DIGITAL COMMERCE 360

2023 B2B & B2C ECOMMERCE PLATFORM TRENDS AND STRATEGIES

Compliments of **trevi pay**™

EXECUTIVE SUMMARY

A little more than one out of four retailers are looking to switch their ecommerce platform, according to a Digital Commerce 360 survey conducted in September and October of 2022.

More tellingly, when the retailers were asked to rank their top five ecommerce technology spending priorities, 46% of the 135 respondents to that survey listed "ecommerce platform" — the highest score of any of the 25 possible priorities listed.

ARE YOU LOOKING TO SWITCH ECOMMERCE PLATFORMS?
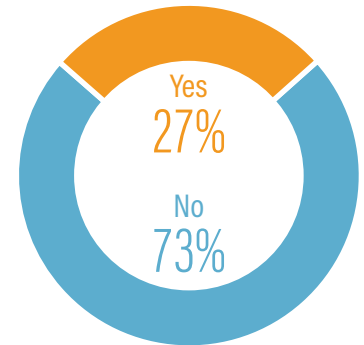
Yes
27%

No
73%

Source: Digital Commerce 360. Based on
135 respondents September-October, 2022

WHAT ARE YOUR TOP FIVE ECOMMERCE TECHNOLOGY BUDGET PRIORITIES OVER THE NEXT YEAR?

Ecommerce platform	46%	International ecommerce services	15%
Customer relationship management	34%	Supply chain management	13%
Online marketing	30%	Warehouse and fulfillment management	13%
Content management	27%	Web hosting/cloud services	10%
Customer service software	27%	Social media	10%
Fulfillment services	24%	Omnichannel	8%
Marketplace/Channel management[1]	19%	Personalization	8%
Email marketing	19%	Web analytics	8%
Payment, security systems, fraud prevention	19%	Website performance management	7%
Customer reviews/ratings	18%	PIM and other product data management	4%
Search engine optimization	17%	Sales tax management	4%
Order management	16%	Site search	4%
Affiliate marketing	16%		

1. Selling on 3rd party marketplaces   Source: Digital Commerce 360.
Based on 135 respondents September-October, 2022

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That overwhelmingly high prioritization of ecommerce platforms (some 12 percentage points higher than the second-ranked priority: customer relationship management systems) makes sense when you look at the possible return on investment from an ecommerce platform. More than half of retailers surveyed said an ecommerce platform was effective in boosting conversions.

RETAILER INSIGHTS

HOW EFFECTIVE HAVE THE FOLLOWING INVESTMENTS IN TECHNOLOGY BEEN RELATIVE TO IMPROVING CONVERSION IN 2022?

Legend: ■ Very effective ■ Somewhat effective ■ Not effective ■ NA

Investment	Very effective	Somewhat effective	Not effective	NA
Customer relationship management	56%	31%	6%	7%
Ecommerce platform	56%	35%	4%	5%
Payment, security systems, fraud prevention	55%	32%	6%	7%
Customer service software	51%	30%	5%	14%
Website performance management	50%	35%	6%	9%
Customer reviews/ratings	47%	36%	6%	11%
Online marketing	47%	42%	4%	7%
Web hosting/cloud services	47%	40%	3%	10%
Order management	46%	36%	8%	10%
Social media	46%	35%	9%	10%
Content management	45%	46%	2%	7%
Marketplace/Channel management[1]	45%	37%	6%	12%
Site search	45%	42%	5%	8%
Search engine optimization	43%	46%	4%	7%
Supply chain management	39%	47%	4%	10%
Web analytics	39%	47%	7%	7%
Affiliate marketing	38%	40%	8%	14%
Fulfillment services	38%	43%	7%	12%
Warehouse and fulfillment management	38%	46%	4%	12%
Sales tax management	35%	42%	13%	10%
Email marketing	33%	48%	10%	9%
PIM and other product data management	33%	43%	9%	15%
Personalization	31%	45%	11%	13%
Omnichannel	29%	44%	9%	18%
International ecommerce services	28%	36%	11%	25%

1. Selling on 3rd party marketplaces   Source: Digital Commerce 360. Based on 135 respondents September-October, 2022

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Those three data points hint at the story of ecommerce platforms in 2023. The retailers and B2B companies that use the platforms recognize the value a platform can unlock and are willing to spend money to get a better-performing platform. Tellingly, a quarter of ecommerce platform users are unhappy enough with their present system that they intend to switch to a new platform — despite the cost and resource commitment required.

Here's why:

Ecommerce platforms are growing so powerful and complex at such an extraordinarily fast clip that what were state-of-the-art platforms a few years ago seem like antiques today. At the same time, platforms like Shopify and BigCommerce that once catered to the smaller players in ecommerce are adding enough functionality and power to serve even the largest merchants. As part of those efforts, such well-established platforms are adding functionality quickly.

Shopify is rolling out "unified search," which promises to let shoppers search for products across the entire network of Shopify storefronts.

And BigCommerce is rolling out a "Buy with Prime" app that allows merchants that use its platform to quickly add Amazon's Buy with Prime service to their BigCommerce sites with no coding required.

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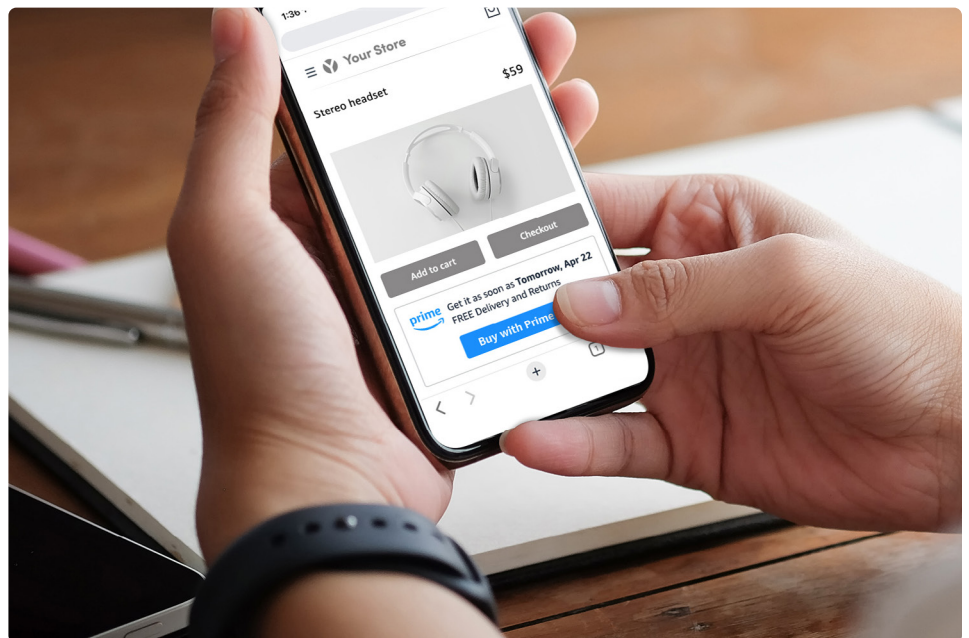
CUSTOMER FEEDBACK HELPS B2B COMPANIES CREATE BETTER USER EXPERIENCES

An executive conversation with **Teresa Cain,** director of product and UX design, TreviPay

Buyer loyalty takes more than a great online shopping experience. Many retailers and B2B companies are launching new loyalty discount and incentive programs to stay competitive and maintain the accelerated customer growth they achieved at the height of COVID-19. To discuss how executing these programs effectively to create the best overall shopping experiences relies on gathering valuable feedback from customers, Digital Commerce 360 spoke with Teresa Cain, director of product and UX design at TreviPay.

Why is customer feedback key to creating great customer experiences, particularly for B2B companies?

B2B is behind B2C in the world of ecommerce. However, the pandemic helped accelerate ecommerce for many B2B companies. This included the launch of online marketplaces, which allowed for third-party growth. The biggest oversight with many of these launches, however, was creating a new marketplace without talking to users and thinking through the entire customer experience. Payments are particularly tricky for marketplaces, and organizations that don't prioritize the checkout experience will likely see lackluster volumes.

What tools can help them overcome these challenges?

The best way to overcome these challenges is by receiving ongoing customer feedback — through surveys, for example — so retailers and B2B companies can make any changes they need to keep their customers coming back. TreviPay offers a digital net promoter score (NPS) survey integration with Medallia, an experience management software company, at all levels of the experience — from when customers are using the site to calling into support. This lets them feel connected to the platforms and prompts repeat visits. In fact, we've seen a 200% adoption of new user accounts across programs by actively engaging in customer feedback through NPS, webinars and newsletters to create an engaging platform.

What important features should retailers and B2B companies have on their ecommerce platforms?

The most effective ecommerce platforms include an easy-access online store; fast page loads; easy navigation and aesthetics for users; ADA compliance; seamless checkout experiences; a variety of secure payment options, including the ability to offer trade credit and net terms invoicing; fraud and risk management; and web and mobile access for users.

Retailers and B2B companies should also be investing in the user experience — including in-person interviews, surveys, usability testing and behavioral metrics — to gather valuable data that can drive important decision making.

- ▶ **In-person interviews:** Learn why users are going to the site, how often they are buying, what they are buying, how they are paying and how much they're spending.

- ▶ **Surveys:** NPS or customer satisfaction scores (CSAT) allow users to decide throughout their customer journey when they give feedback and provide companies with valuable, actionable data.

- ▶ **Usability testing:** It allows companies to see gaps in how they think customers will use the site or mobile app versus how customers actually use it.

- ▶ **Behavioral metrics:** Like surveys, behavioral metrics allow companies to interact with users without engaging with them, including learning what products are most popular, where users click the most in the store and the drop-off rate at checkout.

How can retailers and B2B companies put these strategies into place?

To create the best experience for users, companies have to talk to them and gather valuable feedback, which is a priority for TreviPay. As a fully managed B2B payments and invoicing network that optimizes trade and loyalty, our platform eliminates the risk and headache of expanding digital B2B ecommerce sales. TreviPay partners with businesses to create the best buyer experience through the entire lifecycle of a purchase with a seamless checkout experience.

trevi pay™

B2B Retailers:
It's Time to Prioritize the 5th P of Marketing

To deliver on the rising expectations of your B2B buyers, retailers must improve the customer experience by prioritizing the 5th P of Marketing – payments.

Learn how a 5th P strategy can help you achieve stronger conversion rates, higher AOV, increased customer LTV and deeper loyalty.

Download the eBook →

A TreviPay eBook

Improving the B2B Customer Experience for Retail Buyers with the 5th P of Marketing

But trouble looms:

It's one thing to decide to switch platforms. It's something else entirely to find the tech talent needed to make the switch happen. The layoffs that have swept across the technology industry in the past few months have not spared the ecommerce-platform providers.

Salesforce, BigCommerce, Oracle and Shopify build six of the seven most popular platforms, according to a Digital Commerce 360 survey of 135 retailers. Those four tech giants have all cut staff since mid-2022.

The result is that B2B companies and retailers that plan to switch or upgrade their ecommerce platforms in 2023 may want to start by upgrading their workforce. 🖥️

RETAILER INSIGHTS

ON WHICH ECOMMERCE PLATFORM IS YOUR SITE BUILT?

Platform	%
Salesforce Commerce Cloud	27%
Shopify	13%
Oracle	11%
Oracle NetSuite	9%
Shopify Plus	8%
IBM/HCL	5%
BigCommerce	4%
Custom-built solution	4%
Magento/Adobe	2%
osCommerce	2%
SAP Hybris	2%
VTEX	2%
Weblinc/Workarea	1%
WooCommerce	1%
ZenCart	1%
Kibo	0%
Other	8%

Source: Digital Commerce 360. Based on 135 respondents September-October, 2022

CHOOSING A FIRST (OR SECOND) PLATFORM

More than a quarter (27%) of respondents to the Digital Commerce 360 survey said they were looking to switch ecommerce platforms. A number that high suggests dissatisfaction with existing systems — and the sense that "the grass is greener elsewhere" — is common among ecommerce executives.

The reasoning behind a desired shift is varied. Some survey respondents want to move to the cloud. Others want to leave the cloud and host the platform on their own servers.

But the top response (35%) was a desire to find "commerce software adapted for us and hosted externally in a single-tenant environment."

RETAILER INSIGHTS

WHAT TYPE OF TECHNOLOGY ARE YOU MOST LIKELY TO CHOOSE FOR A NEW PLATFORM?

Commerce software adapted for us and hosted externally in a single-tenant environment	Internally developed and externally hosted	Internally developed and internally hosted	Multi-tenant SaaS (software as a service), in which a vendor hosts software used by multiple clients	Commercial software hosted internally	Headless commerce/microservices approach
35%	19%	14%	13%	11%	8%
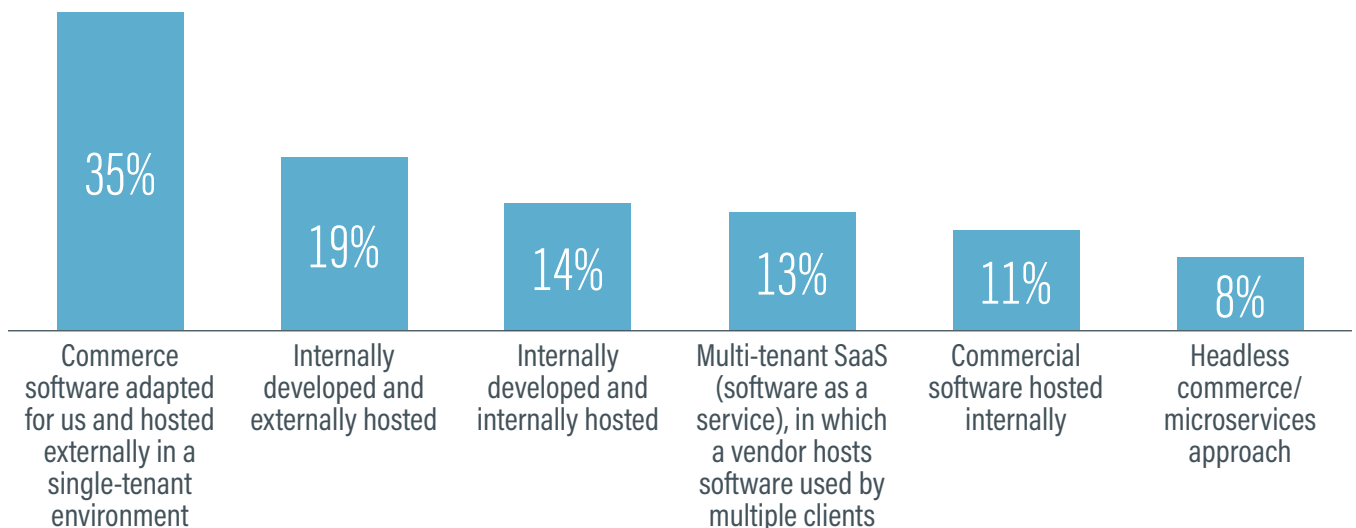
Source: Digital Commerce 360. Based on 135 respondents September-October, 2022

In other words, respondents aren't looking to do it all themselves; they're looking for someone else to do it all but to do so specifically for them.

Merchants who said they were definitely planning to move to a new platform weren't much interested in switching to any of the smaller, up-and-coming platforms. Rather, the four most likely new platforms are built by four companies (Salesforce, Oracle, Shopify and IBM/HCL) that already dominate the platform industry.

RETAILER INSIGHTS

IF YOU ARE PLANNING TO MOVE TO A NEW ECOMMERCE PLATFORM, WHICH ARE YOU CONSIDERING MOST STRONGLY?

Oracle	19%
Salesforce Commerce Cloud	19%
Shopify	14%
IBM/HCL	13%
BigCommerce	5%
Custom-built solution	5%
SAP Hybris	5%
Kibo	3%
Magento/Adobe	3%
Shopify Plus	3%
WooCommerce	3%
ZenCart	3%
Other	5%

Source: Digital Commerce 360. Based on 135 respondents September-October, 2022

RETAILER INSIGHTS

ON WHICH ECOMMERCE PLATFORM IS YOUR SITE BUILT?

Platform	Percentage
Salesforce Commerce Cloud	27%
Shopify	13%
Oracle	11%
Oracle NetSuite	9%
Shopify Plus	8%
IBM/HCL	5%
BigCommerce	4%
Custom-built solution	4%
Magento/Adobe	2%
osCommerce	2%
SAP Hybris	2%
VTEX	2%
Weblinc/Workarea	1%
WooCommerce	1%
ZenCart	1%
Kibo	0%
Other	8%

Source: Digital Commerce 360. Based on 135 respondents September-October, 2022

Finally, merchants' expectations of the cost of switching platforms vary widely, with the majority planning to spend between $25,001 and $500,000. 🖥

RETAILER INSIGHTS

WHAT DO YOU ANTICIPATE SPENDING ON SWITCHING ECOMMERCE PLATFORMS?

Under $5,000
8%

More than $1 million
5%

$5,000-$25,000
11%

$500,001-$1 million
16%

$25,001-$100,000
38%

$100,001-$500,000
22%
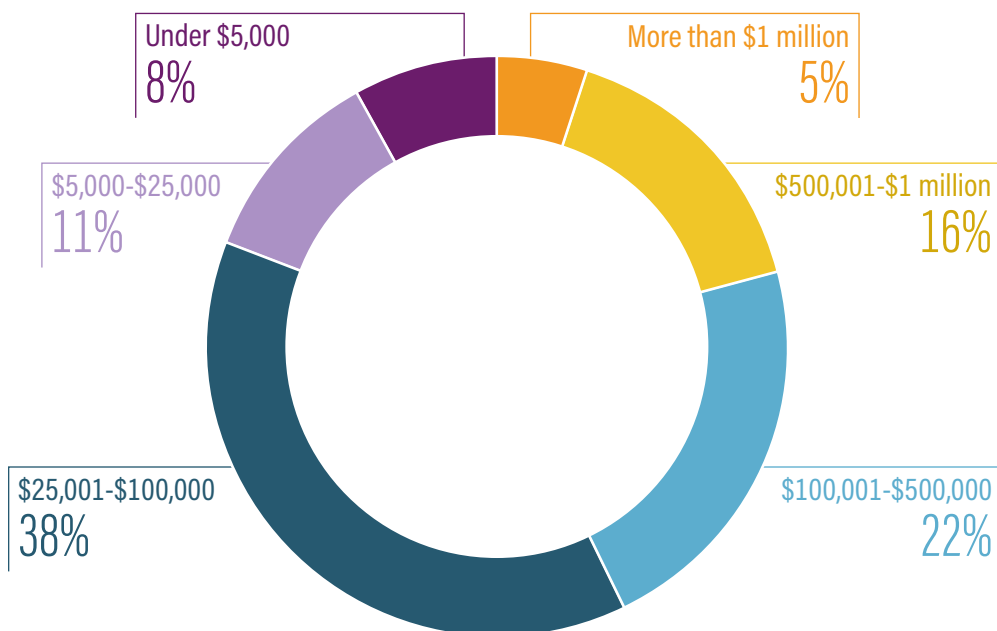
Source: Digital Commerce 360. Based on 135 respondents September-October, 2022

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ABOUT DIGITAL COMMERCE 360

Digital Commerce 360, formerly Internet Retailer, has been a global leader in retail and B2B ecommerce research and media for over two decades. Our organization provides daily news, trend analysis, and competitive data to a vast community of executives, retailers, financial firms, manufacturers and more. Our team of experienced journalists and researchers publish a multitude of products each year, including dozens of research reports, newsletters, charts and infographics, webinars, live events, and data on thousands of ecommerce companies through its Digital Commerce 360 Research brand. We also founded groundbreaking ecommerce products and events, including Internet Retailer magazine, the Top 500 Guide, the Internet Retailer Conference & Exhibition (IRCE) and, most recently, the EnvisionB2B Conference & Exhibition.

ABOUT DIGITAL COMMERCE 360 RETAIL

Digital Commerce 360 Retail delivers business intelligence and topic-focused reports on the global online retail market. Our reporting on retail trends, technologies and industry best practices reaches a diverse ecommerce community. These exclusive reports are available for download on DigitalCommerce360.com and deliver quality leads to our sponsors.

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