

eGuide

# The 2021 Guide to Ecommerce

Five critical components  
for ecommerce success  
in our new normal



Presented by:



## Introduction

There's no denying it - 2020 has been a transformational year for ecommerce. In fact, the COVID-19 pandemic accelerated the shift from in-store shopping to ecommerce by about five years.<sup>1</sup>

As the dust settles, it's critical to understand the current state of ecommerce and what to expect in the year to come. One thing is certain - 2021 will be a year of unprecedented online competition. Even as world economies struggle, experts expect ecommerce sales to grow by roughly 20%.<sup>2</sup>

In this guide, Riversand and Pivotree will share their predictions and advice to help enterprises succeed in ecommerce in 2021 and beyond.

## 2020 In Review: A Year of Disruption and Big Consumer Shifts

1

### New Entrants Like Seniors

With retail locations closed during lockdowns, consumers unfamiliar with online shopping finally took the leap, including a 12.2% increase in new buyers 65 and older.<sup>3</sup>

2

### Players Turn Pro

What about experienced ecommerce buyers? They're shopping more than ever - 34% of U.S. consumers shop online daily, and 19% shop online more than once per day.<sup>4</sup>

3

### Trying New Things

In 2020, 75% of U.S. consumers tried a new shopping behavior in response to economic pressures, store closings, and changing priorities.<sup>5</sup>

4

### The Most Digital Holiday Ever

These shifting consumer behaviors will culminate in a holiday shopping season in which 70% of shoppers will make the majority of their holiday purchases online.<sup>6</sup>

## 2021 Predictions: The 'New Normal' Requires Companies to Scale

1

### Ecommerce Not Backing Down

McKinsey notes, "[online shopping habits] seem like they're going to stick as U.S. consumers report an intent to shop online even after the COVID-19 crises."<sup>7</sup>

2

### No Category Immune

Every major consumer category expects growth (pre-COVID to post-COVID) in the percentage of customers who make a portion of their purchases online. Some categories, like grocery with a 41% expected growth, have changed forever.<sup>8</sup>

3

### Customer Expectations at Record High

In 2021, it's no longer enough for your brand to have its own online store. According to an Epsilon report, 80% of consumers say they're more likely to do business with a company that offers personalized experiences.<sup>9</sup>

4

### Companies Shift to Long-Term Strategies

Businesses will refocus on digitization to enhance ecommerce logistics, improve customer acquisition, and optimize inventory. According to McKinsey, "The fundamental enabler to all this will be data - the transparency, governance, and accuracy of which have never been more important."<sup>10</sup>



## There's Still Time to Get in the Game

In 2020, survival-mode made sense, but 2021 will not be so kind. Your customers will expect a frictionless experience in the months and years to come.

If you feel like you're trailing behind - you're not alone. Many have work to do to prepare for our new normal. Thankfully, there's still time to get in the game by embracing five critical components to ecommerce success.

### Critical Component #1: A Foundation of Data

From search to product recommendations to order fulfillment - you simply can't accomplish your goals without data as a fundamental building block.

Where data is concerned, the ecommerce landscape is quickly becoming a case of the haves vs. the have-nots. Data-driven enterprises add relevance and personalization to their customers' online experiences, while others are falling behind.

Customers clearly notice the difference: 91% say they're more likely to shop with brands that provide offers and recommendations most relevant to them.<sup>11</sup>

### Data Leaders and Laggards

Organizations lacking a holistic approach to their data were hit hard when COVID-19 altered the landscape. For example, grocers lacking data management couldn't pivot fast enough after in-store shopping became too risky. Those that prepared were able to quickly expand order pickup options.

Furthermore, some organizations managed to scrape by this year with manual data processes on their websites or third-party platforms. But unless they embrace more robust data management technology in 2021, they'll be unable to automate or scale the process.

The following year will only expand the divide between data leaders and laggards. The bottom line? If you're pursuing ecommerce success, you need a single view of trusted data to power the right experiences.

### MDM is a Core Requirement

Data isn't hard to come by - in fact, companies are more inundated than ever. The problem is that companies don't optimize the information at their fingertips. According to Forbes, most business owners only use only 0.5% of the data available to them.<sup>12</sup>

This may not be surprising considering the mess many companies encounter. Data is spread across disparate sources, making it inaccessible, inaccurate, and inconsistent.

That's where Master Data Management (MDM) makes a significant impact. With MDM, you can unlock insights from the 99.5% of data other businesses squander.

### What Type of MDM is Best for Ecommerce?

That depends on your goals. Many companies may need to prioritize Product MDM for its obvious link to ecommerce success - providing consistent, accurate, compelling product information.

Others may want to tackle Customer MDM first for a deep, granular understanding of the

customer and their decision journey. It's also important to remember that your data and ecommerce goals will evolve over time, pushing you to consider other domains like Location or Supplier. All these factors point to Multi-Domain MDM as a strategic choice.

*Key Takeaway: In 2021, a data-led culture is key. MDM helps drive game-changing ecommerce results like deeper customer insights, increased ecommerce revenue, and frictionless customer experiences that boost brand loyalty.*



## Critical Component #2: Convenience

Once a company has established a firm data foundation, they can start making progress in another critical area – Convenience.

Today's consumers appreciate the ease of shopping online, and their tolerance for inconvenience in any phase of the buying process shrinks every year. If they sense any friction in searching, buying, shipping, receiving, or returning – they'll go elsewhere.

Due to growing competition in the ecommerce space, merchants will need to work hard in 2021 to give consumers convenience and flexibility by offering an array of purchasing and pickup options.

### Omnipresence is the New Omnichannel

One lesson from 2020: Every channel doesn't need to be transactional. For instance, you don't need to sell on Instagram for it to be valuable as an avenue for deeper customer engagement. Companies that understand this are making huge strides in building customer relationships.

## The Rise of BOPIS

Faster delivery is a constant goal in ecommerce, but another fulfillment option came to prominence in the last year: Buy Online, Pickup In-Store, also known as BOPIS.

Retailers that already offered BOPIS, or had the data structure for a quick launch, were immediately ahead of the game in 2020. As COVID-19 kept shoppers at bay, BOPIS became a lifeline for keeping sales moving while keeping customers safe.

The pandemic also pushed another trend to the forefront – curbside pickup. Now, curbside BOPIS has become essential for retailers and merchants of all types. According to a recent holiday consumer survey, 55% say they'll use curbside pickup more this year than last.<sup>13</sup>

As enterprises better integrate BOPIS into their store processes, the convenience will continue to entice customers, even in "normal" conditions. Plus, the merger of online and in-store options doesn't stop there. We're sure to see an evolution into other options, like 'Reserve Online, Try In-Store' for apparel, providing the convenience of online shopping without the hassle of returning ill-fitting items.

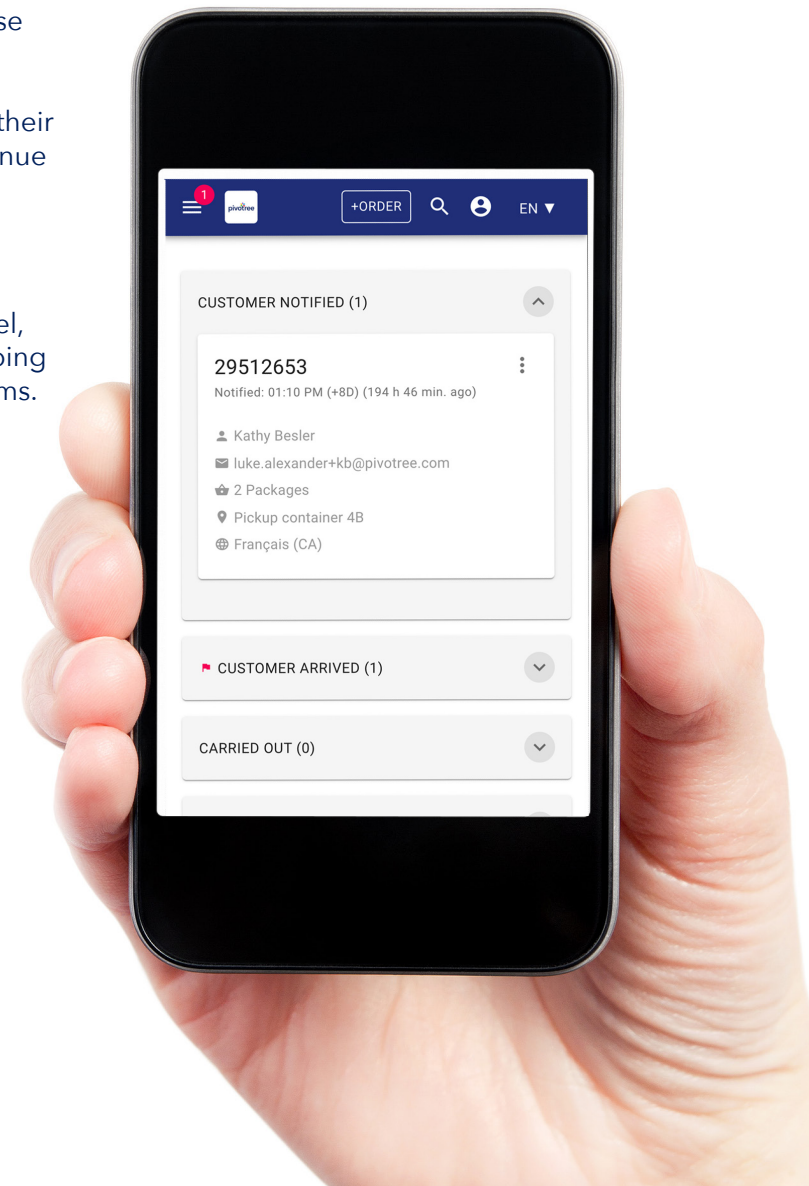
## Virtual Assistance

Consumers love online shopping, but they still miss the perks of in-store experiences. Companies that combine the convenience of ecommerce with the personal touch of brick-and-mortar can push ahead in a highly-competitive ecommerce environment.

One way to do this is by offering Virtual Associate Assistance. Virtual buying assistance brings the in-store experience to the online world. When customers have questions about products, a representative can guide them through the sale. Retailers may also want to consider offering virtual appointments with associates.

## Flexible Payments

Options like Buy Now, Pay Later (BNPL) help customers make larger purchases with more flexibility and less hesitation. By offering BNPL solutions that integrate easily with your existing checkout process, you enable customers to split payments into installments.



The bi-weekly or monthly (interest-free) payments encourage repeat purchases, improve conversions, and boost average order value. When you give customers more convenient buying options, it's easier to pull the trigger on purchases.

**Key Takeaway:** *When it comes to ecommerce in 2021, consumers will expect a high level of convenience. You can't afford to get left behind. Organizations that build on their data foundation to offer more convenient options will retain loyal customers and outpace the competition.*

### Critical Component #3: Supply Chain Efficiency

As new purchasing and pickup options gain steam, an efficient supply becomes more crucial than ever – a fact that 2020 pushed into the spotlight. When the pandemic disrupted global supply chains, companies couldn't get products into their customers' hands – and chaos ensued.

#### Adapting to Sudden Demand

In March 2020, disposable gloves saw a 670% rise in ecommerce sales YoY. Bread machines came a close second at a 652% YoY growth. <sup>14</sup>

Shortages were most evident in home essentials and CPG categories. For items like toilet paper or disinfectant, hoarding sent inventory flying from digital and physical shelves. Unfortunately, merchants couldn't

move flexibly to access alternative suppliers – leaving consumers panicked and revenue stagnant.

### Creating a Resilient Supply Chain

Previously, many enterprises saw the value in Product Data or Customer Data but viewed investments in supply chain technology as an afterthought.

After COVID-19, however, enterprises are seeing the need for greater investment in supplier technology to achieve greater visibility and efficiency in the supply chain. With the Supplier Data Domain as part of an MDM strategy, companies can leverage data to track supplier contracts, locations, inventory levels, and capabilities to re-direct resources when shortages occur.

**Key Takeaway:** *An efficient supply chain is essential to ecommerce success. It provides critical visibility into product and supplier redundancy by centralizing supplier data. The technology also enables companies to incorporate our next critical component – vendor collaboration.*

### Critical Component #4: Vendor Collaboration

When unexpected shortages occurred in 2020 or routes were cut off due to outbreaks, companies with supply chain visibility were able to quickly identify redundancies, secure other sources, and update ecommerce sites with speed.

This level of insight and resourcefulness requires strong Vendor Collaboration.

### The Key Steps to Vendor Collaboration

First, a critical component to Vendor Collaboration with MDM is a Supplier Portal. This type of MDM module empowers enterprises to collect data directly from the vendor source, with automated workflow for data approvals, enrichment, and publishing. When integrated into your MDM program, the Supplier Portal can create:

- Strong visibility across the supply chain
- Faster onboarding of new suppliers and products
- Greater control over costs, discounts, and negotiating
- More strategic planning and forecasting

However, enterprises can only gain the benefits of a Vendor Portal when they take steps to encourage supplier adoption into the program. That requires them to ask this question:





## “What if we offered our vendors the same level of service we offer our customers?”

This is a new way of thinking about your suppliers. Remember: Vendor collaboration is a process, not an event, so it won't happen overnight. But suppliers will quickly notice the shift in attitude.

Once you invite suppliers to join the Portal program, they can enter and update their own product information, ensuring accuracy and completeness. To entice them to visit more frequently, you can create incentives, such as promotions only available via the Portal.

Soon, suppliers will start to see the value of more frequent Portal visits, be encouraged to update their Product and Supplier Data, and realize the ease and speed of handling all aspects of the relationship through the Portal. The process of vendor adoption takes time, but the benefits are quickly evident to both the enterprise and its supplies.

*Key Takeaway: By implementing a Supplier Portal and valuing deeper vendor partnerships, enterprises can attain the level of supplier transparency that's critical to support ecommerce success, particularly when combined with our final component - Agility.*

## Critical Component #5: Agility

Surviving might have been enough in 2020, but 2021 is all about scale and agility. Staying set in your ways is never a viable strategy. Whether it's your data, commerce channels, or supply chain, you need to be ready to adapt to unforeseen circumstances - with strategic speed.

## The Importance of Infrastructure

Your infrastructure (both technological and organizational) dictates how easily you can adapt to shifting market conditions.

First, assess your tech stack. Do you have enough agility and flexibility to ensure you can pivot? Without MDM, your data remains siloed and only valuable to small pockets of your organization. Without the right ecommerce applications, you cannot quickly adapt to changing customer demands.

Cloud-native, modular solutions make a big difference - as does change management and the right support. Companies that embrace an MDM program can quickly access their organization's data across departments and unlock that value to all company facets.

*Key Takeaway: With a flexible, scalable tech stack, enterprises have the data visibility and capabilities required to rapidly adapt. Whenever customers' needs change or operations are disrupted, quick pivots are possible.*

## Are You Ready to Win with Ecommerce in 2021?

2021 is primed to be a banner year for ecommerce. With customers fully embracing online everything, companies with the right processes and technology will have a leg up. By leveraging data, providing convenient shopping experiences, creating efficient supply chains through vendor collaboration, and maintaining agility for organizational pivots, companies can build on this year's ecommerce success and experience an excellent 2021.



## Riversand & ROI Express to the Rescue

Over the next year, the ecommerce competition will intensify. Organizational leaders need to urgently address their data-related shortcomings if they want to keep up. But what if a major initial implementation feels overwhelming?

Fortunately, Pivotree and Riversand have partnered to help companies reach their rapid ecommerce and data goals.

### Riversand Master Data Experience Platform (MDxP)

The Riversand MDxP platform provides a flexible solution to solve a variety of data domain challenges, including those specific to a scalable ecommerce launch.

Riversand offers:

- A true Multi-Domain core design
- A unified platform to deliver personal, valuable, and immediate brand experiences
- High-scale processing for enterprise speed and agility
- A wide network of connectors to link your supplier, ecommerce, and marketplace systems
- A native cloud platform for fast implementation and seamless upgrades

- Embedded analytics and AI-based automation to take data-driven decisions
- Standard and custom apps to solve your unique business challenges

With Riversand MDxP you get a global, enterprise-ready master data management solution designed for quick deployment and unlimited extensibility as you grow.

### ROI Express by Pivotree

Pivotree's Commerce ROI Express helps businesses launch or expand their ecommerce store in a matter of weeks by identifying and deploying a custom-fit minimum viable product (MVP). The solution entails a comprehensive list of products and services, including the suite of Social Distancing Commerce Enablement offerings designed to help companies respond and evolve to a commerce world reshaped by the pandemic.

With over 15 years of experience ramping up commerce projects with various timelines, Pivotree knows how to implement a solution that meets a company's immediate needs and helps them move forward and adapt for the future.

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Digital commerce projects require careful coordination between process, technology, and priorities. The basic requirements may be data management and commerce platforms, yet with all the options on the market, it can be overwhelming to select the right tools while under the pressure of a fast launch. Pivotree helps clients navigate the complexities and make quick, strategic decisions for a rapid e-commerce implementation.”

- *Derek Corrick*  
*General Manager of MDM*  
*Pivotree*

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## Ready to Take Your Data and Ecommerce to the Next Level?

In 2021, you'll see a growing emphasis on the intersection of ecommerce and MDM. If you want to compete in an ever-expanding ecommerce marketplace, Pivotree and Riversand can help you get started today.



### About Pivotree

Pivotree is a leading Global Commerce Services Provider supporting clients from strategy, platform selection, deployment, and hosting through to ongoing support: a single expert resource to enable frictionless commerce for companies adapting in an ever-changing digital commerce landscape. Leading and innovative clients rely on Pivotree's deep expertise to choose enterprise-proven solutions – including world-class Commerce and MDM platforms – and design, build, and connect critical systems to run smoothly at defining moments in a commerce business.

Connect with a Pivotree Expert Now:  
[info@pivotree.com](mailto:info@pivotree.com)



### About Riversand

Riversand's cloud-native master data experience management solutions are designed to support customers' digital transformation journeys through improved business agility, faster adoption and improved collaboration across the enterprise. Driving data to experiences, Riversand has a vision of helping companies know their customers better, move products faster, automate processes, mitigate risk and run their businesses smarter.

Visit Riversand for more information and follow us:  
[@RiversandMDM](#) on Twitter and [Riversand](#) on LinkedIn.



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