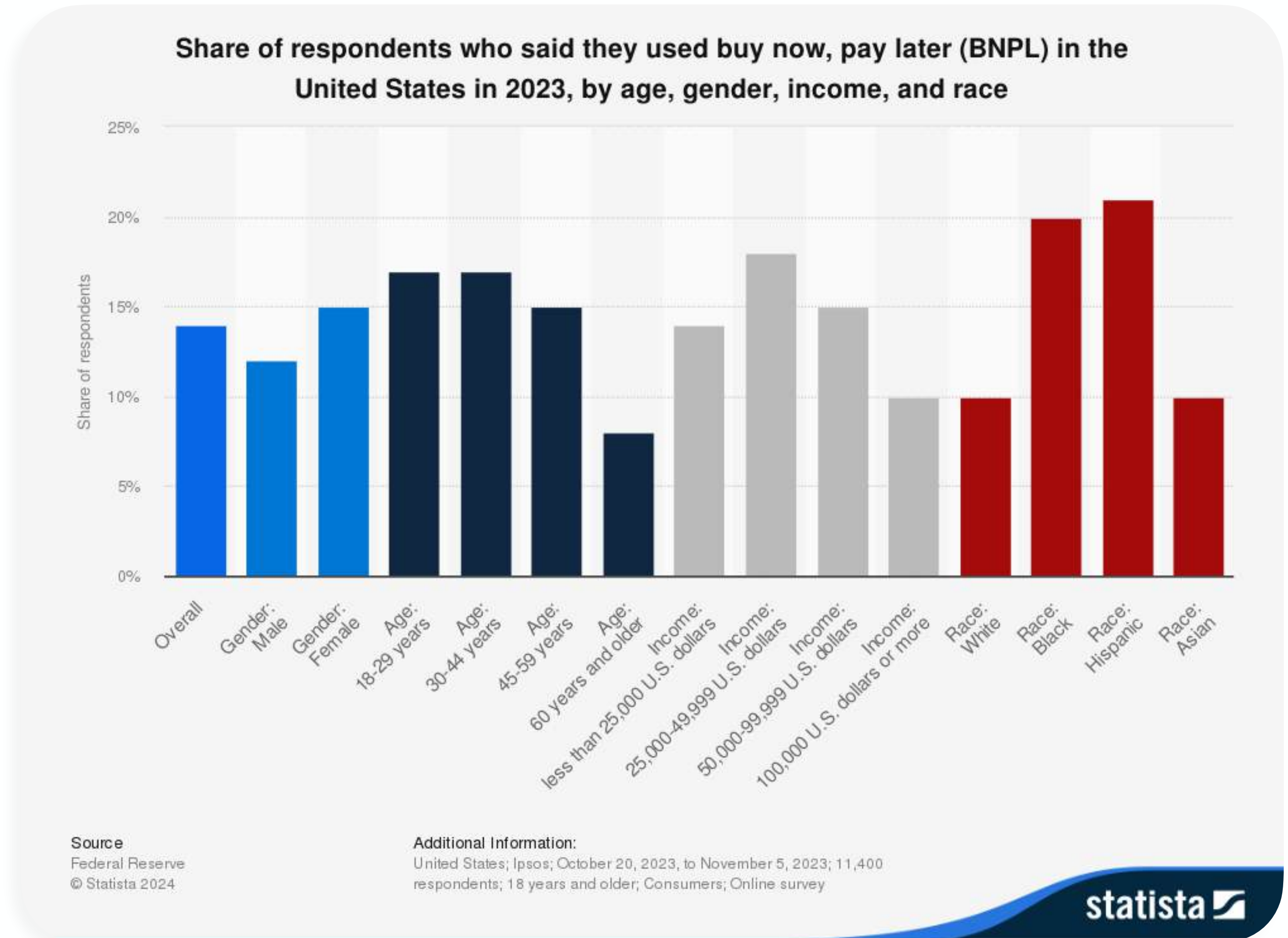
Frequency of BNPL use among BNPL users	At least once a week	Once a month	Once every three months	Once every six months	Once a year or less frequently
Gen Z	10%	32%	24%	10%	25%
Millennials	18%	34%	19%	9%	21%
Gen X	13%	20%	18%	10%	39%
Baby boomers	8%	22%	13%	8%	48%
Total	13%	27%	19%	10%	31%

Women are more likely to use BNPL, as are Black and Hispanic shoppers.

The usage of Buy Now, Pay Later (BNPL) services in 2023 varies by demographics. Younger consumers (18–44 years) show the highest adoption, with lower engagement among older groups. Higher usage is observed among lower-income households (<\$25,000) compared to wealthier groups.

Racially, Black and Hispanic respondents demonstrate higher adoption rates than White or Asian respondents. Gender differences are minimal, with slightly more women utilizing BNPL.

These trends suggest BNPL appeals most to younger, lower-income, and racially diverse groups, emphasizing affordability and flexible payment options as key drivers. Businesses should tailor BNPL promotions to align with these demographics.

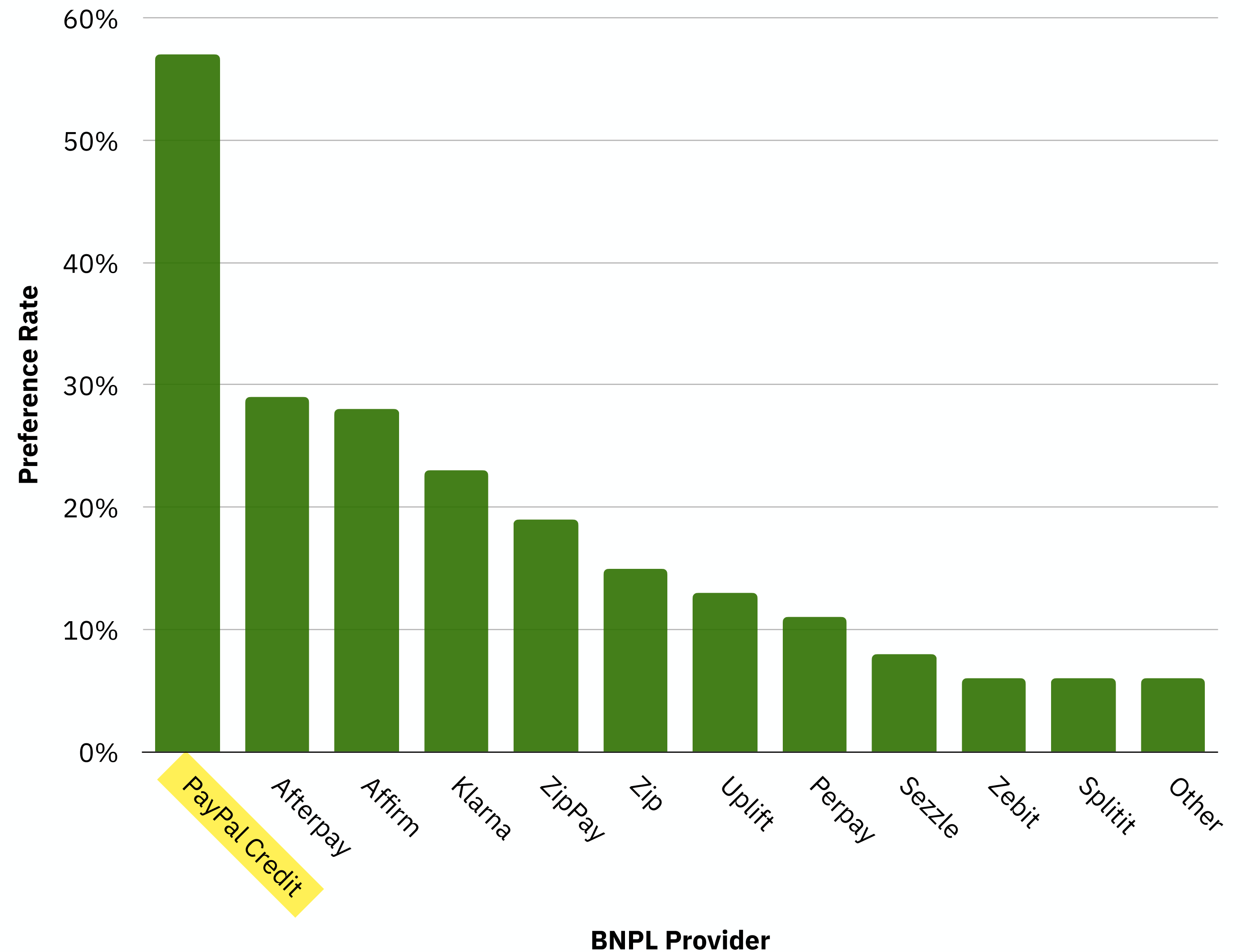


When it comes to BNPL it's PayPal, then everybody else.

PayPal Credit leads in BNPL preference with over 50% of the market share, far surpassing competitors.

Afterpay, Affirm, and Klarna follow at significantly lower—but still competitive—rates, each capturing roughly 20-30%. ZipPay, Zip, and Uplift see moderate adoption, while Perpay, Sezzle, Zebit, and Splitit trail with smaller shares.

PayPal's dominance highlights its widespread trust and integration in online transactions. Competing providers may need to focus on differentiating through features like flexibility, user experience, or rewards to gain market share.

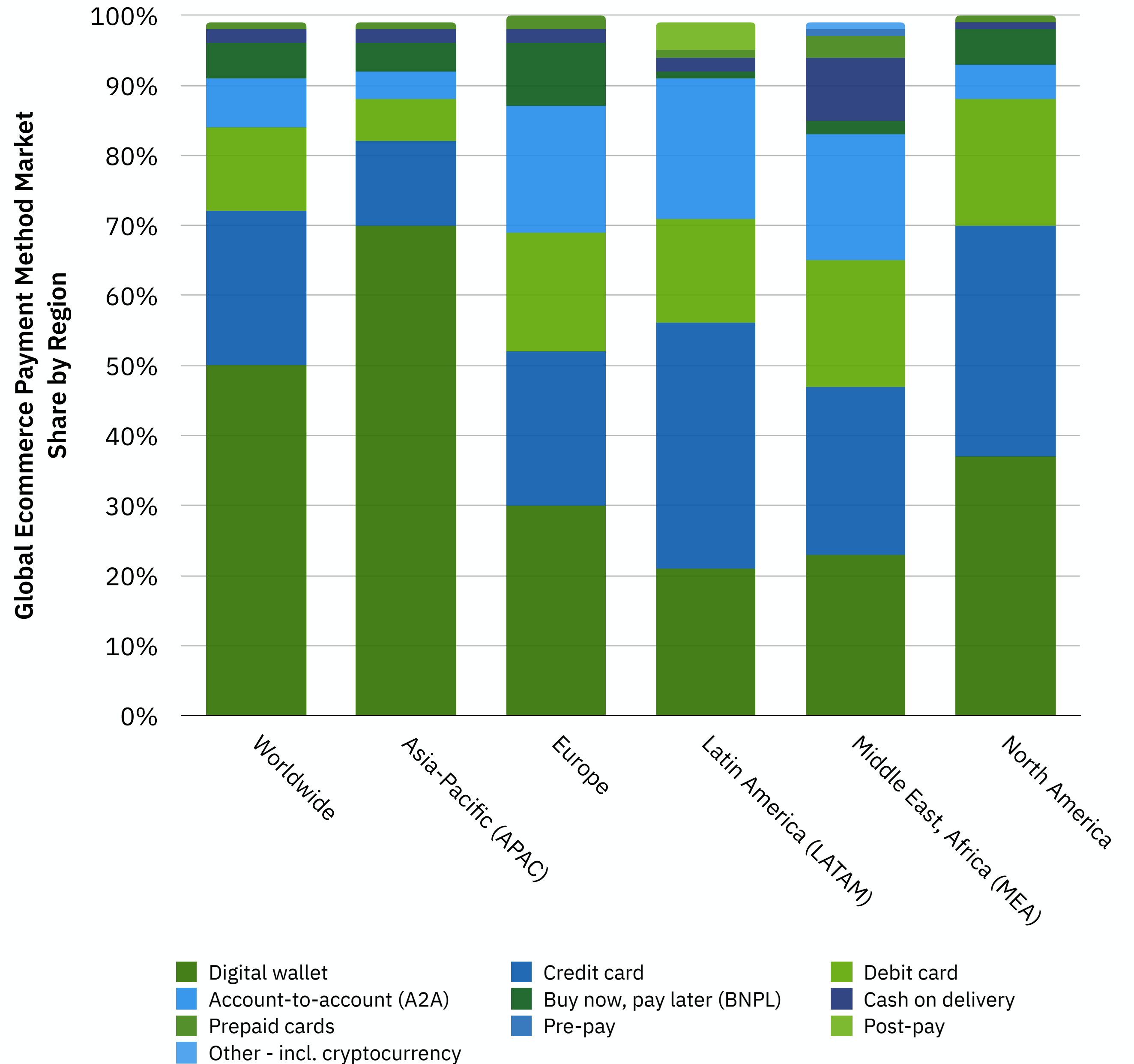


Digital wallets and credit cards are the preferred payment methods.

Digital wallets dominate globally, especially in Asia-Pacific (APAC) and the Middle East & Africa (MEA), reflecting their growing convenience and adoption. Credit cards remain strong in North America and Europe, indicating trust in traditional payment methods.

Latin America shows a notable reliance on cash on delivery, highlighting logistical challenges and trust issues in online payments. Buy Now, Pay Later (BNPL) is emerging but varies in adoption, with higher usage in Europe.

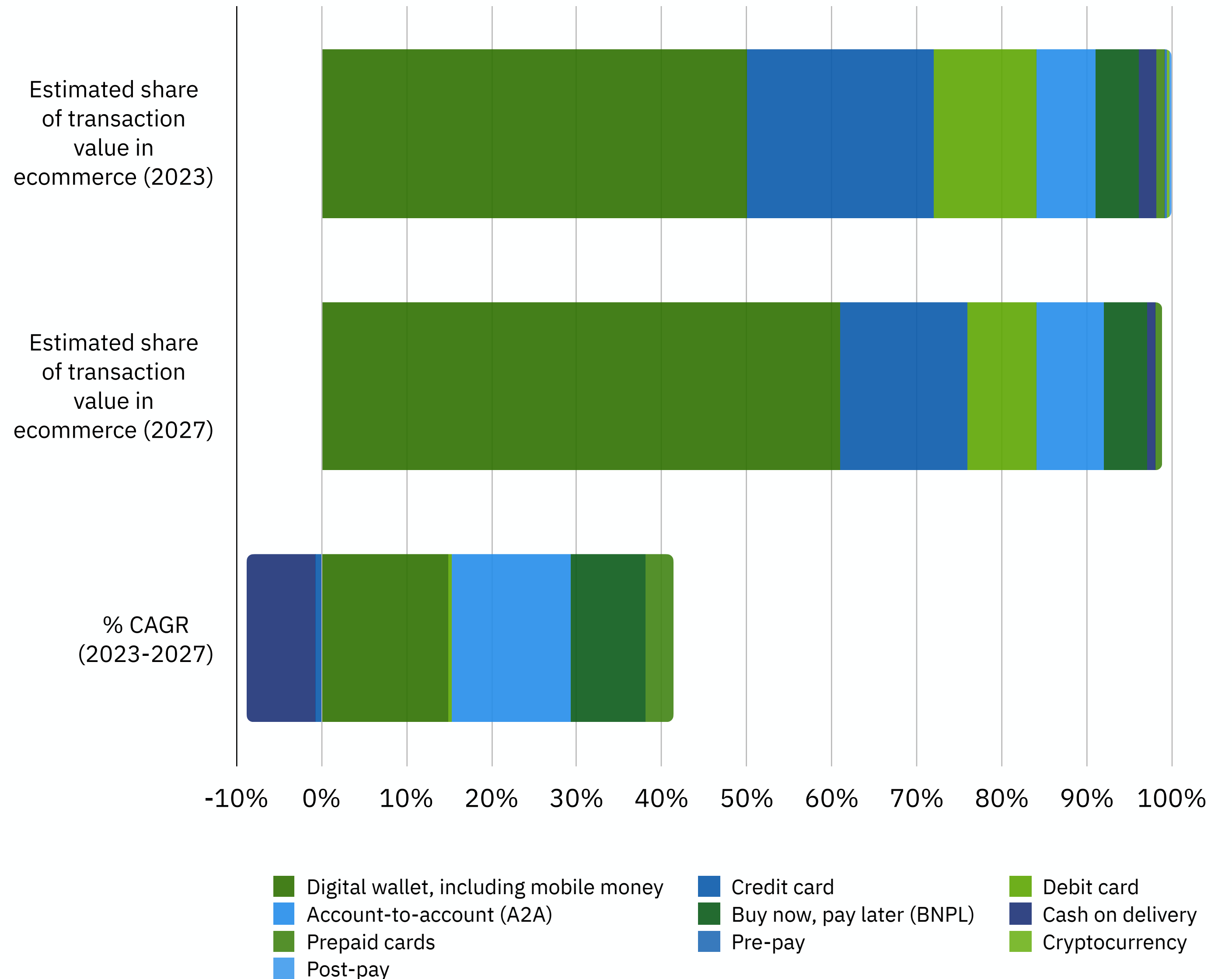
Account-to-account (A2A) payments and other methods like cryptocurrency maintain niche market shares. The data underscores regional payment preferences, crucial for businesses targeting specific markets.



Credit cards are in decline.

Almost every form of digital payment platform is predicted to rise in prominence over the next three years, with digital wallets showing a huge spike in preference in that time period.

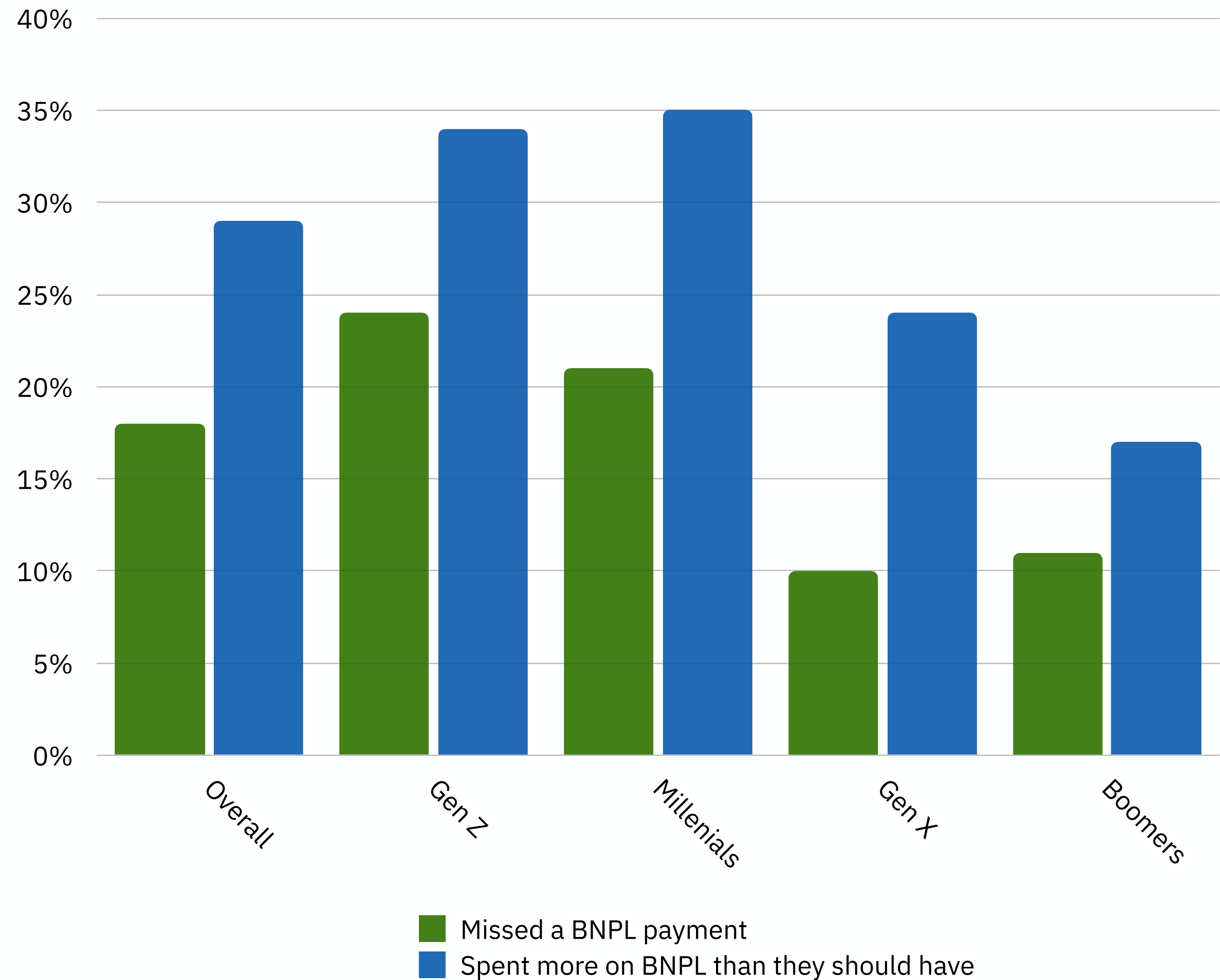
Cash on Delivery (COD) and credit cards are predicted to lose share, the only two methods forecast to lose share, with the two methods combined expected to show nearly -10% CAGR through 2027.



Millennials overspend; Gen Z misses more payments.

Millennials are most likely to overspend using Buy Now, Pay Later (BNPL), with over 35% admitting to spending more than they should have. They also have the highest rate of missed payments at around 25%. Gen Z follows closely in overspending, but their missed payment rate is slightly lower.

Gen X and Boomers are less prone to both overspending and missed payments, reflecting more cautious financial behavior. This data highlights the risks of BNPL for younger demographics, emphasizing the need for financial education and tools to encourage responsible usage.



SOCIAL COMMERCE

The Rise of Social Commerce

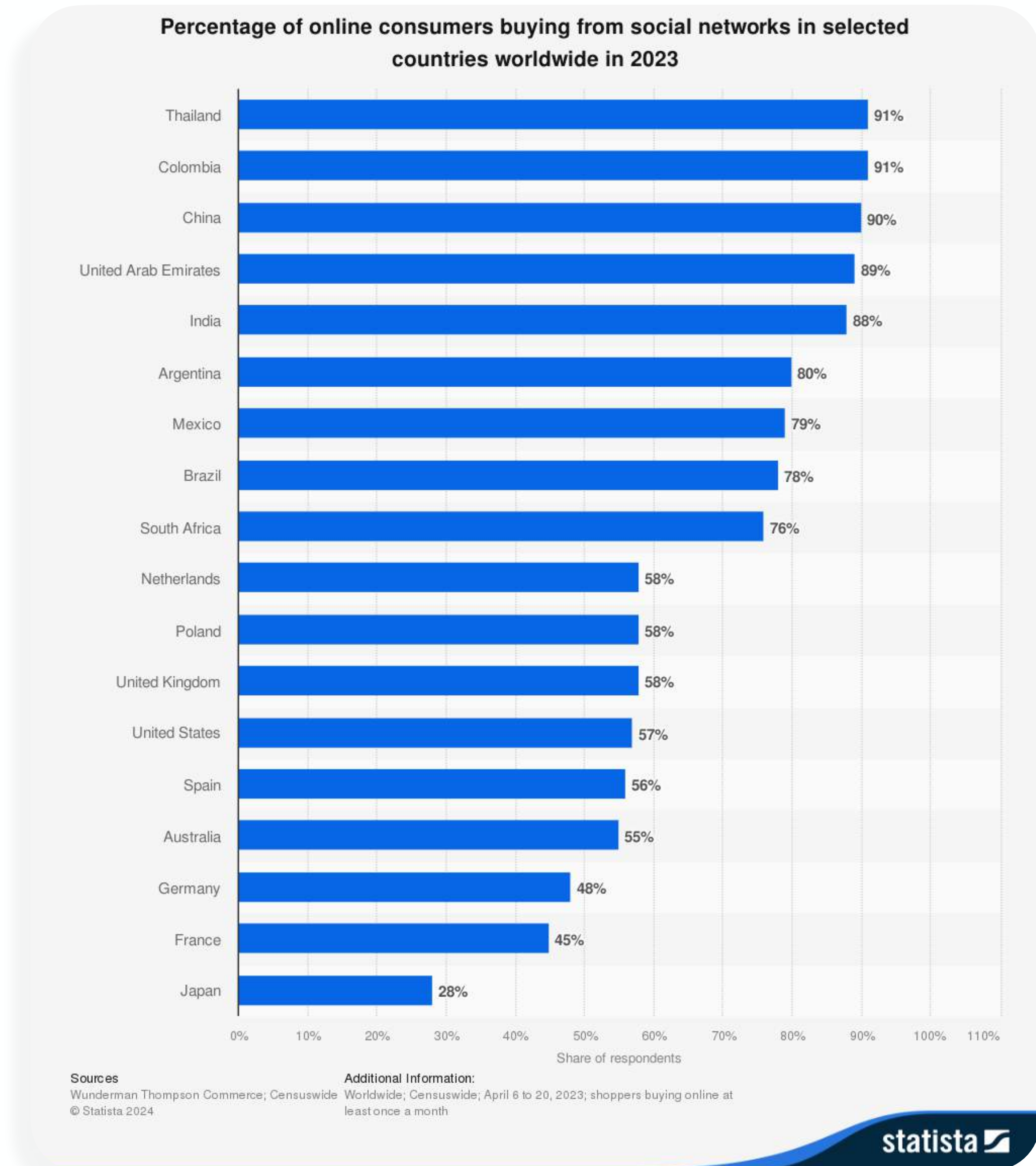
SOCIAL COMMERCE

Social commerce is huge globally—less so in the U.S.

Social commerce adoption is highest in Thailand, Colombia, and China, with over 90% of online consumers purchasing through social networks in 2023.

Emerging markets like India, Argentina, and Mexico also show strong engagement, reflecting the integration of social media and ecommerce.

In contrast, developed markets like the US, UK, and Europe have lower adoption rates, hovering around 55-58%, with Japan at only 28%.



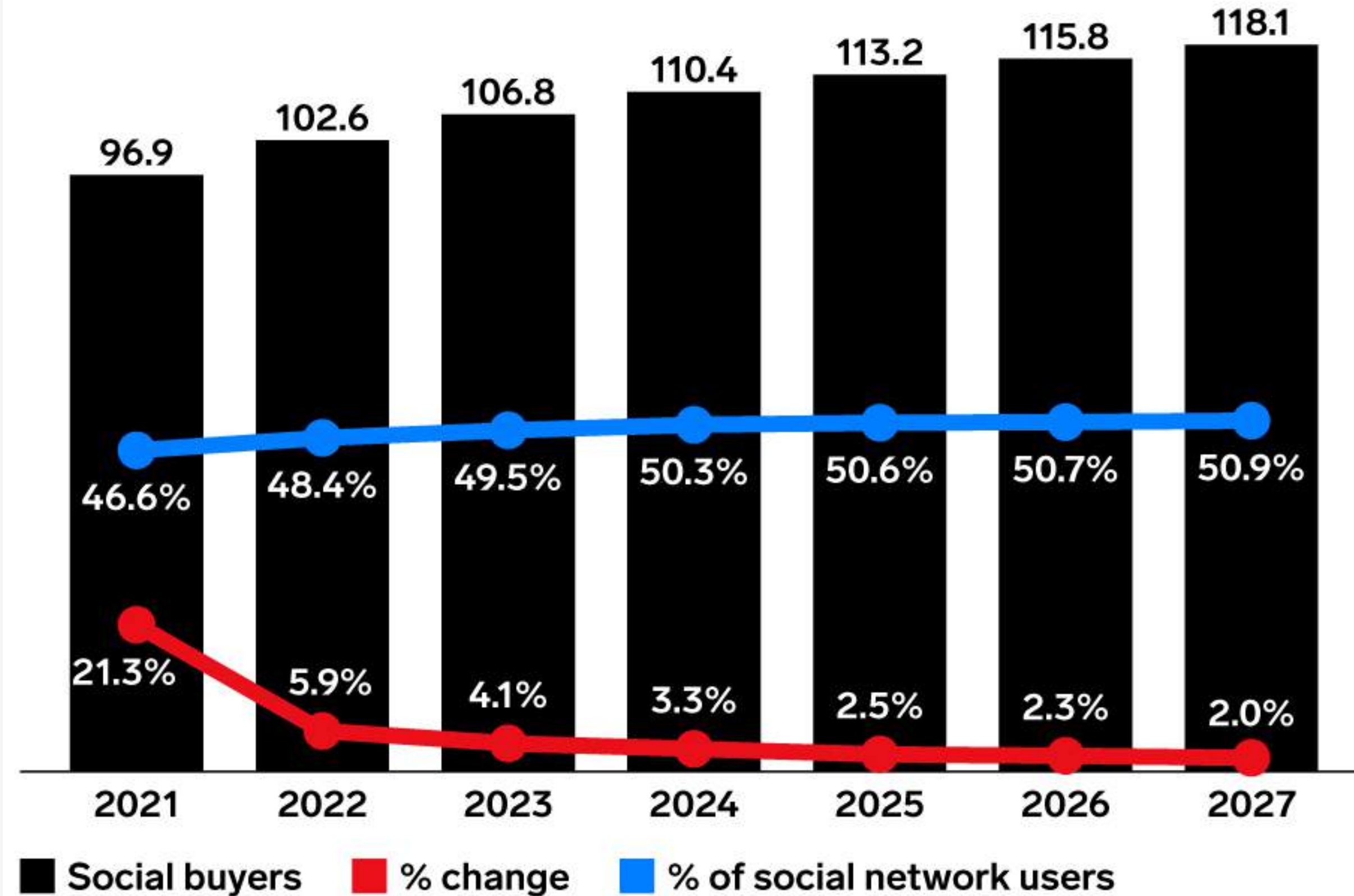
Social commerce growth is still positive—but shrinking.

The number of US social buyers is projected to grow from 96.9 million in 2021 to 118.1 million in 2027, accounting for 50.9% of social network users by 2027. The annual growth rate declines sharply from 21.3% in 2021 to just 2.0% by 2027, reflecting market maturation.

The consistent rise in the share of social network users participating in social commerce underscores its entrenched role in ecommerce strategies.

US Social Buyers, 2021-2027

millions, % change, and % of social network users



Note: ages 14+; social network users who have made at least one purchase via any social channel (e.g., Facebook, Instagram, Pinterest, Line, WeChat, VK), including links and transactions on the platform itself, during the calendar year; includes desktop/laptop, mobile, and tablet purchases

Source: Insider Intelligence | eMarketer Forecast, Sep 2023

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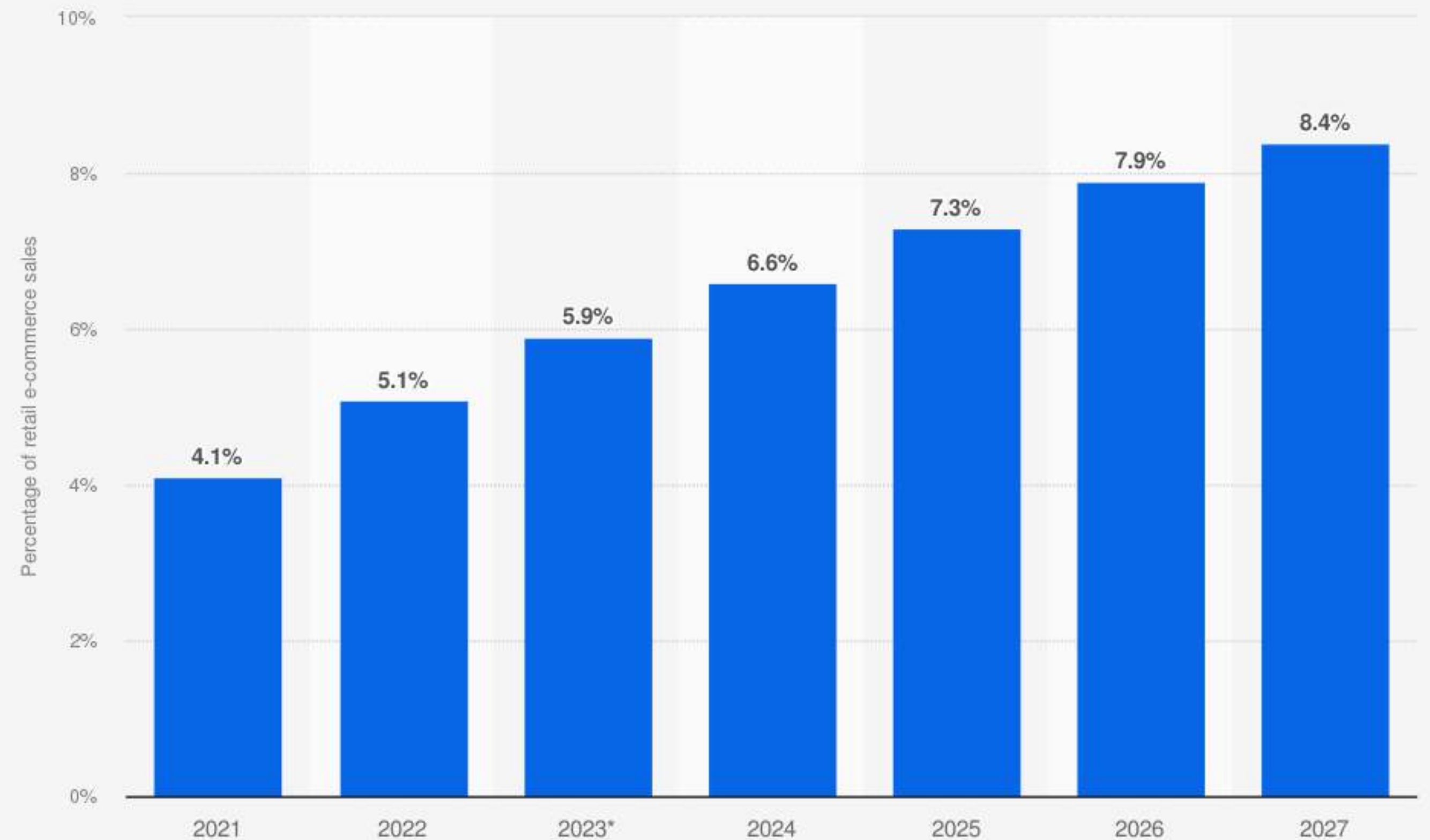
Insider Intelligence | eMarketer

Social commerce will account for 8% of all ecommerce by 2027.

Social commerce's share of total online retail sales in the U.S. is projected to rise steadily from 4.1% in 2021 to 8.4% in 2027. This consistent growth highlights the increasing integration of ecommerce and social media platforms.

The acceleration reflects consumer comfort with purchasing directly through social channels, fueled by features like in-app shopping and personalized ads.

Social commerce as share of total online retail sales in the United States from 2021 to 2027



Sources

eMarketer; Insider Intelligence; The Influencer Marketing Factory
© Statista 2024

Additional Information:

United States; September 2023

Social commerce sales per buyer are predicted to double by 2027.

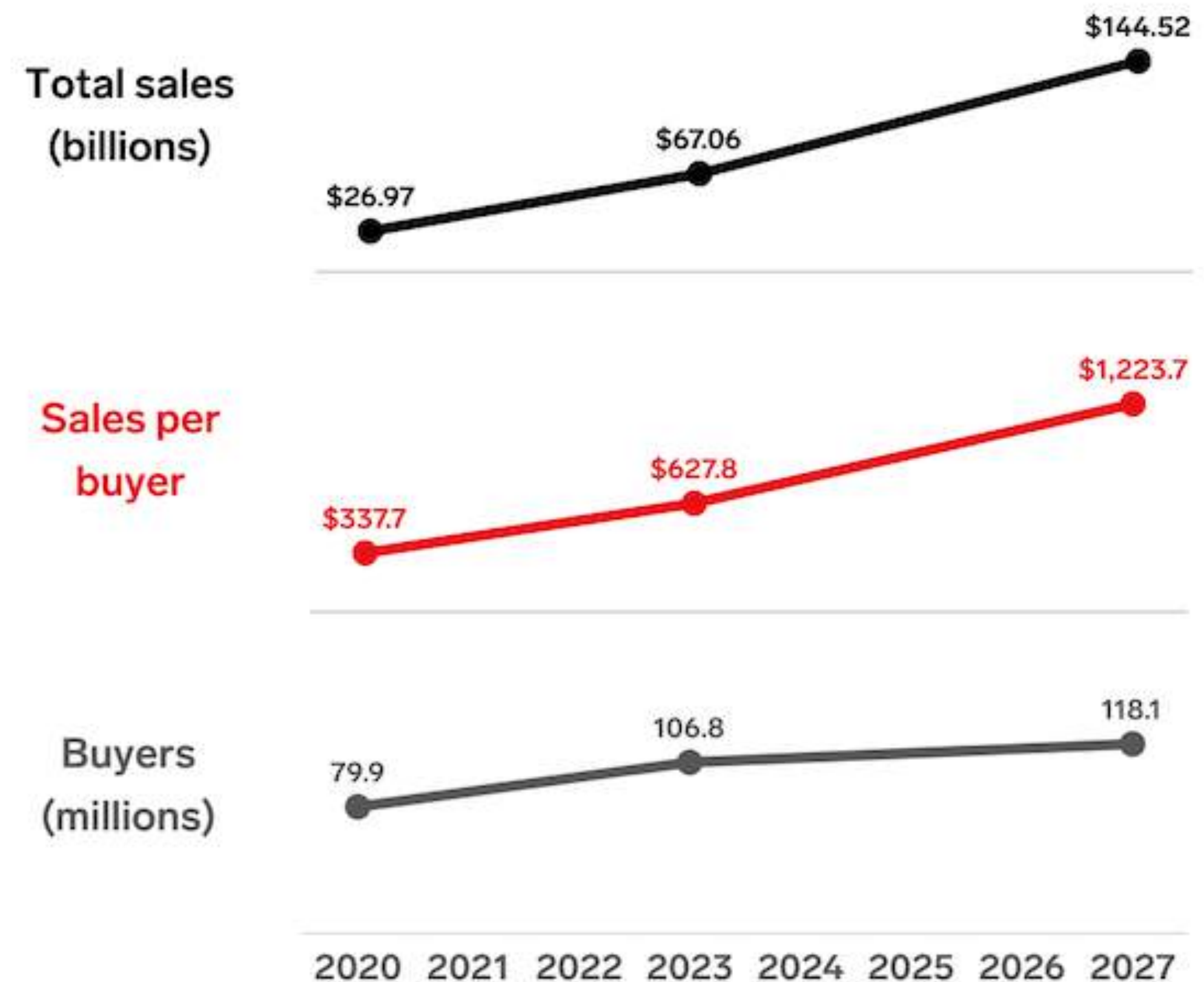
Social commerce sales in the U.S. are projected to soar from \$26.97 billion in 2020 to \$144.52 billion by 2027.

While the number of buyers grows from 79.9 million to 118.1 million, the primary driver of this expansion is the significant increase in sales per buyer, rising from \$337.7 to \$1,223.7 during the same period.

This indicates a maturing market where consumers are spending more per transaction or engaging in higher-value purchases.

Social Commerce Sales Are Primarily Driven by Increasing Spend per Buyer

US social commerce sales, sales per buyer, and number of buyers, 2020-2027



Note: includes products or services ordered via social and messaging apps, regardless of the method of payment or fulfillment; excludes cash transactions, travel and event tickets, tips, subscriptions, payments, food and drink sales, gambling and other vice goods sales

Source: Insider Intelligence | eMarketer Forecast, Oct 2023

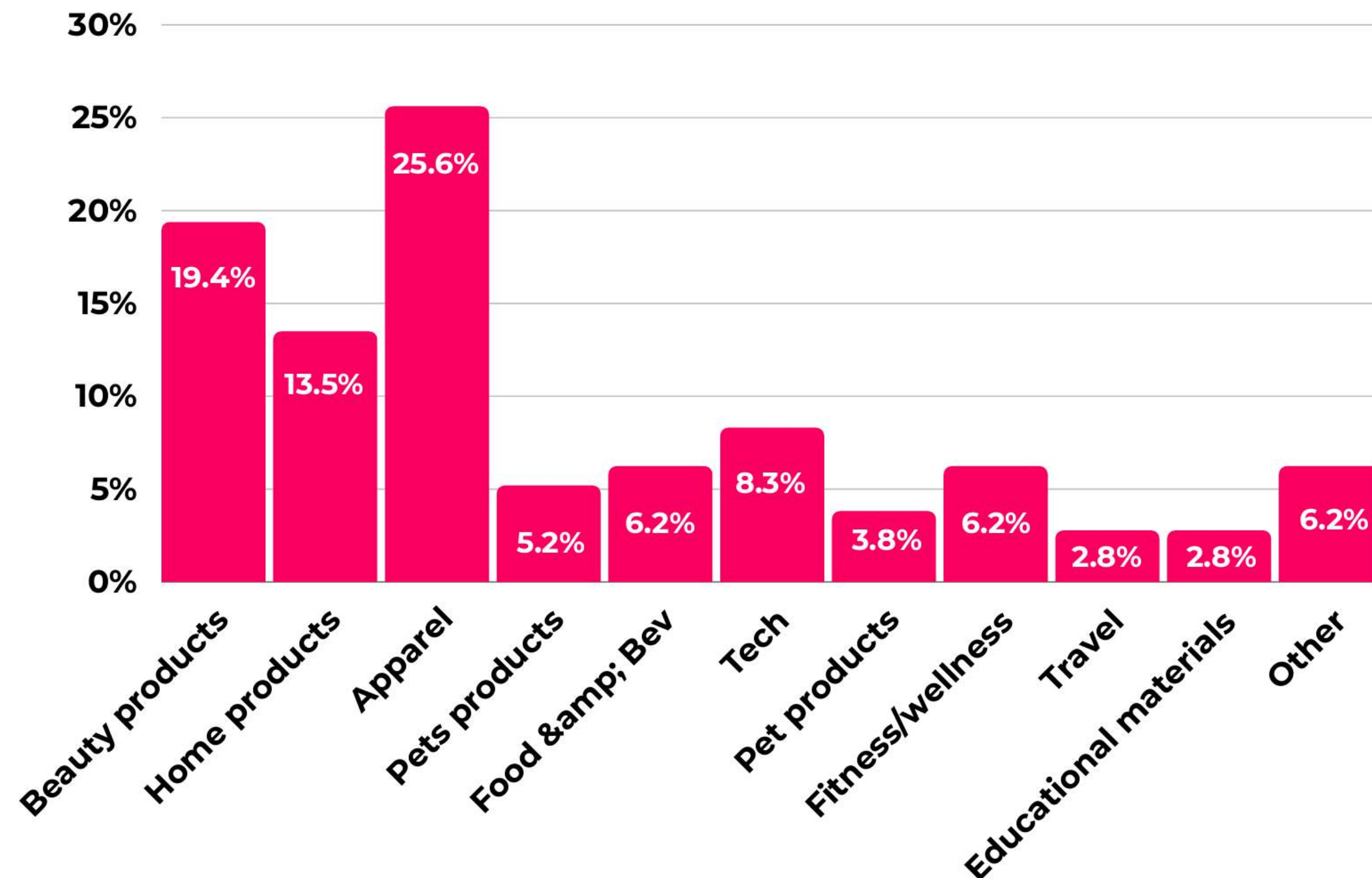
Apparel is the biggest seller via social commerce.

Apparel leads as the most frequently purchased product category through social media, with 25.6% of respondents, followed by beauty products at 19.4% and home products at 13.5%.

Categories like food and beverages, pet products, and tech range between 5.2% and 8.3%, while fitness/wellness, travel, and educational materials trail under 4%.

These preferences highlight the visual and influencer-driven appeal of apparel and beauty products, aligning well with social platforms' content formats.

Which category of products do you tend to purchase most frequently through social media?

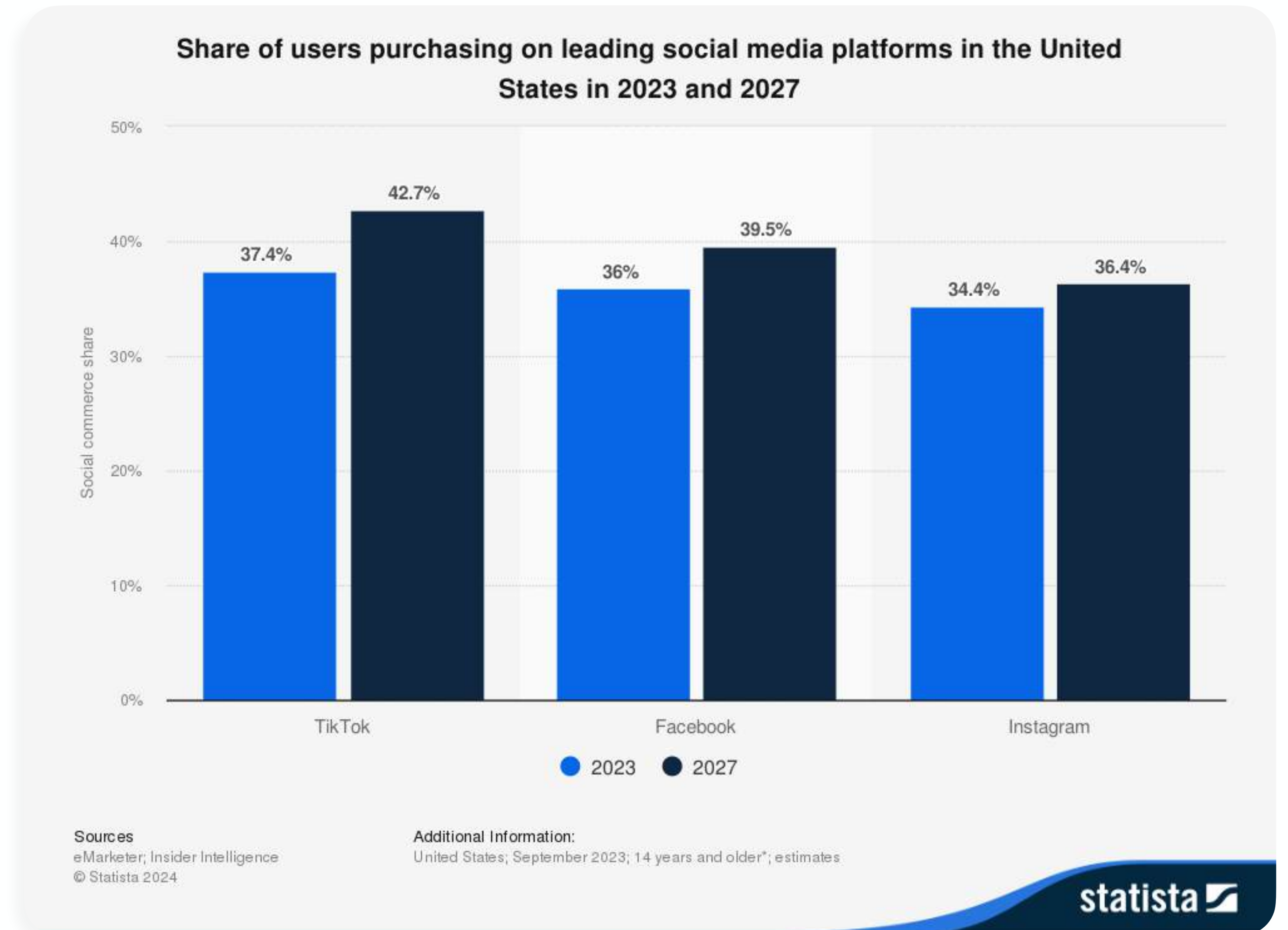


TikTok leads social commerce market share.

By 2027, TikTok is projected to see an increase in users making purchases, rising from 37.4% in 2023 to 42.7%, reflecting its growing influence as a social commerce platform.

Facebook and Instagram also experience modest growth, with Facebook climbing from 36% to 39.5% and Instagram from 34.4% to 36.4%.

TikTok's interactive and engaging content formats likely drive its stronger growth compared to more established platforms. This highlights an ongoing shift towards platforms with innovative shopping features and highly engaging user experiences.



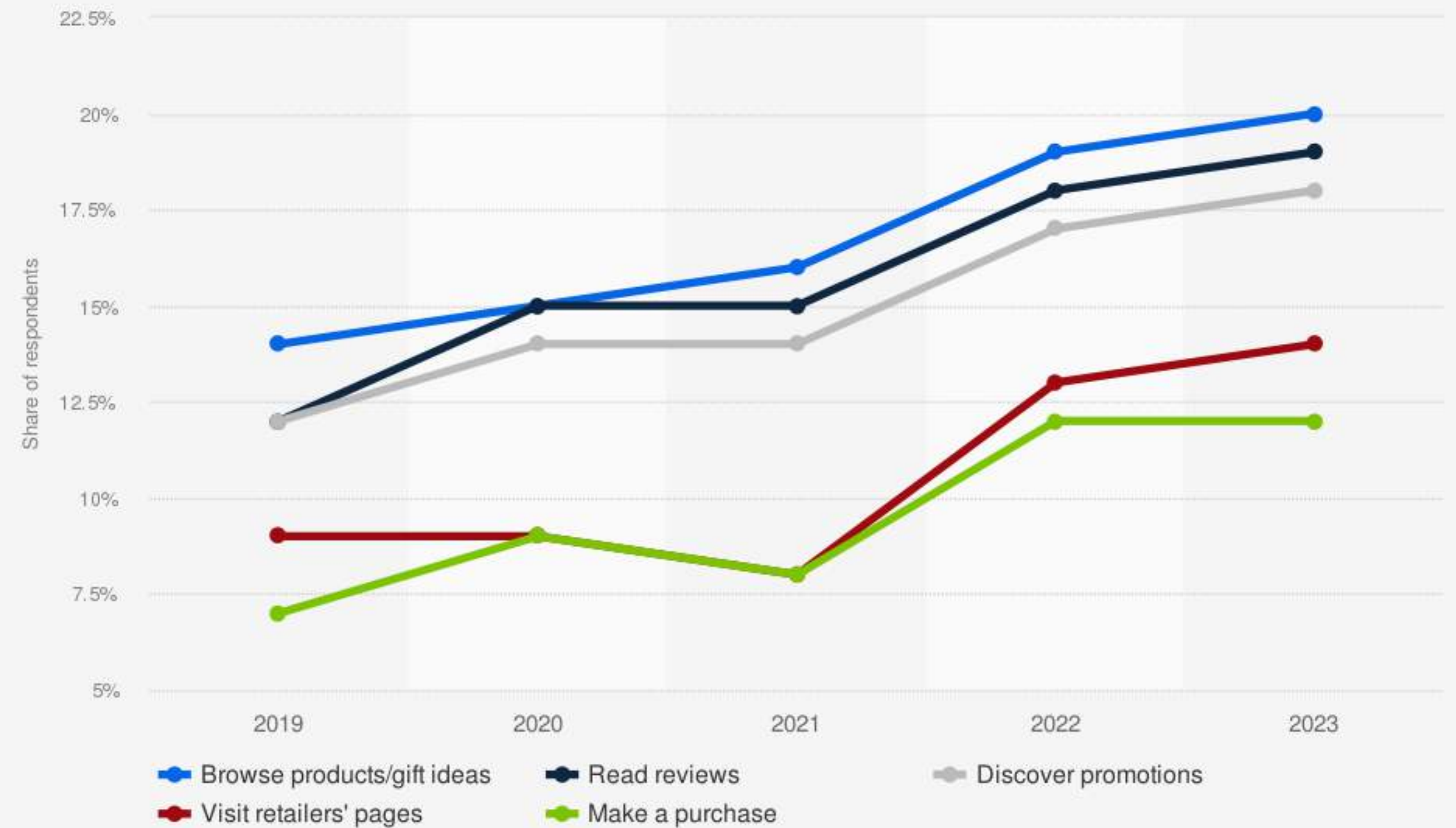
During the holidays, discovery becomes the main social use case.

From 2019 to 2023, browsing for products or gift ideas and reading reviews have been the most popular social commerce activities during holiday shopping in the U.S., both showing consistent growth.

Discovering promotions also gained traction, nearly equaling browsing by 2023. Visiting retailers' pages and making purchases saw more moderate increases, reflecting a slower shift from discovery to transaction on social platforms.

These trends underline social media's strength as a discovery and research tool, with less emphasis on direct purchasing.

Main social commerce activities during holiday shopping in the United States in from 2019 to 2023



Source
Deloitte
© Statista 2024

Additional Information:
United States; Deloitte; 2019 to 2023; 4,102 respondents; 18 years and older; Online survey

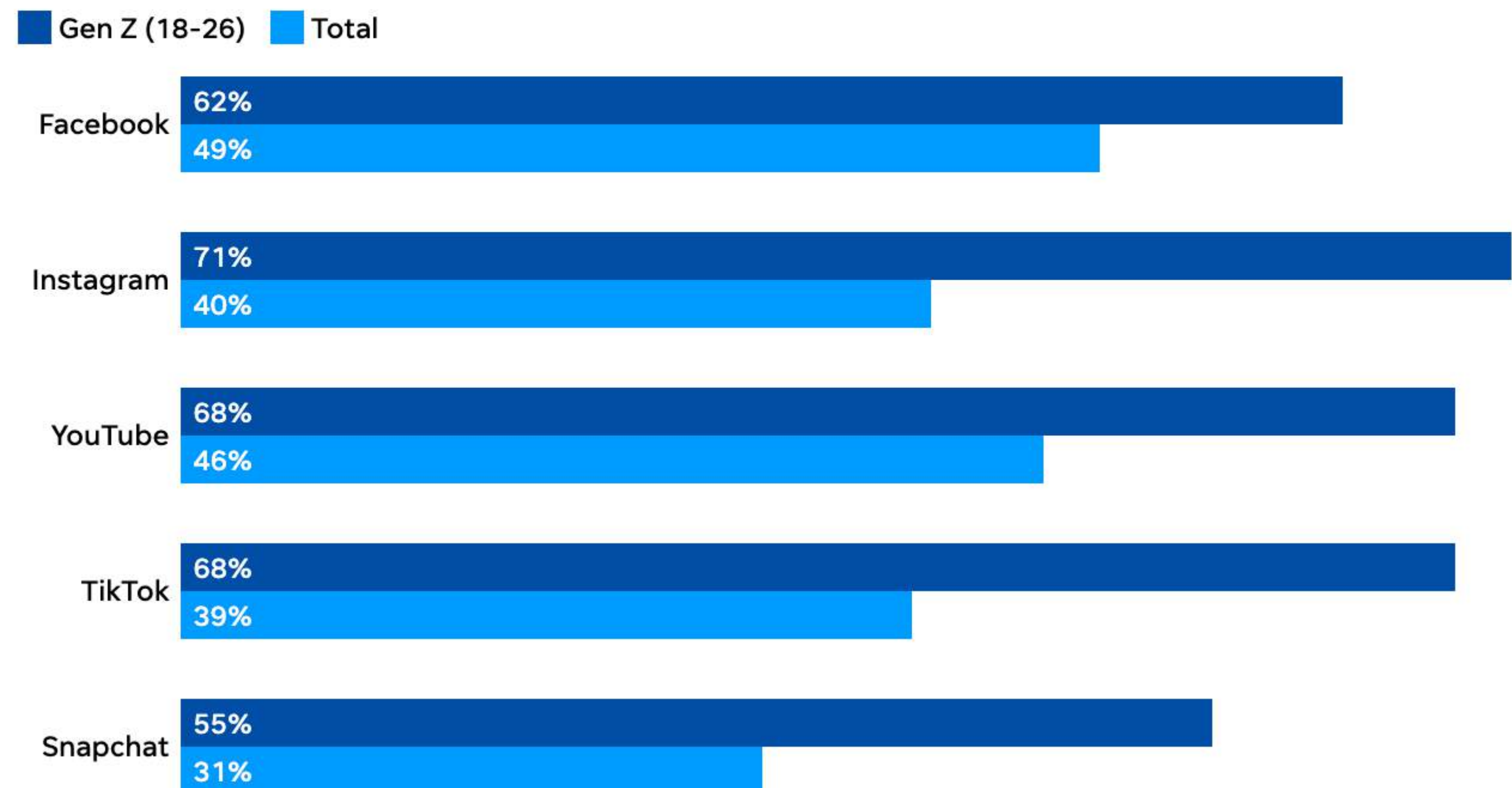
Gen Z is way ahead of the curve on social commerce.

Not surprisingly, Gen Z consumers have a much higher propensity toward social commerce than the rest of the population.

The broadest gap is on Instagram, where 71% of Gen Z shoppers say they're likely to buy natively in the platform, compared to the general population's 40%.

TikTok's introduction of the TikTok Shop has brought them into a tie for second with YouTube for native purchase likelihood with Gen Z consumers, and highlights another large gap between their shopping behavior and that of the general public.

U.S. adults likely to purchase directly through each social commerce platform



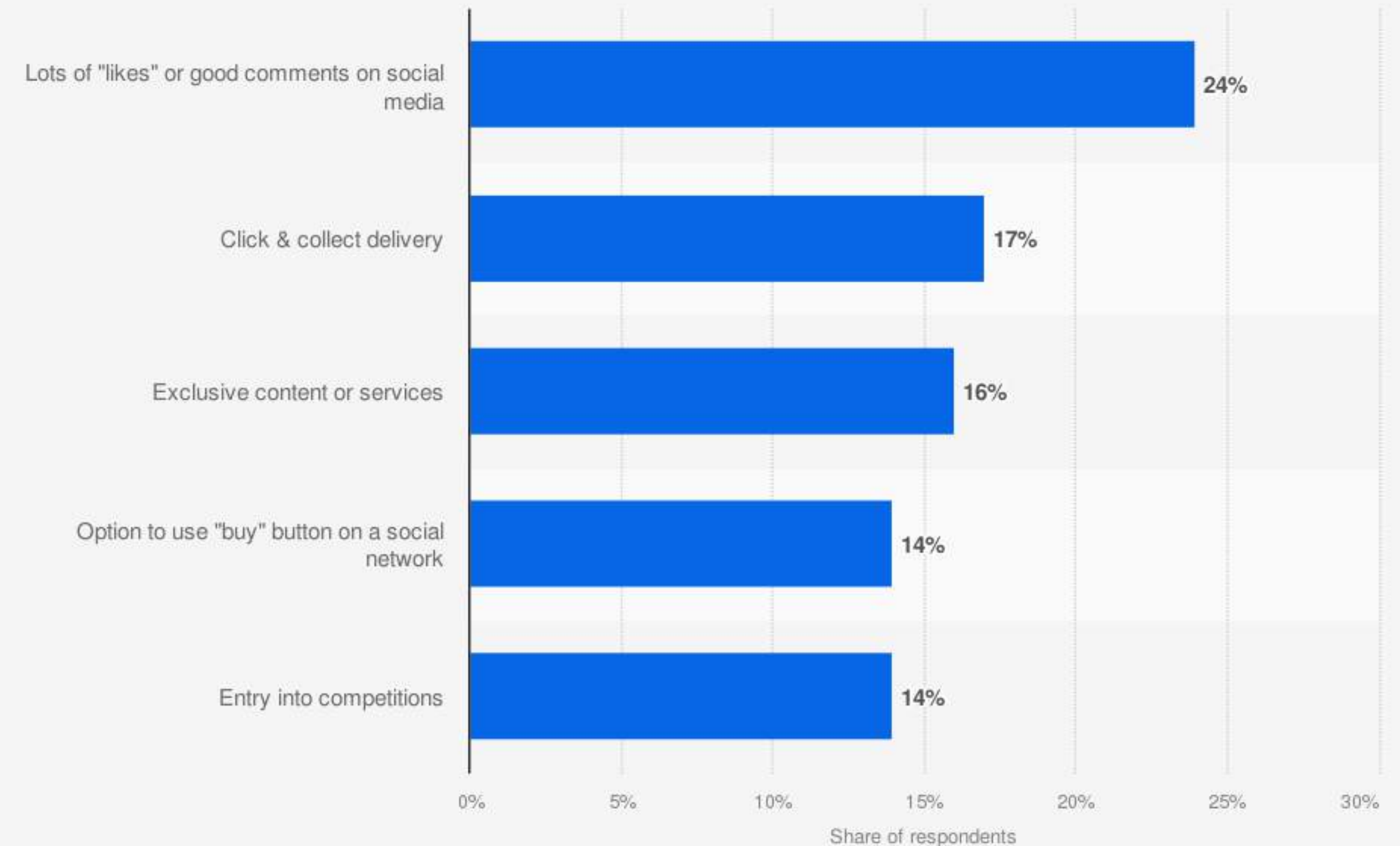
Social proof is highly influential to Gen Z.

Positive social media interactions (24%) are highly influential on purchase decisions, showcasing Gen Z's reliance on peer recommendations and likes for purchases. Convenience also matters, with click-and-collect delivery (17%) and social media "buy" buttons (14%) enabling seamless transactions.

Exclusive content (16%) and competitions (14%) appeal to their desire for unique, engaging experiences.

To attract Gen Z, brands need to focus on building authentic social proof, offering flexible delivery options, integrating shopping with social media.

Options that would most increase the likelihood of Gen Z consumers buying a product online worldwide in 2022



Source:
GWI
© Statista 2024

Additional Information:
Worldwide; Q3 2022; 57,568 respondents; 16-25 years

TECH EVOLUTION IN ECOMMERCE

Tech Evolution in Ecommerce

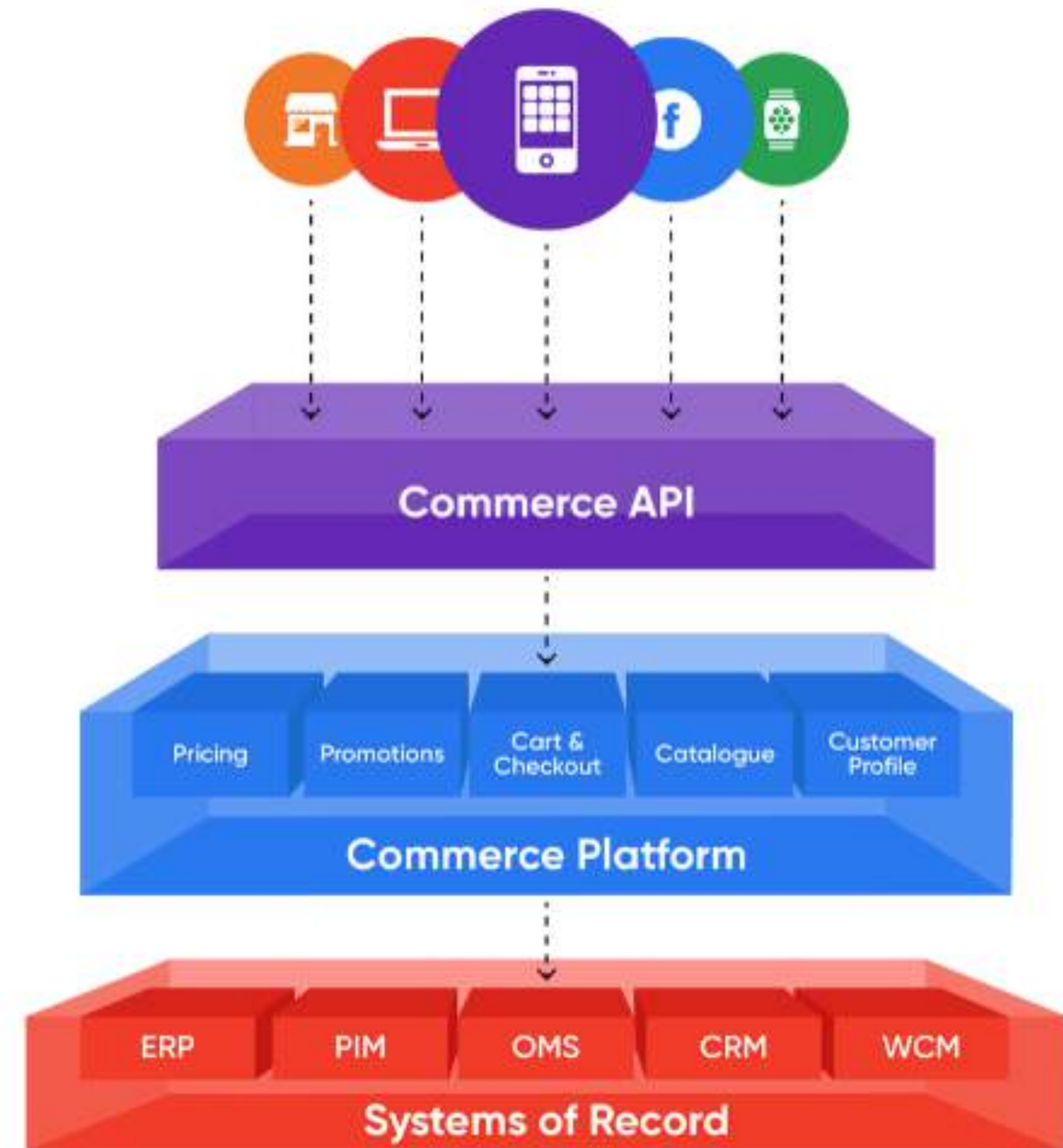
TECH EVOLUTION IN ECOMMERCE

Headless Commerce is on the Rise

An important shift in the tech infrastructure of modern ecommerce is the rise of headless commerce.

Headless commerce is anticipated to grow at a CAGR of 20.5% through 2027, reaching \$32.1 billion. Currently, about 64% of enterprise ecommerce systems are built on a headless architecture.

In traditional ecommerce architecture, front-end and back-end systems are closely connected, making it easy for businesses to start selling online quickly. Vendors often provide storefront templates with simple drag-and-drop tools, simplifying site creation. But this setup can limit creativity and complicate future updates.



Headless Commerce

Here's how it works:

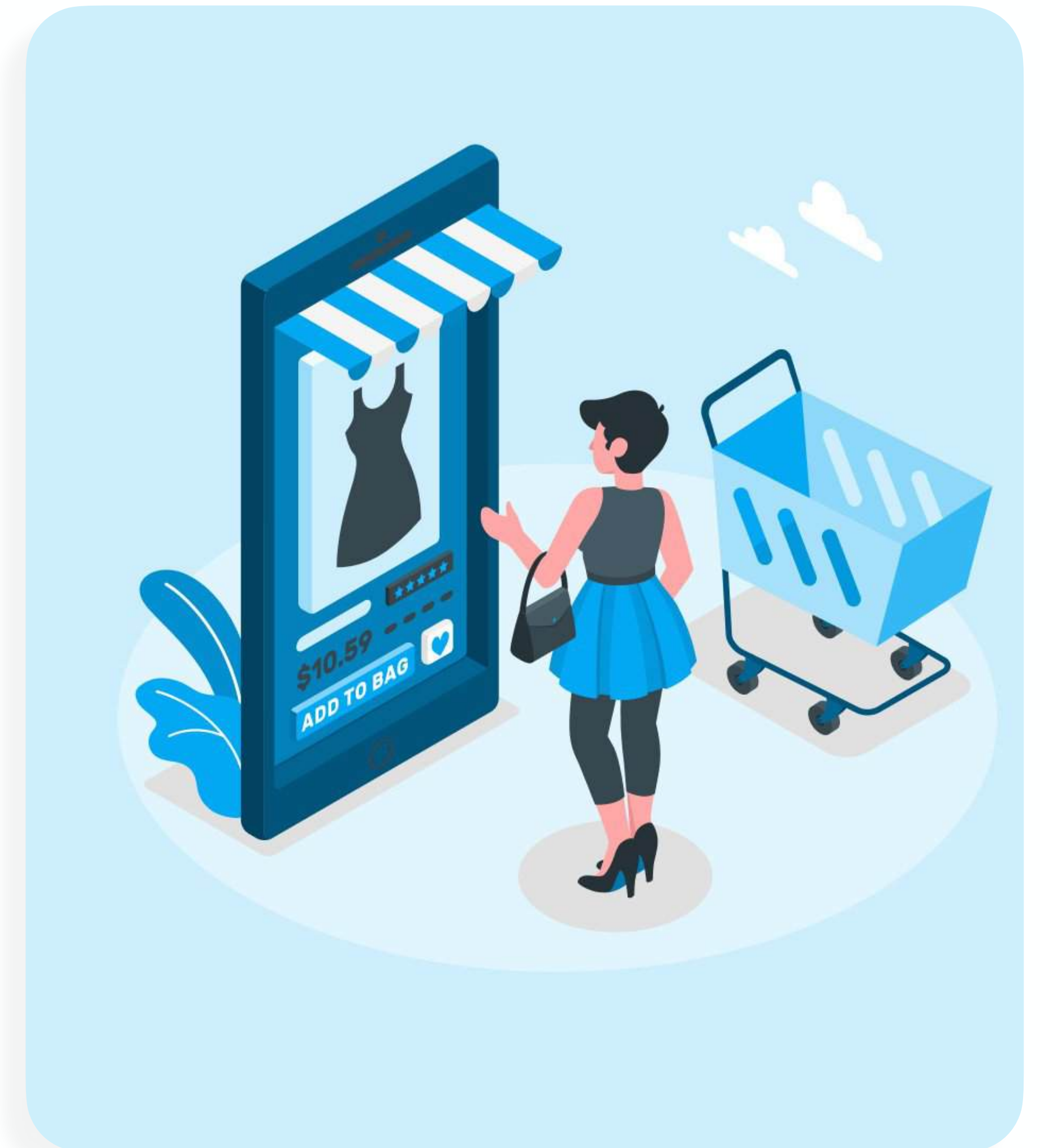
Front-end: Developers have the freedom to choose the best tools and technologies to create appealing and engaging customer experiences.

Back-end: The back-end system remains focused on core e-commerce functionality, ensuring smooth operations and managing data efficiently.

API: Acts as a bridge between the front-end and back-end, allowing them to communicate and exchange data seamlessly.

Key Benefits of Headless Commerce

- Enhanced Customer Experience: Tailor experiences for different channels (web, mobile, social media) and devices.
- Increased Agility: Make rapid changes to the front-end without impacting the back-end.
- Improved Scalability: Handle increasing traffic and complexity effectively.
- Innovation: Experiment with new technologies and design trends.
- Reduced Time to Market: Launch new features and products quickly.
- Greater Cost-Efficiency: Optimize resources and avoid vendor lock-in.
- In essence, headless commerce empowers businesses to deliver more personalized, engaging, and seamless shopping experiences across various channels, ultimately driving customer satisfaction and boosting sales.



Consumers want security—and rationale—from AI-assisted shopping.

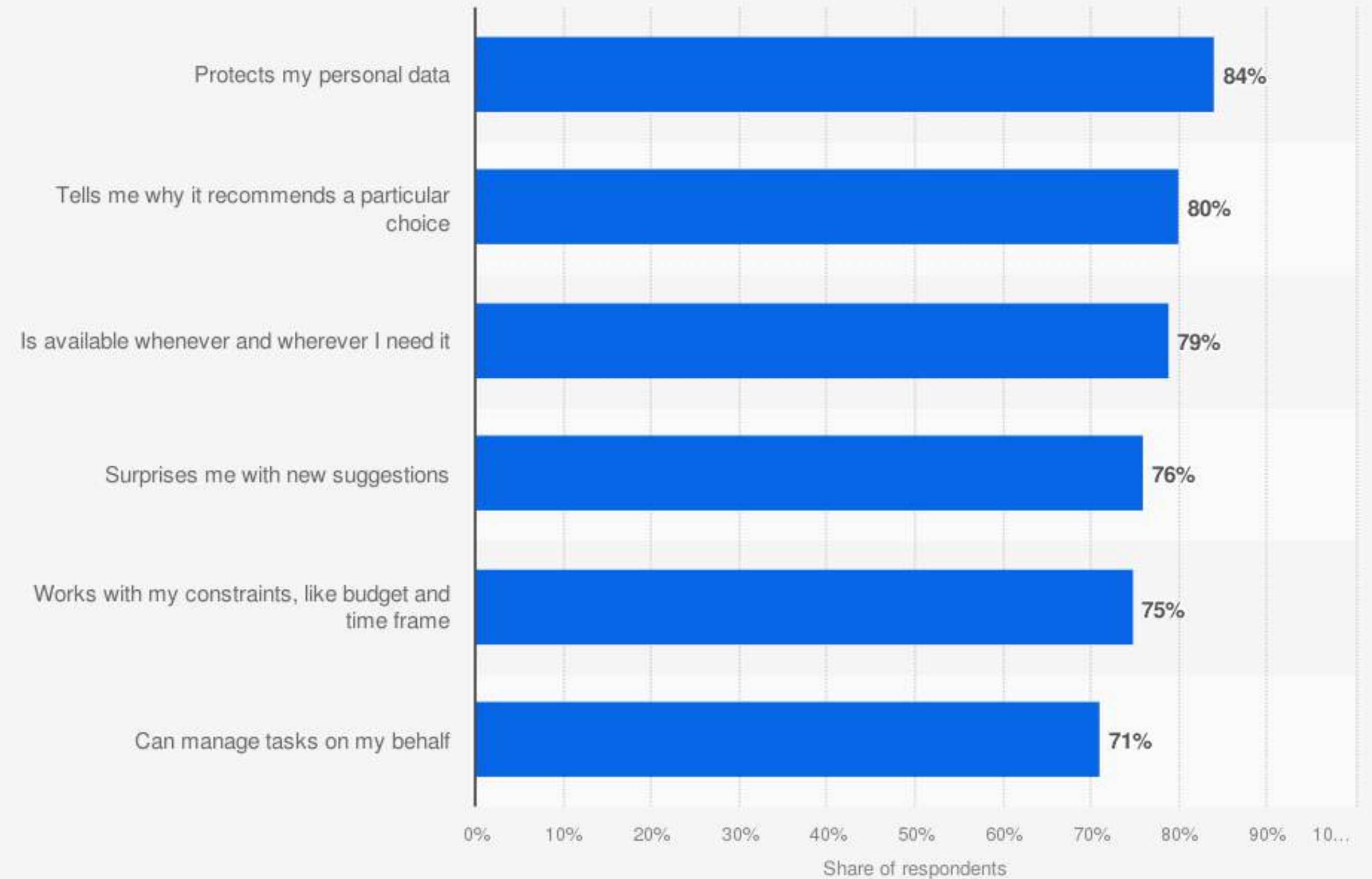
As we look at what consumers really want out of AI assistance, they have a few key concerns.

They want, above all, to make sure that this AI shopping assistant is going to maintain rigorous data privacy standards.

Another thing shoppers are demanding from AI shopping is for the AI shopping assistant to be able to explain *why* it recommended a specific product.

24/7 availability of AI shopping (as opposed to operating hours for human support agents) assistants is another major plus for shoppers.

Preferred characteristics of conversational AI commerce in 2023



Source:
Accenture
© Statista 2024

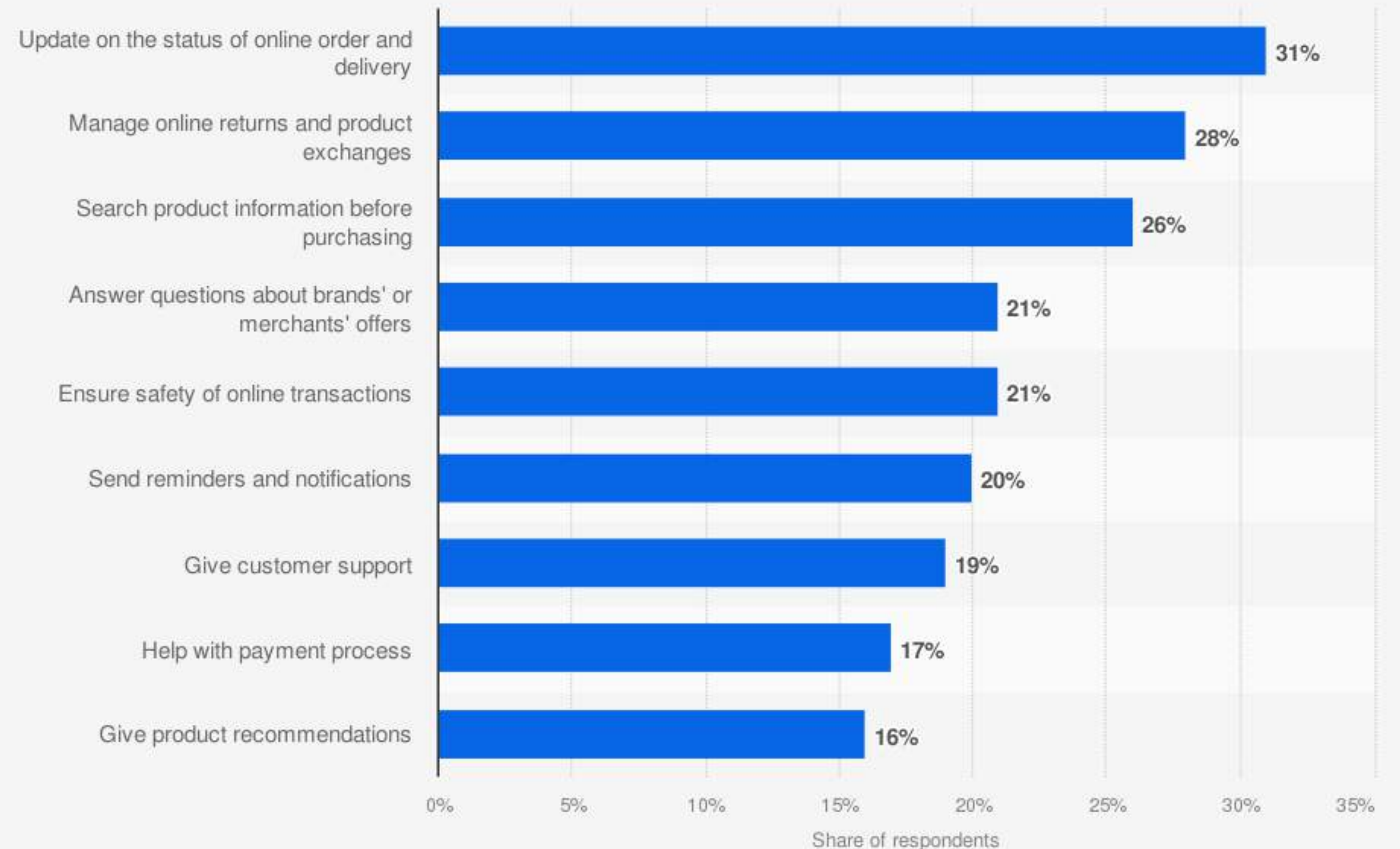
Additional Information:
Worldwide; December 6 to 12, 2023; 9,780 retail consumers

Consumers want to delegate the tedious parts of online shopping to AI.

In addition to data security and always-on availability, shoppers want to give over the most boring and time-consuming facets of online shopping to AI assistants.

31% of consumers want AI to keep tabs on their order and delivery status, and 28% want AI to handle returns and exchanges for them.

Share of consumers interested in AI helping them when shopping online in 2023



Sources
Packlink PRO; Retail Economics; Auctane
© Statista 2024

Additional Information:
Worldwide

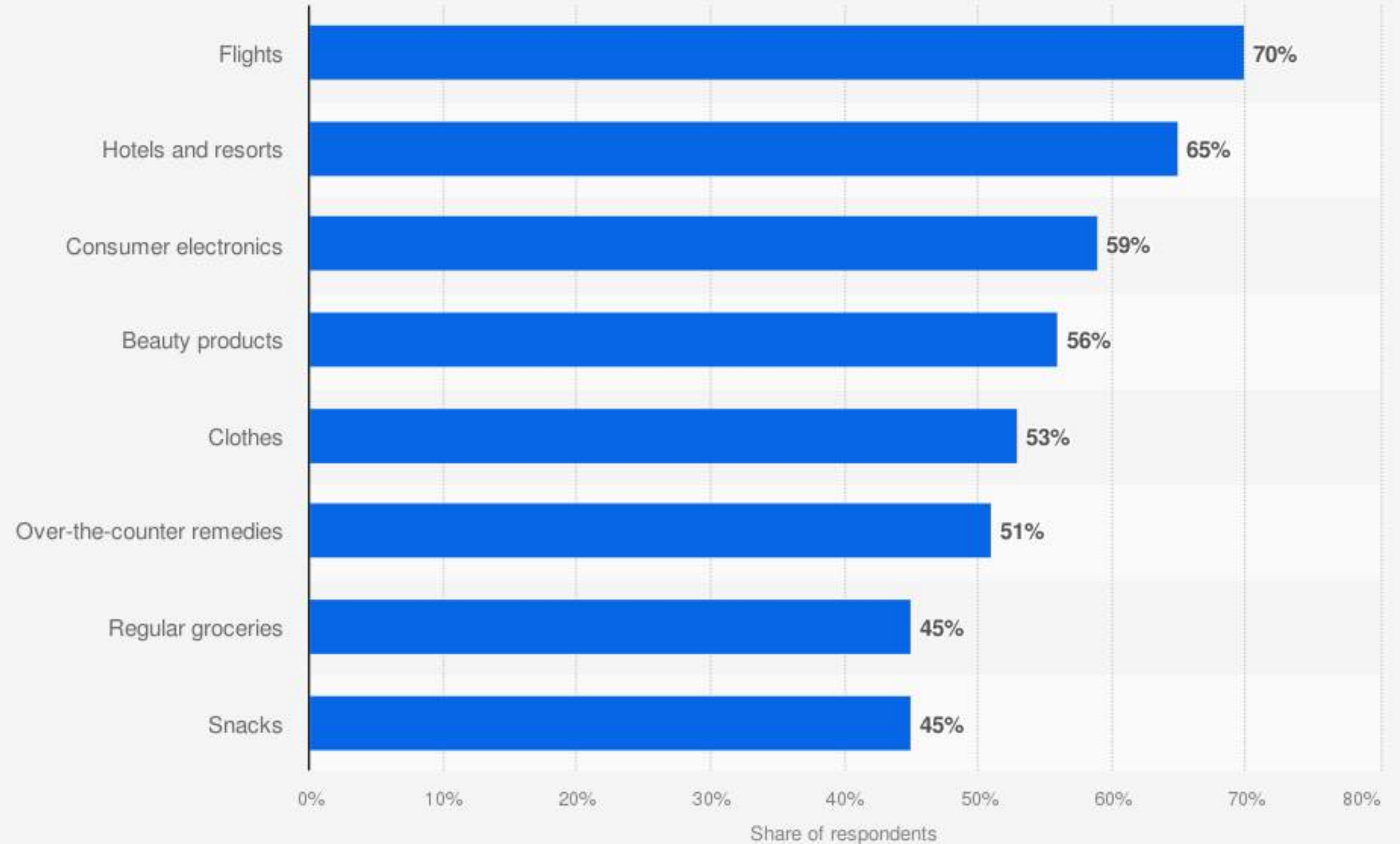
Consumers trust A.I. more on higher-ticket purchases.

When shoppers make use of AI shopping assistants, they want these helpers to be a second opinion and a research assistant as they check out higher-priced items like flights, resorts and consumer electronics.

Shoppers have decided that they can handle lower-priced items like clothes, groceries and snacks themselves.

But when it comes to big purchases, they want a little extra help from AI.

Share of consumers likely to use AI agents for online shopping in 2023, by product category



Source
Accenture
© Statista 2024

Additional Information:
Worldwide; December 6 to 12, 2023; 19,050 respondents

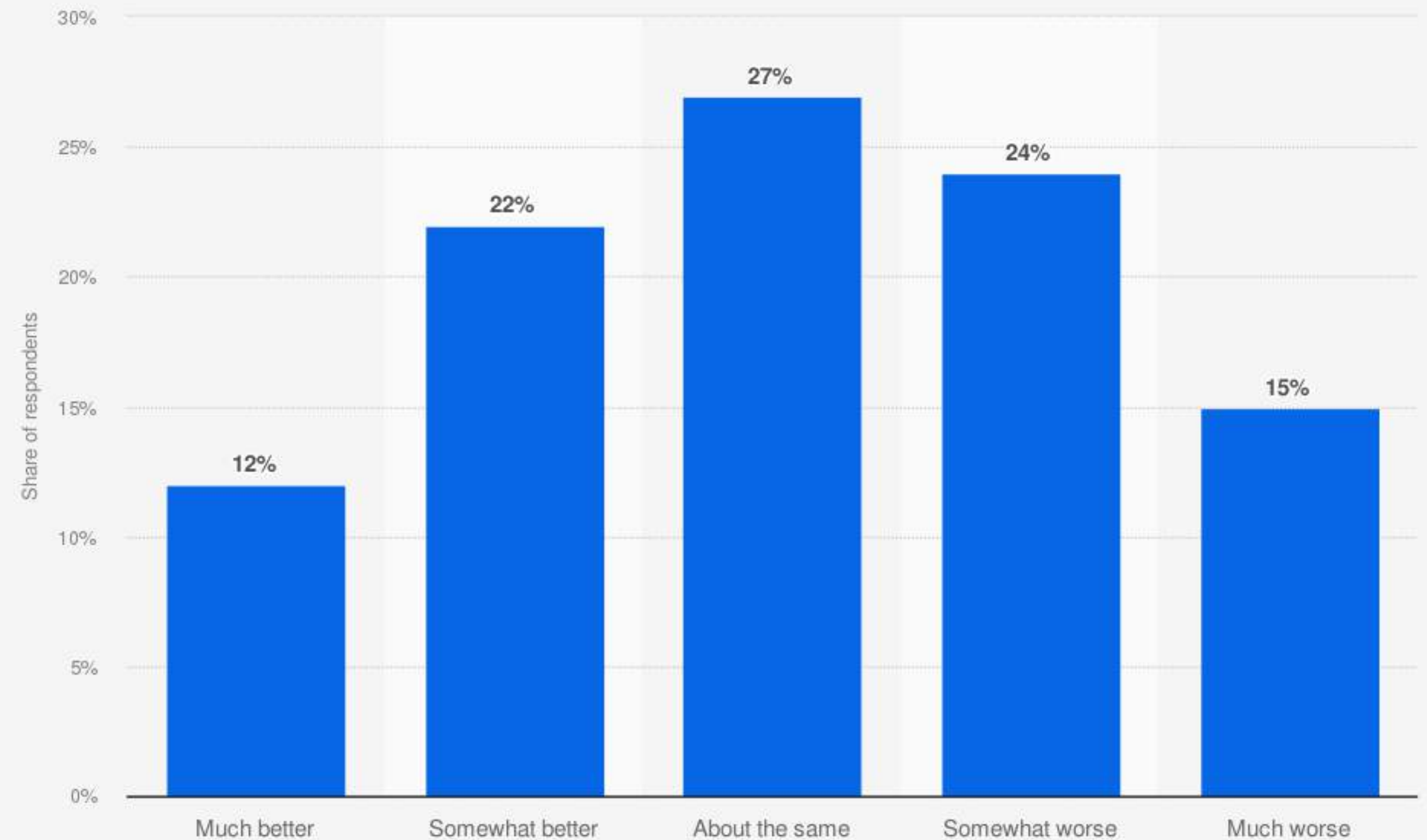
Almost 40% of consumers think AI makes the customer experience *worse*.

But, it's not all positives and excitement for the future of shopping when it comes to AI shopping functionality.

39% of consumers think that adding AI into the online shopping journey actually makes the experience *worse*.

If we expand that to the number of shoppers who think that AI either doesn't add a benefit or makes the experience worse, that cohort balloons up to 66% of shoppers.

Share of consumers believing AI improved customer experience in the U.S. in 2024



Source
RetailWire
© Statista 2024

Additional Information:
United States; 2024; 200 respondents; 18 years and older

Standout Ecommerce Brand Studies

FISHWIFE

Fishwife is shaking up ecommerce by reimagining canned fish—and making it cool.

Premium Branding with a Story: Fishwife takes canned fish to the next level with bold, retro-inspired packaging that screams artisanal chic. It's not just food; it's a vibe. Their storytelling highlights sustainability, quality, and ethical sourcing, perfectly in tune with today's conscious consumers.

Sustainability First: They source fish from small-scale, sustainable fisheries and aquaculture farms, catering to the growing demand for eco-friendly, responsibly-sourced food.

Social Media Magic: Fishwife dominates Instagram and TikTok with humorous, visually stunning, and educational content. They've built a loyal, engaged community that's hooked on their mission and products.

Trendy Collabs: By teaming up with brands like Fly by Jing to create exclusive flavors, Fishwife keeps the excitement alive and customers coming back for more.

Breathing New Life into a Classic: Fishwife has turned a once-overlooked pantry staple into a gourmet, gift-worthy product that younger audiences can't resist.



The brand recently revealed it's now pulling in about \$6 million a year in revenue. With just eight products in their lineup, they've managed to make waves both online and in 1,800 retail locations across the country.

OLIPOP

Olipop is shaking up the beverage world with its fresh take on ecommerce and innovative approach to soda.

A Healthy Twist on Soda: Olipop offers nostalgic flavors like Vintage Cola and Cream Soda, packed with prebiotics, botanicals, and fiber to support gut health. It's the perfect pick for health-conscious consumers craving a treat without sacrificing taste.

Branding That Pops: Olipop blends retro with modern. Its storytelling creates an emotional connection, combining nostalgia with a focus on wellness. This dual appeal speaks to both sentimental and health-savvy drinkers.

Personalized Shopping: Olipop's ecommerce site goes beyond basics. Using data, they offer tailored recommendations, curated bundles, and subscription options that keep customers coming back for more.

Convenience Meets Loyalty: With subscription plans, Olipop makes it easy to keep your fridge stocked with your favorite flavors. This keeps customers happy while providing predictable revenue for the brand.



Olipop is cruising toward \$500 million in revenue in 2024, according to Bloomberg— a huge leap from \$200 million in 2023. Cofounder David Lester shared that the brand has been profitable every single month this year, which he calls a “rare feat” in the food and beverage world.

HEXCLAD

HexClad, founded in 2016 and headquartered in Los Angeles, has rapidly distinguished itself in the cookware industry through a combination of product innovation and strategic marketing.

Strategic Partnerships and Endorsements: The brand has secured endorsements from renowned chefs, notably Gordon Ramsay, who has praised HexClad as "the Rolls-Royce of pans." Such endorsements have significantly enhanced the brand's credibility and visibility.

D2C Model: By adopting a direct-to-consumer approach, HexClad effectively controls its brand narrative and customer experience, leading to substantial revenue growth.

Digital Marketing and E-Commerce Excellence: HexClad leverages advanced digital marketing strategies, including influencer collaborations and data-driven advertising, to engage a tech-savvy consumer base. This focus on digital channels has been instrumental in scaling their top-of-funnel spend by 60% while optimizing creative reporting processes.



In less than a decade, HexClad has skyrocketed to global fame. With help from celebrity chef Gordon Ramsay, the brand is set to hit an impressive \$600 million in 2024.

Thanks for joining us for The State of Ecommerce 2024

E-commerce has transformed the way we shop, becoming a cultural force since the late 1990s.

Now, the pace of change is accelerating at breakneck speeds. The key to thriving in today's dynamic market lies in embracing the power of e-commerce, its technological backbone, and the evolving consumer behaviors that drive it all.

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Looking for in-depth customer and client insights to supercharge your marketing decisions? Reach out to Christopher Wise, VP of Insights and Strategy, at cwise@designsensory.com. Together, we can create a custom market intelligence plan that uncovers what truly matters to your audience.

Let's chat and future-proof your brand!



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