

Ecommerce Mindscape

NORTH
AMERICA
2025

Benchmarks, Predictions and Best
Practices for the Modern Retailer





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Why Brands Should Shift Focus From Paid Ads to Owned Channels



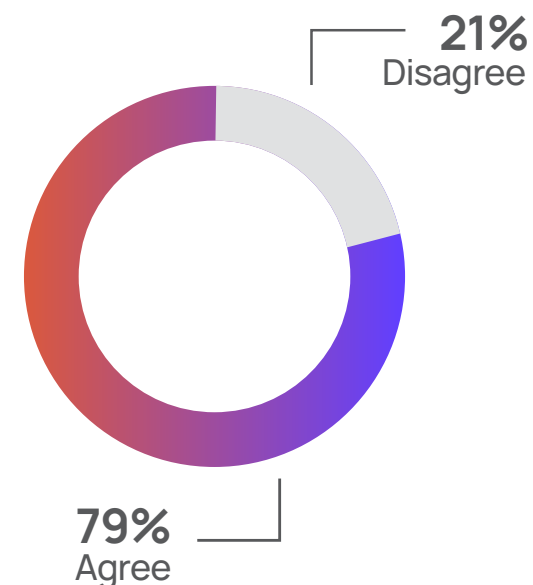
Pratik Bhadra
CEO North America



Soaring digital ad costs and dwindling profit margins are making customer acquisition a daunting challenge. As ad prices skyrocket and competition intensifies, consumers are also becoming more discerning. Relying solely on paid ads is a losing battle—it's like pouring money into a bottomless pit.

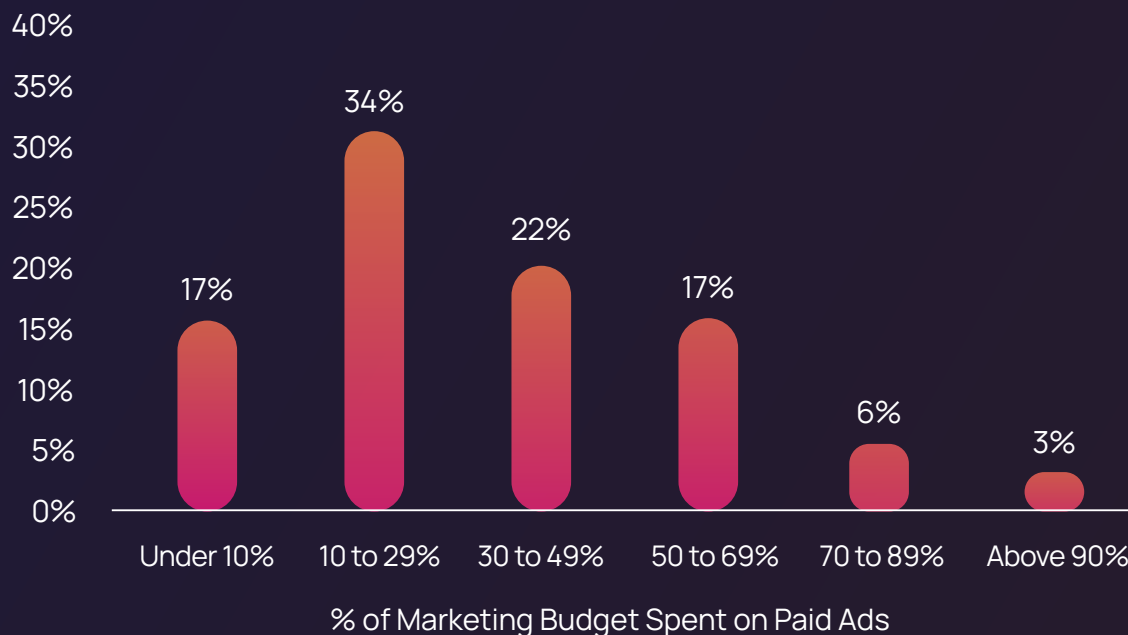
To thrive in this environment, brands must shift their focus to owned channels—email, apps, and websites. By prioritizing customer relationships and employing strategies like hyper-personalization, AI-powered engagement, omnichannel experiences, and loyalty programs, brands can boost customer lifetime value and reduce churn. In the years to come, investing in this approach will not only cut costs but also drive sustainable growth in a highly competitive market.

Customer Acquisition Costs Are Negatively Affecting Brand Performance



Key Strategies and Smart Budgeting For 2025

A Significant Chunk of Marketing Budgets Are Still Being Allocated to Paid Ads

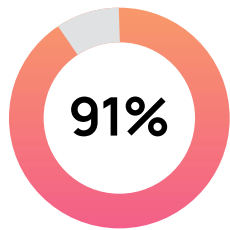


Paid advertising continues to draw attention, but leaders are growing increasingly cautious.

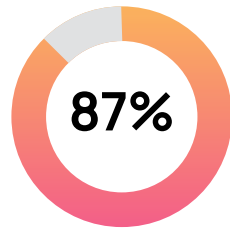
With an average ROI of just 2.87:1, many brands are starting to question its value—especially when email marketing delivers over 15x the ROI of paid ads. Despite this, businesses still plan to allocate significant budgets to paid

advertising. However, this trend may not hold for long. Marketers are expected to shift their focus toward cost-effective, relationship-driven channels like email, which consistently outperform paid ads in terms of ROI and long-term engagement.

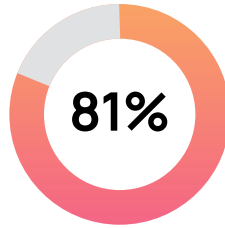
Which Channel Will Generate The Most ROI in 2025?



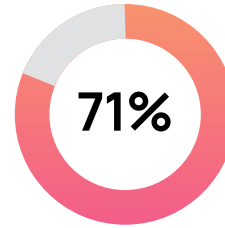
Email



RCS



Websites



WhatsApp

Take Note

Owned channels will generate higher ROI than paid ads.

Key Challenges For 2025

The Biggest Challenges to Offering an Effective and Personalized Shopping Experience For Consumers

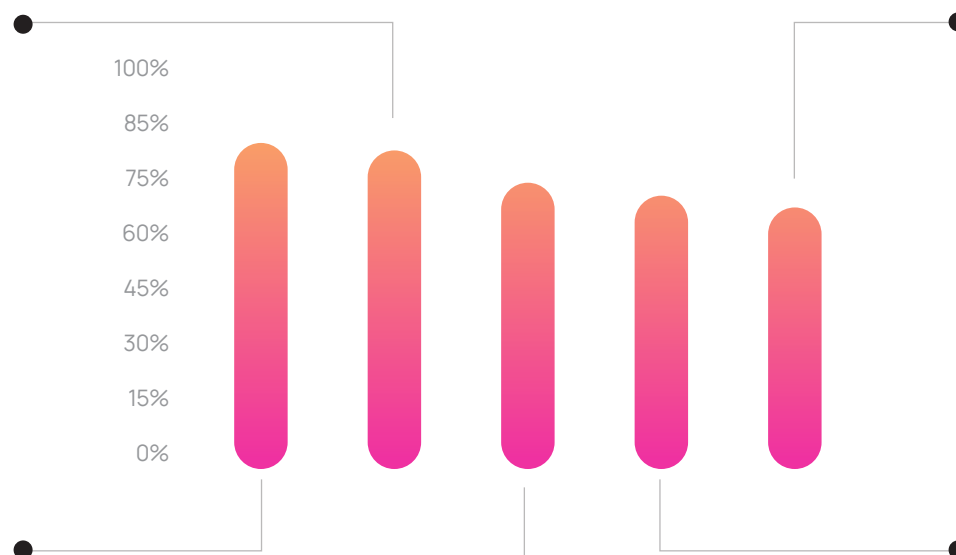
Top 5 Challenges

76%
Accurate Measurement

Measuring the true impact of campaigns remains a top concern, with brands seeking better tools for ROI tracking and attribution.

78%
Data Quality and Quantity

Businesses are struggling to gather and leverage clean, actionable data, limiting the effectiveness of personalization and decision-making.



69% **Budget Constraints**

Tightening budgets demand smarter spending, making it crucial to focus on high-performing, cost-effective channels.

64%
Consistent Communication

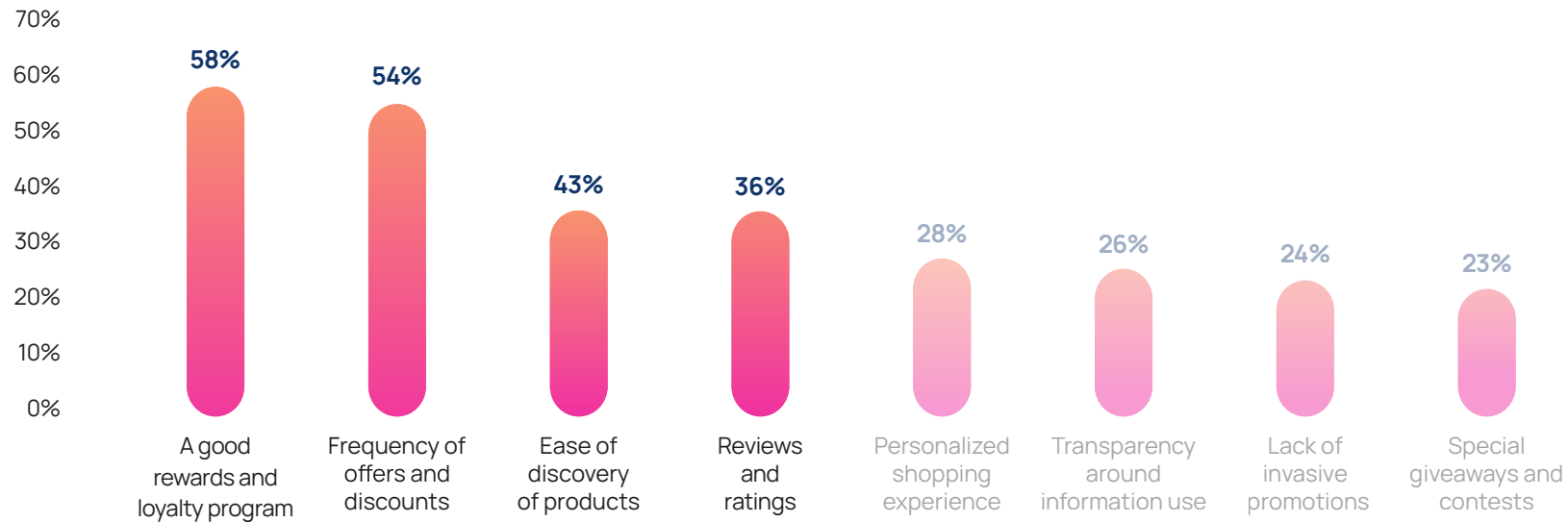
Maintaining seamless, personalized engagement across all customer touchpoints continues to test brands in an omnichannel world.

68%
Finding the Right Solution Partner

The search for reliable partners who can deliver innovative strategies is an ongoing challenge for scaling operations.

Decoding the Consumer in 2025

Factors That Consumers Consider When Choosing Between Two Online Retailers



58%

Rewards and Loyalty Programs

Consumers expect brands to offer compelling rewards & loyalty programs that incentivize repeat purchases and build long-term engagement.

54%

Frequent Discounts

More than half of consumers are seeking regular discounts, indicating that price sensitivity continues to drive purchase decisions.

43%

Ease of Discovery

A significant chunk of shoppers will prioritize a seamless discovery process, emphasizing the importance of intuitive search functions and easy navigation on websites and apps.

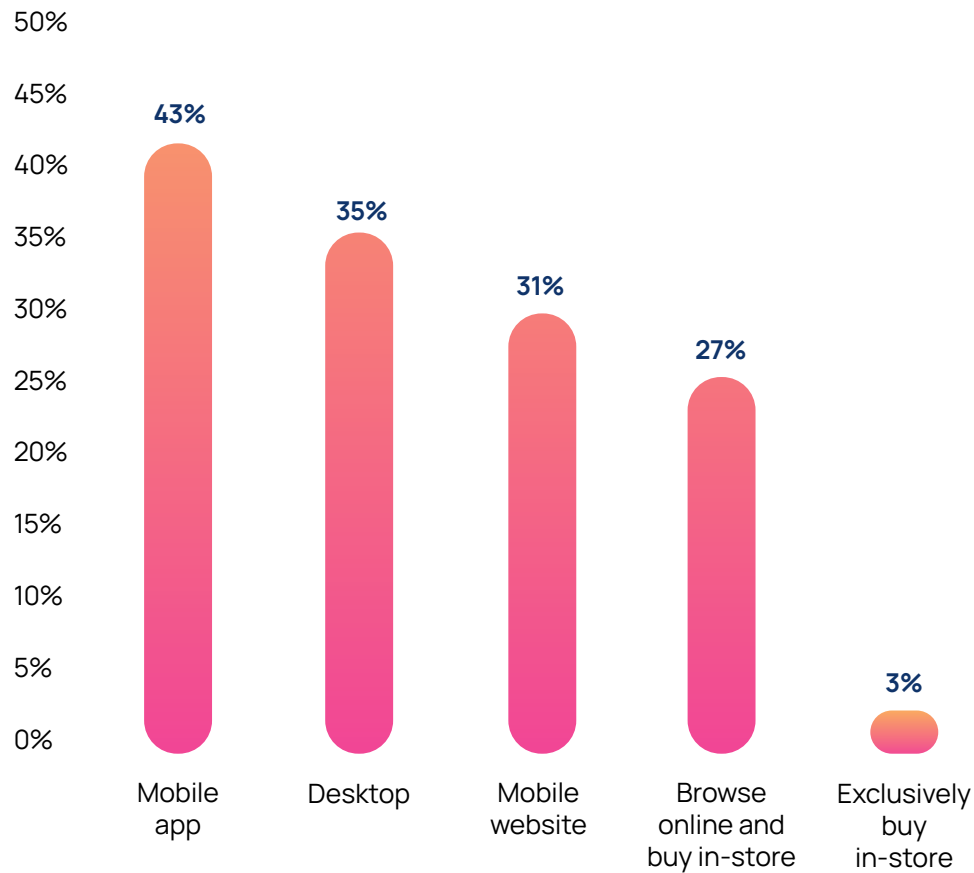
36%

Reviews and Ratings

Consumers will look for reviews, ratings, and other forms of social proof before making a purchase, highlighting the power of customer feedback in influencing buying decisions.

Decoding the Consumer in 2025

Consumer's Preferred Medium For Shopping



43%

Mobile Apps

This reflects the growing shift towards convenience that mobile apps offer, most millennials and Gen Zs are on their phones for a significant time of the day and they want quality experiences like tailored recommendations and easier checkouts.

35%

Desktop

The strong presence of desktop shopping indicates that consumers still value a comprehensive browsing and shopping experience, especially for bigger purchases or when they need to compare options more thoroughly.

31%

Mobile Websites

The high number reflects the increasing use of mobile for quick browsing, but it's clear that mobile apps offer a richer, more user-focused experience.

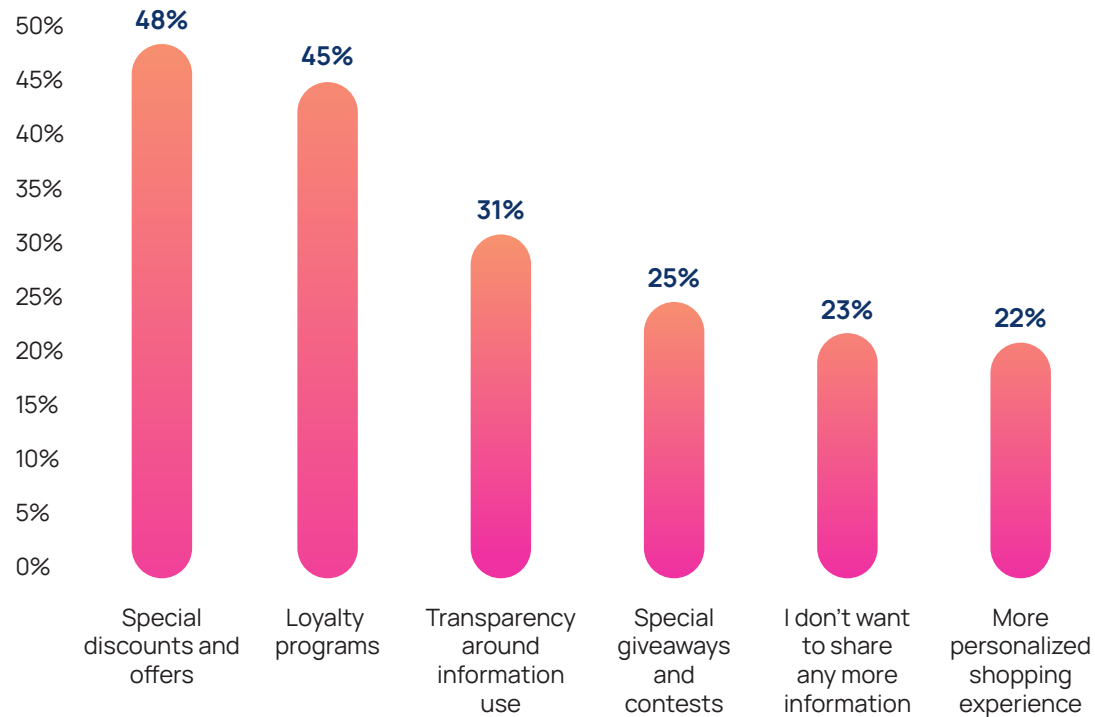
27%

BOPIS

With BOPIS, shoppers enjoy the convenience of online shopping with the immediacy of picking up in-store, appealing to those who want flexibility.

Decoding the Consumer in 2025

The Following Would Make Consumers More Willing To Share Their Personal Data



Cost-saving Appeal

49%

of consumers are willing to share their information for more offers and discounts, showcasing the strong allure of savings

Loyalty Programs

45%

of consumers are drawn to personalized rewards, valuing programs that recognize their continued engagement.

Exclusive Experiences

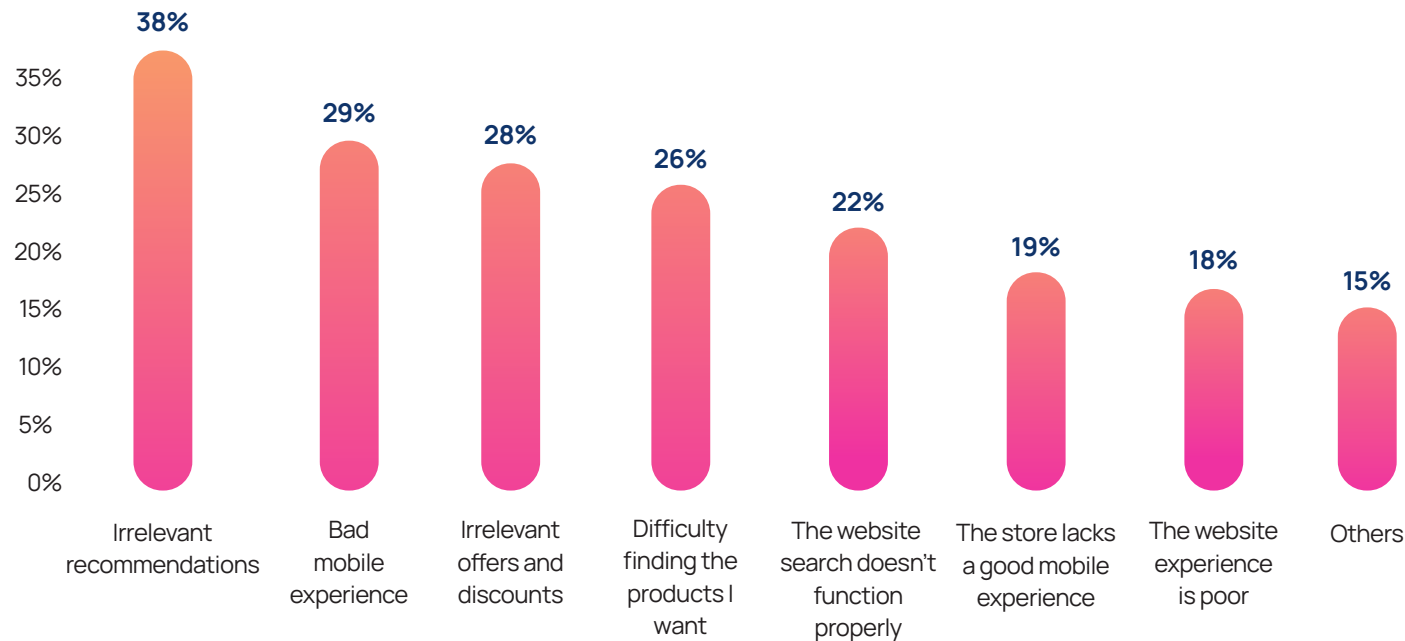
25%

are motivated to share data for unique opportunities like exclusive contests.



What Consumers Want to Avoid in 2025

Negative Experiences When Shopping Online



38%

Irrelevant Recommendations

Shoppers expect tailored recommendations based on their past behaviors and preferences, so irrelevant ones can lead to frustration and abandonment.

28%

Poor Discounts

Consumers want offers that are meaningful to them. Receiving discounts for products they don't need or want diminishes the value of the promotion and can cause irritation, especially if it feels like a marketing gimmick rather than a genuine offer.

26%

Difficulty Finding Products

A confusing or cluttered shopping site makes it harder for customers to find what they're looking for, increasing their likelihood of leaving the site. Ease of navigation is essential to retaining customers, as a smooth shopping experience is directly linked to better conversions.

29%

Bad Mobile Experience

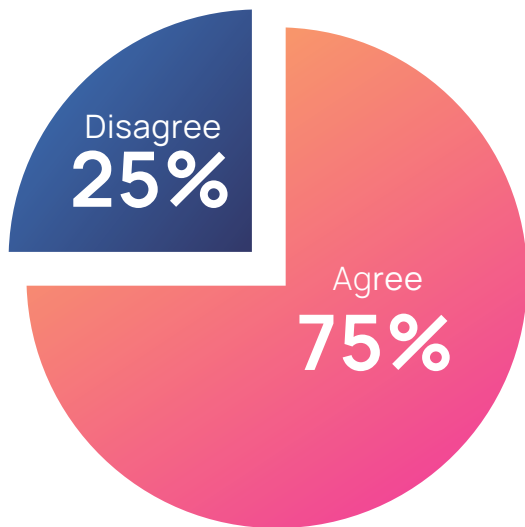
With increasing mobile commerce, a subpar mobile experience is a major deterrent. Consumers expect mobile sites or apps to be as smooth and intuitive as desktop versions, with fast load times, easy navigation, and a mobile-friendly design. Poor experiences lead to lost sales, especially among on-the-go shoppers.

What Consumers Want to Avoid in 2025

Brands Need to Tone it Down

Consumers value personalized, relevant outreach, but too much contact can overwhelm them and even lead to disengagement. Brands need to strike a balance— maintaining consistent engagement without crossing the line.

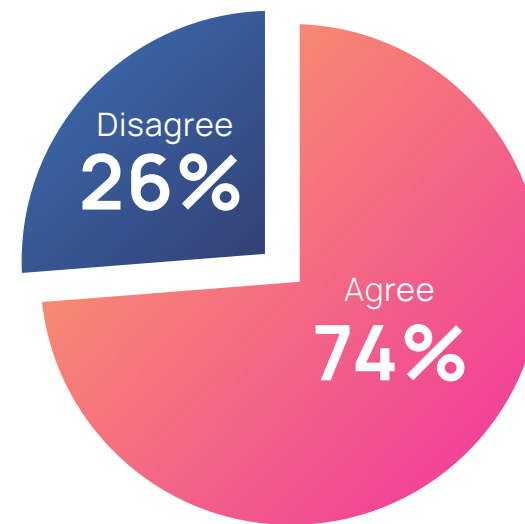
Brands Reach Out to Consumers Too Often



And Shorten the Customer Journeys..

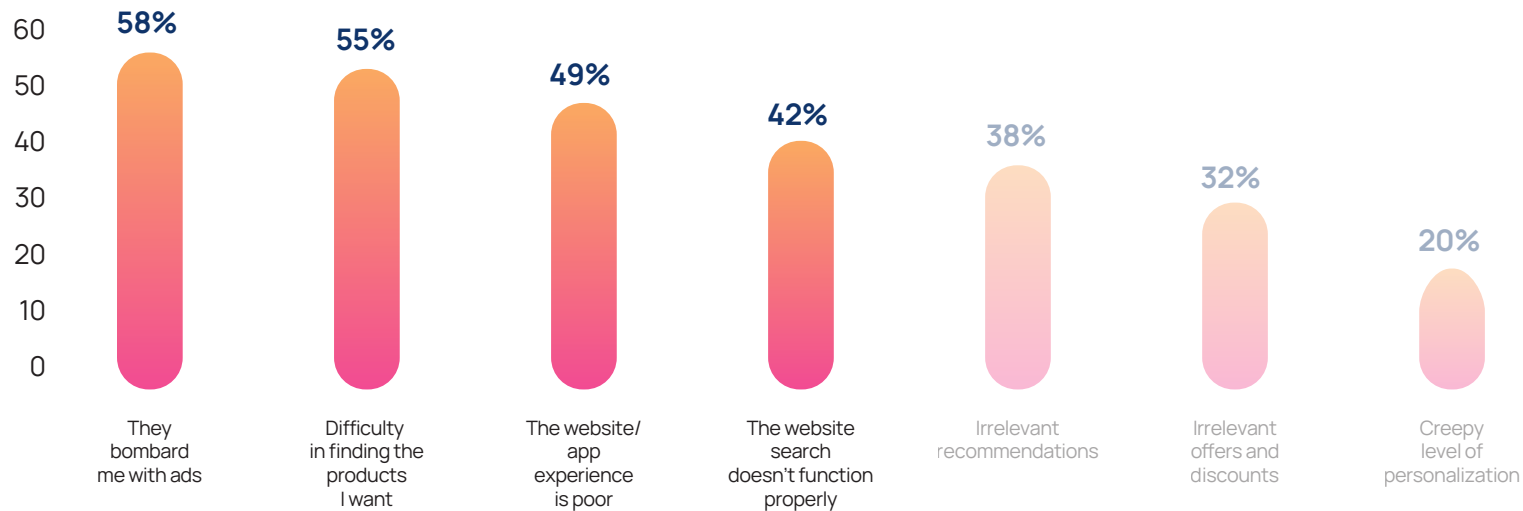
Many consumers feel frustrated by lengthy, complex purchasing processes. Streamlining the journey, offering clear paths to purchase, and reducing unnecessary steps can significantly improve the experience, leading to higher conversions and satisfaction.

The Online Buying Experience Has too Many Steps



Marketers Must Evolve to Enhance the Customer Experience

Actions That Create Negative Impressions



58%

Less Frequent Ads

Consumers are becoming fatigued by constant advertising. They prefer more selective, relevant ads.

55%

Improved Discovery

Shoppers want a seamless discovery process, whether through better filters or personalized recommendations.

49%

Better App and Web Experiences

Consumers expect fast load times, intuitive navigation, and mobile-optimized designs. Poor experiences lead to frustration.

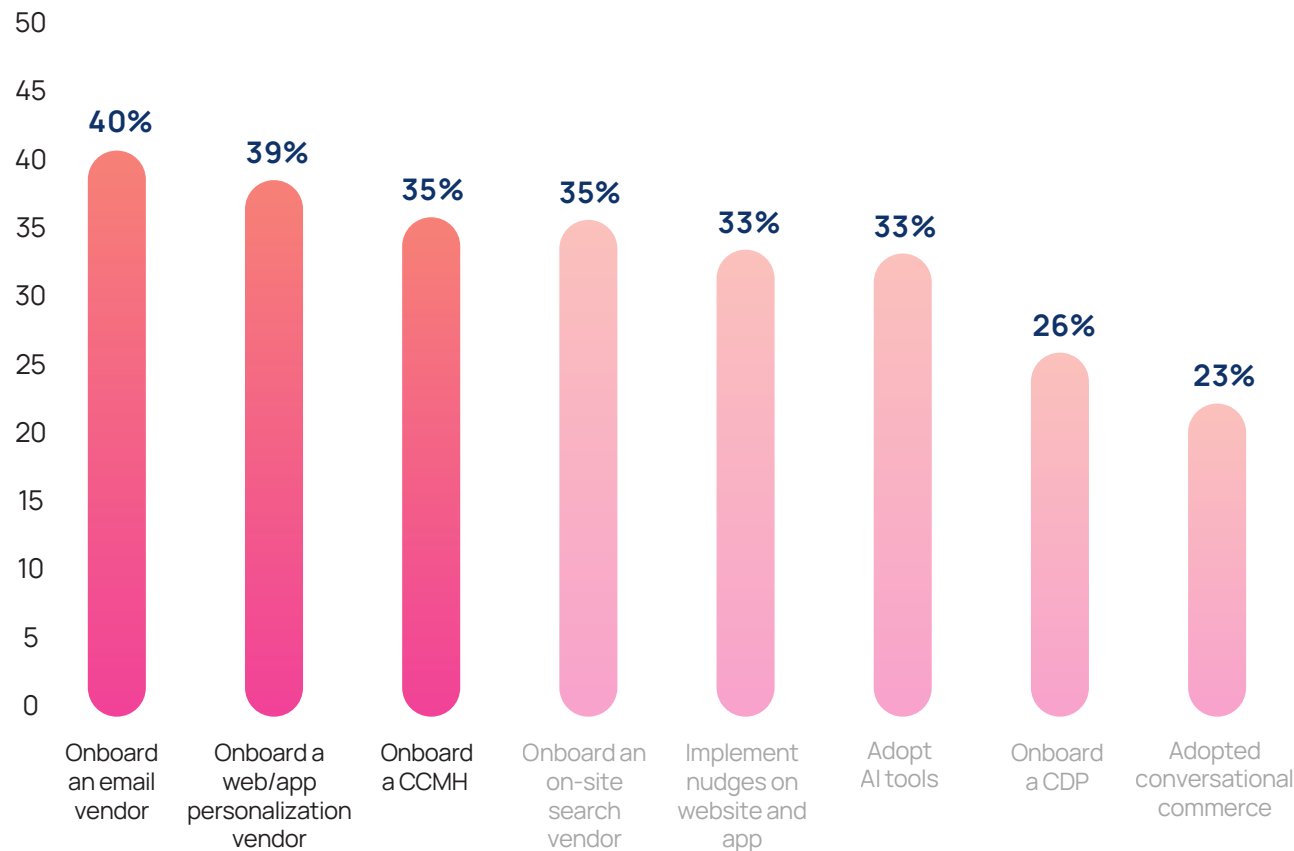
42%

Enhanced On-site Search

If the search results are irrelevant or slow, customers will struggle to find the products they want.

The Impact of Personalization in Retail

Brands Have Tried to Personalize Here in The Last 12 Months



40%

E.S.P.s

Brands are increasingly investing in email service providers (ESPs) due to their strong ROI potential. Delivering great experiences through email is key because of its widespread use and reach.

39%

Personalization Vendors

Brands are turning to personalization vendors to create consistent, tailored experiences across multiple channels such as web, app, SMS, and WhatsApp, ensuring a seamless customer journey.

35%

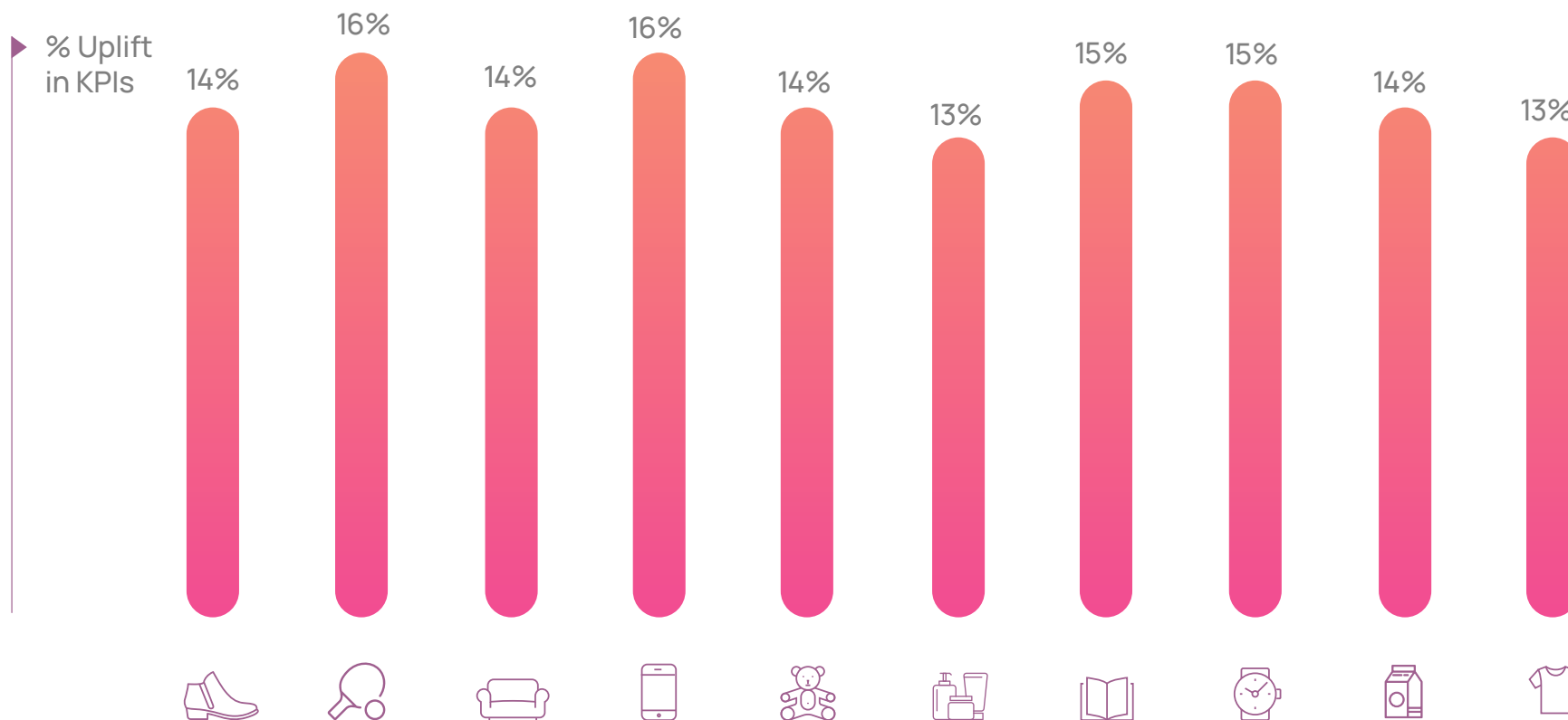
Cross-Channel Marketing Hubs (CCMH)

These platforms integrate customer data, personalize experiences, and optimize campaigns, unifying customer interactions across all channels for a cohesive and effective marketing strategy. Brands are adopting these to implement harmonious and cohesive strategies.

Brands Can Expect to See **10X ROI** By Personalizing Shopping Experiences

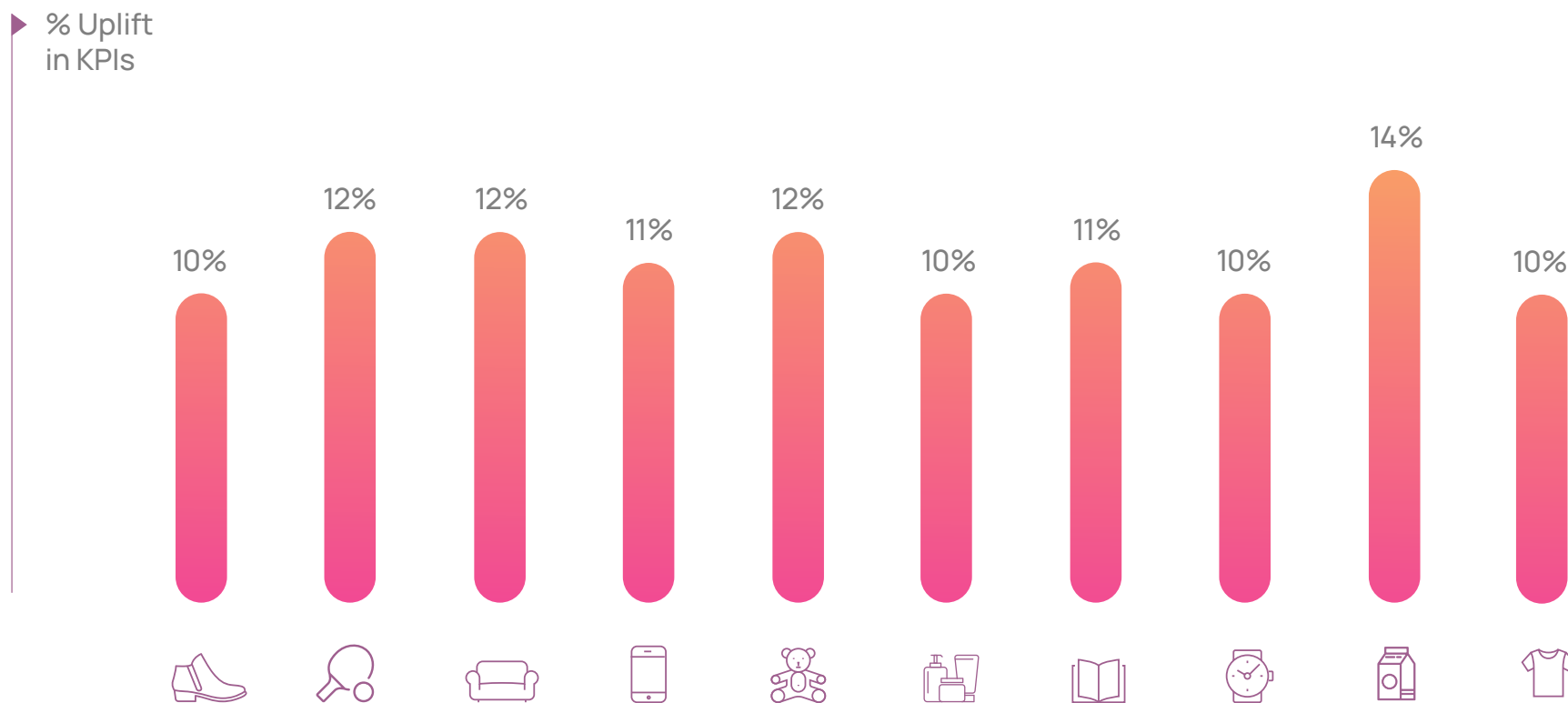
Investing in personalized shopping experiences delivers incredible ROI for brands. In fact, our study shows that personalization can lead to a 10x return on investment. This means that for every dollar spent on personalizing the customer journey, brands can expect to see \$10 in return.

The Impact of Personalization in Retail



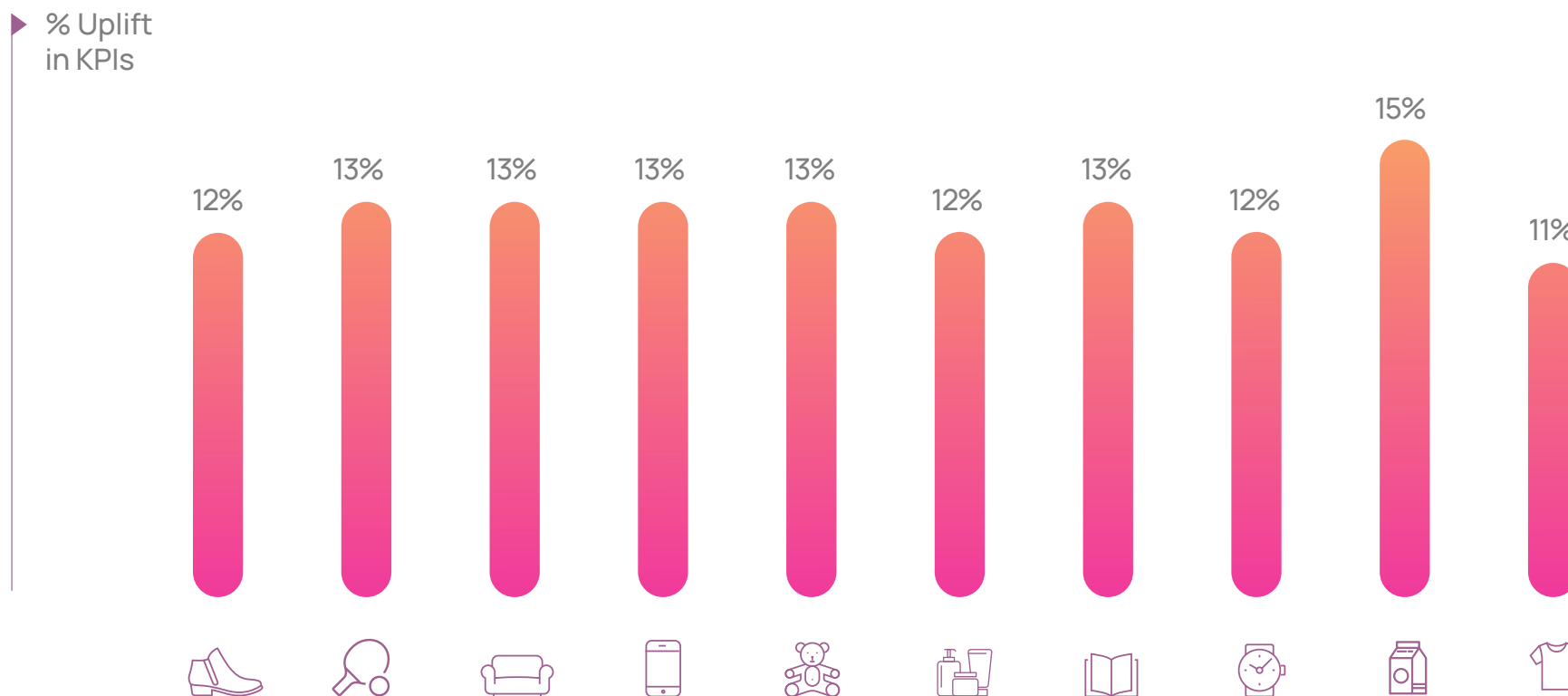
**Average Conversion Rates Increase by 14%
Across Industries Post Personalization**

The Impact of Personalization in Retail



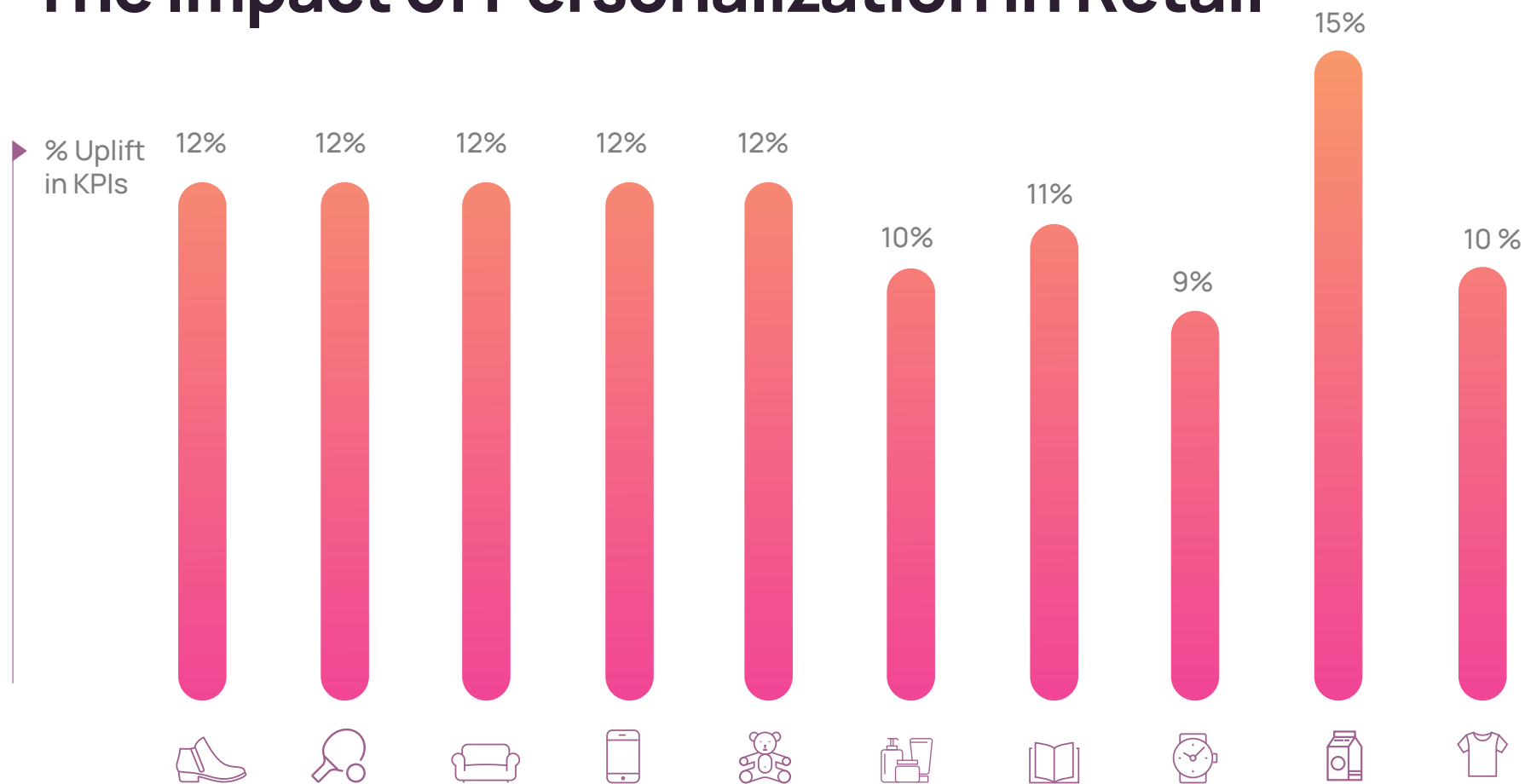
**Average AOV Increase by 11%
Across Industries Post Personalization**

The Impact of Personalization in Retail



**Average Repeat Purchase Rate Increase by 13%
Across Industries Post Personalization**

The Impact of Personalization in Retail

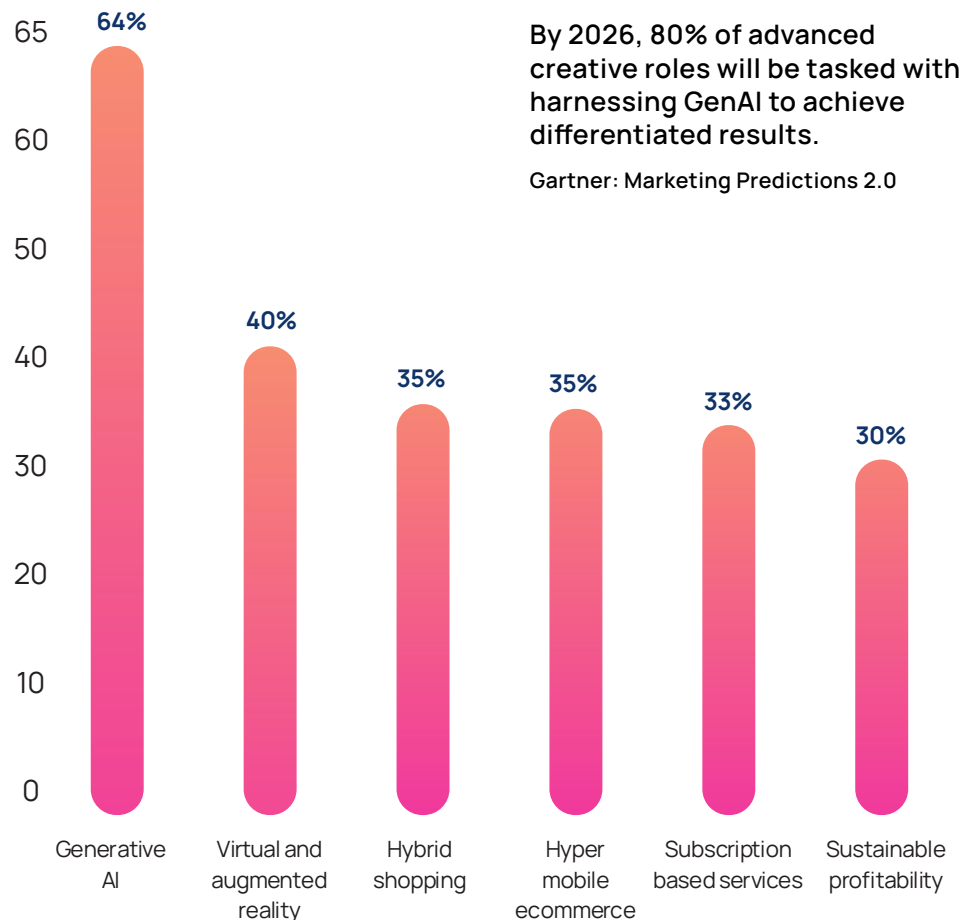


**On Site Search Increases Conversion by 11%
Across Industries Post Personalization**



Marketing Expectations for 2025

Trends That Will Reshape Retail 2025



64%

Generative AI

Generative AI, which can create original content such as text, images, and even code, is poised to transform the shopping experience. Brands will harness its capabilities to personalize product recommendations, create marketing materials, and even design tailored products. This will result in more engaging, customized experiences for consumers, ultimately boosting engagement and driving higher sales.

35%

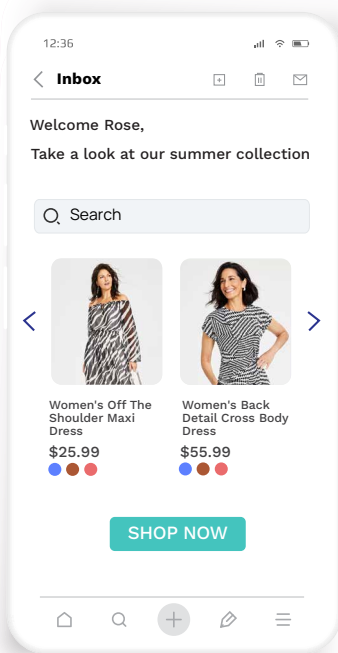
The Rise of Hybrid Shopping & Hyper Mobile Commerce

The lines between online and offline shopping will continue to blur creating seamless hybrid experiences. Brands will leverage omnichannel strategies, offering click-and-collect options, in-store pickup, and personalized recommendations across all touchpoints. This will provide greater convenience and flexibility to consumers, enhancing their overall shopping journey.

Mobile devices will remain the primary shopping platform, with consumers increasingly utilizing them throughout the entire purchase process. Brands will need to create mobile-first experiences, optimizing their websites and apps for seamless browsing, product discovery, and checkout. This will require a focus on mobile-specific features like voice search, augmented reality integration, and frictionless payment options.

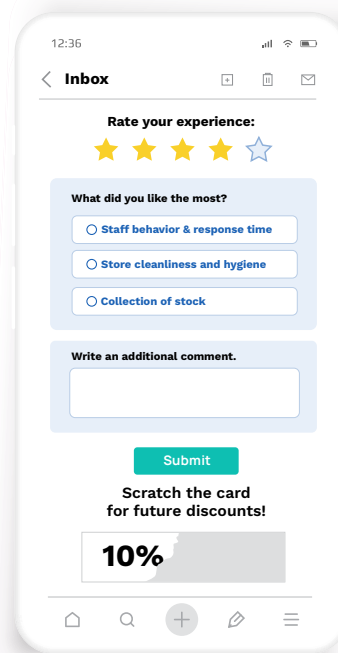
Shoppable Channels Will Blossom in 2025

Consumers can now directly shop within their messaging platforms, discovering products, making purchases, and receiving tailored recommendations all in one seamless interaction. This shift towards integrated shopping experiences will not only enhance convenience but also increase engagement, paving the way for a new era of consumer-brand relationships. Key functionalities.



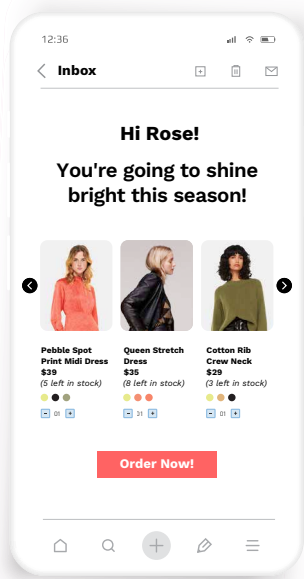
Search and Shop

Consumers will be able to search directly within emails for specific products, eliminating the need to click through to websites. This makes discovering and purchasing products effortless and immediate, driving higher conversion rates from email campaigns. Shoppers can also now evaluate options and add to cart making the entire experience smooth.



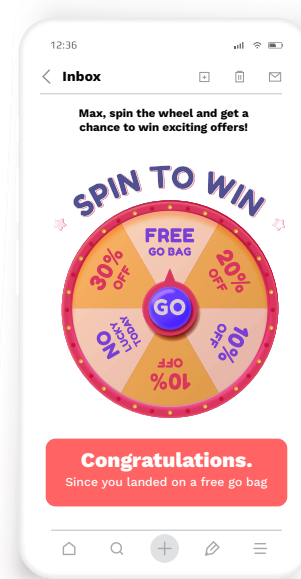
Feedback Collection

Feedback collection will shift to standardized email formats, leaving behind the era of dull, static forms. With shoppable commerce, brands can integrate interactive elements like quizzes, star ratings, and visually appealing text boxes to gather shopper insights.



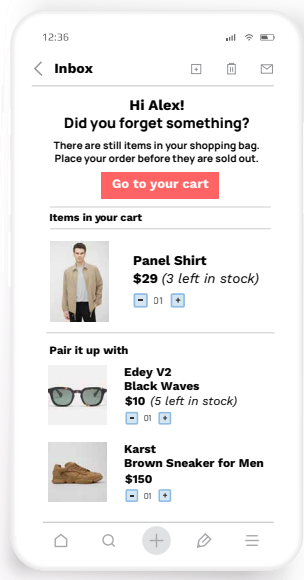
Carousels

Carousels will become a staple in both emails and messaging apps, enabling brands to showcase a rotating selection of products. This feature keeps content dynamic and engaging, offering consumers a chance to discover more products without additional clicks.



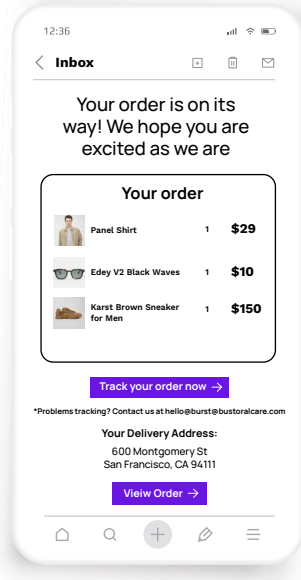
Gamification

Gamified elements such as spin-to-win, rewards, and quizzes will create a more interactive and enjoyable shopping experience. Shoppers can earn discounts, unlock exclusive deals, or engage with fun challenges, which fosters deeper engagement and loyalty.



Cataloging

Messaging apps and email will evolve into a powerful retail tool, offering a full cataloging experience. Brands can share product listings, images, and details directly with customers, enabling seamless browsing and purchasing without leaving the messaging app.



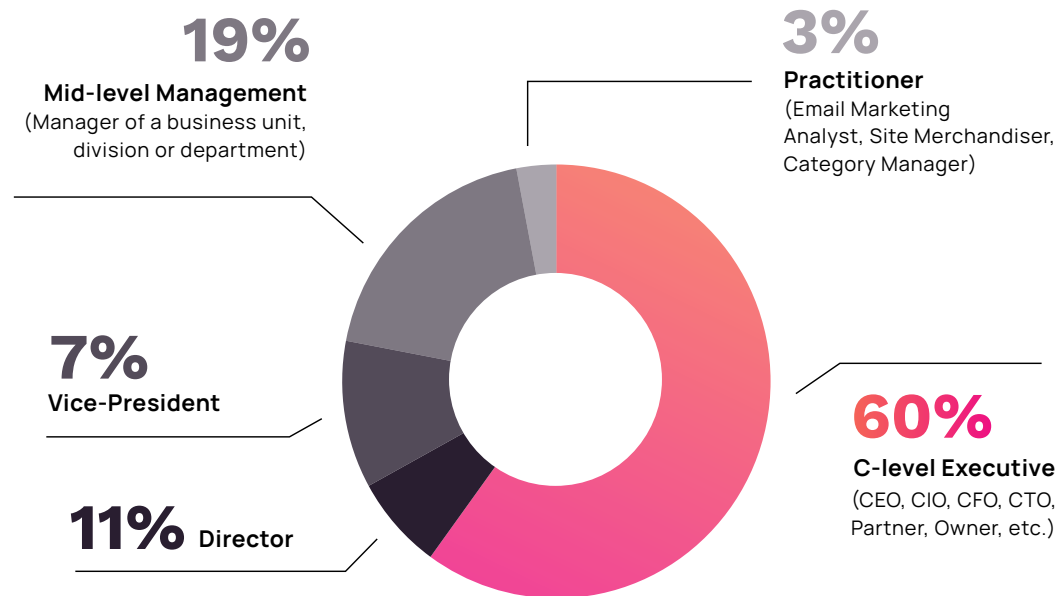
Order Tracking

Real-time order tracking functionality will be integrated across messaging and shopping platforms, allowing consumers to track the status of their orders instantly. This transparency enhances customer trust and reduces anxiety, improving the overall post-purchase experience.

About Our Research

The data featured in eCommerce Mindscape North America 2025 - Benchmarks & Best Practices for The Modern Retailer was generated in 2023 and 2024 from several sources. We analyzed anonymized Netcore product data and partnered with Dynata to conduct surveys of US Consumers and Executive Marketers.

We selected respondents based on budget allocation, adopted strategies, and confidence in technologies. Utilizing skip ordering, randomization, and screener questions, to ensure data accuracy. No personally identifiable information or observed purchase behavior was collected or used. Unauthorized reproduction or distribution of this research is strictly prohibited. For more information on Netcore, visit netcorecloud.com, and for Dynata, [visit dynata.com](https://visit.dynata.com).





Why Choose Netcore? We Deliver

50B

Notifications/Month

35B

Emails/Month

30B

Unique Searches
Powered/Month

6B

SMS/Month

200M

WhatsApp
Messages/Month

>95%

Inbox
Placement Rate

Results You Can Count On

42X

Marketing ROI

crocs™

40%

Increase in AOV

Jerome's
Furniture

140%

Increase in conversions



159%

Add-To-Carts

VERO MODA

400%

Increase in ROI



25%

Add-To-Carts

JACK&JONES

Brands That Trust Us



Our Partners



Scale Your Marketing Program While Increasing Average Order Value, Purchase Frequency, and Revenue With Netcore



Netcore Cloud Inc.

18C-102,500 7th Avenue, New York, NY 10018, USA
engage@netcorecloud.com / www.netcorecloud.com

www.netcorecloud.com

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