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The Forrester Wave™: B2B Commerce Suites, Q1 2017

The 11 Providers That Matter Most And How They Stack Up

by Andy Hoar and Anjali Yakkundi
March 24, 2017

Why Read This Report

In our 35-criteria evaluation of B2B commerce suite providers, we identified the 11 most significant vendors — Apttus, CloudCraze, Episerver, IBM, Insite Software, Intershop, Magento, Oracle Commerce Cloud, Oracle NetSuite, SAP Hybris, and Unilog — and researched, analyzed, and scored them. This report shows how each provider measures up and helps eBusiness and channel strategy professionals make the right choice.

Key Takeaways

SAP Hybris, Intershop, And Insite Software Lead The Pack

Forrester's research uncovered a market in which SAP Hybris, Intershop, and Insite Software lead the pack. IBM, Magento, Oracle Commerce Cloud, CloudCraze, and Apttus offer competitive options. Oracle NetSuite, Episerver, and Unilog must continue to evolve their offerings.

Digital Commerce Pros Are Looking For Agile Solutions That Go Beyond The Shopping Cart

The B2B commerce suites market is growing because more eBusiness and channel strategy professionals see B2B commerce suites as a way to address their top challenges around driving digital commerce initiatives across touchpoints.

Agility, Omnichannel, And Experience Management Are Key Differentiators

Legacy commerce technology is becoming outdated and less effective, so capabilities that speed up time-to-market (TTM) and support analytics, sales support, and experience management dictate which providers will lead the pack. Vendors that provide these capabilities position themselves to successfully deliver seamless digital commerce experiences.

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The 11 Providers That Matter Most And How They Stack Up

by Andy Hoar and Anjali Yakkundi
with Fiona Swerdlow, Sam Wolken, and Sara Sjoblom
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B2B Companies Demand More Than A Shopping Cart

For many companies, eCommerce is now critical to growing existing customers, acquiring new customers, and protecting market share from Amazon. As such, distributors and branded manufacturers are upgrading and replatforming their commerce infrastructure to capture and — very importantly — retain demanding, channel-agnostic customers.

Digital businesses have always looked to commerce suite vendors to support basic (and now, fairly commoditized) capabilities like running an online catalog, shopping carts, and promotions. However, with customers now expecting deeper research experiences and richer purchase journeys, vendors must deliver new capabilities both on the back end around fulfillment and integration and on the front end around seamless and innovative customer experiences. This expectation is true not just for distributors — the traditional eCommerce buyers — but also other players, like branded manufacturers and high-tech firms, which are beginning to sell direct to customers. Firms across these verticals are investing in sophisticated B2B commerce technology that supports:

- **Full-spectrum selling.** B2B customers now migrate freely between self-serve and full-service buying, online and offline.[1] As such, B2B sellers must deliver solutions that meet the idiosyncratic needs of business customers who often prefer to buy without talking to sales reps but also, at times, consult with sales reps for more complex and involved purchases.[2] In addition, B2B brand manufacturers carry the special burden of both selling direct from their own website and facilitating indirect sales via channel partners.[3]

- **Personalized digital commerce experiences.** Personalization can be on the website or mobile app — like The Home Depot's ability to detect location when a customer searches on its mobile site and show that customer what is or isn't in stock. Personalization is also instrumental for B2B companies, like MSC Industrial Supply, that use targeted promotions and fulfillment guarantees to drive sales volume and enhance the B2B shopping experience.[4] Commerce suites can provide B2B customers with a personalized buying experience by controlling the front-end experience or managing the customer data that fuels personalization.

- **Data-driven merchant tools.** As customer expectations rise, firms are investing in merchant tools to easily make decisions about what experiences to deliver to customers. Commerce suites are innovating in these areas with machine learning (particularly around personalization and fulfillment) to support automation. We've also seen greater investment in reporting, analytics, and data-driven decisioning tools that further support merchant control over experiences. One customer reference told us that it wanted deeper data capabilities so it could "arm merchants with access to data so that [the merchant] can make better decisions."

- **Agility and faster time-to-market.** Gone are the days of years-long implementations and heavy-IT-footprint solutions, as firms instead demand more agility and faster TTM from their platforms to keep up with customer demand. Cloud-based, service-oriented architectures that implement commerce solutions in a more modern and modular fashion are now must-haves within commerce suites. Firms typically look to either platform-as-a-service (PaaS) deployments where the vendor manages the solution in a single-tenant cloud instance or software-as-a-service (SaaS) deployments where the vendor manages the solution in a multitenant environment.

Maturing eCommerce Vendors Experience A Renewal

In response to the surging demand for eCommerce, vendors have come to market with more fully functional upgrades to their existing solutions as well as net-new offerings. The opportunity to monetize legacy commerce infrastructure in new ways and drive new customer interactions has attracted the interest of investors and incumbent players alike, and it has driven:

› **Key acquisitions in the space.** Since our last look at the eCommerce suites vendor landscape in 2015, established vendors both in and out of the eCommerce space have acquired other vendors to either expand into or shore up their position in this market.[5] For example, in 2016, Oracle spent $9.3 billion to acquire NetSuite and its eCommerce solution, SuiteCommerce.[6] The same year, Salesforce jumped into the eCommerce space by buying commerce vendor Demandware for $2.8 billion.[7] We expect to see more established companies make acquisitions in the space and in adjacent verticals like marketing technology, web content management systems (CMSes), and CRM.

› **Private-equity-funded turnarounds and accelerations.** In the past few years, several private equity firms have made major investments in the space. For example, in late 2014, Siris Capital paid $840 million to take Digital River private.[8] Permira acquired Magento as a part of a spinout from eBay in 2015.[9] That same year, Vista Equity Partners started buying up properties (Baynote, Fiverun, MarketLive, Mozu, and Shopatron) to combine them into one eCommerce platform called Kibo.[10] Recently, CloudCraze took $20 million in fresh funding from Insight Venture Partners and Salesforce Ventures.[11] Given this trend, we anticipate that these venture-backed companies will either be acquired or pursue IPOs within the next few years.

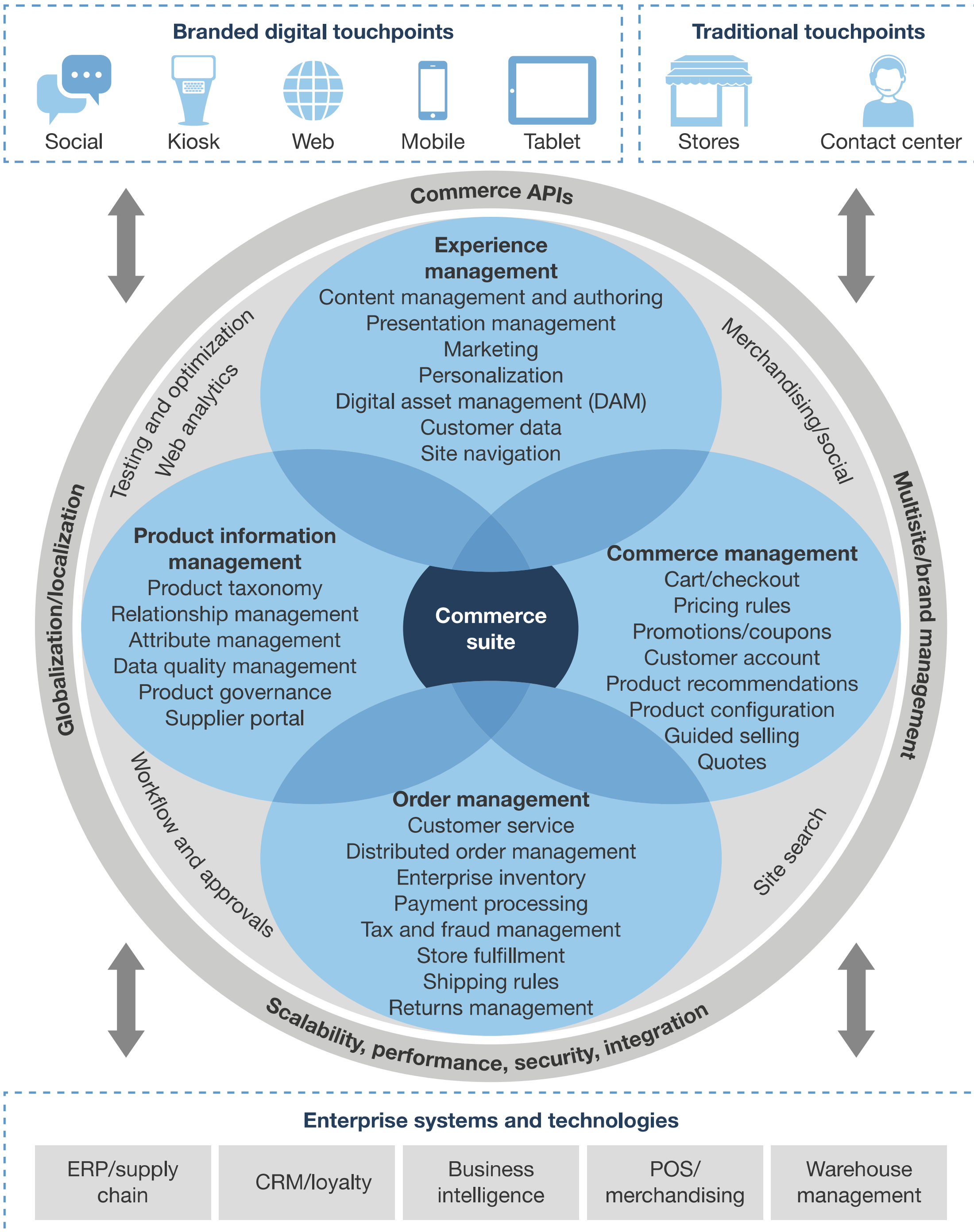
› **New market entrants.** In the B2B commerce space, we've seen new entrants coming from complementary spaces like web CMS or configure-price-quote (CPQ). For example, web CMS vendor Sitecore purchased and breathed new life into the Commerceserver.net platform.[12] Episerver, another marketing and web CMS vendor, doubled down on its commerce investment. And Apttus, historically known for CPQ capabilities, added eCommerce to its platform story. Expect additional players in adjacent spaces to opportunistically enter the market as a way to use the transaction-centric model of eCommerce to further monetize complementary software.

Firms Purchase B2B Commerce Suites In Three Distinct Ways

Four major pillars of digital commerce anchor the commerce suite: commerce management, experience management, order management, and product information management (PIM) (see Figure 1). Even though these areas are converging, digital businesses purchase their B2B commerce suites via three primary modes. We encourage our clients to customize the Forrester Wave™ weightings accordingly, depending on which of the following three models works best for them:

- **All-in-one commerce suite approach.** Many customers Forrester speaks with prefer to purchase commerce suites that include all major pillars of digital commerce in one: commerce management, marketing, experience management, order management, and PIM. This approach is typically best for firms with significant existing investment in a suite that they are looking to replace; midmarket and lower enterprise firms that can't afford to integrate multiple best-of-breed components; and firms in the beginning stages of developing their digital commerce business.
- **Commerce suite with complementary best-of-breed solutions.** We find that few customers purchase best-of-breed software for every single capability area that we have evaluated, as the time and investment spent on integration and vendor management can be onerous. However, many customers choose to strategically bundle elements of the suite when possible — and then source best-of-breed when their needs dictate. This approach is common with enterprise-level businesses today as well as with firms that are already well versed in digital commerce. For example, one customer reference told us that it uses its suite to support commerce management, PIM, and experience management, but it uses a best-of-breed order management system (OMS) to handle significant needs around areas like routing logic and omnichannel fulfillment.
- **Headless commerce suite.** Headless commerce is emerging as the latest way to purchase commerce capabilities. It primarily offers commerce management, potentially offers some basic OMS and PIM support, and uses other solutions (enterprise marketing, web CMS, and custom development) to manage the front-end experience and marketing. Digital businesses that purchase via headless are typically either heavily invested in existing web CMS and marketing tool sets, or they may want to innovate with commerce on new front-end interfaces like conversational or social commerce. Customers who purchase these solutions must ensure the commerce solution has strong developer toolkits and merchant tools.

FIGURE 1 Today's Commerce Suites Support Four Core Pillars Of Functionality



B2B Commerce Suites Evaluation Overview

Forrester set out to assess how well the B2B commerce suite vendors are meeting the evolving needs of the market and to determine how well leading vendors stack up against each other. We evaluated the strengths and weaknesses of 11 top B2B commerce suite vendors across a range of business and technology criteria.

B2B Commerce Builds On A B2C Core But Requires Unique Functionality And Capability

B2B firms must now benchmark themselves against leading B2C companies as well, so Forrester has purposefully kept the majority of the criteria in this evaluation the same as the criteria in the companion Wave for B2C commerce suites.[13] However, this evaluation differs substantively from the Wave for B2C commerce suites in that it gauges vendors' ability to provide full-spectrum sales support, complex channel management functionality, workflow and customization capability, and eProcurement integration.

How The Criteria Are Organized

After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 35 criteria, which we grouped into three high-level buckets:

› **Current offering.** We focused on commerce capabilities across major categories like mobile and emerging touchpoints, solution architecture, experience management, commerce platform capabilities (e.g., shopping cart, promotions, pricing), and adjacent commerce suite capabilities (e.g., PIM and OMS). We focused current offering evaluations on key areas of differentiation and innovation, like experience management, omnichannel, agility, and data-driven merchant tools.

› **Strategy.** We reviewed each vendor's strategy, evaluating its strategic vision and planned enhancements. In particular, we gauged how well the vendors positioned themselves in a maturing marketplace with customers, partners, and developers as well as how well they plan to accommodate significant market disruptions like cloud, service-oriented architectures, AI and machine learning, and personalization. In addition, we heavily weighted vendors' ability to execute on their vision — based principally on what we learned from numerous in-depth customer and partner reference calls.

› **Market presence.** To determine a vendor's market presence, we created a composite assessment that took each vendor's installed base, customer growth, company size, vertical penetration, revenue, and revenue growth into consideration.

Evaluated Vendors And Inclusion Criteria

Forrester included 11 vendors in the assessment: Apttus, CloudCraze, Episerver, IBM, Insite Software, Intershop, Magento, Oracle Commerce Cloud, Oracle NetSuite, SAP Hybris, and Unilog. Each of these vendors (see Figure 2):

- **Illustrates a strong focus on B2B commerce.** Although vendors we included may serve clients in other market segments (B2C) or have extended portfolios (marketing, service, or sales), each has a product offering focused on the needs of enterprise B2B clients as well as an ongoing strategy and road map commitment to B2B commerce.
- **Possesses critical components of a standalone B2B commerce suite.** Vendors we included support core commerce platform capabilities to set up and run an online shopping experience. In addition, these vendors are able to support their clients' needs for extended capabilities like omnichannel order management, product information management, and experience management. These vendors can deliver such capability via embedded functionality, companion products from within their solution portfolio, mature partnerships, or a combination of these approaches.
- **Has sizable revenue and a large overall customer base.** To ensure that the vendors we evaluated will remain viable in this evolving market, Forrester limited its analysis to companies that have the resources and momentum to sustain themselves through variable market conditions. Each of these companies has a minimum of $20 million in annual commerce solution product sales, is profitable or indicates it is approaching profitability, has at least 50 existing clients, and demonstrates positive sales momentum.
- **Owns significant mindshare and has a base of global, enterprise customers.** The vendors we evaluated were able to demonstrate significant customer bases in at least two geographic regions, in addition to strong mindshare with eCommerce professionals and a focus on enterprise customers.

Forrester did not include companies in this assessment that have a primary focus on other related market segments, such as:

- **Midmarket-focused B2B solutions.** Forrester identified several smaller vendors serving this space — such as BigCommerce, OroCommerce, Sana Commerce, and Symphony Commerce — that are starting to gain traction. However, while these vendors bring unique approaches to the space, they currently lack sizable installed bases and primarily serve midmarket companies or divisions within larger companies.
- **Digital- or media-focused solutions.** These providers focus their solutions heavily on media, software, and other virtual or digital goods, and they lack critical physical goods and omnichannel capabilities such as order management. We have written a separate report about vendors that specifically focus on selling digital goods.[14]
- **Single-dimensional point-solution-centric options within the stack.** Our evaluation does not include vendors that focus primarily on layers within the stack like CMS, PIM, and enterprise resource planning (ERP). These include CMS vendors such as Acquia and Adobe, PIM vendors such as EnterWorks and Informatica, and ERP vendors such as Epicor and Infor. These vendors may partner with eCommerce vendors, but they do not provide significant native eCommerce capability.

FIGURE 2 Evaluated Vendors: Vendor Information And Selection Criteria

Vendor	Product evaluated
Apttus	Apttus E-Commerce V2.5
CloudCraze	CloudCraze V4.5
Episerver	Digital Experience Cloud
IBM	IBM Watson Commerce V16.3
Insite Software	InsiteCommerce V4.2
Intershop	Intershop Commerce Suite
Magento	Magento 2
Oracle Commerce Cloud	Oracle Commerce Cloud V16.5
Oracle NetSuite	NetSuite SuiteCommerce Advanced V16.2
SAP Hybris	SAP Hybris Commerce V6.2
Unilog	CIMM2

Vendor inclusion criteria
The vendor illustrates a strong focus on B2B commerce.
The vendor possesses critical components of a standalone B2B commerce suite.
The vendor has sizable revenue and a large overall customer base.
The vendor owns significant mindshare and has a base of global, enterprise customers.

Vendor Profiles

This evaluation of the B2B commerce suites market is intended to be a starting point only. We encourage clients to view detailed product evaluations and adapt criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool (see Figure 3).

FIGURE 3 Forrester Wave™: B2B Commerce Suites, Q1 ’17

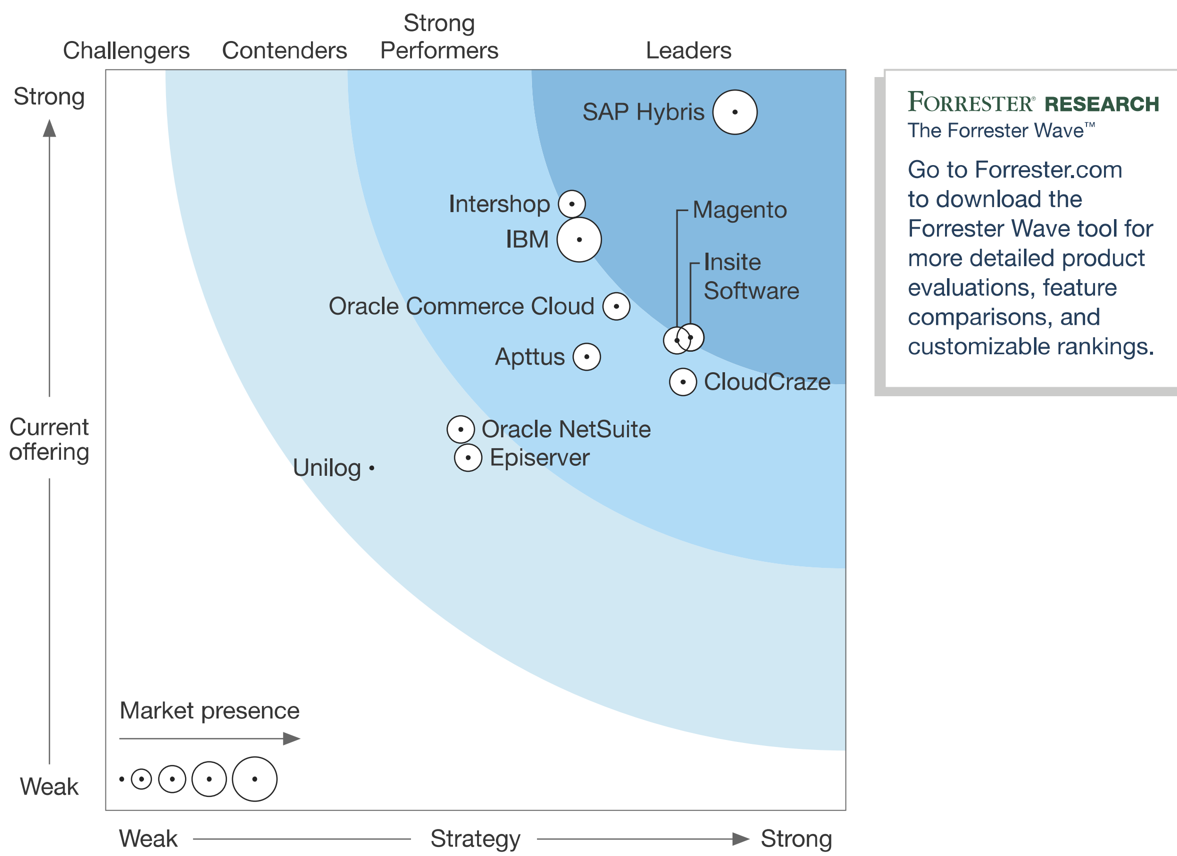


FIGURE 3 Forrester Wave™: B2B Commerce Suites, Q1 ’17 (Cont.)

	Forrester's weighting	Apttus	CloudCraze	Episerver	IBM	Insite Software	Intershop	Magento	Oracle Commerce Cloud	Oracle NetSuite	SAP Hybris	Unilog
Current offering	50%	3.05	2.88	2.37	3.84	3.18	4.08	3.16	3.39	2.56	4.70	2.30
Customer-facing digital touchpoints	20%	3.40	3.40	2.00	3.20	3.80	4.40	3.60	4.00	1.80	4.80	2.20
Solution architecture	20%	3.50	3.70	2.20	3.85	3.40	4.55	3.85	3.40	3.45	4.55	2.95
Experience management	10%	2.55	1.10	4.10	2.75	2.00	3.10	1.90	2.30	1.90	4.45	0.90
Commerce suite capabilities	25%	2.24	2.39	2.47	4.02	2.94	3.61	3.11	2.90	2.97	4.83	2.31
Commerce management	25%	3.40	3.00	2.00	4.60	3.20	4.30	2.80	3.80	2.30	4.70	2.40
Strategy	50%	3.25	3.90	2.45	3.20	3.95	3.15	3.85	3.45	2.40	4.25	1.80
Product strategy and road map	25%	4.00	4.00	2.00	3.00	4.00	4.00	3.00	4.00	3.00	4.00	2.00
Company vision	35%	3.00	4.00	3.00	3.00	5.00	3.00	4.00	3.00	2.00	5.00	1.00
Target market and B2B focus	10%	3.00	5.00	1.00	5.00	5.00	5.00	3.00	5.00	3.00	5.00	3.00
Commerce service providers	5%	1.00	1.00	3.00	5.00	3.00	1.00	3.00	3.00	0.00	5.00	0.00
Developer community	15%	3.00	3.00	1.00	3.00	1.00	1.00	5.00	3.00	1.00	3.00	1.00
Total cost of ownership	10%	4.00	5.00	5.00	2.00	4.00	4.00	5.00	3.00	5.00	3.00	5.00
Market presence	0%	3.00	3.00	3.00	5.00	3.00	3.00	3.00	3.00	3.00	5.00	1.00
Company size, revenue, and customer base	100%	3.00	3.00	3.00	5.00	3.00	3.00	3.00	3.00	3.00	5.00	1.00

All scores are based on a scale of 0 (weak) to 5 (strong).

Leaders

› **SAP Hybris.** Commerce V6.2 continues to power the company’s full-stack commerce solution offering, and the product has substantially grown its revenue, customer base, and partner ecosystem in the space since our 2015 evaluation. Since then, the vendor has also doubled down on investments in marketing and experience management capabilities. The company’s solution is now a staple in most consideration sets for commerce technology selections, and it owns the dominant commerce mindshare in the enterprise commerce space. SAP Hybris continues to be a favorite because of its stability, large global implementation partner network, and vertical industry solution focus.

Despite a concerted, multiyear effort to deliver a microservices-centric marketplace, SAP Hybris has struggled to gain the traction that we expected with its SAP Hybris as a Service (YaaS) offering. In addition, customers told us that the commerce suite's upgrade process was difficult and time-consuming, with one customer referring to it as "a constant upgrade process." Customers also complained about SAP Hybris' high total cost of ownership (TCO), especially for acquiring development resources (some of which is due to limited supply, and some of which is due to high demand).

SAP Hybris is a best fit for companies looking for an industrial-strength, reliable, and fully functional commerce platform that is in wide use across several industry verticals.

› **Intershop.** Based in Jena, Germany, Intershop was among the first vendors to offer commerce software in the 1990s and has a long history in the commerce space. The company has ridden the eCommerce roller coaster over the years, but it has always managed to produce a high-quality commerce product. Since our 2015 evaluation, Intershop has delivered a new OMS solution, and the company's core commerce capabilities like promotions, channel management, and customization remain strong. On top of solid and well-built commerce features, Intershop demonstrates a strong technical road map and a selectively deep ecosystem of partners and developers (particularly in German-speaking countries).

Intershop has struggled over the years to deliver a consistent, overarching vision and global go-to-market strategy. The company's efforts still skew heavily toward an engineering audience, sometimes leaving the traditional VP of eCommerce behind. We believe the vendor has room to grow, particularly in its story (and capabilities) around emerging mobile touchpoints and data-driven decision making. To regain its historical prestige, Intershop must shore up its go-to-market strategies in several geographies around the world — most notably, North America.

Intershop is a best fit for brand manufacturers that have complex channel support requirements, need especially well-developed commerce feature functionality, and are looking for flexibility on global pricing and licensing.

› **Insite Software.** Minneapolis-based Insite has joined the ranks of the established players in the B2B commerce space, with an increasing number of companies now reporting that they're factoring Insite into their B2B eCommerce software consideration set. Insite has a strong vision for a unified value proposition that includes eCommerce and salesperson-centric and persona-driven selling. Customers consistently describe Insite as laser-focused on B2B and especially client-focused — with one customer calling Insite a "company that cares."

Insite has been late to the game on offering AI, SaaS, and a microservices-based framework. The company is also relatively weak on dynamic personalization technologies and PIM. Customers commented that, with Insite, "not everything they'd expect to work out of the box [actually] does," and that the framework that Insite uses can require significant customization. While Insite has made impressive strides in developing its partner network, the company still lacks a footprint that rivals its closest competitors.

Insite is a best fit for upper-midmarket and lower enterprise B2B companies looking for a vendor with deep experience in the B2B space that specifically understands persona-driven and B2B channel selling.

Strong Performers

› **IBM.** IBM's commerce suite is anchored in IBM Watson Commerce and bolstered by best-of-breed products in areas like OMS and PIM. IBM positions the commerce products as part of its overall Watson vision, and the firm plans to embed more data-driven decisioning and AI into the platform. These capabilities will further enhance the overall feature-rich suite, which is strong in areas like OMS, analytics, campaign management, and promotions. As always, IBM offers a strong enterprise customer base that includes some of the largest companies in the world. The vendor also has an extensive, well-developed services partner network that includes many systems integrators and digital agencies.

However, some of Big Blue's shine in commerce has worn off in recent years. It has faced stiff competition from other large vendors and from digital upstarts, some of which offer better TTM and TCO. IBM customers lament the high price tag (though the vendor has attempted to bring the price down in the past year), traditional feature bloat, lack of agility, and difficult product user interface. Features in experience management areas need improvement, as well: particularly web CMS and the integration between its proprietary commerce and marketing tools. Cloud is another gap, although customers are optimistic about the cloud-centric future road map.

IBM remains a good fit for large enterprises looking for a feature-rich commerce offering as well as for companies that have a strong internal support team to develop and maintain the solution.

› **Magento.** Based in Campbell, California, Magento is now held by private equity firms Hillhouse Capital and Permira. It was spun out of eBay and relaunched as an independent company in November 2015. Since then, Magento has released Magento 2 on-premises and in the cloud to address scalability issues with Magento 1 and to compete more aggressively in both the enterprise B2B and B2C space. Despite some challenges with Magento 2's code base and launch, Magento 1 users are beginning to upgrade. Magento 2 is a step forward in performance capability and comes with a new fixed-fee pricing model. Magento's main differentiator is that it offers a variety of "extensions" to Magento 2 via its Marketplace. These include hundreds of commercial partner and Magento community-built integrations that extend Magento 2's ability to provide functionality such as advanced shopping carts, content management tools, and Apple Pay features.

The Magento customers we spoke with said that while they were impressed with Magento 2 improvements, they were concerned about the magnitude of the upgrade process from Magento 1 to Magento 2. In addition, the Magento 2 Marketplace still has some gaps around popular Magento 1 extensions, and Magento 2 needs further refinement in areas like personalization and site-search capabilities.

Magento 2 is a best fit for Magento 1 customers who are heavy users of Magento Marketplace extensions, companies that have a preference for open source, and enterprises looking for an affordable alternative to traditional enterprise software solutions.

› **Oracle Commerce Cloud.** Oracle is fundamentally transitioning from a traditional on-premises commerce suite (the historically strong ATG/Endeca product) to a 100% cloud-based commerce offering: Oracle Commerce Cloud (OCC). While Oracle still maintains the Oracle ATG/Endeca on-premises product, we focused this evaluation on Oracle Commerce Cloud. OCC has solid commerce capabilities, such as customer account management and digital store, and has the vision to seamlessly integrate OCC with other Oracle Clouds. Oracle's goal — one that we believe is differentiated and ahead of the market — is to offer its clients truly frictionless movement between the on-premises world and the cloud.

However, Oracle currently falls short on fully delivering on the reality of feature equivalency between the on-premises solution and the cloud. Customers report that OCC is "impressively stable" and "easy to get up and running with," but they also cite "functionality limitations" and some feature deficiencies relative to the on-premises solution — specifically related to promotions, the admin console, and site-search capabilities. We expect Oracle to fill these gaps in the near term, but we also expect that on-premises customers will face some challenges when moving to the cloud.

OCC is a best fit for companies currently using Oracle ATG on-premises that want to shift to a cloud environment, as well as companies looking to grow with an enterprise-grade vendor that offers a vision for a flexibly deployed, cloud-first commerce solution.

› **CloudCraze.** Chicago-based CloudCraze is one of two vendors we evaluated that are built on top of Salesforce. Because it's native to Salesforce, CloudCraze is hardwired to work in conjunction with Salesforce's other native cloud offerings. In addition, CloudCraze enables existing Salesforce customers to spin up enterprise commercial selling sites in very short time frames. The company is well positioned to leverage its preintegration with Salesforce to offer salespeople CRM-enhanced eCommerce as well as globalized and localized sales support.

CloudCraze lags competitors in terms of digital store capabilities, personalization features, and web CMS functionality. The Salesforce platform is also limited in its ability to do certain heavy computational work, which partially prevents CloudCraze from delivering advanced configurator features and handling complex search queries. CloudCraze is aggressively building out its implementation partner network, but today, it lacks a global and diverse set of systems integrators and digital agencies. In addition, references expressed some concern about CloudCraze's dependency on Salesforce, given Salesforce's currently complementary, but potentially competitive, Commerce Cloud solution.

CloudCraze is a best fit for existing Salesforce B2B customers that are looking to build on their investment in Salesforce and get up and running with eCommerce relatively quickly and easily.

› **Apttus.** California-based Apttus comes to eCommerce by way of CPQ and B2B order management — both adjacent spaces in which Apttus was named a Leader in recent Forrester Wave evaluations.[15] As such, Apttus offers strong configuration, sales support, and pricing capabilities. Born in 2006 on top of Salesforce (Salesforce is an investor in the company), Apttus is among the first eCommerce vendors to offer a truly integrated selling platform — from full service for salespeople to self-service for empowered B2B buyers.

In addition to its long-standing relationship with Salesforce, Apttus recently launched "Apttus for Microsoft Dynamics" for a growing population of Microsoft Azure customers. This move is also a hedge against Salesforce's acquisition spree in both of Apttus' core markets in the past 12 months, including SteelBrick in CPQ and Demandware in eCommerce. Apttus has low name identification in the B2B eCommerce space, even among B2B companies that currently use Apttus for CPQ. In addition, customers report that Apttus' eCommerce solution is limited out of the box, and that it requires Apttus, or one of its partners, to handle most product configuration and customization.

Apttus is a best fit for large enterprises looking for a highly customized eCommerce solution to sit on top of Salesforce or Microsoft Azure.

Contenders

› **Oracle NetSuite.** California-based Oracle officially completed its acquisition of NetSuite in November 2016. NetSuite's cloud-native SuiteCommerce solution gives Oracle a strong midmarket install base and a tested and proven multitenant SaaS-based commerce solution. Oracle NetSuite has strong capabilities in areas like order and inventory management and customer account management — all tied to a compelling ERP offering. We expect that Oracle will focus NetSuite's SuiteCommerce solution on midmarket customers, and that it will focus its commerce cousin, Oracle Commerce Cloud, on enterprise customers.

Oracle must articulate a clear and credible cross-product positioning strategy, especially for commerce customers in the midmarket. Otherwise, Oracle NetSuite may get lost in the middle ground between the midmarket and the enterprise space and lose hard-earned mindshare and market share. Oracle NetSuite's commerce capabilities are "powerful and flexible," as one customer stated, but customers generally characterized the overall commerce solution as "missing bells and whistles" such as market-leading personalization tools, experience management, analytics features, and site-search capabilities. In addition, Oracle NetSuite lacks strong configurator capability.

Oracle NetSuite's SuiteCommerce is a best fit for customers looking for a value-priced, integrated software suite and a single system of record that includes eCommerce, OMS, ERP, and CRM.

› **Episerver.** Based in Irvine, California, Episerver was bought by private equity firm Accel-KKR in 2014. Episerver goes to market with a .NET, cloud-based, combined content and commerce offering. Accordingly, it showed particularly strong capabilities in its experience- and marketing-centric capabilities like web CMS (it was named a Leader in the latest Forrester Wave on web CMSes), A/B testing, and digital asset management (DAM).[16] The vendor has a strong commitment to cloud and a platform that customers reported as agile. Customers we spoke with almost universally chose the product because of its integrated web CMS and commerce capability. They also praised the vendor's customer service and transparent vision.

Episerver still has some gaps in its commerce capabilities. Notably, it lacks digital store capabilities (these must be customized or done via partners), and it needs to improve its PIM and OMS capabilities to meet market standards (few current customers use them as best-of-breed capabilities today). Episerver's partner network is also limited and includes mostly smaller, boutique players, particularly in North America. The company's product road map has limited next-generation commerce innovations, like support for commerce anywhere.

Episerver is best fit for midmarket and low-end enterprise customers looking for an integrated content and commerce offering.

› **Unilog.** Based in Philadelphia and Bangalore, India, Unilog is a newcomer to Forrester Wave evaluations of B2B commerce suites. Unilog entered the commerce space by productizing functionality it originally developed in its heritage catalog and taxonomy management business. Primarily focused on the B2B midmarket, Unilog has strong relationships with cooperatives and associations such as Affiliated Distributors, and it offers a viable cloud-centric solution for the low end of the enterprise space. As one customer put it, "With Unilog, you can get 90% of the functionality at 60% of the price."

Unilog's CIMM2 commerce product has some shortcomings in terms of functionality. It lacks the ability to personalize customer experiences at the same level as other Forrester Wave participants, and it offers fairly standard web CMS capability. Moreover, Unilog's CIMM2 product is limited in handling subscription services and selling digital goods. Customers report feeling that Unilog is spread thin as a company, and that it struggles to scale, at times failing to live up to critical time and resource commitments. In addition, Unilog's platform offers limited ability out of the box to support sales in multiple languages and currencies.

Unilog's CIMM2 product is a best fit for midmarket and lower enterprise distributors, especially companies operating in the electrical and industrial goods space, that are looking for a viable alternative to more traditional software solutions.

Supplemental Material

Online Resource

The online version of Figure 3 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave

Forrester used a combination of three data sources to assess the strengths and weaknesses of each solution. We evaluated the vendors participating in this Forrester Wave, in part, using materials that they provided to us by November 2016.

› **Hands-on lab evaluations.** Vendors spent one day with a team of analysts who performed a hands-on evaluation of their products using a scenario-based testing methodology. We evaluated each product using the same scenario(s), creating a level playing field by evaluating every product on the same criteria.

- **Product demos.** We asked vendors to conduct demonstrations of their products' functionality. We used findings from these product demos to validate details of each vendor's product capabilities.
- **Customer reference calls.** To validate product and vendor qualifications, Forrester also conducted reference calls with three to five of each vendor's current customers.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave evaluation — and then score the vendors based on a clearly defined scale. We intend these default weightings to serve only as a starting point and encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve. For more information on the methodology that every Forrester Wave follows, go to http://www.forrester.com/marketing/policies/forrester-wave-methodology.html.

Integrity Policy

We conduct all our research, including Forrester Wave evaluations, in accordance with our Integrity Policy. For more information, go to http://www.forrester.com/marketing/policies/integrity-policy.html.

Endnotes

1 Omnichannel B2B buyers are more active, generate more incremental revenue, and cost less to serve than single-channel customers. But as customer expectations rise, B2B buyers are becoming fickle and demanding a full spectrum of self-service, full-service, and hybrid purchase options. The following report is designed to help B2B digital business professionals make the case for building better omnichannel experiences. For more, see the Forrester report "The Case For Omnichannel B2B."

2 While B2B buyers overwhelmingly prefer to research, and increasingly buy products and services, via a self-service website, B2B sellers still force buyers to interact with their salespeople as part of the purchase process. The following report describes how and why B2B eBusiness and channel strategy professionals must radically transform their

historical sales models to accommodate a real-time and global buying environment where websites, not salespeople, are at the heart of how B2B companies buy and sell. For more, see the Forrester report "Death Of A (B2B) Salesman."

[3] In today's world, lines of demarcation between competitors and partners are fuzzy. B2B players must adopt ecosystem-based models that prioritize delivering customer value over assigning credit for sales. The following report describes how age-of-the-customer digital forces are creating a challenging new reality, but also compelling new opportunities, for digital business professionals working at B2B manufacturers and channel partners. For more, see the Forrester report "Realign B2B Channels For A Post-Disruption World."

[4] Early winners in the B2B space have successfully incorporated proven B2C features and functions into their B2B eCommerce shopping experiences. B2C sites have successfully used personalization and customization to increase conversion rates and customer satisfaction for the past several years. Now B2B companies are getting in on the act. The following report provides a road map for eBusiness professionals in the process of developing and executing their B2B eCommerce strategies. For more, see the Forrester report "B2C Sets The Standard For B2B."

[5] See the Forrester report "The Forrester Wave™: B2B Commerce Suites, Q2 2015."

[6] Source: "Oracle Buys NetSuite," Oracle press release, July 28, 2016 (https://www.oracle.com/corporate/pressrelease/oracle-buys-netsuite-072816.html).

[7] Source: "Salesforce Signs Definitive Agreement to Acquire Demandware," Salesforce press release, June 1, 2016 (http://investor.salesforce.com/about-us/investor/investor-news/investor-news-details/2016/Salesforce-Signs-Definitive-Agreement-to-Acquire-Demandware/default.aspx).

[8] Source: Evan Ramstad and Patrick Kennedy, "Digital River will go private in $840M deal," Star Tribune, October 24, 2014 (http://www.startribune.com/software-maker-digital-river-will-go-private-in-840m-deal/280301122/).

[9] Source: "Magento Commerce Launches as Independent Company Backed by the Permira Funds," Magento press release, November 2, 2015 (https://magento.com/press-room/press-releases/magento-commerce-launches-independent-company-backed-permira-funds).

[10] Source: "Kibo," Vista Equity Partners (https://www.vistaequitypartners.com/company/Kibo).

[11] Source: Chris Dalton, "CloudCraze Secures Investment by Insight Venture Partners and Salesforce Ventures," CloudCraze, January 4, 2017 (http://www.cloudcraze.com/cloudcraze-secures-investment-by-insight-venture-partners-and-salesforce-ventures/).

[12] Source: "Sitecore Acquires Leading E-commerce Vendor commerceserver.net," Sitecore press release, November 20, 2013 (http://www.sitecore.net/en/company/press-and-media/press-releases/2013/11/cs-announcement).

[13] See the Forrester report "The Forrester Wave™: B2C Commerce Suites, Q1 2017."

[14] See the Forrester report "Market Overview: Commerce Solutions For Digital Products And Services, 2015."

[15] See the Forrester report "The Forrester Wave™: Configure-Price-Quote Solutions, Q1 2017" and see the Forrester report "The Forrester Wave™: B2B Order Management, Q4 2015."

[16] See the Forrester report "The Forrester Wave™: Web Content Management Systems, Q1 2017."

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