E-Commerce Monitor
COVID-19 accelerates consumer behavior
December 2020

The first edition for the IATA e-Commerce Monitor examines the changes in consumer behavior due to COVID-19 and looks at the statistics from the major shopping events this year. It analyzes how sustainability now influences consumer decisions and the constraints created by air cargo capacity shortage.

**Shift in consumer priorities due to COVID-19**

<table>
<thead>
<tr>
<th>Category</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disposable gloves</td>
<td>+670%</td>
</tr>
<tr>
<td>Bread machines</td>
<td>+652%</td>
</tr>
<tr>
<td>Cough medicine</td>
<td>+535%</td>
</tr>
<tr>
<td>Dried grains &amp; rice</td>
<td>+386%</td>
</tr>
<tr>
<td>Weights</td>
<td>+307%</td>
</tr>
<tr>
<td>Toilet paper</td>
<td>+190%</td>
</tr>
<tr>
<td>Luggage</td>
<td>-77%</td>
</tr>
<tr>
<td>Cameras</td>
<td>-64%</td>
</tr>
<tr>
<td>Bridal clothing</td>
<td>-63%</td>
</tr>
<tr>
<td>Mens formal wear</td>
<td>-62%</td>
</tr>
<tr>
<td>Gym bags</td>
<td>-57%</td>
</tr>
<tr>
<td>Golf clubs</td>
<td>-33%</td>
</tr>
</tbody>
</table>

The pandemic forced governments to ban social gatherings, and close stores, restaurants, gardening centers, theatres and concerts. This led consumers to live their lives online, including shopping.

Source: DHL
Air cargo transport is vital for E-commerce

Global air cargo transport performance exceeded 238 billion FTK in 2018 and was expected to grow by over 4% annually until 2038. Then the COVID-19 pandemic hit and created a shortage in belly capacity as e-commerce volumes continued to grow.

In 2020, more than 2 billion people were shopping online, almost a quarter of the world’s population. The pandemic forced governments to close borders and take drastic measures to protect people and ensure essential services, creating additional challenges for the e-commerce supply chain.

In 2019, the annual value of global e-commerce sales of goods reached $2 trillion and was forecasted to exceed $4.4 trillion by 2025.

By December last year, e-Commerce only represented 14% of the total retail sales. This means there is much room for growth as consumers continue to move online.

E-commerce moved 10 years in 90 days

According to McKinsey & Co*, “E-commerce has moved 10 years ahead in just 90 days.” However, there has also been a decrease of 60% in postal parcels sent, due to lack of capacity.

Source: Bank of America; Forrester Analytics; ShawSpring Research; US Department of Commerce; McKinsey analysis; IATA Economics and PwC
Seeing double: shopping events 2020

The increase in sales during the online shopping events of 2020, almost double the 2019 figures for Singles day, clearly illustrates the value of e-commerce, especially during a pandemic.

$74.1 billion
SINGLES DAY 11.11

$10.4 billion
AMAZON PRIME DAY

$10.8 billion
CYBER MONDAY

$9 billion
BLACK FRIDAY

> 80%
Of 11.11 orders were predicted by Cainiao’s AI algorithm* based on shopper’s behavior

2.3 BILLION PACKAGES

3 MILLION WORKERS

500,000 TRUCKS

4,000 PLANES

2021 predictions for shopping trends

2.14 billion
online buyers estimated in 2021

73%
Of new online clothing consumers say they’ll continue this trend post covid-19

Source: Alibaba and Cainiao; Amazon; Forbes; Stat investor; Brand Watch
The rise in online sales has resulted in an identical rise in packaging waste. According to Greenpeace, the volume of packaging waste generated in China alone was estimated to be at 9.4 million tons in 2018 and is projected to reach 41.3 million tons by 2025.

**Consumer voice for sustainable packaging**

81% of consumers would prefer carbon-neutral parcel delivery

244,000 tonnes of packaging material eliminated by Amazon

61% of consumers would prefer sustainable packaging

4 million reusable boxes were used by Alibaba’s online grocery service on 11.11

**Capacity shortage**

Due to the pandemic and the reduction of 95% in the use of passenger aircrafts, this made it very difficult to ship cargo and mail in lower holds and thus to respond to the boost in behavioral change of consumers.

As peak season arrives the problem is a lack of capacity
Lack of passenger fleet belly capacity creating serious shortages

13.5% increase in volumes in July vs July 2019

Source: Alibaba and Cainiao; IATA Economics; BBC; IPC ‘CROSS-BORDER E-COMMERCE SHOPPER SURVEY 2019’