ISG Provider Lens™

2022

Retail Platforms

imagine your future®

ISG (Information Services Group) (NASDAQ: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including 75 of the top 100 enterprises in the world, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Connecticut, ISG employs more than 1,300 professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

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Introduction

The retail industry, which was already reeling under pressure due to new-age digital players and ecommerce disruption, was further hit by the COVID-19 pandemic. This unprecedented disruption served as a much-needed catalyst to accelerate the transformation that retailers were seeking. To navigate through the crisis, they had to quickly evolve and adapt to the changing consumer behavior by expanding ecommerce offerings and embracing newer touchpoints such as click-n-collect [buy online, pickup in-store (BOPIS), curbside pickup, lockers, etc.], while also following the government guidelines with respect to social distancing and sanitization as well as other mandates.

Digital sales, with ecommerce being a major part, saw the biggest leap in growth for all retail segments across geographies and continue to increase at phenomenal rates due to the changing consumer behavior and concerns over newer variants of COVID-19. It is estimated that global retail ecommerce sales grew by more than 15 percent in 2021 (vs 25 percent in 2020) and is expected to grow in double digits at least until 2025.

Consumers are no longer confined to only two engagement channels, i.e., store and website, for their research and purchase decisions. Social commerce, influencer-based sales and marketplaces are among the top engagement channels used before making a purchase.

Retailers are now advancing their investments by a few years in an omnichannel commerce platform. It acts a single source of information on consumers and their shopping behavior, providing a means to improve decision-making and serve them with a seamless and consistent experience in the store and on digital channels (phygital).

With respect to merchandising, retailers are upgrading the platform to strategize their in-store and virtual merchandize, accurately forecast the demand across channels through real-time data on consumer behavior and improve the ability to perform dynamic pricing for better sales conversion.

To cater to the changing demands, merchandising platform vendors are radically changing the way platform performs by replacing the manual interventions through smart algorithms, AI-powered decision-making (based on real-time data from various new sources) and improved feature sets to manage the inventory in a better way.

The ISG Provider Lens™ study offers the following to IT decision-makers:

- Transparency on the strengths and weaknesses of relevant vendors

- A differentiated positioning of providers by segments

- A perspective on a global level with local strategies incorporated

Our study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential new engagements.

Quadrants Research

As part of this ISG Provider Lens™ quadrant study, we are introducing the following two quadrants at global level on retail platforms:

Retail Platforms 2022
Omnichannel Commerce Platform
Merchandise Planning and Management
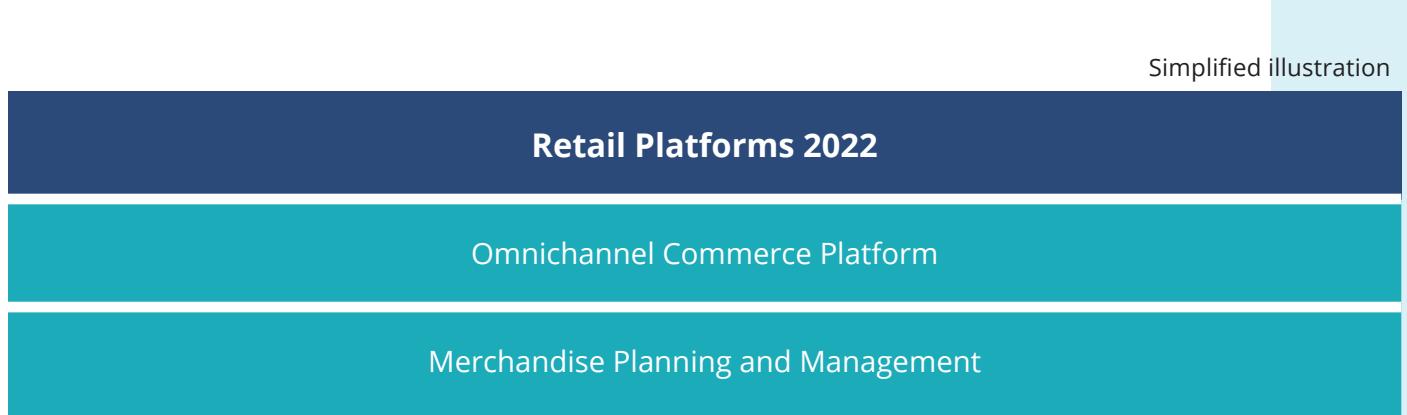
Omnichannel Commerce Platform

With changes in consumer behavior, retailers are advancing their investments by a few years in agile, scalable and cloud native omnichannel commerce platforms, offering more out-of-the-box modules. This, in turn, can help them reduce the time for integrations, while serving consumers in real-time anywhere and providing a seamless shopping experience.

Platform vendors are expected to provide a platform that is essentially on cloud and with architecture that offers modules in microservices and API-driven ecosystem. With a focus on unified commerce, retailers now expect quite a few modules as standard and out-of-the-box such as content management, order management, loyalty, social commerce, merchandising and shipping, enhanced user interface capabilities, and AI and automation-driven and advanced customer analytics that can scale up quickly with high level of customization and dedicated customer support.

A traditional, full-fledged omnichannel commerce platform includes the following out-of-the-box functionalities:

- Profile/account management
- Promotion
- Checkout
- Storefront
- Order management
- Inventory management
- Payment processing
- Product information management
- Intelligent search
- Content management
- Catalog and pricing
- Integration with ERP, CRM and point of sale (PoS)
- Customer support

Eligibility criteria:

- Product or platform out-of-the-box functionalities
- Ability to integrate with critical business applications such as ERP, CRM and PoS
- Integration with marketplaces and social media (commerce)
- Positioning and planning
- Roadmap development (version upgrades) and adaptation
- Platform strategy development
- Platform strategy execution
- Cost and effort of maintaining the website (self-managed vs hosted platform)
- Database management, networking and infrastructure monitoring support
- Support provided (direct support and community support) and number of cartridges available
- Ability to rapidly scale up or down and load management
- Interoperability (via APIs) with the order, customer, content and product functionality
- Number of implementations
- Current transaction volume
- Revenue
- Add-on module availability such as shipping and order management
- Marketplace extensions
- Overall vendors' ecosystem and technology partnerships
- Developer and system integrator (SI) ecosystem

Merchandise Planning and Management Platform

Merchandise planning has come a long way from paper-based guesstimates to data-driven decision-making. The major challenge faced by retailers today is the pace at which the market is moving and the ever-increasing touchpoints that are largely untapped for customers.

Traditional merchandising platforms are now integrated with AI capabilities to improve the customer demand forecasting across channels by fusing data from stores and online (ecommerce, social commerce, mobile, marketplaces search, etc.). At the same time, there is a greater focus on dynamic pricing capabilities, particularly for online business, to improve sales conversion.

Eligibility criteria:

- Platform attributes (features, functionalities, and characteristics)
- Continuous inventory planning
- Data analytics and reporting
- Data ingestion from online sources such as marketplace, website, search engines and social media
- AI and automation capabilities
- Demand forecast and management
- Segmentations
- Assortment capabilities
- Implementation experience
- Product strategy and ongoing enhancement roadmap
- Recent innovation
- Sales and regional customers
- Delivery channels and partnership ecosystem
- Integration capabilities (plug-ins and libraries)
- Hosting capabilities

Quadrants by Regions

This inaugural ISG Provider Lens™ study on Retail Platforms includes the following regions:

Quadrant	Global
Omnichannel Commerce Platform	√
Merchandise Planning and Management Platform	√

Schedule

The research phase falls in the period between **January and April 2022**, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in **June 2022**.

Milestones	Beginning	End
Launch	January 12, 2022	
Survey Phase	January 12, 2022	February 09, 2022
Sneak Previews	May 2022	
Press release	June 2022	

Please refer to the link to view/download the ISG Provider Lens™ 2022 research agenda:

Access to Online Portal

You can view/download the questionnaire from here using the credentials you have already created or refer to instructions provided in the invitation email to generate a new password. We look forward to your participation!

Research production disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing work identified by the clients. This data is collected as part of the ISG FutureSource process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not to produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.

ISG Star of Excellence™ – Call for nominations

The Star of Excellence is an independent recognition of excellent service delivery based on the concept of "Voice of the Customer." The program is designed by ISG to collect client feedback about service providers' success in demonstrating the highest standards of client service excellence and customer centricity.

The global survey is all about services that are associated with IPL studies. All ISG Analysts will be continuously provided with information on the customer experience of all relevant service providers. This information comes on top of existing first-hand advisor feedback that IPL leverages in context of its practitioner-led consulting approach.

Providers are invited to nominate their clients to participate. Once the nomination has been submitted, ISG sends out a mail confirmation to both sides. It is self-evident that ISG anonymizes all customer data and does not share it with third parties.

It is our vision that the Star of Excellence will be recognized as the leading industry recognition for client service excellence and serve as the benchmark for measuring client sentiments.

To ensure your selected clients complete the feedback for your nominated engagement, please use the client nomination section on the Star of Excellence website.

We have set up an email where you can direct any questions or provide comments. This email will be checked daily, please allow up to 24 hours for a reply. Here is the email address: Star@isg-one.com.

Cumulative provider score representing experience in six categories, plus an overall client satisfaction rating

- Provider nominated responses
- Public responses
- ISG nominated responses

- Collaboration and Transparency
- Execution and Delivery
- People and Cultural Fit
- Governance and Compliance
- Innovation and Thought
- Leadership
- Business Continuity and Flexibility

IPL Survey Data

CX Score

Final Positioning

Average impact for providers is 3% to 5% on the X-axis. Maximum impact is around 9%.

Partial list of companies being invited for the survey

Are you in the list or do you see your company as relevant provider that is missing in the list? Then feel free to contact us to ensure your active participation in the research phase.

7thonline	HighJump	Retalon
accumula	Iflexion	salesforce
Adobe Commerce	infor	Sana Commerce
Algonomy	Infosys Equinox	SAP
aptos	intershop	SAS
Apttus	Kibo	scalefocus
Astound Commerce	Kinaxis	shopify
BetterCommerce	Linnworks	shopware
bigcommerce	Logility	Sitecore
BlueYonder	Manhattan Associates	Solvoyo
Cognizant Softvision	Mi9 Retail	Spryker
cedcommerce	Miva	StoreHippo
channeladvisor	nextail	Sutherland
commercetools	OneView Commerce	TCS
diconium	openbravo	unicommerce
eKM	Optimizely	unilog
elasticpath	Oracle	volusion
Enactor	Prisync	VTEX
Flooid	Radial	Wipro
FastSpring	RELEX	Woo commerce
HCL Commerce	Repsly	yo!kart

Contacts for this study

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Global Project Manager

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ISG Provider Lens™ QCRT Program Description

ISG Provider Lens™ offers market assessments by incorporating practitioner insights, reflecting regional focus and conducting independent research. ISG ensures advisor involvement in each study to cover the appropriate market details aligned to the respective service lines/technology trends, service provider presence and enterprise context. In each region, ISG has expert thought leaders and respected advisors who know the provider portfolios and offerings as well as enterprise requirements and market trends. On average, three advisors participate as part of each study's Quality & Consistency Review Team (QCRT) that ensures each study reflects ISG advisors' experience in the field, which complements the primary and secondary research the analysts conduct. Advisors participate in each study as part of the QCRT group and contribute at different levels depending on their availability and expertise.

The QCRT advisors:

- Help define and validate quadrants and questionnaires

- Advise on service providers inclusion, participate in briefing calls

- Give their perspectives on service provider ratings and review report drafts

The ISG Provider Lens™ QCRT program helps round out the research process, supporting comprehensive research-focused studies.

Quality & Consistency Review Team for this study

Sunder Pillai
Advisor - Global

Ashish Chaturvedi
Program Lead (Custom Research) and Principal Analyst

Do you need any further information?

If you have any questions, please contact us at isg.providerlens@isg-one.com.