

The Rise of E-Commerce

More than two decades ago less than 0.5% of US retail sales came from companies ran out of a warehouse, basing their sales off of catalogs and magazines. But due to the recent large rise of increased business and consumer technology, E-Commerce is expected to fill 17% of all retail sales in the US. With the rise of the technical generation and strong booming digital decade E-Commerce is becoming a strong competitor in the market, leading may brick and motor companies to close stores and create new business strategies.

In an article written by Daniel Keyes posted on Business Insider, Keyes said that the main driver of the online sales growth is Amazon. A study done in 2017 states that over 85% of adults purchased an item from Amazon in 2016 and at least 55% of adults in 2016 used Amazon as a research tool. In the age of technology online shoppings makes transactions quicker and more convenient, therefore many brick and mortar retailers are on the wrong side of the digital shift. Because of the large power that Amazon has surfaced, many other companies like Wal-Mart, Costco, clothing stores and even grocery stores are changing their business strategy to include online shopping in order to stay prevalent in their market standing.

The online market, although currently a large part of the market, is still emerging. E-Commerce brings a new method and platform for customers to shop and participate in influencing the market. As the world grows so does the technology and possibilities. With the rise of E-Commerce it is crucial for companies to adapt to the shifting market and customer needs and wants in order to continue to strive.