You've Set Targets for 2020:

Will Your E-Commerce Platform Help You to Hit Them?

Contents
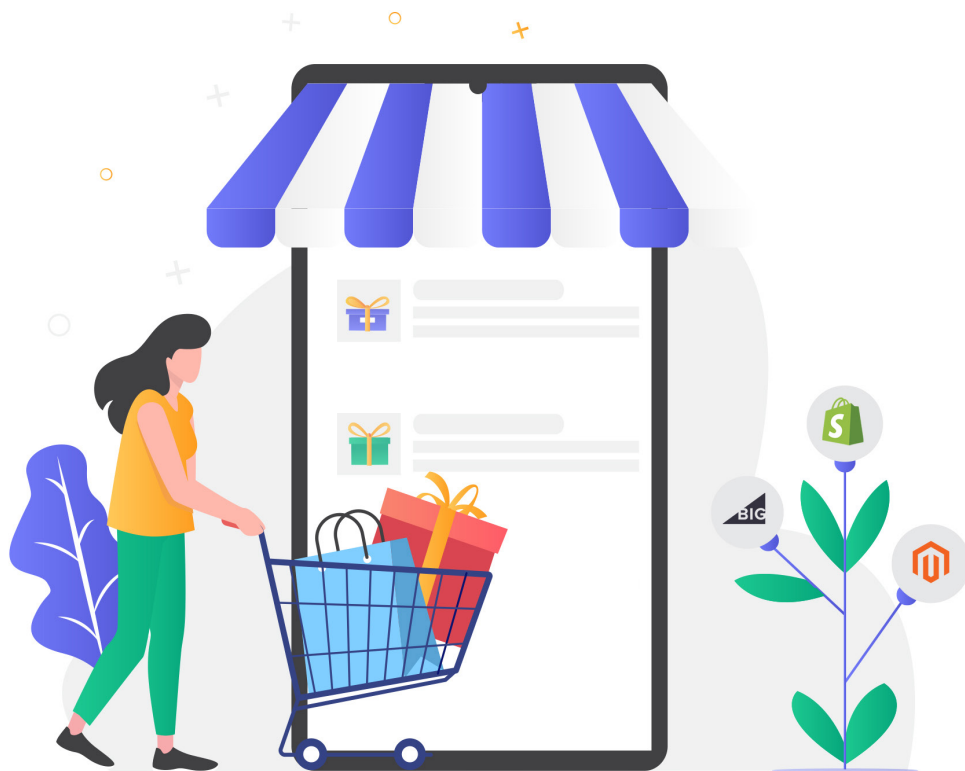
Introduction

The end of the year is here and the e-commerce industry has been bracing for this busy period. With the holiday season here, brands are working overtime to ensure their strategy and execution is flawless in the most challenging and competitive conditions they'll face all year.

The lessons learned are invaluable in the long-term, with the potential for businesses to save both time and money when it comes to their future tactics. It always pays dividends to keep the foundations of your e-commerce practice in mind.
This means stripping things back to their very core and making a considered assessment of the architecture your enterprise is built upon — its platform.

As the industry's technical evolution gathers pace, it's vital to be well-briefed not only in the capacities of your current platform, but the capabilities of rival products. What advantages might they be giving your direct competitors? What possibilities might they present to your own enterprise?

Feeling the Squeeze

The e-commerce industry was projected to expand in 2019 by 20.7%, to sales of $3.535 trillion. Whilst remaining in a state of growth, it's important to recognize that this increase is smaller than that of the previous two years (e-commerce grew by 28% in 2017 and 22.9% in 2018).

This deceleration of growth is reflective of more economic uncertainty, and a leveling off of GDP in many regions. In terms of growth, North America (up 14.5%) and Western Europe (up 10.2%) are languishing at the bottom of the leaderboard.

While the e-commerce industry is still expanding, nothing should be taken for granted. Competition is increasing and as a result, retailers need to ensure that they are leveraging every technical advance to the fullest.

Platforms Under Pressure

If e-commerce's growth rate is beginning to decline, what are the knock-on effects for the platforms which support the industry? Again, increased competition – this time, to the benefit of retailers. It's more important than ever for

platforms to provide an exemplary service. They need to continue to innovate, keeping pace with competitors and shifting consumer demands.

2019 has seen significant leaps forward in technological advancement and direction from many key players in the e-commerce platform space. This guide will focus on three industry leaders:

Shopify Plus, which announced many new features and roadmap items in June 2019, additionally enhancing global support in terms of both admin translation and multi-currency capacities.

Magento 2, which has doubled down on experience-led commerce with the release of the Magento Progressive Web App (PWA) Studio.

BigCommerce, which continued to show commitment to the 'three Cs' of content, community and commerce – decoupling the layers of its platform to enable a headless approach.

At the same time, commercial platforms are faced with retailers deciding to go it alone with a custom in-house solution. It's evident that a one-size-fits-all attitude to commerce is no longer acceptable. So

this guide will also touch upon the pros and cons of going down the **custom route.**

2019: Finish Strong

With all of this in mind, it's more important than ever to be able to compare and contrast the various options available. The aim is that you can make informed choices and proactively ensure that your platform of choice is the very best springboard for your brand's 2020 goals and ambitions.

This guide will help you to head into 2020 with a clearer understanding of what these key platforms currently offer, and the specialisms they're best known for. Feel confident in your ability to compare and contrast platforms, based on not just their present capabilities, but also the direction they're likely to take in the future.

Chapter 1:
Pricing

When comparing platforms, pricing is often — by necessity — the first order of business. The perfect fit for your business in terms of features is irrelevant if you can't sustain its costs, especially in the short-term. This chicken and egg situation is often an issue for brands with significant ambitions around growth — when to make the move to a more costly platform, which can enable and support the scaling you're predicting you'll see?

For scaling and established brands alike, pricing for higher turnover platforms is notoriously opaque. Plenty of detailed feature information can be found across official sites. But look for concrete costs, and if your brand is hitting above a certain level of turnover you'll be invited to make contact and strike up a conversation.

With the hypothetical money on the table at this level, platforms all want to establish a personal connection from the outset. Identifying yourself as a self-selecting lead, interested enough to proactively make initial contact, guarantees

highly personal service from the get-go. The requirements of big, complex businesses are varied. Pricing for plans at this level is, by necessity, a custom job.

Show Me the Money

Yet it's still possible to draw broad comparisons before you make first contact. In this section, we'll look at some of the general pricing structures you can expect from key platforms, or when going down the custom path. We'll also consider some of the additional costs that need to be factored into your calculations when drawing up comparisons.

Shopify Plus

Plus pricing is broadly considered competitive within the market and is fairly straightforward in terms of structuring. Expect to pay a minimum licensing fee of **$2,000 per month or 0.25% of eligible transactions,** whichever is greatest. There's an additional 0.15% levy on payment processing fees should you choose not to use Shopify Payments.

As a SaaS product, highly reliable hosting is

included. Data security is also taken care of, with PCI 1 security compliance coming as standard. This means over 6 million transactions can be processed annually, ensuring scaling without security issues.

The Shopify Plus third-party ecosystem is well-established and their redesigned App store and Expert Marketplace are exceptionally intuitive. Pricing is clearly presented in a standardized manner across the store, enabling clear comparison.

One of the key selling points of Plus is the level of technical support you're given. In addition to a general support queue jump, Plus clients are assigned a skilled Launch Engineer. This is a financial win on many counts — advice from an expert with multiple migrations under their belt, assistance with data transfer, and insight regarding the most effective investment into additional functionality.

Magento 2 Commerce

Despite the reputational knock that came with mothballing Magento 1, pricing for Magento products still tends to reflect the company's

extensive e-commerce pedigree. Magento 2 Commerce licensing **starts from around $22k per year,** and increases based on a number of factors (primarily Gross Merchandise Volume).

While it has the capacity to deal with complex business requirements, Magento 2 can be unwieldy, and brands should consider the extra cost of working with an experienced technical partner when looking to implement additional functionality. Because of Magento's popularity, demand for quality development is high, and priced accordingly.

As Magento 2 is a non-SaaS product, you'll also need to consider hosting and security costs. As with all self-hosted systems, enabling your site's scalability requires significant investment in creating a solid infrastructure, as well as resources for ongoing site management. In terms of security, as well as the financial input needed to get it right, you should consider the cost implications of getting it wrong.

BigCommerce

The BigCommerce price tiering model is based on number of orders. A $15m B2C retailer would typically expect to pay **around $3700 per month for platform licensing.** In terms of development and build costs, much depends on your choice of partner, but the space is generally comparable to that of Shopify Plus.

Again, as a SaaS platform, top-level security compliance comes as standard. This gives you peace of mind when it comes to scaling, as well as reducing your overheads.

Custom

If you've decided to bypass the conventional platform-led approach and work with an agency to create a highly personalized solution, chances are it won't be a cost-saving exercise. With everything resting on your shoulders in terms of security, hosting, ongoing maintenance and the ability to scale, your initial outlay will be high.

But finding a solution that's highly personalized to your exact business needs is something you may be willing to invest in. And once a suitable setup has been created, expenditure should start to level out. But remember — take this path and you're committing to a degree of ongoing agency dependency.

Taking Expert Advice

Our industry is supported by a range of replatforming experts who have unparalleled experience in the financial asks of the major platforms.

Klevu works with a [range of trusted partners](#) who have first-hand knowledge of seeing varied retailers successfully transferred to a wide range of platforms. They'll be able to give a solid steer on a shortlist of suitable options, saving you from too much window shopping.

And if you do decide to go down the Request for Proposal route, Paul Rogers of [Vervaunt](#) has some [excellent advice.](#)
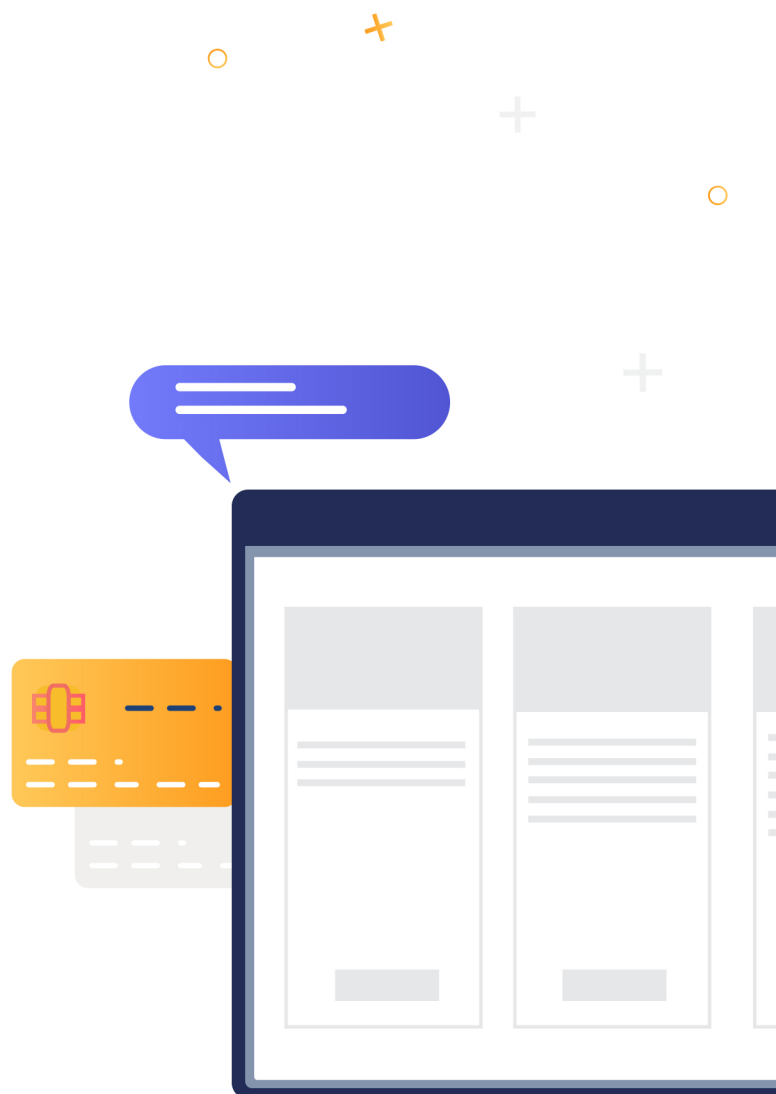
Chapter 2:
Features
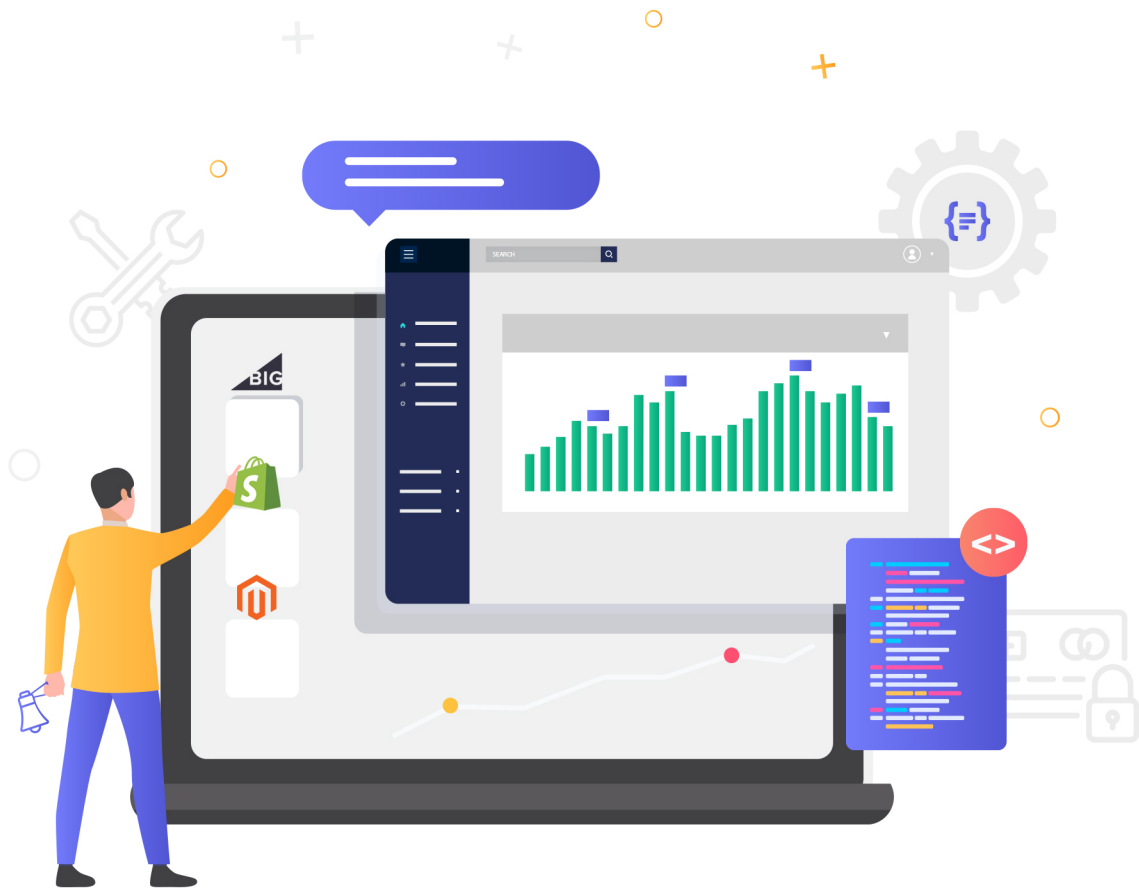
Of course, to a certain extent, price plays second fiddle to features. A platform is worth the value it will create for you. If specific capabilities are essential, then not delivering them is a false economy.

In terms of standout features, **Shopify Plus** is known for Flow, Launchpad and Scripts. The first gives powerful automation abilities and can be a real game-changer, when intelligently leveraged.

Launchpad is a godsend for businesses looking to capitalize on time-sensitive promotions, and Scripts allows for personalized cart and checkout experiences.

Magento 2 is known for its ability to handle complex retail requirements, especially extensive product catalogs. Although most comparable platforms are catching up, Magento's multi-location inventory, multi-currency and multi-store

functionality is still arguably best-in-class. It also boasts an exceptionally strong suite of B2B tools, and PageBuilder, which enables modular content management and integrates with other core areas of the platform.

With a 99.5% retention rate for enterprise business, BigCommerce is clearly ticking a lot of boxes. It's known for placing a strong focus on conversion and many of its key features reflect this. Of most significance is the Abandoned Cart Saver, which claws back an average 15% of lost sales.

Welcome To The Jungle: Extended Ecosystems

When we compare and contrast platforms' technical capacities, the ability to extend functionality is just as key as knowing that their out of the box features will meet our needs.

Magento 2, as the most established player in the platform game, has a clear advantage in this regard. Given the ability to market products and services to a huge array of platform users, many developers have been drawn to work exclusively with the space. As a result, Magento's ecosystem is exceptionally well established, with a huge selection of third-party extensions on offer. But remember that Magento 2 is a complex platform that solves complex problems — integrating extensions can place a higher dependency upon your development team.

Shopify Plus doesn't boast quite the same range as Magento, but arguably has the edge in terms of ease of deployment. Simplicity has always been a key consideration of this platform. As such, its apps are designed to offer turnkey solutions that actively minimize the need for technical know-how. While still a competitive environment, their partner space also has a strong reputation for collaboration and community.

BigCommerce has the slightest offering in terms of extended functionality. The platform would doubtless argue that this is because more needs are met in-house, without the need to seek external help. It's true that reducing reliance on bolt-on apps will keep your monthly spend in check. But you'd do well to ensure that the native

features of BigCommerce meet any specialized requirements your business may have, or you could find yourself requiring costly custom development.

Customization and Headless Capacities

You can choose the platform that best fits your business needs, and trick out your operation with the finest selection of handpicked app store extensions. But chances are you're still going to need to get under the hood for some custom tinkering. Ease of customization is important, and can vary greatly between platforms.

As an open-source option, **Magento,** of course, has huge potential here. But the platform has always had a reputation for fairly heavy developer dependency. In the absence of a visual editor, even simple tweaks have the potential to require technical input.

Beyond cosmetic front-end customizations, Shopify Scripts give developers the ability to tweak the cart and checkout experience.

Similarly, **BigCommerce** offers checkout customization via its JS SDK and Storefront Checkout API.

As interest in the area grows, headless capacity is something the major platforms seem keen to facilitate. Several have decoupled the presentation layer from their commerce engine.

Magento has been predicting the rise of headless for some time and **Shopify Plus** also supports this approach via the storefront API.

Yet it's **BigCommerce** that stands out as the platform most actively doubling down its headless capacity and the growing desire for flexibility. The platform is partnering with a number of agencies and developers to build integrations and APIs for headless implementation. It's also proactively working towards integrations with other frameworks, platforms and Digital Experience Platforms.

Chapter 3:
Usability
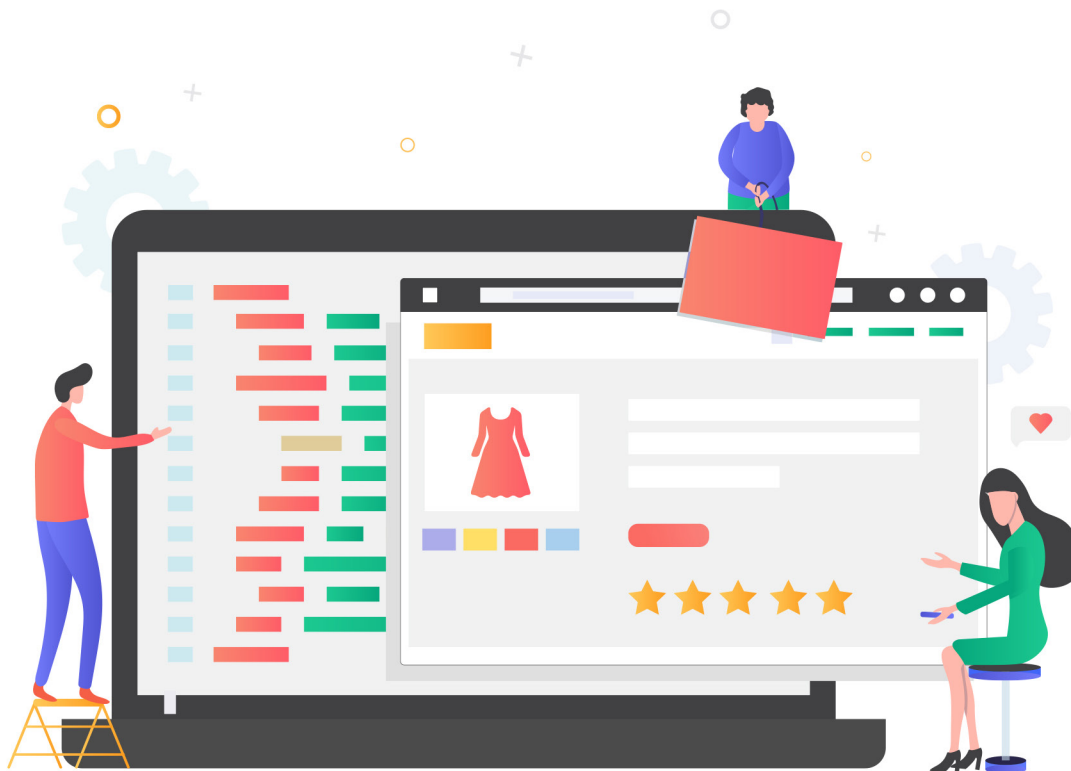
As the name suggests, platforms are the base from which entire e-commerce operations are orchestrated. But no matter how well-priced and feature-rich it is, if your platform of choice is inaccessible and too complex, your team will struggle to extract its maximum performance. An intuitive approach to interfaces and reporting is essential.

Intuition and Tuition

One of the major improvements delivered with

Magento 2 was the redesigned admin panel, which offers customized configuration to best suit your needs. The platform's reputation has never been led by its usability, especially regarding the backend. But the general consensus is that things have improved and continue to do so.

Shopify Plus has always marketed itself on exemplary merchant UX — removing unnecessary complications from the practicalities of running a business, so you can focus on business itself. The

platform's admin interface is very straightforward, with an emphasis on anyone within your enterprise being able to handle essential tasks.

One of the reasons that **BigCommerce** can prove slightly trickier stems from its desire to be more things to more people. While Shopify Plus defaults to third-party extensions for many features, BigCommerce brings more in-house. On the one hand this is a positive – but on the other, there's initially a little more noise to cut through.

If you're opting for a **custom solution** and working closely with an agency, naturally you should be crafting something that makes perfect sense to the way your organization functions. It's vital to work closely with a UI expert to ensure this will last beyond inevitable staffing changes.

A Helping Hand

At enterprise level, **Magento** provides clients with an account manager and offers 24/7 technical support, but getting assistance for major issues can still feel limited. Most large-scale operations leveraging Magento 2 Enterprise will require

an expert dedicated in-house team, or close partnership with an expert Magento development agency.

As mentioned in Chapter 1, a big selling point of **Shopify Plus** is the Launch Engineer that you'll be matched with during the earliest stages of migration. Additionally, a Solutions Engineer will assist with finding the best third-party integrations for your specific requirements. Plus status gets you an expedited support service should any issues arrive later down the line.

BigCommerce offers a suite of both Launch and Success services — at a price. As you'd expect, priority support is also included within the package. Again, for an additional fee, you can access a range of premium education services, including in-person training. This platform's support stats are notable, with 90% of issues being resolved in the first call, in under two minutes.

Customer Experience

The desired outcome of partnering with any platform is an uptick in conversion, with happier customers that stay longer and pay more. With consumer expectations increasing, it's worth taking note of platforms' attitude towards progressive, customer-centric design. This is crucial to any retailer's long-term ability to craft meaningful commerce experiences.

Content is an increasingly key component in this realm — as the shift towards headless further proves. **Magento 2**'s Page Builder enables instant creative control over a page, letting your marketers flex their imaginations in terms of brand story. Shopify Plus and BigCommerce have historically been less active in this department. To attain the same level of drag and drop functionality, a third-party solution such as the highly-regarded Shogun can be used with either platform.

Use It or Lose It

Platforms provide very specific toolkits. It's important to ensure that the powerful features you'll have at your fingertips are packaged in a way that will make sense to your own organization.

Carefully consider the level of your own in-house expertise and any areas where you may need additional hand-holding, both in the early stages of set-up and in the longer-term optimization of your stores.

Chapter 4:
On-Site Search

Over recent years, retailers have been waking up to the possibilities offered by on-site search, with some spectacular results. From enhancing user journeys via personalization to meeting omni-channel expectations through conversational and voice search, there's a lot more to on-site search than just finding what you wanted.

Building on the Basics

On-site search presents an incredible opportunity in both a carrot and stick capacity. On the one hand, users who complete an on-site search are on average 1.8x more likely to convert. And on the other, 80% of site visitors will abandon a site because of a poor search experience. Yet most mainstream platforms have pretty weak native capacities.

While **Shopify Plus** recently announced the ability to add predictive search to your theme via their JSON API, this still scratches the surface of what on-site search can bring to a store's experience. And **Magento** and **BigCommerce's** native offering is still basic.

It's in high-potential areas such as this that specialist third-party assistance can really shine. Klevu combines bleeding edge AI capacity with efficient automation. It continuously learns how shoppers interact with on-site search on your store, and adds contextually relevant synonyms to your catalog in meta-data format to progressively improve and fine-tune UX.

Performance Across Platforms

From self-learning search through to rules-based merchandising, Klevu offers a whole suite of powerful features for **Magento 2** stores, as a simple plug and play integration. In addition to powerful B2B and Category Navigation features, a standout benefit of this platform is the ability to preserve your theme layout, maintaining the look and feel of categories on your search results

landing page. Through a simple tick box exercise, Klevu passes the product IDs and scores back to Magento, telling it where to place products, and Magento itself renders the page. Helly Hansen has made exceptional use of this function, preserving rollover functionality and pulling through reviews.

While the same instant theme preservation isn't replicated for **Shopify Plus,** Klevu integrates exceptionally easily and offers an extensive range of conversion-boosting functionality. Two custom UI templates are available and can be used out of the box with no modifications if desired, but most retailers choose to customize the look and feel to replicate their branding.

The first, instant faceted search, provides a grid layout which is helpful for larger product ranges and attributes, offering a quick way to drill down into the catalog. Bulletproof is one of many Shopify clients that has made great use of this feature.

The second and more popular option is the instant autocomplete search. This will pull

through autosuggestions, as well as non-product content (such as blog content and buying guides). Autosuggestions are rendered from Klevu using Natural Language Processing (NLP), and the ordering of products is based on relevancy. It leverages NLP as well as machine learning.

Our recent integration with BigCommerce means that Klevu is the first and only partner to add on-site search functionality powered by NLP technology to this platform.

Easy Does It

In terms of ease of integration, **Shopify Plus** probably has the edge. Expect to be up and running in as little as 15 minutes. Simply add Klevu via the official App Store, access the Merchant Center via your Shopify Admin panel and sign up to a plan to get started right away.

Installing the Klevu extension in **Magento 2** will require configuration and, true to form for the platform, does require someone with a bit more technical knowledge. But again, the integration process itself is rapid.

For **BigCommerce**, installation is via your Admin Panel.

Klevu can also integrate with custom stores built on Hybris, Java, .net or indeed, any other platform. Simply enable access to your live product feed to allow the indexing of your data. Klevu will provide a short javascript to be integrated on your website, and you're good to go.

For all platforms, Klevu's machine learning takes 30 days to fully optimize. During this period it focuses on product queries, clicks and search-led conversions, optimizing as time goes on. If you need instant results, you can effectively pre-program or 'bootstrap' the machine learning, by using existing search and sales data.

Similarly, if you have a new product launch or holiday-related strategy you can always choose to override Klevu's machine learning with your own business logic by manually adding keywords.

Chapter 5:
Success Stories

Platforms have always marketed themselves on their star clients — you'll have seen the prominent logos emblazoned across sales materials. And there is something undeniably reassuring about seeing market-leading brands aligned to your platform of choice.

Beyond individual standout brands, platforms tend to find themselves aligning with certain verticals over time. It's a result of proving features that meet the particular needs of that sector exceptionally well, and a 'flocking' effect as similar brands sit up and take notice of competitors' successes.

Brands of a Feather

As you'd expect from such a well-established platform, **Magento** has really cornered the market when it comes to household names that garner instant recognition. Among an incredibly impressive stable of global brands, it has a

collection of top-end automotive clients (Jaguar, Landrover and Ford) and Home Furnishing brands (Made and Tom Dixon).

Shopify Plus arguably cultivates a reputation around cool, cutting-edge brands appealing to a younger demographic. It's very strong in the Fashion and Apparel space (Victoria Beckham, Yeezy Supplies and GymShark) but Beauty and Cosmetics have also provided a rich seam of success stories (most notably Kylie Cosmetics and Pixi).

BigCommerce perhaps lacks a little of the glitz of other platforms, and still has its strongest footprint in its native North America. But its client list is rapidly growing, and this expansion arguably accounts for a comparative lack of 'niche'. The platform currently sells itself on brands including Assurant, Ben & Jerry's, Paul Mitchell, Skullcandy, Sony and Toyota.

Finding the Sweet Spot

In terms of brands leveraging the power of their platform alongside the uplift of Klevu,

O'Neills stands out on **Magento 2.** This is great example of a client utilizing keyword-level visual merchandising. O'Neills recognized a popular keyword "Under Armour" (a brand they stocked in their physical stores, but not online) returning zero results. The brand used Klevu to redirect the search to a similar product, and deploying banners (again, via Klevu) it positioned the second brand as a strong alternative to the original search term. The result? Bounces sidestepped and conversion and customer satisfaction boosted.

Among **Shopify Plus** clients, eyewear brand Raen stands out. It makes excellent use of Klevu features available exclusively out of the box for Shopify — Color Swatches and Image Rollover. Enabling the features is as simple as ticking two boxes within the Shopify Admin and saving your selection. Immediately, product color variations and multiple product views are viewable within the search overlay, all with a simple rollover.

With Klevu's **BigCommerce** integration, watch this space for the success stories of tomorrow!

Chapter 6:
Future Roadmaps
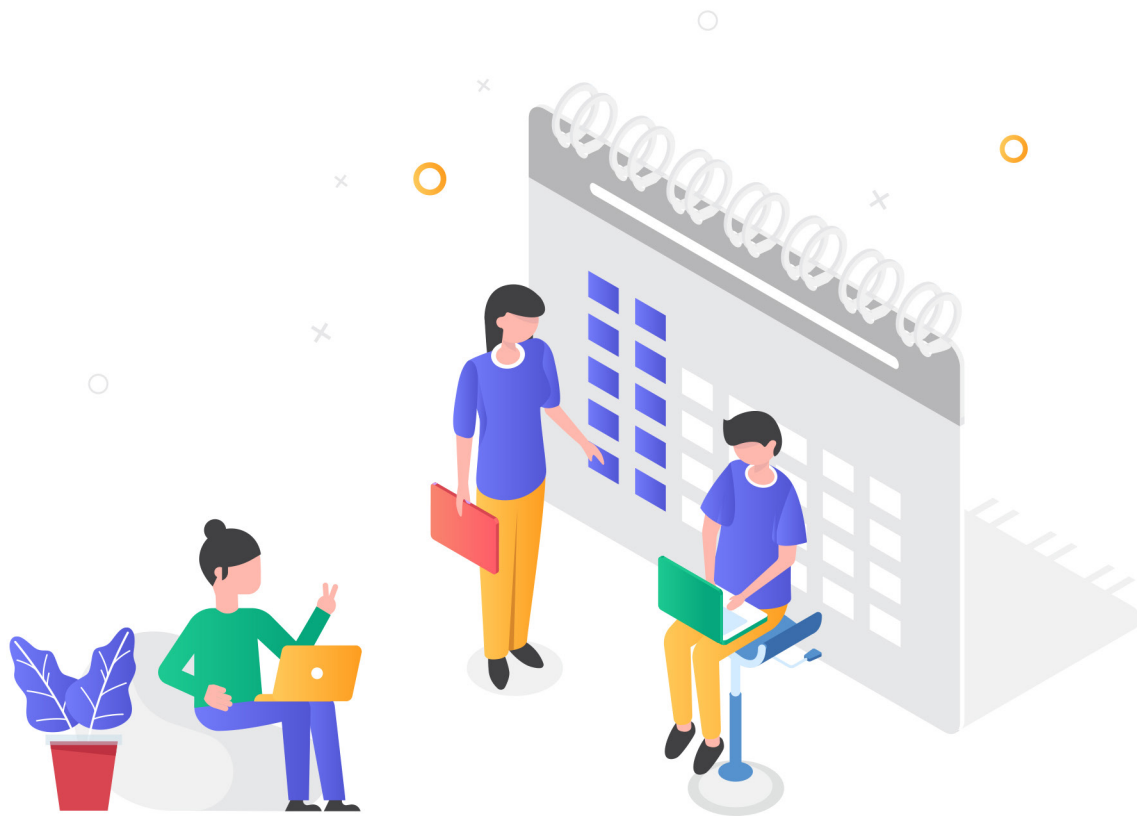
Time to polish our crystal ball... When weighing up platform options, it pays to take heed of companies' announcements, updates and investments. They can all provide clues to future direction.

Platform roadmaps are complex and can play out over a wide range of timescales. But most are fairly keen to plant their flags in the sand when it comes to direction, and clear signposting of this nature benefits everyone.

Magento 2

After last year's acquisition by Adobe, 2019 was always set to be a year of calibration for Magento. Key themes at this year's Imagine gathering (the last one, as the platform will be incorporated into Adobe's megaconference, Summit, from 2020) suggested a strong focus on omni-channel capacity and serious mobile evolution in the form of PWAs (further demonstrated by the launch of their own PWA Studio.)

Enhanced capacities for AI-powered, automated personalization manifested with the introduction of Adobe Sensei to Magento Commerce. Channel integration has also been a hot topic, with Amazon Sales and Google Shopping Ads both being introduced.

The combined might of Adobe and Magento was always going to produce some exciting developments for the platform. Now some of the dust of acquisition has settled, we can expect things to pick up pace in 2020. Prepare for a strong focus on experience-driven commerce, and for merchants to have greater control in terms of leveraging data and multiple sales channels.

Shopify Plus

Early summer is the best time to put your ear to the ground when it comes to Shopify announcements. Its annual Partner conference, Unite, sees huge swathes of info about new features, road maps, acquisitions and general company ambition released into the wild.

June 2019's headline announcements can be found here. Some of the standout takeaways were the complete overhaul of the Plus product (hello, long-awaited multiple store management,) serious investment in its Point of Sale functionality and perhaps most significantly, a newly minted Shopify Fulfillment Network.

2020 Vision

There's no perfect e-commerce platform — they all have their own pros and cons. Often there's a platform option that is more suited to a business's goals and functional requirements, but there are a lot of other areas that need to be considered (e.g. suitability against in-house technical capabilities, additional costs, cost model, ongoing maintenance overheads etc). All of the platforms are definitely getting broader and more extensible — particularly the ones featured in this guide. But it's still important to build out detailed requirements and match them against how platforms operate, levels of customization and the third parties required etc — all of which should be considered in the TCO and ongoing management also.

Paul Rogers,
Vervaunt   (Experts in hands-on eCommerce and replatforming)

What does all this tell us about Shopify's ambition for 2020 and beyond? Simply put, the platform is doubling down on its core motto to "make commerce better for everyone". The emphasis is firmly placed on everyone. And ever ambitious, the platform is extending its capacity to enable better omni-channel experiences across the board.

BigCommerce

For BigCommerce, the big noise right now is around its headless ambitions. As this strategy starts to be employed by increasing numbers of brands, it's a smart move — especially for a platform in the SaaS space.

After a significant funding round in 2018, we can also expect to see a continued drive to expand into European markets. So 2020 might see brands in this region offered particularly favorable signup conditions.

BigCommerce is the only platform featured within this guide not to have yet attained an Initial Public Offering (Shopify's stock performance is currently through the roof). So this may well be factored into some of the strategic decisions made by the business in the coming year. All platforms have their strengths and weaknesses. As more retail moves online, and the demands of modern consumers shift and intensify, the 'one size fits all' approach is dead. The 'best' platform is the one that comes closest to meeting all of your brand's unique requirements, while leaving room for custom maneuvers.

This guide has given you an insight into the general expertise and specialism of a few key players in today's e-commerce platform market. The smartest brands are weighing native capacity against the ability to integrate best-in-class extensions, with minimal effort and maximum return.

By highlighting the ease with which solutions such as Klevu can add instant uplift to your stores, we've given a glimpse into what's possible when brand, platform and third-party specialists combine their expertise. It's about creating retail experiences that are greater than the sum of their parts.

The winning retailers of the future are paying close attention not only to where platforms sit today, but also to their future aspirations — where are they headed, and would your brand benefit from going along for the ride? 2020 is undeniably set to be a competitive year. But as technologies develop and platforms continue to up their game, the potential for creative, ambition brands to thrive has never been higher. Get excited.

To find out how Klevu integrates quickly and seamlessly with all the platforms discussed in this ebook, schedule your demo today.
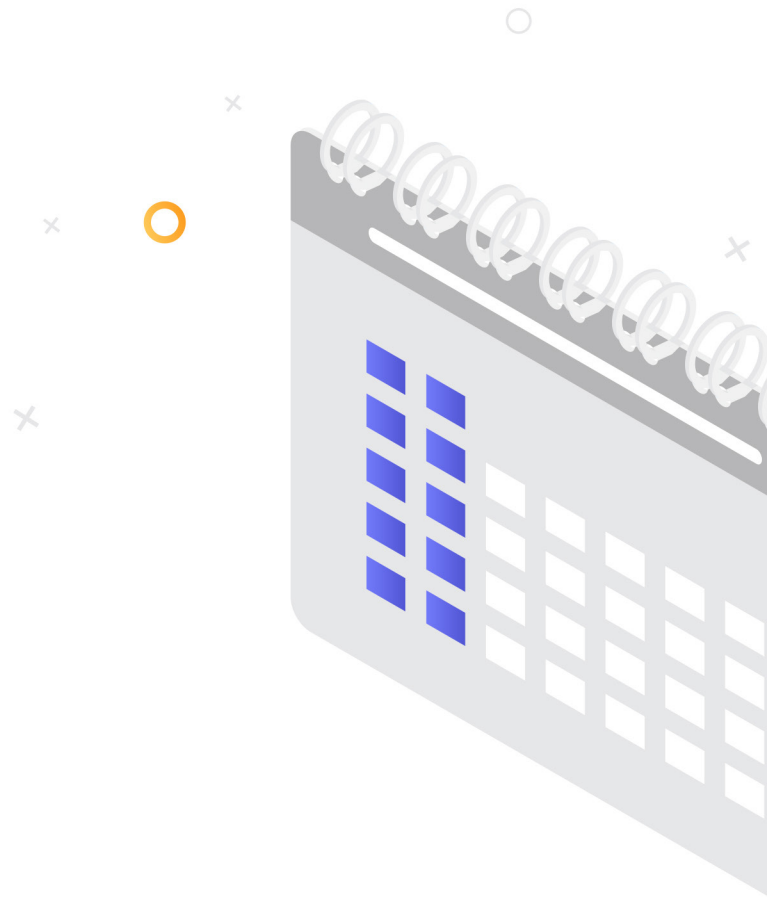
Klevu Oy,

Bertel Jungin aukio 5, 02600 Espoo, Finland

WWW.KLEVU.COM