



 **EcoCart**

 **Boox**

 **GHOST**

 **gorgias**

 **recurate**

 **tapcart**

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 **VLOMNI**

TURNING THE PAGE: Preparing for the next frontier of e-commerce



The e-commerce marketplace never stands still for long. As the barriers to entry continue to lower and competition heats up, brands must be proactive if they expect to secure customer loyalty over the long term. So, what trends and technologies should e-commerce merchants keep in their sights as we head into 2024 and beyond?

The past couple of years have not been an easy ride for retailers. Rising inflation, shrinking consumer spending, and surplus inventory challenges have stifled efforts to recover from the disruption caused by COVID-19. The Consumer Confidence Index[®] has shown a marked decline during Q3 as consumers worry about a possible recession, indicating that the troubles are not over yet.¹

Circularity and circular economies are major buzzwords in e-commerce. But this can be applied in far more ways than just social and environmental sustainability. Circular thinking means that every step of your strategy - from inventory management to resale - should reinforce and future-proof against waste or disruption.

For example, building recurring revenue via subscription models offers a natural path to decreasing what gets lost to customer churn. Likewise, reducing incidences of split shipments not only reduces packaging waste but also saves valuable dollars on shipping costs that you can re-invest back into your operation.

In sum, circularity is all about taking a comprehensive view of your operation and preventing those all-important repeat customers from slipping through the cracks. E-commerce brands need to think carefully about how they can maximize every stage of their operation to deliver cost savings and fresh revenue opportunities - starting before orders are even placed.



¹<https://www.conference-board.org/topics/consumer-confidence>





Sustainability as a driving force in e-commerce

In an age where climate change has become an undeniable global crisis, consumers are increasingly conscious of their environmental footprint. As a result, sustainability has emerged as a pivotal customer focus in e-commerce.

More and more, brands are now recognizing the importance of aligning their values with those of their sustainably-minded customers. This shift towards sustainability not only benefits the planet but also presents a golden opportunity for brands to engage their consumers and foster loyalty through shared values and planet-friendly practices.

But how do brands begin this shift? The answer is transparency.

Customers want to know what a brand is doing to reduce its carbon footprint, minimize waste, and incorporate ethical practices throughout its supply chain. By openly sharing their sustainability efforts across the customer experience, brands can build trust with their community. Leveraging various communication

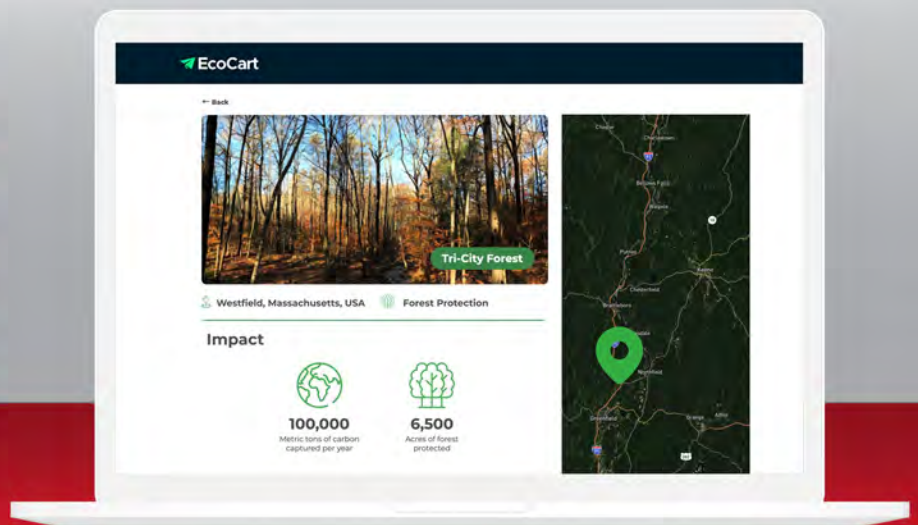
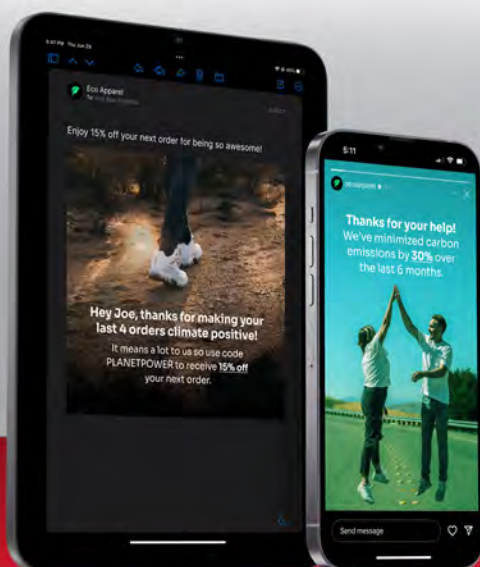
channels, including social media, email marketing, and their website, helps customers to feel informed and connected to their sustainability journey. When customers feel confident and knowledgeable about a brand's initiatives, mutual trust, and loyalty are fostered between the consumer and the brand.

Customers who believe in a brand's commitment to sustainability are more likely to become repeat buyers. Many brands are recognizing this and are incorporating sustainability into their loyalty programs.

We've seen brands find success in providing rewards for sustainable action. Some initiative ideas include:

- Providing loyalty points for choosing carbon-neutral shipping options
- Recycling product packaging
- Shopping from a brand's official resale store

Such initiatives not only incentivize environmentally friendly behavior but allow brands to connect with their consumers' values. This keeps them engaged with the brand, ultimately driving repeat business.



For brands to ensure sustainability is at their core, they must weave eco-conscious storytelling into their marketing strategies. While having a quick blurb or a sustainability page on their website is a great start, sustainability is harnessed most effectively in an omnichannel approach. Our favorite strategies are:

Storytelling

Brands can create compelling narratives around their sustainability journey. These stories can feature the people behind the brand, the communities they support, and the positive impact of their initiatives. Sharing these stories on socials, emails, or SMS texts is a great way to spread the word about how you're making an impact.

Content marketing

Content marketing is a powerful tool for educating customers about sustainability. Brands can create blog posts, videos, and infographics that highlight environmental issues and solutions, positioning themselves as thought leaders in their field.

Collaborations

Partnering with environmental influencers or organizations can help amplify a brand's sustainability message. These collaborations can include joint campaigns, events, or product launches that promote shared values.

Product labeling

Clearly labeling products with their sustainability features or certifications, such as recycled materials or energy-efficient manufacturing, helps consumers make informed choices.

User-generated content

Encouraging customers to share their own sustainability efforts and experiences with the brand can create a sense of community and authenticity.

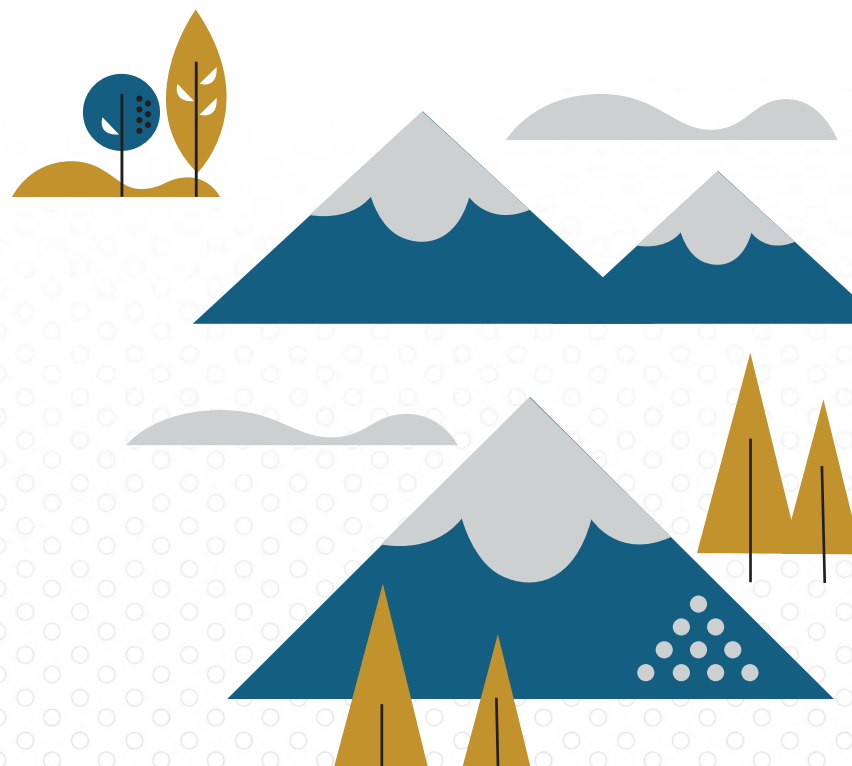
All of these above strategies are a great way to communicate goals and initiatives to customers, but the most important thing is having the backbone of sustainability in your supply chain and manufacturing.

Becoming sustainable doesn't happen overnight, so start small

Utilizing easy-to-download tools like EcoCart to offset customer shipments, is a great way to get started in what can be a very overwhelming process. Next, conduct a LifeCycle Analysis of your supply chain to see where your carbon footprint is the biggest. Once you know where the issues lie then you can expand into greater foundational changes like partnering with a new factory that is held to high labor expectations, finding a new sustainable material to make your product out of, or even using a biodegradable packaging option.

Take your customer on this journey with you and communicate what your goals for the year are and how you'll be expanding sustainability across the entire supply chain. It's a great way to build trust with your customers and create a process for accountability.

The e-commerce landscape is undergoing a profound transformation driven by customer's focus on sustainability. Brands that embrace this change and authentically incorporate sustainable practices into their identity and marketing strategies are poised to not only engage their consumers but also build long-lasting loyalty through shared values and eco-conscious practices.



Stages of inventory lifecycle: managing surplus in channels that don't conflict with your full-price business

The management of surplus inventory has long been a challenge for businesses across industries. However, with the rapidly evolving retail landscape and shifting consumer expectations, effectively handling surplus in channels that do not conflict with a company's full-price business has become not just a matter of operational efficiency but a strategic imperative.

Consumer expectations

Consumers today expect a seamless shopping experience, whether online, in-store, or through various other touchpoints. They demand choice, convenience, and competitive pricing. Brands that cannot meet these expectations risk losing market share.

E-commerce growth

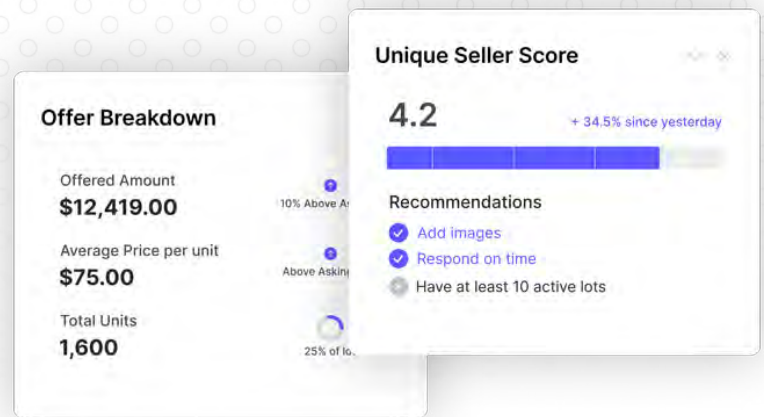
The ongoing growth of e-commerce, accelerated by the COVID-19 pandemic, has heightened competition and created a highly dynamic retail environment. Online marketplaces and direct-to-consumer (DTC) brands have disrupted traditional retail models, forcing businesses to adapt quickly.

Sustainability and ethics

In an era of heightened environmental and social consciousness, consumers increasingly support brands that demonstrate responsible practices. Surplus inventory management ties into sustainability efforts, reducing waste and demonstrating a commitment to ethical consumption.

Supply chain challenges

Supply chain disruptions, driven by factors like global crises, transportation issues, and labor shortages, have made inventory management more complex. Efficient surplus handling can help mitigate the impacts of supply chain disruptions.



Antiquated solutions

The current solutions include liquidating to a wholesaler and selling to off-price retailers, which are riddled with challenges. Owners of goods lose control, are faced with rock-bottom pricing, are at high risk of fraud, and are met with long lead times and bad financing terms.

Benefits of embracing a strategy for excess inventory

Brands that embrace surplus inventory management in non-conflicting channels can reap numerous benefits:

Revenue recovery: Efficiently clearing surplus inventory allows businesses to recover a portion of their initial investment. This additional revenue can be reinvested in other areas of the business.

Brand preservation: By avoiding direct price conflicts with the full-price business, brands can maintain their perceived value and premium image. Outlet stores, flash sales, and other surplus channels target different customer segments, preserving the brand's integrity.

Customer loyalty: Offering discounted surplus products to bargain-seeking customers can enhance customer loyalty. These customers may return for full-price items once they've had a positive experience with surplus purchases.

Sustainability credentials: Managing surplus responsibly aligns with sustainability goals. Brands that reduce waste and minimize their environmental footprint can attract environmentally conscious consumers and improve their reputation.

Challenges of managing excess inventory

- 1. Channel Conflict Risk:** The primary challenge is to avoid direct price competition with full-price offerings. If surplus items are perceived as substitutable, it can erode brand value and cannibalize sales.
- 2. Inventory Turnover:** Balancing the need to clear surplus inventory quickly with the risk of devaluing the brand is a delicate art. Companies must strike a balance to prevent long-term surplus issues.
- 3. Strategic Pricing:** Setting appropriate prices for surplus items is crucial. Brands need to ensure discounts are attractive enough to sell excess stock but not so steep that they undermine their regular pricing strategy.
- 4. Inventory Accuracy:** Maintaining accurate inventory data across multiple channels is essential. Over-promising and under-delivering can harm customer trust.
- 5. Brand Image:** While surplus channels can help clear inventory, they should not tarnish the brand's image. Outlet stores, for example, should still offer a quality shopping experience.

Getting full mileage out of a surplus inventory strategy

Brands can maximize the benefits of managing surplus by adopting several strategies:

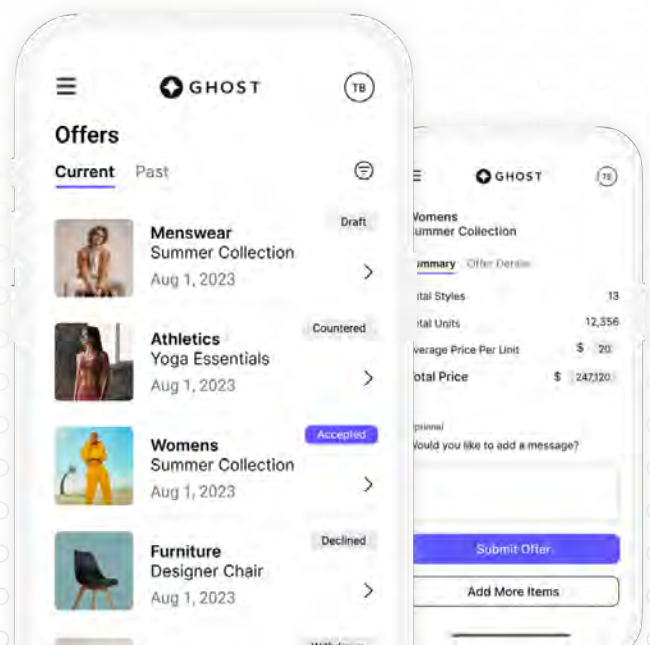
- 1. Multi-Channel Integration:** Integrate surplus channels with the main business. Customers should experience a cohesive brand identity, regardless of the channel they choose.



- 2. Communication:** Clearly communicate the value proposition of surplus channels to customers. Highlight the benefits of shopping there without undermining the brand's primary image.
- 3. Customer Data Utilization:** Leverage customer data to personalize surplus offerings. Tailored recommendations can increase sales and customer satisfaction.
- 4. Sustainability Initiatives:** Promote surplus management as part of the brand's sustainability efforts. This aligns with consumer values and can enhance the brand's reputation.
- 5. Innovation:** Explore innovative ways to manage surplus, such as partnering with resale platforms or incorporating excess materials into new product lines.

Preparing for the future of excess inventory

Ghost was created as the ultimate end-to-end solution for seamlessly managing surplus inventory in channels that don't conflict with the full-price business. Ghost provides brands with an unparalleled opportunity for revenue recovery, brand preservation, a robust supply of diverse retailers, and immediate liquidity. While challenges persist, Ghost's cutting-edge data analytics, sophisticated customer segmentation, dynamic pricing capabilities, and multi-channel integration empower brands to extract the maximum value from surplus inventory.





Subscriptions: fostering consumer loyalty through a recurring revenue model

Over the last year, businesses have seen their acquisition costs rise considerably. As we approach 2024, achieving revenue targets will be more challenging than we've seen in previous years. The combination of increased competition for qualified traffic, rising inflation, and reduced consumer spending requires brands to reevaluate their strategies. Subscriptions offer a solution to enhance consumer loyalty and establish a reliable revenue stream.

Embracing subscriptions: The key to loyalty

Subscriptions offer a path to increase loyalty in an unpredictable market. They foster deeper connections between consumers and brands, which leads to increased retention rates and customer lifetime value.

Subscriptions make it easier for businesses to collect valuable **First Party Customer Data**, enabling personalized interactions in an era where privacy concerns restrict third-party data usage. With more customer data you can better personalize your marketing campaigns and onsite experiences.

Subscription revenue is more consistent throughout the year. Where one-off purchases are likely to have big sales spikes during key selling periods it is simpler for merchants to plan their forecast and inventory when a significant portion of their sales come through a subscription model.

By embracing subscriptions, brands can navigate the evolving landscape of consumer behavior and secure a more predictable revenue flow throughout the year.

Diverse subscription models

The subscription model landscape is vast, catering to diverse consumer needs. From product replenishment to exclusive memberships and curated boxes, businesses have ample opportunities to engage their audience. Tailoring the subscription offering to match the specific product line is crucial. Surveys among existing customers can provide valuable insights, ensuring the chosen subscription model aligns with consumer preferences.

In 2022, Mintel's findings revealed that over half of consumers (55%) currently or have previously engaged with subscription services.² The most promising category is replenishment, which boasts the highest level of participation compared to memberships or curated boxes.

It may be easy to assume that most consumers will rely on Amazon for their product replenishment subscriptions, but a recent poll by Yotpo found that over 57% of U.S. subscribers are subscribed to products directly through a brand website.³

With consumers more open to subscribing outside of Amazon, there is clear untapped potential for brands to establish and grow a thriving subscription business.



²<https://store.mintel.com/report/us-subscription-services-market-report>

³<https://www.yotpo.com/2022-subscription-shoppers-survey/>

Strategies for success

Acquiring subscribers

Motivating factors for consumers to subscribe are convenience and cost savings.

- Offer initial discounts and recurring savings, along with transparent delivery frequency.
- Include guidance for the recommended quantity and frequency of the subscription.
- Ensure your subscription offering provides value above and beyond the deals you offer during regular promotional periods.

Retaining subscribers

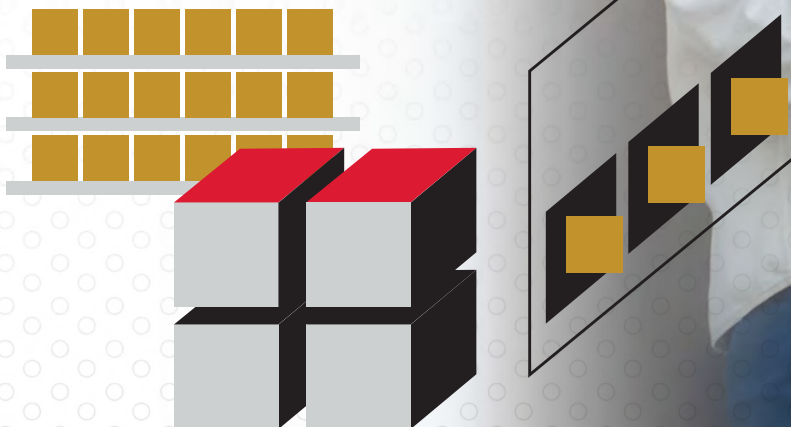
The top cited churn reasons are budget and quantity (too much or too little). Subscribers expect flexibility and control over their subscriptions and need consistent confirmation that their subscription provides value to their lives.

- For subscribers seeking flexibility and value allow easy adjustments to subscription frequency, incorporate seamless use of loyalty points, and offer guidance on product quantity and delivery cadence.
- Give subscribers the choice between SMS and email communication, and leverage your relationship marketing channel to go beyond transactional communication with personalized content.
- Reduce churn due to expired credit cards by leveraging third-party tools to proactively reach out to customers to update payment.
- Build an advanced cancellation flow with incentives.

A subscription model gives you the opportunity to gain a deeper understanding of your customers' needs and motivations. Leveraging the qualitative and quantitative data you generate to build actionable insights and continuously improve your offering and customer experience is the single most important thing you can do to grow your subscription business.

A profitable investment in loyalty

By embracing subscriptions, businesses can weather the challenges of the market, secure customer loyalty, and ensure a prosperous future in the ever-changing landscape of consumer preference.



Elevating Shopify e-commerce success in 2024: **The mobile app advantage**

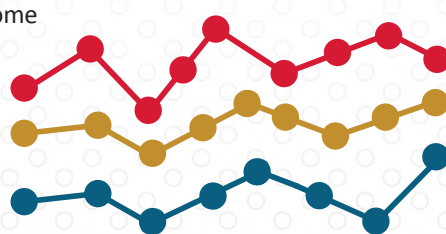
As we set our sights on 2024, Shopify merchants are gearing up to face new challenges and seize fresh opportunities in the e-commerce landscape. One undeniable trend that promises to reshape the future of Shopify brands is the increasing significance of mobile commerce. So, let's delve into why mobile commerce is poised to become even more crucial for Shopify businesses.

The shifting landscape of customer acquisition

Let's start by addressing a pressing concern: the evolving landscape of customer acquisition. It's no secret that acquiring new customers has become a daunting and costly endeavor. Traditional marketing channels are oversaturated, and the competition is relentless. To make matters more challenging, statistics show that newly acquired customers tend to slip away faster than ever before.

The value of customer retention

Studies reveal that it costs five times more to acquire a new customer than to retain an existing one.⁴ While the average merchant may have only a 21% returning customer base, 43% of their sales are generated from this audience.⁵ This highlights the critical importance of not only attracting customers but also retaining and engaging them. This is where mobile apps come into play.



Harnessing the potential of mobile apps

Mobile apps provide a dedicated channel for engaging with returning customers and making them feel valued. The allure of exclusivity cannot be overstated. By offering a unique and personalized experience through your app, you can cultivate brand loyalty and significantly boost customer retention rates.

Additionally, mobile apps unlock the potential of push notifications—a direct line of communication to your customers' mobile devices. This feature enables you to send tailored messages, promotions, and updates directly to your audience. Imagine securing a coveted spot on your customers' home screens. Once you do, the True Classic app is the first place they'll look to when they are considering getting new Ts. They'll skip the Google Search and come directly to your door. That's the power of mobile apps.



⁴ <https://hbr.org/2022/12/in-a-downturn-focus-on-existing-customers-not-potential-ones>

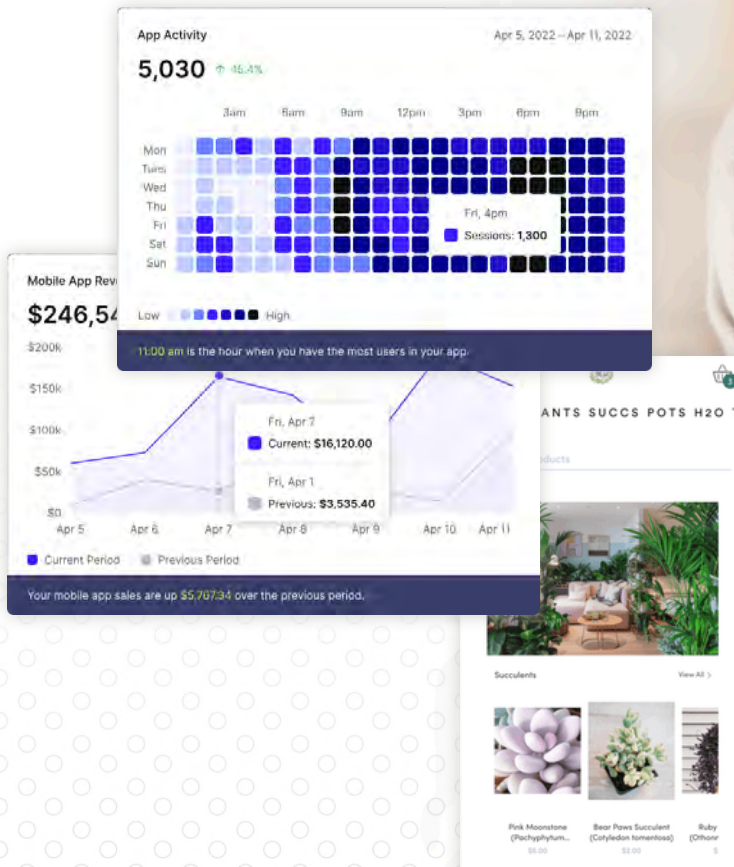
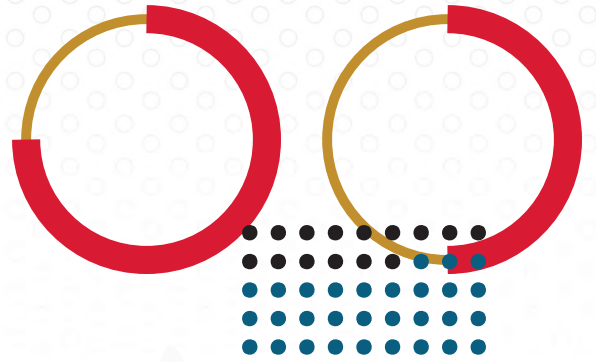
⁵ <https://www.shopify.com/enterprise/e-commerce-customer-retention>



Meet Tapcart: Your mobile commerce partner

Now, let's introduce Tapcart into the equation. Tapcart serves the largest number of Shopify Plus merchants, possessing a deep understanding of the challenges and goals unique to e-commerce businesses. They're equipped with dedicated customer success managers who leverage industry benchmarks to expedite the success of their merchant partners.

In conclusion, as we venture into 2024 and beyond, it's evident that mobile commerce will play a pivotal role in Shopify's e-commerce success. Customer acquisition hurdles, the imperative shift toward profitability over rapid growth, and the urgency of retaining customers are all reasons why mobile apps are indispensable. With a trusted ally like Tapcart at your side, you can confidently navigate this dynamic landscape, ensuring that your brand not only survives but thrives in the competitive world of e-commerce.



Leveraging live chat as a conversion tool

While offering live chat can seem like a daunting undertaking, it's worth the effort. By leveraging live chat as a conversion tool, you can eliminate pre-sales concerns, gather customer data, and create positive experiences for current and potential customers.

The benefits of using live chat in 2024 and beyond

Without a live chat support strategy, you risk missing out on crucial sales opportunities. According to recent data, live chat can increase conversion rates by 12%.⁶ The reason live chat can be such an effective revenue tool is because it:

- Allows you to answer pre-sales questions and ease concerns in real time
- Helps you capture valuable customer data
- Lets you offer better customer experiences

1. Answer pre-sales questions and concerns in real-time

When a customer writes in with a question before making a purchase, you can resolve that question and follow up with any additional information the customer needs.

By offering real-time support, you can guide customers through the purchase process, address any concerns, and provide relevant product recommendations. This could be as simple as helping a customer find the bike you shared in an Instagram post, or as complicated as recommending the right skincare products.

2. Capture valuable customer data

Through conversations with customers, you can gain valuable insights into their preferences, pain points, and buying behavior.

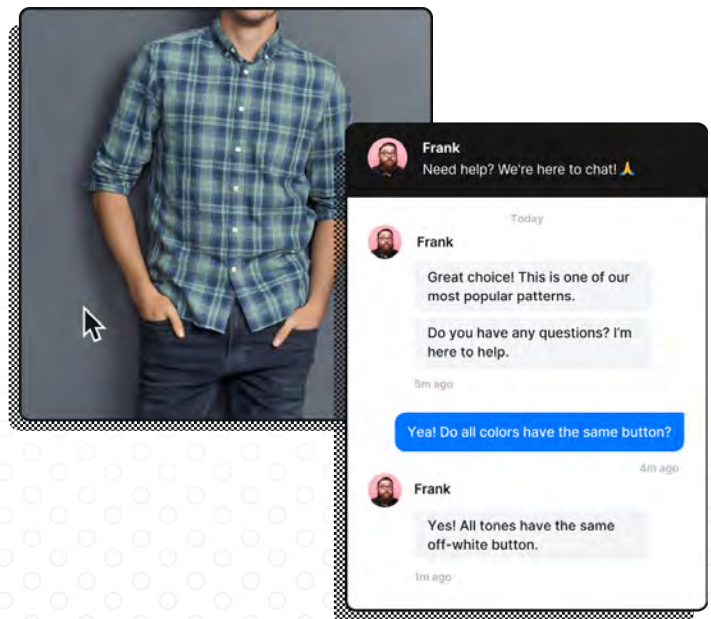
For example, you might find that the same questions come up frequently when customers are trying to assemble your product. Rather than waiting for those questions to come in, you might develop a package insert, help center article, chat automation, or post-purchase email to eliminate any friction.

The data you get from live chat conversations can help inform marketing strategies, product changes, and overall improvements to your customer support program.

3. Offer better customer experiences

According to data from PWC, 80% of customers feel that a swift and helpful response is the most important thing when it comes to getting great customer service.⁷ Embracing live chat can help you delight your customers by doing just that.

When customers receive help quickly, they're more likely to return for future purchases. Speedy resolutions via live chat boost customer trust and create less friction, as people know they can get help right away if they need it.



⁶ <https://www.gorgias.com/blog/live-chat-statistics#toc--3-adding-live-chat-to-your-website-can-improve-conversions-by-12->

⁷ <https://www.pwc.com/us/en/advisory-services/publications/consumer-intelligence-series/pwc-consumer-intelligence-series-customer-experience.pdf>

Tackling the immediacy of live chat

Many teams are weary of live chat because they're concerned that they can't keep up with demand. In reality, there are ways to implement a live chat strategy - even if you're short on team members and on time.

Set business hours for live chat, and offer self-serve resources and automation for the rest. Even if you can only offer one hour of dedicated live chat per day, that's a great start — just make sure you communicate the hours that your team will be online to your customers.

During offline hours, set up automated answers based on common questions. In Gorgias, you can set up quick response flows that automate responses based on incoming questions. Or, choose to share relevant help center docs to common FAQs.

Stay ahead of the curve

Providing consistent, magical customer experiences is what will differentiate your brand from others in the industry - and prioritizing live chat is what can help you make that a reality.

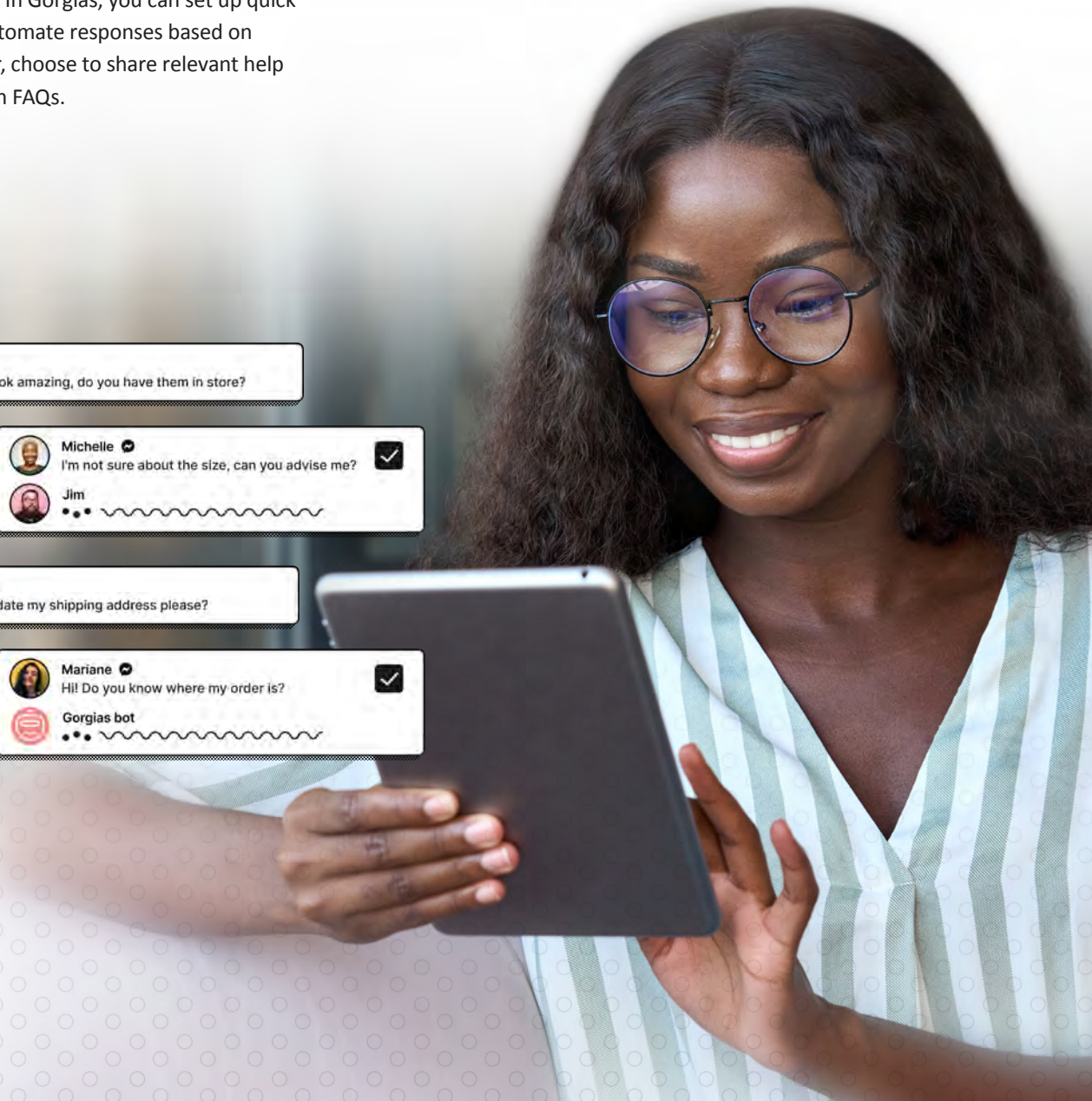


The screenshot displays a chat interface with the following elements:

- Message 1:** From Jessica (@), "These shoes look amazing, do you have them in store?"
- Message 2:** From Michelle (with a verified badge), "I'm not sure about the size, can you advise me?" (with a checkmark icon).
- Message 3:** From Jim, represented by a wavy line.
- Message 4:** From Maggie (with an envelope icon), "Can you update my shipping address please?"
- Message 5:** From Mariane (with a verified badge), "Hi! Do you know where my order is?" (with a checkmark icon).
- Message 6:** From Gorgias bot, represented by a wavy line.

Summary statistics on the left:

- Revenue + \$49.99
- Time: 4min36s



The future of e-commerce is circular

Consumers don't want their lifestyle to add to the landfill (especially millennials and Gen Z). They are increasingly seeking brands that align with their values and provide solutions to the waste that they and their products create.

The explosive growth of DTC e-commerce has shifted the responsibility of dealing with packaging and product waste from centralized retail stores to the homes and trash bins of individual consumers. The infrastructure to deal with this waste has not (and cannot) evolve fast enough to keep up – our bins, garbage trucks, and landfills are filling up with cardboard boxes, single-use plastics, and fast-fashion textiles.

Over 3 billion trees are cut down every year to make paper and cardboard packaging.⁸ Cardboard is now the #1 component of municipal solid waste (landfill) in America and makes up 40% of the total, where it decomposes into methane and other greenhouse gases, warming the planet.⁹ New clothing production accounts for 10% of total emissions, and 20% of water pollution, globally. Today, consumers buy twice as much clothing as they did just 10 years ago, and keep each item just half as long.¹⁰

This universal problem is commonly called the Linear Economy – products and their packaging are designed to be disposed of after a single use, by a single consumer. When you need another product, it's made from new, raw materials, requiring more energy and resources - and creating more emissions. Cheaper products, bigger landfills, and more garbage trucks are not the solution.

We need to make systemic, lasting changes to how we manage waste, and we need to do it quickly, or we will quite literally be buried in piles of our own e-commerce trash.



⁸ <https://canopyplanet.org/paper-packaging-uses-three-billion-trees-a-year/>

⁹ <https://www.colorado.edu/ecenter/2021/02/09/ways-reuse-cardboard-and-why-it-important#:~:text=Cardboard%20and%20papers%20comprise%20roughly,in%20some%20form%20of%20cardboard>

¹⁰ <https://www.wri.org/insights/apparel-industrys-environmental-impact-6-graphics>



The solution (it's not hopeless!)

The solution to this massive challenge is a Circular Economy. In a circular economy, products and packaging are designed to be recovered and reused over and over, reducing the need for new resources and dramatically reducing emissions and overall environmental impact over time. But, to reuse anything, we need to build the underlying infrastructure that enables it. Boox exists to do just that.

The rise of circularity, reusables, and resale are exciting trends because they can achieve that rare trifecta: Happy customers, an improved bottom line, and a reduced environmental impact. Progressive brands see the writing on the wall: It's time to evolve to more sustainable practices, and it's critical to message this to consumers sincerely and transparently - or risk being left behind.

Boox enables circularity for e-commerce brands by combining our award-winning reusable packaging solutions with a robust reverse logistics network. Instead of filling their bins with more waste (and piling on the guilt), your customers are encouraged to return their Boox packaging for reuse, keeping material out of the landfill.

We connect consumers back to brands by creating a new post-purchase interaction moment that becomes a flywheel of engagement and loyalty. This new behavior unlocks a variety of opportunities for e-commerce brands including Take Back programs, sustainability marketing campaigns, loyalty programs based on eco-friendly actions, integrations with resale software, and more. This is a massive white space for brands to drive loyalty, increase CLTV, and stand out from the competition through the lens of sustainability.

But perhaps more importantly: we're demonstrating that the future of e-commerce is circular – good for your brand, and better for the planet. Stop sending your customers trash, and join the circular economy!





Maximizing efficiency in split shipments with data integration

Leveraging data integration for split shipments is poised to revolutionize how businesses fulfill customer orders. Split shipments involve dividing a single order into multiple shipments, each sent from different locations or at different times.

Split shipments have emerged as a strategic fulfillment tactic, allowing businesses to meet customer demands efficiently. However, for businesses with complex technology stacks and a need for seamless data movement, plug-and-play or native applications may fall short. This is where scalable data integration steps in, offering a scalable solution to optimize your split shipment strategy.

The challenge with plugin integrations

While native plugin integrations are useful for simple issues faced by merchants, they may struggle to handle the demands of high-growth scaling with intricate tech ecosystems. This is especially true when it comes to the complexities of split shipments. Native plugin integrations may not have the flexibility and adaptability required to manage this advanced fulfillment strategy effectively.

How data integration can help

iPaaS data integration platforms are designed to tackle the intricacies of split shipments head-on. Here's how data integration can streamline the process and enhance your e-commerce operations:

Splitting orders with precision

When an order needs to be split based on where the items are shipped from, a data integration platform can handle this task seamlessly. It categorizes the data and directs it to its intended target application, ensuring a clear and error-free split of the order.

Tracking and order closure

Once the pick, pack, and ship process is complete, tracking details are applied. With the data aligned correctly, it's possible to trigger multiple tracking emails to keep customers informed and close the order once the final item has been shipped. This level of automation enhances customer satisfaction and operational efficiency.



Complex supply chains? No problem

Many enterprise and mid-market merchants operate with complex supply chains, involving multiple 3PLs, warehouses, and drop-shippers. The needs and setup variations can be endless. A platform like VL OMNI is designed to adapt to these complexities, ensuring that your split shipments are executed flawlessly, regardless of your supply chain's intricacies.

Error reconciliation and data movement redundancies

As enterprise merchants deal with significantly higher transaction volumes, the potential for errors also increases, especially during split shipments. Error reconciliation and data movement redundancies become paramount in these scenarios:

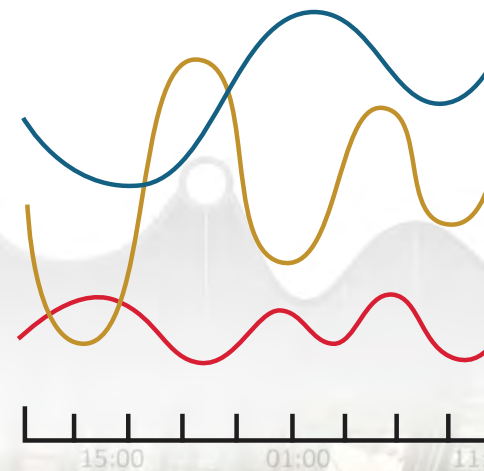
Data Validation and Completeness

In high-volume moments or bursts, data received from Webhooks may be incomplete. VL OMNI's platform validates the data and recalls the APIs to complete the data in cases of errors. This meticulous approach ensures that no data is lost during transit, even in the busiest times.

Handling API Throttling

In high-volume scenarios, platform APIs can throttle out, preventing further data transfers. With standard integrations, this could result in order data being lost. VL OMNI's platform, on the other hand, retains the data until API throttling subsides, allowing for resubmission to the target application. This guarantees that data always reaches its intended destination, even in challenging conditions.

Having a partner who understands the complexities of split shipments and offers tailored solutions to deliver exceptional service is a massive strategic advantage. As you navigate the challenges of split shipments in 2024 and beyond, trust VL OMNI's integration platform to optimize your fulfillment strategy and drive growth in your e-commerce operations. It's time to embrace the future of split shipments with confidence!



Recommerce is the next phase of omnichannel

The fastest-growing brands are the ones that have mastered “meeting the customer where they are.” This means reaching online shoppers through e-commerce, in-person shoppers in-store, social shoppers on TikTok, and more.

But there’s another place customers are shopping, and that’s secondhand marketplaces: Poshmark, Vinted, The Real Real, Vestiaire Collective, Depop...the list goes on!

These shoppers are still your brand’s shoppers—yet the channel itself is being managed outside of your brand.

When looking at what trends will prevail in 2024, brands participating in the resale and reuse of their own products will be table stakes. For consumers, participation in the secondhand economy has become ubiquitous—In OfferUp’s latest resale report, 85% of consumers said they had bought and/or sold used items within the last year.¹¹

Circularity as an acquisition and retention strategy

For brands that haven’t tapped into “recommerce” by enabling customers to shop and sell second-hand directly, they’re missing out. For those who have—from enterprise brands like Steve Madden and Michael Kors to digital natives like Clare V., Mansur Gavriel, and Rhode—they’re adding a new channel to their omnichannel toolbox while embracing circularity in an industry that demands it.

For brands like Mansur Gavriel, shoppers can browse a collection of pre-loved pieces alongside their new items. Meanwhile, past buyers can head back to Mansur Gavriel’s site to resell items they no longer use in exchange for credit toward another purchase.

Brands benefit twice over because every resale purchase has two customers: the buyer and the seller. 50% of resale buyers are new to the brand, and the primary reason for shopping secondhand is to try a brand at a more accessible price point. The seller of the merchandise is also ushered into a fresh sales cycle when brands are paying out in-store credit, who see up to 2.5x average up-spend on that payout.



¹¹<https://www.retaildive.com/news/resale-stigma-fades-among-secondhand-shoppers-survey/692804/>

The power of branded resale

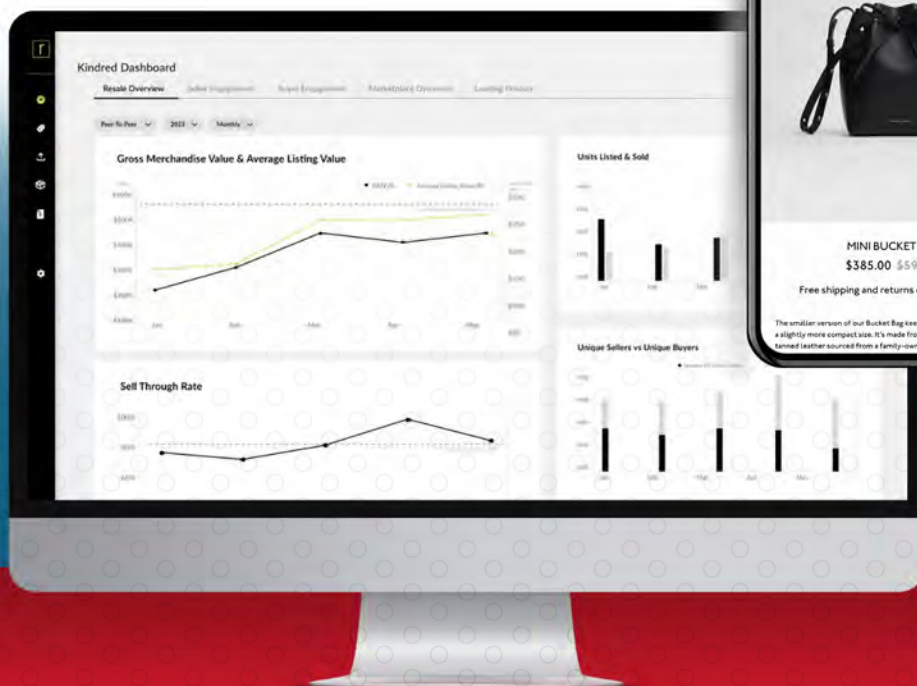
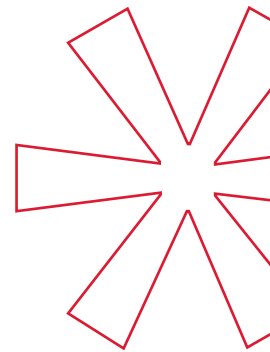
However, creating a “branded” resale channel needs to be more than checking a box. Launching branded resale shows that brands stand behind the longevity of their products, incentivizing them to produce higher-quality items and change the way they think about the post-purchase customer journey.

Peak Design, a brand that sells bags and gear for cameras and every day, sends out “purchase anniversary emails” to buyers after 1, 2, or 3 years, inviting them back to resell items if they are no longer using them in exchange for store credit towards a new purchase. Similarly, when a new iPhone is released, they send out a marketing email to remind their customers that their pre-loved phone cases “still have legs” and can be sold on their resale marketplace.

Other brands have taken to creative in-store activations to reach their resale-forward customer base, such as 7 for All Mankind, a premium denim brand that hosted a weekend-long in-store event across multiple locations during Earth Month. Customers could drop off pre-loved denim and receive credit. The items were later listed

for resale on 7 Revival, their online marketplace. For Clare V., who sells handbags, apparel, and bright-colored accessories, their pre-loved “Le Resale” marketplace has provided the brand with creative win-back strategies. Clare Vivier herself has listed personal items in a micro-closet called “Clare’s Closet,” donating the proceeds to a local charity.

Resale shopping is only getting more popular, and the stigma that once surrounded “used” items is fading substantially. For brands striving to keep up with consumer shifts, unlocking a resale channel pays dividends in customer acquisition and lifetime value (without having to produce any new product!) Even more importantly, as the retail world continues to move towards waste reduction and reuse, brands that fail to adapt their practices will be left behind.





With e-commerce brands finding it more difficult to acquire customers and keep them, it's never been more important to think outside the box and embrace a circular approach to retail which is more resistant to disruptions in the marketplace.

In the face of economic uncertainty and increasingly skeptical consumers, brands need to evaluate each stage of their operation to understand where a lack of efficiency or clunky technology is causing a loss of valuable time and resources. While some wasted packaging or a few units of excess inventory taking up storage space might not seem like a major concern, these costs will quickly add up and cause valuable dollars to 'leak' out of your operation.

Circularity in e-commerce encompasses far more than conventional ideas of sustainability. It's a holistic strategy that has an application within every facet of your business. Customer support, shipping optimization, and even the secondary resale market all offer lucrative opportunities for merchants to recover revenue and reinvest back into their operations - all the while offering their customers a more streamlined and enjoyable experience.

The result? A healthier, more resilient business that can weather those inevitable peaks and troughs in the marketplace. Whether it's through innovative subscription models that foster more recurring revenue or inventory models that reduce environmental impact via smarter allocation of surplus inventory, circular approaches to e-commerce are an effective way to turn the common challenges of being an online seller into opportunities.

About Ryder E-commerce

Ryder System, Inc. (NYSE: R) is a leading logistics and transportation company. It provides supply chain, dedicated transportation, and fleet management solutions, including warehousing and distribution, e-commerce fulfillment, last-mile delivery, managed transportation, professional drivers, freight brokerage, leasing, maintenance, commercial truck rental, and used vehicle sales to some of the world's most-recognized brands. Ryder provides services throughout the United States, Mexico, and Canada. Ryder is regularly recognized for its industry-leading practices in third-party logistics, technology-driven innovations, commercial vehicle maintenance, environmental stewardship, corporate social responsibility, world-class safety, and security programs.

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