Beyond the Shopping Cart:

eCommerce Trends for 2024

Unpacking the future of digital retail →

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Introduction

2024 is going to be an exciting year for eCommerce, we can feel it. And we're sure you can too.

So to prepare you to kick off the new year on the right foot, we've put together some insights on the key trends that we think will dominate the eCommerce landscape. From the seamless world of **omnichannel experiences** to the innovative realm of **generative AI**, we'll break down what you need to know and how to use it to your advantage.

We've also sprinkled in some first-hand insights from companies like ASSA ABLOY and Euronics. Their stories, which you can listen to here, provide a practical perspective on adopting new strategies, using new technologies, and adapting to changing consumer needs.

Key takeaways

If you only have five minutes to read this guide, here's what you need to know:

Boost customer loyalty by appealing to customers values

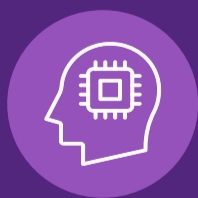Prepare yourself (and your product data) for Digital Product Passports

Leverage AI tools to cleanse your product data across systems, channels, and touchpoints

Increase conversion rates by creating omnichannel customer experiences

Use generative AI to learn more about your customers — and cater to them

With that, let's dive right in to the eCommerce trends that we see on the horizon for 2024.

Value-Based Purchasing

> *"Customers don't merely seek 'relevant' results; they desire products that genuinely attract them. Items they'd want to buy."*
> *– Constructor.io, Akeneo partner*

Overview and definition

Historically, your marketing efforts may have centered around a product's features and benefits. But **today's savvy shoppers are more socially and environmentally aware**, driving a demand for brands, like yours, to represent more than just profit.

Value-Based Purchasing (VBP), sometimes referred to as cause marketing or value-based marketing, is a strategy where you **align your brand's messaging and actions with its core values and principles**. Instead of zeroing in only on product functionality and benefits, VBP connects with shoppers' emotional and moral beliefs, fostering a **deeper, more significant bond**.

Think about the Dove Campaign for Real Beauty or Toms shoes, who donate one pair of shoes for every pair they sell. These campaigns take action to reflect the values that they want to portray.

Why it matters

Today's consumers don't just buy products, they are buying values. Younger generations, especially, have been raised to walk the talk when it comes to values like environmental responsibility, gender equality, and so on. In fact, 73% of gen-z consumers are willing to pay up to 10% more for sustainable products. So, they gravitate towards brands that resonate with their own values. They want to know what a company stands for and often make purchasing decisions based on this alignment.

> **"There are four dimensions of consumer buying decision factors: economic, functional, experience, and symbolic,"** *according to a Forrester report.* **"The first three are important, but the last one captures the key difference between values-motivated consumers and general consumers when they make purchase decisions. Compared to general consumers, values-motivated consumers are likely to be younger, better educated, have a higher household income, and spend more."**

Why it's relevant to your business

Increased customer loyalty

When customers identify with your brand's values, they become more than just customers; they become advocates. And **advocates aren't just loyal customers, they're brand promoters**. Word-of-mouth, along with social media and partnering with certain influencers in your business, is **still** one of the most effective forms of marketing, so having advocates on your side is great for business.

Better differentiation from your competitors

eCommerce is a vast ocean, and every day, new players dive in. To stand out, you need a unique selling proposition. **Value-based purchasing gives your brand a voice and a unique identity that can set you apart**. Take Patagonia's anti-Black Friday campaigns, for example: by taking a stand against the urgent consumerism of Black Friday, the outdoor clothing brand positioned themselves as a company that cares less about sales and more about the circular economy. This aligns well with the values of Patagonia's target customer: outdoor enthusiasts with a passion for sustainability.

Driving positive change

More than ever, **businesses are being held accountable for their impact on society and the environment.** By integrating values into your marketing strategy, you're not just improving your public image but also contributing positively to the world. This can even open doors to partnerships and collaborations that were previously unattainable.

Techniques and best practices

Successfully integrating value-based purchasing involves careful planning, authenticity, and commitment:

1   **Define what your brand stands for.** If not already defined, determine your brand's core values. These should resonate with both the company's mission and your target audience's beliefs — and it needs to be authentic, as people can see through half-hearted attempts to grab at their emotions.

2   **Research your target audience.** Understand the causes and issues that resonate with your audience. Use surveys, focus groups, and social listening tools to gather insights.

3   **Integrate your brand values into customer touchpoints**. From product development to customer service, communicate your brand values across all facets of the business. Marketing materials and product descriptions are two great places to start.

4   **Walk the talk.** It's not enough to just talk about values: you have to show that your commitment to these values is real and authentic. Listen to what your customers are asking for, and engage in initiatives,and actions that demonstrate your commitment to the cause.

5   **Create a continuous feedback loop.** Regularly engage with your audience and seek feedback. VBP is a continuous journey, and brands should be prepared to evolve and adapt their strategies based on feedback and changing societal landscapes.

In an age where consumers are bombarded with countless brand messages daily, value-based purchasing provides an avenue for brands to cut through the noise and connect on a deeper level. It's not just about marketing. It's about making a statement and building a legacy.

Digital Product Passports

> "The product experience plays a pivotal role in [sustainability] by showcasing relevant data, certifications, and impact assessments. For instance, we now provide carbon footprints and wood certifications for some of our furniture pieces, responding to the growing customer demand for such information."
> – *Tikamoon, Akeneo customer*

Overview and definition

Consumers in the past had limited access to detailed product information: they mostly relied on labels, advertisements, or third-party reports. But with the **rise of technology and increased demand for transparency**, especially in the wake of global challenges like climate change and unethical production practices, people are more invested than ever in knowing where a product came from, how it was made, and if everything has been done ethically.

A **Digital Product Passport is essentially a digital identity or profile for a physical product.** It contains detailed information about the product, such as its composition, origin, usage instructions, environmental footprint, recommended end-of-life handling, and more. This information can be accessed electronically, often via QR codes, NFC tags, or other digital identifiers.

The concept stems from a greater demand for transparency in the supply chain, a push towards sustainable practices, and the growing digital transformation in the eCommerce world. The DPP concept is primarily associated with the EU's European Green Deal and will apply to most European-made goods by 2026 — but it will also apply to goods bought and sold in the EU.

Why it matters

In an age of information overload, consumers are more discerning about their choices. They want to know where their products come from, the materials used, the labor conditions under which they were produced, and their environmental impact. This information, sometimes referred to as **environmental, social, and corporate governance (ESG) empowers consumers to make value-based purchasing decisions.**

In a recent PWC survey, eight out of ten consumers said that they would pay up to 5% more for sustainably produced goods. A recent Akeneo survey found that **35% of customers see sustainability as a key piece of product information.** And a recent McKinsey survey found that "companies making ESG-related claims averaged 28% cumulative growth" over five years, compared to 20% for products that made no such claims.

Why it's relevant to your business

If you make or sell products in the EU, it's not a matter of if you need it but when. But DPP isn't just another regulation you have to comply with. It offers many benefits, including:

Transparency and trust

Today's consumers want to know where their products come from and the **environmental impact, ethical implications, and carbon footprint of your entire supply chain.** By offering detailed information on product origin, materials, and supply chain processes, DPPs foster transparency and trust.

Regulatory compliance

In many industries, **by 2026 DPP will be required in the EU**, especially in sectors like electronics and fashion. DPPs can help businesses comply with these requirements.

Fostering a circular economy

DPPs are pivotal for the circular economy, where products are designed for longevity, reuse, and recycling. With DPPs, end-of-life instructions can ensure that products are disposed of or recycled in the most environmentally-friendly manner.

## Authentication and anti-counterfeiting

For luxury goods and other high-value items, **DPPs can serve as a means of authentication**. Consumers can verify the authenticity of the product, thus combating counterfeits.

Techniques and best practices

The EU is slowly rolling out the DPP initiative to various industries, with the first implementations (for batteries, textiles, and electronics) beginning in 2024. This means that your organization will need to have easy access to all this supply chain information in advance of the roll-out. Right now, one of the best things you can do is to assess and consolidate your product data and address any data gaps.

For more information, download our DPP whitepaper with all the details you need.

Download DPP Whitepaper ❯
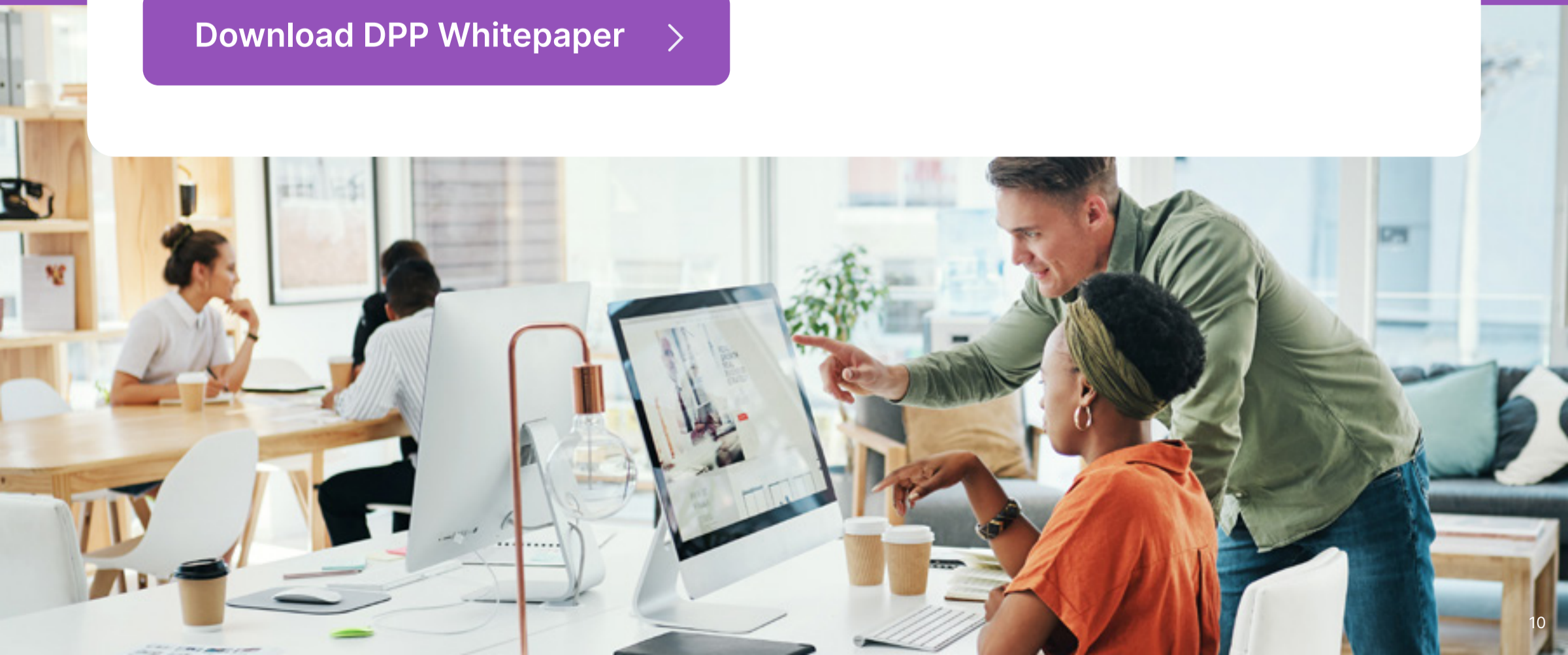
Cleansing product data

> *"Today, there's an immense demand for accurate, high-quality information. Customers base their trust on the information provided to them. If products lack comprehensive information, they might not be used or purchased at all. By delivering trustworthy details, we enhance the purchasing process for our customers."*
> *– DELFINGEN, Akeneo customer*

Overview and definition

We've seen how Artificial Intelligence (AI) has transformed various aspects of eCommerce. One area that people might not always consider as a candidate for AI, though, is product data cleansing.

In the past, you might have had to manually clean up your product data using a variety of spreadsheets, documents, and the like. It was a necessary task, but it took up so many hours and was often prone to human error. But now, thanks to AI, we have **automated solutions to spot anomalies, predictive analytics to fill in any missing data, and even natural language processing** to ensure that all product descriptions are consistent. One study, from Nielsen Norman Group, found that AI can increase employee productivity by 66%.

Every day, the amount of data in our systems increases, and so does the challenge of ensuring that all this data is accurate, consistent, and relevant. And inaccurate or inconsistent data can cause a whole host of problems for you, from making your operations inefficient to delivering a less-than-perfect shopping experience for your customers. Finding a way to automate the creation and maintenance of clean and consistent data can be a game-changer.

Why it matters

In a [2023 Akeneo survey](#), more than 62% of consumers said that insufficient information might convince them to purchase a different product or stop buying products from that brand altogether. And the same survey showed that three in four consumers have abandoned planned purchases in the past because of a lack of product information.

Having a clean, accurate, and detailed product database is essential so that customers can find what they're looking for, understand the features and benefits of your products, and have enough trust in the product data to make a purchase. AI tools can help automate the cleaning process by:

- Identifying and correcting inconsistencies
- Standardizing product names, descriptions, and attributes
- Filling in missing data points
- Detecting and removing duplicates

...all while saving you a ton of time. This not only increases productivity but also allows employees to use their skills and expertise more effectively, leading to better results for the organization.

Why it's relevant to your business

Operational efficiency

Manually cleaning data is time-consuming. AI can drastically reduce the time and manpower required, allowing your team to focus on more strategic tasks.

Consistency and accuracy

As your product database grows, and you add sales channels, **the challenge of keeping all that data consistent and accurate becomes increasingly challenging.** AI can standardize and maintain uniformity across vast amounts of data.

Improved customer experience

Clean product data means customers have an **easier time finding your products**, and there are overall **trust in the platform increases**. This can lead to higher conversion rates and reduced return rates.

Enhanced discoverability

Clean and standardized product data can positively impact SEO, leading to better organic search rankings and increased organic traffic.

Scalability

As your business grows, the amount of data will only increase. Investing in AI now can ensure you're set up to handle **future growth without data quality deteriorating.**

Techniques and best practices

Every day, new AI tools appear on the market. So, choosing the best tool for your needs can take some time and effort. Make sure that whatever tools you choose are compatible with your existing systems and do what you need them to do.

And before implementing any AI tool, make a plan for what you want that tool to do. **With AI data cleansing, you will probably want to lay out a structure and hierarchy to organize the vast amounts of data in your system.** From there, you can being categorizing the data you have — and make plans for how to expand the structure to incorporate new data variables and sources.

To learn more about AI solutions for PX, check out Akeneo's AI Center of Excellence and read our **how-to guide on executing an AI for PX strategy**. Just remember: the better your product data is, the better the product experience will be for your customers.

Download the guide   ❯

Chapter 4:
Shifting to omnichannel product experiences

> " *"It's essential to pay attention to customers, understand their shopping habits and customer journeys. Then, reverse-engineer that knowledge back into the processes, assessing how products are managed, stored, and onboarded to cater to all those channels."*
> – Euronics, *Akeneo customer*

Overview and definition

Omnichannel is an approach that seeks to provide the customer with a **seamless shopping experience**, whether the customer is shopping online from a desktop or mobile device, by phone, or in a brick-and-mortar store. The central idea is to **be where your customers are** and ensure consistent, high-quality interactions across all channels. Unlike a multi-channel approach, where individual channels may operate in silos, an omnichannel strategy ensures integration among channels. This means, for example, that if a customer adds an item to their cart on mobile but later decides to check out on a desktop, the item is still there in their cart.

The underlying principle of the omnichannel experience is that it's led by the consumer. They control what channels they use, the information they see, and how they want to interact with your brand. For example, when customers can see a product's in-store availability online, they will be more likely to buy the product in-store because they know they aren't wasting time visiting the store in person. When a customer can return online purchases in-store, it makes them feel safer buying things online.

Why it matters

Our 2023 Global B2C Survey found that **84% of consumers have researched products online before buying in-store**, and **77% have browsed products in-store but purchased online**. Today's consumers shop across various channels, and they expect a seamless transition and consistent experience across all these touchpoints.

Why it's relevant to your business

More sales, more revenue: Some people want to buy directly from your website, some people prefer to shop on a trusted retailer, some people want to shop on Instagram. As a brand, you have to meet them where they are. **By providing customers with multiple touchpoints and avenues to make purchases, you're broadening your sales potential.**

Higher lifetime customer value

A seamless experience can lead to higher customer satisfaction, which in turn fosters loyalty. Loyal customers not only buy more but also buy more often, increasing their overall value to your business.

Higher conversion rates

By reducing friction points in the buying process and offering personalized experiences, you're more likely to **convert browsers into buyers**.

Streamlined operations

An integrated system means that operations, from order processing to customer support, can be more efficient, reducing overheads and errors. With integrated inventory systems, you can **reduce overstocks and stockouts**, leading to **cost savings and better capital utilization.**

Better data about your customers

By tracking customer behavior across channels, you gain a wealth of data. This data is invaluable for **optimizing marketing strategies, product decisions, and understanding emerging trends.**

Reduced marketing costs

Omnichannel customers often engage more with your brand, which can lead to **lower customer acquisition costs**. They're also more likely to become **brand advocates**, providing free word-of-mouth advertising.

Techniques and best practices

Creating proper omnichannel experiences can take some time and effort, and it's a process more than a project. But the payoff can be great. Here are some tips for achieving omnichannel success:

1 **Understand and map the customer journey on each channel.** Analyze the actions that customers take, the information they need, and the questions they might ask in each step of the buying process. For example: do shoppers go to your website before buying something in person?

2 **Understand the content requirements for each channel.** Amazon has different content requirements than Google Shopping, for example. This can include text fields, character counts, and image requirements. Optimize the content for each channel.

3 **Test, iterate, and improve.** Think of channel optimization as a continuous improvement project. Once you have optimized each channel to a good place, continue to make small, isolated changes to see if you can optimize further.

Chapter 5:

Generative AI for eCommerce

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> *"It's important to be proactive instead of reactive. Sometimes you do have to react: you can't always anticipate what's going on. But if you have the tools in place and you get things cleaned up, when you do have to be reactive it's much easier to do instead of making duct tape fixes."*
> - ASSA ABLOY, *Akeneo customer*

Overview and definition

Generative AI refers to a subset of artificial intelligence, particularly machine learning models, that can generate new data that shares the same characteristics as a provided dataset. In simpler terms, it's AI that can create. Whether it's producing new images, text, or even product designs, generative AI "learns" from existing data to produce entirely new content.

Historically, most AI applications in eCommerce have been reactive, analyzing existing data to produce insights or recommendations. Generative AI, on the other hand, takes a proactive approach, **creating new assets that can be integrated into your current content workflows in a variety of ways.**

For example: If you use Spotify, you've likely noticed that they create personalized playlists for you based on your listening habits. This is generative AI in action.

Why it matters

The potential of generative AI in eCommerce is enormous. In fact, nearly 9 out or 10 respondents in Salesforce's 2023 State of IT Report believe that **generative AI will play a prominent role in their organizations in the near future** — and with good reason. Personalization leads to better customer experiences. When customers feel that the content, products, and offers are tailored to their preferences and needs, they're more likely to engage with the platform and make a purchase. In other words: **when you make the customer feel important and listened to, they have a more positive sentiment towards your brand.** They're more inclined to trust you, because you have shown that you listen to them.

Why it's relevant to your business

Improved conversion rates

By providing **personalized product recommendations, tailored content, and dynamic pricing**, you can increase the likelihood of converting a visitor into a customer. Better conversion rates directly impact revenue.

Efficiency and cost savings

Automating certain processes using AI, such as content creation or A/B testing, can save time and resources. This not only **reduces costs but also allows your team to focus on more strategic tasks.**

Trend prediction

You need to collect user data for personalization, right? Well, that data can also be used to predict user trends. This can be invaluable in **informing product stocking decisions, marketing campaigns, and promotional strategies.**

Feedback and sentiment analysis

By leveraging AI to analyze customer feedback, you can gain a **deeper understanding of what's working and what's not.** This can guide product improvements, marketing strategies, and more.
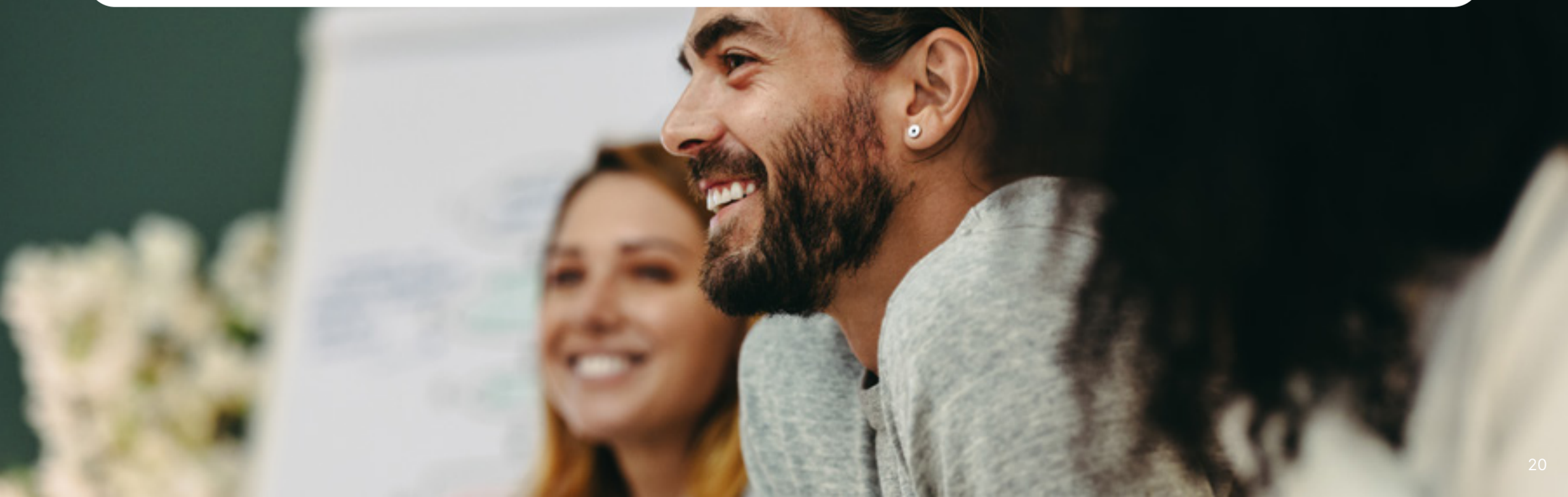
Techniques and best practices

1   **Clean up your data.** If your data is like music, then AI tools are like a speaker: they amplify everything, even distortion and feedback. So starting with clean, harmonious data makes everything sound better when you turn up the volume.

2   **Start with the goal.** What kind of AI solutions will save you time, provide better customer service, and enhance your business? Do you want to generate text, images, products, or something else? Your goals for generative AI solutions should align with your overall business goals.

3   **Select the right software:** There are multiple AI frameworks and solutions out there, with new ones popping up every day. Depending on your specific needs, select a software that aligns with your objectives. Keep in mind important issues like data security and copyright as well.

4   **Train the model:** Once you've chosen your solution, you need to feed the model with a vast amount of high-quality data so it can learn and generate relevant outputs. This might include past product designs, user interaction data, marketing materials, and more. In other words: this is when the volume gets turned up.

5   **Regularly monitor and update:** While generative AI can produce content, it's essential to have human oversight to ensure quality, relevance, and alignment with brand values. Like any AI solution, generative models should be regularly updated with new data to stay relevant.

The intersection of generative AI and eCommerce is still in the early stages, but its potential is great. With the help of generative AI, you can stay at the forefront of innovation, offering unique products and experiences that cater to an ever-evolving consumer base.

Conclusion

2024 is set to be an incredible year for eCommerce. We hope the trends presented in this guide will help you make the most of new technologies and innovations in 2024.

Of course, no-one — not even AI — can predict the future. Yet. But as we prepare for 2024, we should take a moment to reflect on everything that's happened this year, and how we're going to take advantage of opportunities in the new year. As a reminder, here are five things that we believe will help you build strong product experiences in 2024:

Value-based purchasing

Consumers, especially younger consumers, want their purchases to align with their values. Brands that understand this shift and cater to these conscious choices are the ones that will stand out. It's not just about what you sell, but how and why you do it.

Digital Product Passports (DPPs)

Offering a comprehensive view of a product's lifecycle, DPPs ensure consumers are well-informed and can make purchasing decisions that align with their personal and ethical beliefs. If you produce or sell products in Europe, they'll also soon be a regulatory requirement.
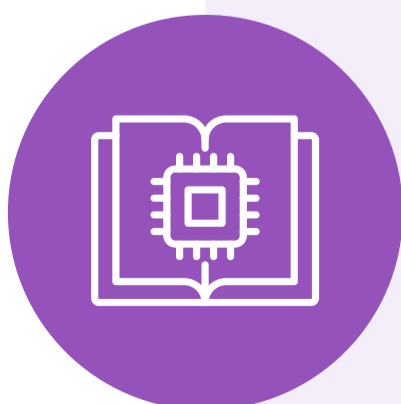
AI-powered data cleansing

When your customers can rely on the product information you provide, no matter where they encounter your brand, it fosters trust and loyalty. As AI technology continues to advance, its role in ensuring impeccable product data integrity will be undeniably crucial.

Omnichannel product experiences

The lines between online and offline are blurring. In 2024, successful eCommerce brands will be the ones that give customers a consistent, integrated experience, no matter the touchpoint.

Generative AI for eCommerce

With Generative AI, brands can now offer personalized experiences, predict trends, and enhance customer engagement in ways previously unimagined. It's about anticipating needs rather than just responding to them.

Navigating the 2024 eCommerce landscape might seem daunting, but armed with the insights from this guide, you're poised for success.

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Request a demo of Akeneo's Intelligent Product Cloud.

Experience firsthand how Akeneo Product Cloud can streamline your product data, adapt to future trends, and enhance your customer's journey.

Request a demo >