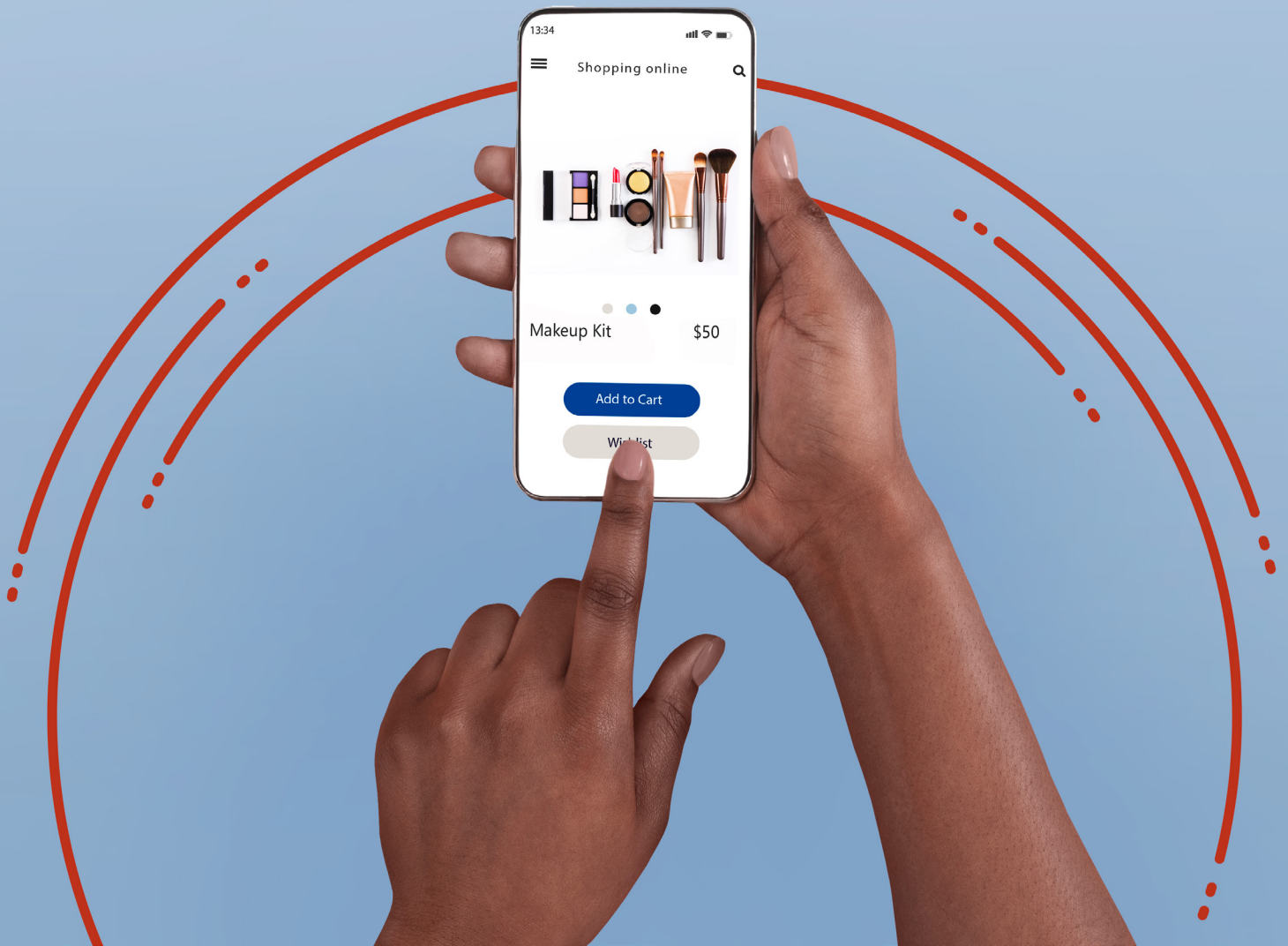


Adapting to the Ever-Changing World of E-commerce

Learn the latest e-commerce trends impacting shippers and how small and mid-sized businesses (SMBs) like yours can stay relevant as the industry continues to evolve.



E-commerce is constantly changing! Can you keep up?

Luckily, you don't have to keep up on your own. We're here to walk you through the most important online shopping (and shipping) trends — happening now and in the future — so you can keep up with the competition without the headaches. So what are you waiting for? Check out our guide and get strategies for streamlining and saving money on your business shipping.

The world of e-commerce has evolved (and will continue to evolve) at an incredible pace. While all this change is certainly exciting, it can also be overwhelming when you're trying to keep up — especially for SMBs who aren't properly prepared to react! Proactively adapting your e-commerce shipping strategy is easy when you have the same technology and resources as your big box store competitors. But what happens when you need to monitor and adapt to a changing market on a budget?

Keeping up with big box stores isn't always easy (or cheap), but that doesn't mean it's a lost cause! In fact, there is immense potential in the e-commerce space for SMBs who apply the right strategies. That's where Unishippers — a top-ranked third-party logistics (3PL) services partner for SMB owners — comes in. We created this guide to help SMB retailers like you understand where the industry is headed and how you can make informed decisions about your own e-commerce strategy in order to optimize your shipping processes and your bottom line.



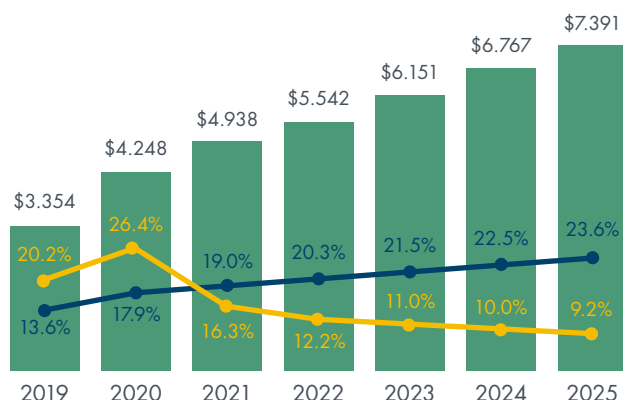
Where are we now?

Before we look ahead, it's important to make sure you understand the current e-commerce landscape. We'll help you recognize immediate opportunities for improvement in your own company's e-commerce strategy.

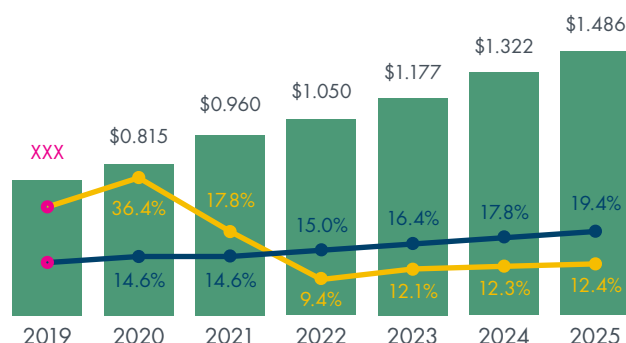
INDUSTRY SNAPSHOT

As most online retailers know, the COVID-19 pandemic caused massive growth in the e-commerce space. But while e-commerce is clearly here to stay, as we head toward a "post-pandemic" world, many retailers are wondering how online sales will be affected. Will sales drift back toward pre-pandemic levels? Or will the unprecedented growth we saw during the pandemic continue? Let's take a look at the numbers.

Global E-Commerce Sales¹



US E-Commerce Sales²



● Retail e-commerce sales (trillions)

● % change

● % of total retail sales

The growth rate of yearly online sales has indeed slowed since the record-breaking boom in 2020. However, while e-commerce sales may not be growing at quite the same speed, they continue to reach record numbers (and are expected to keep climbing). In fact, despite the recent slowdown in growth change, U.S. e-commerce sales surpassed \$1 trillion for the first time in 2022 — a year earlier than projected pre-pandemic.³ E-commerce also continues to account for a larger percentage of total retail sales, slowly catching up to brick and mortar sales over time. Long story short? Sales trends may be changing, but there is still plenty of room in the industry for online retailers who are willing to put in the work to stand out from the crowd.

Today's Top E-commerce Trends

Are you up to date on the most prevalent e-commerce trends happening now? Take a look at the top trends we think you should be aware of — as well as possible challenges and opportunities for SMB shippers.

TREND #1

CONTINUED SUPPLY CHAIN DISRUPTIONS

CHALLENGE: Unfortunately, the supply chain difficulties retailers faced during the pandemic are likely here for a while longer. SMBs who lack the same resources as bigger businesses may find it particularly difficult to navigate these disruptions to their supply chains while keeping customers satisfied.

OPPORTUNITY: Stay ahead of the competition by proactively mapping your supply chain and identifying additional suppliers for your key materials and products. This way you're prepared if one of your vendors experiences shortages or delays in the future. [Learn more by reading our blog, "Managing Risk Through Supply Chain Visibility."](#)

TREND #2

OPERATING COSTS ARE RISING WITH INFLATION

CHALLENGE: As the cost of goods and services (including shipping rates) rises with inflation, your purchasing power will gradually decrease with it. SMBs are uniquely affected by inflation — due to this limited buying power — making it harder to compete with large retailers that have more resources.

OPPORTUNITY: One of the easiest (and most affordable) ways to create time- and cost-saving efficiencies for your business shipping during times of inflation is by partnering with 3PL company like Unishippers. We start by offering great, discounted rates on lightweight domestic and international parcel shipping, including up to 77% off UPS® Ground shipments and up to 73% for UPS 2nd Day Air® service.* But that's not all! [Learn other ways we can help reduce your overhead by reading our blog, "What Inflation Means for SMB Shippers \(and How a 3PL Provider Can Help\)."](#)

*Discounts off UPS daily rates. Rates are limited to shipping from the U.S. only. Rates and any applicable discounts are subject to change at any time without notice.



Unishippers works specifically with SMB shippers to ensure they have access to the same negotiated rates offered to larger businesses. We're also part of the largest non-retail UPS Authorized Reseller in the U.S., making competitive rates a reality for SMBs like you.

TREND #3

INCREASED CONSUMER SUPPORT FOR LOCAL SMB RETAILERS

CHALLENGE: The pandemic drastically increased support for local, independent retailers. While this opens plenty of opportunities for SMBs in the e-commerce industry, it also presents a host of new challenges. Increased e-commerce traffic and sales are great, but only if you're prepared for the influx of new customers! Overwhelmed resources can mean a less than desirable shopping and shipping experience for consumers, which doesn't help your retention rate.

OPPORTUNITY: The rise in support for smaller retailers is obviously great news in many ways for SMBs in the e-commerce space. This is a huge opportunity for you to grow your customer base, especially if you find ways to promote your online business locally. When taking advantage of this opportunity, be sure to focus on your retention efforts to ensure customers keep coming back for more. [Learn how by downloading our free e-guide, "E-Commerce Shipping Strategies to Drive Customer Loyalty."](#)



From 2016 to 2021, SMB retailers saw an average revenue growth of 51.3%⁴

TREND #4

EARLY HOLIDAY SHOPPING CONTINUES

CHALLENGE: Beginning with the peak holiday shopping season in 2021 (in order to navigate shipping and supply chain delays during the pandemic), many retailers incentivized their customers to start their holiday shopping early. This trend will likely continue post-pandemic. While this opens new opportunities for your business, it can also cause challenges when trying to plan your inventory and fulfillment needs in advance. With such unprecedented fluctuations in e-commerce sales in recent years, it will be harder to depend on your past order and shipping histories when planning for your next peak season.

OPPORTUNITY: By understanding this new holiday shopping trend, you can start to prepare your business for the holiday rush earlier. The more time you have to plan, the more time you have to strategically optimize your e-commerce shipping strategy for success! Plus, you can help ensure your customers receive their deliveries before the holidays — even if there are shipping delays. Make sure to communicate your early holiday deals and incentives with your customers to get those holiday orders rolling in sooner rather than later (just don't forget about your last-minute holiday shoppers!). Also, don't forget that peak season extends beyond the holidays — you'll want to ensure you have a return strategy in place for the post-holiday season! [Learn more by downloading our tip sheet, "Streamlining E-commerce Shipping Returns."](#)



While you may not be able to rely fully on historical data, it can still provide useful information for future peak shipping seasons — especially when looking at data from 2021 and beyond! Analyze last year's shipping history and make proactive optimizations to your strategy with our free e-guide, [Learning From Your Peak UPS Shipping Season.](#)

Where are we headed?

Now that you have a handle on the current e-commerce landscape, it's time to look ahead at how online shopping could evolve in the next decade (and how your strategy should evolve along with it).

INDUSTRY OUTLOOK

The e-commerce industry has changed drastically in the last decade — so why would the next decade be any different? From new technology innovations to changing consumer demographics and preferences, e-commerce will continue its fast-paced evolution. How exactly will the new landscape look for SMBs? Let's take a look!

E-commerce Trends to Watch in the Next Few Years

Looking ahead a few years, we think these e-commerce trends will be important to keep your eye on. Pay special attention to the unique challenges and opportunities that these trends present for SMBs like you. Even small changes to your e-commerce strategy can make a meaningful difference to your company's future bottom line.

TREND #1

SLOWED (BUT STEADY) E-COMMERCE GROWTH

CHALLENGE: After it skyrocketed in 2020, the rate of growth for e-commerce sales has decreased in recent years — and will likely continue to decrease over the next few years. While the industry is still growing every year, this cooldown in growth means increased competition in the e-commerce space — especially for SMBs who don't have the same name recognition and resources as larger retailers.

OPPORTUNITY: While building your e-commerce business may take a bit more finesse than back in 2020, there is still huge potential for SMBs who apply the right strategy. With decreased market growth, it will be more important to focus on the audience and customers you already have. Consider low-cost ways to give your business a competitive edge and keep your customers satisfied, such as offering incentives for free shipping and hassle-free returns. [Read our blog for more tips on how to give your e-commerce business a competitive edge.](#)



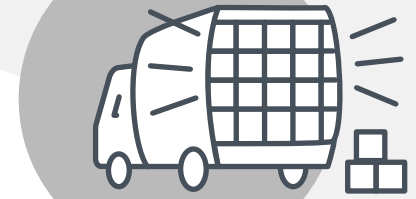
In 2022, half of the top 10 U.S. e-commerce companies saw downward trends in their website traffic⁵

TREND #2

SHIPPING CAPACITY ISSUES WILL CONTINUE

CHALLENGE: The shipping industry has been experiencing a capacity crunch since even before the pandemic — and unfortunately, capacity issues will still be a player in our future e-commerce market. With recent driver and truck shortages, there's not always enough room on the truck for every package. SMBs who work directly with the carrier may find it particularly difficult to get priority, since carriers often prioritize shippers with the largest volumes (or who can pay higher price tags). So the question is, how can SMBs find ways to meet customer expectations for fast, affordable shipping without eating into their own profits?

OPPORTUNITY: In times of limited capacity, SMBs should consider the benefits of working with a 3PL. A shipping partner can leverage the combined shipping volume of their customers — and their relationships with top carriers — to ensure their customers have the best chance of getting their shipments picked up and delivered on time. These strong industry connections also help 3PLs provide competitive shipping rates that SMBs couldn't receive on their own.



As part of the largest non-retail UPS Authorized Reseller in the U.S., Unishippers offers a full range of affordable small package shipping services. And as your needs change, we have the services you need to adjust your shipping strategy — from parcel to less-than-truckload (LTL) freight and back again. [Learn more about Unishippers' e-commerce shipping solutions.](#)

TREND #3

INCREASED CONSUMER EXPECTATIONS FOR PERSONALIZATION AND CONVENIENCE

CHALLENGE: E-commerce giants like Amazon are able to utilize consumer data (customer demographics, browsing history, purchasing behavior, etc.) to tailor the online shopping experience. And guess what? Customers have come to expect it! In fact, 83% of consumers say they are willing to share their data if it leads to a more convenient, personalized experience.⁶ And with 75% of consumers valuing convenience more than they did before the pandemic⁷, this really isn't something to ignore — even if you can't compete with big box retailers like Amazon!

OPPORTUNITY: While you may not have access to the consumer data or resources needed in order to fully customize your customers' shopping journey, you can still put yourself in their shoes and consider their unique needs and wants. These days, your customers value convenience and customization. So why not offer your customers the choice of shipping delivery speeds? By offering multiple shipping service types, your customers have the option for expedited delivery if they need it, without your business taking on the additional fees.

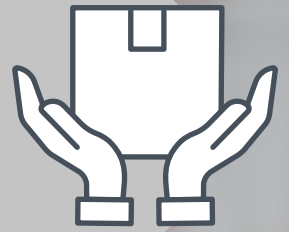
When selecting an online retailer, 95% of shoppers list convenient delivery options as a determining factor.⁷



TREND #4**NEW DELIVERY SOLUTIONS FOR CONSUMERS**

CHALLENGE: With “porch piracy” on the rise, retailers are getting creative about their anti-theft delivery strategies. We’ve already seen the proliferation of simple solutions like secure locker pick-ups, but in the coming years we’ll see new offerings — such as solutions for getting secure access to a consumer’s mailbox, gate code, trunk, etc. The challenge for SMBs, of course, will be navigating package theft on a budget, since these offerings tend to come at an additional price.

OPPORTUNITY: Pay attention to the latest delivery technologies as they appear on the market. While some of the newer technologies may be too cost-prohibitive for most SMBs, there are always delivery strategies you can implement to limit theft. If you aren’t already taking advantage of features like **UPS signature confirmation services** or scheduled deliveries, contact Unishippers for guidance.



E-commerce Trends to Watch in the Next Decade

9

You've seen the e-commerce trends we're predicting for the next few years. But what's on the horizon for the next decade? Here's what you should know:

TREND #1

EXPANSION INTO EMERGING INTERNATIONAL MARKETS

CHALLENGE: As U.S. e-commerce retailers compete in an increasingly crowded market, we expect business owners will begin expanding into new international markets. After all, access to more shoppers means more potential sales! The main challenges are limitations that make international transit times less than ideal for day-to-day consumers. The challenge of expanding into international markets in itself can be an overwhelming thought for SMBs, who may think they lack the workforce for such an undertaking.

OPPORTUNITY: While big players like Amazon, Walmart and eBay make it difficult for smaller online retailers in the U.S., in coming years, it may be easier to compete in emerging international markets where these players don't yet have a stronghold. Did you know that the U.S. represents only 4% of the world population?⁸ By being proactive with your international e-commerce strategy, you can make a name for yourself abroad before the market gets too crowded. A 3PL like Unishippers can help manage the complexities of international shipping so you don't have to. [Learn more about international parcel shipping with Unishippers.](#)

90% of the world population is projected to be online by 2030⁹ (compared to 63% in 2021). As supply chain and logistics innovations eventually make it easier for consumers to make global purchases, anyone online could be a potential customer for your business.

TREND #2

CONSUMER EXPECTATIONS WILL ENCOURAGE FASTER DELIVERY OPTIONS

CHALLENGE: Convenience is already a top priority for today's online shoppers. But in the next decade, customer expectations regarding convenience could look a lot different. For one, same-day home delivery will almost certainly be expected. If you're an SMB shipper, the idea of same-day order fulfillment and delivery probably sounds impossible (not to mention expensive!). But we predict new shipping technologies — such as autonomous drone delivery — will make huge strides over the next ten years, becoming an efficient way to automate package delivery without human intervention.

OPPORTUNITY: When selecting a 3PL to work with, carefully consider their carrier partners. You'll want to ensure the carriers you work with are adopting the latest technologies to help you evolve with the e-commerce industry. In the meantime, utilize the most advanced shipping technologies available to your e-commerce business, like our [state-of-the-art transportation management system \(TMS\), myUnishippers™](#).

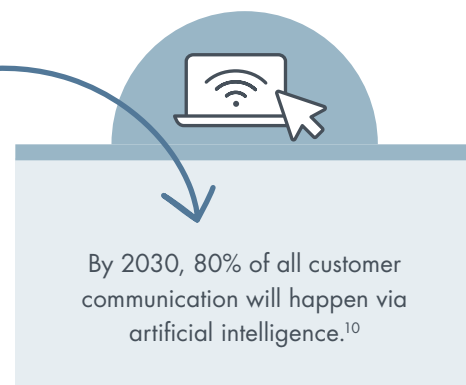
Did you know? UPS Flight Forward™ (a subsidiary of UPS) was the first company in the U.S. to get full government certification to operate a drone airline. They partnered with CVS during the pandemic to deliver prescriptions. Clearly, this is only the start of how we can utilize drone delivery in the coming years!

TREND #3

ARTIFICIAL INTELLIGENCE WILL AUTOMATE ADDITIONAL PROCESSES

CHALLENGE: As supply chains become more complicated and technologies continue to advance, artificial intelligence (AI) will automate more every-day processes. When it comes to AI in the workplace, this will have particular time-saving benefits when applied to service-based tasks, like pre- and post-sales support. While you've probably already dealt with AI-powered chatbots and other customer service robots, in the future, these technologies will be much more advanced. For example, AI systems could utilize customer preference data and predict a customer's mood in order to best communicate with them. Again, the challenge for small business owners will be adopting these new technologies on a budget, as well as finding the time to implement them into your existing systems.

OPPORTUNITY: It's still too early to predict all the ways AI technologies could optimize your business processes in the future, but AI will certainly have new opportunities in the shipping and fulfillment industry. For example, consider how much time AI-powered technology could save you when managing e-commerce returns during your peak season! To stay up-to-date on all the latest technologies (and how you can proactively implement them in your business), partner with a 3PL like Unishippers who will pay attention to the industry for you.



TREND #4

SUSTAINABILITY WILL BECOME A TOP-LINE CONSIDERATION

CHALLENGE: Industry insiders predict that "green consumerism" will become a much larger focus in e-commerce as concerns about the environment continue to grow. Choosing more sustainable materials and packaging — in addition to other eco-friendly business practices — will become a growing concern for companies of all sizes. While SMBs have some advantages when it comes to increased consumer focus on sustainability, additional costs for greener options will be a particular burden for their bottom lines.

OPPORTUNITY: Sustainability may not be the top concern for today's average consumer, however, it's already a consideration for many online shoppers. By adopting environmentally-friendly business practices now, you can get a head start before it becomes a necessity. By getting a jump on the competition, you have the time to make slow, calculated changes to your e-commerce strategy over time without blowing your budget overnight. And by keeping your customers informed on your efforts to go green, you can help improve your brand image.

[For advice on going green with your shipping, download our tip sheet.](#)





Elevate Your E-commerce Strategy

When it's time to change, you've got to rearrange (your shipping strategy)! Times are changing in the world of e-commerce — and Unishippers is here to help you through.

At Unishippers, we pride ourselves on supporting SMB shippers through every season of their business — and of the e-commerce industry. You can trust our team of shipping experts to help you look ahead and further optimize your e-commerce strategy for the changing future.

Contact Unishippers today to get started.

UNISHIPPERS.COM



Just starting your e-commerce business?

Download [An SMB's Guide to e-Commerce Shipping](#) for even more helpful information about developing your e-commerce shipping strategy.

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