

### **SAP Customer Experience**

SAP Commerce Cloud | PUBLIC

## **Consistently Grow a Profitable B2C Commerce Business**





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## **Shift Business Priorities to Facilitate Sustainable, Profitable Growth**

Many brands started their digital commerce business with the primary intent to grow market share with top-line growth in mind. Sure enough, these efforts are paying off as online sales and the overall percentage of sales are growing across the industry. However, many retailers have realized the cost to serve online is **out-pacing revenue**. Free shipping, same-day delivery, and lax return policies are all adding up and creating pressure on profit margins.

Together with uncertain macroeconomic conditions, it's imperative for B2C organizations to focus on the bottom line and help ensure sustainable, profitable growth for their organization. How can the right technology solution help your B2C business maximize the potential profitability of e-commerce – now and in the future?

As the market is going through a lot of changes and uncertainties, B2C business leaders are shifting their business focus. While 67% of retail executives say they prioritize increasing margins and profitability, 56% say entering new markets for new revenue streams is a priority.¹ Considering the unknowns in the market, B2C organizations are actively looking for new ways to grow profitability.



To drive profitable revenue growth and successful business outcomes, retailers need a digital commerce platform that helps them nimbly adapt digital innovation to enable an outstanding consumer experience. Key features to look out for are:

**Adaptiveness** – Jump-start your commerce business and design a platform that aligns with your needs and priorities using a feature-rich foundation. Achieve the benefits of composability whatever your digital maturity level. Extend your platform with quality solutions from a highly curated and certified partner ecosystem.

**Connectivity** – Link supply chain and demand signals with end-to-end processes for profitable growth. Use simplified prebuilt integrations with other software for faster time to market and lower TCO. Break down silos to link demand chains with business practices.

**Insightfulness** – Deploy customer analytics to understand business performance and consumer behavior. Leverage AI to make data-informed, actionable decisions. Provide personalized and adaptive search and merchandising to deliver what customers want to see and enhance their experience.

With these key capabilities, retailers can achieve both top-line and bottom-line growth that ultimately leads to increased profitability.



To help your company maximize e-commerce profitability while minimizing risk and challenges, we offer the SAP® Commerce Cloud solution. This solution drives profitable outcomes for B2C brands by enabling you to create connected, insightful, and adaptive commerce experiences, all on a comprehensive and scalable platform you can trust.

It provides the flexibility that helps you compose at your own pace, innovate fast, and delight customers with differentiated experiences.



From discovery to delivery and beyond, SAP Commerce Cloud empowers B2C businesses to **generate profitable digital commerce growth**.





## **Adapt Digital Innovations to Nimbly Deliver the Optimal Customer Experience**

To increase e-commerce profitability and address consumer expectations, your brand must be nimble. Rather than spending excessive time integrating point solutions, you need to focus on driving innovation. The best way to do this is with a powerful and adaptable solution that helps you develop at your own speed, extend commerce capabilities, and innovate and transform fast – so you can quickly deliver differentiated experiences.

SAP Commerce Cloud provides modular, comprehensive, and built-in functionality to capitalize on new and emerging revenue opportunities. Tap into industry-leading offerings from our extensive partner ecosystem and a library of features that help you simplify complex tasks, enhancing business users' ability to focus on delivering innovative customer experiences.

## SUPPORT FOR DIFFERENT BUSINESS MODELS AND CHANNELS

As it supports many business models including B2B, B2C, B2B2C, and direct to consumer (D2C), SAP Commerce Cloud helps brands quickly expand and grow their businesses without adding new instances or replatforming. The feature-rich scalable solution lets you compose at your own speed to design a commerce platform that meets your business needs and priorities.

SAP Commerce Cloud can help you attract and convert customers – even if they interact with you across different channels. The solution intuitively connects online and offline experiences so customers get the same high-quality experience regardless of channel.



You can also use the solution to expand your commerce presence. Take advantage of a feature-rich foundation to compose your own commerce platform with the extensibility to deliver an innovative and optimized commerce experience, regardless of your organization's digital maturity.



#### Benefits:2

>30%

Increase in basket value through smarter promotions

>4x

Increase in online orders during the COVID-19 pandemic

# Real-time availability

To streamline omnichannel order management, including stock replenishment and delivery

#### Solutions:

- · SAP Commerce Cloud
- SAP Analytics Cloud
- SAP S/4HANA®
- SAP Customer Activity Repository



#### Benefits:3

90%

Fewer custom code modifications (down to 200 from 2,000)

150-200

Milliseconds Web page load time, down from seconds

#### Solutions:

- SAP Commerce Cloud
- SAP Preferred Success

<sup>2. &</sup>quot;Penti: Delivering Fulfilling Customer Experiences with a Unified Commerce Strategy." SAP Business Transformation Study, June 2021.



## Measure Sustainability Impact, Build Loyalty, and Create New Revenue Streams

Users of SAP Commerce Cloud can bolster their efforts to realize sustainable, profitable growth using the SAP Recommerce solution. With features supporting trade-in programs, reconditioning operations, and sales, SAP Recommerce allows you to take back, manage, and resell pre-owned inventory. The solution helps you accelerate the shift from a linear to a circular business model, extend customer lifetime value, and promote moresustainable consumption.

You can engage with shoppers, facilitate key recommerce operations and business processes, capture data, and manage the product lifecycle.

The solution enables you to grow your business by selling used, upcycled, or archived inventory on a resale channel that offers an exceptional customer experience. Build strong brand loyalty using data and intelligence to support new customer touch points and expand product lifespan. And track your sustainability progress, driving business outcomes and giving your customers a greener choice.



## **Achieve Consistently Profitable Commerce with Intelligent Insights**

To help ensure your e-commerce revenue increases, you need to be equipped with intelligent enterprise-wide data and insights. High product return rates can hurt margins. Ongoing supply chain challenges can compromise forecasting accuracy and fulfillment and delivery efficiency – making it difficult to have the right product available at the right time. An inability to unify customer data can hinder your organization's ability to deliver one-to-one personalization that boosts conversion rates. And productivity can decline when business users must navigate and use patched-together point solutions.

To support profitability, SAP Commerce Cloud is integrated with SAP S/4HANA. By connecting demand signals to the supply chain, these solutions help you power profitable decision-making and intelligent fulfillment.

When used in conjunction with the SAP Intelligent Returns Management solution, SAP Commerce Cloud can help ensure that your customers have better purchase and return experiences. These solutions also help you maximize the value of returned products while gaining insights to mitigate ongoing issues.

#### INSIGHT THAT ENABLES CUSTOMER ENGAGEMENT

With intelligent selling services for SAP Commerce Cloud, you can promote offerings that are valuable to your customers and business with AI-based real-time personalization, recommendations, and merchandising. SAP Commerce Cloud is integrated into SAP Customer Data Platform and the SAP Emarsys® Customer Engagement solution, helping you deliver personalized omnichannel customer engagement across touch points



throughout the shopping journey – including in-application, e-mail, SMS, and online. Better engagement encourages more customers to shop, boosts conversion rates, increases the average order value, and turns one-time buyers into loyal repeat customers with a higher lifetime value.

SAP Commerce Cloud helps you make customers feel like VIPs. By empowering employees to deliver highly personalized customer engagements, the solution supports you in delighting customers with exceptional service throughout the buying journey. With insight at their fingertips, frontline employees can become trusted advisors, helping customers find the right product at the right price and configure complex solutions.



#### Benefits:4

### Global

Operations, with Virgin Megastore Dubai enabled to sell products to anyone, anywhere

### Scalable

And reliable business processes that run without continuous effort, thanks to SAP Commerce Cloud

## Daily

Updates with new features such as one-toone chat and mobile options



## **Connect Commerce Business Processes to Foster Top- and Bottom-Line Growth**

As your e-commerce business expands, complexity grows. To cope with larger catalogs, more customer touch points, new fulfillment models, and higher numbers of product returns, some companies invest in building custom solutions.

Yet these solutions often lack the flexibility to support business-user and customer demands. Challenges increase as you expand across brands and geographies, face unanticipated disruptions and traffic spikes, and address ever-changing global compliance requirements, data trust concerns, and safety issues.

SAP Commerce Cloud simplifies operations, regardless of your business complexity. This feature-rich, modularly designed, and unified commerce solution includes product information management, Web content management, order management, and search functionality – all in one solution (see Figure 1).



#### Connectivity



#### **Business solutions from SAP**

- SAP S/4HANA
- SAP Order Management foundation
- SAP ERP application
- · SAP CPQ solution

### SAP Customer Experience solutions

- SAP Emarsys Customer Engagement solution
- SAP Service Cloud solution
- SAP Sales Cloud solution
- · SAP Customer Data Cloud portfolio
- SAP Customer Data Platform

#### **SAP Store and SAP Community**

- Digital asset management
- Marketplace
- Point of sale
- Payment

#### Social and other

- Google
- Facebook





**SAP Commerce Cloud solution** (platform as a service)

#### Extensibility





SAP Business Technology Platform, Kyma runtime



Omnicommerc connect APIs



Integration APIs, events, webhooks



SAP Commerce Cloud integrates with other SAP solutions including SAP S/4HANA, SAP Customer Experience solutions, and more. SAP Commerce Cloud also provides a vast partner ecosystem with flexible integrations so your brand can intuitively add the solutions needed to grow e-commerce profitability.

Integration capabilities – including a wide range of APIs – also help eliminate the need to spend time and resources stitching together dozens of third-party solutions, so you can focus on differentiators that improve profitability.

The solution also includes prebuilt templates, stores, and modules with embedded support for industry processes and functionality.

This enterprise-grade e-commerce solution is reliable and highly available, so your business can manage even large demand peaks. SAP Commerce Cloud handles global cross-border commerce (including transactions in China). It includes support for multiple geographies, languages, currencies, sites, and experiences. In addition, the solution can scale to keep pace as your business grows (see Figure 2).



#### SAP Commerce Cloud Scales with Your Business<sup>5</sup>



### 10 million

Items in the price catalog of a leading electronics distributor



648,000

Peak orders per hour processed by one leading consumer electronics company





## >70 countries

In which SAP Commerce Cloud customers operate, with 12 data centers across five continents

Figure 2: Scalability and Processing Power of SAP Commerce Cloud







#### Benefits:6

16

Weeks to go live

Integrated lead-to-cash solution connecting to the SAP ERP application

25%

Planned increase in Web site conversions

#### Solutions:

- SAP Commerce Cloud
- SAP Customer Experience
- SAP Customer Data Cloud
- SAP Emarsys Customer Engagement
- SAP employee experience management solutions by Qualtrics



#### Benefits:7

>65,000

Commercial vehicle parts and accessories sold online

### >1 million

Products potentially supported in a scalable platform

24x7

Availability, with customers finding and buying parts without consulting branch staff

#### Solutions:

- SAP Commerce Cloud
- SAP Integration Suite



#### Benefits:8



Ability to track data it has permission to use to offer services that match customer expectations



Hyperpersonalization that optimizes the customer journey



Support for disruptive approaches that create competitive edge in the D2C market

#### Solutions:

- · SAP Commerce Cloud
- · Customer data solutions from SAP

<sup>6. &</sup>quot;South Shore: Building Stronger Customer Relationships on Better E-Commerce Experiences." SAP Online Customer Story, September 2022.

<sup>7. &</sup>quot;SAP Industries and CX Value Stories: SAP Commerce Cloud." page 51, SAP Online Customer Stories, 2023.

<sup>8. &</sup>quot;SAP Industries and CX Value Stories; SAP Commerce Cloud." page 66, SAP Online Customer Stories, 2023



## Realize Value with a Consistent Digital Experience Across Diverse Industries

Each industry has different demands and requirements for commerce, and B2C brands need a solution that can be tailored accordingly. Whatever your industry, be it retail, consumer products, or automotive, SAP Commerce Cloud offers a flexible yet comprehensive solution to help you succeed in the growing e-commerce market.

Industry-specific workflows and accelerators, coupled with the solution's composability, help you build a unique commerce platform that meets not only your business priorities but also industry-related requirements and needs.

Adjusting your commerce platform to fit these needs allows you to innovate and transform with speed and remain agile – whatever may be happening in your industry.

"Carhartt's job is to get products into the hands of hardworking folks, when and how they want them. SAP Commerce Cloud helps us do just that." 9

Donavan Marchywka, Director, Digital Solutions, Carhartt Inc.



## **Benefit from Continuous Innovation and Regular Updates**

To help ensure profitable commerce revenue growth, organizations require e-commerce platforms that are stable, secure, and continuously innovating. Simultaneously, these organizations are being forced to focus on profitability by delivering more with fewer resources.

With a focus on continuous innovation, SAP Commerce Cloud provides consumable and frequent updates.\* These updates allow us to deliver innovations more rapidly while helping to ensure our customers can protect their business with mandatory compliance and security patches as they become available.

You can now say goodbye to complex upgrades and benefit from these regular updates as you enjoy:

- Faster access: Unlock updated commerce innovations every one to two months, rather than twice a year.
- **Reduced effort:** Each update is backward compatible and more focused, making it easier for your organization to implement.
- Functionality previews: We sometimes ship preview releases of new features or major changes, giving you extra time to prepare.

With this approach, you'll receive clear communications on the road map so that you know when each update is coming and what capabilities will be delivered (see Figure 3).





- Run the most secure and stable version of SAP Commerce Cloud
- Reduce the effort and cost by moving away from major version upgrades to smaller, easier-to-adopt, incremental monthly updates
- Get more flexibility when you activate new features and benefit from continuous innovation



## Optimize Your E-Commerce Capabilities and Increase Revenue Generation with SAP Services and Support

Capitalize on short time to value and long-term adoption and optimize your SAP Commerce Cloud solution for your desired business outcomes with guidance from experts for SAP Services and Support. Whether you're looking to transform your e-commerce landscape or adopt new functionality, services for SAP Commerce Cloud offer expert guidance for each step of your journey – from planning to implementation and operation to expansion.

Maximize the Value of SAP Commerce Cloud with Our Portfolio of Services

Read the brochure

Benefit from prepackaged services available on the SAP Store site

**Shop SAP Store** 

Take advantage of our onboarding resource center for SAP Customer Experience solutions

**Onboarding Resource Center** 



#### **SUMMARY**

The SAP Commerce Cloud solution helps B2C organizations achieve profitable digital commerce growth from discovery to delivery and beyond. They can connect their business processes, linking supply chain and demand signals with end-to-end processes for profitable growth. They can use insights to stay on top of customer behavior and commerce performance. And they can adapt digital innovation by composing their own commerce platform to deliver optimized experiences.

#### **Objectives**

- Respond effectively to changing consumer shopping behaviors
- Deliver rich, consistent, and unified consumer experiences across channels to increase average order value
- Develop a 360-degree view of customers, enabling insights that connect consumer demand with the supply chain
- · Gain the agility needed to innovate faster

#### Solution

- Flexible cloud-native commerce solution
- Comprehensive commerce solution that includes product information management, content management, order management, and search functionality
- Decoupled and composable commerce architecture with a wide range of APIs
- Intelligent selling services to deliver personalized shopping experiences
- Integration with SAP S/4HANA and other SAP solutions
- Industry accelerators to speed implementation, boost sales, and increase growth across channels



#### **Benefits**

- Higher conversion rates through real-time, Al-enabled personalization, recommendations, and merchandising
- Top-line and bottom-line growth supported by connected commerce business processes
- Enhanced business performance using insights to monitor consumer behavior and commerce performance
- Innovative and optimized commerce experiences aided by the flexibility to compose at your own pace

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For more information, visit us online.



### **SAP Customer Experience**

