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DIGITAL RESEARCH COMMERCE 360

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HOW TO CHOOSE AN ECOMMERCE PLATFORM









Compliments of



OVERVIEW

There's movement and expansion in the world of ecommerce platforms.

Platform providers are expanding to social commerce, hoping to cash in on the propensity of younger shoppers to use mobile devices.

Providers are also moving global, looking to find growth in overseas markets—particularly China—for themselves and their customers.

Platform providers are expanding into all-new industry segments too. B2B providers specializing in business-to-business (B2B) ecommerce are looking for business in the business-to-consumer (B2C) arena. B2C platforms are adding features that appeal to B2B merchants.

The result is a mix of confusion and opportunity.

Yet changing platforms has never been easy. The increasingly complex nature of the platforms—and the attendant use of IT



RETAILER INSIGHTS

41% of retailers plan to make their ecommerce platform a top technology budget priority in the next year.

Source: Digital Commerce 360 technology survey of 93 retailers, August-October 2021



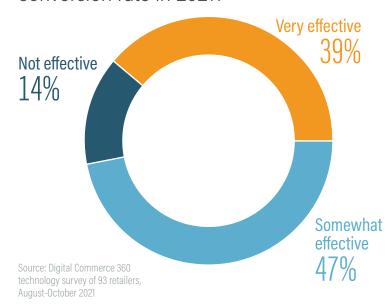
jargon like "APIs" and "headless commerce"-requires a significant learning curve for anyone who considers a switch. Despite all of that, retailers and B2B companies alike are rethinking their ecommerce platforms, wondering if it's time to switch to new vendors and different approaches to the technology that underlies online selling.

IN THIS REPORT

This report aims to explain the nature of the ecommerce platform world in 2022.

RETAILER INSIGHTS

How effective were ecommerce platform investments at improving your conversion rate in 2021?



In a section on globalization, we'll look at how platforms BigCommerce and Shopify Inc. are expanding into new markets (and teaming with giants of Asia's retail industry.)

In a piece on social media, we'll look at how platforms like Adobe and Shopify are looking to help retailers connect to Gen Z shoppers and establish a foothold in the still-nascent world of social commerce.

In a section on how companies make a business case for deploying and selling through headless commerce, we cover the ecommerce and technology strategies of several companies. They include electronics manufacturer Keysight Technologies, medical products maker Siemens-Healthineers, distributor MSC Industrial Supply, and school uniform supplier Global Schoolwear.



As the industry analysts we interviewed noted, the headless trend comes with formidable challenges but is nonetheless on a growth trend and offers significant advantages for companies with the resources to make it work for their business. Read how the companies featured are finding value in the headless approach to commerce.

We also offer a 10-step guide to choosing an ecommerce platform and we'll look at how one retailer struggles with the decision to change platforms. \$\Pi\$

FOR THE FULL REPORT, PLEASE VISIT DIGITAL COMMERCE 360

A NOTE ABOUT TERMINOLOGY

Understanding ecommerce platforms can be confusing. The technology is complex and ever-changing. Adding to the confusion is that the language of platforms also changes. And there's no better example of that than Demandware. Back in 2004, an entrepreneur named Stephan Schambach had an idea: he wanted to build an ecommerce platform that was "hosted," i.e., it lived outside of a retailer's servers. He got the idea from Salesforce, the "hosted" CRM that had taken the world by storm. Launched in 2005, Demandware was a huge success.

Over time, the terminology of "hosted services" seemed to fall out of favor, replaced in the marketing lexicon with "cloud services." So, it's no surprise really that a) Salesforce would buy Demandware in 2016 for \$2.8 billion, and b) that Salesforce would promptly rename the platform Salesforce Commerce Cloud. That deal gave the CRM leader ecommerce technology to offer clients, and the rebranding lends that technology the luster that the term "cloud" conveys—at least for now.



SPONSORED ARTICLE

Highly flexible and performant platforms help B2B and B2C companies succeed online



An executive conversation with **Nick Sibley,** product marketing manager, Amplience

Ecommerce retailers face a crowded landscape. If a customer can't buy what they want from one retailer, they will quickly move on to the next. And the pandemic—which sent droves of shoppers online practically overnight, changing the ecommerce landscape forever—only exacerbated online competition. To discuss how a highly flexible and performant platform helps B2B and B2C businesses produce world-class digital experiences that differentiate them from competitors, Digital Commerce 360 spoke with Nick Sibley, product marketing manager at Amplience.

What ecommerce platform trends should retailers and B2B companies have on their radars?

The latest trends are interlinked around empowering organizations to provide better customer experiences. Microservices, API-first, cloud-native and headless (MACH) means that your technology shifts to meet the demands of consumers in less time with less complexity.

- Microservices lets you select and utilize specialized vendors that best provide your desired functionality.
- An API-first approach means you can easily integrate them to provide your holistic solution.
- With cloud-native technology, there's no need for you to have on-premises servers to host the applications. You can purchase the capacity you require from a cloud provider and rapidly scale this up according to your needs.
- ▶ Headless commerce enables organizations to provide content to any channel regardless of the format that channel needs. The technology adapts the format to meet the needs of the channel. This means companies can have an omnichannel presence while managing their content from one place and capitalizing on new channels.

Together, these solutions offer flexible and performant online experiences that differentiate you from competitors while providing a seamless shopping experience.

What common mistakes do retailers and B2B companies make regarding their ecommerce platforms?

Online traffic has increased vastly over the past few years, so ecommerce platforms need to be highly performant at scale to fulfill these customer demands. The challenge that organizations have is ensuring that their underlying technology has the capabilities required to fulfill the large traffic demands and move at the speed the business needs to thrive.

The ultimate mistake is not placing ecommerce at the center of the business and ensuring that your ecommerce platform is fit for the rapidly moving modern world and your future business requirements.

How can they overcome these challenges and correct mistakes?

There's both a platform and a process side. By utilizing a MACH-based ecommerce platform, which is flexible at heart, companies can solve many challenges. By being cloud-native, a MACH-based ecommerce system can perform at high traffic levels and scale capabilities in-line with the predicted traffic levels. And the API-first, modular approach will enable you to leverage new technologies as they become available, as well as to deliver your ecommerce content to any channel required.

On the process side, companies need to instill an agile workflow into their ecommerce teams. As ecommerce can change rapidly, you need to have a process and the power to pull teams together to make the changes required to succeed rapidly. Neither platform nor process can succeed without the other.

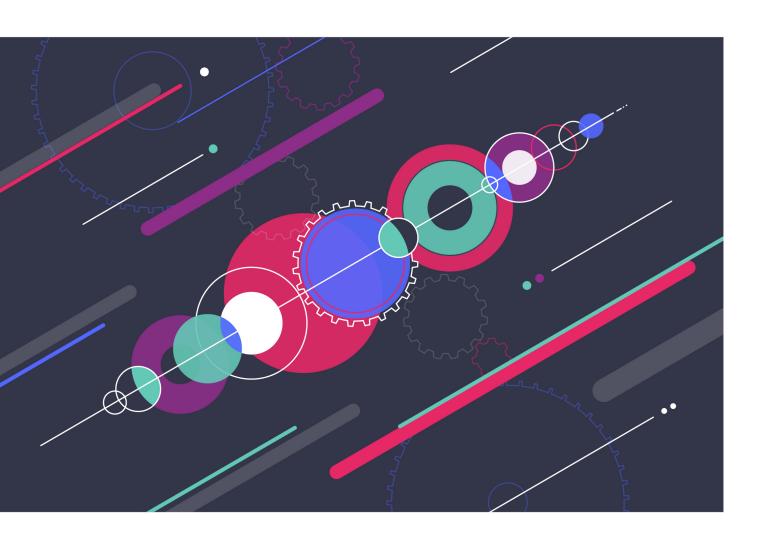
A highly flexible and performant platform that produces worldclass digital experiences across any channel allows companies to differentiate from their competitors and delight customers. Amplience helps companies do this by providing a single user interface that enables organizations to integrate and extend their entire MACH ecosystem into, enabling their teams to achieve all their content goals in one single place.





The New Headless Commerce Playbook

Today's headless commerce is not one-size-fits-all. Discover the approach that sends retail business loyalty and profitability soaring.









IDENTIFY WHAT YOUR CUSTOMERS WANT

Determine what your customers need and how your ecommerce site can address those needs and provide customers a valuable buying experience. Then also determine how you need to integrate your ecommerce site with systems critical to serving customers, including ERP, CRM, product information management and marketing platforms.

RETAILER INSIGHTS

What are your main reasons for spending more on ecommerce technology over the next year?

Attract new customers 71%

Retain existing customers 48%

Source: Digital Commerce 360 technology survey of 93 retailers, August-October 2021



GET ALL STAKEHOLDERS INVOLVED

Determine who—and which company department—takes the lead in planning a new site while also getting input on website design from all pertinent departments and stakeholders, including your best customers.

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IDENTIFY YOUR MOST CRITICAL SITE FEATURES

Not all website platforms come with good site search, product recommendations, or conversion-boosting content management systems. Determine the site features crucial to your site's success and find an ecommerce platform that either offers them as built-ins or makes them available at a reasonable cost through integration partners.

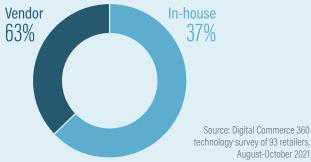


CHOOSE AMONG LICENSED ON-PREMISE, SaaS, MANAGED-AND-HOSTED

Depending on the complexity of your ecommerce operation and internal technology resources—and how much you need to have direct control of your website content and functionality—determine whether it makes sense to deploy a commercial vendor's licensed software on your own servers for maximum direct control, opt for a site managed and hosted by a technology services firm, or subscribe to a software-as-a-service that provides automated software updates. With the SaaS option, clarify how much leeway you must have to customize your web content and merchandise displays. For all deployment models, determine if a vendor provides the development and maintenance services you need directly or through digital agency partners.

RETAILER INSIGHTS

Do you typically use a vendor for new technology or build in-house?



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KNOW THE TERMS OF SaaS FEES

When opting for the popular software-as-aservice model, in which a third-party provider hosts the software and delivers it to customers over the internet as a service, clarify how the SaaS vendor sets monthly subscription fees. The vendor may charge fees based on such things as the number of visitor sessions per month, the number of transactions, and the amount of data storage or bandwidth, among other things. Retailers selling highvalue products, for which buyers log on for multiple research sessions while making a few transactions carefully, should consider terms weighted toward transaction activity. Merchants selling low-value items in higher volumes should consider terms focused more on the number of sessions.



CLARIFY SERVICE LEVEL AGREEMENTS

SLAs should explicitly state how a web developer or site hosting service will address problems and downtime, provide backup plans, and charge for such services.

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WATCH YOUR PRODUCT DATA

Deploy an effective product information management system to ensure accurate and consistent distribution of up-to-date product data across marketing, merchandising, fulfillment and customer service operations.



CONTROL YOUR DIGITAL ASSETS

Attractive imaging, including 3D images and how-to videos, are a big deal to many online buyers. Deploy tools and services like digital asset management (DAM) systems and content delivery networks (CDNs) to control image placement and ensure image-heavy web pages load quickly.

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SET WEBSITE PERFORMANCE METRICS

Establish a set of essential yet achievable goals, such as monthly sales volume and conversion rates, low downtime and fast-loading pages. Determine critical website performance metrics and a system of compiling and analyzing them. That will help manage a successful site deployment.



PREPARE FOR CHANGES

Choose website technology that offers the flexibility and scalability that will let your company adjust to changes in customer demand and market opportunities and handle expected growth in transaction volume without having to do a near-term rip and replace of your ecommerce platform.

This 2022 How to Choose an Ecommerce Platform Report includes key featured articles published directly from the full 2022 Ecommerce Platforms Report.

Learn more about the full report

Purchase \$399



ABOUT THE AUTHORS

Paul Conley is the director of editorial research at Digital Commerce 360, where he leads, manages and contributes to research reports. Prior to joining the team, Paul spent three decades in a variety of journalism and content marketing roles, including stints at CNN, Primedia Business, Bloomberg, Knight-Ridder Financial, CFO Publishing and The NPD Group.



Paul Demery is editor of Digital Commerce 360 | B2B. Prior to DC360B2B, he was managing editor of Internet Retailer magazine. In earlier work, he was editorin-chief/associate publisher of Electronic Commerce World magazine, which covered business-to-business applications of internet technology in multiple industries; he also covered various industries for other magazines and newspapers.



DIGITAL COMMERCE 360 TEAM

LAURA BERRIGAN

Project Manager, Research laura@digitalcommerce360.com 312-572-6261

MARK BROHAN

VP, B2B and Market Research Dev. mark@digitalcommerce360.com 312-362-9535

PAUL CONLEY

Director of Editorial Research pconley@digitalcommerce360.com 312-946-2048

PAUL DEMERY

Editor, B2B paul@digitalcommerce360.com 312-362-9534

LAUREN FREEDMAN

Senior Consumer Insights Analyst Ifreedman@digitalcommerce360.com 312-572-7004

JONATHAN LOVE

Associate Data Analyst jon@digitalcommerce360.com 312-362-0069

JAMES REEVES

Market Research Analyst jreeves@digitalcommerce360.com 312-362-9533

BRENDAN REILLY

Senior Research Analyst brendan@digitalcommerce360.com 312-362-0076

JAMES RISLEY

Research Analyst jrisley@digitalcommerce360.com 312-572-7005

JILL SUCHOMEL

Data Assistant jill@digitalcommerce360.com 312-362-0273

JESSICA YOUNG

Director of Research Data jessica@digitalcommerce360.com 312-362-0104



ABOUT DIGITAL COMMERCE 360 RESEARCH

Over the last two decades, Digital Commerce 360 Research has become a global leader in ecommerce research and data, helping a wide range of businesses better understand the industry. Each year, our experienced researchers collect hundreds of metrics on thousands of retail and B2B ecommerce companies around the world and offer access to the raw data including online sales, web traffic, conversion rates, AOV and key technology partners. Most notably is our Top 1000 Database, a ranking of the leading North American online retailers by web sales. We also publish our analysis of the data in numerous annual reports on timely ecommerce topics like marketplaces, omnichannel, apparel, platforms, web design and many more. In addition, our robust custom research department is skilled at creating personalized projects—including in-depth reports, exclusive surveys, raw data pulls and more—to support top retailers, consultants, financial analysts and technology providers in meeting their goals.

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