

METAPACK

The Online Inflection Point

Unlocking Growth in a
New Era of Ecommerce

ECOMMERCE DELIVERY BENCHMARK 2025

AUCTANE

RetailEconomics



Index

Introduction	
Ecommerce 2025: Adapting to Thrive	03
Section I	
An Online Inflection Point: Adapting to a New Growth Reality	04
Maturing Markets: Slower Growth But Continued Opportunity	05
2025 Ecommerce Outlook	10
Section II	
Key Growth Drivers for Ecommerce in 2025	13
The AI Advantage: Driving Growth Through Digital Transformation	14
Bridging the Gap: Unlocking Logistics Potential with Smarter Technology	17
Social Commerce: A Catalyst for Enhanced Consumer Engagement	19
Marketplaces Momentum: Broadening Reach and Boosting Growth	24
Next-Generation Expectations: Relevance, Speed, and Seamless Delivery	29
International Expansion: Seizing New Growth Horizons in 2025	35
Section III	
Strategies for Growth in a Maturing Market	38
Unified Delivery: Streamline Logistics for Efficiency and Speed	39
Tailored Experiences: Use AI to Personalize and Retain Customers	39
Cross-Border Growth: Expand Globally with Agile Network	39
Strategic Partnerships: Scale with 3PLs and Marketplaces	40
Omnichannel Fulfilment: Bridge Online and Offline with Micro-Hubs	40
Returns: Turn Reverse Logistics into a Loyalty Driver	40
Advanced Technologies: Use AI to Optimize Operations	41
Marketplace Integration: Balance Reach and Brand Identity	41
Social Commerce: Leverage Platforms for Real-Time Sales	41
Post-Purchase Engagement: Build Loyalty with Follow-Ups and Rewards	41
Conclusion	
Charting the Future of Ecommerce in 2025	42

Methodology

This report draws insights from consumer surveys conducted in November 2024, involving 8,000 nationally representative respondents across eight key markets: the UK, the USA, Canada, Australia, Germany, France, Italy, and Spain. Additionally, a B2B survey gathered responses from 400 senior decision makers at ecommerce businesses with a turnover of \$12.5 million or more. Economic modelling and retail sales forecasts leverage proprietary Retail Economics data combined with official national statistics to provide a robust analysis of market trends and projections.

Participants total

8,000+



US



UK



France



Germany



Canada



Australia



Italy



Spain

Introduction

Five years after the pandemic reshaped the retail landscape, a new consumer reality is emerging. In 2025, 46% of shoppers plan to increase their visits to physical stores, while only 31% of consumers plan to increase their online purchases. This shift signals a pivotal moment: **The growth of ecommerce is no longer about digital dominance but about mastering omnichannel strategies**

that seamlessly integrate online and offline experiences. Retailers now face a dual challenge: **meeting the demand for innovation while delivering consistency across channels.**

This evolving landscape demands agility, creativity, and a deep understanding of consumer expectations. Are you ready to navigate this new era?

This report unpacks the forces driving ecommerce in 2025, offering actionable insights to help businesses adapt and thrive. Structured into three key sections it provides a roadmap for staying competitive in a rapidly changing market:



1

84% of ecommerce businesses grew in 2024, but with an average increase of just 5.6%. As markets mature and consumer habits shift, the industry faces a transformative inflection point.

2

96% of retailers use AI, but “Tech Trailblazers”—fully integrating AI in logistics, supply chains, and marketing—saw 3x growth in 2024. In 2025, AI, social commerce, custom experiences, marketplaces, and global expansion will drive success.

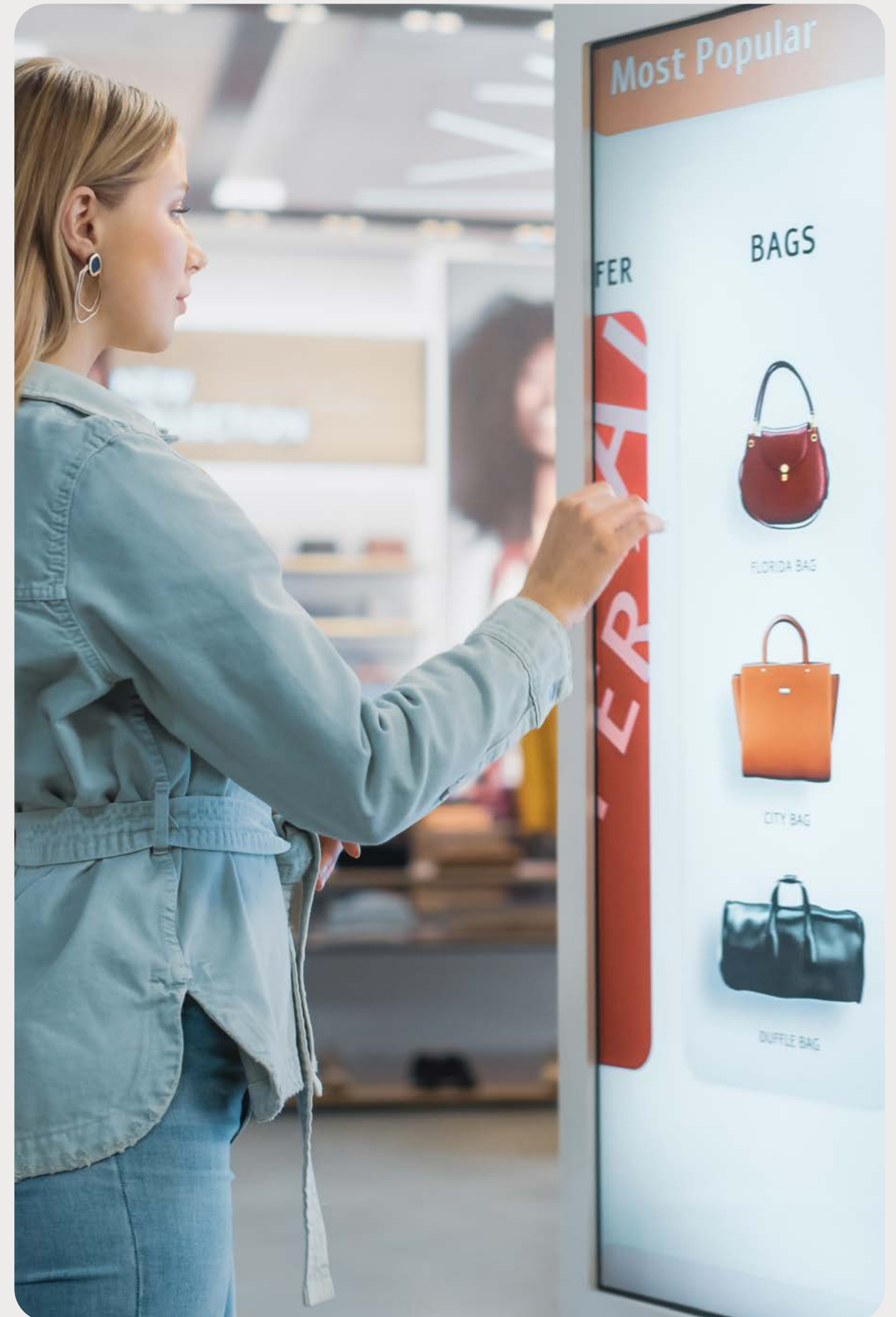
3

Growth strategies for a maturing market: ten actionable steps to help businesses thrive in today’s evolving landscape.

SECTION I

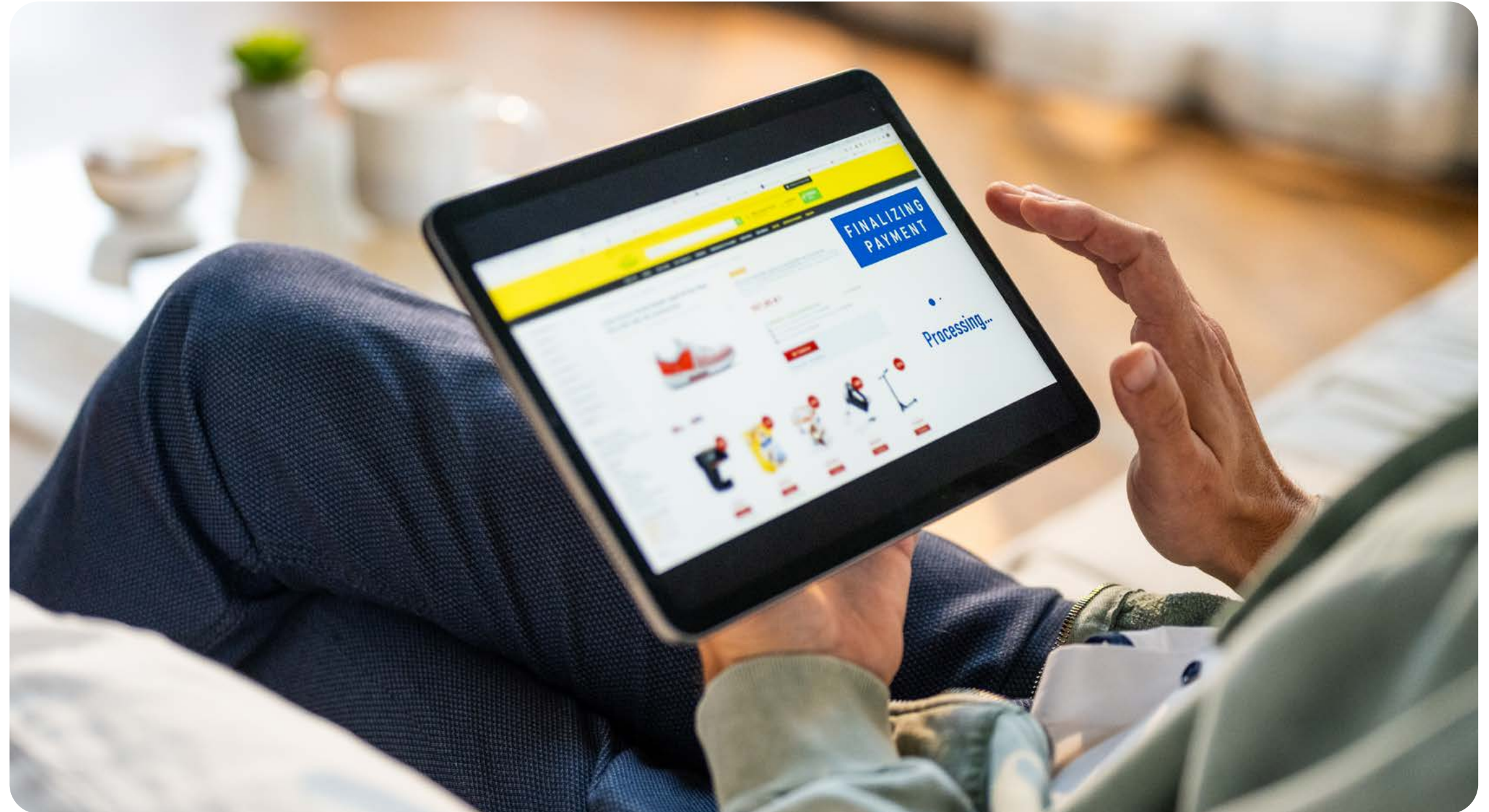
An Online Inflection Point: Adapting to a New Growth Reality

In 2025, the ecommerce industry is hitting a new turning point. After years of rapid growth, fueled in part by the pandemic, things are starting to level out. Shoppers' habits are changing, and the industry isn't just settling—it's **evolving**. To stay ahead, businesses need fresh ideas, flexibility, and a unified approach to commerce.



The Forces Reshaping Ecommerce

Several forces are converging to reshape the ecommerce landscape. This marks a new growth reality where businesses must adapt to shifting dynamics to unlock future growth.



1

The Ecommerce Market is Maturing

The ecommerce market is maturing, especially in developed regions like North America and Europe. Online retail growth has moderated. Annual increases are holding steady in the mid-to-low single digits.

84% of the ecommerce businesses surveyed reported growth in 2024, but at an average of 5.6%. That's a solid performance, but not the double-digit gains of previous years.

Differentiate to Stay Ahead

Invest in standout customer experiences and operational efficiency to maintain your competitive edge in a slowing market.

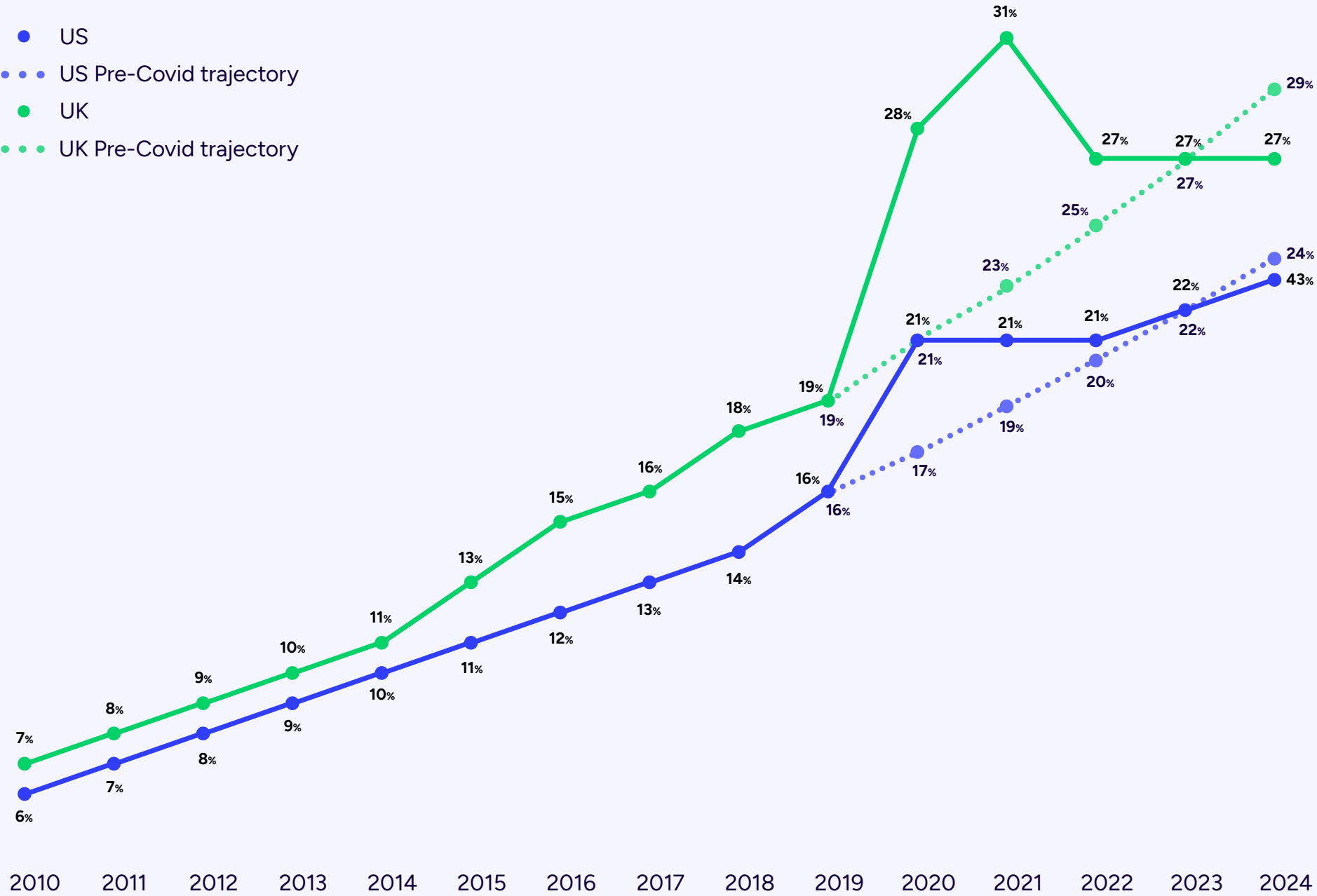
2

Omnichannel is the New Normal

The widely anticipated "permanent shift to online" has not arrived. Physical retail has rebounded, with younger shoppers embracing a seamless mix of online and in-store shopping (Fig 1).

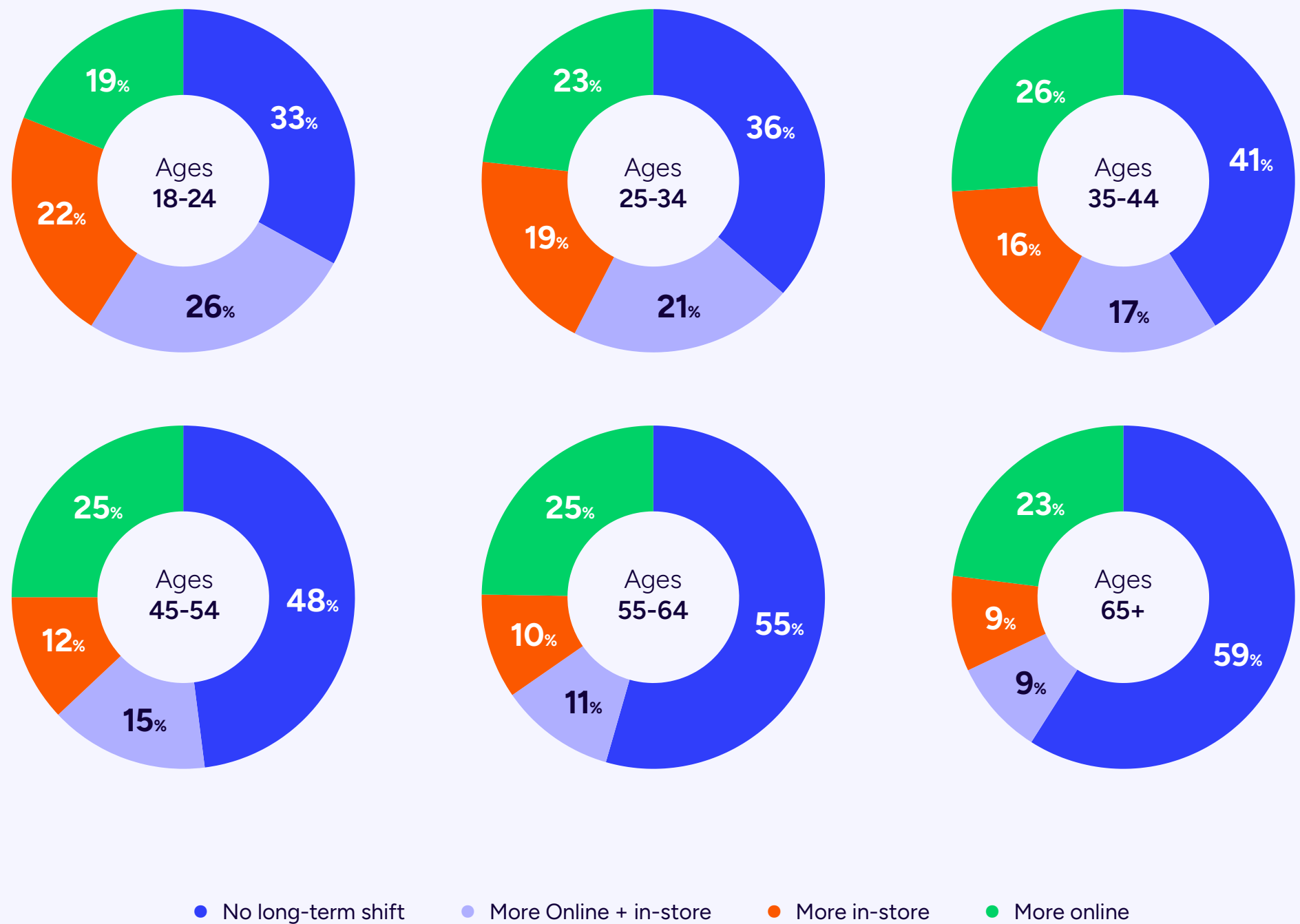
- **54% of consumers plan to shop more in-store in 2025**, compared to 31% increasing online purchases.
- Younger consumers under 35 expect great experiences wherever they shop.

Fig 1: Online penetration rates levelling off



Source: Retail Economics, Auctane 2025

Fig 2: Omnichannel habits rise as online complements physical stores



Source: Retail Economics, Auctane 2025

Consumers under 35 have embraced a seamless approach to shopping, expecting great experiences both online and in-store. The pandemic boosted their use of both channels (Fig 2), proving that successful retail strategies now require mastering omnichannel complexity rather than choosing between digital and physical spaces.

The pandemic’s impact is the rise of more sophisticated omnichannel strategies. The era did not lead to the growth of online retail at the expense of the physical, as many anticipated.

There’s every reason to believe the trend will intensify in 2025. This fluid shopping habit is a challenge for online retailers without a physical presence.

Bridge the Online–
In-Store Gap

Explore partnerships with physical retailers, pop-ups, or hybrid strategies to meet consumers where they are.

3

Rising Costs Challenge Margins

Rising costs throughout the entire ecommerce process, from acquiring new customers to fulfilling orders and handling returns, are squeezing profit margins more than in recent years.

While the need for fast, flexible, and affordable delivery remains crucial, the financial challenges associated with meeting these demands are increasing. Retailers are now focusing on reducing costs, improving operations, and emphasizing profitability alongside growth.

Streamline for Savings

Improve inventory, explore automation, and use Metapack for discounted rates to reduce operational costs.

4

Competition is Fiercer than Ever

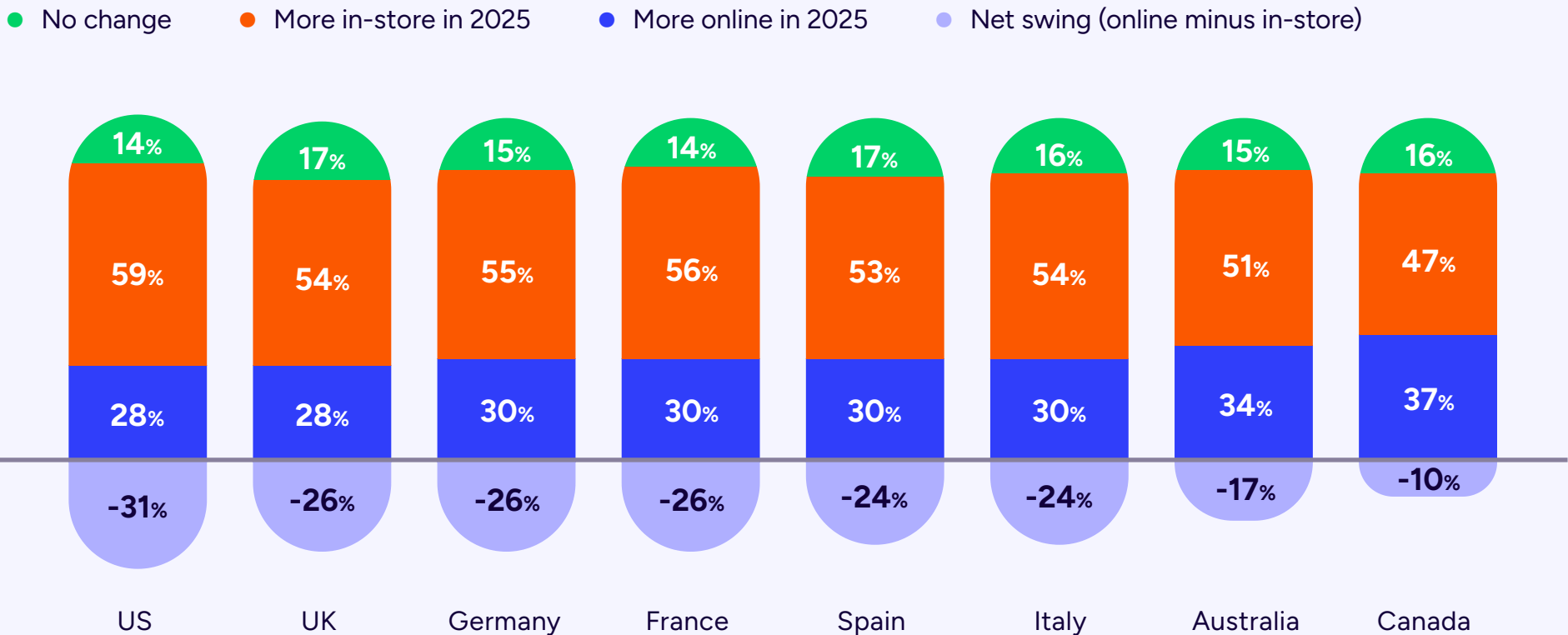
Players like Temu, Shein, and TikTok Shop are reshaping the landscape with aggressive pricing and innovative customer engagement. Traditional brands must work harder to stand out.

As a result, they've captured market share from established players. Modern brands need to work harder to differentiate themselves and retain value-conscious customers.

Play to Your Strengths

Focus on brand storytelling, loyalty programs, and unique value propositions to differentiate from low-cost disruptors.

Fig 3: More in-store: 54% of shoppers plan to buy more in-store in 2025



Source: Retail Economics, Auctane 2025

5

Consumers Are More Selective

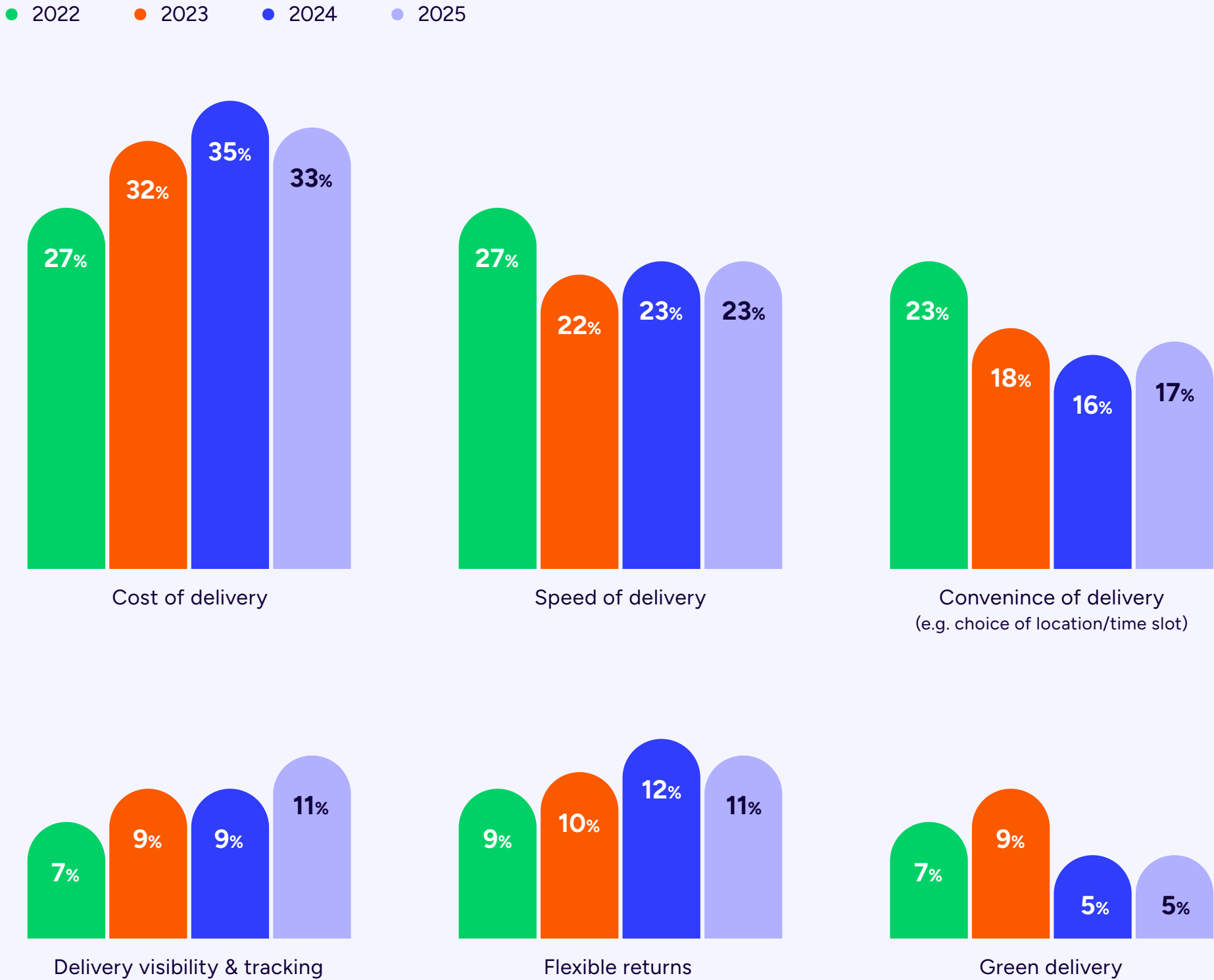
Finally, while macroeconomic pressures are easing, consumers remain cautious. Today’s shoppers are cautious and favor value, trust, and seamless experiences. They expect more from brands and won’t hesitate to switch if expectations aren’t met.

Together, these five forces reflect the market’s emerging preferences. Cost remains the main priority for shoppers, but its importance has eased slightly. Consumers increasingly value speed, convenience, and flexibility, too.

Build Trust Through Transparency

Communicate clearly about pricing and fulfillment practices to win consumer loyalty.

Fig 4: Shifting delivery priorities of shoppers



Source: Retail Economics, Auctane 2025

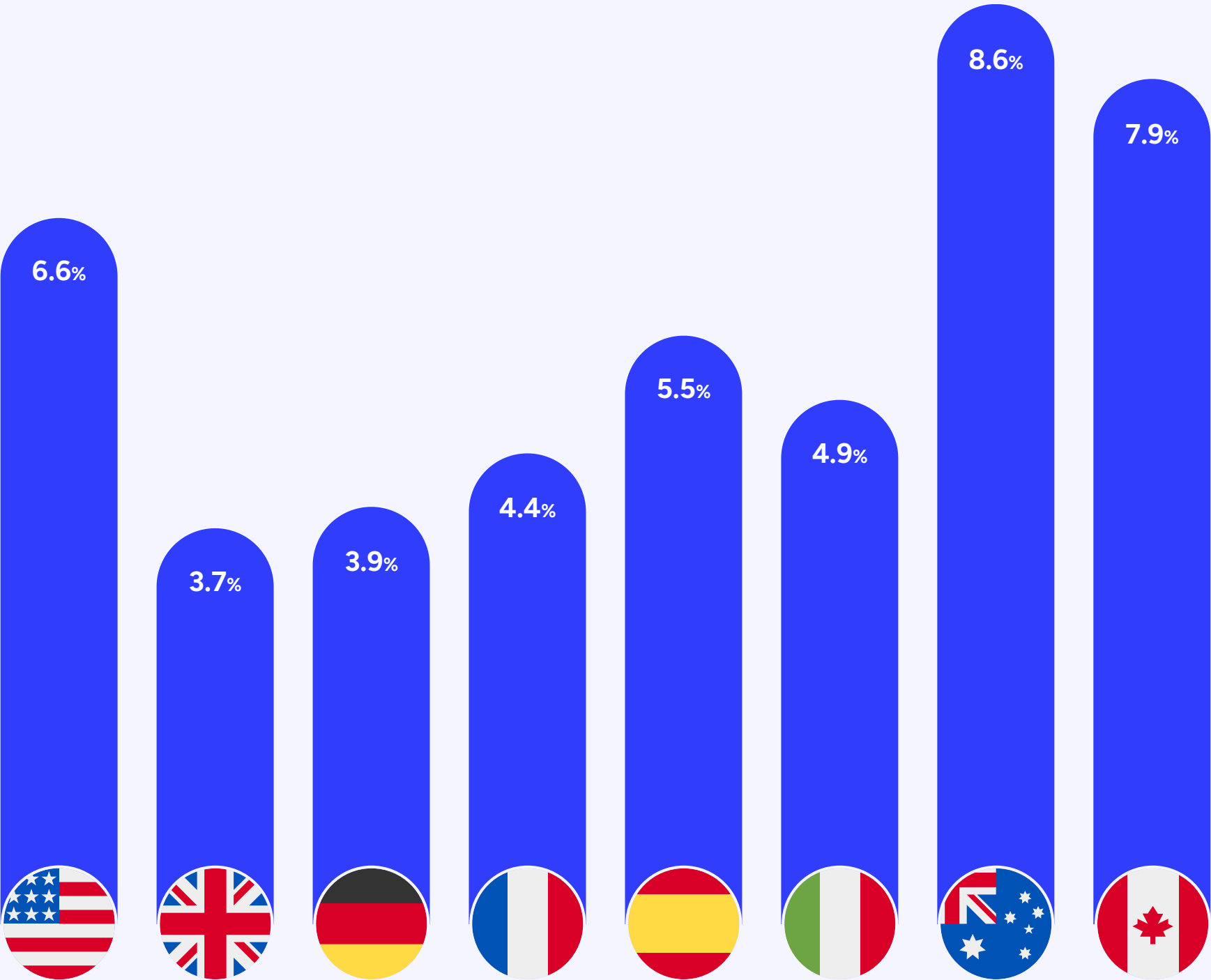
2025 Outlook: The Performance Gap and Key Challenges

Ecommerce growth in 2025 looks to remain relatively modest and uneven.

North America (6.6%) is set to outperform Europe (4.1%) thanks to stronger consumer confidence and economic resilience (Fig 5). This reflects a new growth reality of slower, incremental gains. But stronger performance is achievable for those willing to invest, innovate, and adapt.

Underperformers have been slower to adapt and innovate, leaving them at a disadvantage as customer demands continue to evolve.

Fig 5: 2025 online retail sales growth forecasts by market



Source: Retail Economics, Auctane 2025

Our research also indicates a widening performance gap between ecommerce leaders and laggards (Fig 6). Businesses that outperformed the market were more willing to invest in technology. They delivered best-in-class customer experiences and responded to new opportunities faster. This was especially true in three areas:

- **Social commerce**
- **International expansion**
- **Premium delivery**

Fig 6: Ecommerce Leaders vs. Laggards

Leader: retailers that saw 10%+ growth in online sales in 2024 | **Laggards:** retailers that saw online sales decrease in 2024

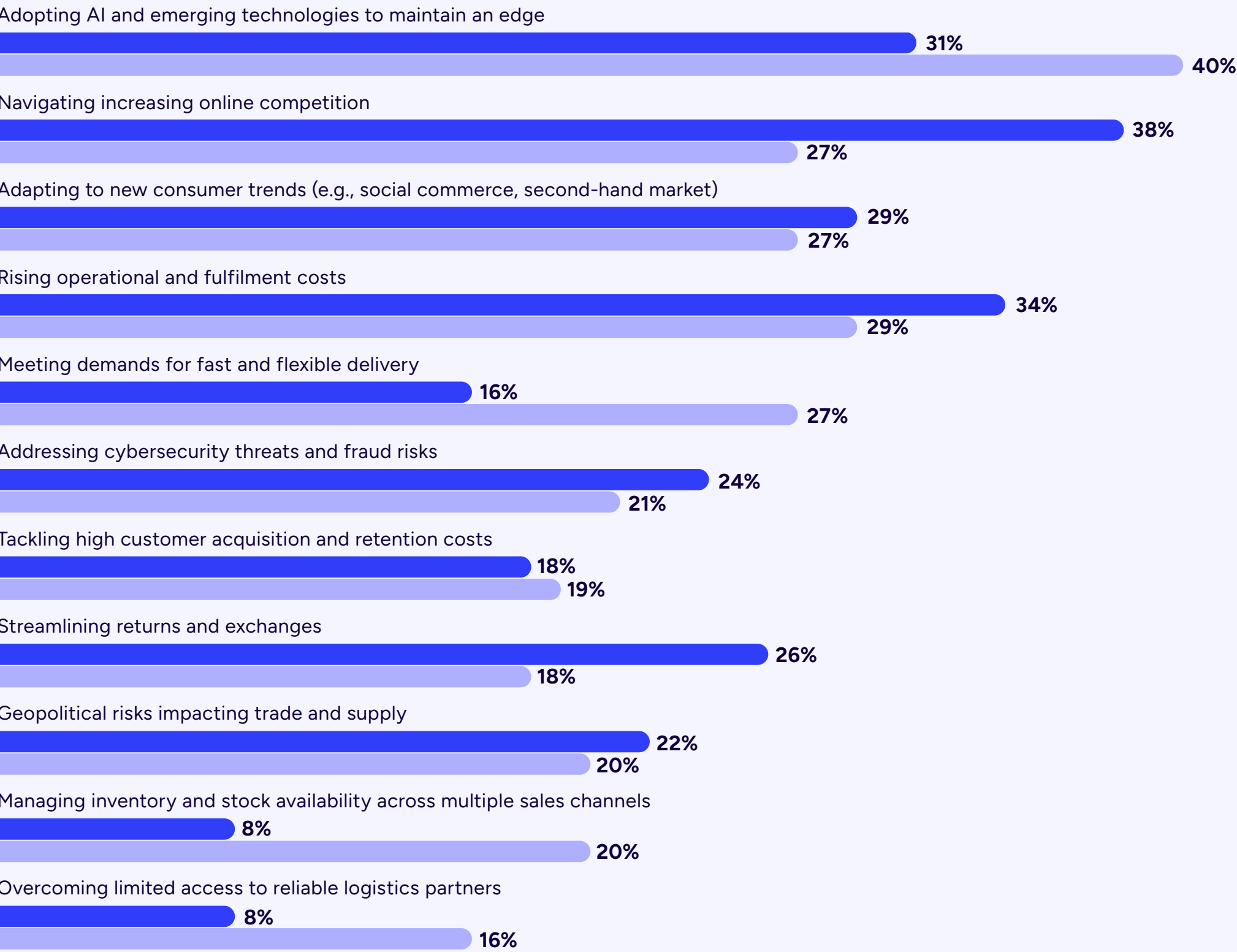
● Leaders ● Laggards ● Median



Source: Retail Economics, Auctane 2025

Fig 7: Main challenges to business performance and online growth in 2025

● North America ● Europe



Source: Retail Economics, Auctane 2025

Research underscores a critical lesson: **Differentiation and operational excellence are non-negotiable for growth.**

Leading businesses are thriving by embracing unified commerce, integrating sales channels, inventory, and customer data into a seamless system. This approach not only drives performance but also builds stronger customer loyalty.

The Takeaway is Clear

Consumer preferences are shifting, and the businesses that adapt quickly and effectively are the ones leading the market.

SECTION II

Key Growth Drivers for Ecommerce in 2025

This section examines five critical themes shaping ecommerce and delivery through 2025. Retailers can leverage these themes to unlock growth, stand out, and navigate a shifting ecommerce landscape.

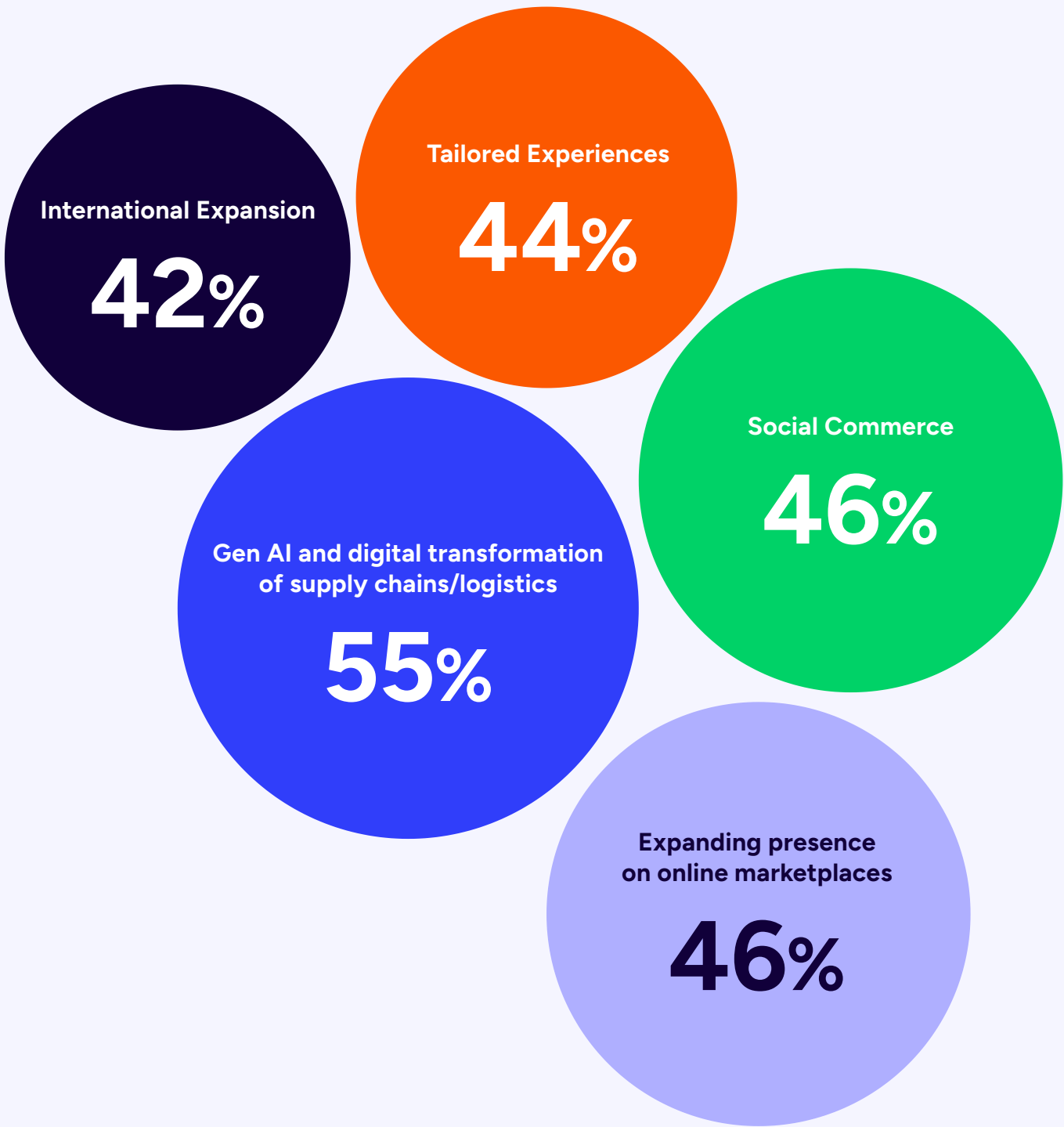


The AI Advantage: Driving Growth Through Digital Transformation

Generative AI and advanced digital tools are no longer optional—they’re **critical for driving growth and improving customer satisfaction**. Retailers embracing these innovations (Fig. 8) are already seeing measurable results in sales, efficiency, and customer experience.



Fig 8: Top five growth drivers for ecommerce in 2025



Source: Retail Economics, Auctane 2025

Omnichannel Shopper Personas in 2025

Our research divides retailers into four cohorts based on their progress in adopting AI and advanced technologies (Fig 9). While 96% of retailers report using AI in ecommerce operations, the degree of implementation and effectiveness varies widely.

Start Small, Scale Fast

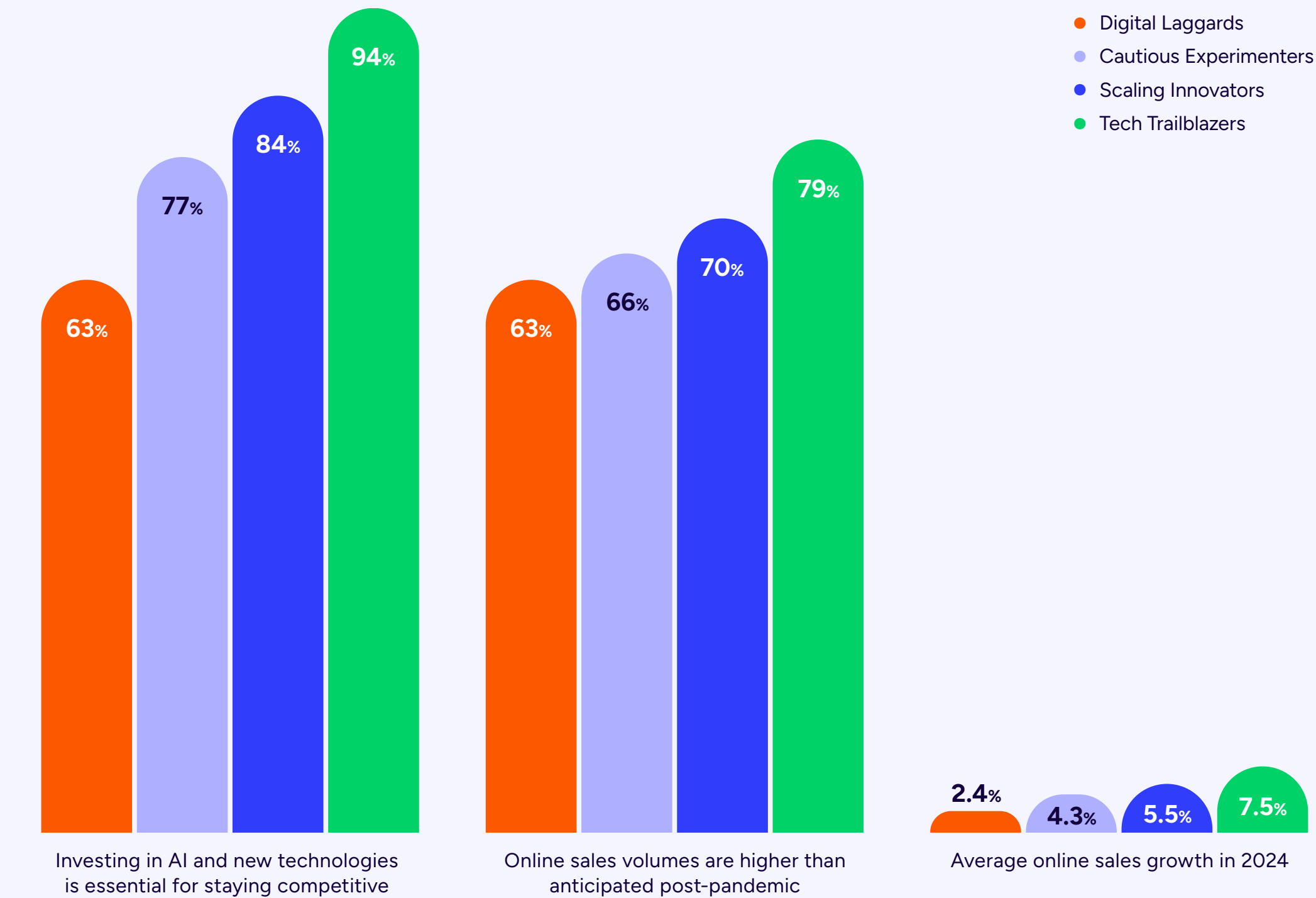
Begin by integrating AI tools into a single high-impact area, such as customer service chatbots or custom recommendations, then expand based on measurable results.

Fig 9: The four cohorts of generative AI adoption: 96% of retailers use AI in their ecommerce operations but progress varies



Source: Retail Economics, Auctane 2025

Fig 10: Digital sophistication drives online sales: “Tech Trailblazers” see 3x growth vs. retailers with less advanced AI and digital capabilities



Source: Retail Economics, Auctane 2025

Why AI Matters: The Link Between Tech Maturity and Online Sales Growth

Our research shows a strong connection between digital sophistication and online sales growth. Retailers heavily investing in AI and advanced technologies—the Tech Trailblazers—reported significantly higher online sales growth in 2024.

- **Tech Trailblazers** outpaced other retailers, achieving **3x the growth** of their peers.
- They were also more likely to exceed sales expectations in recent years (Fig 10).

The Trend is Clear

Investing in AI delivers a **measurable competitive edge**. Leading the digital transformation positions businesses to thrive in a rapidly evolving ecommerce landscape.

Bridging the Gap: Unlocking Logistics Potential with Smarter Technology

Retailers have primarily focused their AI and digital-transformation investments on the pre-purchase experience, improving search, tailoring experiences, and enhancing marketing. These areas offer measurable returns, such as higher conversion rates (Fig 11, left), and have driven strong results in customer acquisition and engagement. However, there is a perception gap: Consumers identify the greatest potential for AI in post-purchase and delivery experiences.

Features like real-time tracking, proactive updates, and hassle-free returns (Fig 11, right) are far more valued than pre-purchase tools like tailored recommendations.

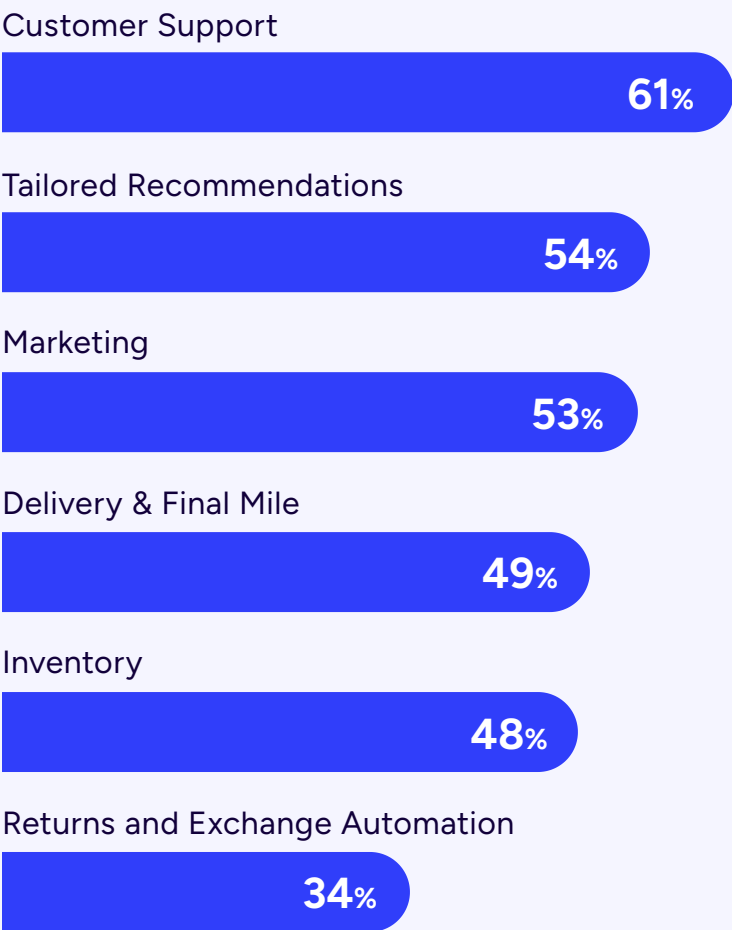
Meeting Customer Expectations is Critical to Building Loyalty

Yet fewer retailers have invested in transforming logistics and fulfillment systems.

Fig 11: Gen AI adoption: retailer investment areas vs. consumers benefit perception

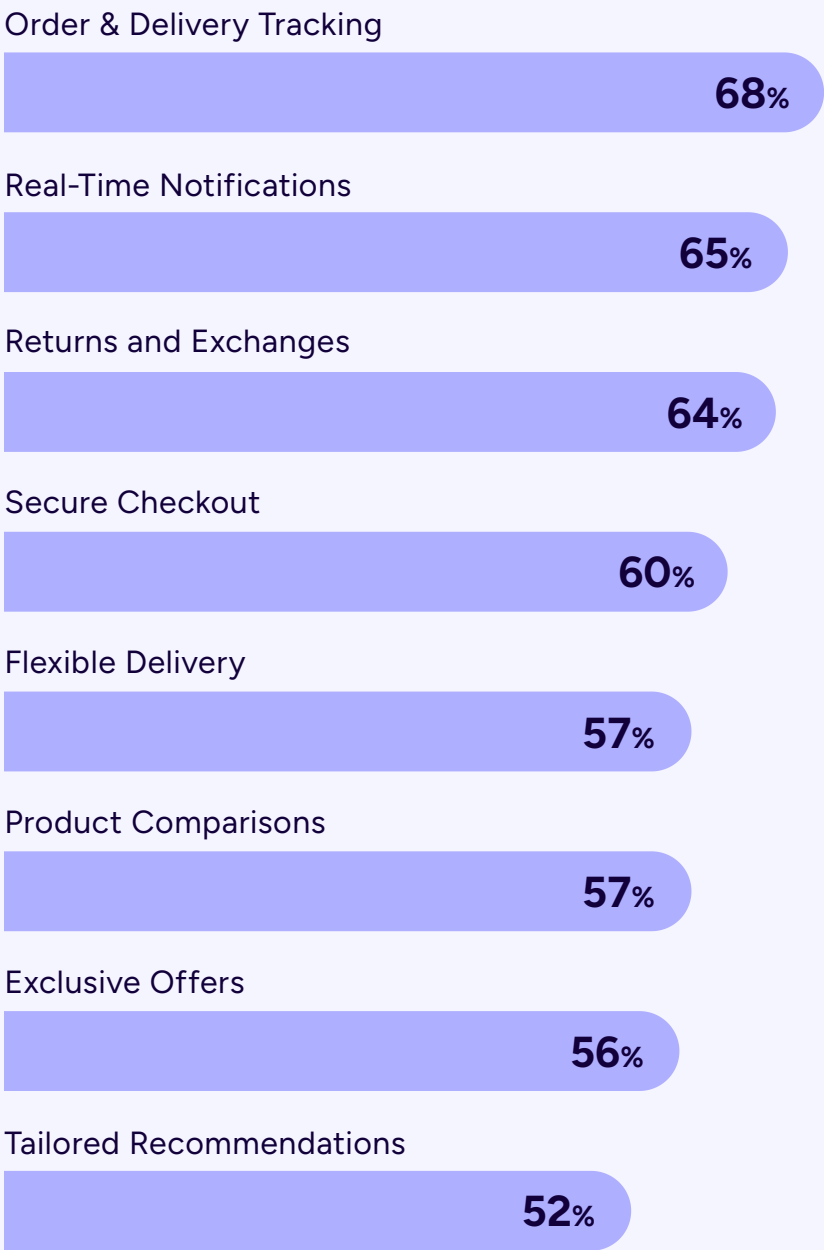
Retailer Priorities for AI Adoption

(That are currently using AI-powered technology for):



Consumer Priorities for AI

Q: How interested would you be in using AI for each of the following options as part of your shopping experience?



Source: Retail Economics, Auctane 2025

Upgrading fulfillment systems can be challenging and expensive, but integrated digital tools and predictive technologies offer significant opportunities to enhance post-purchase experiences. **By meeting customer deliver expectations, businesses can build loyalty, improve satisfaction, and drive long-term growth.**

Shift Focus to Post-Purchase Excellence

Consumers favor post-purchase features like real-time tracking, proactive updates, and seamless returns—areas where AI can make a significant impact.

Tools like Metapack and ShipStation empower retailers to deliver these experiences by offering advanced delivery management, real-time shipment tracking, and streamlined returns solutions.

By aligning your AI investments with consumer priorities and leveraging platforms like Metapack, you can enhance customer loyalty, drive repeat business, and gain a competitive edge.



Social Commerce: A Catalyst for Enhanced Consumer Engagement

Social commerce is reshaping the way consumers discover, engage with, and purchase from brands. Platforms like TikTok and Instagram have emerged as powerful hubs where entertainment, community, and shopping converge into a seamless experience.

This evolution is not just about new shopping habits—it's a cultural shift that's redefining the retail landscape.

Leading the charge, TikTok Shop demonstrates the potential of social platforms to act as both search engines and storefronts. With integrated checkout and fulfillment services, TikTok Shop creates a closed-loop environment where discovery, engagement, and transactions happen in one place. This innovative approach is unlocking unprecedented growth opportunities for brands that embrace the shift.

74% of Gen Z Plan to Shop on Social Media in 2025

Are your social strategies ready to capture this influential demographic?



Unlocking the Next Generation of Shoppers

Social commerce is especially popular among younger consumers. In 2024, **21% of all global shoppers** made purchases directly through platforms like TikTok and Instagram, a number that rises to **25% in North America (Fig 12)**. Looking ahead to 2025, a staggering **74% of Gen Z** and **64% of Millennials (Fig 13)** plan to shop via social platforms.

For these generations, social platforms have become integral to their shopping journey. They use these platforms as search engines to discover new brands and products, transforming them into primary points of engagement and purchasing. TikTok Shop lets brands combine discovery, engagement, and transactions in a closed-loop environment.

This rapid evolution shows no signs of slowing. Social commerce markets in the US and UK could almost double by 2028. This presents a massive opportunity for brands to capture market share by investing in social shopping capabilities. However, many retailers are lagging behind.

Fig 12: Social shopping boom — one in four North American consumers purchased via social platforms like TikTok or Instagram in the last 12 months

- North America
- Europe
- Total

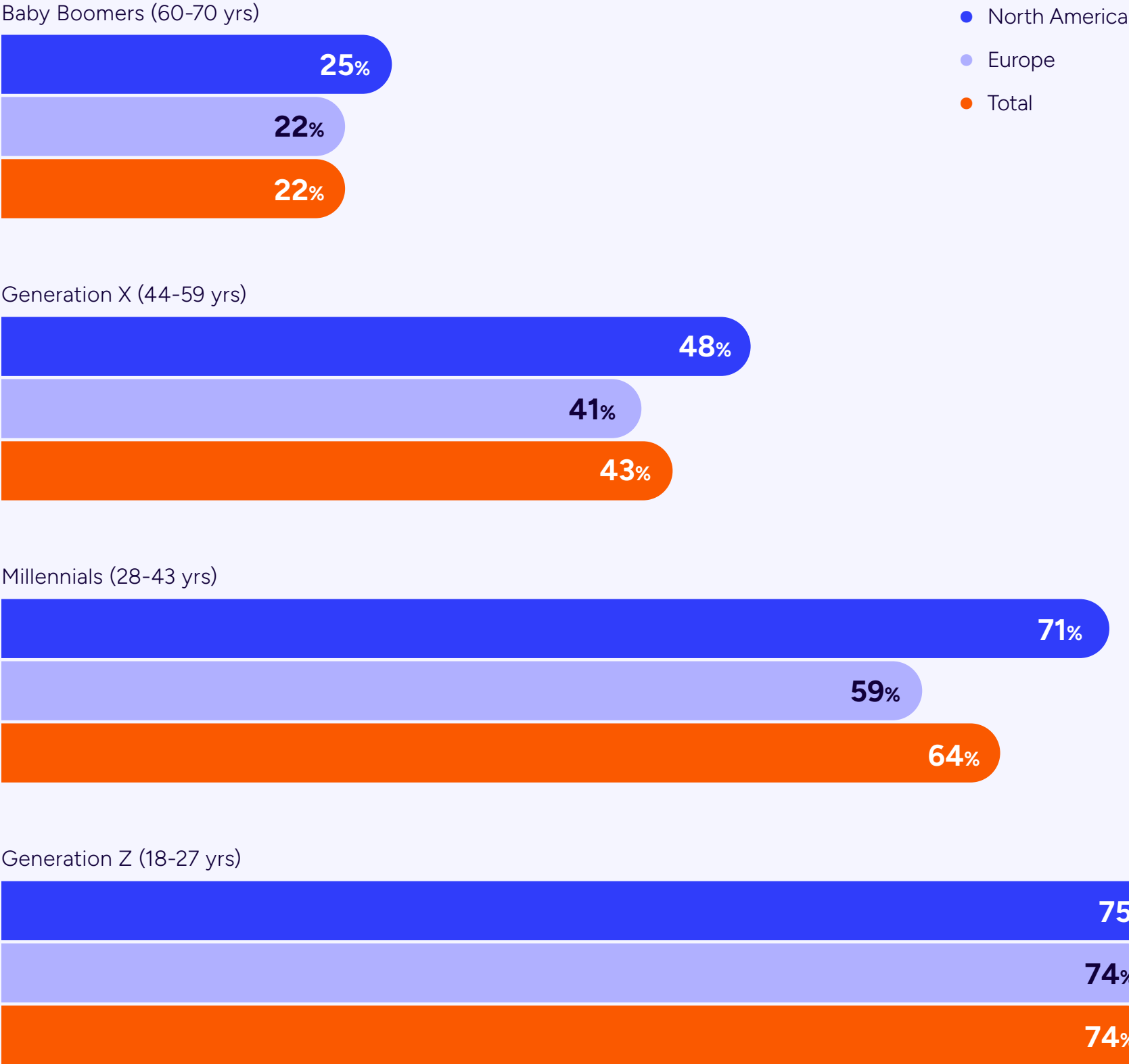


Source: Retail Economics, Auctane 2025

New Reality for Retailers

The future of ecommerce lies in seamless, interactive social shopping experiences.

Fig 13: Percent of consumers planning to shop on social media platforms in 2025



Source: Retail Economics, Auctane 2025

Gap in Retail Adoption: Missed Opportunities in Social Commerce

Still, many retailers are missing a significant opportunity. Less than half (46%) of online retailers currently support social commerce shopping. While many brands use social media for awareness, few are providing the seamless in-app shopping consumers want.

Adoption varies by category. It's significantly higher in sectors like fashion and beauty than home and DIY. Even so, not all brands in these leading categories are taking advantage of social commerce. This represents a missed sales opportunity and a long-term competitive risk.

46% of Retailers Are Missing Out

Don't let your brand fall behind. Social commerce adoption is growing fast—position your business to lead the charge.

Use Shoppable Content

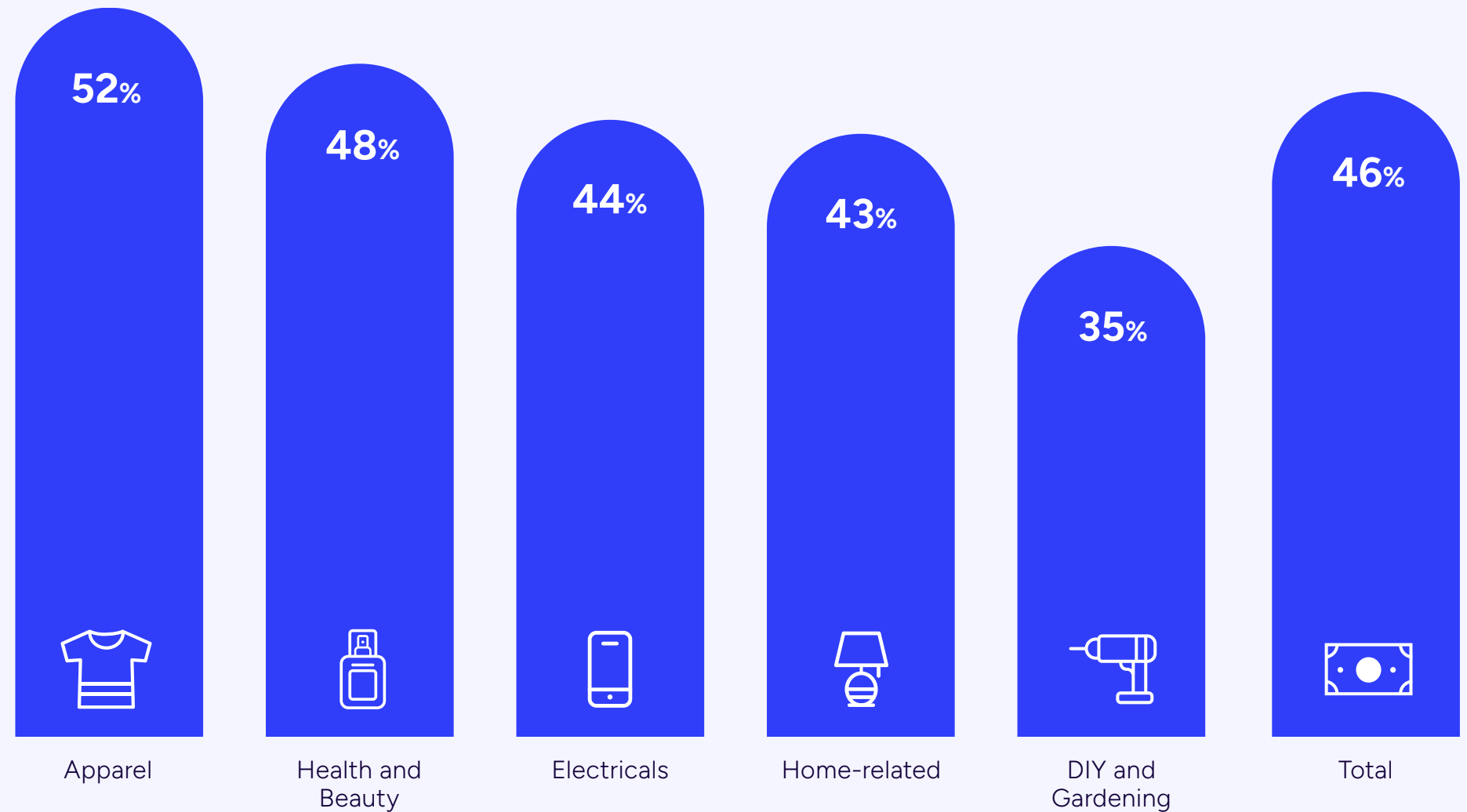
Add product tags to videos, livestreams, and posts to let customers shop directly from your social content.

Key Benefits of Social Shopping for Ecommerce Brands

Social commerce is no longer just an optional feature—it's becoming a key driver of ecommerce growth with significant advantages. Businesses that embrace its potential will not only tap into a thriving market but also foster deeper, more meaningful connections with their customers.

Beyond driving sales, social commerce allows brands to deliver a richer, more engaging shopping experience. Features like shoppable livestreams, interactive product showcases, and user-generated content provide ways to connect with consumers on a deeper level, fostering loyalty and repeat business.

Fig 14: Social commerce rates by retail category



Source: Retail Economics, Auctane 2025

Case Study:
The Power of TikTok

TikTok is a standout in the social commerce revolution, illustrating the immense potential of this channel. Its integrated tools allow brands to move seamlessly from discovery to checkout, eliminating friction and boosting conversions. This closed-loop model has empowered

brands to engage younger audiences in an authentic, interactive way that's tailored to their preferences. TikTok Shop, for example, has set a new standard for how social commerce can operate. It combines short-form video

content, community-driven engagement, and in-app purchasing to create an unparalleled shopping experience. Retailers that adopt similar strategies can not only increase sales but also position themselves at the forefront of ecommerce innovation.



Princess Polly

5x Purchase Frequency

Following its launch on TikTok Shop, fashion brand Princess Polly generated a 350% increase in purchase value and a 5x increase in purchase frequency through targeted search, with 60% of customers new to the brand.

PRINCESS POLLY

P Louise

\$2 Million in Sales

During a 12-hour live shopping event on TikTok, the beauty brand generated over \$2 million in sales, showcasing the potential of live shopping on the platform.

PL OUISE

Marketplaces Momentum: Broadening Reach and Boosting Growth

Online marketplaces have become indispensable in ecommerce. In 2024, **83% of consumers** made purchases on marketplaces, and their influence is set to grow. Nearly **48% of shoppers** plan to use marketplaces more frequently in 2025, with adoption rising to **64% among Gen Z shoppers** (Fig 15).

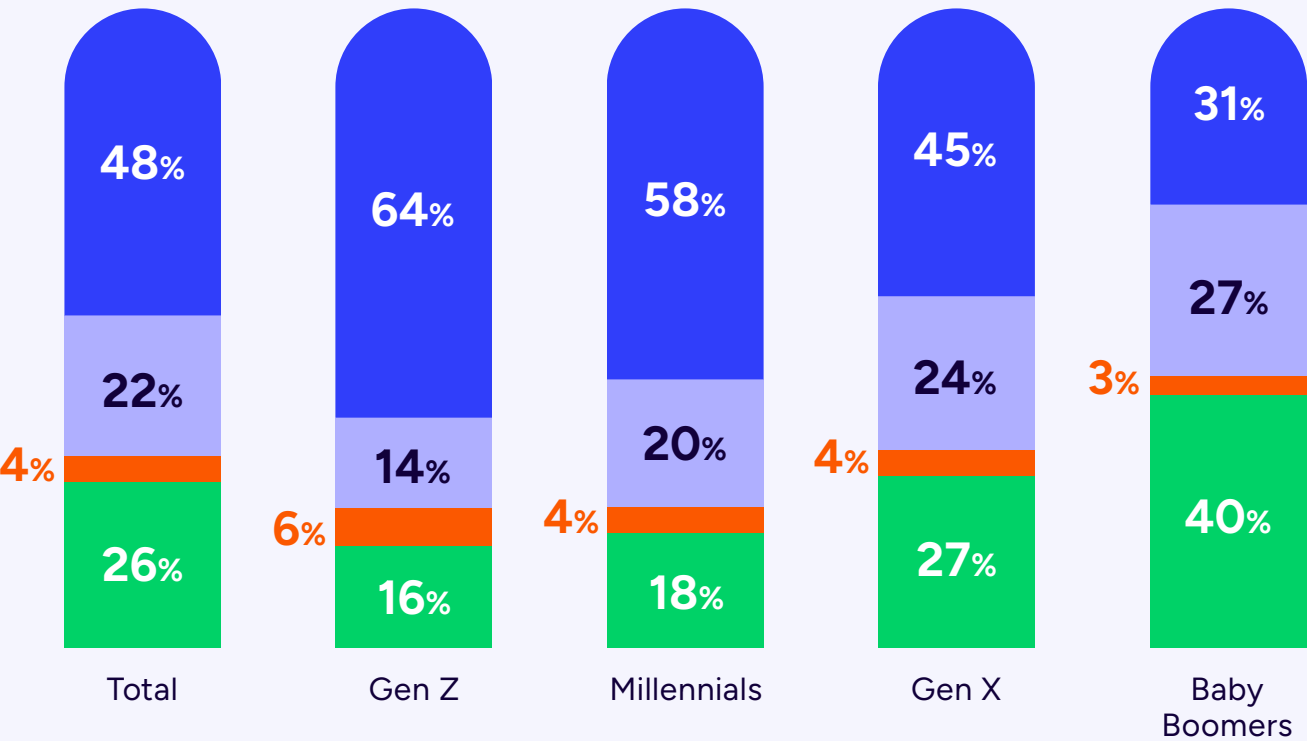
Marketplaces offer a unique opportunity for retailers to scale efficiently and tap into new customer bases. In an era of evolving consumer expectations, they have become a foundation for competitive, future-proof growth.

Younger shoppers do a large part of their online spending in marketplaces. Their key traits include:

- **Frequent Buyers:** Marketplace users shop online at least once every two weeks. This makes them some of the most active ecommerce participants.
- **Price-Driven Decision Makers:** Discounts and promotions attract young consumers, who spend a large share of their budgets on marketplaces. Competitive pricing is important — particularly during peak seasons and major shopping events.
- **Speed Enthusiasts:** Marketplace users favor fast fulfilment options like same- and next-day delivery.

Fig 15: Almost half (48%) of consumers plan to shop more often on marketplaces in 2025

More often About the same Less often
I have no plans to shop this way in 2025



Source: Retail Economics, Auctane 2025

Leverage Marketplaces to Scale

Expand your reach and diversify revenue streams by integrating your business with leading marketplaces. Focus on platforms that align with your audience and product category.

What’s Driving Marketplace Growth and Popularity?

To show why marketplaces are thriving, we can break this into two parts:

- The consumer drivers
- Strategic benefits for retail brands

Consumer Drivers

Unparalleled Choice

Vast product assortments, competitive pricing, and seamless delivery options.

Trust and Reliability

Platforms offer consistent fulfilment, secure payments, and buyer confidence.

Seamless Digital Journeys

Marketplaces offer tailored experiences, intuitive navigation, and easy integrations across devices.

Pre-Loved Marketplaces

The rise of recommerce platforms appeals to eco-conscious consumers. They value affordability and circular retail options.

Discovery and Speed

Gen Z and Millennials prefer marketplaces for quick product discovery and trusted recommendations.

Retailer Benefits

Scalability

Drive incremental sales, attract new customers, and diversify income streams without heavy upfront investment.

Operational Efficiency

Leverage shared fulfilment networks, real-time logistics, and AI-driven pricing and inventory tools.

Cross-Border Reach

Access international markets with ready-made infrastructure, translation tools, and reduced risk.

Platform Flexibility

The evolution of marketplace models — from generalist to specialist, retailer-operated, and recommerce — caters to diverse retail strategies.

Unified Commerce

Marketplace models increasingly integrate physical stores and out-of-home delivery options. These enable hybrid experiences like click-and-collect or returns.

Opportunities to Expand Marketplace Presence

While marketplaces drive growth, many retailers underuse them. In Europe, **77% of brands** sell through marketplaces, compared to just **46% in North America** (Fig 16). This untapped potential represents an opportunity for growth, especially for smaller brands.

Legacy retailers like Walmart, Next, and Kingfisher (B&Q) have successfully launched their own marketplaces. By

combining third-party sellers with their inventory, they've created "endless aisles" and integrated physical stores for click-and-collect, in-store returns, and rapid fulfillment.

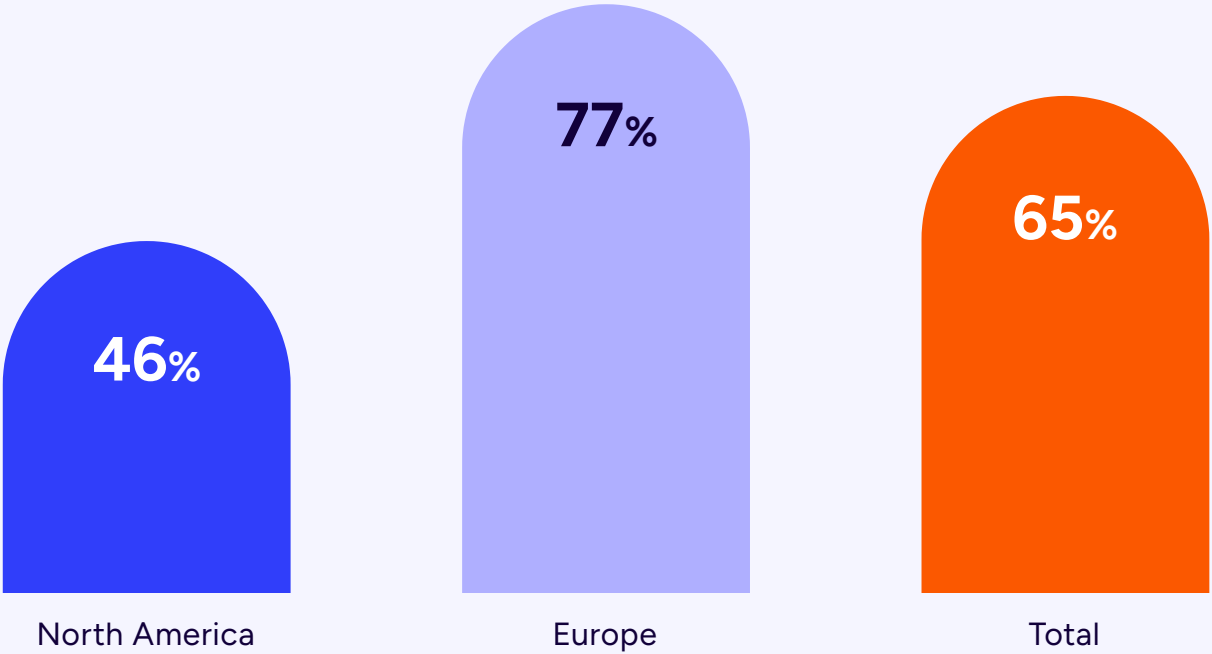
Smaller brands also benefit by partnering with retailer-operated marketplaces, gaining access to established logistics and audiences with minimal investment. But challenges remain. Retailers need to

balance brand control with profits in a marketplace. Issues that can impact performance and growth include:

- **Real-time inventory management**
- **Pricing**
- **Third-party seller performance**

But these hurdles are becoming more manageable as infrastructure evolves.

Fig 16: Proportion of ecommerce businesses selling via online marketplaces



Source: Retail Economics, Auctane 2025

Adopt a Multi-Marketplace Strategy

Don't rely on a single marketplace. Diversify your presence to reach different customer segments and geographic regions.

Evolving Marketplace Models

Marketplace models offer a proven way to scale, innovate, and expand internationally. Retailers can choose from various generalist and specialist marketplaces (Fig 17) based on goals and needs.

Fig 17: Evolution of marketplace models

Model	Key Characteristics	Inventory & Fulfilment	Examples	Why It Matters
Generalist Marketplaces	<ul style="list-style-type: none">A broad product assortment across categories.Design that allows for growth and high transactional volume.Support for a wide range of sellers.	<p>Inventory. Managed entirely by third-party sellers; marketplace does not hold or store stock.</p> <p>Fulfillment. Sellers manage logistics and provide optional fulfilment services</p>	<ul style="list-style-type: none">AmazonAlibabaeBay	Scale quickly by tapping into a massive, established audience.
Specialist Marketplaces	<ul style="list-style-type: none">A focus on specific categories or curated product selections.Tailored shopping experience with expertise in their niche.Consumer trust for quality and relevance.	<p>Inventory. Combines owned inventory (products purchased by marketplace) with curated third-party offerings.</p> <p>Fulfillment. Marketplace fulfills owned inventory. Sellers manage logistics for external products.</p>	<ul style="list-style-type: none">ZalandoWayfairShein	Ideal for brands targeting a specific demographic or category.
Retail-Operated Marketplaces	<ul style="list-style-type: none">Management by an established retailer.Carefully selected third-party sellers that enhance the brand’s product range.Integrates retailers’ physical stores for services like click-and-collect or returns.	<p>Inventory. Balances owned inventory with curated third-party sellers.</p> <p>Fulfilment. Retailer-operated logistics systems support seamless fulfilment; omnichannel options enhance convenience.</p>	<ul style="list-style-type: none">Next Total PlatformWalmartKingfisher (B&Q)	Enables omnichannel innovation, blending convenience and flexibility.

77% of European Brands Embrace Marketplaces

North American retailers have room to grow. Marketplaces are a proven channel for expansion and innovation.

Use Marketplace Tools for Efficiency

Platforms like Fulfilled by Amazon or retailer-operated logistics systems can simplify operations, letting you focus on growth.

Fig 17: Evolution of marketplace models *(continued)*

Model	Key Characteristics	Inventory & Fulfilment	Examples	Why It Matters
Social Commerce Marketplaces	<ul style="list-style-type: none">Content-first platform that blends discovery, engagement, and shopping.Immersive, app-based experiences.Expanding fulfilment capabilities.	Inventory. Managed by sellers or brands. The platform itself does not own inventory.	<ul style="list-style-type: none">AmazonAlibabaeBay	Connects with younger, digital-first shoppers.
		Fulfillment. Sellers fulfill orders directly. Platforms are increasingly partnering with logistics providers like TikTok Shop.		
Preloved Platforms	<ul style="list-style-type: none">Peer-to-peer resale platforms that promote affordability and sustainability.Alignment with circular economy principles.Popular due to environmental consciousness.	Inventory. Buyers and sellers coordinate delivery. Platforms may integrate courier partnerships for convenience.	<ul style="list-style-type: none">VintedDepopThredUp	Attracts eco-conscious consumers and promotes affordability.

Next-Generation Expectations: Relevance, Speed, and Seamless Delivery

Customer experience and relevance are the defining battlegrounds for ecommerce success in 2025. Digitally savvy and highly demanding younger shoppers are rewriting the rules of engagement. Brands that fail to meet these rising expectations risk losing the loyalty of this key spending group.

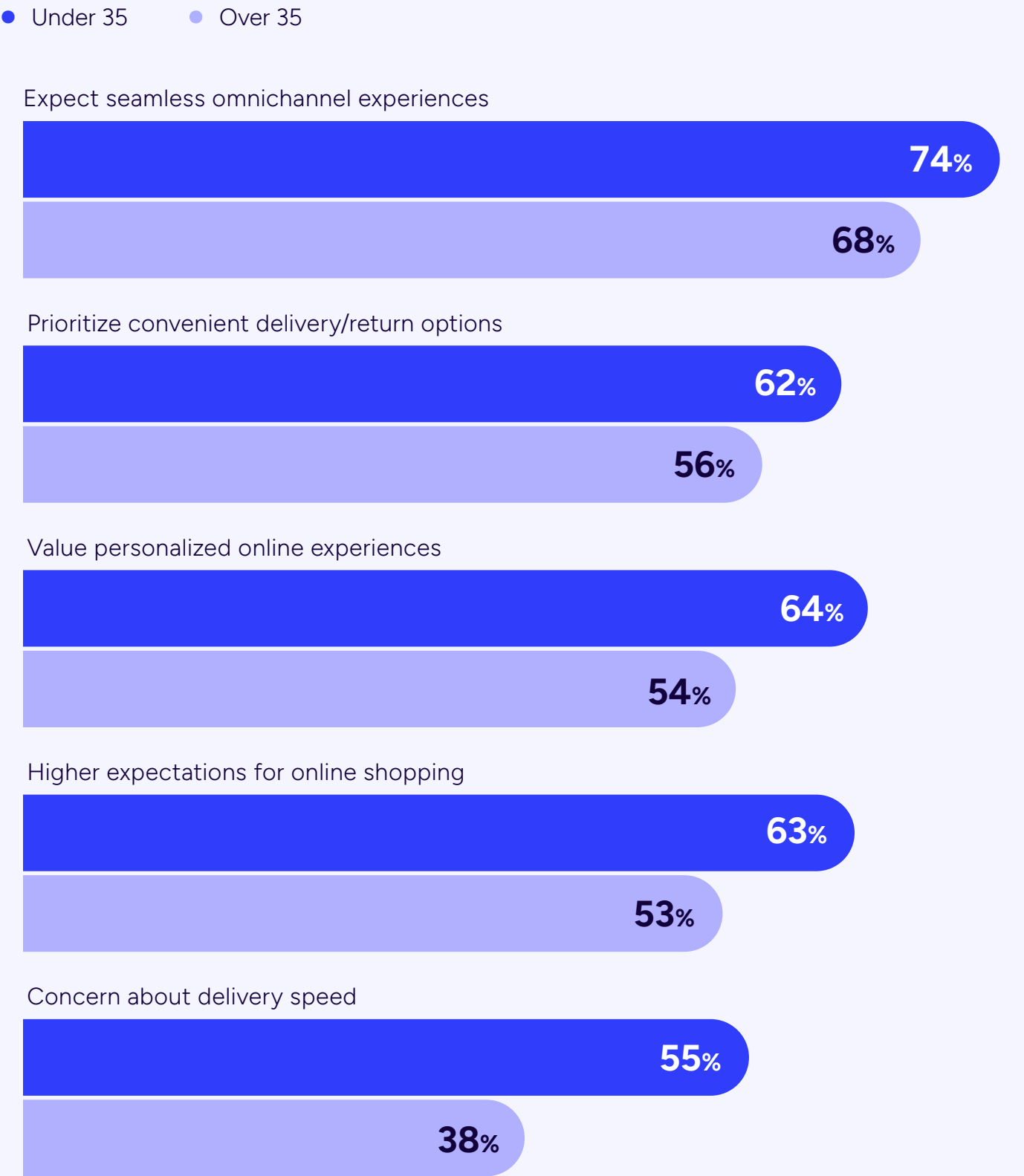
Meeting the Demands of Next-Generation Shopper

Younger consumers hold brands to higher standards. Shoppers under 35 want convenient and intuitive experiences. They've gotten used to this kind of service from brands like Netflix, Uber, and Monzo. As a result, they expect relevance and speed from every interaction.

For these shoppers, convenience and relevance are baseline expectations, not differentiators.

- **Baseline Expectations:** Tailored offers, omnichannel shopping, and flexible delivery and returns are no longer differentiators—they are essentials.
- **Switching Habits:** If expectations aren't met, 62% of younger consumers are quick to switch brands (Fig 18).

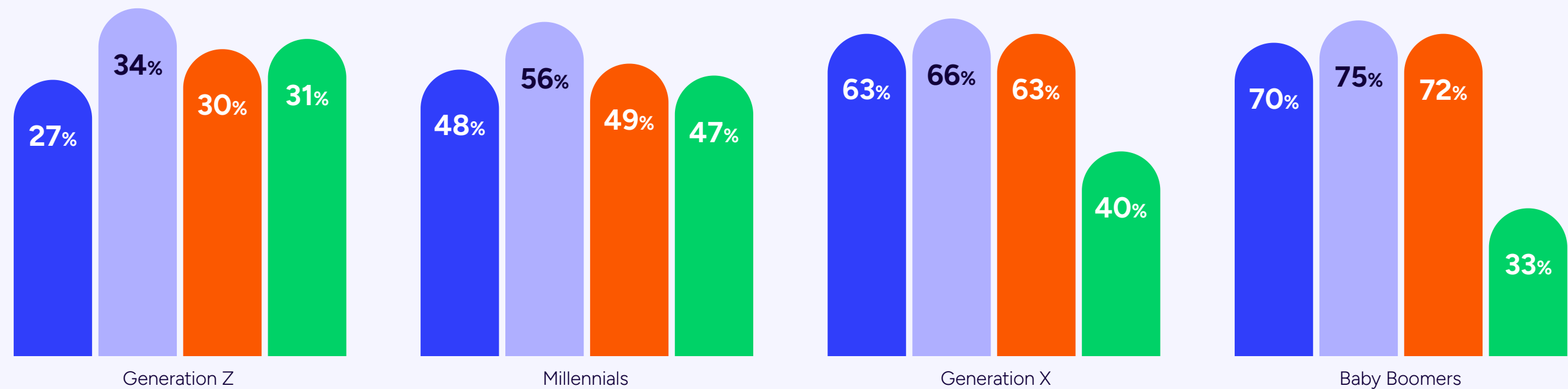
Fig 18: 74% of consumers under 35 expect seamless omnichannel journeys, while 62% are quick to switch brands for more convenient delivery or returns



Source: Retail Economics, Auctane 2025

Fig 19: Younger shoppers a net satisfaction score along the customer journey

- **Pre-purchase:** Product search and discovery, availability of information, ease of comparison
 - **Delivery:** Delivery speed, order tracking, package condition upon arrival
- **Purchase:** Checkout speed, clarity of payment options, availability of discounts or deals
 - **Returns/post-purchase:** Ease of returns, customer service responsiveness, refund timeliness



Source: Retail Economics, Auctane 2025

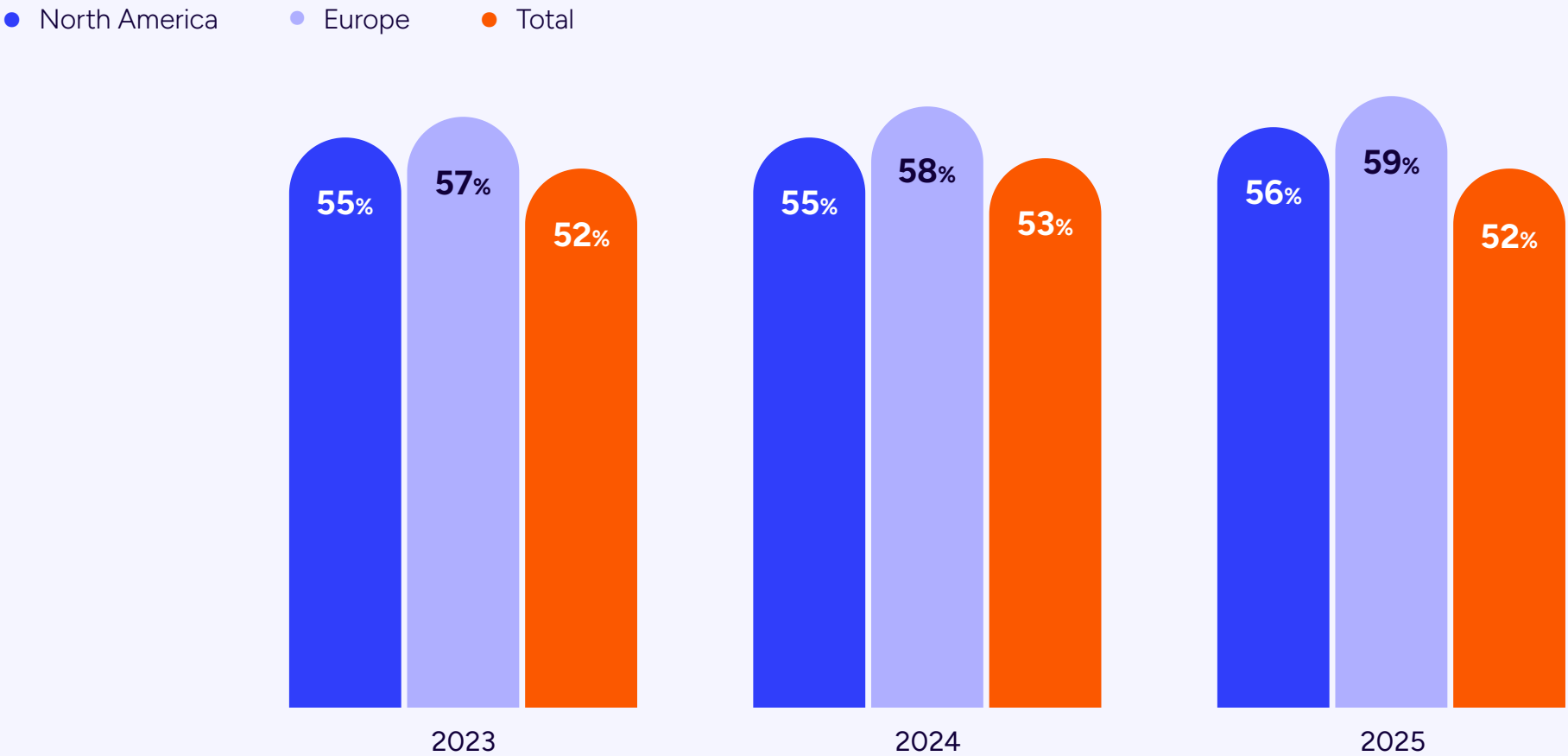
Gen Z is particularly challenging to satisfy. Net satisfaction scores for this group trail behind older generations at every stage of the customer journey, from product discovery to delivery and returns (Fig 19). **This widening satisfaction gap signals an urgent need for retailers to adapt or risk losing this influential group.**

Delivery and Returns: The Make-or-Break Factor

When it comes to delivery and returns, consumer expectations often exceed retailer performance. Expectations for speed, flexibility, and transparency are climbing, yet satisfaction drops sharply post-purchase.

- **Delivery Expectations:** 57% of consumers now expect orders to arrive within two days, but only 35% of retailers globally—and just 29% in Europe—meet this demand (Fig 20).
- **Returns Complexity:** Shoppers expect instant refunds, multiple drop-off options, and regular updates. Retailers that streamline this process can turn a common frustration into a competitive advantage.

Fig 20: Delivery speed expectations are increasing



Source: Retail Economics, Auctane 2025

Make Returns Hassle-Free

Even if free returns aren't feasible, you can enhance the experience by including return labels in every package, offering multiple convenient drop-off points, and keeping customers informed with clear, proactive updates throughout the return process.

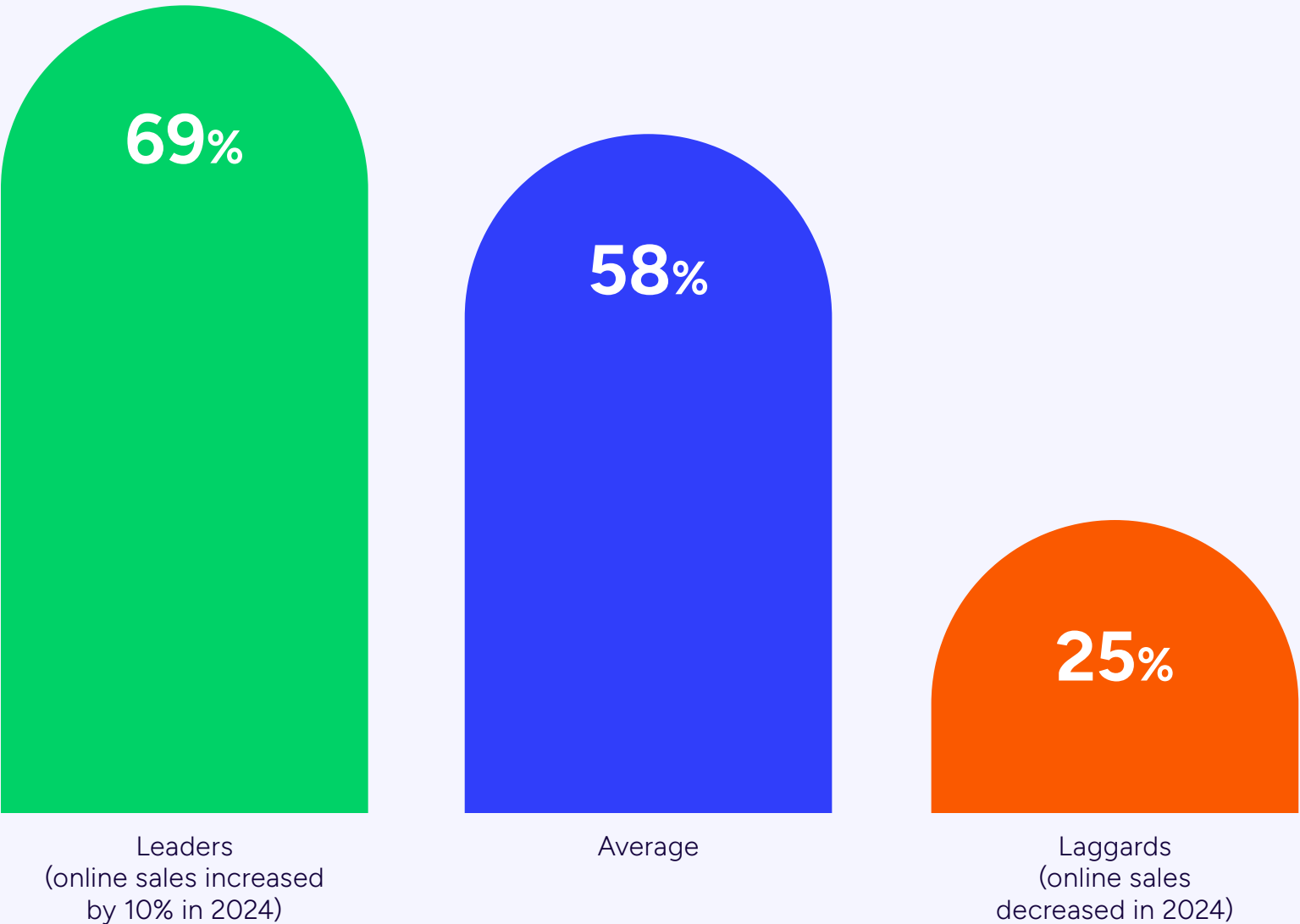
What Can Retailers Do to Close the Gap?

1

Drive Relevance with Tailored Offers and Loyalty Programs

Leading retailers know that tailored experiences drive engagement and retention. Our research shows that 69% of high-performing retailers are more likely to offer these services. Loyalty rewards and tailored promotions improve customer satisfaction.

Fig 21: Loyalty rewards and tailored offers: A key differentiator for high-performing retailers



Source: Retail Economics, Auctane 2025

Focus on Relevance

Use customer data to create meaningful offers and loyalty programs that reflect their needs and preferences.

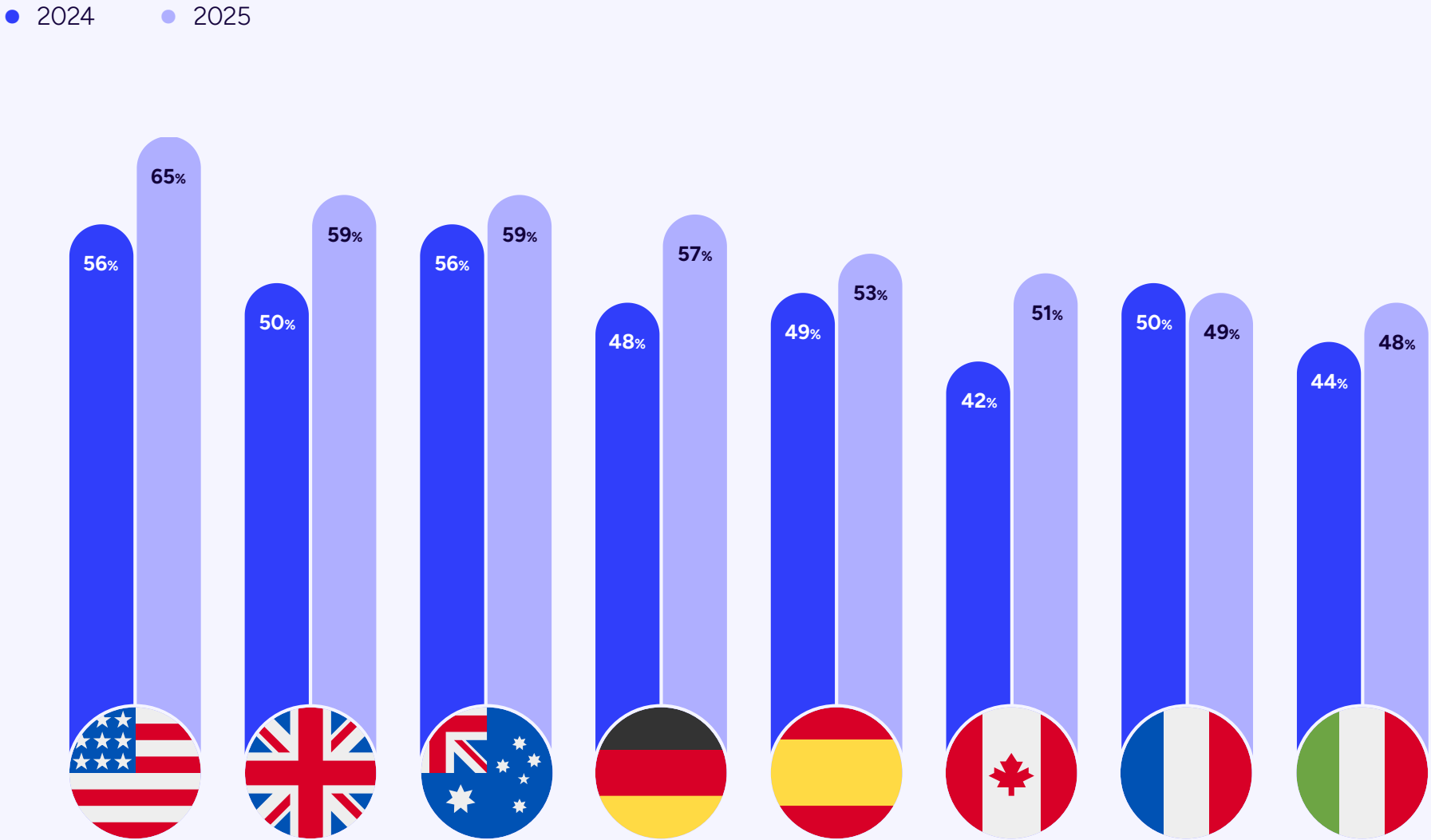
2

Premium Delivery: Consumers Are Willing to Pay

Consumers are willing to pay for faster, more flexible delivery. **Over 55%** will pay extra for options like same-day, next-day, or scheduled time slots. Among frequent online shoppers, this rises to **72%** (Fig 22).

Offering tiered delivery services not only meets rising expectations but also opens new revenue streams and supports margin growth.

Fig 22: Consumer willingness to pay for premium delivery is rising



Source: Retail Economics, Auctane 2025

3

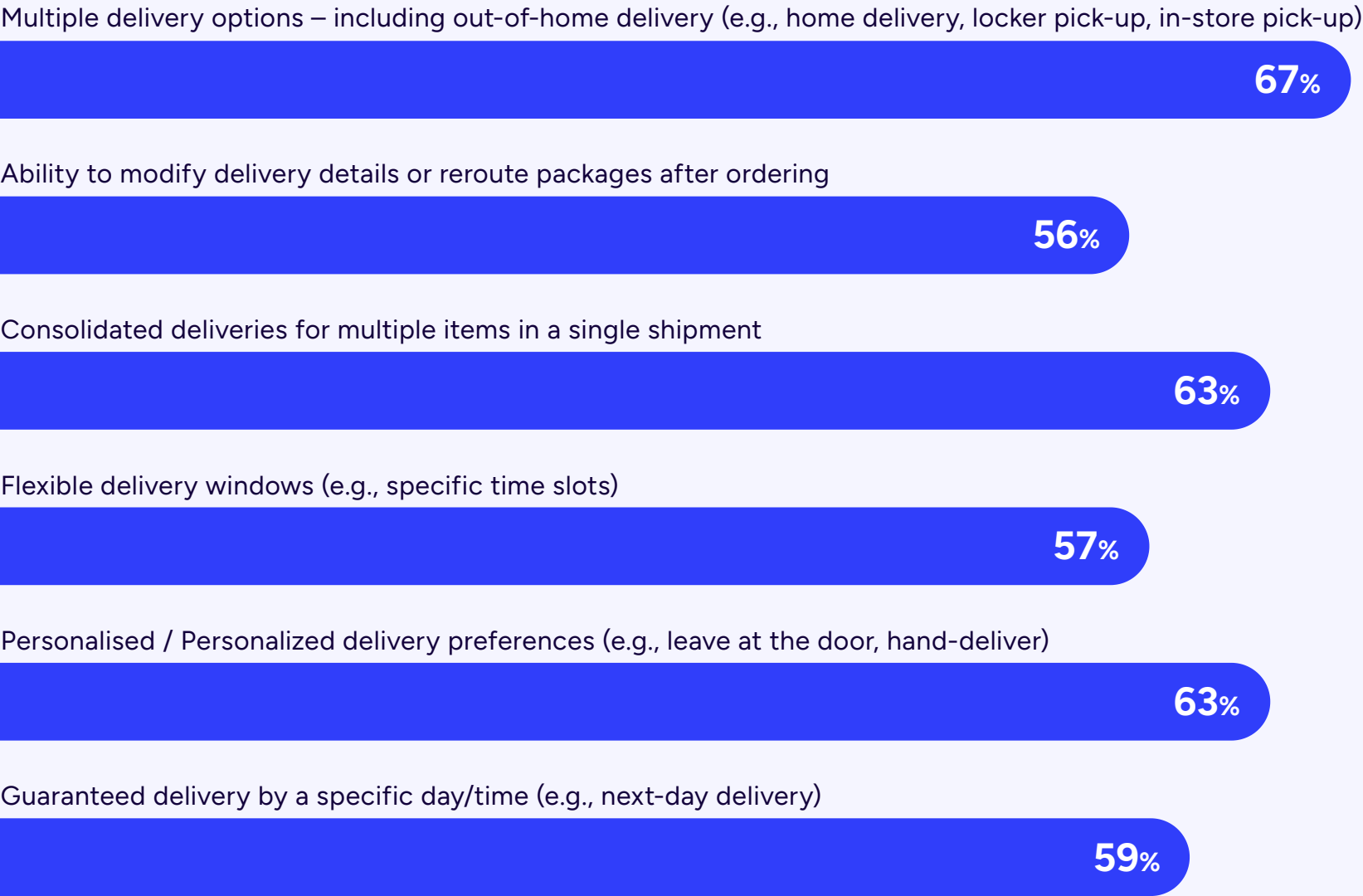
Streamlining Delivery and Returns

Retailers are increasingly acknowledging the need to enhance flexibility in delivery and returns. However, gaps remain.

- Only **57%** of retailers offer flexible delivery windows.
- **63%** have yet to fully develop delivery preferences (Fig 23).

Improving post-purchase processes, like enabling instant refunds or offering multiple return options, can turn a pain point into a seamless experience that boosts loyalty.

Fig 23: Retailers’ premium delivery capabilities: Key to meeting evolving customer expectations



Source: Retail Economics, Auctane 2025

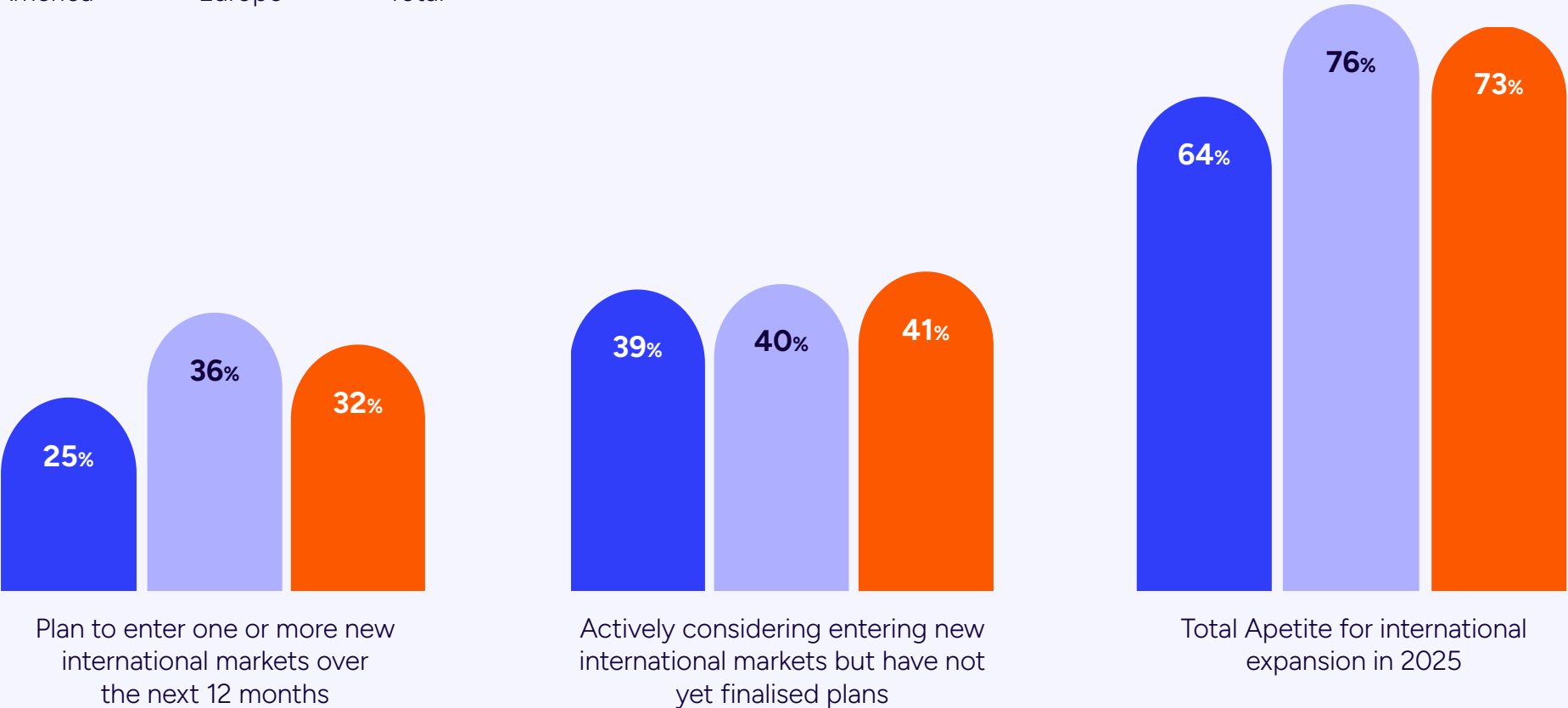
International Expansion: Seizing New Growth Horizons in 2025

After years of global disruption, 2025 marks a pivotal moment for international expansion in ecommerce. 73% of online businesses plan to explore new markets in the next 12 months, with 32% already having firm plans in place (Fig 24).

As the consumer environment steadies, retailers are revisiting global strategies with renewed confidence. Expanding into new regions offers a way to offset slowing growth in domestic markets while building resilience against future disruptions.

Fig 24: Growing appetite for international expansion in 2025 — particularly from European businesses customer expectations

● North America ● Europe ● Total



Source: Retail Economics, Auctane 2025

Key Opportunities for 2025

Retailers planning to expand into the global market have several opportunities to drive growth.

Post-Crisis Recovery and Stability

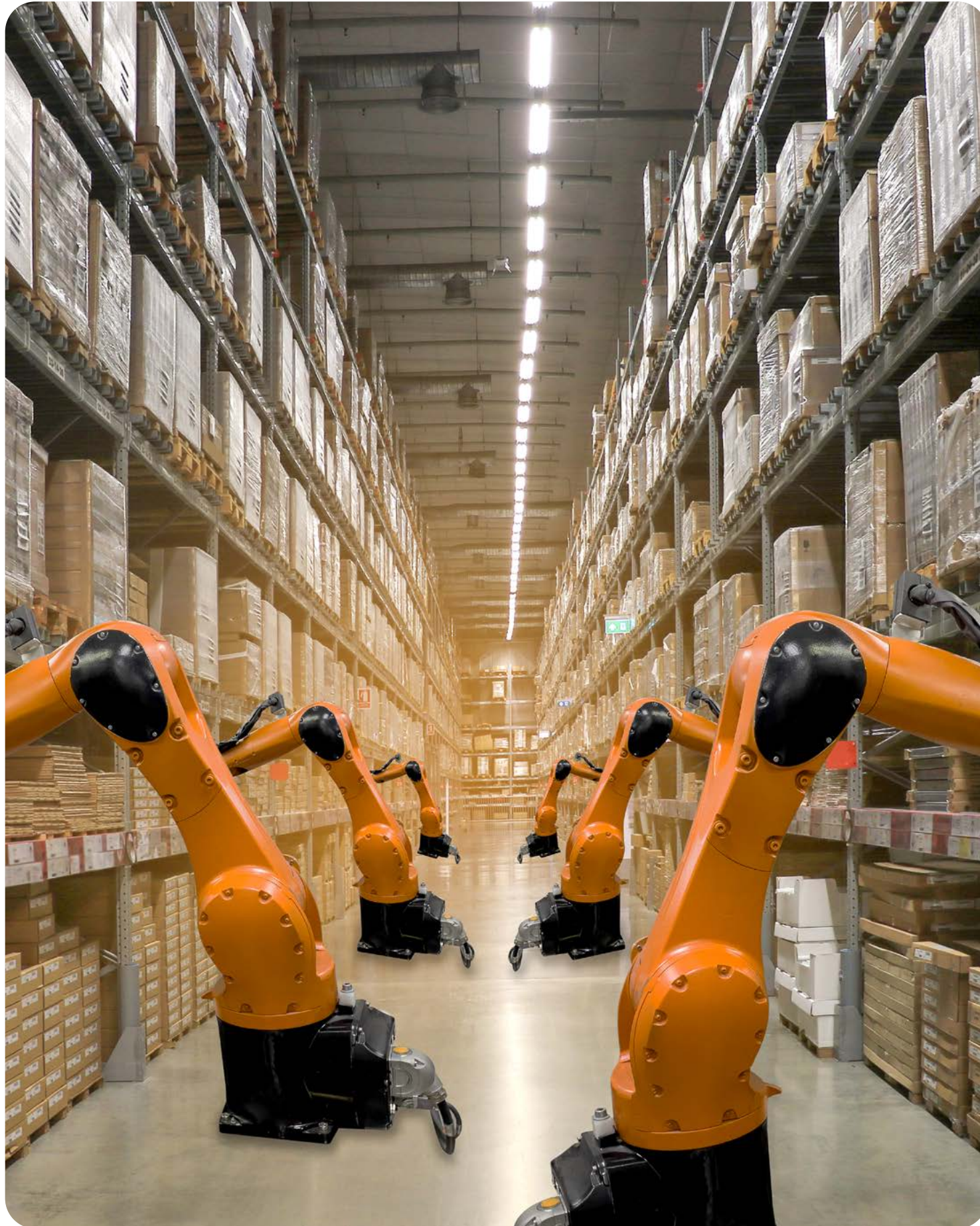
After navigating challenges like COVID, inflation, and supply chain disruptions, retailers are now operating in more predictable conditions. Many businesses that previously delayed international plans are seizing this moment to expand.

Targeting Emerging Markets

Growth in established markets like North America and Europe is slowing, prompting retailers to focus on high-growth regions such as:

- **Southeast Asia:** Rapid digital adoption and rising middle-class incomes.
- **Latin America:** Expanding online consumer base and lower competition.
- **Middle East:** High demand for luxury and niche products.

Additionally, EU retailers are increasingly targeting the US market, which has demonstrated strong economic performance.



Technological Enablers

Advances in technology are removing barriers to international growth. Ecommerce platforms now offer tools for language, tax compliance, and payment preferences, simplifying market entry. Multi-currency payment systems streamline checkout, while logistics innovations like real-time tracking and automated-warehousing enhance cross-border efficiency.

Strategic partnerships with logistics providers, tech firms, and regional carriers further help businesses overcome challenges. In 2025, these technological advancements are making global expansion more accessible—especially for mid-sized ecommerce brands previously held back by cost and complexity.

Shifting Consumer Habit

Global consumers are increasingly open to international brands, especially those offering premium, unique, or niche products. Social commerce and global marketplaces like TikTok, Instagram, and Amazon are key channels for reaching these audiences.

International Expansion: A Strategy for Resilience

Expanding internationally has become a key strategy for managing risks. Geographic diversification reduces reliance on single-market economic cycles, helps mitigate currency fluctuations, and offsets regional downturns.

By establishing a global presence, businesses can better adapt to shifting demand patterns and strengthen their resilience against future disruptions.

Who's Leading the Charge?

Luxury brands and apparel retailers are at the forefront of international expansion in 2025. Their higher margins and strong global appeal make them well-positioned to thrive in new markets.

- **Luxury Brands:** Resilient customer bases and strong brand equity make global growth easier.
- **Apparel Brands:** Seeking international opportunities as domestic markets become saturated.

In contrast, value-focused retailers face greater risks due to reliance on low-cost goods, which expose them to trade restrictions, shipping costs, and tariffs.

Start Small, Scale Fast

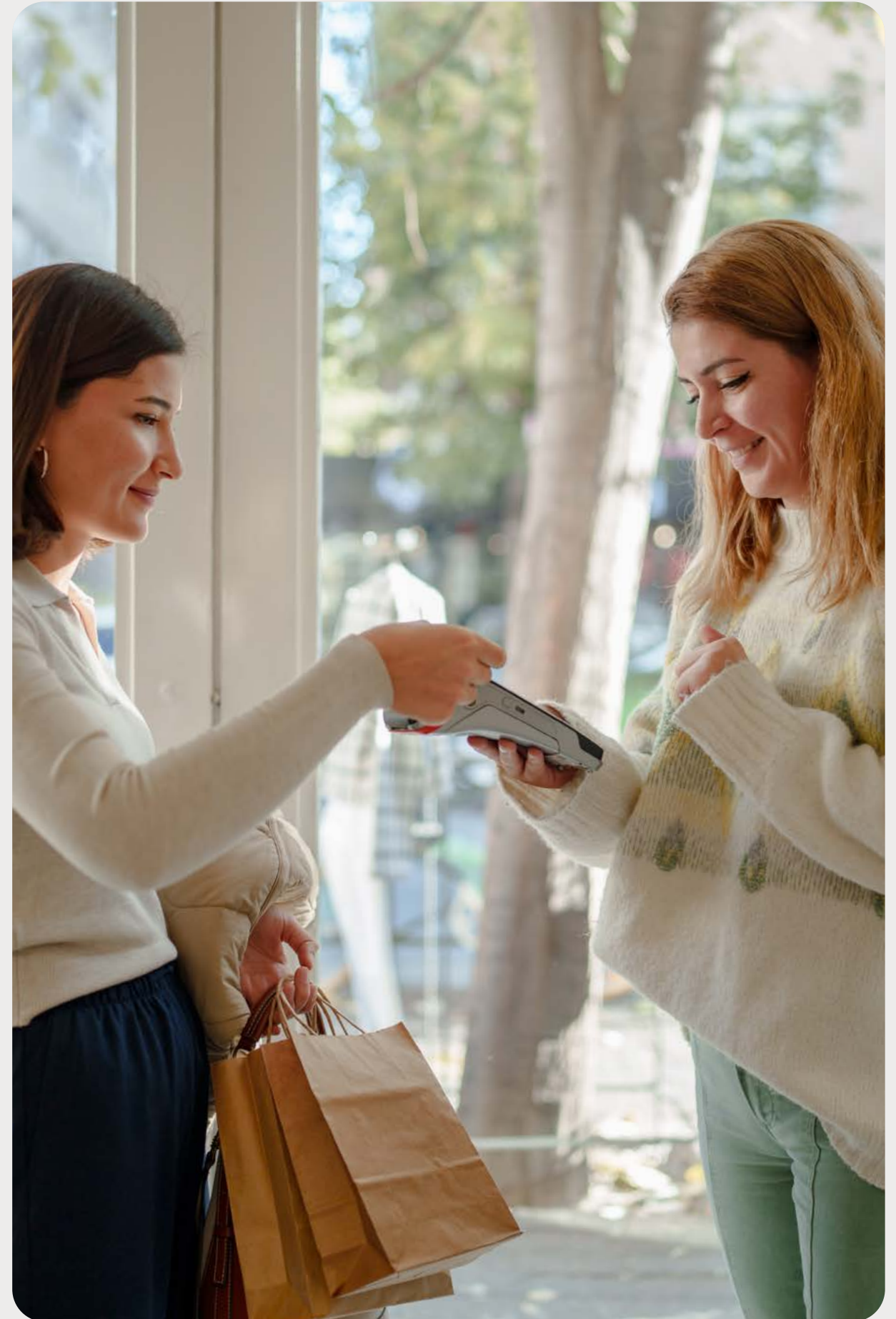
Focus on one or two target regions with high growth potential before expanding further. This allows you to refine your approach and scale confidently.



SECTION III

Strategies for Growth in a Maturing Market

As the 2025 ecommerce landscape evolves, retailers face a trifecta of challenges: **a maturing market, rising operational costs, and heightened consumer expectations.** Success will depend on adaptability, resilience, and creating standout customer experiences. Here are 10 actionable strategies to thrive in this shifting environment.



Unified Delivery: The Backbone of Logistics Excellence

Unified delivery is a core pillar of a resilient long-term logistics strategy. Retailers must integrate diverse fulfilment methods into a coordinated ecosystem. This requires robust data systems that offer real-time visibility across carriers and touch-points. Doing so will reduce costs and improve speed while enhancing reliability and flexibility.

Tailored Experiences: Relevance at Scale

Modern consumers demand delivery experiences tailored to their preferences, like specific time slots and bundled shipments. Using machine learning to evaluate shopper habits allows businesses to create hyper-relevant offerings, boosting loyalty and retention.

Machine learning lets businesses review consumer habits and preferences. This way, they can adapt offerings on a shopper-by-shopper basis, which enhances customer loyalty.

Cross-Border Growth: Expanding Without Borders

Global expansion is a critical growth driver as domestic markets mature. Retailers must align local logistics, simplify customs processes, and adapt to regional preferences. Agile fulfilment networks and multi-currency payment systems can unlock opportunities in emerging regions.



The Power of Partnerships: Scaling Without Overextension

Collaborating with third-party logistics providers, marketplace operators, and tech vendors allows brands to scale without overextending resources. Favor partners who integrate with existing systems to maintain efficiency while opening doors to multi-carrier networks and global shipping.

Omnichannel Fulfilment: Bridging Online and Offline

Transforming physical stores into micro-fulfilment hubs is a powerful way to connect online and offline operations. This model enables retailers to offer same-day delivery and click-and-collect services while improving efficiency.

With 90% of ecommerce businesses reporting that customers expect faster delivery and more tailored experiences, integrating inventory data across all channels has become essential. Micro-fulfilment hubs make products more accessible to customers wherever and whenever they need them, while also cutting last-mile logistics costs.

Retailers adopting this approach are better equipped to meet evolving customer expectations and stay competitive.

Returns: From Pain Point to Opportunity

Returns can be a strategic differentiator. Investing in reverse logistics—like consolidated drop-off points, automated refunds, and predictive restocking—improves customer satisfaction and loyalty. Pre-purchase tools like AR visuals and sizing guides can also reduce return rates.



Advanced Technologies: Operational Transformation

Predictive analytics, AI, and inventory management systems are reshaping ecommerce logistics. These tools improve demand forecasting, route planning, and real-time responsiveness to market trends. Gradual implementation ensures smoother transitions and builds operational confidence.

Marketplace Integration: Expanding Reach and Revenue

Marketplaces unlock access to new audiences and global markets, but integration must be deliberate. Retailers should balance marketplace participation with proprietary channels to preserve their brand identity. Synching inventory and leveraging analytics ensures cohesion.

Social Commerce: Merging Discovery and Sales

Social commerce connects younger generations to brands in real-time. Platforms like TikTok Shop merge discovery, engagement, and and checkout seamlessly. Retailers need strong inventory systems to manage demand surges driven by platform trends.

Post-Purchase Engagement: Retaining Loyalty

The customer journey doesn't end at checkout. Custom follow-ups, product recommendations, and satisfaction surveys can strengthen relationships. Loyalty programs with rewards for repeat purchases and referrals enhance retention.



Charting the Future of Ecommerce in 2025

The year 2025 marks a pivotal moment for ecommerce, a true inflection point where resilience, innovation, and adaptability will define the leaders of tomorrow. As pandemic-era profitability steadies and consumer habits evolve, retailers face a landscape that is both challenging and full of opportunity.

1 The Online Inflection Point

The convergence of maturing markets, increasingly omnichannel consumer habits, and rising expectations is reshaping ecommerce.

Retailers must reimagine the customer journey, blending seamless online and offline experiences while meeting heightened demands for relevance, speed, and convenience.

2 Growth Drivers of Ecommerce in 2025

The path to growth lies in embracing five transformative drivers:

- **Generative AI:** Enabling hyper-relevant customer experiences and operational efficiency.
- **Social Commerce:** Redefining how consumers discover, engage, and purchase.
- **Tailored Experiences:** Elevating loyalty through tailored offerings.
- **Marketplaces:** Expanding reach and resilience by leveraging platform economies.
- **International Expansion:** Unlocking untapped potential in high-growth regions.

3 Strategies for Growth in a Maturing Market

Retailers must adopt bold, actionable strategies to excel in this new environment.

The 10 focus areas highlighted in this report—from unified delivery ecosystems to leveraging advanced technologies—offer a roadmap for businesses seeking to thrive in a competitive marketplace.

The Way Forward: Innovation, Agility, and Vision

The pace of change is accelerating. Success in this environment requires brands to be:

- **Innovative**, embracing transformative technologies and new growth channels.
- **Agile**, adapting quickly to evolving consumer habits and competitive pressures.
- **Visionary**, looking beyond immediate challenges to redefine what success means in a changing world.

The future belongs to those willing to transform, adapt, and lead. By balancing resilience with bold action, retailers can seize the opportunities of this critical moment, ensuring not just survival, but sustainable leadership in the evolving ecommerce landscape.

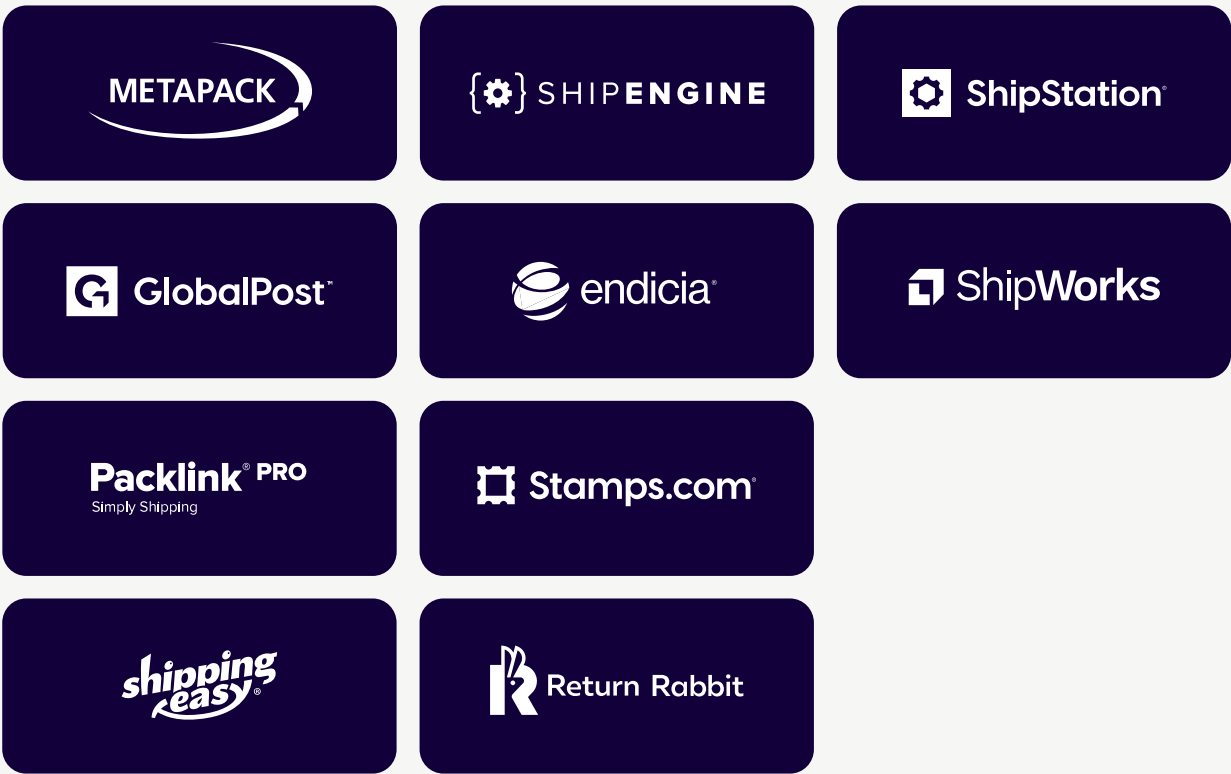
**Now is the time to act.
Will your brand rise to the
challenge and define the
future of ecommerce?**



About AUCTANE

This research was conducted by Auctane, a family of brands offering shipping and logistics technologies. Auctane products serve businesses of all sizes all around the world, from small businesses right through to enterprise retailers. No matter the size, we help online sellers around the world with their mailing, shipping, and logistics needs. Each year, 3 billion orders are processed using Auctane products.

Great shipping experiences leave a lasting impact. Today’s consumers want faster, cheaper, and more transparent shipping practices, and they favour businesses that rise to the occasion. We won’t rest until every company has the tools they need to delight their customers, whether down the street or across the globe.



About Retail Economics

Retail Economics is an independent economics research consultancy. We focus on the consumer and retail industry. Our group analyses the complex retail economic landscape and draws actionable insight for our clients. With proprietary retail data and rigorous economic analysis, we turn information into action points.

Our service provides unbiased research and analysis on the key economic and social drivers behind the retail sector. We inform critical business decisions through deep insights to give you a competitive edge.

Report Authors:
Richard Lim, CEO
richard.lim@retaileconomics.co.uk

Josh Holmes, Sr Consultant
josh.holmes@retaileconomics.co.uk



Please note the charts and graphics presented in this report are draft visuals and require design refinement for final publication. Retail Economics assumes no responsibility for the final graphic design.



Delivery Management Software for Rapid Ecommerce Expansion

- More conversions at checkout with the right delivery options
- Rapid access to the world's largest network of shippers
- Improve customer retention thanks to easy self-service tracking

Schedule Demo

