

COLUMNS

Top 3 technologies revolutionizing ecommerce

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Daniel Surmacz is chief operating officer of RTB House

By **Daniel Surmacz**

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Staying up to date with rapidly evolving technologies in the ecommerce and marketing industries can be a daunting task. With a slew of new technologies out there, it is also not easy to pinpoint which ones are worth the venture.

We analyzed the top 3 most successful technologies impacting the ecommerce industry today.

In 2016, total retail sales across the globe reached a whopping \$22.049 trillion estimation, up 6 percent from the previous year, according to eMarketer forecasts.

EMarketer also predicts that sales will top \$27 trillion in 2020, despite annual growth rates slowing over the next few years.

Retail ecommerce sales, in turn, reached \$1.915 trillion in 2016, accounting for 8.7 percent of total retail spending worldwide and it continues to expand rapidly.

Asia Pacific will remain the world's largest retail ecommerce market throughout the forecast period, with sales expected to hit \$2.725 trillion by 2020.

The United Kingdom is a world leader in terms of retail ecommerce's share of total retail sales, and by 2020 digital retail sales will represent a 22.6 percent share, while in 2017 it will grow by 0.9 percent to reach \$504.4 billion.

This growth has made an ecommerce space that is increasingly competitive. New companies, small business and large corporations alike, are going to market online, with customers' expectations growing simultaneously.

To gain an advantage, e-shops must focus more on innovative solutions that help ensure they stay close to the clients' needs and optimize in a digital way.

The following technologies are the top three trends revolutionizing the way that brands are changing it up to leverage the power of selling online.

#1 Facebook Messenger chatbots

Social media responsiveness has led to progress in communicating with customers and enhancing their experience.

According to many experts, 2016 was a year of conversational commerce using chat, messengers or other natural language interfaces to interact with people, brands or services.

There is no doubt about the importance of social media in the process of making a buying decision.

Gartner's research shows that brands will lose 15 percent of their customers if they do not respond to those who contact them via social media.

A study by Bain & Company showed that when responding to customers via this channel, a brand can expect an increase in revenue per customer between 20 percent and 40 percent.

Facebook Messenger chatbots have been one of the major leaders in the customer chat space.

When properly deployed, chatbots make your interaction with clients efficient and responsive, enhanced by automation features. It can stimulate communication numbers and build commitment to the brand, having the same impact as a personal assistant.

For example, chatbots can answer many more questions than a standard FAQ and by using as context the knowledge about the particular customer, provide the information about a specific delivery or availability of products.

Not only does it improve satisfaction, but chatbot automation instantly reduces operational costs in customer support.

#2 Progressive Web apps

The mobile screen has grown so fast that it is now the leading digital platform, with total activity on smartphones and tablets accounting for two-thirds of digital media time spent.

Smartphone applications alone now capture roughly half of this time, according to market researcher comScore.

The increasing potential of mobile shopping influences the way that consumers buy.

Customers who make a decision to interact with the brand closely are allergic to sites that are not mobile-friendly or have useable offline features.

Localytics data shows that 37 percent of consumers use ecommerce and retail apps for one month after they downloaded it, meaning 63 percent of users have churned and are no longer using the app one month after.

Low performance on mobile apps has led brands to turn to progressive Web apps, or mobile Web sites that can perform super-fast and behave just like an app.

This Web ecosystem combines advantages of mobile Web and apps, but leaves out many of their flaws. It has full functionality of Web sites with dynamic data and database access, while at the same time, mobile-app ease of use. This combination makes it a potential game changer in the ecommerce industry.

In a nutshell, this means creating a Web site that is fully responsive on mobile and extremely fast giving users the opportunity to work offline and on any device without the need to download a native app.

In addition, it means brands can do away with big investments in apps designed for every particular platform, while still meeting customers' expectations. This, in turn, means that more players will be able to own a user-friendly app.

#3 User experience powered by deep learning

Being essentially a complex method of problem-solving used by algorithms in computer science, deep learning is now a key technology in many industries beyond pure software. This includes ecommerce for which the new approach has great potential to be a real game-changer.

Among numerous examples, such algorithms are the backbone of Facebook DeepText engine, whose purpose is to improve the ecommerce chatbot experience. They are also used in a variety of image processing engines, from selecting similar offers in the e-shop for recommendation purposes, to Yahoo's image recognition solution helping automatically identify images not suitable or safe for work (NSFW).

Also, Google makes use of deep learning within its translation system, reducing errors by 60 percent, which, in turn, could help ecommerce players in opening services in multilingual environments.

Deep learning algorithms also pose a great opportunity for programmatic advertising campaigns.

For instance, retargeting technology has been used for some time, but deep learning is rapidly changing the way that personalized retargeting works.

Such methods are able to improve user experience in numerous ways predicting behavior and indicating probabilities of specific events more accurately.

Our data showed that using deep learning algorithms can quickly lead to increased performance of display campaigns by 13 percent (click-throughs) and 25 percent (conversions).

COMPREHENSIVE DATA analysis, which comes with deep learning, can reveal a much-expanded understanding of Web site visitors' intentions, helping ecommerce players not only advertise effectively, but also make online purchase processes easier than even before.

Daniel Surmacz is chief operating officer of [RTB House](#), Warsaw, Poland. Reach him at daniel.surmacz@rtbhouse.com.

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