



PAYARC SOLUTIONS

# Navigating the Omnichannel Payments Landscape

## TABLE OF CONTENTS

3	TL;DR
4	Introduction
5	In-store Shopping
6	Online Shopping
7	Mobile Shopping
8	Social Commerce
9	Live Selling
10	US Consumer Preferences
11	Benefits of Omnichannel Payment Processing for Businesses
12	Conclusion

## TL;DR

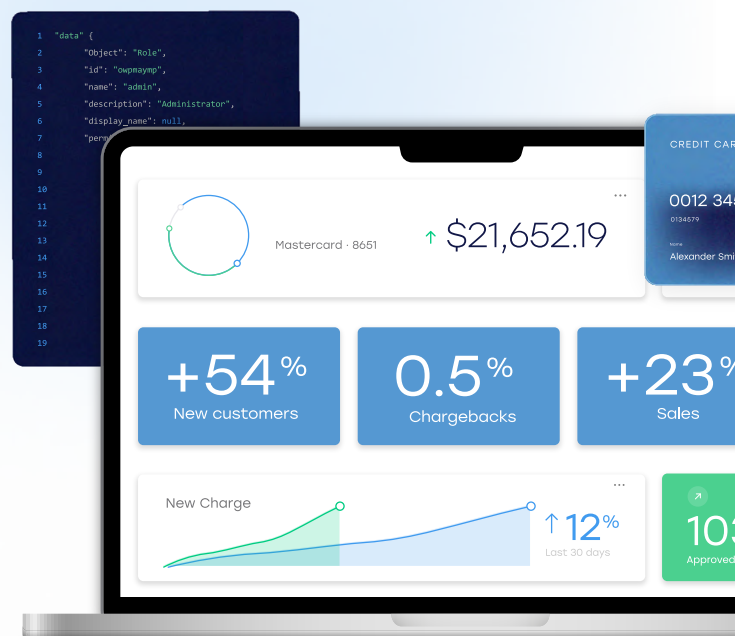
The payments landscape has undergone transformative changes, accelerated by the impact of COVID-19. With a surge in online shopping, businesses are adapting to omnichannel strategies, navigating challenges and capitalizing on consumer behaviors shaped by the pandemic.

Key trends include the resurgence of in-store shopping, the exponential growth of online commerce, and the rise of mobile and social commerce, particularly on platforms like Facebook, Instagram, and TikTok. Live selling is emerging as a dynamic retail experience, creating opportunities for engagement and sales.

Understanding US consumer preferences is crucial, with expectations centered around seamless delivery, free shipping, and transparent tracking. Businesses that integrate these preferences seamlessly into their online presence tap into significant opportunities.

The adoption of an omnichannel payment strategy is presented as imperative for sustained relevance in the dynamic retail landscape. A payment processor like Payarc offers a reprieve to the adoption of this model, through emphasizing comprehensive solutions, seamless integration, and personalized support. This strategic alliance becomes pivotal for businesses looking to unlock untapped revenue potential and shield themselves from obsolescence.

Understanding US consumer preferences is crucial, with expectations centered around seamless delivery, free shipping, and transparent tracking



## INTRODUCTION

In a world perpetually shaped by change, the payments landscape has been relentless in its evolution. The gears shifted into overdrive in the past 5 years, fueled by the seismic impact of the COVID-19 pandemic.

Governments worldwide responded with protective measures, closing nonessential retail spaces and limiting capacities in essential establishments. The result? A surge in online shopping, with e-commerce escalating from US\$382.5billion in 2019 to US\$727billion in 2023. (Statista, 2024)

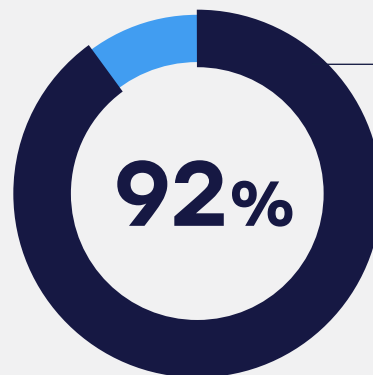
This disruption prompted retailers to reevaluate strategies. While some hesitated to part with traditional face-to-face engagement and their brick-and-mortar establishments, others seized the opportunity, embracing omnichannel strategies that continue to yield dividends post-lockdown.

Surveys indicate a profound impact on consumer behavior – over one-third of Americans have seamlessly incorporated omnichannel features into their shopping routines post-pandemic. The stakes are high, with 92% of consumers fluidly switching between digital and physical interactions within a single transaction – often researching purchases online while shopping in brick-and-mortar stores, underscoring the imperative for brands to adapt. (Team P., 2022)

The journey wasn't without challenges. Almost 50% of brands foresee the unification of online and in-store operations and data as their primary hurdle in the coming years. (Drenik, G.. 2022) However, those who successfully navigate this path are poised for favorable results.

Statista, 2024

Online shopping:  
The difference of  
E-commerce from  
2019 - 2023



Consumers  
that switch  
between  
digital and  
physical  
interactions  
within a  
transaction

Team P., 2022

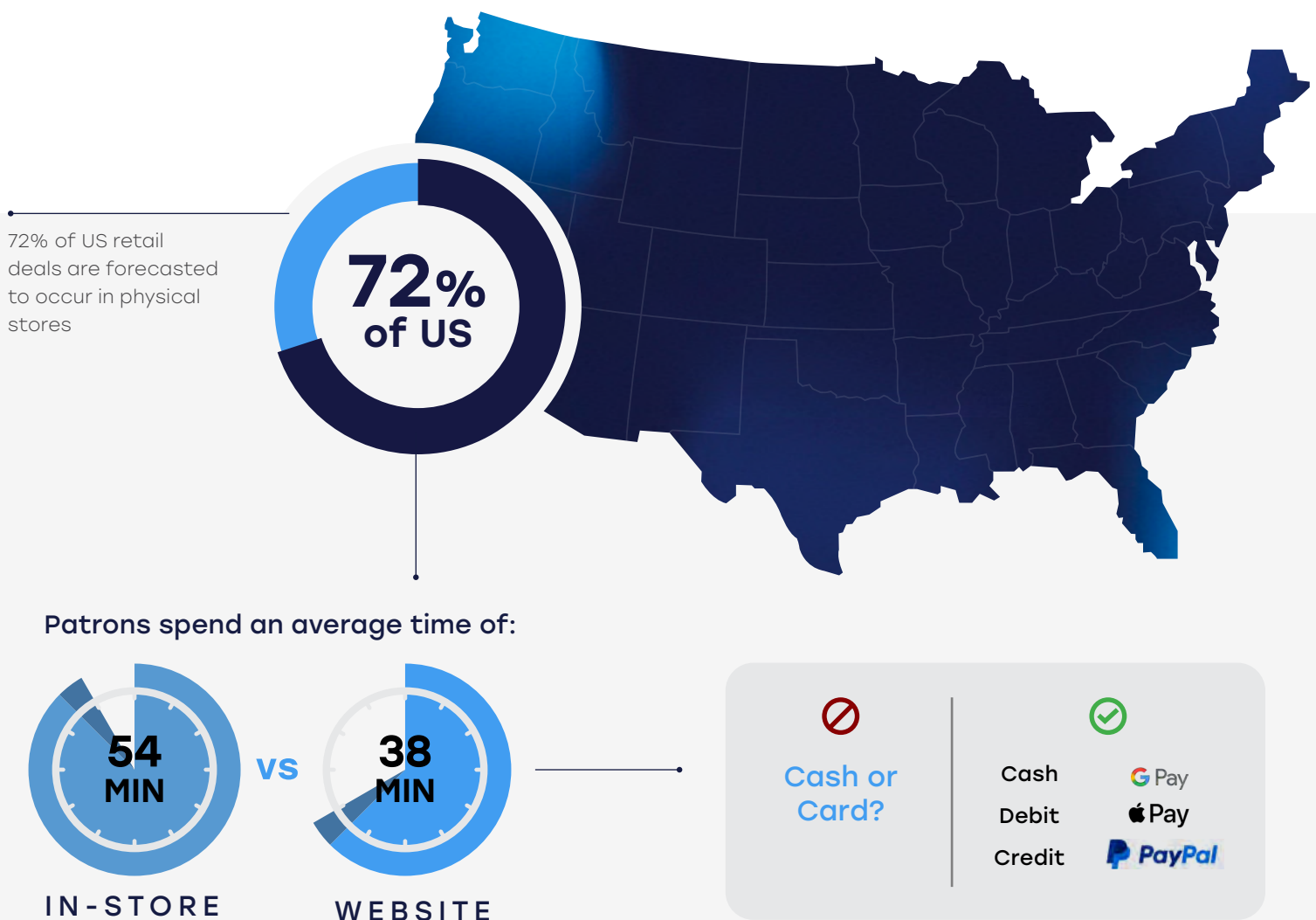
## IN-STORE SHOPPING

In the wake of the pandemic, in-store shopping, synonymous with the quintessential brick-and-mortar retail experience, has staged a remarkable comeback with a forecast of 72% of US retail sales occurring in these physical stores, reclaiming its role as a formidable player in the industry. (Reda, 2022)

This mode of shopping entails a customer physically visiting a retail establishment to scrutinize, choose, and acquire goods or services. What sets in-store shopping apart is the immersive experience it offers, where patrons invest an average of 54 minutes perusing a physical store—significantly more than

the 38 minutes typically spent on a single website. (ICSC, n.d.) This stark contrast underscores the enduring importance of prioritizing and enhancing in-store experiences, even amidst the pervasive influence of the digital realm.

Payments are no longer confined to the binary of cash or card; the question now extends to a myriad of options such as mobile wallets like PayPal, ApplePay and GooglePay, to bank transfers, Buy Now Pay Later options, credit and debit cards, propelled by the rise of omnichannel payments.





## ONLINE SHOPPING

Online shopping, a facet of digital commerce, allows consumers to effortlessly acquire goods or services through the internet using web browsers or mobile apps. It relies on card-not-present (CNP) transactions, where buyers remotely provide payment details, enabling transactions without a physical card presentation. A digital receipt confirms the purchase, and the bought items are then delivered to the buyer's doorstep or available for convenient pickup at a designated location.

In this digital era, over 263 million Americans, constituting 80% of the population, engage in online shopping. (Statista, 2023) The significance of this trend is further underscored by the considerable purchasing power wielded by millennials (29–43 years old), emphasizing the imperative for businesses to establish and fortify their online presence. Catalyzed by events like Black Friday—Cyber Monday (BFCM) weekend,

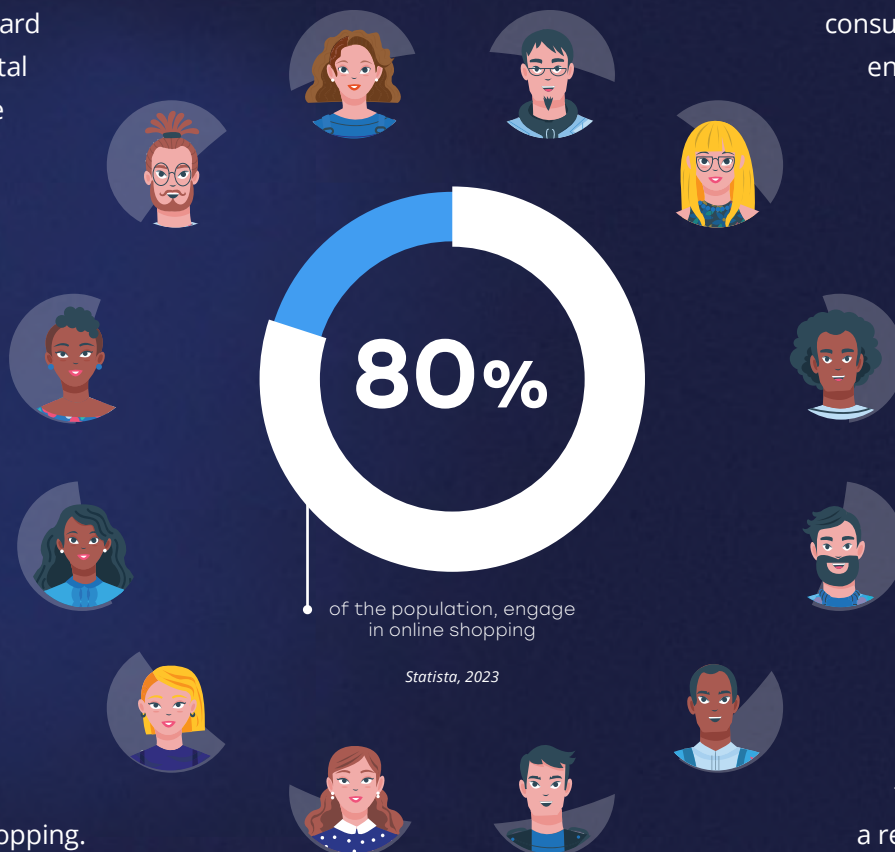
online shopping reached unprecedented heights, with **Adobe Analytics reporting consumer spend to be at \$9.8 billion on this day alone, this is 7.5% up from the year prior.** (Delesline III, 2023) This

surge is a testament to the widespread appeal of online shopping, where consumers capitalize on enticing deals and the seamless experience of purchasing products through various devices, be it mobile, apps, or computers.

This momentum in online commerce is not confined to individual platforms.

According to Forbes, the analytics firm Comscore reported a remarkable figure for US e-commerce sales—\$1.09 trillion in 2022, marking a robust growth rate of 10.6% from the previous

year. (Koetsier, 2023) The accelerating surge in e-commerce not only highlights its dynamic trajectory but also signifies a profound shift in consumer behavior, reshaping the retail sector at its core.

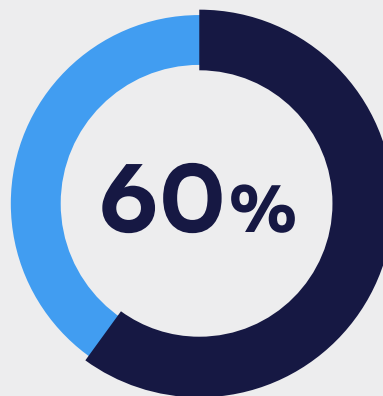


## MOBILE SHOPPING

Mobile shopping, the seamless transaction of goods and services through our smartphones and tablets, has become an integral aspect of modern digital commerce. This innovative approach empowers consumers to navigate online shopping platforms with unprecedented ease, liberating them from the constraints of desktop computers. A Morning Consult poll in December 2022 unveiled that over 60% of US adults recognize mobile shopping as an indispensable convenience in their online shopping endeavors. (Morning Consult, 2023)

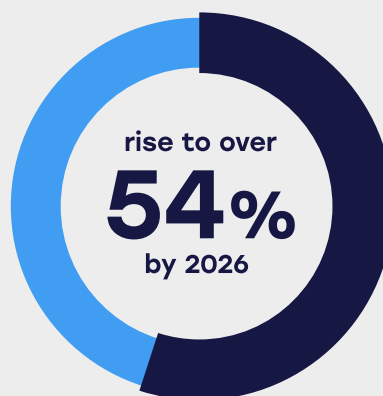
Looking forward, the trajectory of mobile commerce is striking. It was predicted in 2023, that an estimated 187.5 million U.S. users will have completed at least one purchase via a web browser or mobile app on their mobile devices—a substantial increase from the 167.8 million mobile buyers recorded in 2020. This trend underscores a significant shift, with mobile buyers consistently constituting at least 60% of the U.S. population since the inception of the decade. (Chevalier, 2022)

In tandem with the rise of mobile shopping, digital payment methods have taken center stage. The prevalence of digital wallets, safeguarding credit, debit, and loyalty card details for online use, has surged. In 2022, mobile wallets commanded roughly half of global e-commerce payment transactions, solidifying their status as the premier online payment method worldwide. This dominance is poised to intensify, with projections indicating a rise to over 54% by 2026. In stark contrast, credit cards, which held a 20% market share in 2021, are anticipated to witness a decline in the years ahead, further accentuating the ascendancy of digital wallets in the digital payment landscape. (de Best, 2023)



*Morning Consult, 2023*

of US adults recognize mobile shopping as an indispensable convenience in their online shopping endeavors



*de Best, 2023*

mobile wallets commanded roughly half of global e-commerce payment transactions, solidifying their status as the premier online payment method worldwide



## SOCIAL COMMERCE

Amidst the 2 hours and 24 minutes that an average person invests in social media, a notable shift towards social commerce has emerged. (Nyst, 2023) Social commerce, the practice of selling products and services directly on platforms like Facebook, Instagram, TikTok, and Live Selling, transforms the entire shopping journey—from initial product discovery to the final checkout, seamlessly occurring

within the social media realm. (McLachlan, 2022) In 2022, global sales through social media platforms surged to an estimated \$992 billion. Projections for 2030 anticipate an extraordinary growth to \$8.5 trillion, showcasing the immense potential for business expansion through social commerce. (Global Industry Analysts. 2024).

### INSTAGRAM

Instagram, 2023 witnessed **43 million** US social commerce buyers. (Enberg, 2022) With **62.4%** of Instagram users relying on the platform for brand research, product tagging notably amplifies sales by **37%**, underlining its efficacy in disseminating crucial information. This accentuates the importance for brands to maintain updated social media profiles to captivate their audience. Furthermore, conversations via Instagram Direct Messages boast a **70%** conversion rate, emphasizing the need for swift interactions to secure a sale. (McLachlan, 2023)



### FACEBOOK

Notably, Facebook Shops reported that **63.5 million** US shoppers engaged in purchases via the platform in 2022, solidifying Meta as the foremost social media experience. Remarkably, **19%** of US consumers initiate their shopping quests on Facebook. (McLachlan, 2024)



### TIKTOK

The prominence of TikTok cannot be overlooked; it claimed the title of the highest-grossing app in 2023. (West, 2024) A survey of **3,613** TikTok shoppers in January 2022 revealed that **71.2%** make purchases when stumbling upon items on their For You Pages. (Chevalier, 2023) Notably, **58%** turn to the platform for shopping inspiration, **45%** rely on paid influencer recommendations, and **39.1%** actively seek products within the TikTok shop. Remarkably, TikTok stands out as the preferred platform for impulse buyers, with **55%** making spontaneous purchases. (West, 2024)

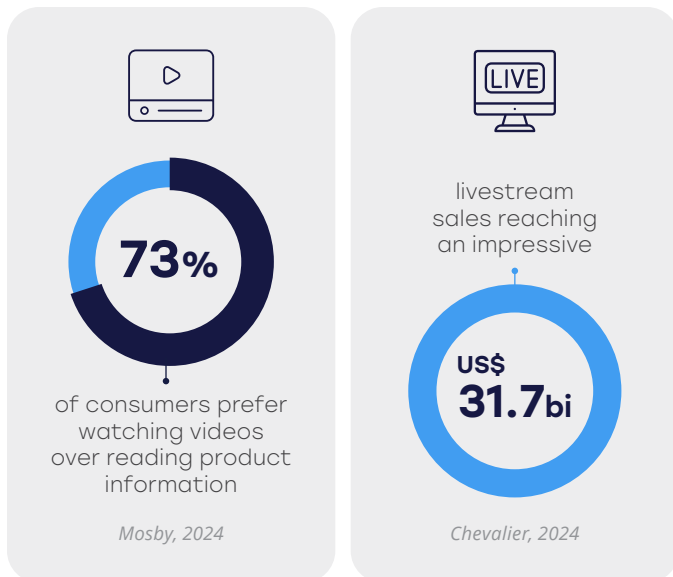




## LIVE SELLING

Enter the realm of live shopping, also dubbed as livestream shopping, live video shopping, or live commerce—a digital gateway where retailers can showcase their products through captivating videos and directly engage with online consumers. This innovative approach allows consumers to participate actively, posing questions and interacting through live chat channels, fostering a dynamic connection. Enthusiasts can even add products to their basket in real-time while engaging with their favorite influencers. (Emplifi, 2022)

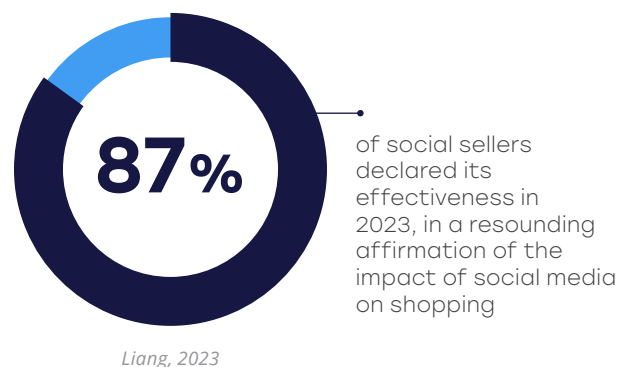
Live shopping isn't confined to a single platform; it allows simultaneous streaming across various channels, including your online store, mobile app, Facebook Live, and Facebook Groups.



The inclination toward live shopping is reinforced by the staggering statistic that 73% of consumers prefer watching videos over reading product information. (Mosby, 2024) While this trend has been more prominent in China, the United States boasts a thriving market with livestream sales reaching an impressive \$31.7 billion. (Chevalier, 2024) Notably, services like CommentSold demonstrate the immense potential by generating up to \$300 per minute in a single live sale, illustrating the lucrative nature of this engaging retail experience. (Whitmarsh, 2022)

Live shopping isn't confined to a single platform; it allows simultaneous streaming across various channels, including your online store, mobile app, Facebook Live, and Facebook Groups. This versatility ensures that retailers can reach their audience through multiple avenues, creating a seamless and immersive shopping experience for consumers.

In a resounding affirmation of the impact of social media on shopping, 87% of social sellers declared its effectiveness in 2023. (Liang, 2023) This trend underscores the significance of a robust online presence to tap into the combined 85% market share of Gen Z and Millennials. (Walk-Morris, 2023) As the dynamics of social shopping continue to evolve, businesses must stay attuned to these platforms to leverage their full potential.



## US CONSUMER PREFERENCES

**As a company, you would want to cement your position in being top of mind for your consumers.** Unlocking the full potential of online shopping requires businesses to align with the expectations of discerning US adults. According to Morning Consult, these shoppers deem certain attributes indispensable for a truly convenient experience:

### Extended Return Windows

**43%** see the benefit of generous return windows, allowing them the flexibility to return items within a reasonable timeframe.

### User-Friendly Checkout

**47%** appreciate the ability to save checkout details in a user profile, expediting future transactions.

### Product Comparison Features

**49%** find value in tools that allow them to compare products across different sites, aiding in informed decision-making.

### Convenient Mail-In Returns

**51%** prefer the simplicity of mail-in returns, providing an additional layer of flexibility.

### Cross-Site Price Comparisons

**54%** value the capability to compare prices across different sites, ensuring they secure the best deal.

### Accessible Discounts

**56%** seek ease in finding discounts, enhancing the affordability and attractiveness of their purchases.

### Efficient Cart Management

**60%** appreciate the ability to save products in their carts for a streamlined and organized shopping journey.

### Mobile Shopping Convenience

**61%** prioritize a seamless mobile shopping experience, recognizing the prevalence of on-the-go transactions.

### Intuitive Website Tools

**62%** find value in effective website filtering and search tools, streamlining the shopping process.

### Hassle-Free Returns

**63%** seek the flexibility of free returns, adding a layer of convenience and risk mitigation.

### Swift Shipping

**66%** appreciate the swiftness of fast shipping, ensuring their purchases reach them promptly.

### Transparent Package Tracking

A substantial **68%** value the ability to track their packages in real-time, providing peace of mind and anticipation.

### Product Availability

Ensuring products are consistently in stock resonates with **71%** of users, offering assurance and reliability.

### Complimentary Shipping

**76%** prioritize the allure of free shipping, an offering that sweetens the deal for online transactions.

### Seamless Home Delivery

An overwhelming **81%** expect the ease of ordering with the added convenience of home delivery.

In recognizing these preferences, businesses not only tap into a substantial opportunity within the online shopping realm but also demonstrate an understanding of the nuanced requirements that define a truly convenient and customer-centric experience. By seamlessly integrating these attributes, businesses position themselves to thrive in the dynamic landscape of online retail. (Morning Consult, 2023)

# BENEFITS OF OMNICHANNEL PAYMENT PROCESSING FOR BUSINESSES

In the dynamic landscape of retail, the adoption of an omnichannel payment strategy is imperative for sustained relevance. The heart of mastering omnichannel strategies resides in the embrace of an omnichannel payments ecosystem. This pivotal step not only unlocks untapped revenue potential but also acts as a shield against obsolescence in the face of a constantly evolving market. A strategic alliance with a payment processor adept at facilitating seamless integration across all channels becomes not just a choice but a forward-thinking move.



## Omnichannel: Access Anywhere, Anytime

Providing a consistent payment experience across in-store, online, and mobile channels is pivotal. Omnichannel payment processing, adaptable to various devices, ensures a smooth payment process, enhancing convenience and customer experience.



## Retail Capabilities

A distinguished payment processor extends beyond conventional transactions, offering a comprehensive suite of retail-focused capabilities. This includes advanced inventory management, CRM tools, loyalty programs, and robust analytics. Understanding customers, personalizing marketing, and fostering loyalty become integral aspects of the retailer's toolkit.



## POS Products Connectivity and Synchronization

Beyond payment processing, seamless synchronization between POS products for onsite and online orders is critical. This synchronization allows real-time management of inventory, tracking of sales, and processing of orders, minimizing overselling risks and enhancing operational efficiency.



## Seamless Integration

Efficiency begins with seamless integration. A proficient payment processor assists in seamlessly integrating payment processing with essential business systems, from accounting software to e-commerce platforms. These integrations streamline workflows, reduce errors, and optimize overall efficiency, tailoring the payment processing experience to specific business requirements.

## CONCLUSION

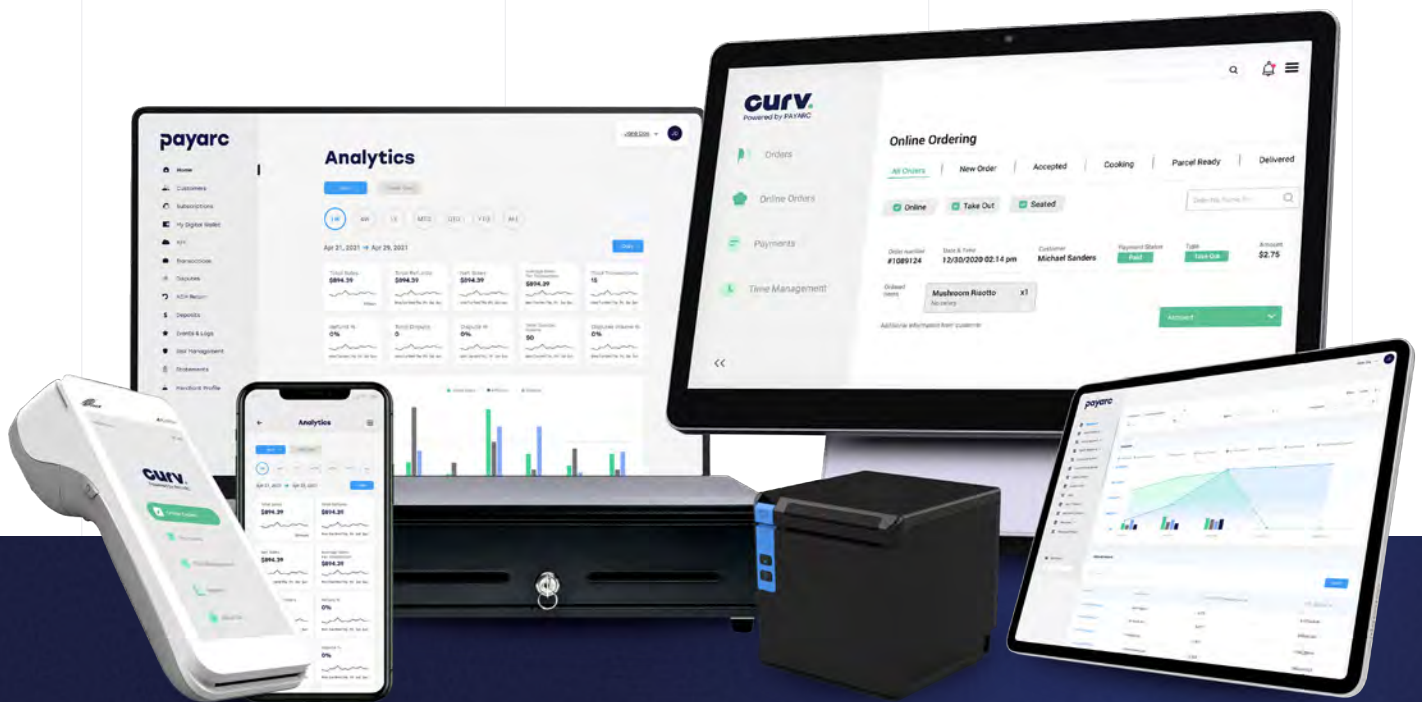
In a world where everything is interconnected, understanding consumer behavior across diverse touchpoints is paramount. Retailers must leverage data to personalize the shopping experience, acknowledging that consumers research online before purchasing and traverse multiple touchpoints, from in-store to mobile, social, and live selling.

Collaborating with reputable payment processors like Payarc is crucial. The upcoming launch of Curv for retail signifies a commitment to empowering businesses with comprehensive solutions, seamless integration, and personalized support. While Curv is a recent addition, it inherits the solidity of Payarc's reputation as a trusted payment processor.



To unlock the full potential of Curv and propel your retail business to new heights, contact us today. Our team of experts stands ready to guide you through the process, answer queries, and tailor solutions to your business needs. Experience the transformative benefits of Curv and position your business for sustained success.





## ABOUT PAYARC

At Payarc, we comprehend the significance of Omnichannel Payments. Our Payarc and Curv suite of products offers solutions for every business, backed by a team of world-class experts. Our technology-driven approach aims to empower people and enhance organizations, one payment at a time.

Recognizing the challenges of starting and managing businesses, we began by providing smart and simple payment processing tools. Today, we continue to evolve, bridging the gap between online merchants and payment solutions. Our mission is to assist businesses of all sizes in starting, managing, and scaling, facilitating their journey to success.

## BIBLIOGRAPHY

**Chevalier, S. (2021, September 6). U.S. mobile buyers 2020. Statista.** <https://www.statista.com/statistics/241471/number-of-mobile-buyers-in-the-us/>

**Chevalier, S. (2023, December 19). Shopping behavior on TikTok 2022. Statista.** <https://www.statista.com/statistics/1323243/tiktok-shopping-behavior/>

**Chevalier, S. (2024, February 19). Live e-commerce sales in the U.S. 2024. Statista.** <https://www.statista.com/statistics/1276120/livestream-e-commerce-sales-united-states/>

**de Best, R. (2023, November 17). Global payment methods e-commerce market share 2024. Statista.** <https://www.statista.com/statistics/1111233/payment-method-usage-transaction-volume-share-worldwide/>

**Delesline III, N. (2023, November 25). Winners and losers of Black Friday 2023. Retail Dive.** <https://www.retaildive.com/news/winners-losers-black-friday-2023/700647/>

**Drenik, G. (2022, October 5). What In-Store Experiences Look Like In A Post-Pandemic World. Forbes.** <https://www.forbes.com/sites/garydrenik/2022/10/05/what-in-store-experiences-look-like-in-a-post-pandemic-world/?sh=44c9ec61693b>

**eCommerce: market data & analysis. (2023, September). Statista.** <https://www.statista.com/outlook/emo/ecommerce/worldwide?currency=usd#key-market-indicators>

**Emplifi. (2022, March 23). Livestreaming Shopping - The Definitive Guide. Emplifi | Customer Experience & Social Media Marketing Software.** <https://emplifi.io/resources/blog/livestream-shopping-guide>

**Enberg, J. (2022, September 12). Social Commerce Forecast 2022. Insider Intelligence.** <https://www.insiderintelligence.com/content/social-commerce-forecast-2022>

**Global Industry Analysts, Inc. (2024, March). Social Commerce - Global Strategic Business Report.** [www.researchandmarkets.com](http://www.researchandmarkets.com). <https://www.researchandmarkets.com/reports/5140143/social-commerce-global-strategic-business-report>

**ICSC. (n.d.). In-store vs. Online: Not quite the battle you might think.** [https://www.icsc.com/uploads/press/WSJ\\_AD.pdf](https://www.icsc.com/uploads/press/WSJ_AD.pdf)

**Koetsier, J. (2023, January 28). E-Commerce Retail Just Passed \$1 Trillion For The First Time Ever. Forbes.** <https://www.forbes.com/sites/johnkoetsier/2023/01/28/e-commerce-retail-just-passed-1-trillion-for-the-first-time-ever/?sh=191f3c9036df>

**Liang, A. (2023, November 9). Why Social Shopping Could be the Future of E-Commerce [Top Trends & Data from 500+ Social Commerce Pros]. Blog.** [hubspot.com. https://blog.hubspot.com/marketing/social-shopping-trends](https://blog.hubspot.com/marketing/social-shopping-trends)

**McLachlan, S. (2022, July 28). What is Social Commerce and Why Should Your Brand Care? Social Media Marketing & Management Dashboard.** <https://blog.hootsuite.com/social-commerce/>

**McLachlan, S. (2023, November 21). 35 Instagram Statistics That Matter to Marketers in 2023. Social Media Marketing & Management Dashboard.** [https://blog.hootsuite.com/instagram-statistics/#Instagram\\_statistics\\_for\\_business](https://blog.hootsuite.com/instagram-statistics/#Instagram_statistics_for_business)

**McLachlan, S. (2024, January 12). 45 Facebook Statistics Marketers Need to Know in 2024. Social Media Marketing & Management Dashboard.** <https://blog.hootsuite.com/facebook-statistics/>

**Morning Consult. (2023, January 27). Online Shopping Attributes That US Adults Believe Are Necessary for Convenience, Dec 2022 (% of respondents). EMARKETER.** <https://www.insiderintelligence.com/chart/261731/online-shopping-attributes-that-us-adults-believe-necessary-convenience-dec-2022-of-respondents>

**Mosby, A. (2024, February 20). Short Form Video Statistics Of 2024 (Usage & Trends). Yaguara.** <https://www.yaguara.co/short-form-video-statistics>

**Nyst, A. (2023, July 14). 134 Social Media Statistics You Need To Know For 2023. Search Engine Journal.** <https://www.searchenginejournal.com/social-media-statistics/480507/>

**Reda, S. (2022, January 5). What's ahead for retail in 2022. National Retail Federation.** <https://nrf.com/blog/whats-ahead-retail-2022>

**Statista Research Department, (2024, February 9). U.S.: E-commerce AD spending 2018-2028. Statista.** <https://www.statista.com/statistics/272391/us-retail-e-commerce-sales-forecast/>

**Team, P. (2022, October 5). From Discovery to Purchase: Key Digital & Physical Influences on the Customer Journey. PowerReviews.** <https://www.powerreviews.com/research/key-digital-physical-influences-customer-journey/>

**Walk-Morris, T. (2023, June 9). ICSC: 85% of Gen Z says social media impacts purchase decisions. Retail Dive.** <https://www.retaildive.com/news/generation-z-social-media-influence-shopping-behavior-purchases-tiktok-instagram/652576/>

**West, C. (2024, February 20). 27 TikTok stats marketers need to know in 2023. Sprout Social.** <https://sproutsocial.com/insights/tiktok-stats/>

**Whitmarsh, S. (2022, May 3). Live Selling Is Shaping The Future of E-Commerce. CommentSold.** <https://try.commentsold.com/blog/sales-strategies/live-selling-is-shaping-the-future-of-e-commerce/>





PAYARC SOLUTIONS

# Navigating the Omnichannel Payments Landscape

March 2024



[support@payarc.com](mailto:support@payarc.com)