Critical Capabilities for Digital Commerce

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Digital commerce platforms are crucial for selling in a digital world. We have evaluated 19 vendors' products in this document using 14 critical capabilities and five use cases to assist IT leaders and those responsible for digital commerce in their vendor selection endeavors.

Key Findings

- Digital commerce software vendors are continuing to expand their offerings through additional development, integration, acquisition and partnerships, often resulting in additional costs and greater integration efforts.

- While many vendors appear to offer the same basic functionality, deeper exploration yields many subtle differences between vendor products, which often impact cost and integration efforts.

- Companies that fail to scrutinize vendor product offerings in sufficient detail often overspend — or underspend — on their digital commerce platform initiatives.

Recommendations

IT leaders and those responsible for digital commerce vendor selection should:

- Work with business leaders to identify the goals and specific requirements of prospective digital commerce platforms based on business goals and desired customer experience.

- Manage costs by understanding how vendors' products deliver required business functionality (for example, natively in the commerce platform, or via a partner or third party, or through custom development).

- Understand that native functionality will usually save time and money — especially if the cost of the functionality is included in the base platform price.

- Understand and manage business requirements at a detailed level.

- Compare available platform functionality to business needs and priorities, integration efforts, and customization requirements.

- Avoid overbuying and having a more-complex solution than necessary.

Strategic Planning Assumptions

By 2017, due to internet-enabled price visibility, the digital customer experience will be the key differentiator of your organization.

By 2018, 70% of e-commerce will move from B2C and B2B models to models that focus on the individual customer experience.

By 2018, 40% of B2B digital commerce sites will use price optimization algorithms and configure/price/quote tools to dynamically calculate and deliver product pricing.

By 2020, smart personalization engines used to recognize customer intent will enable digital businesses to increase their profits by up to 15%.

What You Need to Know

While many digital commerce platforms have similar functionally, not all platforms offer identical functionality — particularly as pertains to the types of goods sold and the functionality required for improved customer experiences — which can make selecting a digital commerce platform very difficult.

Types of goods sold and channels supported: Not all vendors support the selling of all types of goods. For example, some vendors may sell physical goods (washing machines, for example) or digital goods (like online subscriptions) but not both. Likewise some vendors may sell both types of goods (such as electronic devices that come with subscription-based service contracts). Few vendors support subscription services, and even fewer support digital customer acquisition for service industries and government. Likewise, not all vendors support selling in all channels equally.

Customer experience: Not all vendors support the digital commerce ecosystem, which is a set of applications that enables sellers to provide a more-robust customer experience. The ecosystem includes applications that enrich the customer experience by making it easier for the customer to shop (for example, rich product content, a more-customized customer experience, better product inventory information and available shipping information). These application include web content management (WCM); product information management (PIM); configure, price and quote (CPQ); personalization engines; social commerce; payment processing; order management; fulfillment and more (see "Leverage the Gartner Digital Commerce Technology Ecosystem to Optimize IT Decisions" for a detailed discussion on the digital commerce ecosystem and its contribution to the customer experience).

This Critical Capabilities document helps clients understand the most important functionality to meet the most popular use cases expressed by Gartner clients. It rates digital commerce platforms based on 14 areas of primary and secondary product differentiation, or "critical capabilities," and

weighs the importance of these capabilities in the five most common "use cases" in which Gartner clients are interested:

- Organizations with complex, diverse and large operations

- Organizations with multiple channels

- Organizations selling globally

- Organizations selling to consumers

- Organizations selling to other organizations

The Critical Capabilities Definition section offers detailed accounts of the criteria used for product evaluation. Table 1 explains the weightings of product functionality used for the five use cases. Critical capabilities ratings (without weightings) can be found in Table 2. Individual product scores can be found in Table 3.

This Critical Capabilities research focuses exclusively on assessing differentiated product and feature functionality. The companion "Magic Quadrant for Digital Commerce," on the other hand, assesses the vendor and considers vendor characteristics such as a market presence, track record, financial and organizational strength, and availability of skills, product support, and the depth of its professional services. As a result, the rankings of vendors expressed in this document may not represent overall vendor positioning in the market, and do not always align with positioning of vendors in the corresponding Magic Quadrant. For example, the leading vendor in the Magic Quadrant may not have the top ranking in the Critical Capabilities due to the different criteria used in the two respective evaluations. It is also worth noting that, while some of these critical capabilities and use cases may appear similar to that of past assessments, neither are identical to it, and therefore yield different rating results when compared to last year.

View the scoring in this research in terms of whether or not the featured products meet basic requirements or leading-edge requirements of the demand side of the market. If your organization has leading-edge requirements (if it sells multiple types of products and services, has channel complexity, or sells to large, complex businesses, for example) focus first on products that score 3.5 or higher in the respective area of interest. Products with scores closer to or lower than 3.0 may be suitable for a single type of product offerings (physical goods, digital goods, subscription services, or digital customer acquisition for service industries and government, for example) or less-complex initiatives (a single store, brand or country; a regional presence or support for fewer channels).
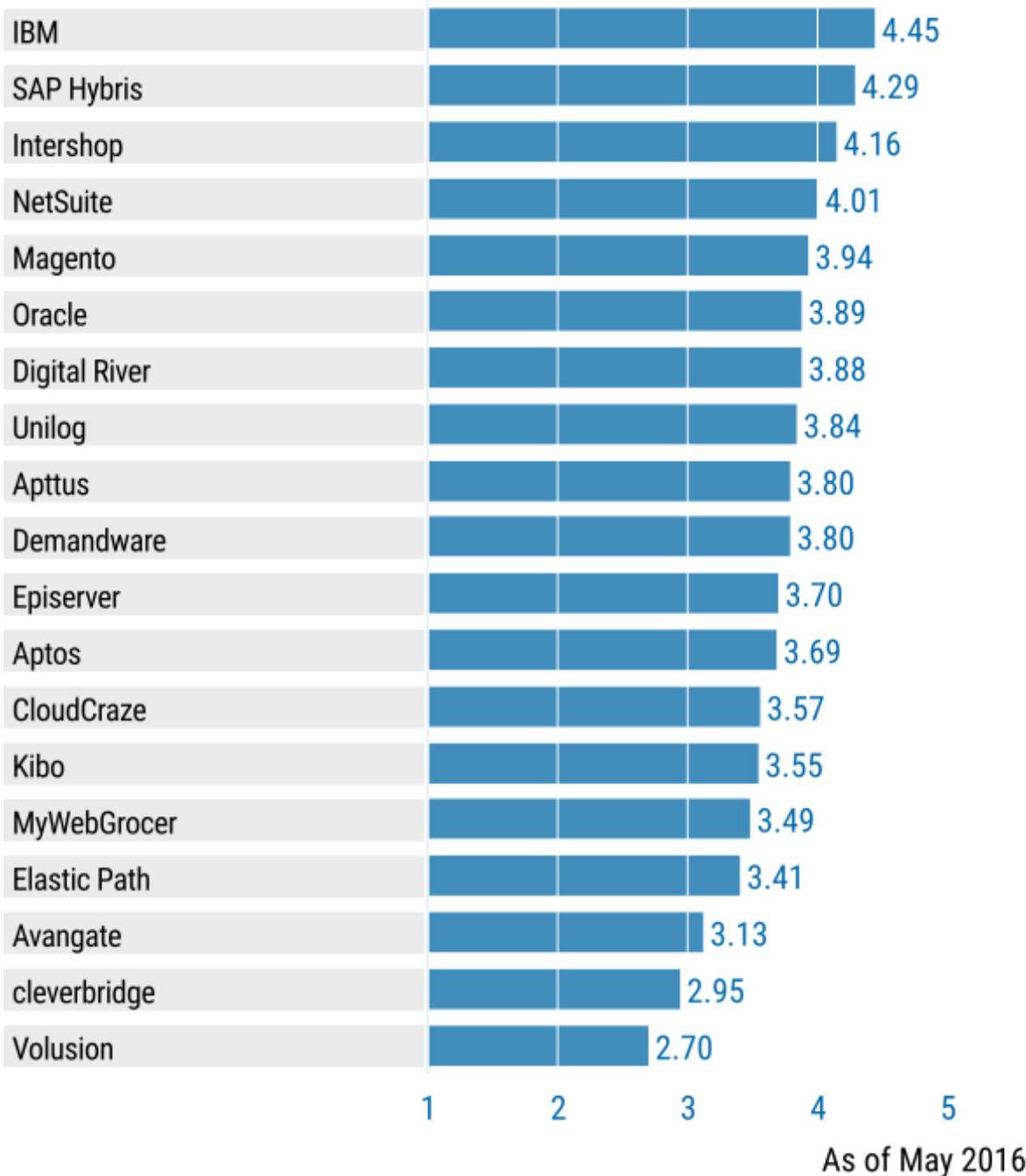
Likewise, when requesting that vendors respond to RFPs, be sure to ask them how business requirements will be met, and to distinguish whether business requirements will be met via native functionality from the commerce platform; with functionality that is provided by a partner or third party; or through custom development.

Analysis

Critical Capabilities Use-Case Graphics

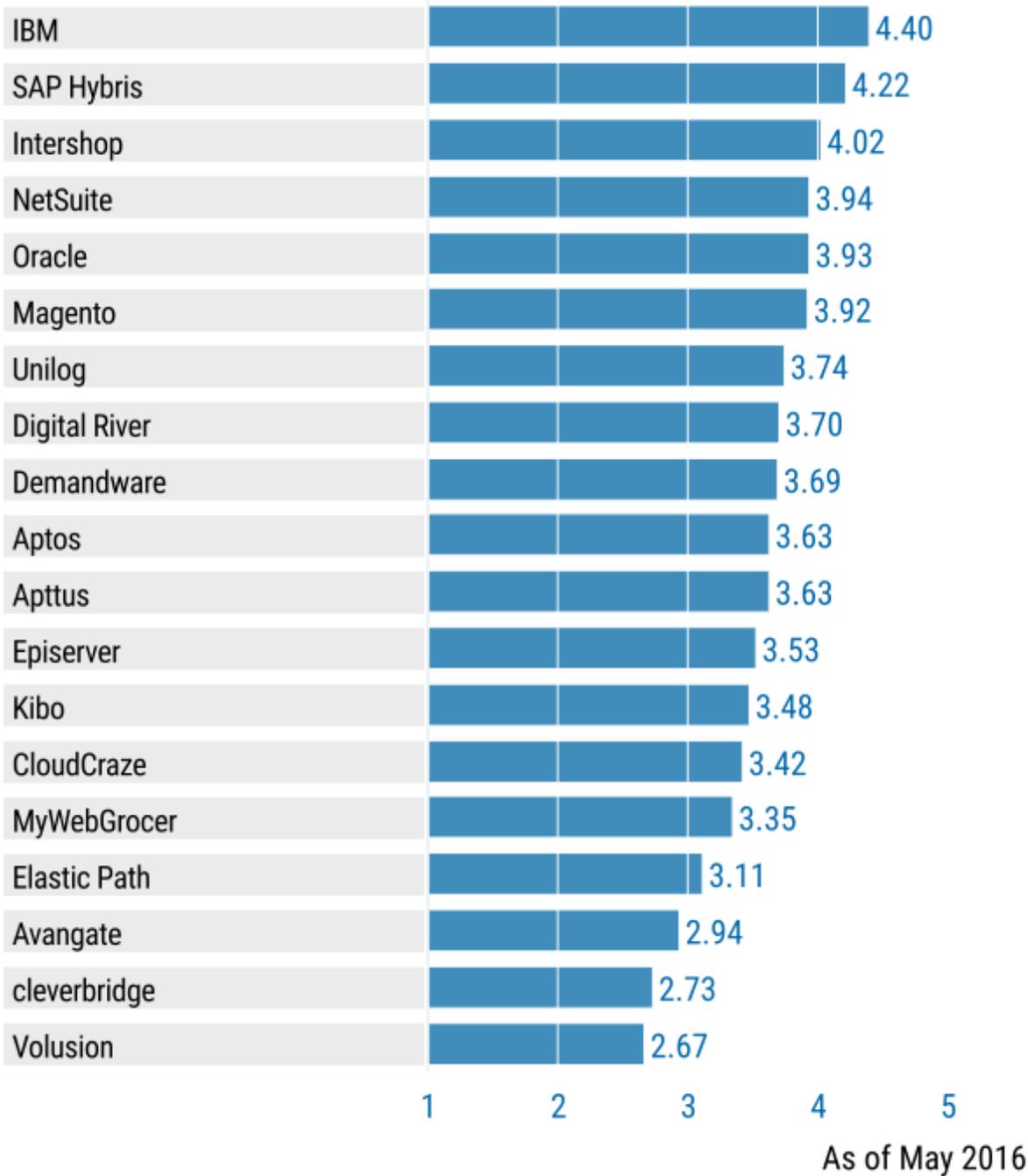Figure 1. Vendors' Product Scores for the Complex, Diverse and Large Operations Use Case

Product or Service Scores for Complex, Diverse and Large Operations

Vendor	Score
IBM	4.45
SAP Hybris	4.29
Intershop	4.16
NetSuite	4.01
Magento	3.94
Oracle	3.89
Digital River	3.88
Unilog	3.84
Apttus	3.80
Demandware	3.80
Episerver	3.70
Aptos	3.69
CloudCraze	3.57
Kibo	3.55
MyWebGrocer	3.49
Elastic Path	3.41
Avangate	3.13
cleverbridge	2.95
Volusion	2.70

As of May 2016

Source: Gartner (June 2016)

Figure 2. Vendors' Product Scores for the Multiple Channels Use Case

Product or Service Scores for Multiple Channels

Vendor	Score
IBM	4.40
SAP Hybris	4.22
Intershop	4.02
NetSuite	3.94
Oracle	3.93
Magento	3.92
Unilog	3.74
Digital River	3.70
Demandware	3.69
Aptos	3.63
Apttus	3.63
Episerver	3.53
Kibo	3.48
CloudCraze	3.42
MyWebGrocer	3.35
Elastic Path	3.11
Avangate	2.94
cleverbridge	2.73
Volusion	2.67

As of May 2016

Source: Gartner (June 2016)

Figure 3. Vendors' Product Scores for the Selling Globally Use Case

Product or Service Scores for Selling Globally

Vendor	Score
IBM	4.32
SAP Hybris	4.08
Intershop	3.98
Digital River	3.97
Magento	3.88
Demandware	3.79
NetSuite	3.73
Oracle	3.69
Unilog	3.64
Episerver	3.61
Apttus	3.60
Aptos	3.59
CloudCraze	3.46
Kibo	3.37
Avangate	3.26
Elastic Path	3.26
MyWebGrocer	3.25
cleverbridge	3.11
Volusion	2.40

As of May 2016
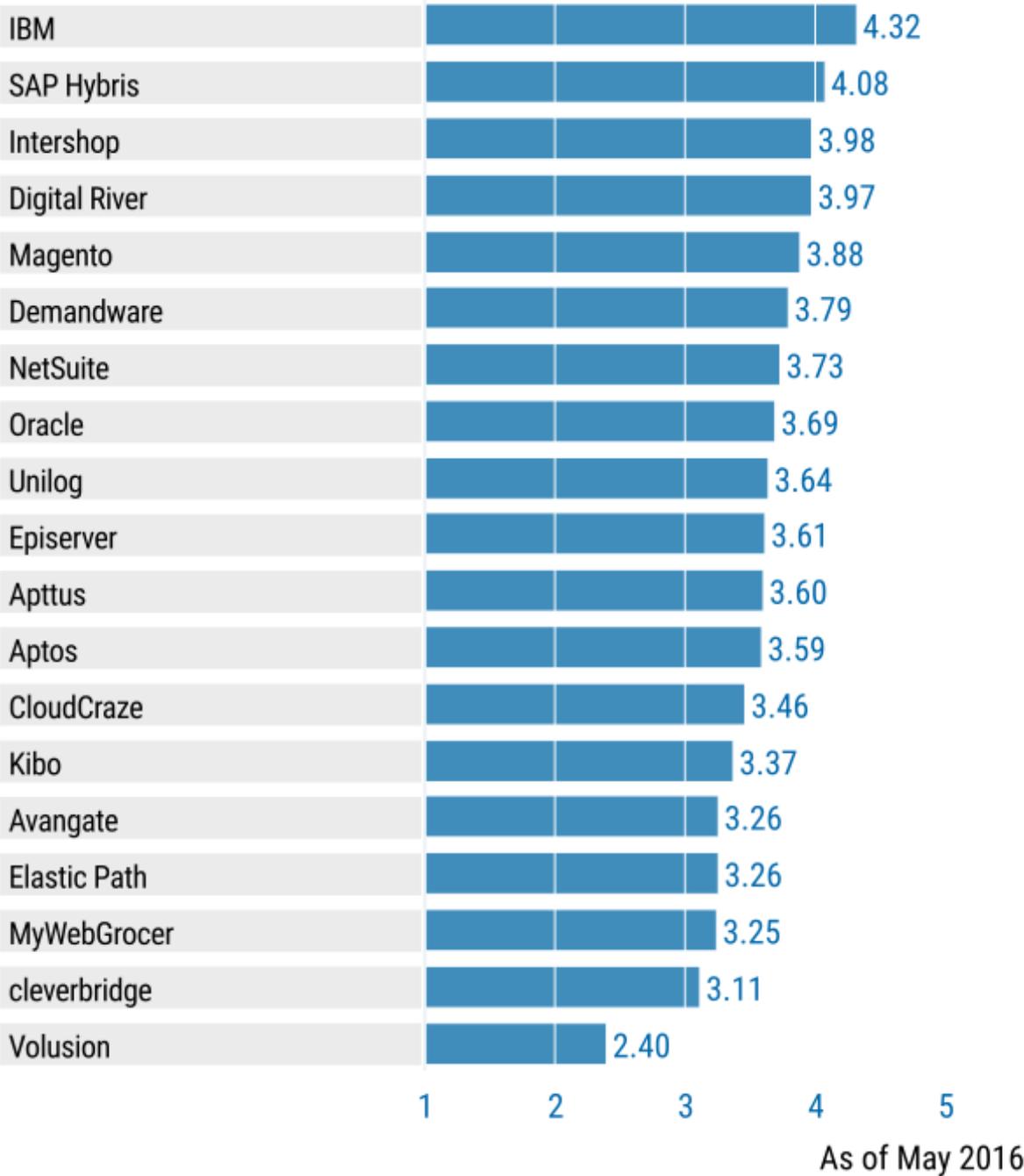
Source: Gartner (June 2016)

Figure 4. Vendors' Product Scores for the Selling to Consumers Use Case

Product or Service Scores for Selling to Consumers

Vendor	Score
IBM	4.44
SAP Hybris	4.20
Intershop	4.01
Demandware	3.99
Magento	3.95
Oracle	3.88
NetSuite	3.80
Unilog	3.74
Digital River	3.64
Aptos	3.62
Apttus	3.62
MyWebGrocer	3.60
Kibo	3.59
Episerver	3.55
CloudCraze	3.31
Elastic Path	3.30
Avangate	2.80
cleverbridge	2.78
Volusion	2.74

As of May 2016
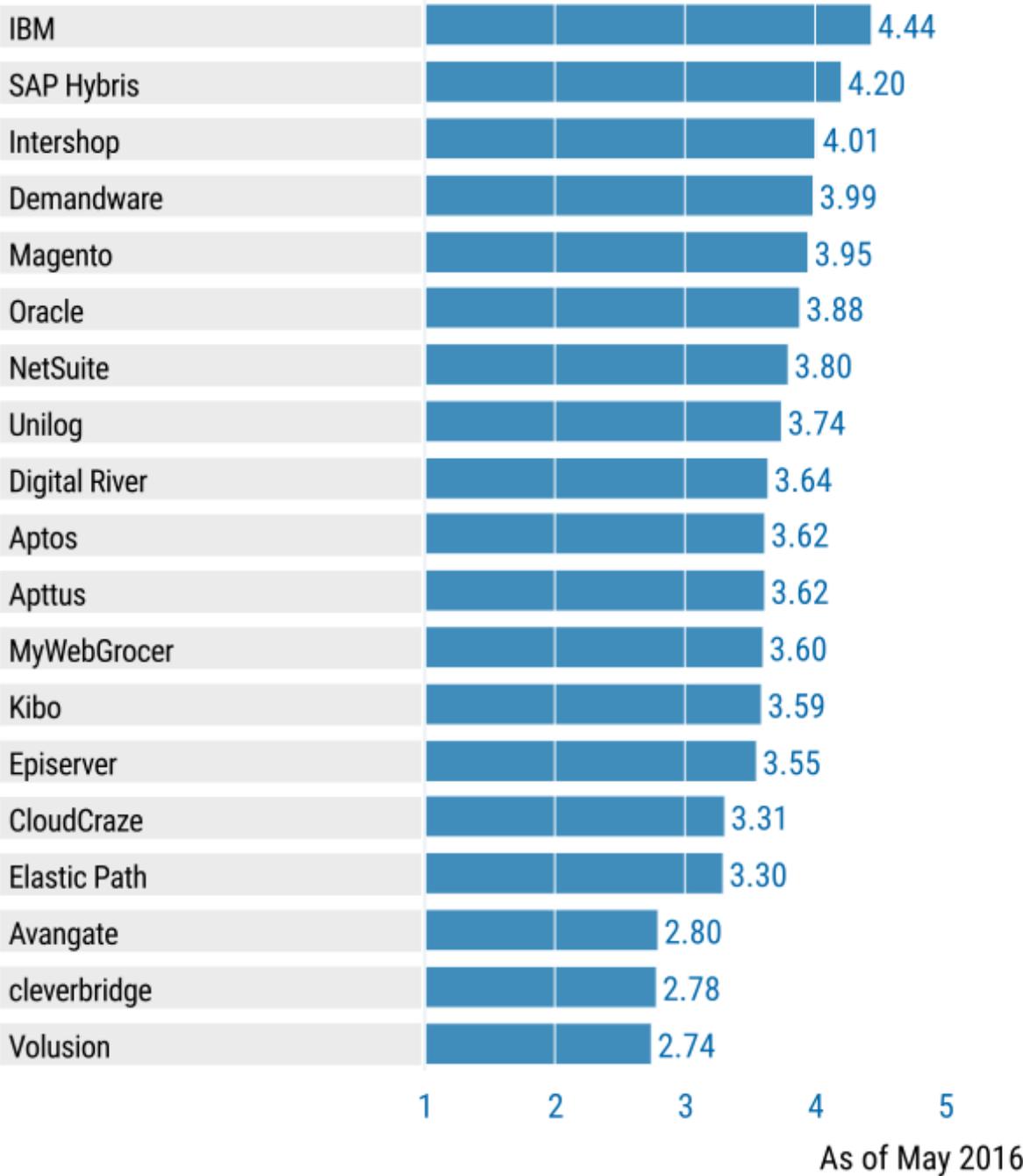
Source: Gartner (June 2016)

Figure 5. Vendors' Product Scores for the Selling to Other Organizations Use Case

Product or Service Scores for Selling to Other Organizations

Vendor	Score
SAP Hybris	4.37
IBM	4.36
Intershop	4.15
NetSuite	4.02
Oracle	4.02
Unilog	3.96
Apttus	3.94
Digital River	3.80
Aptos	3.71
CloudCraze	3.61
Magento	3.60
Episerver	3.48
Avangate	3.28
Kibo	3.26
Demandware	3.24
Elastic Path	3.07
MyWebGrocer	3.02
cleverbridge	2.91
Volusion	2.35

As of May 2016
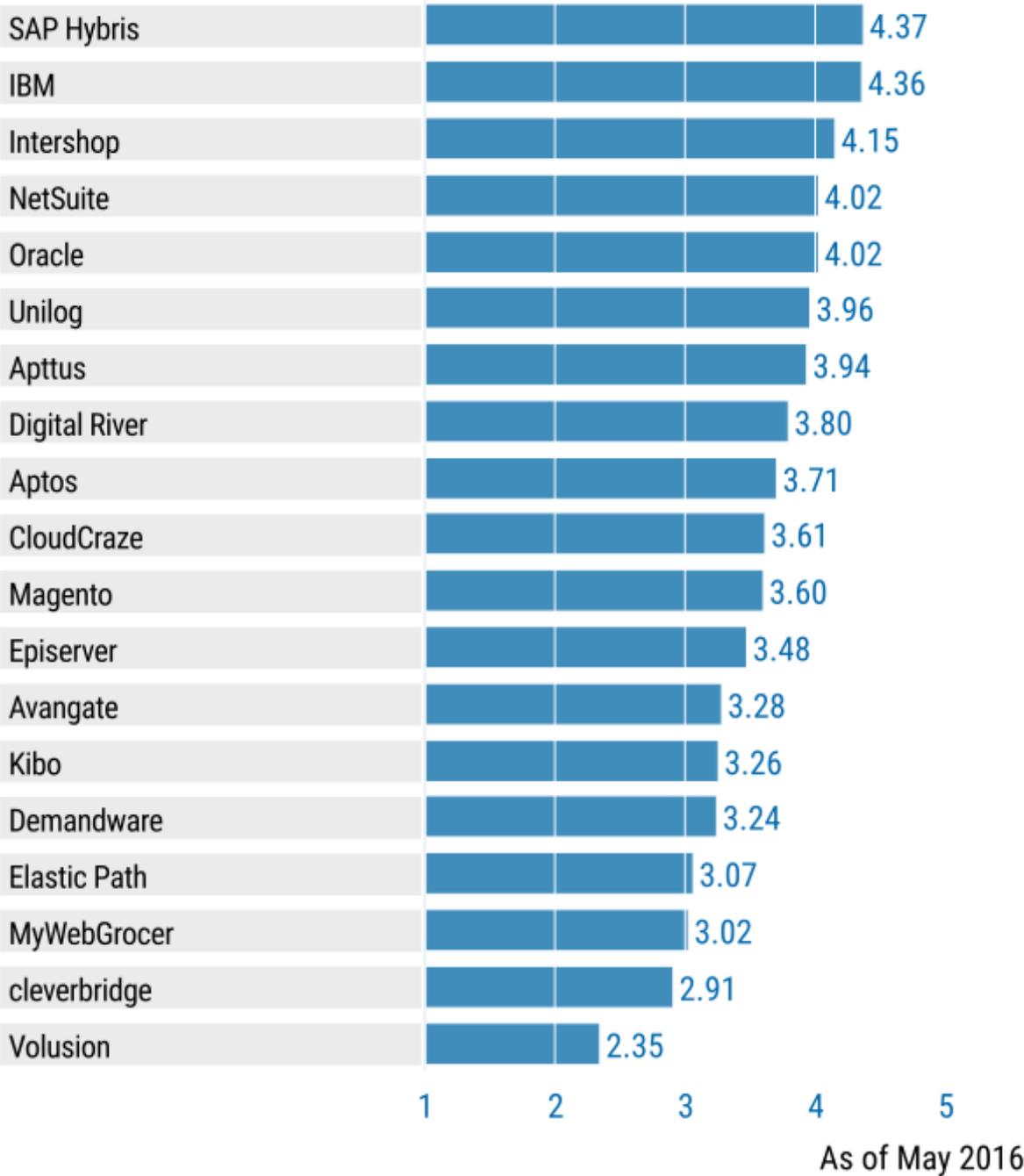
Source: Gartner (June 2016)

Vendors

Vendor product evaluations were made on product functionality that was generally available as of 31 December 2015. Details of the criteria used for evaluation can be found in the Critical Capabilities Definition section. References to specific capabilities in the vendor profile, such as the platform's ability to meet all of the evaluation criteria, or all of the evaluation criteria except for one (POS integration, for example) can be compared to the specific critical capability subfunction defined in the Critical Capabilities Definition section.

Please note that, while all distinctions are not noted due to their sheer volume and extensiveness, we have attempted to identify those most likely to require additional cost or implementation efforts for clients. These are noted in the corresponding bullets in each profile by indicating that either partners or product extensions (from the vendor) or customization are required. It should also be noted that, when reference customers rated a critical capability on average 6 or higher (on a 1 to 7 rating scale with 7 being the highest rating), it is identified in the vendor profile paragraph section.

Vendor evaluations appear in alphabetical order.

Aptos

Aptos (formerly Epicor Retail Solutions) offers a multitenant SaaS digital commerce platform with combined B2C and B2B functionality (previously known as ShopVisible). The Aptos Digital Commerce platform includes integrated product information management and web content management applications along with a native Aptos Enterprise Order Management (which is sold separately). It also includes the Aptos Store solution, which is a cloud-based retail point of sale (POS) application, also sold separately. While the company's largest group of customers are retailers, it also has a notable percentage of manufacturing, wholesale and life sciences customers. Gartner estimates that Aptos customers had an average digital commerce gross merchandise value (GMV) revenue in 2015 of less than $100 million. On average, Aptos reference customers (n = 8) stated a high degree of satisfaction with the product's ability to support large-scale operations with complicated, multibrand, organizational hierarchies and an unlimited number of products and/or services as well as its ability to expand the platform to other countries and to support business customers.

Here are some of the key distinctions of the Aptos product offering:

- **Product diversity:** The platform supports the selling of physical goods, services and subscriptions, as well as digital customer acquisition for service industries and government and gifts.

- **Product diversity:** Supports the selling of hard and soft goods, customization products, kits and bundles, subscription-based products, gifting and perishable gifting products for both B2C and B2B clients. The functionality for selling digital goods requires an additional module at an additional cost and some development efforts. The ability to schedule appointments and installation requires an optional module from the vendor at additional cost.

- **Multichannel:** The platform integrates digital channels (websites, partner sites, microsites and marketplaces), digital touchpoints (kiosks and in-store displays), Aptos POS for online/offline integration and direct integration with EDI (select API or batch processes dependent on customer requirements and capabilities). Its integrated PIM can be shared with back-office tools (like ERP and WMS) as well as all user experience channels. Marketing integration is achieved by leveraging the Salesforce Marketing Cloud, which is on the Fuel platform. Digital advertising and targeting requires a partner, with some functions requiring another module and/or integration efforts. Some aspects of sales force integration require customization.

- **Mobility:** Includes mobile templates and/or adaptive design (server side) and/or responsive design (client side). Platform does not include a mobile app, mobile app development tools or mobile analytics, which require product extensions or customization depending on the feature.

- **Localization:** Supports single- and double-byte with 27 languages "out of the box" plus multiple currencies, format displays, and measurements. Supports local fulfillment through Amazon Fulfillment and other 3PL partners.

- **Consumer buyer personalization (B2C):** Supports customer-specific setup by seller and limited setup by buyers. Supports wish lists and gift registries, analytics, segmentation, personalization (excluding search, social and mobile) and multiple payment types. Supports multiple payment types with more than 40 prebuilt integrations to payment gateways and processors, and both short-term and long-term financing with a financial institution (FI) relationship.

- **Corporate buyer personalization (B2B):** Supports customer-specific setup by seller and limited setup by buyers (workflow approvals and order templates require purchase of another module, for example). Supports multiple payment types, including transactional invoicing and financing, more than 40 prebuilt integrations to payment gateways and processors, accelerated integration to payment hubs, and both short-term and long-term financing with an FI relationship.

- **Ecosystem:** Supports limited PIM capabilities but with channel consistency; WCM capacities (except for library check-in/out functionality) with accelerated integrations; CPQ (excluding development and runtime tools for configuration and pricing rules, templates and workflow) and multiple types of integrations supported with multiple vendors. Order management, DOM and payments met all criteria.

Apttus

Apttus offers a multitenant SaaS digital commerce (or "quote to cash") solution built and hosted on Salesforce's Force.com platform. It is an expansion of its original core CPQ capability, contract life cycle management and billing offering.

Product modules include:

- Apttus E-Commerce

- Apttus Partner Commerce

- Apttus CPQ

- Apttus Contracts Management

- Apttus Order Management

- Apttus Billing and Rebate Manager

Apttus E-Commerce is the product evaluated in this research note. While it is used primarily in B2B business models, some B2C functionality is supported. Vertical industries include high tech, industrial, communications, life sciences and healthcare as well as services. Gartner estimates that Apttus customers' average digital commerce GMV revenue in 2015 was between $40 million and $100 million, but recognizes a few customers may have been closer to $1 billion. Being built on the Salesforce Force.com platform enables Apttus to deploy its solution globally, and to capitalize on investments that Salesforce is making. It also gives Apttus a marketing and awareness advantage due to the Salesforce brand.

Here are some of the key distinctions for the Apttus product offering:

- **Product diversity:** Apttus supports the sale of physical products, digital goods, subscription-based billing and digital customer acquisition for service industries and government. Additional functionality for configuration, billing, contracts management, or services scheduling can be added at additional cost.

- **Multichannel:** Supports digital relationships for end customers, partner commerce sites, direct sales forces, and selling staff within call centers. Integration with POS requires partner-provided functionality. Marketing integration is achieved by leveraging the Salesforce Marketing Cloud and Salesforce integration leverages the Salesforce Sales Cloud and Service Cloud applications; both with no additional fees.

- **Mobility:** Platform includes mobile templates and/or adaptive design (server side) and/or responsive design (client side). Apttus leverages mobile apps via the Salesforce App Builder as well as development tools via Salesforce Lighting and Angular.

- **Localization:** Supports single- and double-byte languages; language preference settings by customer; 14 languages supported for seller or employee-facing applications. It supports multiple currencies and currency conversions, and enables buyer or seller to select currency. Apttus lacks local fulfillment and local partners for delivery.

- **Consumer buyer personalization (B2C):** Multiple consumer/customer preferences are supported, including language, currency and communication preferences. Gift registry creation and management, and some payment methods (COD and financing) require a partner. Social personalization requires an optional module.

- **Corporate buyer personalization (B2B):** Enables customer-specific views set by either seller or customer. Financing (such as COD or credit) requires a third-party application or service. Integration with multiple third-party payment hubs or payment service providers (taxes) requires integration with a partner.

- **Ecosystem**: Support for PIM (excluding sell-side-related workflows) but WCM requires a partner for integration. Supports native CPQ and order management, but some order management functionality (including inventory, estimated ship/receipt dates and product allocations) may require a partner.

Avangate

Avangate provides a multitenant SaaS platform, Avangate Commerce, which supports the online sale of digital products and related services, including software, gaming, professional services and maintenance.

The Avangate product includes commerce capabilities, recurring revenue management and payments, and also enables selling through channel or indirect sales partners. Gartner estimates that Avangate customers' average digital commerce GMV revenue in 2015 was less than $10 million. The majority of customers are in the technology, services, media, and gaming segments. Avangate supports both B2B and B2C business models, and licenses its product primarily through revenue share. The company was acquired by private equity firm Francisco Partners in 2013.

Here are the key distinctions for the Avangate product offering:

- **Product diversity:** The Avangate Platform focuses primarily on the sale of nonphysical goods, including software, services, and media with native support for multiple pricing and recurring revenue management, product configuration, downloads and product keys. It supports complex pricing models for SaaS and services. Advanced return merchandise authorization (RMA) services for backup software/media available via a third-party application. The ability to schedule service requires either custom development or a third-party application. The selling of physical goods is restricted to backup USB/CDs/DVDs/sticks for software programs. Support for gift registries requires customization.

- **Multichannel:** Supports direct and indirect go-to-market channels (affiliates, resellers and distributors, including channel support for recurring revenue via direct subscription registration). Store and POS integration require customization. Most integration with social, marketing and sales force applications also requires partnership, but content, email loyalty and cross-channel marketing campaigns have native functionality along with marketing revenue tracking and attribution.

- **Mobility:** Includes mobile templates and/or adaptive design (server side) and/or responsive design (client side) as well as incorporation of app development tools. Mobile apps require partnership, and no app functionality is exposed other than shopping cart.

- **Localization:** Supports 31 languages natively, including single- and double-byte languages. Supports multiple currencies, dual currencies and conversion, selection of base currency by buyer or seller, and ability to choose currency based on IP. Both Client Admin and Storefront support multiple time zones. Storefront supports multiple formats and use of IP address for pricing and product availability. Local fulfillment requires a partner.

- **Consumer buyer personalization:** Supports the ability to create product and catalog views based on the customer. Enables language, currency and communications channel preferences

as well as customer segmentation. Preferred ship-to address and wish list and gift registry are not natively supported. Customer segmentation is native, but other personalization functionality requires customization.

- **Corporate buyer personalization:** Enables views based on group, role, title and country. Supports pricing based on PO or contract; and roles for buyers, approvals, and administrators. Support for organizational hierarchy and workflow approvals require product extension or custom development. Financing capabilities require customization.

- **Ecosystem:** Supports PIM (excluding supply-side and sell-side workflow), limited WCM support. CPQ functionality excludes engineer-to-order support. Basic order management is supported, as is DOM for digital goods. Avangate has a payment gateway and integrates to other gateways, which enable FX and government tax calculations as well as management of chargeback disputes and refunds. Avangate's account updater service enables automatic updates of subscription customer payment data when cardholder information changes or becomes outdated.

cleverbridge

This company provides a SaaS commerce solution, cleverbridge Ecommerce, which supports the sale of digital products such as software, SaaS services, gaming, and related nonphysical products. The platform is licensed on a revenue-sharing basis, and has integrated commerce, subscription management and billing capabilities. The company is privately held, and its customers are primarily in the technology, media and gaming industry. It supports both B2B and B2C models. Gartner estimates that cleverbridge's average digital commerce GMV revenue in 2015 was less than $10 million.

Here are some of the key distinctions for the cleverbridge product offering:

- **Product diversity:** Although it is focused on the sale of nonphysical products, cleverbridge can accommodate physical goods as well. Native platform functionality includes subscription-based selling and billing, product downloads, DRM, configuration of digital and services products, and the ability to distribute product keys. Scheduling of service appointments requires a third-party application or product extension.

- **Multichannel:** Due to the focus on digital products, no native support for multichannel functions, including buy online/pick up in store, integration with POS or in-store applications, or inventory search by store. No native integration with social applications, but customer service functionality is native. Native marketing functionality exists but excludes digital advertising and targeting, which requires customization. Cart abandonment and retargeting require an additional module.

- **Mobility:** Platform includes mobile templates and/or adaptive design (server side) and/or responsive design (client side) but no mobile web development tools. Web service calls have limited support for shopping cart and offline transaction handling.

- **Localization:** Supports more than 30 languages, including single- and double-byte as well as multiple formats for currency, address and date. Enables language preference choice to be set

by both buyer and seller. Supports IP-based selection of currency, payment types and products. Has a partner for physical fulfillment.

- **Consumer buyer personalization:** Provides ability to set up and manage customer profiles; language, currency and communication preferences; and customer segmentation. No support for gift registry, wish list, personalized search, on-site or social personalization, and integration to social networks without customization. Some payment functionality (including COD and financing) requires a payment service provider partner, several of which have accelerated integrations to cleverbridge.

- **Corporate buyer personalization:** Enables views based on customer account, group and department. Enables pricing based on contract or PO. No native support for role-based buyers, approvers or administrators. No support for customer-specific organizational hierarchy or cost centers, or for approval workflows. Includes templates for ordering and reordering.

- **Ecosystem:** Provides MDM solution for product and other data records management. WCM is basic (consisting of user authentication, content creation and security) and requires customization for functionality like library services, content targeting or on-demand delivery. Basic CPQ functionality requires an optional module, but sales channel integration and select integration are native. Order management lacks inventory visibility and management. Most payment functionality is supported.

CloudCraze

CloudCraze offers a multitenant SaaS platform that is built and hosted on the Salesforce Force.com platform. Most customers are manufacturers or service companies who use CloudCraze for B2B sales, but it also supports B2C. Gartner estimates that CloudCraze clients' average digital commerce GMV revenue in 2015 was between $10 million and $100 million. Use of the Force.com platform enables CloudCraze to deploy its solution globally, and to capitalize on Salesforce's investments in its platform. Integration with Sales Cloud, Service Cloud and App Cloud is standard, but usage is dependent on Salesforce license and contract terms. On average, CloudCraze reference customers (n = 6) stated a high degree of satisfaction with the product's ability to support mobile and expand to other countries.

Here are some of the key distinctions for the CloudCraze product offering:

- **Product diversity:** Supports the selling of physical and digital goods, but support for digital rights management requires a third-party application. The CloudCraze system supports various forms of subscription billing, including recurring orders and recurring invoicing/billing as well as services. Scheduling services requires additional investment in the Salesforce Service Cloud or ServiceMax. Gift selling requires customization of the CloudCraze data model. Digital customer acquisition for service industries and government is supported via visual drop-ins that allow the capabilities of the commerce flow to be extended.

- **Multichannel:** Supports native integration for web, mobile and call center as well as native integration to Salesforce's Service Cloud Console. Most field service functionality is available natively but sales logging and automated quote functionality require integration to Salesforce's Sales Cloud Console to which CloudCraze is natively integrated. Content is centrally managed

and shared across channels. Integration with POS systems requires customization. Support for buying online and picking up or returning to physical stores requires customization through the CloudCraze Extension Framework. Integration with social networks for social login is natively supported. Marketing integration requires Salesforce Marketing Cloud or other preintegrated partners. Use of Salesforce's products, however, may require additional investment beyond the CloudCraze platform.

- **Mobility:** Includes mobile templates and/or adaptive design and/or responsive design (client side). Mobile apps and mobile app development require product extensions through the Salesforce1 Mobile SDK. Depending on the user organization's Salesforce contract, this may or may not incur additional expense.

- **Localization:** Supports single- and double-byte languages. Internal dashboards are available in all languages (79) supported by Salesforce. Supports multiple currencies, format displays and measurements. Local fulfillment options require additional partnerships and configuration of the CloudCraze platform.

- **Consumer buyer personalization:** Supports customer-specific setups by seller and buyers. Platform supports wish lists and analytics. Gift registry management requires additional customization. Customer segmentation, product recommendations and various types of personalization are standard features. Search and mobile personalization require additional partnerships. While the calculation of government taxes can be managed through standard tax tables, both tax calculations and reporting are typically managed through partners.

- **Corporate buyer personalization:** Supports most functionality natively, including views based on customer accounts, groups or country. Customer hierarchies for approval and workflow, contract-based pricing, system roles and workflow approvals are natively supported. Most payment types, including seller-based payments (gift cards, credit, loyalty and store credit, for example) are natively supported. While the calculation of government taxes can be managed through standard tax tables, both tax calculations and reporting are typically managed through partners.

- **Ecosystem:** The platform natively supports PIM with channel consistency and content management. Most DOM capabilities require partnerships. Basic configurable products are supported, but deeper CPQ functionality requires partnerships. Payment capabilities require integration with payment providers.

Demandware

Demandware offers its multitenant SaaS Commerce Cloud for B2C, which includes four modules: digital commerce, order management, POS and predictive intelligence. Demandware has an exclusive focus on retail to include branded manufacturers reaching out directly to consumers. The largest customer set is estimated to be both midsize and larger organizations, with some customers supporting digital commerce GMV revenue of more than $100 million in 2015. On average, Demandware's reference customers (n = 8) stated a high degree of satisfaction with the product's ability to support large-scale operations with complicated, multibrand organizational hierarchies and an unlimited number of products and/or services, as well as its ability to support mobile and expand

the platform to other countries. Clients should note, however, that the acquisition of Demandware by Salesforce, announced on 1 June 2016 (see "Demandware Deal Adds Digital Commerce to Salesforce Cloud Platform") has not been taken into consideration in this product evaluation.

Here are some of the key distinctions of the Demandware product offering:

- **Product diversity:** Supports the selling of physical goods and gifts. The ability to utilize subscription services can be accomplished via partnerships at additional cost. The selling of digital goods and services, as well as digital customer acquisition for service industries and governments, require customization.

- **Multichannel:** Integrates digital (web and mobile), store, and customer service — enabling all three channels to share content. The platform also supports the OAuth2 specification, enabling clients to build storefronts that can interact with OAuth2 providers, such as Facebook. The platform also integrates directly with Pinterest, Twitter and Salesforce and enables buy buttons on these social platforms. Some social functions (such as product ratings and reviews) require partnerships. Marketing integration excludes card abandonment and retargeting as well as digital advertising and targeting.

- **Mobility:** The platform includes mobile templates and/or adaptive design (server side) and/or responsive design (client side) and mobile app development tools and mobile analytics. Deployable mobile apps can be achieved via numerous partners, many offering preintegrated functionality.

- **Localization:** Supports single- and double-byte languages. Internal dashboards are available in five languages (English, French, Italian, Japanese and simplified Chinese). Storefront presentation is available in 62 languages, enabled through partnerships with translation vendors such as Translations.com, Lingo24, Smarting, TranslateMedia, MotionPoint, and Wordbank. Supports multiple currencies, format displays, and measurements. Local payment methods require partnership. Local fulfillment options are available through 13 different global fulfillment providers, covering all regions.

- **Consumer buyer personalization:** Supports customer-specific setups by seller and buyers. Platform supports wish lists and gift registries, analytics, segmentation (specific static and dynamic group, behavior, demographics, and other analytics, as well as custom business rules and attributes) and all customer experience functionality evaluated. Most payment support requires working with a partner (excluding the ability to accept multiple payment types and coupon redemption).

- **Corporate buyer personalization:** Except for analytics and personalization (as previously described for consumers), most corporate buyer functionality and payment capabilities require either partnership or product extensions.

- **Ecosystem:** Natively supports PIM with channel consistency and content management. DOM capabilities are also native but at additional cost. CPQ functionality requires product extensions, while payment capacities can be achieved via integrated partner functionality.

Digital River

Digital River offers a SaaS digital commerce platform primarily to B2C companies, but also has B2B capabilities. While its roots are in the software, gaming and media industries, it has pushed into branded manufacturing in recent years. While Digital River caters to a large range of customer sizes, Gartner estimates that most of its clients had average digital commerce GMV revenue in 2015 of less than $50 million. Its offering covers most core commerce functionality and ecosystem applications such as WCM, PIM, OM, SEO, marketing and payment. It has a global footprint in 246 markets, supporting 30 languages and over 200 payment methods. Digital River has a unique offering in that it can serve as the merchant/seller of record to manage local operations on behalf of clients. This enables them to quickly enter into new markets with a fulfillment and logistics infrastructure that allows selling and shipping of physical goods to 170 markets.

Here are some of the key distinctions of the Digital River product offering:

- **Product diversity:** Supports the selling of digital goods, subscriptions and physical goods, gifts and digital customer acquisition for service industries and government. Support for scheduling services requires customization.

- **Multichannel:** Offers support to digital channels such as social, online marketing, customer service and marketplaces, with basic in-store functionality. More-advanced store functionality (online product search by specific store, ordering in store and ship to home, for example) requires a partner. POS integration requires customization. Social, customer service and marketing integration is either native or requires an additional module contingent on the functionality.

- **Mobility:** Includes mobile templates and/or adaptive design and/or responsive design (client side) with build and testing tools. Use of native exposed functionality is limited to shopping cart, with most other functionalities available via partners.

- **Localization:** Offers 30 languages out of the box, 108 currencies on top of virtual and digital currencies. It supports local third-party logistics (3PL) in 20 markets, and integration to 80 global 3PL, self-fulfillment, and APIs/Webhooks for custom fulfillment. Digital River met all of the evaluation criteria for localization natively, except for some payment functionality (COD requires client integration, and store-based payment solutions [gift cards and store credit, for example] require partnership).

- **Consumer buyer personalization:** Customers can set up and manage profiles, product views, preferences, wish list and gift registry. Supports customer segmentation, product recommendation, and personalization of search, social networks, mobile and landing pages. Supports multiple payment methods but requires additional integration for COD; store payment such as loyalty, gift and store credit as well as split payment can only be accomplished via partner.

- **Corporate buyer personalization:** The platform met all of the evaluation criteria (see the Critical Capabilities Definition section for a complete listing) either natively or via its additional SmartChannel B2B module with the same payment-related exceptions previously cited. For example, sellers can set up customer profiles, but functions such as setting up hierarchy and

workflow approvals or customer self-service require the purchase of the SmartChannel B2B module. Additional integration efforts are required for COD. Store payment functions (such as loyalty, gift, store credit and split payment) can only be accomplished through a partner.

- **Ecosystem:** The platform supports MDM of product data across channels with different size requirements (excluding workflow on the supply and sell side) as well as MDM for customer data and digital assets. Supports most WCM functionality (excluding workflow and portal integration). CPQ functionality requires a partner, although most B2B sales channels are supported natively. Order management and DOM-evaluated functionality are all supported natively. Payment functionality (excluding split payments) is also supported natively to include over 100 payment methods.

Elastic Path

Elastic Path provides a digital commerce software platform, Elastic Path Commerce, designed to provide flexible integration with WCM applications and back-end ERP and commerce infrastructure applications. The company supports both B2C and B2B applications (with the majority being B2C) that have complex or unique customer experience requirements. Elastic Path has customers in high tech, brands and retail, telecommunications, media, and education. Gartner estimates that Elastic Path customers' digital commerce GMV revenue in 2015 ranged primarily from $10 million to $100 million and above.

Here are some of the key distinctions for the Elastic Path product offering:

- **Product diversity:** The platform provides native support for complex physical goods, services and digital customer acquisition in the retail, branded manufacturing, telecommunications, media and publishing sectors. Limited support for digital goods is available natively but fulfillment, configuration and free trials may be limited or require extensions. Support for subscription-based billing (for example, sales by time period, customer group or product group) is achieved with a partner platform. While the selling of gifts along with virtual gift card purchasing is supported, other gift functionality such as gift registry requires either a partner or product extensions.

- **Multichannel:** An API is provided for channel integration. Most store integration (excluding the ability to align web and store pricing, align web and store promotions, identify product information for a specific store, and the ability to order online and in store, and ship to home) requires integration with an order management/DOM application. Integration with POS is available via a product extension. All other channel integration is a mixture of varying degrees of native functionality coupled with either a third-party platforms, or use of product extensions contingent on the specific functionality.

- **Mobility:** For Elastic Path Commerce for Adobe Marketing Cloud, support for mobile web requires Adobe AEM Apps, Adobe Experience Manager and/or Adobe Target, contingent on the functionality. Other options include utilizing open-source mobile web frameworks, such as Flight by Twitter, PhoneGap or other HTML5-based frameworks. Most mobile app functionality (excluding commerce capabilities such as shopping cart and transaction processing) requires a partner, and additional costs are incurred. Deployable mobile app development utilizes APIs via the Helix API model.

- **Localization:** Supports single- and double-byte languages along with multiple currencies. Localized data and address formats are supported to varying degrees with some functionality requiring product extensions. Language support requires the native English version, including customer-facing applications, to be translated by a client or partner.

- **Consumer buyer personalization:** Customer preferences for language, currency and communications channels are supported by the platform. Elastic Path requires use of a third-party content management system (CMS) — such as Adobe AEM, Sitecore or Drupal — to set up customer-facing product views, and control the "look and feel" of the screen. The platform natively supports use of catalog segments based on customer profiles. Social network personalization and social integration requires a third-party platform — such as Adobe Social, Radian6, Sysomos or other social platform. Mobile personalization can be achieved via AEM Apps or other third-party mobile marketing platforms, while landing-page personalization requires a third-party CMS, such as Adobe AEM, Sitecore, or Drupal. Gift registry customer creation and management requires use of product extensions. Elastic Path supports core payment functionality natively such as credit cards, PayPal and tokenized payments. Other payment methods, such as loyalty points and physical gift cards, are available via third-party integrations. User-specific promotions and price personalization are available natively.

- **Corporate buyer personalization:** Supports limited corporate buyer personalization; views based on account or group/department are supported by platform. More-complex customer hierarchies, approvals, workflows, or templates for ordering/reordering require third-party integrations. More advanced customer experience functionality may require a CMS or content experience platform — such as Adobe AEM, Sitecore, Drupal — as all customer-facing views are implemented at the CMS level. Some payment functionality is native, while some buyer-specific functionality (such as POs and invoicing) requires either third-party integration or product extensions.

- **Ecosystem:** Supports MDM (excluding workflows on the supply side) for PIM. Digital asset management can be achieved via AEM Assets or other third-party DAM. Most WCM functionality requires a partner platform. Most CPQ functionality requires product extensions. While order management is native, distributive order management is achieved via partnership with a third-party order management system (OMS), such as Jagged Peak or Order Dynamics. Support for payment-related functionality (such as fraud checking, trade compliance, credit approval and foreign exchange [FX]) requires third-party integrations and product extensions. Support for payment encryption and tokenization requires third-party integration.

Episerver

Episerver and Ektron merged in 2015 and adopted the name Episerver. Traditionally a WCM application, Episerver has now added commerce capabilities. Episerver serves both B2C and B2B customers, and offers an on-premises platform that can also be implemented as single-tenant SaaS. Gartner estimates that most Episerver clients had digital commerce GMV revenue in 2015 of less than $50 million.

Here are some of the key distinctions for the Episerver product offering:

- **Product diversity:** Supports the selling of physical goods, digital goods (excluding the ability to mail product keys and rights management), subscription-based billing, services, digital customer acquisition for service industries and governments, as well as limited support for gifts. Scheduling of services and gift registry management require customization.

- **Multichannel:** Integrates digital channels (web and mobile), call center, and in-store kiosks. Content is centrally managed and shared across channels. Most store integration functionality (except for ordering in a retail store and returning to a branded manufacturer's store) is native. Integration with social networks for social login and CRM is also native, as is most marketing integration (excluding cart abandonment and retargeting, as well as marketing revenue tracking and attribution). Sales force integration and functionality are achieved through Salesforce applications, and require a preintegrated add-on for CRM.

- **Mobility:** Includes mobile templates and/or adaptive design and/or responsive design (client side) with app development tools A/B testing. Mobile apps require use of product extensions or customization. While a sample app is available, no specific functionality (including locate closest store, get directions and shopping cart) was reported as being exposed via a native SDK or Rest APIs.

- **Localization:** While most specified functionality criteria are delivered natively (the platform supports single- and double-byte languages; internal dashboards are available in 12 languages; it supports multiple currencies, format displays and measurements), local fulfillment options require finding partners and customized integration.

- **Consumer buyer personalization:** Most specified functionality criteria (see the Critical Capabilities Definition section) are delivered natively. The platform supports customer-specific set-ups by sellers and buyers, support for wish lists, analytics, personalization and multiple payment types. However, both short-term and long-term financing requires real-time integration with financial service providers.

- **Corporate buyer personalization:** Supports customer views (based on accounts, groups or country) natively. Customization is required for approval and workflows. Contract-based pricing is supported, but pricing based on POs requires customization. Most payment types — including seller-based payments (gift cards, credit, loyalty, store credit) — are natively supported. Government tax calculation and reporting are natively supported.

- **Ecosystem:** Supports MDM to varying degrees. WCM-specified functionality is supported natively. Most CPQ functionality requires customization and partner functionality. Order management is supported natively, but DOM capabilities (excluding the ability to have global inventory visibility) require integration to partners. Many payment capabilities are supported natively.

IBM

IBM WebSphere Commerce is delivered via software or single-tenant SaaS, and can support large, global, and complex B2B and B2C implementations. IBM offers its solution in multiple licensed models that include perpetual, transaction volume and revenue share. Sterling Order Management is part of the core offering, whereas adjacent applications or services in marketing, analytics, B2B

value-added network and experience design extend the platform. The platform's customer base is in retail, electronics, manufacturing, business services, healthcare and CPG.

IBM supports an array of clients with sizes from large and enterprise to midmarket. Gartner estimates that that the majority of IBM clients had digital commerce GMV online revenue in 2015 of over $100 million, but recognizes smaller clients exist as well. On average, IBM reference customers (n = 6) stated a high degree of satisfaction with the product's ability to support large-scale operations with a complicated, multiple-brand, organizational hierarchy and an unlimited number of products and/or services, as well as its ability to expand to other countries.

Here are some of the key distinctions of the IBM product offering:

- **Product diversity:** Supports selling of physical goods, gifts, services (including scheduling of services via its IBM Sterling Order Management application), and subscription-based billing (in conjunction with its IBM Payments Gateway). The functionality for the selling of digital goods requires an IBM Business Partner, but an integration to these solutions is available and certified under the Ready for IBM Commerce program. Use of the partner solution requires an additional license, but limited coding for integration to WebSphere Commerce. Subscription billing is native to IBM WebSphere Commerce but the billing requires a payment gateway. IBM WebSphere Commerce has out-of-the-box support for IBM Payment Gateway, and other payment gateways are supported via the Ready for IBM Commerce Marketplace.

- **Multichannel:** POS integration is via a partnership with Toshiba; call center via IBM Call Center for Commerce; and POS operations for order, capture, returns and receipts via native integration with Sterling Order Management. Customer support and marketing functionality come via native functionality or additional IBM or partner application integrations. Buy online/ pick up or return in store is via native integration with Sterling Order Management or a third-party partner application. Remote widgets enable social integration, but product reviews and ratings require a partner. Marketing and sales force integration functionality is native.

- **Mobility:** Supports mobile web, including responsive design; mobile applications and mobile templates for iOS and Android are provided. Mobile REST APIs and an SDK are provided for mobile web and app development. Exposed app functionality support includes store locator, mobile shopping cart and closest store with inventory. Whereas scheduling an in-store viewing session is native functionality, it requires a license for IBM Order Management or IBM Call Center for Commerce. Loyalty requires use of an IBM business partner and an additional license, but is available and certified under the IBM Ready for Commerce program.

- **Localization:** Most of the specified functionality is supported natively (see the Critical Capabilities Definition section for a complete listing). Platform supports 16 shopping languages with single- and double-byte support; language preferences for customer and associate applications; multiple currencies, including ability of local customer to select currency, date and address formats; the ability to support currency, pricing, products and payment methods based on buyer IP address requires custom development or partner services. Fulfillment from local stores or distribution centers is via native integration with Sterling Order Management.

- **Consumer buyer personalization:** Much of the specified functionality (see the Critical Capabilities Definition section for a complete listing) is supported natively. The platform enables the customer to specify language, currency and communication preferences; and support for wish list and gift registry. Support is provided for customer segmentation, product recommendations and personalized search. Payment support includes multiple payment types and COD, split payments, and integration with payment hubs. Support for customer financing is available through the integrated IBM Payments Gateway.

- **Corporate buyer personalization:** Much of the specified functionality (see the Critical Capabilities Definition section for a complete listing) is supported natively. The platform supports customer views based on account, group and department; purchasing via POs or contracts; and provides templates for ordering and reordering. Catalog segmentation by cost center or subuser account requires custom development. Enables product recommendations, personalized search and personalization of landing pages.

- **Ecosystem:** MDM functionality is supported natively. WCM is supported by a combination of native functionality and the native integration to IBM Web Content Manager. CPQ is provided through the native IBM Configure, Price, Quote solution. Order management is handled natively, whereas DOM is supported via native integration with IBM Sterling Order Management. WebSphere Commerce also includes its payment transaction server that serves as a payment gateway.

Intershop

Intershop Commerce Suite is an on-premises or hosted digital commerce application that supports both B2C and B2B business models. The product can scale to support large, global, multisite implementations and large volumes of transactions. Verticals include retail, manufacturing, high tech, telecom and life sciences. It offers broad functionality, including native order management capabilities, through Intershop Order Management. Gartner estimates the majority of Intershop customer digital commerce GMV revenue in 2015 ranged between $10 million and $250 million, but recognizes that Intershop has some large customers whose GMV revenue could top $1 billion. On average, our Intershop reference customers (n = 7) stated a high degree of satisfaction with the product's ability to expand to other countries and support B2B.

Here are some of the key distinctions for the Intershop product offering:

- **Product diversity:** Supports the selling of physical goods and services (but the configuration of physical goods requires use of the Intershop Product Configurator). The selling of gifts and gift wrapping is also supported. While the selling of digital goods is a platform capability, subscription-based billing requires an additional telecommunications module, and the scheduling of services or appointments requires a third-party application.

- **Multichannel:** Most store integration requires the use of APIs and partners (exceptions are order online and pick up in store [and vice versa] and the ability to align web and store promotions). POS integration is via customization or standard connectors. Social integration is an optional module, but product reviews and ratings are native. Customer service integration is via the Intershop Contact Center module. Marketing integration functionality is native. Intershop has a prebuilt connector to Salesforce, which is provided at no additional cost.

- **Mobility:** The platform supports mobile web with responsive design and mobile apps with iOS and Android templates. Mobile app functionality exposed through REST APIs and mobile SDKs. Exposed app functionality includes store finder, shopping card, and order on mobile for pickup in store. Other functionalities require either a partner, product extensions or customization.

- **Localization:** Most of the specified functionality criteria (see the Critical Capabilities Definition section for a complete listing) are delivered natively. The platform supports multiple languages, including single- and double-byte character support. It also enables language, currency and address format selection via IP address detection or customer selection. One exception is currency conversion, which requires an additional module.

- **Consumer buyer preferences:** Most of the specified functionality criteria (see the Critical Capabilities Definition section for a complete listing) are delivered natively. Consumer preferences for language, currency and personalized search come through supported integration with Apache Solr. The platform supports wish list and gift registry, on-site and landing-page personalization. Analytics is handled by Intershop Commerce Insight, which is included in the Intershop Commerce Suite. Integration to social networks and communities require the Intershop Social Commerce application. Payment financing requires a gateway partnership, and the reporting of government taxes require the Intershop Commerce Server or Intershop Order management modules.

- **Corporate buyer preferences:** Most of the specified functionality criteria (see the Critical Capabilities Definition section for a complete listing) are delivered natively. The platform supports customer views based on individual customers, groups, organizations, or cost centers; supports organization hierarchies and cost centers for catalog views; and product recommendations, personalized search and mobile personalization. Catalog segmentation by cost center and sub-user account requires customization. Integration to social networks and communities requires the Intershop Social Commerce application. Payment financing requires a gateway partnership, and the reporting of government taxes require the Intershop Commerce Server or Intershop Order management modules.

- **Ecosystem:** Natively supports MDM (excluding workflow on the supply side) and WCM. CPQ has some limited functionality (for example, ability to define and execute pricing rules, define and execute quote templates, and approval with authorization workflow), while sales channel integration is preconfigured with direct B2B, direct B2C and partner sales. Intershop Order Management and DOM comes preintegrated. Payment fraud protection requires a partner, while FX requires product extensions.

Kibo

Kibo eCommerce (previously known as MarketLive Omni Channel Commerce Platform) is a multitenant SaaS application targeting primarily B2C retailers and brands. Gartner estimates Kibo customers generated an average annual digital commerce GMV revenue in 2015 of between $10 million and $50 million. Licensing is primarily by revenue share, or transaction-based for the company's relatively few (approximately 3% to 5%) B2B customers. Amazon Web Services (AWS) hosts approximately 80% of Kibo customers. In January 2016, Vista Equity Partners announced its third acquisition (Fiverun, a mobile POS vendor) and its addition to the previously announced

MarketLive and Shopatron merger, thus creating a new company called Kibo. The assessment made in this research is on the MarketLive Omni Channel Commerce solution that was available as of 31 December 2015.

Here are some of the key distinctions for the Kibo product offering:

- **Product diversity:** Supports sale of large numbers of product SKUs, catalogs, and physical products. The ability to approve returns, or generate shipping labels, requires Kibo Order Management (previously Shopatron Order Management). Product can also support sale of digital products, but downloading of product keys, digital rights management (DRM) and access control require third-party functionality. Installation and services can be sold, but scheduling requires third-party functionality. Gifts can also be sold, but the management of gift registries requires a third-party provider. Digital customer acquisition for service industries and government is also supported.

- **Multichannel:** Integration with POS uses optional Kibo mPOC (previously Fiverun) functionality, which also provides store integration (buy online/pick up or return in store, for example). Limited order management functionality is native to Kibo eCommerce, but Kibo Order Management can provide additional order management functionality for multichannel support. Social integration requires Kibo eCommerce Social Experience Manager, while product reviews and ratings are native. Customer service support is mostly native (excluding product comparison capabilities and online chat). Most marketing functionality is native (excluding cart abandonment along with email, loyalty and advocacy marketing, which require Kibo eCommerce's white-label solution). Digital advertising and targeting require product extensions. Sales force functionality can be achieved with product extensions.

- **Mobility:** Supports mobile web with responsive design and mobile apps, including storefront templates. Kibo mPOC supports store associate applications. Most specified exposed app functionality can be achieved natively (for example, store locators, inventory, shopping cart, scanning of UPC/QR codes for reordering, and order on mobile for pickup in store).

- **Localization:** Supports six languages natively and provides conversion for storefront and customer UI, but no support for translation of management or administrative screens. Supports multiple currencies natively or through a partner, contingent on functionality. Some native support for localization is available, but IP and location-based currency or format selection requires a third-party relationship. Kibo integrates International Shipping from Borderfree, but has no local fulfillment capabilities.

- **Consumer buying preferences:** Many of the evaluated functionality criteria (see the Critical Capabilities Definition section for a complete list) are supported natively. Supports customer language, currency and address format customization; wish list and gift registry list; social personalization requires product extensions as do many payment capabilities (including COD, financing, invoicing or billing, and reporting of government taxes).

- **Corporate buyer preferences:** Platform supports customer view set by account, group or department; and pricing based on PO or contract. Support for workflow approvals, role-based buying, approval or administration, and cost center hierarchy or management requires product extensions or custom development. Social personalization requires product extensions as do

many payment capabilities (including COD, financing, invoicing or billing, and reporting of government taxes).

- **Ecosystem:** Supports basic native MDM (excluding supply-side and sell-side workflow, which require customization) that includes customer data and POS data via the Order Management tool. Digital assets can be managed via the Kibo Intelligent Imaging module. WCM has some basic functionality (including user authentication, templating, workflow and repository). Most CPQ functionality requires product extensions or customization. Order management and DOM functionality is delivered via multiple products (Kibo's Responsive eCommerce, Kibo mPOC and Kibo Order Management) contingent on the functionality, which could also incur additional cost. Most payment support is available natively or via partners, except enabling multiple billing addresses, which requires product extensions.

Magento

Magento offers its platform in two editions: Community Edition (open source) and Enterprise Edition, which can be deployed either on-premises or hosted. All editions support both B2C and B2B deployments. Also noteworthy is that the company maintains an app store (Magento Marketplace) to facilitate easy discovery of additional functionality extensions for its platform. Magento is widely deployed around the world with customers in a variety of vertical markets. Gartner estimates that a large majority of customers had digital commerce GMV revenue in 2015 less than $10 million, but also recognizes that the product is also deployed by some companies estimated to have digital commerce GMV revenue of $50 million and higher. On average, Magento's reference customers (n = 12) stated a high degree of satisfaction with the product's ability to expand to other countries, and to support consumer customers (B2C).

Here are some of the key distinctions for the Magento product offering:

- **Product diversity:** The platform supports the selling of physical goods, services, and gifts as well as digital customer acquisition for service industries and governments. Digital sales support is limited to configure, download and returns, with all other functionalities requiring a partner (see the Critical Capabilities Definition section for a complete listing of functionalities evaluated). Subscription-based billing is supported via partnership, as is the scheduling of services.

- **Multichannel:** Integrates web desktop, tablet, phone or other internet-connected device via native responsive design; mobile apps via Magento Mobile SDK; in-store digital via web-based in-store kiosks; and Magento Point of Sale using Magento Enterprise Edition store as the digital experience system of record. Content is centrally managed and shared across channels. Integration to stores requires Magento Commerce Order Management (an optional, integrated product) with Magento Retail Associate Platform module (an optional module typically requiring integration work). Integration with social networks for social login requires partnership with a third party. Marketing integration is native with the exception of digital advertising and targeting, which require a partner. Sales force integration requires partner functionality, while inventory checking, product configuration and automated quotes are native to the commerce platform.

- **Mobility:** The platform includes mobile templates and/or adaptive design and/or responsive design (client side) with app development tools. iOS and Android apps are natively supported via the Magento Mobile App SDK, which ships with the commerce platform. Exposed app functionality is delivered either via Magento Retail Associate Platform APIs or Magento Mobile App SKD (or both).

- **Localization:** The platform supports single- and double-byte languages. Product Admin tools are natively available in over 30 languages with the use of language packs. Supports multiple currencies, format displays, and measurements. Local fulfillment options may include APIs and customer connectors to accelerate the integration, but they do require use of Magento extension partners.

- **Consumer buyer personalization:** Most specified functionality criteria (see the Critical Capabilities Definition section for a complete listing) are provided natively. The platform supports customer-specific setups by seller and buyers. Platform supports wish lists, gift registries and analytics. Customer segmentation, personalized search, product recommendations, and various types of personalization are standard features, but landing-page personalization requires a partner. Most payment types, including seller-based payments (including gift cards, credit, loyalty and store credit), are natively supported. Government tax calculation is supported, but reporting of government taxes requires partner functionality.

- **Corporate buyer personalization:** Much of the specified functionality criteria (see the Critical Capabilities Definition section for a complete listing) require a partner. The platform supports customer views (based on accounts, groups, or country) natively. Partner functionality is required for approval and workflow, contract-based pricing, system roles, and workflow approvals. Most payment types, including seller-based payments, are natively supported. Government tax calculation is supported, but reporting of government taxes requires partner functionality.

- **Ecosystem:** Natively supports most MDM and WCM functionality criteria (see the Critical Capabilities Definition section for a complete listing) but excludes workflow on the sell side, repositories and some library services such as check-in/check-out). Basic order management capacities are native, whereas most DOM capabilities (such as order prioritization and global inventory visibility) require Magento Commerce Order Management. CPQ functionality requires partnerships. Most payment capabilities are supported natively (except for fraud detection, tokenization and FX, which require partners).

MyWebGrocer

MyWebGrocer offers an on-premises, hosted or SaaS digital commerce platform (Shop2Gro) designed exclusively for grocers.

The product has four additional add-on modules:

- Plan2Gro (allows shoppers to create shopping lists, view circulars and recipes)

- Insights2Gro (data warehouse)

- Marketing2Gro (digital marketing campaign)

- Advertising2Gro (personalized advertising for shoppers)

MyWebGrocer also offers CPG manufacturers the ability to advertise on the digital properties of the grocers who are part of the MyWebGrocer digital network. Gartner estimates, on average, that MyWebGrocer customers generated less than $100 million in digital commerce GMV revenue in 2015, but recognizes that customers with a large number of participating stores may exceed this average.

Here are some of the key distinctions for the MyWebGrocer product offering:

- **Product diversity:** The platform supports the selling of physical goods, gifts (excluding registry management, which requires customization) and typical grocer services such as floral, bakery and catering, as well as both physical and virtual gift cards. The company has curated nearly 2 million grocery- and CPG-specific products (including content and imagery) as part of its core platform. Although the platform does not support the ability to sell digital goods or utilize subscription services in the more traditional retail scenarios without customization, the platform does natively support subscription services for grocery delivery.

- **Multichannel:** The platform supports integration with store print media circulars, coupons, internet and mobile offerings. Synchronizes data across the offerings and tailors the experience for shoppers that may be shopping online for delivery or pickup at store, as well as those that are shopping within the physical store (with integrated list functionality, geotargeting and beacon functionality). The platform also includes customizable connectivity to multiple POS systems, but may require some customization. The platform contains multiple POS data formats to ease integration, and customization for major POS systems, including NCR, IBM and BRdata.

- **Mobility:** The platform supports mobile templates and/or adaptive design (server side) and/or responsive design (client side) with mobile web app development tools capturing all mobile activity. Templates and applications also exist for iOS and Android mobile apps. Mobile A/B testing requires a partnership. The architecture is based on APIs, which are used for both web and mobile app calls, natively supporting such functionality as store locator, shopping cart, loyalty and scanning of UPC/QR codes for reordering.

- **Localization:** Natively supports single-byte character set, although double-byte languages can be supported via customization. Both storefronts and internal dashboards are supported in English and Spanish, but additional languages require translation service. Has some limits with functionality the areas of currency, displays and location. Delivery is supported out of the box, and the vendor has done several route optimization implementations with Descartes (the cost of similar implementations will vary based on their scope and scale). MyWebGrocer supports grocery-appropriate measurement for product and packaging, and offers translation tables for items that are purchased by *unit* but sold by *weight* (apples, for example).

- **Consumer buyer personalization:** Setting customer preferences is enabled through integration with a loyalty system, or can be directly loaded into the application. Customer look and feel are controlled via "facets." Functionality requirements that are less common in grocery — such as customer-specific currencies, gift registries or financing — require customization. Tax

calculation and reporting requires a partner, and coupon redemption is achieved via an integrated partner application.

- **Corporate buyer personalization:** The platform's functionality is limited to setting up a unique "store" representing each unique customer group.

- **Ecosystem**: Offers basic functionality for MDM, which also includes POS transaction data. Most WCM basic functionally is native, but templating requires a partnership, and portal integration requires the company's Shopper Identity Module to create templates. Supports CPQ functionality only as it pertains to grocery purchasing scenarios (catering, or bakery, for example). Basic order management is native, and returns are supported by workflow for credit authorizations. Most DOM functionality is native. Payment functionality is accomplished through native payment settlement capabilities and POS integration. Payment gateway functionality (preintegrated with a preferred partner at no additional cost) handles tokenization, multiple payment methods and multiple currencies.

NetSuite

NetSuite's SuiteCommerce platform is a multitenant SaaS platform that is natively connected to other NetSuite modules such as ERP, order and inventory management, marketing automation (via Bronto) and financials. NetSuite is widely deployed in the midmarket, with customers in a variety of vertical markets. While NetSuite did not disclose its typical customer size, Gartner estimates its customer base to be predominantly small to midsize companies with digital commerce GMV revenue averaging between $10 million and $100 million in 2015. On average, NetSuite reference customers (n = 7) stated a high degree of satisfaction with the product's ability to support mobile.

Here are some of the key distinctions for the NetSuite product offering:

- **Product diversity:** The platform supports the selling of physical goods, digital goods, services (with scheduling via the NetSuite Calendar) and gifts. The selling of digital goods, however, excludes the ability to support free trials, rights management, and access control, which require partnership or customization. Subscription-based billing requires an additional module from NetSuite (Subscription/Recurring Billing). Gift registries management is available via customization, whereas purchasing of both virtual and physical gift cards is native. Digital customer acquisition for service industries and governments is supported, but may require some customization,

- **Multichannel:** The platform integrates digital channels (web and mobile), call center and social, and natively supports in-store POS. Content is centrally managed and shared across channels. Includes native support for store integration (store locator, buying online and picking up or returning to stores is native, even ordering in a retail store and returning to a branded manufacturer's store). Integration with social networks for social login requires an additional NetSuite module; social selling and online chat require a partner although customer service support is native. While some email marketing functionality is native to the platform, the Bronto acquisition adds loyalty and advocacy marketing functionality.

- **Mobility:** The platform includes mobile templates and/or adaptive design and/or responsive design (client side) with app development tools. NetSuite leverages Google Analytics and

includes Akamai at no additional cost. Most expected app functionality is exposed natively (store locators, inventory locators, schedule in-store viewing, shopping cart and order on mobile for pickup in store, for example).

- **Localization:** The platform supports single- and double-byte languages. Internal dashboards are available in 19 languages. Supports multiple currencies, format displays and measurements. Location-based support for pricing, products and payment methods requires a partner and potential customization. Local fulfillment capabilities may also require a partner and customization.

- **Consumer buyer personalization:** The platform supports customer-specific setups by seller and buyers, but the ability to segment the catalog based on buyer requires additional setup and/or integration. Platform supports wish lists and analytics. Gift registries require an additional NetSuite module. Customer segmentation, personalized search, and various types of personalization require partnerships with third parties, although product recommendations are natively supported. Multiple payment types are supported, although some financing functionality requires third-party functionality.

- **Corporate buyer personalization:** Supports most functionality natively, including views based on customer accounts, groups or country. Customer hierarchies for approval and workflow, contract-based pricing, system roles, and workflow approvals are natively supported. Customer segmentation, personalized search and various types of personalization require partnerships with third parties, although product recommendations are natively supported. Most payment types and functionality are supported natively (including seller-based payments, gift cards, credit, loyalty and store credit, calculation of government taxes and enabling reporting of government). Financing options require a partner.

- **Ecosystem:** Natively supports MDM and WCM (excluding library check-out services, which require product extensions, and portal integration, which requires a partner). Natively supports CPQ (excluding web mobile in disconnect mode, which requires customization). Most order management is supported (excluding estimated receipt date), as are most DOM capabilities (excluding order aggregation, order brokerage and managing complex orders, which require an additional module or customization at additional cost). Payment capabilities are supported natively (with the exception of fraud detection, which requires a partner).

Oracle

Oracle Commerce offers an on-premises commerce platform, and introduced its Commerce Cloud, a multitenant SaaS commerce, in 2015. Both platforms service both B2B and B2C customers in a wide range of market verticals. Only the on-premises commerce platform is evaluated in this research.

Oracle Commerce clients range from midsize to large or enterprise-scale organizations. The majority of Oracle Commerce customers were estimated to have more than $500 million in digital commerce GMV revenue in 2015, with some exceeding $1 billion. On average, our Oracle reference customers (n = 7) stated a high degree of satisfaction with the product's ability to support both B2C and B2B customers.

Here are some of the key distinctions for the Oracle Commerce On-Premises Platform product offering:

- **Product diversity:** The platform supports the selling of physical goods, digital goods (including rights management, access control and returns), services and gifts. Additional support for digital goods (including the ability to mail product keys and support for free trials and extensions) requires either integration to third parties or other Oracle billing applications, as does the ability to utilize subscription services. This can be accomplished via various Oracle billing applications (for example, Communications Billing Revenue Management, EBS, Siebel and Fusion) at an additional cost. Scheduling services requires an integration with Oracle Service Cloud at an additional cost.

- **Multichannel:** Integrates digital channels (web and mobile), call center and in-store channels. Content is centrally managed and shared across channels. Store integration functionality is either delivered natively, or requires integration with an order management application such as Fusion Order Management (contingent on the specific functionality). Integration with POS systems is accomplished through a reference integration with Oracle Retail POS in the Assisted Selling Reference Application, or via API integration to third parties. Integration with social networks for social login is accomplished either via a separate module from Oracle, or through third parties. Oracle Commerce includes the Commerce Service Center, which is a call center application for customer support. Most marketing support is native but some (content marketing, digital advertising and targeting, and email marketing, loyalty and advocacy) require integration to Oracle Marketing (Responsys). Marketing revenue tracking attribution requires product extensions. Sales force integration (excluding inventory checking, which is native) requires Oracle Sales Cloud, Siebel or EBS. Configure and quote functionality requires Oracle CPQ cloud.

- **Mobility:** Includes mobile templates and/or adaptive design and/or responsive design (client side) with app development tools. Native iOS apps for shoppers and in-store associates are provided with the platform along with REST APIs and the Oracle Commerce Store Accelerator for further mobile development. Most expected app functionality is exposed natively (including store locators, inventory locators, shopping carts, scanning of UPC/QR codes for reordering, and order on mobile for pickup in store).

- **Localization:** Supports single- and double-byte languages. Internal dashboards are available in 28 languages. Supports multiple currencies, format displays and measurements, but lacks some functionality based on customer IP address, which requires partner functionality. Local fulfillment options require additional partnerships and customization.

- **Consumer buyer personalization:** Supports customer-specific setups by seller and buyers. Platform supports wish lists, gift registries (but creation of new customers for gift registry requires extensions available from Oracle Service), and analytics. Customer segmentation, product recommendations, personalized search, and various types of personalization are standard features. Most payment functionality requires partnerships and various degrees of customization (excluding invoicing, billing, split payments and coupon redemption, which are native). Oracle Experience Manager Solution can also enable greater personalization at an additional cost.

- **Corporate buyer personalization:** Supports most functionality natively, including views based on customer accounts, groups, or country. Customer hierarchies for approval and workflow, contract-based pricing, system roles, and workflow approvals are natively supported. Most payment types, including seller-based payments (gift cards, credit, loyalty and store credit) require integration with payment providers. Oracle Commerce has been integrated into Social Relationship Management, which is dedicated to social media channels for social functionality at an additional cost. Most payment functionality requires a partner and various degrees of customization (excluding invoicing, billing, split payments and coupon redemption, which are native).

- **Ecosystem:** PIM requires integration with Oracle Product Hub at an additional cost. Most basic WCM functionality is provided natively (excluding social media integration, which requires Oracle Social Relationship Management and Social Cloud at an additional cost; and portal integration, which requires partners and customization). While order entry, generation and inventory available are natively available, most order management and DOM capabilities require Oracle Fusion Order Management module integration at an additional cost. CPQ functionality requires Oracle CPQ Cloud at an additional cost. Some payment capabilities require third-party integration.

SAP Hybris

SAP Hybris Commerce offers an on-premises or hosted commerce platform that services both B2B and B2C customers in a wide range of market verticals. SAP Hybris Commerce clients are typically large or enterprise-level organizations. SAP ERP customers may find additional value with the integration work between SAP's ERP application and SAP Hybris Commerce. SAP Hybris Commerce supports a wide range of customer sizes, with an estimated 50% having less than $100 million in digital commerce GMV revenue in 2015 and an estimated 50% having more than $100 million.

Since the SAP acquisition of Hybris, integration efforts to tighten the integration between SAP Hybris Commerce and SAP may appeal to SAP ERP customers. On average, SAP Hybris reference customers (n = 4) stated a high degree of satisfaction with the product's ability to integrate with all the necessary channels supported by the organization.

Here are some of the key distinctions of the SAP Hybris product offering:

- **Product diversity:** The platform supports the selling of physical goods (returns are handled via SAP Hybris OMS, and gift registries are handled via product extensions), services and gifts. Selling of digital goods requires SAP Hybris Billing to manage subscription-based billing, and SAP Hybris Commerce Subscription Management to manage the subscription (which will accommodate payment handling via gateway integration or invoicing through ERP). Digital customer acquisition for service industries and governments requires SAP Hybris Commerce Financial Services Accelerator. Scheduling services require an integration with SAP Hybris Cloud for Customer.

- **Multichannel:** Natively integrates desktop, mobile, call center and in-store associate experience. Support for field and service associates requires native integration with SAP Hybris

Cloud for Customer (Cloud CRM). Content is centrally managed and shared across channels. Integration with POS systems is accomplished via partnerships. Support for store integration is provided natively or (for example, buying online and picking up or returning in stores) is accomplished through SAP Hybris Commerce OMS. The platform also integrates directly with social networks for social login, but requires SAP Hybris product extensions for social selling. Basic customer support functionality is delivered natively. Marketing integration is included (except for cart abandonment and retargeting, which requires the SAP Hybris Marketing solution). Sales force integration can be achieved natively or may require SAP Hybris Cloud for Customer, depending on the desired functionality.

- **Mobility:** Includes mobile templates and/or adaptive design and/or responsive design (client side) and app development tools. Both iOS and Android sample store experiences for B2B and B2C are provided as part of the platform, and an SDK is provided for further mobile development. Most expected app functionality is exposed natively (including store locators, inventory locators, shopping cart and scanning of UPC/QR codes for reordering).

- **Localization:** Supports single- and double-byte languages. Integration with Translations.com, and Celebros provided through SAP Hybris Extend Marketplace to enable multiple languages for customers. Internal dashboards are available in 12 languages. Supports multiple currencies, format displays and measurements. Local fulfillment options require additional partnerships and customization.

- **Consumer buyer personalization:** Supports customer-specific setups by seller and buyers. Supports wish lists and gift registries, although management and deletion of gift registries requires customization. Supports analytics. Personalization capabilities are natively supported in Hybris Commerce, but can be further extended with more-advanced capabilities via SAP Hybris Marketing. Multiple payment types and services are supported, although some (including COD and financing) require partnerships or customization.

- **Corporate buyer personalization:** Supports most functionality natively, including views based on customer accounts, groups, or country. Customer hierarchies for approval and workflow, contract-based pricing, system roles, and workflow approvals are natively supported. Personalization capabilities are natively supported in Hybris Commerce, but can be further extended with more-advanced capabilities via SAP Hybris Marketing. Multiple payment types and services are supported, although some (including financing and more-complex tax reporting) require partnerships and SAP Hybris Extend.

- **Ecosystem:** Natively supports MDM with channel consistency and WCM (with the exception of library services such as check-in/check-out, and integration to social media). DOM capabilities are also native, but require an additional module (SAP Hybris Commerce OMS). CPQ functionality is delivered via SAP CPQ for product or solution configuration. Most payment capabilities require SAP Hybris Billing or third-party integration.

Unilog

Unilog offers a hosted, single-instance digital commerce platform (CIMM2) or a multitenant SaaS digital commerce platform (CIMM2-CGL, for customers who subscribe through an affiliated of company). The offering primarily serves B2B industries. The platform includes the company's

integrated product information management (PIM) application, which includes on-site product content building services integrated with CIMM2 and PIM along with WCM and order management functionality. While the platform also offers CPQ and DOM capabilities, CPQ interoperability with product life cycle management (PLM) software requires additional professional services. DOM functionality is an optional, integrated module with additional expense. The largest customer set is estimated to be midsize organizations with a few larger ones that are mostly manufacturing customer. Gartner estimates that most customers generated digital commerce GMV revenue between $45 million and $100 million in 2015. On average, Unilog reference customers (n = 8) stated a high degree of satisfaction with the product's ability to integrate to all the necessary channels supported by the organization, and its ability to support both mobile and B2B customers.

Here are some of the key distinctions of the Unilog product offering:

- **Product diversity:** The platform supports the selling of physical goods and services. The selling of digital goods and subscription-based billing requires product extensions, while digital customer acquisition for service industries (including finance and healthcare) requires configuration. Scheduling of services requires the Events Management module.

- **Multichannel:** Provides native support for desktops, tablets, mobile, and customer service representatives (CSRs). POS and kiosk support require configuration with direct connections to marketplaces. Most store integration (including product inventory search by store) is via API or built-in price configurator, whereas some functionality is native (including order online, pick up in store). Most customer support functionality is native, along with some marketing integration, some of which requires partnership (including segmentation, email marketing, loyalty and advocacy marketing, and personalization). Sales force ability for checking inventory, configuring products and automating quotes is native.

- **Mobility:** Includes mobile templates and/or adaptive design and/or responsive design (client side) with app development tools. Also includes native mobile apps for Android, iOS, Windows and BlackBerry, along with a responsive, native mobile app managed in the same CMS and delivered through PhoneGap. Most expected app functionality is exposed natively (including store locators, inventory locators, shopping carts, loyalty, scanning of UPC/QR codes for reordering, and ordering on mobile for pickup in store).

- **Localization:** Supports single-byte language. All CIMM2 labels are held in a properties file, which enables automatic deployment of CIMM2 in any language upon translation. Support for multiple currencies requires an optional, integrated add-on. Localized format displays and measurements are native to the platform. Local fulfillment and delivery require a partnership.

- **Consumer buyer personalization:** Supports customer-specific setups by seller and buyer, as well as most personalization (segmentation and product recommendations require a partnership). Multiple payment types (including COD, split payments, gateway and hub integrations) are supported natively, while financing requires partnership. Seller-based payments (including gift cards, credit, loyalty and store credit) along with invoicing or billing, require additional professional services.

- **Corporate buyer personalization:** Supports most specified functionality criteria (including customer-specific setup by seller and buyer setup supporting procure-to-pay, cart transfers, approvals, and workflows, as well as personalization). Multiple payment types (including COD, split payments, gateway and hub integrations) are supported natively, while financing requires a partnership. Seller-based payments (gift cards, credit, loyalty and store credit) along with invoicing or billing, require additional professional services. Government tax calculating and reporting requires a partner.

- **Ecosystem:** Includes MDM with on-site product content building services integrated with CIMM2 and PIM. Natively supports most WCM (excluding library check-out, content targeting and content deployment functions), CPQ (excluding engineer to order) and order management. DOM functionality requires an optional, but integrated, module. CIMM2 includes payment gateway integration as native functionality.

Volusion

Volusion provides a multitenant SaaS digital commerce platform that caters mainly to small or midsize business (SMB) retailers for B2C. The large majority of clients are in North America. Clients typically chose Volusion for its ease of use for business, technical, and administrative users. They also like its breadth of features for SMBs, platform management and support, including integration and architecture compatibility. Gartner estimates that in 2015, Volusion customers typically generated less than $10 million digital commerce GMV revenue. On average, Volusion reference customers (n = 7) stated a high degree of satisfaction with the product's ability to support B2C customers.

Here are some of the key distinctions for the Volusion product offering:

- **Product diversity:** The platform supports the selling of physical goods (one catalog per store), digital goods (excluding configuration), services (one catalog per store) but the ability to schedule services requires partner functionalities. The selling of gifts requires product extensions for registry management. Also supports digital customer acquisition for service industries and governments, as well as subscription sales (excluding sales by product group and renewal/cancellation).

- **Multichannel:** Supported channels include desktop and mobile. Orders via phone and from tablet or POS hardware are done through an interface available in the premium plan, including mobile check-out. Contents are centrally managed and shared across the channels. Most store integration need customization (excluding order online, pick up in store, which is available natively). The ability to align store pricing and promotions to web pricing and promotions is due to the use of one central catalog. Support for social login requires customization. Other functionalities (such as product reviews and ratings) require an optional module. Many marketing integration functions (excluding analytics, promotions/offer management, SEO, marketing revenue and attribution) require the premium plan or some customization. Sales force support requires a partner.

- **Mobility:** Functionality includes mobile templates and/or adaptive design (server side) and/or responsive design (client side) with the majority being responsive. The platform also supports 23 responsive design templates. The platform does not support the integration of in-store

experiences (such as locate closest store, order on mobile for pickup in store) via exposed app functionality (like a native SDK or Rest APIs) for building apps.

- **Localization:** In general, the platform has limited native localization functionalities. While it enables single- and double-byte languages on customer-facing (buyer) functionality, the customer settings for language preference are only available through partner functionality. Neither does it enable multiple languages out of the box, the prebuilt content being in English only. The platform does not support multiple currencies, but enables seller to set and change currency (with the merchant specifying the exchange rate). Location-based functionality (including pricing and products based on store location or buyer location) is not supported. Support for local fulfillment centers is dependent on partner functionalities and comes at an additional cost.

- **Consumer buyer personalization:** Supports customer-specific setups by seller and most other setups by buyers. Supports customer analytics and wish list. Customer segmentation is limited to manual association (by merchant) to private groups and pricing tiers. Product recommendations are available as partner functionality, and personalized searches require a product extension. Gift registry is only supported through a product extension. Supports multiple e-payment types, including COD, and integration with payment gateways such as PayPal Express and Amazon Payments.

- **Corporate buyer personalization:** The platform has less personalization capabilities for corporate buyers than for consumer buyers. Sellers can set up customer views based on customer account, or customer group/department, but this is limited to catalog, products and offers (not content). It does not support role-based buying or customer management self-service (personalization setup by the customer). It does support customer analytics. The platform supports multiple e-payment types, COD, and calculates and enables reporting of government taxes.

- **Ecosystem:** While the platform does support a central master database for customer records, digital assets and POS transactions; PIM requires an API and integration with MDM systems. WCM requires a third-party solution or customization (except for user authentication and permissions, web analytics, the ability to manage rich media, publishing content, and interoperating with CRM and digital assets management). CPQ requires customization, although some sales channel support is native. Many order management capabilities are native, but return authorization is part of the premium plan and comes at additional cost. DOM functionalities (including multiple order entry points, order aggregation, management of complex orders, and global inventory visibility) depend on third-party solutions. The platform supports limited product records management functionalities. It also supports integration with more than 30 payment gateways (including an in-house option from Volusion Payments) and enables multiple payment methods. Ecosystem applications can be found in the Volusion store.

Context

This analysis complements the "Magic Quadrant for Digital Commerce," and focuses exclusively on product capabilities. Gartner outlines major use cases for digital commerce based on Gartner client

interest, and identifies the corresponding required functionality to support the use case(s). The functionality is further defined and weighted for each use case.

The vendors covered in this research are the same vendors included in the Magic Quadrant with the exception of BigCommerce and Shopify. We did not include these two vendors because we did not have sufficient information to perform a complete and objective assessment of their offerings against our evaluation criteria.

Product/Service Class Definition

A digital commerce facilitates a purchase transaction over the web, and supports the creation and continuing development of an online relationship with a consumer or business customer across multiple retail, wholesale, mobile, direct and indirect sales, call center and digital sales channels.

A digital commerce platform enables organizations to build B2B, B2C or both types of commerce sites to support a continuum of business objectives, ranging from the generation of incremental revenue, to enabling transformational business change.

Companies typically invest in a digital commerce platform for one or more of the following reasons:

- Business today requires a digital presence and strategy.

- Geographic expansion.

- A better way to understand and serve customers.

- A method for reducing the cost of sales.

- Business transformation.

Although these platforms offer many features, contingent on the client's use case (including time to market, IT resources, type of customers being served, and geographies of operation), some are more critical than others. Because ecosystem functionality has started to become more important — with both vendors expanding their digital commerce platform offerings to include more of these technologies, and clients basing more and more priority on ecosystem capabilities in their vendor selection process — we have included some of the core ecosystem functionality in our analysis.

Clients must note, however, that the assessment of ecosystem technologies in this research is not, nor is it intended to be, a substitute for our Magic Quadrant research. The purpose of reviewing ecosystem functionality as part of this research is to enable clients to assess that basic application ecosystem functionality exists within the digital commerce platform. Clients may find, however, that their requirements for ecosystem functionality extends beyond what is the basic functionality assessed in this research endeavor.

We have identified the 14 critical capabilities that are most commonly required to support clients in the most frequently mentioned client scenarios, which were previously described in the What You Need to Know section:

- Organization/Brand Complexity

- Product Diversity

- Product Management Breadth

- Commerce Search

- Multichannel

- Mobility

- Localization

- Consumer Buyer Personalization

- Corporate Buyer Personalization

- MDM

- WCM

- CPQ

- OM/DOM

- Payments

Clients repeatedly state that time to market and total cost of ownership are their top priorities when making digital commerce technology decisions. Because digital commerce platforms require integration to so many applications, integration presents a key challenge for implementation, which also impacts time to market and total cost of ownership. Therefore this research also assessed how the specific functionality was delivered and whether the cost of the functionality was included in the base digital commerce platform. Product functionality that was natively delivered at no additional cost to the client was rated highest, followed by product functionality that was natively delivered at an additional cost, and so on.

Although the criteria are consistent for each use case, the weighting for each criterion varies based on the use case. For example, although digital store localization may be critical for a large company selling globally, it is not critical for a company selling domestically. Therefore, the digital store localization criterion would have a much higher weighting in the use case of large enterprise selling globally to consumers (retailers or branded manufacturers) than it would in the use case of large, multichannel enterprises selling to consumers (retailers) domestically. Likewise, if the use case is a company looking to sell to other corporations, the criterion personalization for the corporate buyer would be weighted much heavier than the criterion personalization for the consumer buyer. Clients are able use the interactive Critical Capabilities tool to adjust criteria weightings to suit their company's unique needs.

Just as importantly, clients need to recognize and understand the individual components in each of the critical capabilities. As previously mentioned, the benchmark for this research goes beyond "good," or "meets requirements" because the critical capabilities included functionality to support the selling of all types of products (physical and digital as well as supporting services for both physical goods and service products such as financial services and education) as well as all

channels. Therefore, when looking at the subcriteria of a specific criteria, clients might identify subcriteria that are not necessary to their situation, and realize that if these subcriteria were removed from our analysis, the vendor would have scored even higher in that criteria category.

For example, see:

- **Criteria for Product Diversity:** It should be noted that all vendors were evaluated on functionality for selling and/or supporting the following types of goods and services:

  - Digital goods

  - Subscription-based billing

  - Physical goods

  - Services

  - Digital customer acquisition for service industries and governments

  - Gifts

Vendors who did not support the selling of all product and service types scored less than vendors who supported all of them.

- **Criteria for Multichannel:** It should be noted that all vendors were evaluated on their ability to support these channels:

  - Stores and store staff

  - POS

  - Social channels and networks

  - Customer service and support

  - Marketing

  - Sales force staff

  - Marketplaces

Vendors who did not support all channels scored less than vendors who did. Please note that support for the mobile channel was assessed in the subcriteria of mobility.

Critical Capabilities Definition

To help IT leaders determine which digital commerce platforms can best meet their requirements, Gartner has identified 14 critical capabilities. These capabilities represent the most important features and functions for digital commerce platforms. Strengths in some of these critical capabilities result in some products being superior for particular use cases.

Organization/Brand Complexity

How well the digital commerce platform supports complex, centrally managed, corporate hierarchies and large-scale operations.

The following functionality was evaluated:

- **Store hierarchy and setup:** Supports multitenant sites, multiple multitenant sites, marketplaces with centralized management of content. Supports the ability to set up, preview and approve store setups and changes.

- **Store creation:** Supports prebuilt templates for storefront; ability to create, duplicate and reuse seller-built templates for storefront (with or without content); ability to upload video or embed video links.

Product Diversity

How well the digital commerce platform supports a diverse product set to include physical and digital goods with accompanying services and subscription models, gifts, and service products such as banking or insurance.

The following functionality was evaluated:

- **Digital goods:** Supports the selling of digital goods, including the ability to configure and download, ability to mail product keys, subscription-based billing, free trial accounts, and extensions to customers or customer groups; supports rights management; and includes access control and returns support.

- **Subscription-based billing:** Supports subscription-based billing, including the ability to sell, contract, fulfill, financially manage and bill for products and services that are sold on a recurring basis. Supports setup of recurring revenue and subscription accounts, supports subscription sales by time period (weekly, biweekly or monthly, for example), supports subscription sales by customer group, supports subscription sales by product group, supports renewal of subscription, supports suspension/cancellation of subscription, and has the ability to set up subscription billing based on customer group.

- **Physical goods:** Supports the selling of physical goods, including the ability to sell multiple types and assortments of products that require shipping and fulfillment. Enables an unlimited number of products, catalogs, product SKUs, configurations and bundling options. Offers the ability for seller to approve returns, generate return labels, and digitally enter return shipping information. Allows seller and buyer to track returns and customers to purchase insurance for return shipping.

- **Services:** Supports the selling of services to include the ability to sell multiple types and assortments of services, an unlimited number of services to be supported and sold, service catalogs to be supported, service SKUs to be supported and sold, service configurations to be used and service bundling options to be used. Offers the ability to bundle services with other products, for the seller to schedule appointments for customers with seller associate, for seller

to schedule installation appointment for customers, for seller to schedule field service appointment for customer, for customer to schedule appointment with seller associate, for customer to schedule installation appointments, and for customer to schedule field service appointments.

- **Digital customer acquisition for service industries and government:** Supports the selling of data-rich products and services, including the ability to sell products or services that may require customer information and data input in order to either approve or complete the transaction (for example financial services, healthcare), ability for customers to enter data sufficient to complete or approve the sale, and supports the onboarding process for customer acquisition.

- **Gifts:** Supports the selling of gifts, including the ability to sell goods or services that are purchased by someone other than the recipient. Includes gift registries for recipients to identify desired items. Supports automated updates of registry when gifts are purchased. Supports virtual and physical gift card purchasing.

Product Management Breadth

How well the digital commerce platform supports product catalog management, digital store merchandising, product visualization and tagging, promotion and pricing flexibility, and interactive selling.

The following functionality was evaluated:

- **Product management:** Supports digital product management to include product catalog creation and administration. Enables real-time changes to product catalog, management of product images, includes interactive product presentation and multimedia tools, enables product comparisons, enables active merchandising, includes interoperability with search, includes faceted search capabilities, enables identification and tagging of product accessories, enables identification and tagging of product alternatives, enables identification and tagging of product substitutes, enables identification and tagging of product replacement parts, and ability to search for inventory availability.

- **Promotions and pricing:** Supports product promotions and pricing to include scheduled product promotions. Enables real-time product promotions, the ability to fix price and make price changes based on time and date. Supports ERP price matrix and hierarchy control, ability to set variable pricing by product, ability to set variable pricing by seller, ability to set variable pricing by buyer, ability to set variable pricing based on volume, ability to set variable pricing based on current conditions (e.g., time, weather, inventory, popularity), ability to set discount pricing by product, ability to set discount pricing by seller, ability to set discount pricing by buyer, ability to set discount pricing based on volume, ability to set discount pricing based on current conditions (e.g., time, weather, inventory, popularity), and supports dynamic pricing negotiation.

- **Interactive selling:** Supports co-browsing, product comparisons, faceted search, guided selling, recommendations and advisement.

Commerce Search

How well the digital commerce platform supports the seller's ability to maximize SEO results and a shopper's ability to easily and quickly find a solution by entering a search request.

The following functionality was evaluated:

- **Online Search:** Supports on-site store search, including the ability to perform multiple types of search on product (including name, description, part number, SKU and model number), supports seller-enabled thesaurus, can substitute items and rules, supports buyer-friendly search (including "did you mean?" suggestions, "sounds like," synonyms and similar words). Supports parametric search based on product attributes, predictive search and dynamic search suggestions. Has the ability to exclude products based on keywords, stop words and synonyms. Ability to elevate products based on keywords, stop words and synonyms.

- **SEO:** Supports SEO by the ability to configure search filters, support multiple search engines, and include tools to support optimization (including customer control over URLs and page titles), and the ability to use metatags, link anchors, meta keywords, meta descriptions and index page titles.

Multichannel

How well the digital commerce platform support content and data management as well as integration across a broad array of channels to include stores, POS, social, customer service, marketing, field sales and marketplaces.

The following functionality was evaluated:

- **Channels supported:** Blends the physical and digital worlds by supporting all possible channels used by the seller in both worlds.

- **Content integration:** Enables the central management of content across the multiple channels supported.

- **Store integration:** Supports the store by enabling customers to order online/pick up in store; order online and return to store; order in retail store and return to branded manufacturers' store. Enables the seller to align store pricing to web pricing and to align store promotions to web promotions. Enables customers to do online product search by specific store, find product information for products in a specific store, conduct a product inventory search by a specific store, online ordering in a store and pick up in alternate store, and online ordering in store and ship to home.

- **POS integration:** Enables POS (to include credit terminals, cash drawers and receipt printers) with facilitated integration capabilities to other POS systems with external credit terminal, cash drawer and receipt printer.

- **Social integration:** Enables social commerce through social login (including Facebook, Twitter, Google and Yahoo), product reviews and ratings (to include verification of them and supporting workflow for their production) and social network selling.

- **Customer service and support:** Supports customer service through product/brand advocacy; enables CSR to assist customers with profile updates, password changes, product comparisons, product availability, ordering, and finding order status and has the ability to conduct online chat.

- **Marketing integration:** Supports marketing segmentation to include basic and advanced analytics, cart abandonment and retargeting, content marketing, digital advertising and targeting; includes email marketing, loyalty and advocacy marketing, includes promotions and offer management, includes personalization capabilities, includes search engine optimization (SEO) and marketing, and enables marketing revenue tracking and attribution.

- **Sales force integration:** Supports the sales force with the ability to log sales calls, receive next-best-action alerts, check on-hand inventory, configure products, automate quotes, and provide sales forecast updates.

- **Marketplace integration:** Supports centralized management of content for marketplaces to include the ability to feed product information, ability to edit product and pricing information for the marketplace, and ability to receive marketplace sales reporting and product performance information.

Mobility

How well the digital commerce platform supports mobile web and multiple mobile devices, and accelerates the ability to build mobile apps.

The following functionality was evaluated:

- **Mobile web:** Supports the mobile web via mobile templates and/or adaptive design (server side) and/or responsive design (client side) using such methods as HTTP request header, device database, etc. Incorporates app development tools (such as no-code editing, ability to preview real-time changes, deployment to staging environments or to device, etc.). Able to detect older devices and adjust for slower device speed; captures all activity on the mobile website with ability for analysis or export to third-party facilities for A/B testing and other usability and optimization testing.

- **Mobile apps:** Provides deployable mobile apps beyond SDKs and provides deployable mobile templates.

- **App development:** Provides tools through the platform (including web-based visual development tools, and metadata-driven development tools) and through a third party (Apache Cordova, Xamarin, Titanium or Sencha, for example).

- **App functionality exposed:** Exposes functionality (native SDKs or Rest APIs, for example) for building mobile apps, and incorporates mobile analytics. Supports the following functionality: locate closest store, get directions to closest store, locate closest store with inventory, schedule in-store merchandise viewing, shopping cart, loyalty, scanning of UPC/QR codes for reordering and order on mobile for pickup in store.

Localization

How well the digital commerce platform enables expansion to other countries by supporting country-specific requirements such as customer and seller languages, currencies, displays, and measurements, enabling location-based rules and offering local fulfillment options.

The following functionality was evaluated:

- **Customer language:** Supports single- and double-byte languages on customer-facing (buyer) functionality, includes language preference settings based on customer setting, enables language settings based on customer profile or dynamic IP address, enables multiple languages out of the box for the customer-facing functionality, and ability to translate customer-facing functionality into multiple languages via automatic translation.

- **Seller language:** Supports single- and double-byte languages on all seller/employee product dashboards. Includes language preference settings based on seller/employee profile, includes multiple languages out of the box for seller/employee-facing dashboards and functionality, enables automatic translation of seller/employee dashboards into multiple languages, includes out-of-the-box seller/employee-generated customer communications in multiple languages, includes multiple languages out of the box for seller/employee reporting, and includes multiple languages out of the box for seller/employee training.

- **Currency:** Supports multiple currencies, enables products to have dual currencies, enables currency conversion for buyers, enables seller to establish a base currency per store, ability for seller to set and change currency, ability for customer (buyer) to set and change currency, and ability to detect and change currency based on buyer IP address

- **Displays:** Supports ability to detect and change currency based on IP address. Supports multiple formats for dates, time and addresses.

- **Location-based rules:** Supports multiple formats for numbers, location-based (storefront) pricing, products, and payment methods. Supports location-based (IP address) pricing, products and payment methods. Offers localized payment methods based on buyer's country, and payment methods identified in the buyer's profile (regardless of the current location).

- **Delivery:** Supports local fulfillment centers, enables use of local partners for fulfillment options, and offers additional 3PL options.

- **Measurements:** Supports multiple units of measure (weight, volume, physical dimensions as well as industry-specific dimensions as required such as fluid flow, power) for dimensioned products.

Consumer Buyer Personalization

How well the digital commerce platform supports personalization for consumer shoppers — enabling customer profiles and preferences, supporting wish list and registries, managing the customer experience, providing multiple payment options and incorporating analytics for continual improvement.

The following functionality was evaluated:

- **Customer specifics set up by seller:** Supports ability to set up and manage customer profiles, set product views based on buyer, and segment catalog based on buyer data.

- **Customer specifics set up by buyer:** Supports ability to greet customer by name. Offers customer-controlled "look and feel" of screen. Enables shopper to set up language preferences, currency preferences, communication preferences, preferred ship-to address, other ship-to addresses, contact numbers, contact email, billing address, social networks, payment methods and payment data, as well as enabling encrypted/tokenized access.

- **Wish list:** Supports ability for customer to create manage and delete a wish list.

- **Gift registry:** Supports ability for customer to create, manage or delete a gift registry, and the items on it.

- **Analytics:** Supports various types of customer analytics.

- **Customer experience:** Allows customer segmentation, product recommendations, personalized search, on-site personalization, social personalization, mobile personalization, landing-page personalization and integration with social networks.

- **Payments:** Enables multiple e-payment types: COD, short-term and long-term financing, seller-based payments (gift cards, credit, loyalty, store credit), transactional invoicing or billing and split payments (multiple types of payment for one transaction). Accelerates integration with existing payment gateways and/or processors, and payment hubs. Calculates government taxes, enables reporting of government taxes, and enables coupon redemption.

Corporate Buyer Personalization

How well the digital commerce platform supports personalization for corporate buyers — enabling customer profiles, hierarchy and workflow, catalog segmentation, role-based buying, appropriate payment options, managing the customer experience, and incorporating analytics for continual improvement.

The following functionality was evaluated:

- **Customer specifics set up by seller:** Supports customer views based on customer account, and customer group/department, enables customer hierarchies for approval and workflow, enables pricing based on customer purchase documents (contracts. POs and quotes). Enables role-based buying for buyers, approvers and administrators. Enables role-based dashboards with actions, notification and metrics.

- **Customer management self-service:** Supports customer specific-hierarchies and cost centers. Enables subuser accounts and capabilities within cost centers, catalog segmentation by cost center and subuser account, and budgeting by cost center and subuser accounts. Enables workflow approvals. Includes templates for ordering and reordering and the ability to import structures from customer ERP.

- **Analytics:** Supports various types of customer analytics.

- **Customer experience:** Supports the ability to do customer segmentation, product recommendations, personalized search, on-site personalization, social personalization, mobile personalization, landing-page personalization, integration with social networks.

- **Payments:** Enables multiple e-payment types: COD, short-term and long-term financing, seller-based payments (gift cards, credit, loyalty, store credit), transactional invoicing or billing and split payments (multiple types of payment for one transaction). Accelerates integration with existing payment gateways and/or processors, and payment hubs. Calculates government taxes, enables reporting of government taxes, and enables coupon redemption.

MDM

How well the digital commerce platform supports basic MDM functionality for product data across multiple channels.

The following functionality was evaluated:

- **Product records management (PIM):** Supports general PIM. Enables the creation and management of a central, master database or index of records for master product data. Supports consistent and adapted product views across multiple channels with different size requirements. Enables product-related workflows on the supply side, and the sell side.

- **Other data records management:** Supports other types of data management (including customer, digital assets, POS) through the creation and management of a specific central, master database or index of records.

- **Other MDM solutions supported:** Supports creation and management of a central, master database or index of records for devices and data.

Clients with more advanced requirements may require an independent MDM solution beyond the digital commerce platform (see "Magic Quadrant for Master Data Management of Product Data Solutions").

WCM

How well the digital commerce platform supports basic WCM functionality for commerce to include product information, product category and SEO landing pages.

The following functionality was evaluated:

- **Content management:** Supports basic WCM capabilities. Enables authentication of users (authors, editors and reviewers) and assignment of permissions. Enables content creation functions, including templating, workflow and change management. Includes repositories that organize and provide metadata about the content. Includes library services such as check-in/check-out, version control and security. Enables content deployment functions that deliver prepackaged and on-demand content to web servers. Enables content targeting that integrates to social media and portals. Enables multisite and multilanguage management, including web analytics and reporting capabilities. Offers support for developers, administrators, editors,

marketers and authors in a distributed contribution environment. Offers the ability to manage rich media in the context of web efforts, the ability to publish content for consumption on various devices (such as tablets, smartphones and TV sets), and allows interoperation with adjacent technologies such as CRM, digital asset management and web analytics.

- **Other WCM solutions supported:** Accelerates integration to other WCM solutions.

Clients with more advanced requirements may require an independent WCM solution beyond the digital commerce platform (see "Magic Quadrant for Web Content Management").

CPQ

How well the digital commerce platform supports basic CPQ capabilities such as engineering, building and assembling to order; development and runtime tools for pricing, quotes and workflow, multichannels, integration, and maintenance.

The following functionality was evaluated:

- **Engineer to order:** Creation, management and execution of product rules and relationships for guided selling, solution selling, product bundling and product configuration.

- **Build to order:** Creation, management and execution of product rules and relationships for guided selling, solution selling, product bundling and product configuration.

- **Assemble to order:** Creation, management and execution of product rules and relationships for guided selling, solution selling, product bundling and product configuration.

- **Development and runtime tools:** To define and execute configuration and pricing rules, quote templates and workflow for approval and authorization

- **Sales channels supported:** Supports basic CPQ with integration to the following sales channels: Direct B2B, Direct B2C, inside sales, and partner sales across platforms (web and mobile, for example) in both a connected mode and disconnected mode with 2D/3D representation of visual product configuration.

- **Integration:** Integrates with CRM and sales force automation (SFA) systems (for customer/opportunity/quote), with ERP or order management systems (quote/order), with order fulfillment systems (manufacturing/shipping/customer communications), with financial (costing/revenue/recognition), with customer installed base and with business intelligence (product/sales/analytics)

- **Maintenance:** Incorporates processes to ensure synchronization of MDM (customer/product/pricing) and includes knowledge base for configured solutions, products and services.

- **Other CPQ solutions supported:** Accelerates integration to other CPQ solutions.

Clients with more advanced requirements may require an independent CPQ solution beyond the digital commerce platform.

OM/DOM

How well the digital commerce platform supports basic OM/DOM capabilities specific to digital commerce such as inventory and order status as well as support for multichannel ordering, fulfillment and returns.

The following functionality was evaluated

- **Order management:** Supports basic order management, including order generation, order receipt, inventory availability, estimated ship date, estimated buyer receipt data, return authorization, status tracking, and management of simple orders.

- **DOM:** Supports basic DOM, including multiple order entry points, order aggregation, order brokerage, order prioritization, management of complex orders, multiple fulfillment systems and locations, global inventory visibility across fulfillment locations, global inventory visibility across fulfillment channels, global inventory visibility across fulfillment third parties, intelligent order sourcing and fulfillment capabilities, and allocation and available-to-promise capabilities.

- **Other OM/DOM solutions supported:** Accelerates integration to other OM/DOM solutions.

Clients with more advanced requirements may require an independent OM or DOM solution beyond the digital commerce platform (see "Magic Quadrant for Master Data Management of Product Data Solutions").

Payments

How well the digital commerce platform supports basic payment gateway functionality such as multiple electronic payment methods, split payments, tokenization and encryption, fraud detection, and tax support.

The following functionality was evaluated:

- **Payment support:** Supports digital commerce payments by supporting multiple billing addresses, payment gateway functionality, fraud detection, encryption, tokenization, split payments, multiple payment methods, foreign exchange and government tax calculations.

- **Other payment solution integration:** Accelerates integration to other payment solutions.

Clients with more advanced requirements may require an independent OM or DOM solution beyond the digital commerce platform.

Use Cases

Gartner selected the five top use cases that apply to the largest number of our clients and are unique in their requirements:

Complex, Diverse and Large Operations

The ability to support large organizations with complex structure and diverse product offerings. The most common types are retail conglomerates and manufacturing giants.

Clients fitting this use case often have unique requirements, large product catalogs, complex products and/or large-scale operations. They often do significant customizations, due to their organization complexity and product diversity, which also drives the need for many of the ecosystem-supporting applications. In addition to being large and complex, these clients also have a strong emphasis on their brands.

Multiple Channels

The ability to support organizations selling in multiple channels that also typically require multifaceted fulfillment to support their multiple channels.

The most common type are retail, CPG, manufacturers and quick-service restaurants. Clients fitting this use case typically require significant customizations for customer experience, are interested in responsive design for their mobile channels, want to provide a consistent experience for customers across their multiple channels (such as store, digital, distribution, customer service, field sales), and require distributed output management (DOM) for many of their multichannel ordering, fulfillment and inventory needs.

Organizations selling in multiple channels typically require multifaceted fulfillment to support those multiple channels. The most common vertical is retail.

Some manufacturers are also fitting this use case, and some quick-service restaurants are also expressing a growing interest. Clients aligned with this use case typically require significant customizations for customer experience, are interested in responsive design for their mobile channels to provide a consistent experience for customers across their multiple channels, and require DOM for many of their multichannel ordering, fulfillment and inventory needs.

Selling Globally

The ability to support organizations selling globally and those requiring rapid expansion into new countries. The most common types are retail and branded manufacturing.

Clients fitting this use case typically have a strong need to provide storefronts in multiple languages and with multiple currencies. They also need an easy and quick approach to rollouts across many geographies. These organizations can be complex when they need to support multiple brands. They also typically require personalization capabilities for consumers and/or other organizations, with some having multichannel needs as well.

Selling to Consumers

Organizations selling to consumers. The most common verticals are retail, branded manufacturers and consumer packaged goods (CPG).

Clients fitting this use case are interested in offering a rich customer experience and are therefore looking for features and functions that promote a rich customer experience, like personalization, assisted selling, and the ability to track and monitor customer orders.

Selling to Other Organizations

The ability to support large and midsize organizations selling to other organizations, especially to larger organizations requiring more e-procurement type functionality.

Target organizations are typically using phone, fax or email to place their orders. Clients fitting this use case are often trying to replace phone, fax and email ordering with electronic ordering and often require the kind of common B2B functions that are usually found in procurement applications. These functions might include catalog segmentation, support for buyer hierarchies and the ability to support contract and PO pricing and buying. Due to the nature of selling complex and often custom-ordered goods, many of these clients require CPQ and DOM capabilities as well. Because all corporate buyers are consumers, these clients also need consumer-specific capabilities, especially when it comes to personalization and the overall customer experience. Simply duplicating traditional business processes (like order entry) is likely to be insufficient as customers expect a richer experience (for example, information about product availability, potential shipping dates and potential delivery dates). These clients can also be complex in nature as they need to support multiple brands and geographies, and require the ability to support multiple languages and currencies with some multichannel support. The most common verticals are technology software, manufacturing and CPG.

Vendors Added and Dropped

Vendor inclusion criteria for the 2016 "Magic Quadrant for Digital Commerce," was changed from the 2015 iteration, enabling us to include several vendors that previously did not meet the criteria, or that lacked significant client interest in their products at the time.

Vendors that were added to this year's Magic Quadrant are also included in this Critical Capabilities research.

Added

Aptos

Apttus

Avangate

cleverbridge

CloudCraze

Elastic Path

Episerver

Kibo (formerly MarketLive)

MyWebGrocer

Unilog

Dropped

eBay Enterprise (Enterprise Commerce Platform)

Micros (acquired by Oracle in 2014)

Inclusion Criteria

The Inclusion criteria for this research is the same as that for the 2016 "Magic Quadrant for Digital Commerce."

The Magic Quadrant evaluated vendors of digital commerce platforms that support B2C, B2B or B2B2C business models across multiple industries, including retail, branded manufacturing, distribution and wholesaling, industrial manufacturing, high technology, telecommunications, publishing and media, and travel and hospitality. Multiple deployment models (for example, on-premises; SaaS, hosted or managed services; and business process outsourced) and license models (for example, on-premises licensed software and SaaS or other service models paid for on a revenue-sharing or subscription basis) were eligible for evaluation.

Inclusion criteria are used to determine which vendors are covered in a Magic Quadrant. It is important to note that the criteria have changed from prior years, due to innovation and business changes in the market. Vendors' inclusion and positions in the Magic Quadrant may change over time, due to changes in the vendors themselves, the evolution of the industry, and changes to Gartner's inclusion and evaluation criteria.

To be included in the companion Magic Quadrant, the vendors and their products or services had to meet the Inclusion Criteria described below.

The cutoff date for inclusion in the Magic Quadrant was 31 December 2015. Any product enhancements, mergers and acquisitions, or other developments that occurred after that date did not affect the analysis or the vendors' positions in this Magic Quadrant.

Market Presence and Company Viability:

- The vendor must demonstrate financial and commercial viability. It can do this by, for example, generating a minimum of $50 million in license or SaaS revenue for its digital commerce product during the previous four quarters, or by demonstrating the ability to support a GMV of $50 million for online buying transactions on its platforms, or by having a significant presence in the market. If a vendor chooses not to disclose revenue or GMV information, Gartner may choose

to use its own market research, as well as insights from public sources, to judge that vendor's eligibility for inclusion and viability.

- The vendor must fulfill the following installed base criteria:

  - A minimum of 50 production customers

  - A minimum of 10 new customers in the past four quarters

- The vendor must provide evidence of sales and support for its digital commerce product(s) in at least two of the following six regions: North America; Latin America; Europe and the Middle East; Africa; Japan; and Asia/Pacific.

- The vendor must demonstrate sufficient professional services, delivered either by internal resources or through partnerships, to fulfill current customer demand and customer demand during the next 12 months.

Product Capabilities:

- Core product capabilities must include support for multiple business models, including B2C, B2B or B2B2C. The vendor must provide product advancements in the form of periodic (annual, semiannual or quarterly) functional releases either directly to its digital commerce platform or via the vendor's technology partner or service vendor ecosystem.

- The digital commerce product(s) can be deployed using any of the following models:

  - On-premises licensed software

  - On-premises licensed software with hosted infrastructure, with or without software management services provided by the vendor

  - Multitenant SaaS

  - Hosted software with extended services, such as warehousing and call center support

- The product(s) must support digital commerce functions that include, at a minimum, the following capabilities:

  - *Storefront, product catalog and shopping cart:* The ability to support multiple storefronts; manage and display a product and service catalog using an integrated product catalog; and support shopping and check-out capability.

  - *Internationalization, localization and personalization:* The ability to support multiple languages and currencies; personalize the shopping experience, based on market or geographical requirements; and personalize the customer's shopping experience, based on customer groups or segments.

  - *Integration with back-office applications:* The ability to integrate with back-office applications, such as ERP, OM, CRM and warehouse management/logistics applications, and to provide documented and supported APIs or equivalent integration tools.

- *Mobile and multichannel capability:* The ability to support multiple channels, especially mobile devices and apps.

- In addition to the core functionality described above, additional functionality can be provided by the vendor as part of its core digital commerce product, or through partnerships or integration with third-party products or services:

  - *Native vendor functionality:* Provided as an integrated feature of the vendor's digital commerce application at no additional cost.

  - *Optional, integrated vendor functionality:* Provided as an optional, integrated module by the digital commerce vendor. Additional costs are incurred for this functionality.

  - *Optional vendor functionality:* Provided as an optional module by the digital commerce vendor, this functionality may already be integrated by the vendor into the digital commerce platform, or it may require integration work on the part of the user organization. Additional costs are incurred for both the functionality and the integration.

  - *Integrated partner functionality:* Provided by the commerce vendor's partner; preintegrated with the digital commerce product and supported by both the vendor and the partner using formally supported APIs or a toolset. Additional costs are incurred for both the functionality and the integration.

  - *Partner functionality:* Provided by the commerce vendor's partner; integration with the digital commerce product has been demonstrated at customer sites, and support is provided only by the partner. Additional costs are incurred for both the functionality and the integration.

  - *Functionality not available except through custom development or product extensions.*

- Specific examples of these additional capabilities could include:

  - CPQ

  - Enterprise search

  - Master data management

  - OM/DOM

  - Payment processing and tax calculation

  - Personalization

  - WCM

Table 1. Weighting for Critical Capabilities in Use Cases

Critical Capabilities	Complex, Diverse and Large Operations	Multiple Channels	Selling Globally	Selling to Consumers	Selling to Other Organizations
Organization/Brand Complexity	5%	5%	4%	2%	5%
Product Diversity	10%	5%	4%	5%	10%
Product Management Breadth	10%	5%	10%	15%	10%
Commerce Search	10%	5%	4%	10%	5%
Multichannel	4%	15%	4%	15%	5%
Mobility	4%	10%	10%	15%	5%
Localization	3%	0%	20%	0%	3%
Consumer Buyer Personalization	5%	10%	5%	10%	0%
Corporate Buyer Personalization	4%	10%	5%	0%	20%
MDM	10%	5%	4%	4%	5%
WCM	10%	5%	10%	8%	5%
CPQ	5%	0%	0%	0%	12%
OM/DOM	10%	15%	5%	6%	10%
Payments	10%	10%	15%	10%	5%
Total	**100%**	**100%**	**100%**	**100%**	**100%**
					As of May 2016

Source: Gartner (June 2016)

This methodology requires analysts to identify the critical capabilities for a class of products/ services. Each capability is then weighed in terms of its relative importance for specific product/ service use cases.

Critical Capabilities Rating

Each of the products/services has been evaluated on the critical capabilities on a scale of 1 to 5; a score of 1 = Poor (most or all defined requirements are not achieved), while 5 = Outstanding (significantly exceeds requirements).

Table 2. Product/Service Rating on Critical Capabilities

Critical Capabilities	Aptos	Apttus	Avangate	cleverbridge	CloudCraze	Demandware	Digital River	Elastic Path	Episerver	IBM	Intershop	Magento	Kibo	MyWebGrocer	NetSuite	Oracle	SAP Hybris	Unilog	Volusion
Organization/Brand Complexity	4.3	3.9	4.3	4.5	4.5	4.3	4.2	3.9	4.2	4.6	4.6	3.8	4.6	4.2	4.2	4.1	4.3	4.6	2.3
Product Diversity	3.9	3.9	3.4	3.2	3.4	2.2	3.8	4.1	3.9	4.4	4.3	4.2	3.8	3.0	4.1	3.9	4.4	2.9	3.3
Product Management Breadth	4.2	4.0	3.2	3.3	4.1	4.8	4.1	4.0	3.7	4.8	4.4	4.2	4.0	3.8	4.1	4.2	4.7	4.1	3.2
Commerce Search	4.5	4.2	1.9	2.6	3.9	4.5	4.6	4.4	4.1	4.8	4.6	3.3	4.6	4.6	4.1	4.6	4.5	4.5	2.9
Multichannel	3.7	3.6	2.5	2.1	2.9	3.7	2.8	2.5	3.2	4.2	3.6	4.0	3.6	3.4	4.2	4.0	4.0	3.6	3.0
Mobility	2.1	3.0	1.8	2.6	2.0	3.7	2.0	2.4	2.4	4.2	3.2	3.1	2.6	3.2	2.3	3.3	3.9	3.5	1.3
Localization	3.5	3.4	3.8	3.8	3.8	3.9	4.6	3.2	3.8	3.9	3.7	3.7	3.2	2.6	3.3	3.3	3.7	3.3	1.7
Consumer Buyer Personalization	3.9	3.2	3.1	2.8	4.0	4.3	4.4	3.3	4.4	4.5	4.4	4.4	4.2	3.8	3.9	4.5	4.2	4.1	3.6
Corporate Buyer Personalization	3.9	4.4	3.8	2.7	4.3	1.8	4.3	2.1	3.4	4.3	4.5	2.6	2.7	1.7	4.6	4.8	4.7	4.7	1.5
MDM	1.9	3.9	3.4	2.9	4.6	5.0	2.9	3.5	4.1	4.9	4.1	4.3	3.5	4.1	4.9	3.8	4.7	4.9	3.3
WCM	4.5	4.4	3.0	2.9	2.8	4.6	4.5	3.2	4.6	4.1	4.8	4.3	3.7	4.2	4.2	3.8	4.2	4.0	2.1
CPQ	3.4	4.4	4.0	3.0	3.1	1.9	3.0	2.3	2.6	3.9	3.9	2.7	2.0	2.2	3.4	3.8	4.4	4.4	1.4
OM/DOM	3.9	3.4	2.1	2.1	3.2	4.1	3.9	3.1	3.4	4.3	3.9	4.6	3.5	3.4	4.0	3.7	4.3	3.0	3.0
Payments	3.3	3.0	4.2	3.2	3.1	2.7	4.2	3.3	2.9	4.4	3.4	4.1	2.5	2.6	3.5	2.9	3.5	2.7	2.7

Critical Capabilities	Aptos	Apttus	Avangate	cleverbridge	CloudCraze	Demandware	Digital River	Elastic Path	Episerver	IBM	Intershop	Magento	Kibo	MyWebGrocer	NetSuite	Oracle	SAP Hybris	Unilog	Volusion
																			As of May 2016

Source: Gartner (May 2016

Table 3 shows the product/service scores for each use case. The scores, which are generated by multiplying the use-case weightings by the product/service ratings, summarize how well the critical capabilities are met for each use case.

Table 3. Product Score in Use Cases

Use Cases	Aptos	Apttus	Avangate	cleverbridge	CloudCraze	Demandware	Digital River	Elastic Path	Episerver	IBM	Intershop	Magento	Kibo	MyWebGrocer	NetSuite	Oracle	SAP Hybris	Unilog	Volusion
Complex, Diverse and Large Operations	3.69	3.80	3.13	2.95	3.57	3.80	3.88	3.41	3.70	4.45	4.16	3.94	3.55	3.49	4.01	3.89	4.29	3.84	2.70
Multiple Channels	3.63	3.63	2.94	2.73	3.42	3.69	3.70	3.11	3.53	4.40	4.02	3.92	3.48	3.35	3.94	3.93	4.22	3.74	2.67
Selling Globally	3.59	3.60	3.26	3.11	3.46	3.79	3.97	3.26	3.61	4.32	3.98	3.88	3.37	3.25	3.73	3.69	4.08	3.64	2.40
Selling to Consumers	3.62	3.62	2.80	2.78	3.31	3.99	3.64	3.30	3.55	4.44	4.01	3.95	3.59	3.60	3.80	3.88	4.20	3.74	2.74
Selling to Other Organizations	3.71	3.94	3.28	2.91	3.61	3.24	3.80	3.07	3.48	4.36	4.15	3.60	3.26	3.02	4.02	4.02	4.37	3.96	2.35

As of May 2016

Source: Gartner (June 2016)

To determine an overall score for each product/service in the use cases, multiply the ratings in Table 2 by the weightings shown in Table 1.

Gartner Recommended Reading

Some documents may not be available as part of your current Gartner subscription.

"How Products and Services Are Evaluated in Gartner Critical Capabilities"

"Leverage the Gartner Digital Commerce Technology Ecosystem to Optimize IT Decisions"

"How to Develop a Digital Commerce Strategy"

"Toolkit: RFP for Digital Commerce Platforms"

Evidence

This research is based on:

- Extensive data on functional capabilities and ecosystem support, customer-base demographics, financial status, pricing and other quantitative attributes gained via an RFI process engaging vendors in this market that was administered during October and November 2015 with updates to product functionality as of 31 December 2015.

- Interactive briefings in which the vendors provided Gartner with insight on their product capabilities.

- Feedback about tools and vendors captured during conversations with users of Gartner's client inquiry service based on thousands of end-user and client interactions with the digital commerce team in 2015.

- A web-based survey of vendor-provided reference customers (n = 205), which captured data on:

  - Spending patterns

  - Levels of satisfaction with major product function categories

  - Various nontechnology vendor attributes (such as pricing, product support and overall service delivery)

Critical capabilities that were rated on average 6 or higher (on a 1 to 7 rating scale with 7 being the highest rating) by reference customers are identified in the vendor profile sections.

Critical Capabilities Methodology

This methodology requires analysts to identify the critical capabilities for a class of products or services. Each capability is then weighted in terms of its relative importance for specific product or service use cases. Next, products/services are rated in terms of how well they achieve each of the critical capabilities. A score that summarizes how well they meet the critical capabilities for each use case is then calculated for each product/service.

"Critical capabilities" are attributes that differentiate products/services in a class in terms of their quality and performance. Gartner recommends that users consider the set of critical capabilities as some of the most important criteria for acquisition decisions.

In defining the product/service category for evaluation, the analyst first identifies the leading uses for the products/services in this market. What needs are end-users looking to fulfill, when considering products/services in this market? Use cases should match common client deployment scenarios. These distinct client scenarios define the Use Cases.

The analyst then identifies the critical capabilities. These capabilities are generalized groups of features commonly required by this class of products/services. Each capability is assigned a level of importance in fulfilling that particular need; some sets of features are more important than others, depending on the use case being evaluated.

Each vendor's product or service is evaluated in terms of how well it delivers each capability, on a five-point scale. These ratings are displayed side-by-side for all vendors, allowing easy comparisons between the different sets of features.

Ratings and summary scores range from 1.0 to 5.0:

1 = Poor or Absent: most or all defined requirements for a capability are not achieved

2 = Fair: some requirements are not achieved

3 = Good: meets requirements

4 = Excellent: meets or exceeds some requirements

5 = Outstanding: significantly exceeds requirements

To determine an overall score for each product in the use cases, the product ratings are multiplied by the weightings to come up with the product score in use cases.

The critical capabilities Gartner has selected do not represent all capabilities for any product; therefore, may not represent those most important for a specific use situation

or business objective. Clients should use a critical capabilities analysis as one of several sources of input about a product before making a product/service decision.

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