Impact of Automation on E-Commerce in 2024

> *E-commerce has been steadily gaining strength in the Mexican market for several years, and each period sees increased adoption across more segments of the population. Fortunately, this trend is expected to continue growing.*

At the same time, we're witnessing the rising acceptance and optimization of disruptive technologies, leading us to a scenario in which e-commerce will continue to grow stronger and offer even more opportunities. However, it's only natural that even in 2024, challenges will remain—challenges that we must be ready to adapt to, even as seasoned experts in the e-commerce field.

Let's explore the outlook for e-commerce this year and the opportunities we can seize!

E-Commerce Outlook in Mexico

Below, we've compiled various indicators that reflect the position of e-commerce and why it's a sector we should not overlook. On the contrary, it is highly advisable to find ways to become part of its prosperity.

1. Constant Growth
According to Statista, it was estimated that over **54% of the Mexican population** purchased goods or services online in 2023, with **Mercado Libre** and **Amazon** standing out as the two major players in the domestic market.

As the chart illustrates, the percentage of Mexican consumers choosing this purchasing method continues to increase year after year.
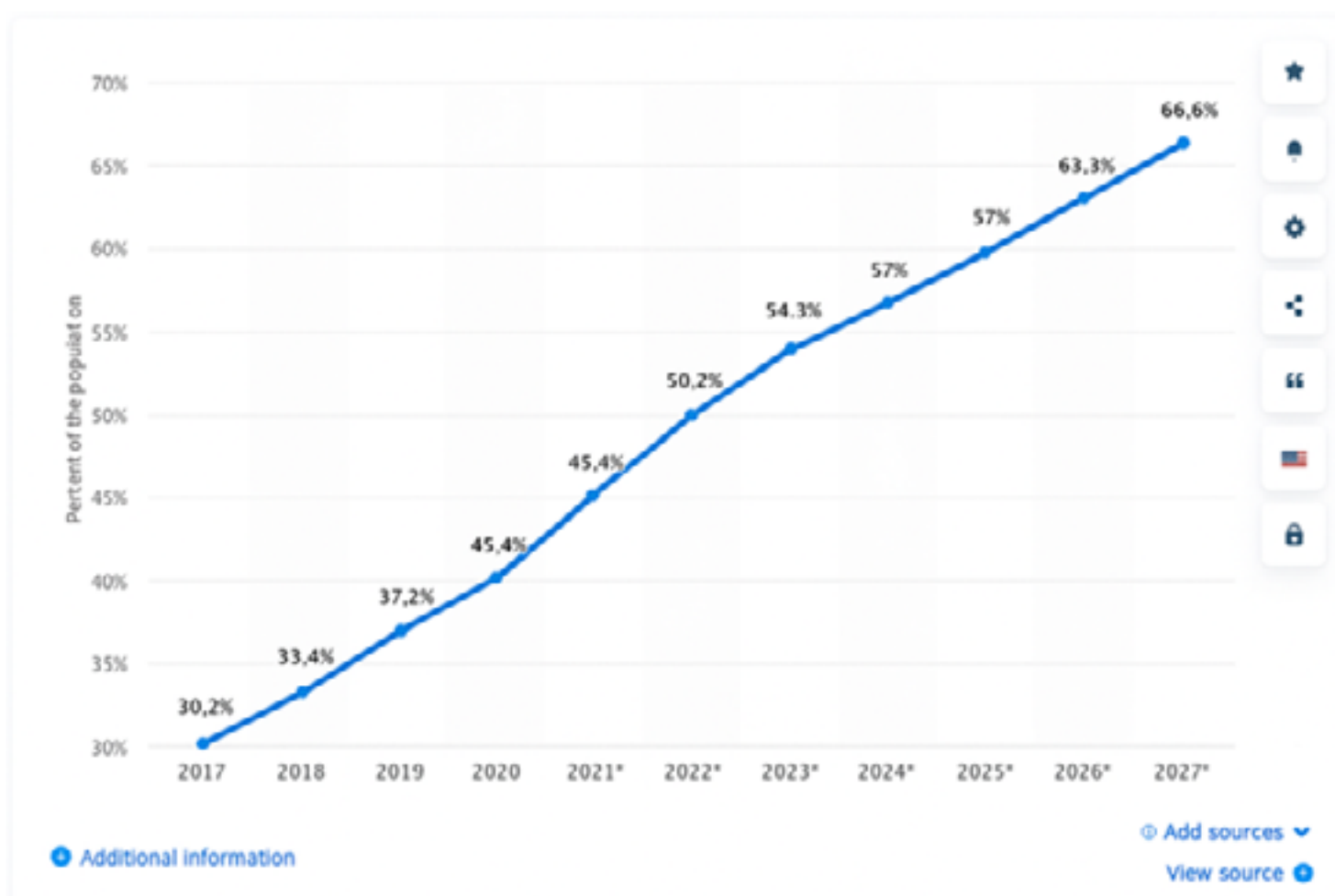
According to The Logistics World, in 2023 Mexico stood out with an **annual growth of 20%.** The Mexican online market reached **MXN 500 billion**, and it's expected to exceed **MXN 1 trillion by 2028.**
eMarketer projects that **global e-commerce sales** will surpass **€5.8 trillion (USD 6.3 trillion)** in 2024 and reach **€6.3 trillion (USD 6.8 trillion)** by 2025.

2. Online Payments
The adoption of digital payments and online shopping represented a significant shift for many users. However, resistance is gradually fading as trust and adaptability to the digital landscape continue to grow and strengthen.

Agility and convenience are the main drivers of e-commerce—without neglecting the role of emerging technologies such as AI, blockchain, and machine learning, which enhance the **user experience, payment security,** and **data protection.**

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3. Omnichannel Strategies

Offering both physical and online sales channels is **key for businesses** seeking to strengthen their market presence. According to Zendesk's 2023 CX Trends Report, **70% of consumers** are more likely to buy from companies that offer **seamless conversational experiences.** This includes, for example, the ability to pause a conversation and resume it later with a fully informed agent.

In 2024, we expect more companies to adopt **omnichannel approaches,** allowing consumers to **buy online and pick up or return products in physical stores,** or vice versa.

Which Technologies Complement and Strengthen E-Commerce?

The opportunities in e-commerce are promising, but they also come with significant challenges. That's why companies today are incorporating **powerful technologies** into their operations to achieve their objectives. Let's take a look at some of these challenges and the technologies that serve as key allies:

Order Fulfillment: Pick-to-Light is an order-picking system guided by lights. Orders are sent from a server to the picking line, where illuminated displays indicate the quantity of items to pick at each station. The operator picks the indicated amount and confirms via a button. This technology helps reduce errors and can handle up to **1,100 lines per hour.**

Inventory Management: Maintaining an accurate and up-to-date inventory is essential for meeting customer demand and avoiding issues such as **overstocking or stockouts.**

Additionally, e-commerce entails **high return volumes,** which represent considerable costs. That's why it's essential to have a **specialized software system** for managing Distribution Centers (DCs). Technologies such as **WMS (Warehouse Management System) and WCS (Warehouse Control System)** are specialized tools that assist in **inventory tracking and control.**

It's important to properly identify the operations to be automated, which requires a **thorough data analysis** of SKU flow, inventory and product organization, and process order. Choosing the right technologies will improve **efficiency, accuracy, and profitability.**

SKU Volume & Recommended Technologies

High number of SKUs:
• Mobile Robots 3D
• Mini Load
• Autonomous Mobile Robots

Medium number of SKUs:
• Vertical Buffer Module
• Vertical Carousel & Shuttle XP
• Horizontal Carousel

Low number of SKUs:
• Pick to Car
• Pick to Light
• Put to Wall

If you are considering how to meet the growing demands of the e-commerce world or looking to implement innovative and technological solutions that ensure the success and growth of your operation and business, **get in touch with us!** We'll guide you through an **evaluation of your current operations** and provide a **scalable solution design tailored to your needs.**

IIoT: Connecting Every Node of the Supply Chainn

Learn more about the relevance of IIoT and how it significantly helps optimize every node in the Supply Chain.

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