Adobe

GUIDE

Must-haves for your next e-commerce platform.

Five capabilities leading analysts say are needed to win in tomorrow's digital marketplace.

The global coronavirus pandemic has launched e-commerce forward at hyperspeed.

According to data from McKinsey, the impact of e-commerce grew the projected value of 10 years during the first three months of 2020. While 2019 had only two $2 billion days (excluding holidays), 2020 had more than 130.

Over one-third (34.3 percent) of retailers now sell the majority of their products and services online, and Forrester predicts that digital B2B sales will reach $1.8 trillion and account for 17 percent of all US B2B sales by 2023. Online selling has become such a critical part of doing business today that choosing the right e-commerce platform is now a board-level priority. Digital commerce infrastructure investments are on par with those in enterprise resource planning (ERP) and other essential back-office technology.

No one knows what the future has in store, but more change is likely. Businesses will have to adapt quickly as customer needs continue to evolve, and a highly agile, future-proofed e-commerce platform can ensure your company is ready for anything.

This playbook covers what leading analysts identify as five must-have e-commerce capabilities—and explains why they're so critical to the future of your business.

One platform for both wholesale and retail selling.

While digital commerce is growing fast, traditional channels like brick-and-mortar retail are shrinking. Businesses are under extreme pressure to grow, and one of the most efficient ways to do so is to sell to new markets. For example, manufacturers—including consumer packaged goods (CPG) and electronics producers—are now doing direct-to-consumer (DTC) selling. Businesses born as DTC-only, meanwhile, are now branching out and selling to wholesalers and distributors. And large global companies are adding new products and brands.

But expanding into new markets is challenging if you don't have the right digital commerce platform. Many systems are very strong in either wholesale (B2B) or retail (B2C) commerce, but only a handful do both extremely well. This can make it very time-consuming and expensive for businesses to enter new markets. If growth and rapid time to market are your top priorities, both B2B and B2C capabilities on a single commerce platform should be on your "must-have" feature list.

Adobe Commerce—powered by Magento—is identified as a Leader in _The Forrester Wave™: B2C Commerce Suites, Q2 2020_ and _The Forrester Wave™: B2B Commerce Suites, Q2 2020_. This is because its platform combines both B2C- and B2B-oriented commerce features. According to both reports, "Adobe is best for brand-centric companies with rapidly evolving business models that differentiate on experience."

While Adobe Commerce has been embraced by consumer-focused industries like health and beauty and food and beverage, its B2B functionality is also world class. According to the _The Paradigm B2B Combine (2020 Midmarket Edition)_, "Magento Commerce is particularly well-suited for midmarket B2B companies looking for a vendor with a strong 3-5 year vision and 18-month B2B roadmap, impressive data-driven reporting and analytics capability, and a broad and deep partner ecosystem."

Easy integration and flexible development.

Your e-commerce platform is part of a larger ecosystem that may include your point of sale (POS), product information management (PIM), and enterprise resource planning (ERP). And it should be able to communicate in real time with all these critical systems. It is then possible to synchronize inventory with online product listings, so you can avoid backorders and give online customers real-time insights into their order and delivery status.

Because many companies rely on best-of-breed commerce technology from multiple vendors, your commerce platform should have an open API, and it should work seamlessly with most third-party commerce extensions. It should also be built around an open and widely used programming language—otherwise, you can find yourself stuck with technology that's only owned and understood by a handful of vendors.

Adobe Commerce is a flexible platform that allows for easy integration with third-party solutions and extensions. It's also built with an open architecture, including an open API and code base, which makes development and customization significantly easier. In fact, Adobe Commerce has already been integrated with hundreds of popular platforms and commerce solutions, so many pre-built ready-to-use connectors are readily available.

Analysts agree that Adobe Commerce is designed for flexibility and connectivity. Named a digital commerce Leader in the Gartner Magic Quadrant report for three years running, it combines a rich feature set with support for custom development. In an IDC Business Value Paper commissioned by Adobe, Adobe Commerce users reported that they can deliver new features and customer-facing services in far less time–requiring 67 percent and 64 percent less time, respectively.

Likewise, The Forrester Wave Q2 2020 reports observed, "Adobe leads with flexibility, supported by a strong global partner ecosystem." This ecosystem includes solution partners as well as thousands of technology partners that offer compatible commerce extensions on our Marketplace.

Flexible omnichannel fulfillment.

In response to the pandemic, businesses have been innovating at breakneck speed. Much of this innovation has centered on new omnichannel fulfillment capabilities, including the following:

- **BOPIS** (buy online, pick up in store) allows customers to avoid shipping costs and health risks by quickly dropping by the store to pick up items. In August 2020, BOPIS surged with a 259 percent year-over-year increase.

- **BOPAC** (buy online, pick up at curb), also known as curbside pickup, is an increasingly popular and convenient variation on BOPIS, especially for customers who may be cautious about entering a physical store. In January 2020, only 1.6 percent of consumers showed an interest in curbside pickup. Five months later, that number was up 34.1 percent. Curbside services are starting to expand to address returns as well.

- **BOPIL** (buy online, pick up in locker) eliminates any friction and human contact that might occur during the pick-up process. Customers bypass store employees altogether and pick up items in an electronic parcel locker.

- **BORIS** (buy online, return in store) eliminates the hassle of having to repackage items and make an additional stop at the post office, UPS, or FedEx.

- **Easy and flexible shipped returns**, when they are both convenient and user-friendly, can drive customer loyalty. A whopping 96 percent of consumers say they would shop with a retailer again based on a good returns experience.

Embracing multiple fulfillment options, however, requires a highly flexible e-commerce platform that can connect seamlessly with a wide variety of digital and physical commerce tools. Adobe Commerce offers the flexible integration and order management functionality required to deliver a truly excellent omnichannel experience.

How Gertrude Hawk added BOPAC and saved Easter.

Pennsylvania-based Gertrude Hawk Chocolates has been in business for more than 80 years. In January 2020, they added digital commerce to their business model with an Adobe Commerce web store hosted in the cloud.

"We launched specifically in January to accommodate our fundraising business," said Melanie Nardozzo, marketing director at Gertrude Hawk Chocolates. "We're so seasonal, everything revolves around Easter timing. We need to take orders in January and February and begin shipping in March in time for the holiday."

But just when things were starting to ramp up, March brought sweeping retail closures and shelter-in-place orders as COVID-19 hit hard in the United States. With a large majority of their storefronts located in shopping malls, Gertrude Hawk Chocolates was suddenly left with only a few locations able to operate—right before their most important sales holiday.

To rapidly adjust to the changed business dynamics, Nardozzo reached out to Adobe partner Weidenhammer to find out if they could quickly offer curbside pickup at the stores that remained open. The answer was an unqualified yes. With the flexibility of Adobe Commerce, coupled with ShipperHQ's plug-and-play store pickup feature, Gertrude Hawk Chocolates was able to pivot fast and minimize the losses from closed storefronts.

"We were very thankful for the opportunity to get that up and running so quickly. It did allow us to recover almost a third of our sales," Nardozzo said. "We delighted our customers with the experience and made them very happy. They were able to get their chocolate bunnies and keep the tradition of Gertrude Hawk Chocolates this Easter."

Read the full case study

Mobile-first design and PWAs.

While smartphones accounted for 60 percent of visits to commerce websites, mobile commerce represents only 40 percent of digital sales. This means when it comes to mobile selling, most companies have a lot of room to grow.

Adding a mobile-first web design can help you generate more digital sales, even if you make no other changes to your business. Moreover, your mobile experience is also critical to your ability to attract new customers. Google now factors mobile page-load speed into search rankings.

You have many options for improving your mobile experience, including mobile-first responsive web designs, native web apps, and Progressive Web Apps (PWAs). PWAs are especially promising, as they deliver some of the best features of both responsive websites and native apps:

- They can be accessed on any mobile device—no custom coding required.

- They can access native smartphone features like the camera and instant notifications.

- They allow users to access some content offline, thereby delivering faster speeds in low bandwidth network environments.

Some organizations are building highly custom PWAs on top of proven commerce platforms. This is known as *headless commerce*, and it allows you to craft a highly distinctive user experience without building your back-end commerce logic from scratch. Ideally, your e-commerce platform should support multiple pathways to a great mobile experience, including mobile-first design, PWAs, and headless commerce.

Adobe Commerce is a leader in helping businesses deliver a top-notch mobile experience, and it offers the PWA Studio, a development environment that makes it faster and easier to build PWAs with the Adobe Commerce back end. According to *The Forrester Wave™: B2C Commerce Suites, Q2 2020* and *The Forrester Wave™: B2B Commerce Suites, Q2 2020*, "The PWA Studio is positioned to lower the cost and complexity of adopting Progressive Web App experiences."

PINO plans ahead with headless commerce and PWAs.

PINO, a Germany-based company that sells products and equipment to physical therapists, is using PWAs to support its sales team and rethink its customer experience. "We set up a PWA that allows our traveling sales people to place orders on behalf of their customers, even if they are in remote locations with minimal network bandwidth," said Martin Mannowetz, e-commerce manager at PINO. "When they have connectivity again, their orders are automatically transmitted to the Magento Commerce back end."

Although PINO's traveling sales force is now benched due to COVID-19 restrictions, Mannowetz explained that his team has more PWAs in the works. One will use Adobe Sensei to automatically populate a personalized product selection for every customer visiting the website. And another will allow service reps in call centers to recommend products and place orders for customers who call in.

Mannowetz added that his team is building PWAs with a headless version of Adobe Commerce. "The headless configuration allows us to create a highly custom experience to support our unique sales cycle. In our experience, the early adoption of emerging technology can be a major competitive differentiator."
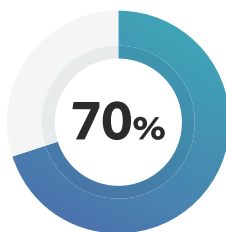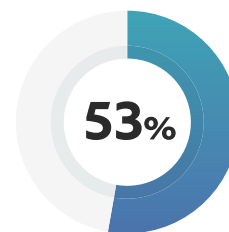
Learn more about PWAs

Extreme personalization.

70%
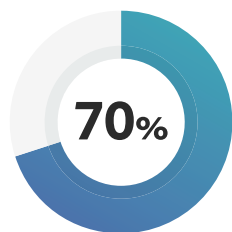
70% of consumers expect brands to make automatic, context-based adjustments to content for real-time personalization.

70%

70% of business buyers say personalized recommendations help them get more value from vendors.

53%

53% say they'd pay as much as 5% more to get those recommendations.

Providing a highly personalized customer experience has become a necessity for today's digital sellers. Customers expect personalized product recommendations because they see them on Amazon and other large commerce sites. Plus, research shows that online shoppers who engaged with a recommended product had a 70 percent higher conversion rate during that session.

Your customers also expect content to be tailored to their needs and interests. Nearly 70 percent of consumers say it's important that brands automatically adjust their content for a real-time personalized experience. Likewise, 70 percent of business buyers say personalized recommendations help them obtain more value from their vendors—and 53 percent say they would pay as much as 5 percent more to get those recommendations.

An agile e-commerce platform should support multiple forms of personalization. It should offer intelligent personalized product recommendations, make it easy to create and target personalized content, and integrate with third-party personalization technologies. Adobe Commerce helps retailers deliver a highly personalized experience with Product Recommendations powered by Adobe Sensei, Page Builder, customer segmentation, and more.

Both The Forrester Wave Q2 2020 reports say, "The [Adobe Commerce] solution shines in its simple business user tooling to support critical functions like promotions and personalization."

Catbird wins with custom jewelry and personalized product recommendations.

Described by *The New York Times* as "the cool-girl jewelry go-to," Catbird creates captivating custom jewelry on demand. Their stunning necklaces, rings, and bracelets are all manufactured at the brand's iconic offices in Brooklyn, New York, and are often seen on celebrities.

When Catbird launched their web store, it grew fast. In fact, it grew so fast they decided to invest in a more advanced and personalized online experience to keep the momentum going. They switched to Adobe Commerce, which allowed them to redesign their mobile experience, add personalized product recommendations, and easily create and swap in new content.

Even better? The new site is already paying for itself. "Our new, responsive Magento Commerce 2 site has increased our conversions and elevated the brand to new levels. No one else in our industry sees the conversion rate or has the flexibility of content that we do," said Anna Wessel, director of e-commerce for Catbird.

Read the full success story

How Adobe Commerce can help you prepare for the future.

In addition to providing high-end e-commerce capabilities today, Adobe Commerce is also well positioned for the future, as it is integrated tightly with Adobe's enterprise-class marketing and analytic technologies.

Adobe's large portfolio of commerce partners also means businesses that choose Adobe Commerce will have many options for implementation and customization. As *The Forrester Wave™: B2B Commerce Suites, Q2 2020* states, "Adobe's strong set of implementation partners—both agencies and SIs—gives it the ability to deliver innovative experiences for subindustry niches despite a broad product approach."

If you're looking to make a significant investment in e-commerce, we recommend you keep these five required capabilities in mind—and add Adobe Commerce to your short list. According to the IDC, Adobe Commerce users can achieve a three-year ROI of 247 percent.

Adobe Experience Cloud

Adobe Experience Cloud is the most comprehensive suite of customer experience management tools on the market. With solutions for data, content delivery, commerce, personalization, and more, this marketing stack is created with the world's first platform designed specifically to create engaging customer experiences. Each product has built-in artificial intelligence and works seamlessly with other Adobe products. And they integrate with your existing technology and future innovations, so you can consistently deliver the right experience every time.

Adobe Commerce

Adobe Commerce is the world's leading digital commerce solution for merchants and brands. With Adobe Commerce, you can build engaging shopping experiences for every type of customer—from B2B and B2C to B2B2C. It's built for enterprise on a scalable, open-source platform with unparalleled security, premium performance, and a low total cost of ownership. Businesses of all sizes can use it to reach customers wherever they are, across devices and marketplaces. It's more than a flexible shopping cart system. It's the building block for business growth.

Get details

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