

Global digital commerce spend forecast to reach \$14.7tn by 2022

Global consumer spend on digital commerce will reach \$14.7tn by 2022, up by 60% on last year's figure of \$9.2tn. It's expected to approach \$15tn annually as retailers focus on developing omnichannel strategies. This is according to a new study from Juniper Research titled *Digital Commerce: Key Trends, Sectors & Forecasts 2018-2022*.



©Kaspars Grinvalds via [123RF](#)

The research found that the largest global contributor to payments was currently QR code-based offline purchases for physical goods, which now account for one-third of all Chinese in-store payments by value. However, according to the research, although QR codes will have further growth in the Indian Subcontinent and Africa, their value will be eclipsed worldwide by online purchases by 2022.

The research found that with retailers increasingly offering localised payment mechanisms and friction at checkout reduced by stored credentials, migration from offline to online is likely to accelerate. Furthermore, it highlighted moves by traditional 'bricks and mortar' retailers to develop omnichannel strategies as they seek to shore up revenues by using mobile apps both for online purchases and to drive in-store footfall.

Social payments drive money transfer volumes

Meanwhile, Juniper's study found that money transfer would be a key growth area, bolstered by rapid expansion and adoption of social payments. It highlighted the activities of companies such as PayPal (via its Venmo and Xoom subsidiaries) and Facebook in the space; arguing that these players were in pole position to capitalise on the increasing transition to digital of P2P payments.

The impact of blockchain

Additionally, the report claimed that players across the ecosystem were poised to benefit from implementing blockchain technology for financial settlement. It argued that blockchain would enable increased standardisation for payment processing; substantially reduce the risk of error (including double spend) and indeed the time taken for error checking; resulting in faster, more secure and less costly processes. This, in turn, would allow money transfer companies to become more competitive, reduce fees to end users and thereby experience high usage volumes.

For more, visit: <https://www.bizcommunity.com>