

To maintain 2020's ecommerce boom, businesses need to adjust

As the world moved online, 2020 saw a surge in cross-border ecommerce. As the trend is set to continue, Checkout.com has launched a New State of Retail Report to help navigate emerging patterns in pan-European retail and payments.

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In 2020, Europe was home to the world's largest retail ecommerce growth rate. As a greater online presence developed, merchants – particularly those in Eastern Europe – saw a surge in consumer appetite for digital shopping models and payment methods.

Increased demand for retail ecommerce meant businesses were forced to make quick adjustments to payment, supply chain and shipping operations. But with the pandemic disrupting shipping and delivery services, and amidst a swell in demand, these adjustments were difficult to make.

Checkout.com found that more than 40% of retailers said they weren't prepared for the surge in cross-border payments. The inability to match demand with the correct payment method meant a loss in revenue for these merchants.

An ongoing trend

But *the report* released by Checkout.com suggests that the ecommerce boom is here to stay. The surge in online shopping has introduced millions of European consumers to products inaccessible in their local shopping

districts.

For consumers, ecommerce has opened up a world of choice. For merchants, it has opened the door to new foreign markets. But to take advantage of this, businesses must be ready. Despite the uneasy adjustments of 2020, companies must be able to keep up with the latest payment methods in order to smoothly meet demand.

Competition and flexible change

97% of CEOs have said that business model innovation will be crucial to stay relevant and competitive. But according to McKinsey's 2020 Global Payments Report, with Europe poised for a swift rebound after the pandemic, competition to tap into and secure foreign markets among merchants will be fierce.

Executives agree that a shift in business models will need to come in the next 18 months, starting with digital payment mechanisms. Modern, efficient checkout experiences, using digital wallets, QR codes and BNPL (Buy Now Pay Later) schemes will be necessary to ensure demand is satisfied and set to continue.

But still, payments performance metrics and access to data are still poor for the sector. 60% of ecommerce merchants feel they don't have the payment insights and support needed to innovate their business models, meaning merchants are still failing to unlock opportunities for growth and success.

How can Checkout.com help?

In addition to releasing new data relating to emerging patterns in pan-European retail and payments, Checkout.com *has suggested new ways* for merchants to capitalise on the ecommerce boom.

The report reveals that hybrid experiences, social shopping, and subscription models will boom. Meanwhile, businesses need tailored and optimised payment methods tailored to match their evolving models and growth strategies.

In fact, a smooth checkout experience is determined by a lot more than simply payment method. Checkout.com can also reveal that 74% of ecommerce merchants do not offer all payment pages in the local language, resulting in high exchange fees and negative approval rates. Localising payments is key to maximising the ecommerce boom 2020 set in motion.

The powerful and rapid shift in consumer demand for a range of products alongside a smart, smooth payment experiences means businesses must have models in place to keep up.

The full report from *Checkout.com* can be accessed [here](#).