



E-Commerce Monitor

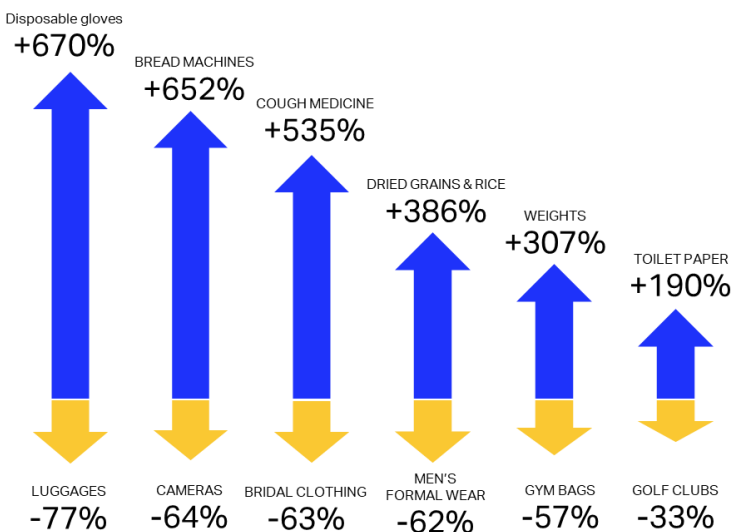
COVID-19 accelerates consumer behavior

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

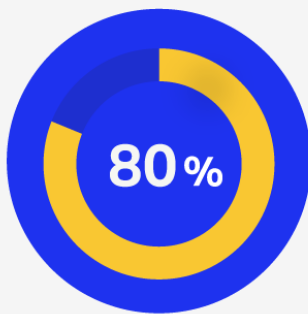


The pandemic forced governments to ban social gatherings, and close stores, restaurants, gardening centers, theatres and concerts. This led consumers to live their lives online, including shopping.

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.



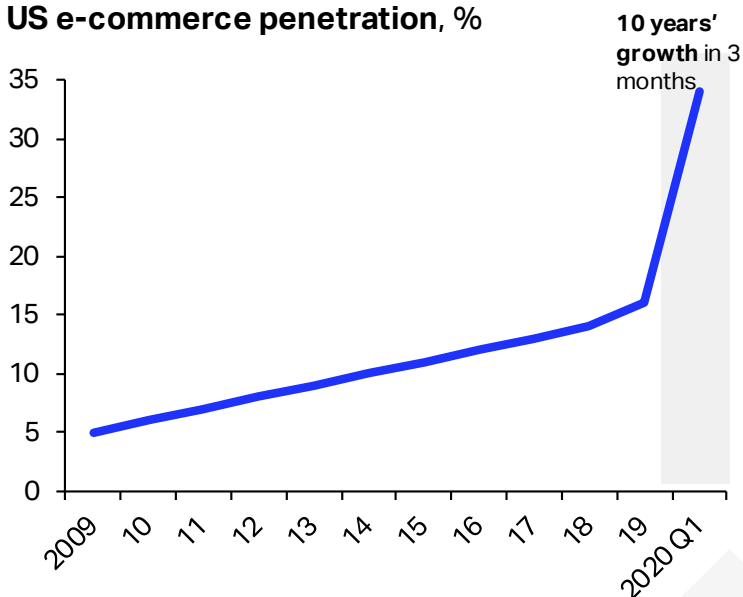
80% of cross-border e-commerce is transported by air

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.

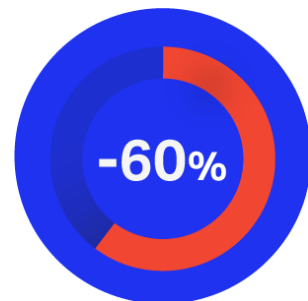
By December last year, e-Commerce **only represented 14% of the total retail sales**. This means there is much room for growth as consumers continue to move online.

E-commerce moved 10 years in 90 days

US e-commerce penetration, %



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.

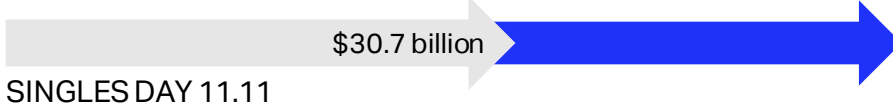


Drop in postal parcels

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.

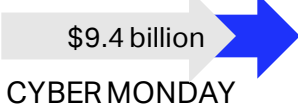
\$74.1 billion



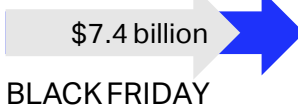
\$10.4 billion



\$10.8 billion



\$9 billion



2.3
BILLION PACKAGES

3 MILLION
WORKERS



500,000
TRUCKS



4,000
PLANES

LOGISTICS BEHIND 11.11

1/2 MILLION
Orders per second on 11.11

> 80%

Of 11.11 orders were predicted by Cainiao's AI algorithm* based on shopper's behavior

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

19

e-Commerce Events 2021



Click to expand



Consumer voice for sustainable packaging

In 2018, china packaging waste estimated at

9.4 MILLION TONNES

80,000

Recycling centers set up
by Cainiao in China

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**.

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

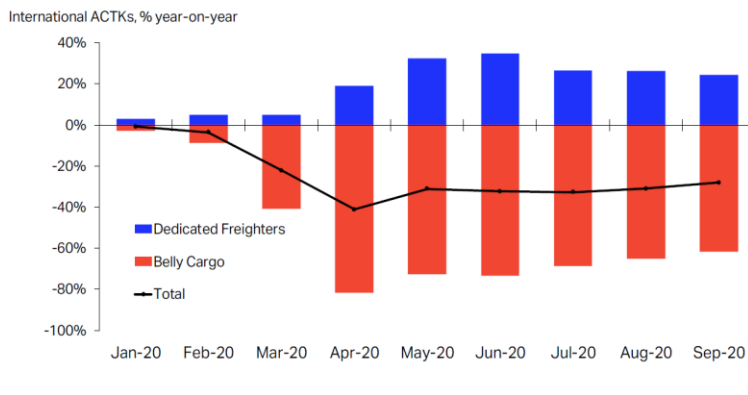
4 MILLION

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'

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