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 divante

# eCOMMERCE TRENDS REPORT 2021

A report by Divante and 30 industry experts, platforms creators, and thought leaders.

A large white graphic element in the bottom right corner, consisting of two overlapping chevron shapes that form a stylized 'A' or 'V' shape.

The 8th annual report on the trends that will shape the future of eCommerce.



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# Welcome to the new world

**Tomasz Karwatka**, Co-founder and CEO, Divante  
eCommerce Technology Company

At the end of 2020, at our Divante Winter Summit, I wrapped up my speech to all employees and partners by saying "we totally believe in the world-changing power of eCommerce, and that it will influence all of our lives for the better."

I believed those words when I said them. However, I didn't know that eCommerce would actually enable the world to continue working and help to save countless lives just a few months later.

When all else failed, eCommerce was there. It was not something any of us could have foreseen but it is clear that the tipping point has now been reached. Those last people who held out against online shopping have been onboarded and most have stayed after seeing the benefits. We've also seen critical and rapid calibration of supply chains and delivery to maintain and even enhance eCommerce experiences as the industry scales up.

I'm humbled and proud to be a part of this business right now. I'm energized by what we have done in 2020 and excited about how we can influence the coming years even more. It's rare that you get the opportunity to be in an industry at such a crucial time in its history.

I know it has been a hard year for many but I hope that you share my optimism and my belief that those of us in eCommerce can have a genuine influence for the greater good.

So, welcome to the eCommerce Trends Report 2021... and welcome to a new world.





# Introduction and methodology



# The background

The age of eCommerce has fully arrived. We've all seen the stats from 2020 that prove this fact. We also witnessed a tumultuous year on the high street and the simultaneous growth of online shopping.

Even if people make a final purchase in brick-and-mortar stores, most buyer journeys are now omnichannel experiences. People search and explore products online. They send links to friends for a second opinion on potential purchases.

Retargeting ads keep people's interest at a peak. Even supermarkets send push notifications to loyalty program members that trigger the decision of when and where to buy bread.

Transitioning out of the year where eCommerce took up the reins, we need to consider what comes next and where we are heading.

# A year of dynamic changes



## **eCommerce took the wheel**

Consumers spent \$347 billion online with U.S. retailers in the first half of 2020, up 30.1% from 2019.

[Read more »](#)

## **Online brands skyrocketed**

Ocado became the UK's fastest-growing brand with a 63% gain in brand value.

[Read more »](#)

## **Marketplaces expanded**

Sellers averaged \$160K in annual sales on Amazon, up by \$60K on the previous year.

[Read more »](#)



# The challenge

In truth, the prominence of eCommerce has been coming for some time. The global events of 2020 have simply accelerated what was already on the horizon.

What's more, the fundamental themes we identified in last year's eCommerce Trends Report are not a reaction to the pandemic; they are rather macro-trends which can be affected by the current conditions, but they are not a reaction to these world events.

When preparing this year's report, the great challenge is finding the right balance: we need to recognize the importance of the COVID-19 crisis without letting it dominate the discussion. It's also hard to present statistics in a world in which so many rapid forces are at work; the numbers may change or be redundant within weeks. We want to talk about long-term trends and that is why we are not relying heavily on statistics this year.

The eCommerce Trends 2021 Report takes a different approach.

# The method

Instead of canvassing hundreds of people for an opinion, this year, we are asking the leaders who actually build eCommerce what comes next. We are focusing solely on the thoughts of people who spend all day, every day thinking about the present and future of the eCommerce industry.

However, we're using the past as our starting point.

**We will begin by presenting the Top 12 Trends in eCommerce which we identified in last year's report.**

2020 was a truly exceptional year and much has changed. We have, therefore, asked our experts to rank which of the Top 12 trends identified in last year's report are more or less important than one year ago. How have the events of 2020 influenced each trend?

**We will then:**

- **Identify and discuss the top trends for this year**
- **Replace the trends that have lost traction with suggestions from our experts**
- **List the brand new Top 12 in three new categories**



# Contributors

This year's eCommerce Trends Report is a platform for the people who build eCommerce; those who spend their working week deep in its technology. Simply speaking, if anyone can forecast the future right now, in these unpredictable times, it is the architects who build and maintain the platforms and solutions we use.

**We have pulled together a unique panel of eCommerce platform builders, industry innovators, and expert analysts. They represent:**

- Many of the world's leading eCommerce platforms
- Businesses recognized as leaders by Forrester and Gartner
- Members of the MACH Alliance
- CTOs, founders, and CEOs of eCommerce startups acquired or backed by global giants
- Builders of CMS, PIM, UX, loyalty programs, conversational commerce, and product configuration tools for eCommerce
- Leading agencies, online stores, and marketplaces

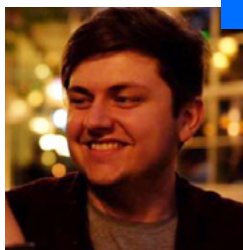
We believe that this is the first time you'll hear from so many vital voices in the eCommerce industry in one report. At first glance, some of our contributors might look like competitors but we are all pulling in the same direction.

**The eCommerce Trends Report 2021 brings together exceptional people at a unique moment in time to draw a vision of the future. We're all passionate about eCommerce. And we're all in it together.**





# Our featured experts for 2021



**Dominik Angerer**  
CEO, Storyblok



**Ashley Dudarenok**  
Founder, Alarice & ChoZan



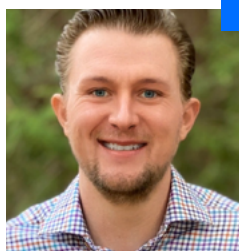
**Tzipi Avioz**  
EVP Customer Services, Mirakl



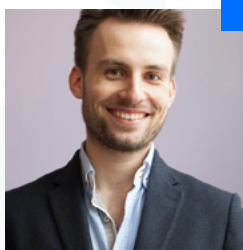
**Patrick Friday**  
CEO, Vue Storefront



**Art Boyd**  
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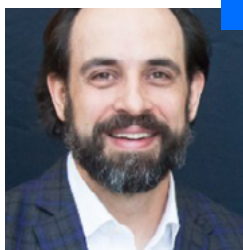
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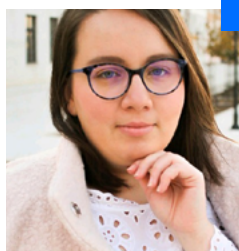
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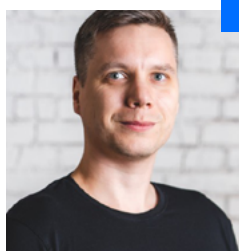
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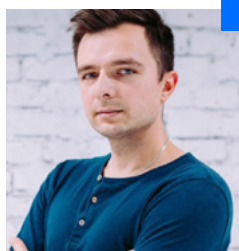
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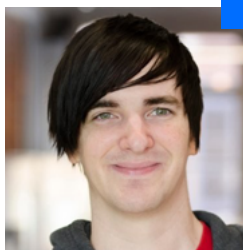
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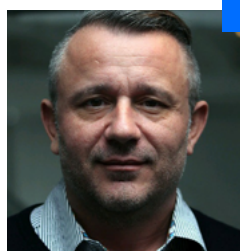
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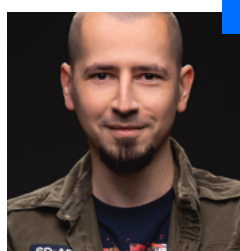
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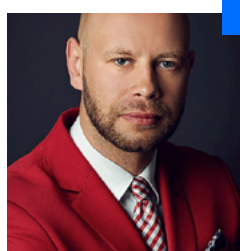
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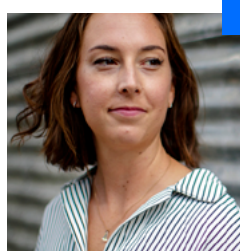
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Inter Cars S.A.



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**CEO and Co-founder,**  
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**Marie-Michele Larivée**  
**Independent**



# An overview of the 2020 results



# Top 12 Trends

In our eCommerce Trends Report 2020, prepared **in collaboration with Kantar**, we asked **over 200 experts around the world to identify over 40 trends**.

From those, we chose 12 as the key technologies and approaches to adopt in 2020. We split them into 3 groups, as such:



## DO IT

### Artificial Intelligence

Implementing software that reasons and learns

### Social commerce

Shopping directly through social media

### Mobile apps

Online stores on mobile devices

### Mobile payments

Encrypted payments without cash or cards



## QUICK WINS

### Security

Protection against the bad guys

### Internet of Things

Data from millions of digitized devices

### Content marketing

Standing out online with superb content

### Marketplaces

Multi-vendor stores and sites



## GAME CHANGERS

### Cryptocurrencies

Distributed ledgers and blockchain design

### Big Data

Mining data for competitive advantage

### Virtual Reality

Novelty visual experiences with genuine potential

### Augmented Reality

Showing shoppers a different perspective

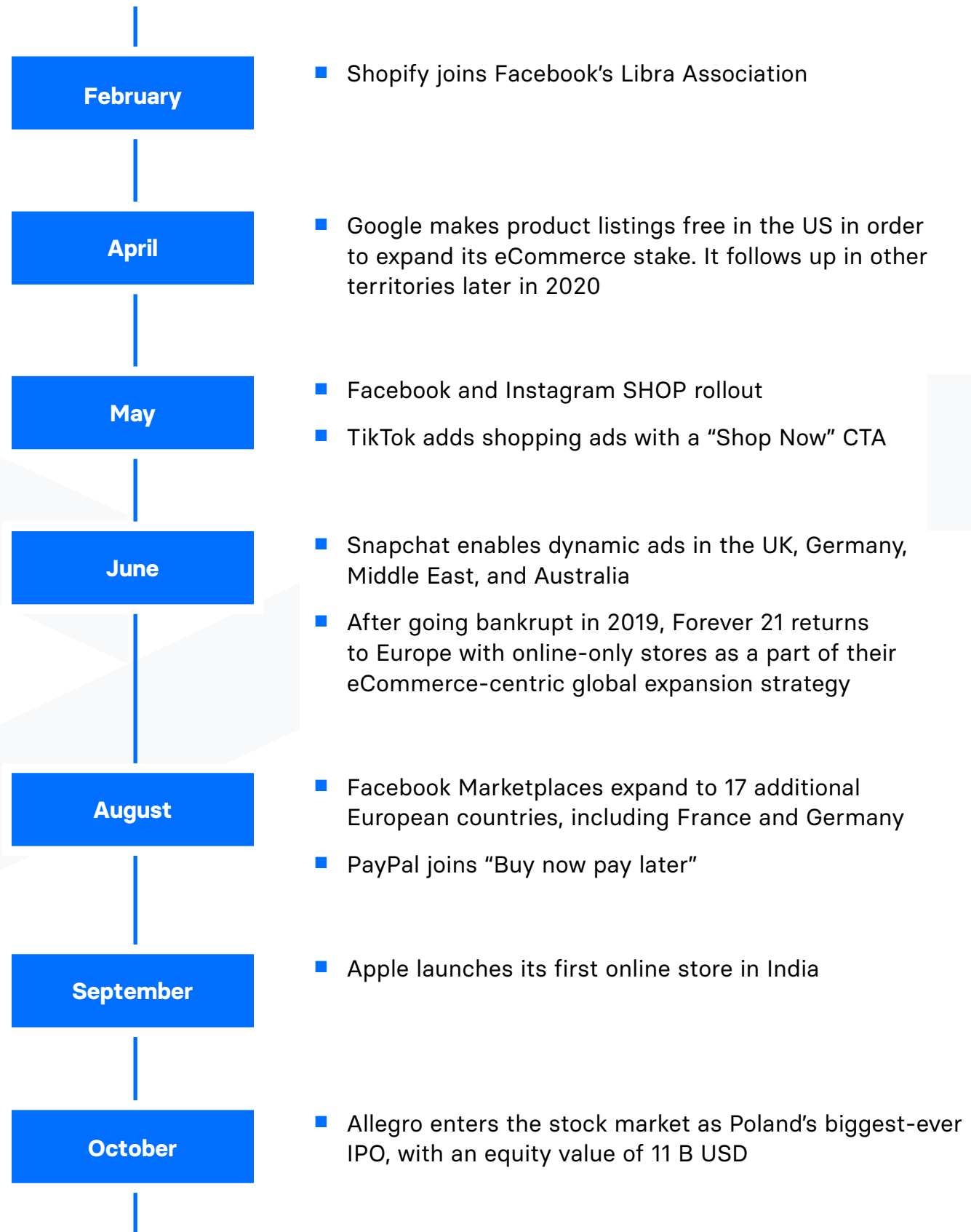
Report created by **divante** / **KANTAR**



# A timeline of key eCommerce events in 2020



Just a few of the note-worthy events in eCommerce in 2020.







# The questions for 2021



If you want real insight, ask smart people simple questions.

We asked 30 industry leaders to look at last year's top 12 trends...



## DO IT

Artificial  
Intelligence

Social commerce

Mobile apps

Mobile payments



## QUICK WINS

Security

Internet of Things

Content marketing

Selling and  
Advertising on  
Marketplaces



## GAME CHANGERS

Cryptocurrencies

Big Data

Virtual Reality

Augmented  
Reality

### We then posed five simple questions:

1

Which trends are more important now than one year ago?

2

Which are less important?

3

What is missing from the list?

4

How has the global crisis affected your field of eCommerce?

5

What piece of advice would you give to eCommerce builders right now?



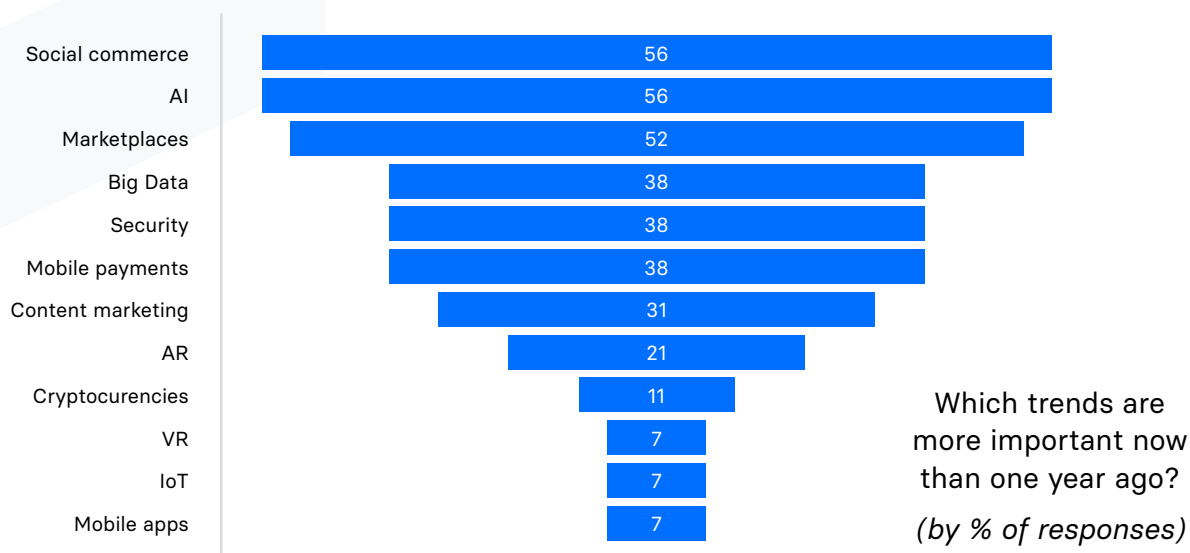
# 2021 eCommerce Trends: Results and reactions



# Key takeaways

- AI and social commerce were identified as the trends that have gained the most traction in the last year and will be vital in 2021
- Cryptocurrencies were overwhelmingly judged as having made little progress in the eCommerce domain
- Mobile apps have lost all traction in eCommerce and are now being fully replaced by PWA sites
- Traditional single-brand “online stores” are now only part of the go-to-market strategy for brands. Multi-vendor marketplaces and social commerce are where customers are also discovering and buying products
- Information is now king as AI and Big Data appear in the top 5 trends. Protecting that information is more important than ever as the global pandemic has opened up new vectors for cyberattacks

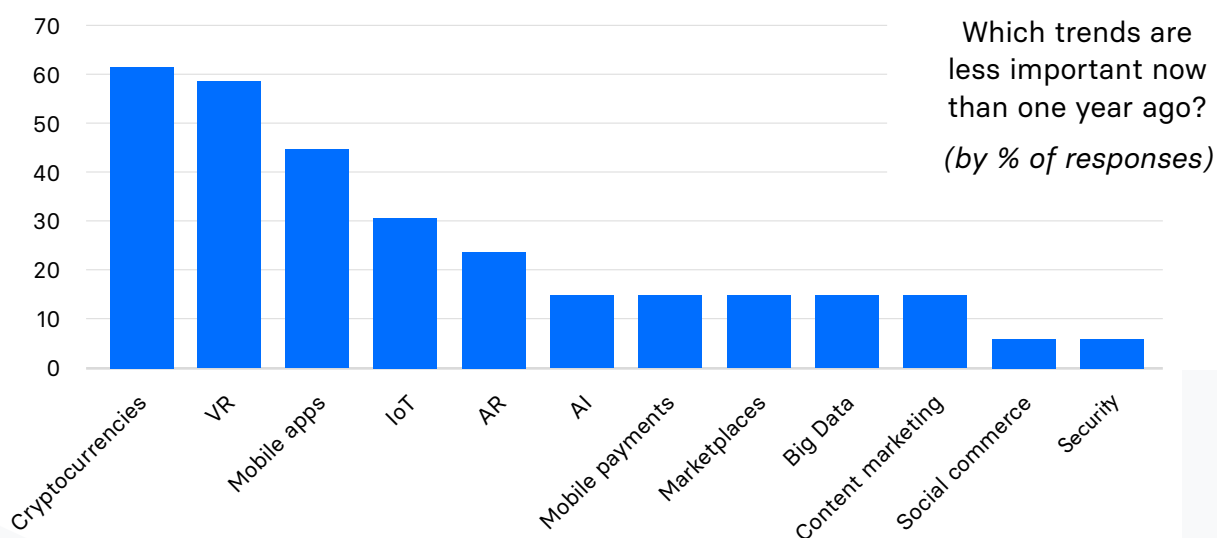
## Which trends are more important now than one year ago?



We asked our 30 experts to choose up to 4 trends which they felt would have increased significance in 2021. Over half of the respondents identified social commerce, AI, and marketplaces. The big losers were VR, IoT, and mobile apps.

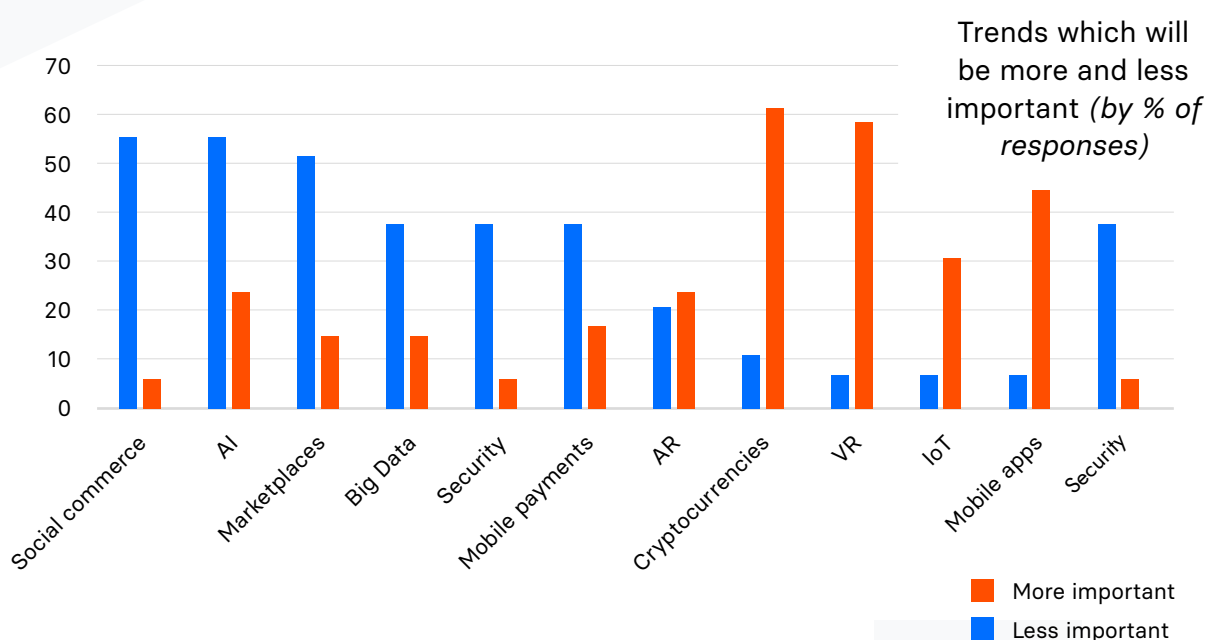


# Which trends are less important now than one year ago?



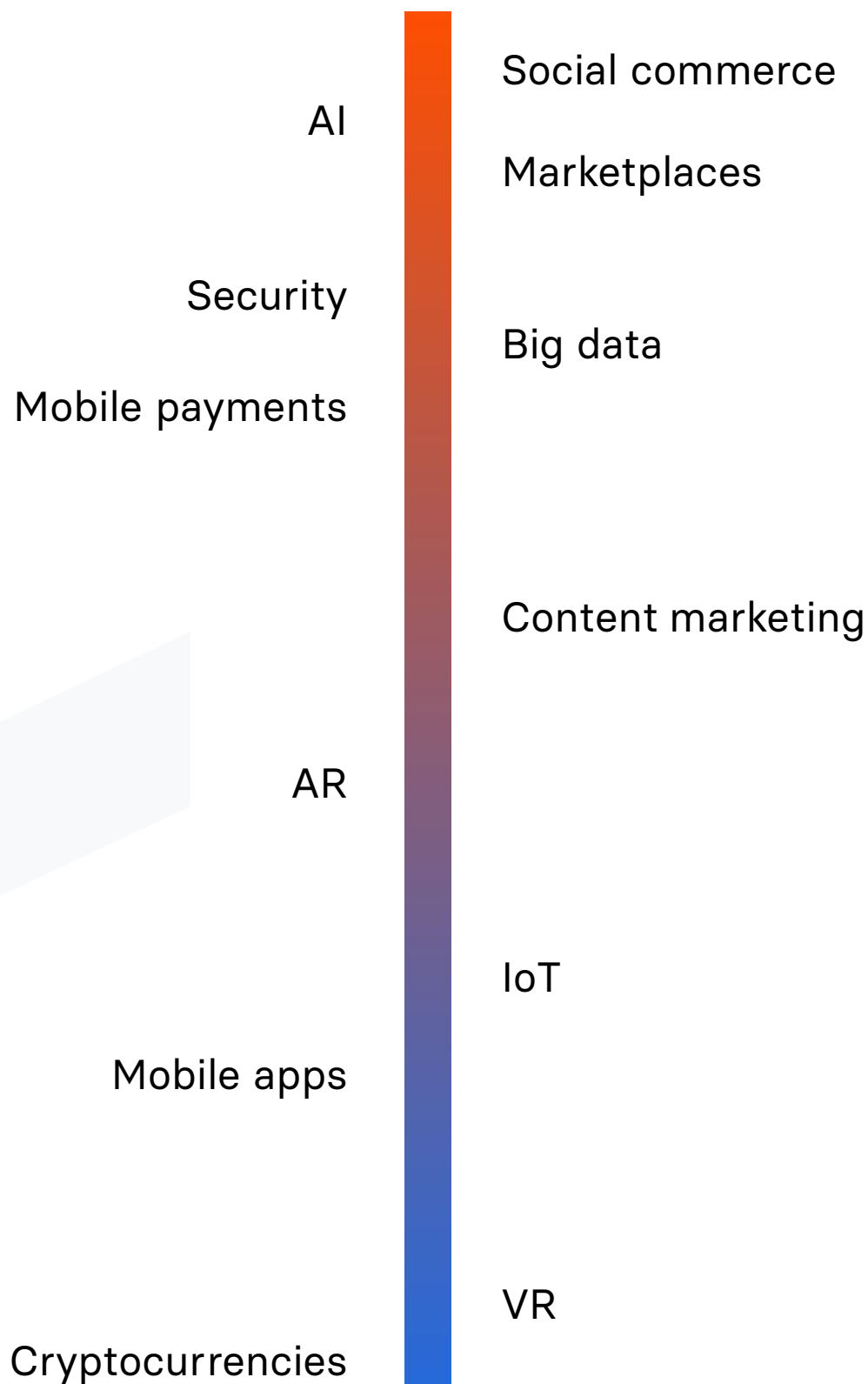
Cryptocurrencies and VR were identified as the trends that have lost most traction going into 2021, with mobile apps not far behind. Only a small percentage of respondents felt that security and social commerce are less relevant now than one year ago.

# Positive vs negative responses





# What's hot and what's not?





# Top 4 picks for 2021



Trends are not fads. The market tendencies we've outlined in the last 8 editions of the Annual eCommerce Trends Report are not meant to come and go. Some have a shorter shelf life than others, but we are generally trying to find the most important factors for long-term success in building eCommerce.

Our top 4 picks for this year are all trends that have been placed high in previous rankings. 2020 has seen them gain further traction or become vital in response to the unpredictable global situation and unprecedented challenges posed by the pandemic.

## Top 4 picks for 2021: The Big Movers

### Social commerce

Retail social commerce sales in China are estimated to have grown by 11.6% YoY in China in 2020.

[Read more »](#)

### A.I.

Personalization through AI lifts sales by 10% or more.

[Read more »](#)

### Marketplaces

In 2020, Marketplaces grew 100% while Department stores have remained flat for over 3 consecutive years.

McFadyen Digital, Sept, 2020

### Security

76% of online consumers consider data privacy and security as top priority factors when deciding where to buy.

[Read more »](#)





# Social commerce



**When half a dozen apps and platforms account for the lion's share of the time we spend online, it is inevitable that retailers are looking to enable product sales directly on those sites. It's also inevitable that social platforms are keen to tap into the giant revenue stream that comes with advertising spend and commission on sales.**

**2020 will be remembered for many things. One subtle change that will go largely unremembered is that it was the year in which Facebook changed its interface to include a Marketplace icon right in the center of the navbar at the top of the feed. It is the first thing that 2.7 billion users see when they log on to the site.**

**Social commerce is standing front and center. And it is this growing trend that was identified by more of our experts than any other.**



The total value of social commerce sales in China is **10x higher than in the US**

[Read more »](#)



**1 in 4 business owners** are selling through Facebook

[Read more »](#)



**87% of eCommerce shoppers** believe social media helps them make a shopping decision

[Read more »](#)



Social media is where everyone is spending their time and is where many people discover products. However, transactions don't often occur there... yet.

**Kelly Goetsch, CPO**, commercetools



Social eCommerce has barely started as a trend, even though we're 10 years deep into the marriage of both. Influencer marketing is still under-monetized and we see a lack of tools when it comes to social media activities and sales attribution. The market has gradually shifted to performance marketing, advertising is already there, and social media will need to improve its pace to keep up with the demands of modern data-driven advertisers and marketers.

**Jakub Chmielniak, Founder and CEO**, Lethe



“ Social Commerce is changing the way consumers shop. Some even say it heralds, ‘the death of the website’. There are many facets to this trend and a lot of factors reinforcing it. Firstly, social channels allow sites to leverage rich customer profiles to deeply personalize product offers and offer timing.

With the underlying commerce technology maturing on ‘API-first’ capabilities, merchants can leverage this channel to a great extent, offering novel experiences for their consumers.

**Paweł Wiącek, Director of Solution Engineering,**  
SAP Customer Experience



“ I think that the combination of multi-channel capabilities, mobile-first approaches, personalized marketing, and new sales channels through social commerce has a lot of potential. Merchants can use tried and tested technologies and processes to achieve a great impact without facing huge innovation projects.

Merchants can proceed iteratively and pragmatically and will quickly see results, whereas other trends are often of a more esoteric nature and cannot be adapted in the medium term without strong technological competence. This follows a bit of the Gartner Hype Cycle thinking; of course, technologies that seem esoteric today will have an impact tomorrow, but often not within the coming year.

**Stefan Hamann, CEO and Founder,** Shopware



“ We need to keep reducing friction in the individual's path from research to purchase. Social commerce will be key because of the dominance of social media over people's time.

We need to let people shop where they are! Social interactions are happening on mobile devices which are glued to our hands, so mobile payments will be key to the frictionless purchase path whether you are shopping online or off.

**Art Boyd, VP of Global Alliances,** Mirakl



Social commerce is really all about mobile commerce.

Social apps are the most popular tools on the planet, no matter which market. „Influencer“ has become a proper job title, with people making serious salaries by promoting products or services through their social channels to their community of followers.

As a result, most of the traffic going to the promoted products or services website is mobile traffic. If a certain website is not optimized for mobile, users cannot convert interest into purchases.

Social platforms need to address this to maximize the value of social commerce.

**Patrick Friday**, CEO, Vue Storefront



# Marketplaces



Marketplaces have been among our top trends for the last few years but have been an absolute lifeline for many retailers in the past year. Identified by more of our experts than any other trend as being vitally important in 2021 and beyond, here are just a few examples as to why marketplaces are on top.

- Smaller retailers, experiencing massive drops in in-store sales, are using marketplaces to shift inventory and stay afloat
- Amazon doubled workforces in many European countries and added 100,000 jobs during the first peak of the pandemic in the US to cope with demand
- More local marketplaces are thriving. Allegro became Poland's biggest ever IPO on its stock market debut
- B2B marketplaces are on the rise. Sales reps can't get out to visit customers so a marketplace brings together producers, distributors, and end clients



**1.3 M new sellers** joined Amazon in 2020. That's 3,438 per day!

[Read more »](#)



**The site surpassed 150M** Amazon Prime users in January 2020

[Read more »](#)



**46% of online retailers** would consider merging fulfillment networks with other brands to compete with Amazon

[Read more »](#)



Marketplaces are the ultimate friction remover as they bring buyers and sellers together in a transparent way, increasing choice and ensuring fair value.

Marketplaces won't be limited to B2C industries, even though they are most visible to us as consumers today. B2B marketplaces will proliferate faster and be bigger than B2C. Why?

Again, it is all about removing friction. B2B value chains are very complicated, so the benefit of making the process simpler by removing complexity and friction is even higher with B2B marketplaces.

**Art Boyd, VP of Global Alliances, Mirakl**



The battle for marketplaces is the front line for SMBs trying to figure out how to adapt to radically shifted consumer buying habits. While Amazon has dominance in the U.S., others are stepping up to challenge that monopolistic position. These include the partnership between Walmart and Shopify, as well as numerous other startups.

**Craig Crook**, Head of Growth & Innovation, INTO



To understand marketplaces, we can take a snapshot of the biggest player. Amazon, the largest marketplace in the world, opened up in more European countries in 2020, including the Netherlands and Sweden, and now has 16 active marketplaces.

It also added jobs when other companies were shedding workers and has plans to create bigger workforces in numerous locations. It's no surprise given the demand. Amazon has over 110 million customers in Europe and over 5 million sellers worldwide.

This is just one marketplace from many examples around the world. Anyone who wants to be a part of digital trade right now has to take the time to understand and correctly assess marketplaces.

**Sascha Stockem**, Founder and CEO, Nethansa



In the early days of eCommerce, we thought that it would totally transform everything about business – but in many ways, the eCommerce channel is just replicating offline channels online, bringing all of the inefficiencies of that traditional way of doing business.

Marketplaces are free from the cost and risk that is associated with buying, maintaining, and fulfilling your own stock. You become the manager of an ecosystem, with one simple responsibility: matching supply with demand. As a result, when demand spikes or a supplier falls through, you're still able to meet your buyers' expectations. The marketplace model is transformational and there's no stopping its growth.

**Tzipi Avioz**, EVP Customer Success, Mirakl



Marketplaces are gaining momentum all over the world. Helping local businesses to reach more customers in the COVID era is a huge area for future growth.

Even after the pandemic, people will not go back to the old ways.

**Damian Legawiec**, CTO, Spark Solutions,  
**Tech Lead**, Spree Commerce





# AI



**We're still including A.I. in our trends in its broader sense. However, we are not far away from unpacking the phrase to truly differentiate more between Artificial Intelligence, Machine Learning, and Deep Learning.**

**Interestingly, along with Augmented and Virtual Reality, AI was the trend that created the most debate among our experts. It was in the top two trends ranked as being more important now than one year ago, with over half of respondents identifying it as vital.**

**However, there are strong dissenting opinions about AI—as there were with AR and VR—all of which claim that these technologies are obviously brilliant but have yet to show true transformative business applications that bring increased RoI.**



**42% of enterprises** currently use at least one AI technology. **18% have plans to adopt** in the next two years.

[Read more »](#)

**63 percent of business units** which adopt AI report subsequent revenue increases

[Read more »](#)

## The argument that AI is an easy win for business



eCommerce has accelerated dramatically during the pandemic of 2020 and ultimately shows sustainable and strong growth rates. Voluntary and involuntary changes in consumer behavior pave the way for stronger omnichannel strategies across all different retail segments. eCommerce players, specifically, are confronted with more and more data.

Those businesses need to make use of advanced BI and AI strategies to win during the next normal, because the winners will be those companies that make use of their data sufficiently and know their customers better than others.

**Moritz Spangenberg**, Client Partner, Netguru



Historically, Artificial Intelligence has been reserved for the mathematically inclined with deep technical skill-sets. Today, with Microsoft, Google, and Amazon Web Services modules, developers can now incorporate „finished” services that speed up the development of custom AI solutions with an algorithm specifically tuned for one’s environment, yielding improved results from off-the-shelf solutions.

**Adam Willmouth**, Director of Sales, Virto Commerce

## The argument that AI is under-performing



I believe we are at some natural plateau of maturity and adoption curve for AI and Big Data technologies. Some of “the low hanging fruit” use cases have been successfully addressed, such as the ability to use ML/AI to personalize experiences or support various product recommendations scenarios. There are a few years of silent innovation before we will hear the drums of the next big thing in how AI is changing how we do commerce.

**Paweł Wiącek**, Director of Solution Engineering, SAP Customer Experience



Many technologies go through a path of exaggerated expectations. I believe that the real added value for the digital commerce offered by technologies like AI, AR, and VR can only be widely accepted in a few years, because either the technological breakthrough is still missing (AI) or there is no broad adaptation in the population (AR/VR). With AI, I think we are still missing the greater end-customer benefit. What added value can AI bring in the customer journey outside of personalization? How can AI automate and accelerate purchasing processes in the future? There is still some basic work to be done before it can have a real impact on the online success of merchants.

**Stefan Hamann**, CEO & Founder, Shopware



# Security



**Theft of valuable customer data, ransomed hack attacks on both large and small enterprises, disruption to business operations... security is the same old bad guys but with new opportunities. The huge shift in the way we work in reaction to the global pandemic has raised the stakes and provided new angles of attack for malicious hackers.**

**Remote workers on unsecured networks offer vulnerable access points and rapidly-built software is prone to security breaches. Security has long been among the top priorities for eCommerce builders in our annual trends report, but it is now more important than ever.**



**Approximately 76% of online consumers** consider data privacy and security as top priority factors when deciding where to buy

[Read more »](#)



Code injection is the most common attack vector in eCommerce, making **up 53% of cyber attacks**

[Read more »](#)



Security is not optional. You can't risk your entire brand awareness and customer base being compromised.

**Damian Legawiec, CTO, Spark Solutions, Tech Lead, Spree Commerce**

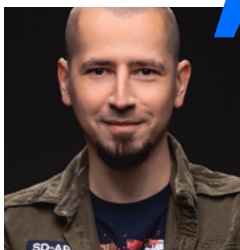


The pandemic has rapidly accelerated eCommerce adoption. The share of eCommerce sales increased by 37% from Q1 to Q2 2020 alone.

This means that the value of the digital channel has grown for commerce business owners drastically and they will, of course, be looking to protect their valuable assets.

As customer interactions have now also shifted online, it is highly important to ensure that eCommerce portals are stable and customers feel confident that their data is secure.

**Yoav Kutner, Founder and CEO, Oro**



More customers are shopping online—both through necessity and choice. Meanwhile, improperly or hastily built eCommerce stores make it easier than ever to build convincing phishing sites.

Faulty hardware is also a viable attack vector and the industry's increasing reliance on machine learning also creates new weaknesses. We have trained ML models that come as black boxes and are impossible to audit without meticulously simulating all possible scenarios.

It's no longer enough to build a high enough wall around your application. Security has to go across your entire stack, and observability is key to identifying and understanding threats.

**Patryk Zawadzki**, CTO, Saleor Commerce



# What's missing and what's missing out?



From the results, we can see that there are strong leaders, like social commerce, marketplaces, security, and AI, but there are also trends that are falling by the wayside. We're substituting out the 4 trends that were overwhelmingly identified as being less important this year and replacing them with 4 which our experts felt were missing from the Top 12.

**We've chosen the four that were most commonly suggested but, first, here are all of the suggestions of what was missing from the list and an expert soundbite about each:**



### **B2B Commerce**

*"We've barely scratched the surface"*



### **Open-source**

*"Even Microsoft admits they got it wrong"*



### **Conversational commerce**

*"It's undeniably on the rise! they got it wrong"*



### **Localization**

*"The Great Reset has caused people to go back to basics and go local"*



### **Social shopping**

*"Friends shopping together online as a social experience, as they would in-store."*



### **Headless**

*"The freedom of mixing-and-matching the best tools in each class."*



### **Microservices**

*"It offers more agile decision-making and execution capabilities."*



### **Fulfillment**

*"It may not be sexy... but it can be a competitive advantage"*



### **Data protection**

*"Businesses are securing themselves but are they protecting customer data?"*



### **SaaS**

*"A quick win for expanding business and platform features."*



### **PWA**

*"It's not new but it might be the top trend of 2021."*



### **Guided selling**

*"Consulting instead of just selling is a powerful USP"*



### **Image search**

*"Shops are starting to get it. Just take a picture and search and buy the product straight away"*



### **Composable commerce**

*"Compose various commerce and non-commerce services to power tailored experiences."*



### **Virtual photography**

*"With photo studios shut, eCommerce brands need to create thousands of product photos at a fraction of the cost."*





## ◀ **OUT** Virtual Reality

VR will be back in our top trends in years to come but, right now, it feels like businesses have lost early enthusiasm and are focusing on more fundamental issues and low-hanging fruit. If you are looking for the ways in which VR will finally break eCommerce in the future, keep an eye on China, which leads the world in investment, spending over **5.8 B USD per year** on VR innovation, and on the games industry, which accounts for **more than 50% of the VR market**.

### Why is it dropping out of the Top 12?



AR and VR have great potential but most eCommerce businesses simply don't have the resources to implement them in the right way. VR can definitely make the shopping experience engaging, unique, and personal, but it needs to be done properly. To achieve better conversions, I think that most eCommerce businesses will focus on achieving other results, such as improving customer support, shipping time, and more fundamental customer shopping experiences.

**Slavica Grgic**, Content Editor, SuperSuper Agency



AR/VR is so hard to implement as it requires investment in both software and hardware. There is no widely adopted standard yet and devices are very expensive. Most of the cheaper mobile app counterparts are good for making a noise but don't have a meaningful impact.

**Cezary Olejarczyk**, CEO, Open Loyalty



Virtual Reality still does not have proper, wide use cases for eCommerce. Perhaps it is a matter of time but there hasn't been enough progress in 2020 for us to believe it will make significant further gains in 2021. Augmented Reality is definitely breaking through more and can be seen in various eCommerce implementations, especially on mobile, both on PWA sites and native apps.

**Patryk Friday**, CEO, Vue Storefront



## ► IN Headless

Decoupling the frontend from the backend is now the go-to solution in almost any new technology build, but it is particularly prevalent in eCommerce.

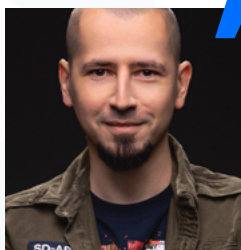
Some argue that monoliths do still have their place but it is much easier to deliver incredible end-customer experiences with separated architecture. In fact, if you are not building a headless eCommerce solution right now, what are you even building?



**61% of retailers** surveyed said they already leverage headless commerce architecture or planned to do so by the end of 2020

[Read more »](#)

### Why is it joining the Top 12?



The future will see a rise of new headless-first and API-native platforms with fairer pricing and no technological lock-in.

There's only one single commerce today (without the 'e') and headless software is the most natural way to handle its holistic nature.

Something that began as a developer-led movement to separate the backend from the frontend, has become standard practice for fast-growing brands and enterprise leaders alike.

There is not a more efficient, flexible, and stable approach to modern development. Apart from enabling unparalleled frontend freedom, it's the best insurance against today's six-figure website being tired and obsolete in two years.

Headless is continuous evolution by default.

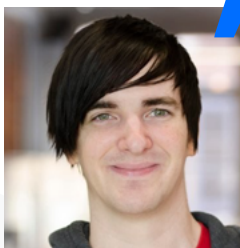
**Patryk Zawadzki, CTO**, Saleor Commerce



Flexibility and interconnectivity are the biggest and most important things for eCommerce. At Oro, we firmly believe that, which is why flexibility is at the core of our products. In a recent study, Gartner said that, by 2022, a typical digital commerce customer experience will be created from over 30 integrated applications.

Understanding that, it becomes obvious that the future of eCommerce is headless. If you want to make sense of 30+ integrated business apps, you need to have decoupled frontend and backend systems.

**Yoav Kutner, CEO and Founder**, Oro Inc.



From a behind-the-scenes technology perspective, the rise of headless and microservices to power new customer experiences is driving rapid change across enterprise retailers and brands.

Those that adopt this approach are able to become far more agile in their decision-making and execution capabilities.

For the end customer, this means they can expect to see more unique, engaging, immersive, and personalized experiences across every channel and device, reducing friction in the discovery and purchase process.

**Adam Sturrock**, Sturrock Ltd., MACH Alliance **Ambassador**, **Founder** of Moltin



## ◀ OUT Cryptocurrencies

Speak to anyone in the cryptocurrency domain and they are still bullish about its relative strength and its importance across any industry. However, going into 2021, we haven't seen enough adoption and growth in the eCommerce domain to justify keeping it as one of our top trends. However, watch this space... with the boom in social commerce, and with eCommerce giants like Shopify joining the program, Facebook's Libra could change things rapidly.

### Why is it dropping out of the Top 12?



“ We're not seeing the growth or adoption of cryptocurrencies among retailers and customers. This is still a niche market in the eCommerce space.

**Damian Legawiec**, CTO, Spree



“ Cryptocurrencies have seen a strong hype but we have not seen economies and businesses adapting to those technologies at scale.

**Moritz Spangenberg**, Client Partner, Netguru



“ While blockchain is still very important and it's getting traction, cryptocurrencies themselves have no real impact. We need to stop thinking of the two things as being synonymous.

For example, we have used blockchain technology to help build a new type of loyalty program in a B2B marketplace, but cryptocurrencies are not easy to implement for real end-user benefits in eCommerce.

**Artur Wala**, Head, Divante Innovation Lab



Despite being discussed for years as a strong and secure alternative payment method, cryptocurrencies have still yet to become mainstream.

Not to mention, negative press around transaction times, environmental cost—a 2019 study from the Technical University of Munich found that carbon emissions from Bitcoin are comparable to that of cities like Hamburg and Las Vegas—and difficulty of use seems to be derailing adoption.

Without a major payment service provider or retailer accepting cryptocurrency, it needs to go through a “larval stage” of adoption before emerging as something merchants consider more seriously.

**Jim Herbert**, VP & GM Europe, BigCommerce



Cryptocurrencies just aren't catching on. They're too volatile, too hard to use, and too prone to fraud. What's more, within eCommerce, they're not solving real problems.

**Kelly Goetsch**, CPO, commercetools, **President**, MACH Alliance



## ▶ **IN** as-a-Service

**We're not just talking about Software-as-a-Service. Everything from the technology we build to the people who build it can be purchased in pay-as-you-go-and-only-for-what-you-use models.**

**The era of vendor lock-in and business contracts that tie companies down for years ahead is gone. SaaS solutions need to remain hungry, competitive, and attractively priced to keep customers in the longer term. It's "survival of the best service".**



The global Software-as-a-Service domain **is set to grow by 38 B USD** from 2019 to 2022.

[Read more »](#)

### Why is it joining the Top 12?



Challenging economic conditions have accelerated the role of SaaS solutions, particularly among enterprise-sized companies.

Businesses understand that Software-as-a-Service is much more flexible, cost-effective, and faster to implement than building dedicated solutions. Instead of choosing all-in-one monolithic systems, they go with specialized SaaS products glued together with the API.

Modern MarTech stacks are composable and share responsibilities between different SaaS solutions like marketing automation, CRM, the loyalty and promotions engine, the eCommerce system, and headless frontend applications.

Businesses release themselves of the burden of upfront cost and implement architecture that enables future growth.

**Cezary Olejarczyk**, CEO, Open Loyalty



The provision of services that we need to live and work through cloud-based, on-demand platforms – has been transformational. It's the reason why AI and robotics are a possibility for just about any business or organization, regardless of size or budget.

Due to the global pandemic, customers are increasingly relying on our cloud-based SaaS solution to quickly bring global scalability into their operations at a speed that would simply not be possible with in-house development.

**Tzipi Avioz, EVP Customer Services, Mirakl**



With more businesses looking to expand their online presence every day, it's crucial to create more awareness and education around available options—particularly those options that make the most sense for a modern storefront.

With on-premise software, far too much money is spent hosting, integrating, and upgrading, and that's money that should be spent capturing customer orders.

SaaS utilizes modern, flexible frameworks while also handling security, speed, integrations, and hosting—it should be a merchant's first choice when making the leap online.

**Jim Herbert, VP & GM Europe, BigCommerce**



## ◀ OUT IoT

IoT is still a transformational technology and Gartner estimates that there are now over **20 billion connected devices**. However, as they also state, most enterprises do not know what to do with the technology. This is particularly true in eCommerce, which lags behind other domains. In 2020, **over half of all IoT devices** are used in manufacturing, logistics, and transportation. Unless we are counting Alexa and Siri among IoT devices, end users are finding it hard to convert purchase intent through non-traditional tech devices.

### Why is it dropping out of the Top 12?



IoT and VR are both sexy but they don't seem to bring any real value to eCommerce. When we talk about improving customer experiences, that doesn't mean making things shiny and exciting for the sake of it.

At the end of the day, shoppers want engaging experiences that keep the product at the center, and retailers want technologies that allow those customers to convert easily.

**Mateusz Ostafil**, SAP Spartacus Evangelist, Divante



Moving forward, in the post-pandemic world, IoT will fall out of the spotlight, as eCommerce businesses will have to worry a little less about the consistency of offline and online shopping experience when almost all interactions are rapidly switching to online.

But, even before the pandemic, IoT has been over-promising when it comes to eCommerce. Although it is a cute idea, in reality, devices that are on us or near us are the ones we will use for shopping.

That is not saying that we will not purchase with the help of smarter devices, like smart shelves or smart cameras, but it is not going to be the case for every industry and every category of eCommerce.

**Yoav Kutner**, CEO, Oro Commerce





## ► **IN** Interactional commerce

More than half of our experts suggested that voice commerce, conversational commerce, video commerce, and other loosely-related technologies be added to our top trends for 2021. We're giving a name to the umbrella term for eCommerce experiences whereby users are no longer inputting order information into a blank and lifeless system.

We have reached a point where we are comfortable interacting with interfaces and algorithms that react to our commands. When we add human assistance into the mix—in situations like B2B video sales calls or personalized, guided shopping with fashion sales reps—it becomes even more attractive.



In market share, consumer spending via voice assistants **is expected to reach 18% by 2022**

[Read more »](#)

### Why is it joining the Top 12?



Voice search is undeniably on the rise, and virtual assistants are getting much better at understanding what shoppers are looking for.

Since a quarter of households in the U.S. now has at least one smart speaker, voice search will only continue to grow. Many shops are implementing visual search, where you can take a picture to look for something similar in the shop.

Asos, one of the biggest names in online fashion eCommerce, recently integrated visual-search recommendations, and I expect to see more eCommerce businesses doing the same in the coming year.

**Slavica Grgic**, UX Researcher, SuperSuper



Interactive commerce technologies have such a wide scope of possibilities. They offer a real playground for us when we are challenged with creating non-standard solutions for business growth.

We've designed NLP solutions to help screen call center cases by priority and a B2B solution that lets Sales Reps place orders straight from the PIM in a video call.

So, it doesn't matter if it is B2B, B2C, customer service, or any other domain, the real value is always the same. Interactive commerce solutions work best when the technology automates the heavy-load tasks and lets the personalities of the people behind the brand really shine through.

**Artur Wala**, Head, Divante Innovation Lab

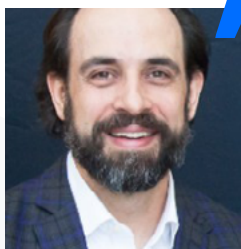


## ◀ **OUT** Mobile apps

Mobile apps are still on the rise and are expected to reach **250 billion downloads per year** by 2022. However, the type of apps people use in the 4 hours per day they spend on mobile devices has fundamentally shifted. **39% of the apps we download are for social media while only 7% are retail-related.**

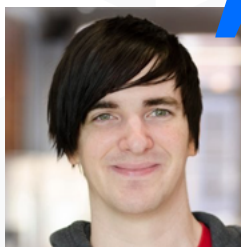
**Brands are simply not seeing the return on investment or conversion they need to make apps a viable proposition.**

### Why is it dropping out of the Top 12?



App oversupply has caused a glut of options. I expect continued consolidation, a greater codification of value, and a collapse of support for underperforming apps.

**Craig Crook**, Head of Growth, INTO



Native mobile applications are no longer the go-to experience for the end user. Filling a phone up with hundreds of applications that all compete for attention is overloading the customer.

More eyeballs are glued to social media applications than any other mobile apps and businesses that want to succeed and grow should focus on chasing their customers on these platforms.

Mobile applications also require development time to implement and maintain, which can be costly.

A better approach is through Progressive Web Apps (PWAs) that provide a native mobile experience via a web browser.

**Adam Sturrock**, Founder of Sturrock & Moltin,  
MACH Alliance **Ambassador**



2018 saw the peak of mobile apps. With the onset of PWA, I feel the line is blurred and native app value propositions are declining. Many of those native features can now be achieved without going through a store.

With Google and Apple dominating that app market with their monopoly on revenue streams, I see an urgent need for a more fair, equitable, and vendor-neutral mobile application market with the likes of Epic Games forging the way forward through a difficult path to independence and fair commerce.

**Adam Willmouth**, Director of Sales, Virto Commerce



## ▶ IN PWA

If mobile apps are out, you'll already have gathered from the expert quotes what is joining the list. Like headless architecture, PWA is not a nascent trend and most builders will be familiar with it. However, that doesn't make it any less important. eCommerce is entering the Experience Era; with so many retailers now scaling down on the high street and investing more in online channels, buyers have greater choice. And the only way to win when customers have more choice is to be better than competitors, be available at all times, and allow people to convert mobile experiences easily and instantly. And, for business, tight budgets mean that time and money spent on native apps that may or may not bring business value is an unreasonable risk to take.



The average load time for PWAs is **2.75 seconds**.  
**That is 8x faster** than an average mobile landing page.

[Read more »](#)

### Why is it joining the Top 12?



Progressive Web Apps are finally getting into the 'mainstream' and may well be the number one trend of 2021. We can see more and more enterprise eCommerce companies (merchants) and technology companies already implementing PWA sites or building them right now.

If you are building mobile-first, like we do with Vue Storefront, then it is essential to do everything possible to close the mobile gap and allow users to convert through their hand-held devices.

PWA has a great influence on overall user experience, as it improves performance, resulting in higher conversion rates and revenues for merchants. Investments in PWA, therefore, have relatively quick ROI.

**Patrick Friday**, CEO, Vue Storefront



Mobile Applications, especially in eCommerce, are seeing a downwards trend since PWAs allow a similar, or even better experience for customers while demanding less development and distribution cost to business.

**Dominik Angerer**, CEO, Storyblok



PWA is one of the strongest selling points of SAP Spartacus. From a business perspective, the cost of development is slashed by creating PWA sites instead of native apps.

It involves less development, smaller teams, and asks a lot less of the end customer, as it removes that great obstacle of asking someone to download an application on their device.

However, PWA is not at the end of its journey; there are still more capabilities to come and that is what makes it a trend that will still grow in the coming years.

**Mateusz Ostafil**, SAP Spartacus Evangelist, Divante



# The eCommerce Trends for 2021



We've looked at 4 trends that have grown dynamically since last year. We've replaced 4 others with new ones that our experts feel can't be ignored. And we've got 4 more that still offer a solid return on investment and are important for any eCommerce business.

## **These are the trends for 2021:**

### **■ BIG MOVERS**

#### **The 4 trends that have gained the most traction in 2021**

- Security
- Marketplaces
- Artificial Intelligence
- Social commerce

### **■ KEEP FOCUS**

#### **Stable trends that still represent a win for business**

- Big data
- Mobile payments
- Content marketing
- Augmented Reality

### **■ CAN'T IGNORE**

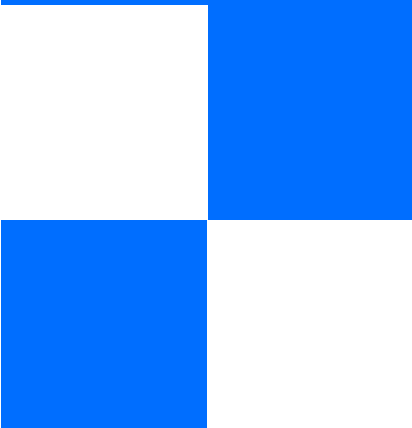
#### **Newcomers to the Top 12 which businesses need to assess right now**

- Interactional commerce
- Headless architecture
- as-a-Service models
- Progressive Web Apps (PWA)

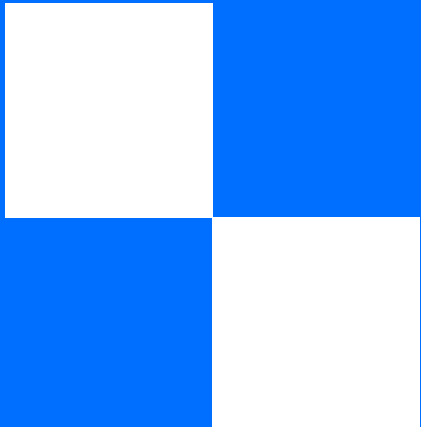




# In-depth expert analysis



# **8 industries. A lightning overview of 2020 and priorities for 2021.**





**Tim Clayton, Senior Copywriter**, Divante eCommerce Technology Company

2020 has been a rough ride for many industries and a surprising success for others. Things we took for granted are now deemed essential; things we counted as crucial are pipe dreams. We can't examine every industry under a microscope and look at how the previous year influenced business and make detailed plans for what comes next. However, we can use a few examples to show how industries should be using the experiences of the past months to get a laser focus on what to do next.

The businesses that succeed in 2021 will be the ones that took the hard lessons from 2020 and then identified one or two places where they can win in the future. Sometimes they are easy wins, sometimes they are painful changes to make. But change we must.

**Here's the overview for 8 industries as we hit 2021... each in 221 words or less.**

## FMCG (fast-moving consumer goods)

### **2020 in a nutshell:** Essential goods

Last year highlighted what 'essential' really means. Average share prices fell 25% by industry in Q2—and up to 50% in restaurants—but food and grocery rose by 4% as periods of stockpiling were followed by a return to normal buying levels, but not below.

Customer fears over supply chain collapse have proven to be unfounded but countries need to look more to local suppliers if international supply channels are limited. [Online grocery has continued to grow throughout the pandemic](#) and is expected to grow +23.7% year on year. However, even with restrictions in place, stores need to look at how to offer positive in-store experiences and also find more effective ways to protect vulnerable customers such as the elderly and infirm. Delivery is the weak link in the chain; traditional supermarkets need to step up or lose out to newer FMCG competitors like Ocado and Amazon, the latter of which added 100,000 staff to meet demand in 2020.

### **Priority for 2021:** Winning the last mile

Many supermarkets still do not have home delivery. Of those that do, in the UK, Sainsbury's and Tesco had wait times of up to three weeks and stopped Click & Collect services during lockdown. Right now, every supermarket in the world should be running worst-case-scenarios envisioning extended future lockdowns and creating bullet-proof delivery services.



# FASHION

## 2020 in a nutshell: Hitting the high street hard

In May, sales at US clothing and accessories shops were [down 62.4%](#) year on year. The statistics look even worse considering 20% of the US workforce relies on retail. In Europe, retail sales of clothing, textiles, and footwear were [50.5% below their 2019 level](#). Worst hit are luxury products and office wear as people dress for the home.

In-store retail has flatlined but online marketplaces are offering an easy way for businesses with or without existing eCommerce stores to shift inventory.

All good news is in the eCommerce sector. Zalando reported [34% sales growth in Q2](#) as shoppers moved online, adding 3 million new customers. The company's total annual growth is estimated at 25%. Spanish fashion retail giant [Inditex is an example of what comes next](#); its new strategy includes investing 1 B Euro in its digital operations while closing 1,200 physical stores. Companies are looking for technology to enhance online shopping with live streaming, online fashion shows, video chats with personal shopping assistants, and virtual try-on.

## Priority for 2021: Visibility and loyalty

Almost all fashion retailers are already online. Competition is intense and winning customers is hard. Fashion companies need to build loyalty through experiences, events, and brand interactions. Keeping existing customers and maximizing CLV is the priority.

# AUTOMOTIVE

## 2020 in a nutshell: Fast rebounds

People still love their vehicles. Global sales took a huge hit in the first half of the year but rebounded when restrictions were lifted. Sales in China were down 13% in the first half of 2020 but were up in July by 16.4% year on year. The EU and US both saw passenger car registrations fall by 25% at points during the year but have recovered somewhat. [Demand for used cars](#) appears more robust in the US and Asia, while in Europe, new car demand is more reliable.

In Europe, [electric cars are also seeing growth](#). The global market for EVs was down 37%



year on year in Q1 and Q2 but the EU was, amazingly, up by 57%.

We like to buy and service cars in person. This is set to change; 60% of Germans say they would now be more likely to buy a car online.

## **Priority for 2021:** Driving up online sales

Only [1% of automobile sales](#) in 2019 were through eCommerce. This is one of the biggest opportunities for eCommerce globally. Cars are not clothing. One size should fit all. Manufacturers need to identify why people aren't choosing eCommerce for their automotive needs and solve the issues. Whoever wins in this category will make huge gains.

# HEALTHCARE

## **2020 in a nutshell:** Tested to the limits and beyond

One of the few industries that was defined as being positively impacted by the pandemic, according to the Dentsu Aegis Network. The huge demand for medicines in 2020—up to 40% above any predictions—created a strain on urban pharmacy chains and “massive shortages” in rural pharmacies where supply is infrequent.

There is not a strong enough alternative to brick-and-mortar pharmacies. It is a 1 T USD industry, of which only 1% of that revenue figure is generated online. Regulation is restrictive but demographics also play a part. [Over-75s most need prescriptions](#) but only 42% own a smartphone and 8% fill prescriptions online. This group visits pharmacies more often than any other but is also at most risk from doing so. More needs to be done to protect them.

To enable the supply chain and create a level playing field for distributors, [B2B marketplaces for pharmacy](#) should work as in other industries, including loyalty and rewards programs.

## **Priority for 2021:** Easing the burden

Telehealth and telemedicine need to be supported to relieve pressure on GPs and health centers. Governments should work on advice from industry experts to cut red tape, where prudent, and activate eCommerce channels. We're working on the Pharmacy of the Future, creating applications that bring together patients, doctors, pharmacies, supply, and delivery.



# ENTERTAINMENT

## **2020 in a nutshell:** The arts suffer online

All entertainment is facing similar issues. The music industry has long seen declining physical product sales. CDs and downloadable media fell by 20% or more in all recent years, while only vinyl sales have gone up consistently.

Streaming is now king (although it is somewhat counter-intuitive to learn that Spotify streams in Italy fell 20% during the spring lockdown). However, streams on major platforms don't deliver a living wage to most artists. Spotify pays out only around \$3 per 1,000 streams and artists petitioned the site to triple that rate to help them survive. Bandcamp stepped up by waiving fees on all money transacted through the platform for 24-hour spells during the year.

Gigs—which represent the biggest source of income for most bands—are off-limits. Social events may return in 2021 but the cost of social distancing measures and reduced revenue in ticket sales will severely limit any profit that is made.

## **Priority for 2021:** The band plays online

Music is only one example of how artists consistently fail to win online. Artists have to make use of fiercely loyal fans and find ways to monetize that goodwill. Setting up online stores connected to websites and selling directly through fan pages on social media (social commerce) is a way to take back some ownership of the income.

# HOME AND FURNISHINGS

## **2020 in a nutshell:** A surprising winner

People forced to stay at home want to live in comfort. The home furnishings industry saw an impressive +48.3% YoY increase in the first half of 2020. The market for handcrafted items also exploded. The total value of goods sold on Etsy.com and Reverb.com [grew to \\$2.69 billion in the second quarter of 2020](#). Etsy alone grew 125%.

Complex furniture is more of a challenge to sell online. A bed, for example, can have a hundred or more variants—such as style, size, and color— and then be part of a matching set and have related accessories. Companies without robust and flexible PIM



systems are struggling to make the most of the online sales boom. Also, in stores like Ikea, much of the profit comes from the upsell: shoppers go in for a chair but also leave with candles and bath mats. If the entire product catalog is not available online with home delivery, how much revenue is being left behind?

## **Priority for 2021:** Empowering the catalog

Maintain the growth into the coming year and reinvest the profits into better eCommerce solutions with more powerful PIM systems. Also, build AI product recommendation systems for upselling: when buying a bed, the online store should offer bedsheets of the right size and style at the checkout.

# GAMING

## **2020 in a nutshell:** eSports go viral

All major trade events like E3, PAX, Gamescom, Tokyo Game Show, and Paris Games Week were canceled or went online. But they still found an audience. More than 12 M people attended [Travis Scott's in-game concert on Fortnite](#) and the Amazon-owned Twitch platform for game streaming [grew by one-third in March](#) alone and set a record of 22.7 M daily active users.

According to various sources, 20% to 40% of current gamers play more due to spending more time at home. And more newcomers are joining, which is crucial to growing sales and expanding the market.

Hardware production slowed due to quarantines but the planned releases of the next-generation PlayStation 5 and Xbox Series X consoles were not delayed. However, remote work did slow down the finishing touches to major titles like The Last of Us Part II and Halo Infinite.

## **Priority for 2021:** Press home the advantage

Gaming is more at home online than almost any other industry. The priority for 2021 is to continue to create buzz around major releases even if industry events are forced online. There is also a need to move away from niche platforms and take more advantage of YouTube Gaming, Facebook Gaming, TikTok, Instagram, and other social networks, in order to open up huge revenue streams.



# E-LEARNING

## **2020 in a nutshell:** Failing a generation

The unpreparedness of most schools was exposed. Institutions and teachers were unready to switch to online lessons. Simply put, we hadn't done our homework.

At the start of 2020, the e-learning market was [estimated to be worth \\$325 B by 2025](#), with the corporate e-learning sub-sector worth \$38 B. Those numbers can now easily be doubled.

Every sector of e-learning is now a huge opportunity. Small language schools running occasional lessons through Skype now count on it as a main source of income. Companies such as Nokia have taken in-person training and internship programs fully online.

## **Priority for 2021:** A playground for learning

Schools need to use platforms like Teams and Slack to create community learning experiences and train teachers to use tools like [Explain Everything](#) to make digital learning more dynamic. [AR and VR technology](#) can also create more engaging online learning experiences.

For eCommerce, there is an unbelievable opportunity. Students should be able to buy resources like textbooks, stationery, and learning materials in a single click, directly on the school website or learning platform. The school becomes the storefront.





# New Retail: The view from the East

**Ashley Dudarenok**, China marketing expert

The long battle between bricks and clicks is over, and the winner is The New Retail. This complete integration of online and offline technology with entertainment—powered by data and ecosystems—has changed the rules of commerce forever.

As the pandemic hit, the whole world was left with little choice but to enhance the speed of digitalization in their regions, with remote working and eCommerce becoming more important and visible than ever.

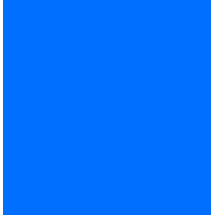
The already rapid change in China was essentially on steroids after the COVID outbreak. The pandemic has further propelled digital developments and applications in China as we now see a surge in e-medicine, online education, service robots, and other domains.

The New Retail concept was among one of the five topics proposed by Jack Ma back in 2016 to cope with the new economy.

The four remaining ones were New Manufacture, New Finance, New Energy Source, and New Technology.

New Retail proposes a seamless engagement between the online and offline worlds through data technology and has been the most important focus of Alibaba in recent years. JD, PDD, and other eCommerce players in





China have since joined in and started building their own New Retail ecosystems.

Perhaps it is this existing focus on digital but China's recovery from the COVID-19 crisis has been startling. Digital marketing and eCommerce fully recovered from the initial outbreak within months and many businesses saw significant growth even in the hardest months of 2020.

In terms of technology, individual mobile apps are certainly on the decline. The name of the game is now mini-programs. Also worth exploring are 'private traffic and private pools'.

These are closed social CRM systems managed by the brand, which are built on social media or eCommerce platforms. This has been a trend in China over the past year and is surely set to reach the rest of the world soon.

**Ashley Dudarenok** is a renowned entrepreneur, bestselling author, professional speaker, and runs the world's #1 YouTube business vlog about the Chinese market.

She's a regular contributor to the SCMP, Technode, the Next Web, China Daily and is often featured in other media such as Forbes, BBC, The Wall Street Journal, CNBC, and WIRED.





# The CTO's opinion: **eCommerce** **trends to watch** **in 2021**

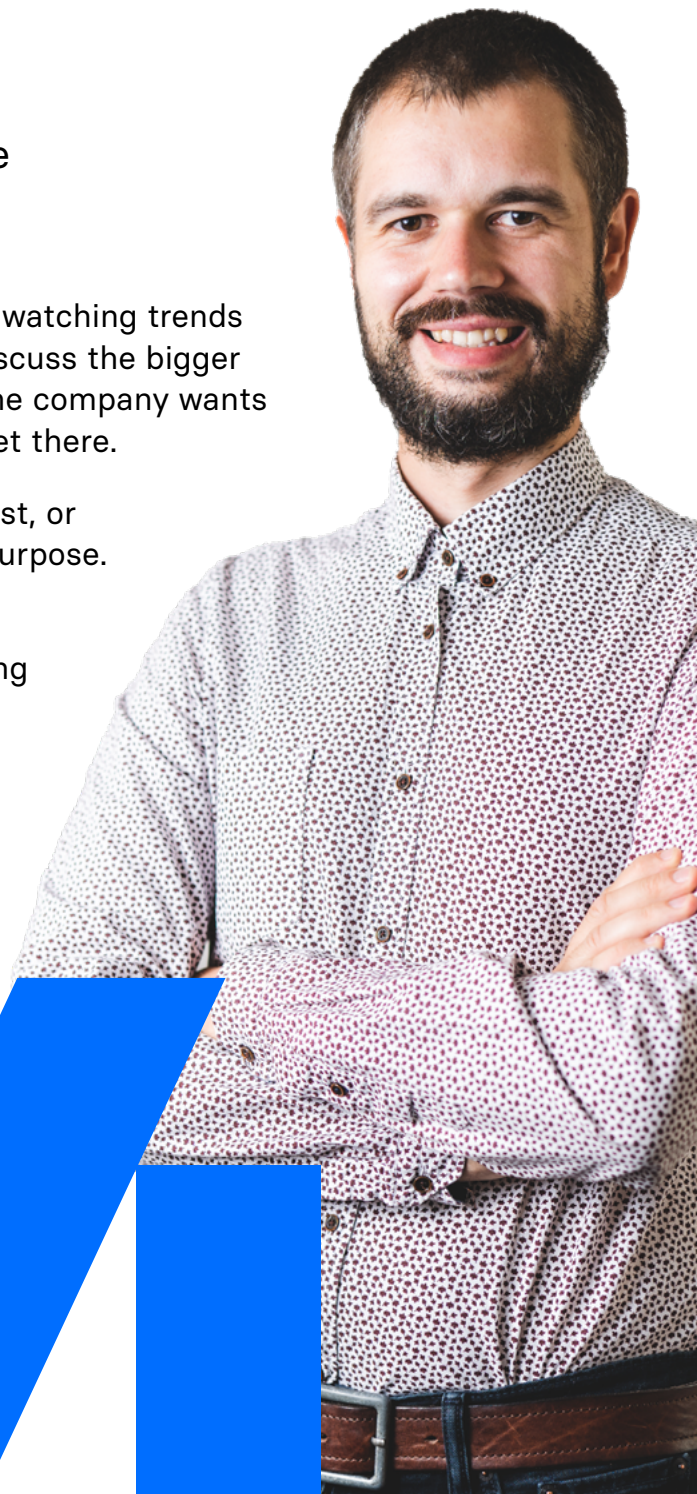
**Piotr Karwatka**, CTO, Divante eCommerce  
Technology Company

As CTO of a global eCommerce company, I've been watching trends for over a decade. Our role as technologists is to discuss the bigger picture with the business, understand the results the company wants to achieve, then advise on the right tech stack to get there.

"Right" doesn't always mean most popular, or biggest, or cheapest: it means the one that suits a particular purpose.

I'm not looking at platforms here. I want to pick out solutions, languages, or even concepts that are going to see significant growth in 2021.

Some of them you will have heard of, some might be new to you; however, they are all things that CTOs should be exploring right now to see if they are best for business.





# Composable commerce

## What is it?

For some, it is just a fancy way of saying headless architecture. But composable commerce is much more than that. Builders take a 'packaged' approach, imagining the building of eCommerce as 'many heads', each of which delivers a different customer experience. Gartner estimates that, by 2023, organizations that have adopted a composable approach will outpace the competition by 80% in the speed of new feature implementation. Their June 2020 report 'Composable Commerce Must Be Adopted for the Future of Applications' picked out Vue Storefront and SAP Spartacus as two vital building blocks.

## Where is it right now?

Exploding in popularity. Could be THE big trend a year from now.

## Why is it one to watch?

BigCommerce, commercetools, Elastic Path, and SAP have all created pages on their sites and are evangelizing.

As Paweł Wiącek, Director of Solution Engineering at SAP Customer Experience, says: *"Don't get hyped with buzzwords but build for the future. An explosion of touchpoints requires a platform that is capable of supporting tailored experiences for each touchpoint or use case. If you see where the music is playing, be sure to explore composable commerce."*

# GraphQL

## What is it?

GraphQL is a data exchange standard, first released by Facebook and then adopted by many open-source and enterprise developers including the industry-standard Apollo GraphQL—a fully-fledged solution including developer, client, server, and monitoring tools.

## Where is it right now?

Becoming the industry standard for data exchange in all sets of web applications.



## Why is it one to watch?

It probably won't fully replace REST APIs but it is an interesting option for supporting different client devices or merging data from different data sources.

GraphQL is great for north-south data integration (usually used between frontend and backend applications). It means the client can map and model the data they're requesting using the same backend code used for fetching this data (Resolvers).

Then you can mix-and-match different data sources using the federation technique. In a single data schema, you can fetch product details from a commerce platform, media and assets from CMS, and product reviews from a third-party service, but end up with a single HTTP request sent from the frontend to the GraphQL server.

# No-code platforms

## What is it?

No-code is a movement that is part of a wider trend. We're moving away from the age of monoliths and towards architecture-driven platforms. No-code is a great separation of concerns. It allows developers to take control of the build and lets content editors share what they like with minimal technical trickery.

The most interesting no-code platforms are something like headless-CMS mixed with a powerful PWA frontend: Storyblok, Prismic.io, Contentstack, Coremedia, and Contentful. Visual merchandisers can take care of the actual content and layout; developers can render and optimize it for different device experiences. It's like using Webflow or Wix on an enterprise scale.

## Where is it right now?

Becoming an industry standard for both content and eCommerce sites.

## Why is it one to watch?

The times when putting a new banner on the website required developers to be engaged are long gone. No-code gives more freedom to visual merchandisers and content editors.

Developers can now create software as building blocks and components that are sequenced and architected by the business users into the whole app. This is the only way for eCommerce to quickly adapt to the changing market.



# JAM Stack

## What is it?

[JavaScript API Markup](#) is a new way to build dynamic, services-based web applications. Popularized by frameworks like GatsbyJS, Next.js, and Nuxt.js, these pages are usually generated and shipped to the users as a static website (all these frameworks consist of static page generator components). This solves a lot of problems with scalability and DevOps. Just because a page has been generated, doesn't mean it can't be dynamic. The pages usually include a lot of dynamic JavaScript (React, Vue, Angular, etc.). The static page form is mostly used to improve SEO in this configuration, to provide the browser with not just an empty HTML shell (like most Single Page Applications still do) but with something the crawler can really index.

## Where is it right now?

It has passed the Early Adopter stage and is reaching Early Majority.

## Why is it one to watch?

There are still some challenges to overcome, especially on a large scale; for example, when an eCommerce site has millions of SKUs. But this is minor.

You can find plenty of ready-to-use services, ranging from low-level image-thumbnail services like Cloudinary to quite sophisticated ones like Snipcart, which lets you include a fully functional checkout right into your site.

# Serverless

## What is it?

Serverless computing is a cloud-computing execution model in which the cloud provider runs the server and dynamically manages the allocation of machine resources.

The key differentiator between classic cloud services and Serverless is the pricing model. When nothing's running on your AWS EC2 instance, you still have to pay for it because your bill is based on how long the instance was up, not what is running on it.

With Serverless, you pay for the exact computing power and resources you use.



## **Where is it right now?**

Gaining traction since 2014. Production-ready and now supported by all super-clouds.

## **Why is it one to watch?**

More and more often, the platforms we use for building eCommerce solutions are cloud-native, service-oriented, and API-first. This means you actually don't need to have the hosting environment in order to run the whole platform. In this situation, serverless functions make perfect sense as a kind of "glue between other services".

It lowers the ownership cost as the whole infrastructure-management process is virtually outsourced to the cloud provider.

# **Microservices**

## **What is it?**

Microservices is a trend of decoupling monolithic software platforms into smaller units that can be managed and deployed by separate teams on their own.

Microservices can be written in different languages that are specific to the problem domain and orchestrated over HTTP, and deployed to the cloud, Kubernetes, etc. Generally speaking, I really like the microservices approach because, by using it, you can decide which elements of your system you own and which you just lease and use in the cloud.

## **Where is it right now?**

It's very popular... maybe even too popular.

## **Why is it one to watch?**

When I describe microservices as "one to watch", I mean that we should observe people starting to really get maximum value from microservices in the coming year, not just using them for the sake of it.

The key here is to get the right granularity: a service should operate in its own domain, managed by a separate team, and released on its own schedule. If not, the maintenance burden costs of the architecture built upon dozens of very small services can outweigh the benefits of the monolithic architecture decoupling.



# Feature flags based development

## What is it?

Feature flags can be used for a variety of use cases. For example, for syncing the microservices environments. You can imagine the situation when some new feature is waiting for all the other services to be deployed before it becomes available to users. Feature flags can simplify this dependency chain.

They are also very useful in AB tests where feature flags can be managed in the cloud and dynamically provided to the application to show the results of feature-vs-feature conversion rates, for example.

## Where is it right now?

A recommendation to 'Adopt' from the Thoughtworks Technology Radar. And not without reason!

## Why is it one to watch?

Feature flags are nothing new. In fact, they fell out of favor but are now regaining popularity. Widely adopted at Google, Facebook, and Amazon, there are now new reasons to use feature-flags-based development. These include cloud services for setting the feature toggles like [Firebase remote-config](#) that let you manage the deployment cycle more efficiently.

# TypeScript

## What is it?

The simplest explanation is that TypeScript is a typed JavaScript. It's compliant with EcmaScripts standards and extends it with types, collections, generics, and the like. This is then compiled back to ES by a variety of tools including the popular Babel compiler that makes it very easily adaptable by existing JavaScript applications.

## Where is it right now?

A reliable and safe choice for your next JS-based application.





## Why is it one to watch?

A growing number of frameworks like Vue.js, Angular, and Nest.js are being developed in TypeScript and delivered in TS and JS forms for compatibility. It's also supported by Microsoft. At some point, you should use types and a lot of unit-testing to harness the enterprise application at scale.

TypeScript has very little overhead and, in many cases, is not being used just because dev teams are unaware of it or afraid to give it a shot.

# React Native

## What is it?

React Native is a mobile app development framework that combines the best parts of native development with React, a best-in-class JavaScript library for building user interfaces. It uses Javascript (non-native) as the scripting language but compiles the code natively, meaning your app uses the same native platform APIs other apps do.

## Where is it right now?

Currently one of the most popular cross-platform application environments.

## Why is it one to watch?

I'm a huge fan of PWAs but it would be naive to say that there are no use cases for native apps anymore. Games, audio-video, and animation/gfx-based applications all work better when they are native.

Using React Native lets you maintain similar CI/CD and dev-tools environments to those for web-apps but also lets you re-use some parts of the code. There are competing, high-class frameworks like Google's Flutter; however, comparing the installment base and developer community sizes leaves no doubt that React Native will long be a leader.



# Advice for builders



We're going to leave with one last word from some of our experts.  
We asked the question:

*"What piece of advice would you give to eCommercebuilders right now?"*



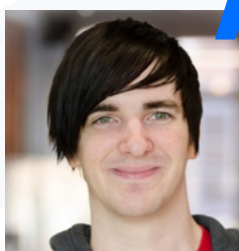
## Treat challenges as opportunities

Take a good, hard look at the strategic challenges you've uncovered in your business model

and your operating model this year—and treat them as the opportunities they are. New eCommerce leaders are being made now, and the way we do business has fundamentally changed. But remember, too, that you're not alone in this.

While it's important to protect the core differentiators for your business, you can move to the head of the pack by strategically sourcing tools and technology partners that can give you the support you need for the rest.

**Tzipi Avioz**, EVP Customer Success, Mirakl



## Choose the right tools

It's incredibly important to select tools and vendors for your specific use case and adopt agile best practices to increase the pace of change within your organization.

Headless—and, to a greater extent, MACH—is not for every business or use case. An out-of-the-box monolith might get you where you need to be in less time than an over-engineered solution.

With that said, if you're a slow-moving enterprise retailer or brand, it would be worthwhile exploring how you can solve your short- and long-term business challenges with MACH architecture and vendors.

**Adam Sturrock**, Sturrock Ltd., Founder of Moltin



## Build CVPs, not MVPs

Speed and time-to-market matter more than ever. CVPs (Corona viable products) are the new MVPs. Composable enterprises are requesting packaged business capabilities in the cloud. Leverage those as efficiently as possible. Do not unnecessarily increase your complexity with microservices or monolithic applications.

**Boris Lokschin**, Co-founder and CEO, Spryker Systems



## Be strategic. Be flexible. And never lose focus on the customer.

Demand is skyrocketing, but it isn't doing so uniformly: sales of disposable gloves have risen by over 650% since the start of the pandemic, but sales of cameras and swimwear have fallen by over 70% on average. As it's hard to predict how long the shift to online buying will last, it's challenging to allocate resources, offset risks, or plan for the future.

To be successful, eCommerce vendors need to take a kind of strategic triage approach and set goals that take into account their staying power, their vulnerabilities, and their resources. Rather than trying to figure everything from scratch and reinvent the wheel, using a more baked or full solution will get a business to market faster and with less risk.

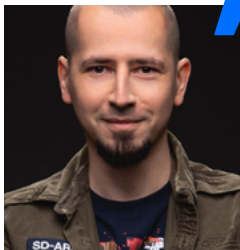
**Yoav Kutner**, Founder and CEO, Oro Inc.



## Product visuals shouldn't be anything less than amazing

The stakes for not having amazing product visuals have never been higher. Bad images, no 3D, and no AR will set your company up for failure. If you have a customizable or personalized product, it's critical that you let your customers customize it and view the results in real time. This is the kind of experience that drives both confidence and conversion.

**Matt Gorniak**, CEO, Threekit



## Explore the renaissance in open-source eCommerce

For smaller brands, SaaS is often a smarter choice than a bespoke solution. For fully bespoke solutions, open-source is the best way to avoid vendor lock-in.

Even Microsoft admit that they were on the wrong side of history, as midsize and enterprise companies who build with open-source now have incredible traction.

If you are building with headless architecture, you'll also get the triple benefit of being efficient and stable but still flexible: internal teams can focus on ROI projects and you can leverage tech like GraphQL that is now far beyond beta while still being open to rapid changes.

Remember, as the old saying goes, change is the only constant.

**Patrk Zawadzki**, CTO, Saleor Commerce



## Understand your customer, and market to that understanding

In today's world, it's crucial to make your store available in all the places your customers are already spending their time, so choose a platform that integrates to social commerce and marketplaces to capture as much business as possible. Go live when your new site is better than your existing site, not when it's perfect.

**Jim Herbert**, VP and GM Europe, BigCommerce



## Invest like it is

Digital is the present and future. Invest like it is.

**Kelly Goetsch**, CPO, commercetools



## Reward your customers

Companies put a lot of focus on grabbing people's attention and know the cost of customer acquisition to the cent (and rightly so). However, your biggest value is always in the people who are already loyal to your brand.

This is especially true when times are hard and customers have so much choice. Reward the people who have taken your brand this far and stop them from even considering shopping elsewhere.

Loyalty programs don't have to cost a lot of money; with the right technology you can start giving back to your best clients almost straight away.

**Cezary Olejarczyk**, CEO, Open Loyalty



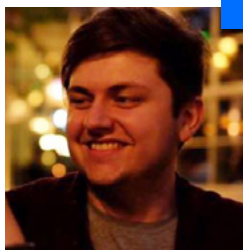
## Always have a measure of control

Make sure that you are up to the technological challenges of the coming years and that you can easily and uncomplicatedly serve many different sales channels without operating too far out of your core competence. Focus strongly on projects and improvements that you can clearly control and measure—ones where the expectations and the contribution to your value creation are clear and understandable.

**Stefan Hamann**, CEO, Shopware



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EVP of Customer Success for the Americas and APAC at Mirakl. More than 20 years of experience in digital commerce, data analytics, and the execution of large-scale digital transformation projects. Previously Head of Digital Commerce at Woolworths, Australia, and Technology & Operations Director for wealth management company AMP.

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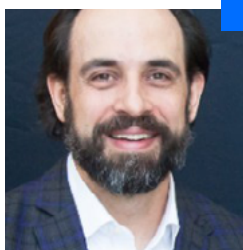
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Owner and partner of numerous startups within the eCommerce domain, including Lethe and Mr Gugu. Recent ventures include influencer marketing agency DDOB and eCommerce live-streaming app Corner.

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[Vue Storefront](#)



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Chief Product Officer at commercetools, previously of Oracle and ATG. Author of four O'Reilly books, he gained a master's degree in Management Information Systems, and holds three patents, including one for distributed computing. President of the MACH Alliance, which promotes a Microservices, API-first, Cloud-native, and Headless approach to technology.

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[SuperSuper](#)



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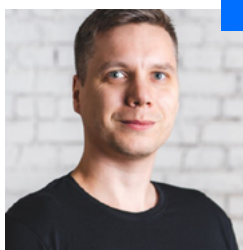
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Serial entrepreneur and CEO at Spryker Systems, which is included in the Gartner Magic Quadrant for Digital Commerce 2020. Has built and scaled two previous companies that achieved successful exits to US-based global corporations.

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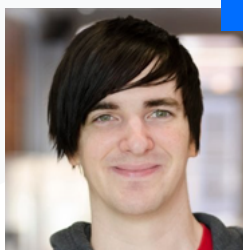
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Founder and CEO of Nethansa, a company that offers services that increase sales on Amazon, and is a certified service and technology partner of Amazon. The originator of the Clipperon system that automates sales using artificial intelligence. Enabled over 50 million € in sales for customers in the last 2 years on marketplaces.

[Nethansa](#)



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[Sturrock](#) | [MACH Alliance](#)



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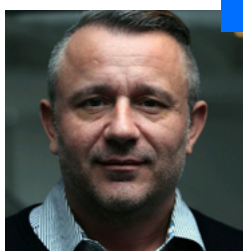
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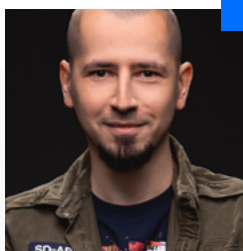
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[Shopware](#)



# Divante mission

Divante has a bold ambition: to globally influence eCommerce and to move both the online and offline retail worlds forwards. We achieve this through experimentation and implementing new technologies that others are afraid to adopt. We build communities around our passion and influence what is coming next. We do this because we believe that better eCommerce technology can help shape and improve the world of the future.

**Our Annual eCommerce Trend Report is a key element of this as we aim to inform and empower the eCommerce leaders of today and tomorrow.**

# Why Divante?

We give the world the opportunity to get there faster by combining our world-leading products with experimentation using the technologies of tomorrow.

**Contact us to talk about implementing new technologies in your digital channels.**

# Editorial team

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