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Article

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This week, our Reimagining Retail podcast crew gave their predictions on what will drive the next phase of ecommerce growth, ranked from mild to extra hot.

Mild: Personal care and homegoods will reach 40% ecommerce penetration within the next decade.

Currently at 16.5% ecommerce penetration this year, analyst Blake Droesch predicts this climb, which he says will be driven by convenience and faster delivery speeds. The items being

purchased in grocery stores and pharmacies (think deodorant, shampoo, and toothpaste) have huge potential to move online.

Medium: Returns change from a problem into a solution.

Returns are a major reason for cart abandonment in apparel. It's like an "arts and crafts project," analyst Andrew Lipsman says of the return process, but streamlining it would help convert online browsers into online buyers.

Spicy: Buying cars online will become the biggest ecommerce sales category by the end of the decade.

This prediction from Droesch is driven by low penetration but high potential for auto sales. "It would really only take ecommerce in the auto industry rising to 11% (up from 4.0% this year) to reach $199 billion in sales." Given the monumental size of the auto and parts category (a $1.7 trillion market in 2022), a strong online startup could push billions of retail dollars to digital.

Extra hot: Ecommerce will be drone-delivered.

Once these automated deliveries take off, ecommerce spend will follow. Prescription, food delivery, and instant needs will soar with effective drone infrastructure. That future isn't here yet, but Lipsman can imagine a future of flying delivery bots.

Listen to the full podcast.

This was originally featured in in the Retail By the Numbers newsletter. For more retail insights, statistics, and trends, subscribe here.