

5 key trends that will impact e-commerce in 2023

The explosion of e-commerce seen over the past few years is set to continue its upward trajectory well into 2023, according to digital experts at Nerdware, a software development and digital marketing services company.



Nerdware director Shiko Mamotheti. Source: Supplied

"Customers' need for convenience has only accelerated in the wake of the pandemic," says Nerdware director Shiko Mamotheti.

"Not only are households more comfortable now with online shopping, but our fast-paced lifestyles are also making our time increasingly precious. This means that there is more pressure on businesses than ever before to develop robust e-commerce platforms if they want to remain competitive and maintain a loyal customer base."

With that in mind, Mamotheti identifies five key e-commerce trends that will impact business and consumer relationships going into 2023.

1. M-commerce

According to <u>Statista</u>, some 78.6% South Africans are already accessing the internet with a mobile device, and this number is projected to grow to 90% within the next five years. Mobile commerce or m-commerce therefore represents a natural evolution for e-commerce, seeing increased use of mobile devices for online shopping.

This in turn will stoke the need for well-designed modular mobile-friendly websites and apps which emphasise effective, secure financial transactions and the handling of personal information.

Notably, modularly designed mobile apps will enable business to easily add and remove functionalities at any time. This means that companies can start out with a fairly basic app and simply modify it as they grow to include features such as machine learning, virtual or augmented reality, advanced search, wish lists, voice assistance, and push notifications features to enhance their user experiences.

2. Al and web automation

In a bid to maximise efficiency and customer satisfaction, companies are increasingly employing a variety of artificial intelligence and web automations to handle the bulk of customer inquiries, only sending the more complex issues to a human operator.

"Businesses simply cannot appoint enough people to connect with the thousands of customers who will access their website or app at any one time, which threatens their ability to respond to queries timeously. Additionally, as companies grow and scale, the repetition of tasks also increases," notes Mamotheti.

"Incorporating automated processes into a website or mobile app takes many of those monotonous and time-intensive tasks away from employees, freeing them to focus on other important corporate functions."



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3. Progressive web apps

Progressive Web Apps (PWAs) allow businesses to seamlessly synergise updates between their website and mobile app without affecting information, functionality, and page layout.

Some brands have reported more than <u>150% growth</u> in active mobile users since adopting a PWA, and more companies will want to follow suit in 2023.

A PWA loads instantly, no matter the reliability of the user's internet. It is also fast, responds quickly to user inputs, and is capable of increasing user engagement through the use of push notifications. Finally, it can give companies easy access to important user data, as instead of surfing the web anonymously, users submit their contact and other information when they access the app.

Compared to more traditional forms of direct marketing such as emails, push notifications appear right on a person's phone and lead directly to a specific offering on the mobile app, making PWAs a powerful marketing tool.

4. Social media advertising

Social media will continue to be a mainstay of modern society, with trusted influencers having a significant impact on

consumer spending habits.

A 2022 report by the <u>GlobalWebIndex</u> (GWI) shows that roughly 27% of young people are using social media to find things to buy. Mamotheti believes that figure will rise significantly in 2023 as mobile internet usage rises worldwide.

In addition to influencers, companies' social media accounts will also play a growing role in driving sales, as the same GWI report states that about 26% of young people are using social media to view updates or content from their favourite brands.

"Social media offers businesses powerful platforms for connecting on a more personal level with their audiences, enabling them to build relationships with their customer base and making their marketing efforts feel much more natural or organic," adds Mamotheti.



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5. Web 3.0's foothold in e-commerce

In the past, a handful of companies dominated the online landscape. But with the arrival of the age of Web 3.0, the internet is growing more decentralised by the day as the freedom to create is extended to individual users.

"Web 3.0 is combining all online activity into an immense virtual space where users are free to move around and communicate as they choose," explains Mamotheti.

"Imagine creating an online avatar on your phone or computer, walking down a digital street, visiting your favourite business' online store, picking products from the shelves, and adding them to your online shopping cart. Sometime in the near future, that experience will be set up and maintained on behalf of businesses, by digital designers and agencies."

Businesses that take action early and implement e-commerce strategies to meet these five trends will have a far greater chance of achieving success online in the next few years than their competitors, Mamotheti concludes.

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