

Annual digital commerce spend to climb to \$19tn by 2024

A new study by Juniper Research, titled '*Digital Commerce: Key Trends, Sectors & Forecasts 2019-2024*' reveals that global spending on digital commerce will reach \$18.7 trillion by 2024, up from \$11.2 trillion in 2019, reflecting an increase of 66% over the 5-year period.



The research found the largest single digital commerce sector is the remote purchase of physical goods, which will have driven just under 27% of all digital commerce spend by the end of 2019. The e-commerce market is being accelerated by digital-native merchants and renewed focus from traditional 'brick and mortar retailers', who are offering differentiated omnichannel experiences in order to secure future revenue streams.

Juniper Research highlights the user experience via digital channels as the crucial next battleground for retailers. Reduced friction in the checkout process, despite increased security requirements, is an essential requirement for future success.



SA retailers still not fully embracing online opportunity - Accenture

21 Oct 2019



Money transfer digitisation accelerating

The new data found that digital money transfer is one of the main drivers for increasing digital commerce spend, forecast to grow by 85% over the next 5 years. Juniper Research identified domestic money transfer as a critical element, with increased activity in emerging markets a key contributor to the overall market value.

Research author Nick Maynard explained: "Domestic money transfer is being heavily disrupted, with mobile-first services displacing the traditional role of cash in emerging economies. Partnerships with international merchants and wallets will enable these markets to participate in e-commerce on a scale previously thought impossible."

SA brands missing out on R34bn in e-commerce revenue

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IoT payments gaining traction

The research also found that payments from IoT devices, primarily in the smart home and via connected vehicles, will reach over 32 billion transactions by 2024. This compares with just under 1.8 billion transactions in 2019, as these new channels achieve customer recognition and acceptance.

However, the research also predicted that these new channels will not represent new consumer spend; they will largely be driven by migration from traditional card spend, or will cannibalise other digital channels.

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