This edition of the IATA e-commerce monitor examines the change in consumer trend, the opportunity for hybrid products and examples of the value brought about from collaboration between e-commerce marketers and airlines.

Top global e-commerce markets

The pandemic has accelerated the shift away from physical stores to online shopping by approximately five years. Digital sales experienced a 25.7% surge in 2020 and over 80% of consumers shopped online that year.

The shift is here to stay. The world of logistics is building on this momentum by using its key values of offering speed, reliability and quality services.

In 2022, retail e-commerce sales are expected to reach $5.5 trillion, a 21% increase from 2021.

Source: similarweb.com,
Consumer Trends

The pandemic has shown a shift in consumer behaviour, as well as the top products that consumers purchase. There has been a huge shift in online purchases for furniture and electronics, over 200% growth, with food and beverage at 171% growth. Many of these products are transported by air.

Did you know?
In 2025, 95% of orders will be done online

Opportunity for hybrid product

The below graph clearly shows that if we compare price vs. speed of delivery of a single parcel for international shipping, there is an opportunity for hybrid delivery product. Airlines offer speed, visibility, reliability and consistency. Airlines are well positioned to deliver on these promises. With postal shipments being a bit too slow, and express shipments too expensive, there is a niche for hybrid products. As of today, only a few airlines have entered this market, by collaborating to meet this hybrid modal.

Source: DHL, Forbes
Airlines have lift off

Through cooperation and partnership between airlines and logistics providers, airlines are now taking note and adapting to the e-commerce model to ensure longevity and to diversify their revenue streams.

Amazon Air and Atlas Air: Amazon Air committed to the lease of an additional 10 Boeing 767 freighters from Air Transport Services Group (ATSG), taking its total fleet to 50 airplanes.

China Southern airlines and Pinduoduo, has established a cold chain transportation route, and a direct connection between the place of origin of agricultural products and their consumption. It has reduced distribution costs by up to 40% and enabled more than 100,000 farmers to return to rural areas to farm.

Lufthansa Cargo and heyworld stepped up and started using A321P2F aircrafts in connecting dots within the same continent while offering same-day airport to airport delivery.

The Qatari cargo carrier and the Chinese logistics company, Cainiao, belonging to e-tailer Alibaba, have announced their cooperation. While Cainiao charters the freighter and provides the shipments, Qatar Airways Cargo flies the goods.

Saudia Cargo, one of the world’s most dynamic cargo carriers, has achieved significant growth in e-commerce shipments this year, mainly due to the success of its cooperation agreement with Cainiao Network.

Be part of e-commerce

Many airlines are now taking note and adapting to the e-commerce model to ensure longevity and to diversify their revenue streams. Be part of the value of connecting with e-commerce.

Source: supchina.com; jdcorporate; chinatravelnews;