



 Allume Group

EIQ Report

eCommerce Insider
Quarterly

Q3 2023

About Us



Andrea Leigh

- Founder & CEO
- Top 100 Retail Influencer, educator, advisor, and Co-Host of the CPG Guys Podcast
- Former Ideoclick, Amazon, Disney Consumer Products, Target



Melissa Ardavany

- VP Operations
- eCommerce instructional design expert and seasoned eCommerce leader
- Former Blue Wheel, Ideoclick, Nordstrom, Beauty.com, Bluenile.com

Our Services

Allume Academy™

Timely and comprehensive expertise.

On-demand, eLearning curriculum w/ certifications

Private Workshops

Applied to your team and business.

Private, hands-on learning

Allume Assembly™

Alongside a supportive community.

Managed share groups for manufacturer and retailers



Outline

Trend: Frictionless Commerce

- Shopper Trends
- Manufacturer Trends
- eCommerce Trends

Amazon Quarterly Update Takeaways & Resources



Trends



Shopper Trend

FORFEIT FRICTION

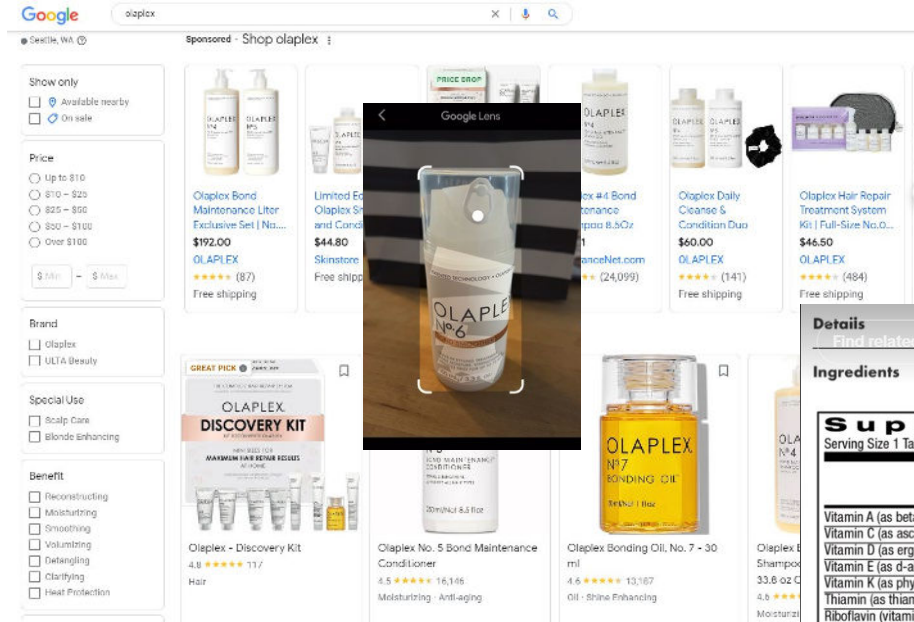
The new digital shelf

Image search, specifically, Google search, is used over 10 billion times per month for item identification, shopping, research, homework help, and more.

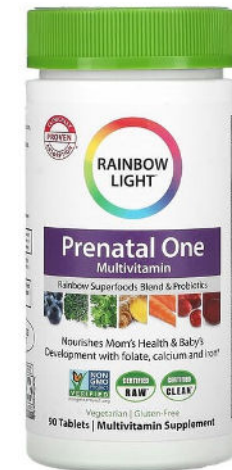
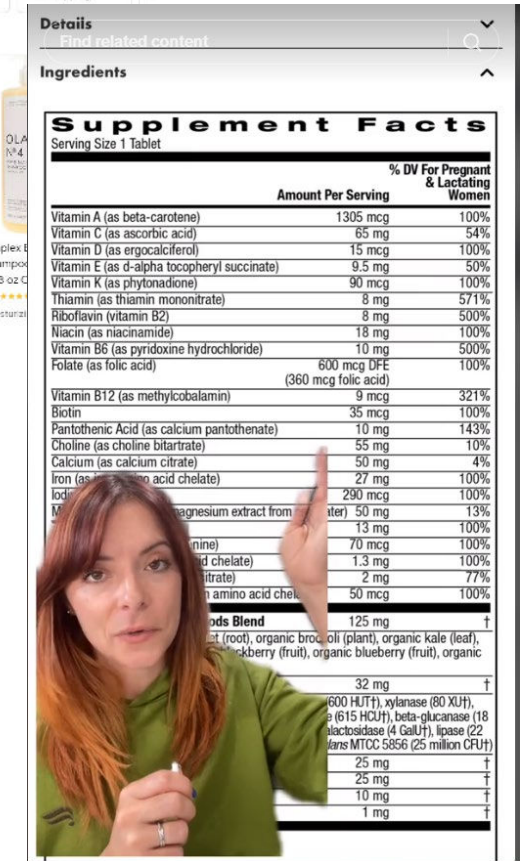
74% of Gen Z uses TikTok search, and 51% of Gen Z prefer it over Google as their default search engine.

Takeaway: eCommerce retailer digital shelves are only part of the equation. Brands have a whole new digital shelves to contend with, such as Google Shopping and Tiktok. These new “shelves” requires new capabilities and resources to manage.

Google Image Search



TikTok Search



eCommerce Retailer Trend

FORFEIT FRICTION

AI/AR/VR-Assisted shopping

59% of shoppers feel dissatisfied with an item they shopped for online because it looked different on them than they expected. What's more, 61% of consumers prefer retailers with AR experiences, and 71% of consumers say they would shop more if they used AR.

Companies like Google (virtual try-on), Snapchat (launching a "shopping suite" with try on tools), Fit Analytics (predictive sizing) are aggressively getting into the game to help remove friction for shoppers.

Takeaway: Brands that partner with retailers and tech providers experimenting in this space will have a competitive edge. Consider your category and shopper. Are AR/VR/AI assisted shopping experiences useful for your shoppers? Why or why not?



Manufacturer Trends

FORFEIT FRICTION

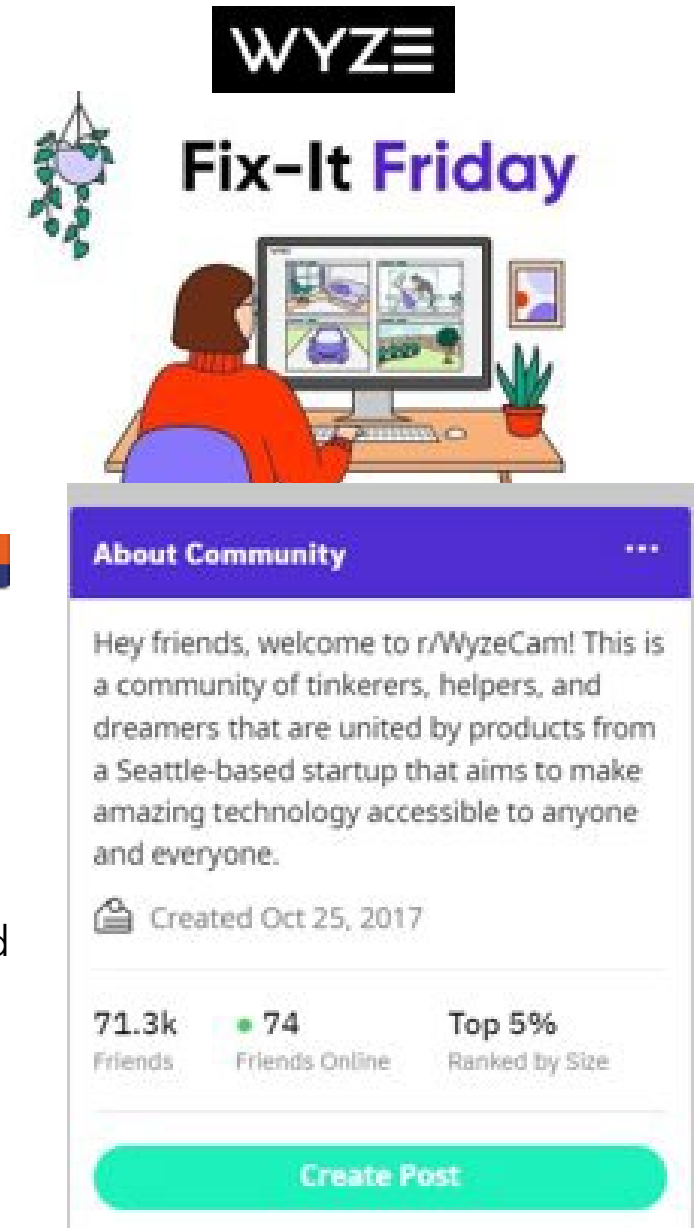
Connected Commerce

Perfecting and optimizing the traditional eCommerce digital shelf (Amazon, Walmart.com, etc.) is a thing of the past.

Brands turn their focus to the entire shopper journey across discovery, activation, and fulfillment, including ways to engage in social listening, social brand engagement, and post-purchase experience.

Through social listening and mining customer review data, Bayer identified that traditional Alka Seltzer is often used as a hangover cure, and thus Alka Seltzer Hangover was born. Wyze, an electronics brand, uses Fix It Friday on Reddit to communicate with their users and fanbase to identify and roll out new products and features.

Takeaway: Brands that find ways to connect with consumers post-purchase will identify growth opportunities AND drive loyalty.

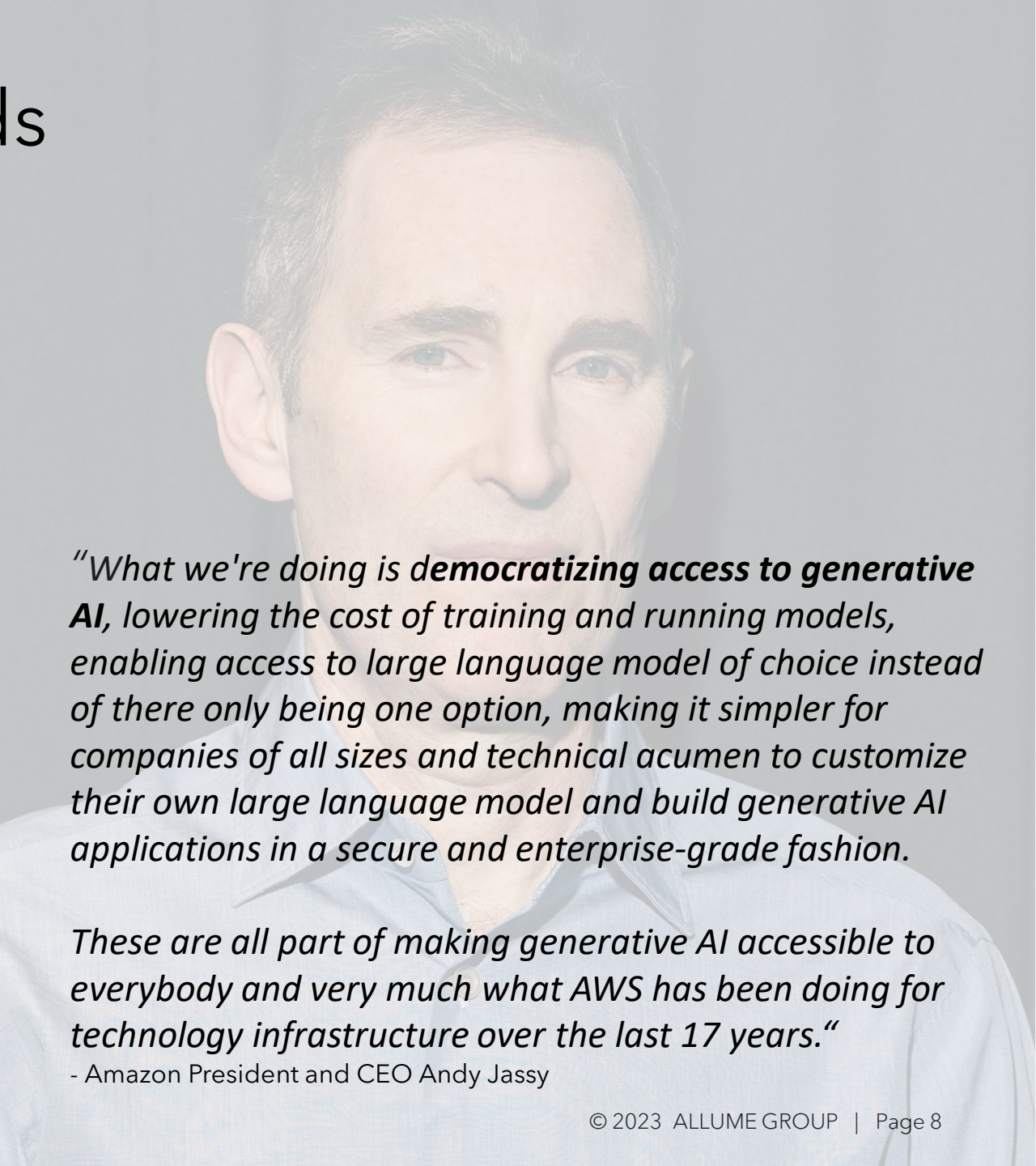


Amazon Q2 Recap & Trends

EAGER BEAVERS ON AWS. GROCERY? MAYBE LATER

- Performance beat expectations
- Free cash flow rebounding
- Advertising growth accelerating
- AWS growth slowed...yet Amazon increased investments
- Grocery wasn't a story

Takeaway: Amazon's focus on profit continues, so brands should expect more challenges ahead on mutual profitability. Additionally, we can expect to see more from Amazon on AI more visibly impacting shopping.



*“What we're doing is **democratizing access to generative AI**, lowering the cost of training and running models, enabling access to large language model of choice instead of there only being one option, making it simpler for companies of all sizes and technical acumen to customize their own large language model and build generative AI applications in a secure and enterprise-grade fashion.*

These are all part of making generative AI accessible to everybody and very much what AWS has been doing for technology infrastructure over the last 17 years.”

- Amazon President and CEO Andy Jassy

Resources



Resources

Shopper Trends

- [Google unveils a new virtual try-on feature for apparel as it tries to fend off competition in shopping - Modern Retail](#)
- [Connecting the Dots Trends Report - GWI](#)
- [Survey: 51% of Gen Z women prefer TikTok, not Google, for search](#)

Manufacturer Trends

[Consumer Goods Industry Insights Report](#)

eCommerce Retailer Trends

[Surprising Ways AI is Transforming the eCommerce Industry in 2023 - Analytics Insight](#)

[Grocers Tap Contextual Commerce in Bid to Grow Digital Engagement](#)

Amazon Trends

- [Amazon Q2 2023 Earnings Call Transcript - The Motley Fool](#)
- [Allume Group Amazon Q2 2023 Earnings HotTake](#)
- [Jason & Scot Show - Amazon Q2 2023 earnings recap](#)



Thank You

info@allumegroup.com
www.allumegroup.com