SAP

SAP Commerce Cloud

Consistently Grow a Profitable B2C Commerce Business
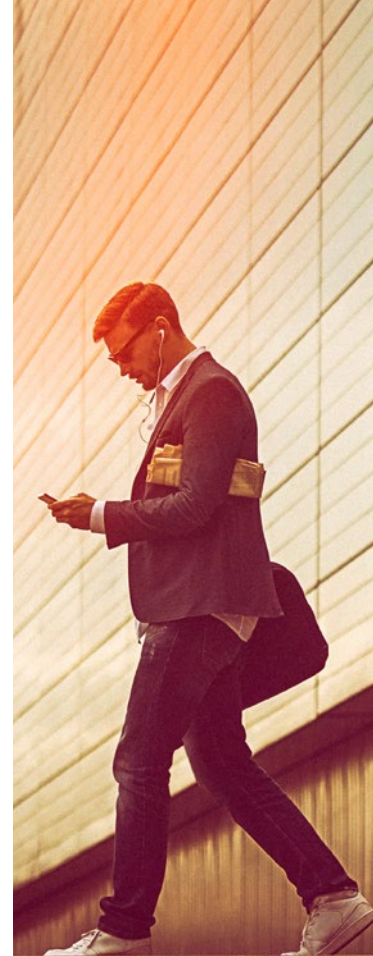
Innovate Faster and Deliver Exceptional Customer Experiences from Discovery to Delivery

CX

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Table of Contents

Capitalize on the Accelerating Digital Commerce Growth

Rapidly growing e-commerce volumes are opening new opportunities for consumer products (CP) and retail companies. Yet the evolving market presents challenges that organizations must address so they can delight customers by delivering engaging experiences. How can the right technology solution help your company **maximize the potential** of e-commerce – now and in the future?

The volume of global e-commerce has skyrocketed, reaching US$4.92 trillion in 2021, and is forecasted to reach $7.39 trillion by 2025.[1] As it captures a larger share of overall retail sales, e-commerce also creates compelling possibilities for CP companies to sell using direct-to-consumer (D2C) approaches.

To compete effectively, your company must consider new business models, such as subscription, rental, and resale. You need to engage with consumers effortlessly and sell through new channels, including D2C, social, and wearables. It's important to reach out to new markets and regions. And you must increase customer convenience by offering new fulfillment options such as buy online, pick up in store (often referred to as BOPIS); curbside pickup; and stores that serve as fulfillment centers.

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DYNAMIC CHALLENGES DEMAND ADVANCED SOLUTIONS

In this new e-commerce world, the rewards are high – but so are the challenges.

New selling models and customer touch points are emerging rapidly. Customers expect first-class goods and services, but they aren't always willing to pay a premium for them. And companies must find ways to differentiate themselves without simply cutting prices. Additional barriers include compliance with complex global regulations, rigid technology platforms, and a lack of transparency across the entire shopping journey – from supply chain and order management to fulfillment and returns.

Even companies that deliver top-line e-commerce growth can suffer from increased margin pressures related to online channels. The increased costs associated with carrying higher inventory levels and offering faster fulfillment can compromise profitability.

To help your company maximize the opportunities of e-commerce while minimizing difficulties, we offer the SAP® Commerce Cloud solution. This flexible yet robust solution helps business-to-consumer (B2C) brands overcome their most critical digital business challenges. With tight integration into other leading SAP solutions, SAP Commerce Cloud helps you adapt to a dynamic market, boost profitability while exceeding customer expectations, and scale e-commerce into a competitive advantage.

SAP Commerce Cloud helps you deliver exceptional digital shopping and buying experiences that turn vistors into customers and customers into fans.
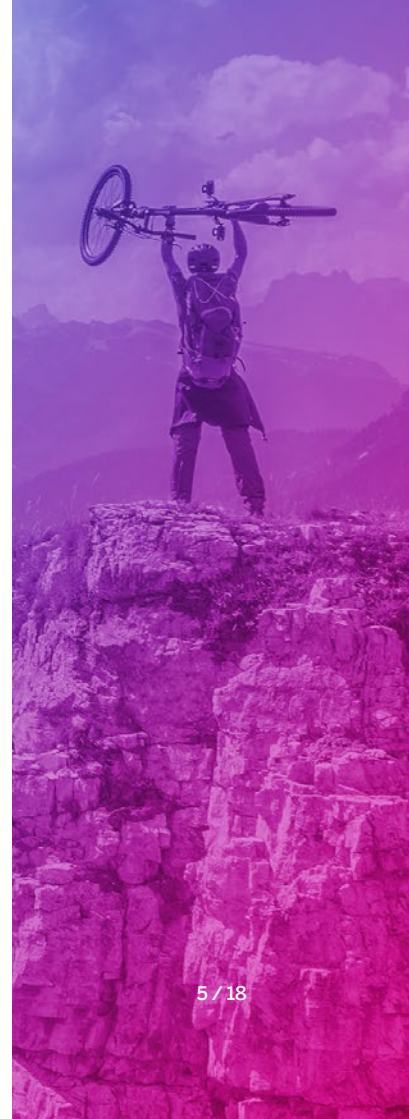
Become a Digital Innovator with a Flexible E-Commerce Solution

To address new consumer expectations, your brand must be nimble. Rather than spending excessive time integrating point solutions, you need to focus your resources on driving innovation. The best way to do this is with a powerful and agile solution – one whose architecture facilitates experimentation and helps you deliver differentiated experiences.

SAP Commerce Cloud is an integrated, modular, open, and extensible commerce solution that helps you rapidly adapt to evolving market conditions. It includes a library of features that you can use to simplify complex tasks, enhancing business users' ability to focus on delivering innovative customer experiences.

SUPPORT FOR DIFFERENT BUSINESS MODELS AND CHANNELS

Because it is suitable for business-to-business (B2B), B2C, business-to-business-to-consumer (B2B2C), and D2C companies, SAP Commerce Cloud can help brands quickly seize growth opportunities without adding new instances or replatforming. You can start with standard online commerce capabilities and more swiftly deploy new marketplaces, subscription models, and more as your business needs change – all from one solution.

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 use the solution to expand your commerce presence. It supports both "headless" commerce and commerce "with a head" – thanks to an open-source, prebuilt, progressive Web application framework for mobile, Web, and social channels.

Penti

Benefits:*

>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

The Entertainer — TheToyShop.com

Benefits:*

7x sales growth

On TheToyShop.com site since deploying new solution

<30 minutes

Required to order online and collect in the shop

24x7 availability

For checking stock in all 174 stores

Solutions:
- SAP Commerce Cloud
- SAP Service Cloud

*Source: SAP Customer Experience KPI slide

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Achieve Consistently Profitable Commerce with Enterprise-Wide Insights

As your e-commerce revenue increases, you must protect against threats to ongoing profitability. 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 the intelligent selling services for SAP Commerce Cloud, you can create on-site personalization based on user clicks, driving product recommendations and merchandising decisions. 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.

Increased
Average order value during COVID-19 pandemic due to high personalizaton

3 million
Mobile app downloads for online orders

+65%
Increase in digital revenue generated from mobile app within five months

*Source: SAP Customer Experience KPI slide

Futureproof Your Business with Enterprise-Grade Commerce

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, a content management system, an order management system, and search functionality – all in one solution (see Figure 1).
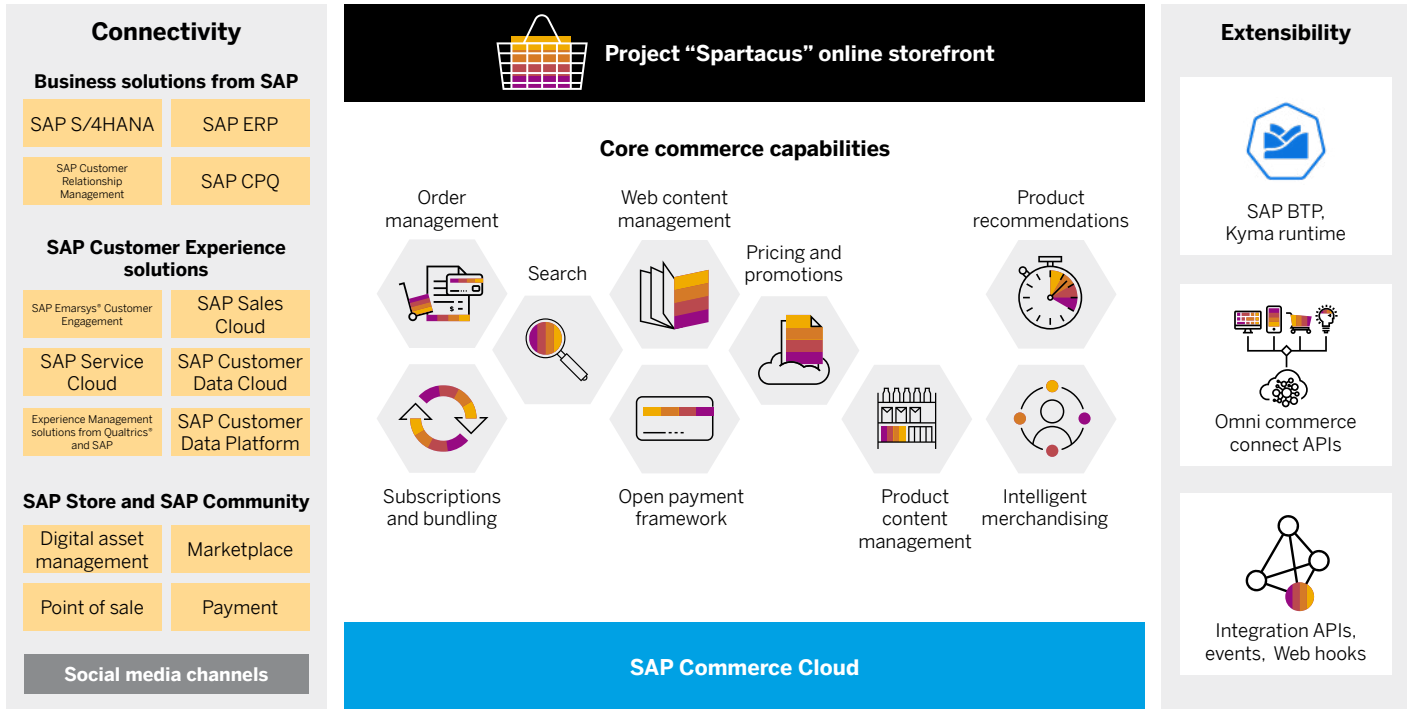
Connectivity

Business solutions from SAP

SAP S/4HANA	SAP ERP
SAP Customer Relationship Management	SAP CPQ

SAP Customer Experience solutions

SAP Emarsys® Customer Engagement	SAP Sales Cloud
SAP Service Cloud	SAP Customer Data Cloud
Experience Management solutions from Qualtrics® and SAP	SAP Customer Data Platform

SAP Store and SAP Community

Digital asset management	Marketplace
Point of sale	Payment

Social media channels

Project "Spartacus" online storefront

Core commerce capabilities

Order management

Web content management

Product recommendations

Search

Pricing and promotions

Subscriptions and bundling

Open payment framework

Product content management

Intelligent merchandising

SAP Commerce Cloud

Extensibility

SAP BTP, Kyma runtime

Omni commerce connect APIs

Integration APIs, events, Web hooks

Figure 1: Integrated, Modular, Open, and Composable Commerce Solution

The solution is integrated with a variety of SAP offerings. These include SAP S/4HANA, the SAP Customer Activity Repository application, the SAP Omnichannel Promotion Pricing solution, the SAP Order Management foundation, the SAP Order Management solution for sourcing and availability, the SAP Intelligent Returns Management solution, and the SAP Commerce Marketplace Management application by Mirakl.

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 handle 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*

10 million
Items in the price catalog of a
leading electronics distributor

648,000
Peak orders her hour processed by
one leading consumer electronics
company

>2,500
SAP Commerce Cloud
customers

100% uptime
During high-volume shopping
"cyber-week" period between U.S.
Thanksgiving and the following
Monday, from 2019 to 2021

Figure 2: Scalability and Processing Power of SAP Commerce Cloud

*SAP internal research

flexi®
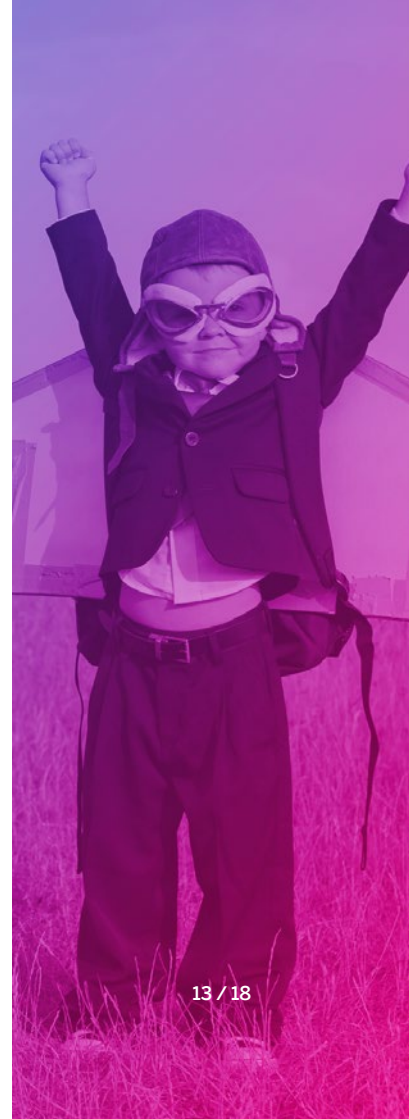
Benefits:*

2X
Conversion rate since solution implementation

50%
Reduction in new-product time to market

>50%
Projected increase in D2C sales by 2025

Solution:

SAP Commerce Cloud

Maui Jim

Benefits:*

110
Countries supported with e-commerce capabilities

>50%
Increase in orders placed on mobile devices

Solution:

SAP Commerce Cloud

SAP Commerce Cloud helps you turn trust into a competitive advantage by offering the high system and data security levels you expect from SAP solutions. When paired with SAP Customer Data Platform, the solution helps you remain compliant with data privacy and permissions regulations. More secure data and processes infuse trust and privacy throughout the e-commerce journey.

*Sources: For Flexi, SAP Customer Experience KPI slide; for Maui Jim, SAP Customer Reference slide

Realize Value by Offering a Robust E-Commerce Experience

SAP Commerce Cloud offers capabilities you need to help your business succeed in the growing e-commerce market.

Several industry analysts recognize SAP Commerce Cloud as a leading e-commerce solution. The recent Forrester Total Economic Impact study* shows the following key benefits of using SAP Commerce Cloud:

269%*
Return on investment in three years

14%*
Revenue uplift

70%*
Increase in time-to-market improvements

According to IDC, "SAP presents a clear CX application architecture characterized by three distinct layers: the presentation layer, which includes [the project "Spartacus"] storefront and front-end Web applications; the business layer, which includes a set of Java services as part of SAP Commerce Cloud; and the persistence layer, which supports new custom business models. This architecture is relevant and useful for retailers that need to define a clear, long-term, CX-specific digital road map."[2]

2. "IDC MarketScape: Worldwide Retail Commerce Platform Software Providers 2020 Vendor Assessment" (doc #US46038320, November 2020).

*"The Total Economic Impact™ of SAP Commerce Cloud and SAP Customer Data Cloud," a November 2020 commissioned study conducted by Forrester Consulting on behalf of SAP.

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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 expert guidance from SAP Services and Support. Whether you're looking to transform your e-commerce landscape or adopt new functionality, SAP Services and Support for SAP Commerce Cloud offers expert guidance for every step of your journey – from planning to implementation and operation to expansion.

While SAP Commerce Cloud offers the robust functionality and capabilities you need to increase revenue and drive successful online engagements with your customers, SAP Services and Support offerings help you to maximize the features and functionality by tailoring them to your specific business needs, all while mitigating risk along the way so you can achieve a faster and more profitable return on investment.

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Quick Facts

SUMMARY
The SAP® Commerce Cloud solution helps business-to-consumer (B2C) organizations create contextually relevant, personalized omnichannel experiences that can convert more shoppers into customers and deliver higher value to the business. The flexible, robust, headless digital commerce solution is built on an open, modular, and extensible architecture.

Objectives
• Respond effectively to changing consumer shopping behaviors
• Deliver rich, consistent 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, a content management system, an order management system, and search functionality
• Decoupled 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

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Benefits
- Enhanced support for personalized commerce
- Improved ability to deliver contextually relevant, omnichannel e-commerce experiences
- Maximized sales, average order value, and profitability
- Increased consumer engagement, with higher conversion and retention rates
- Increased speed and agility to deliver innovative customer offerings

Learn more
To learn more, visit us **online**.

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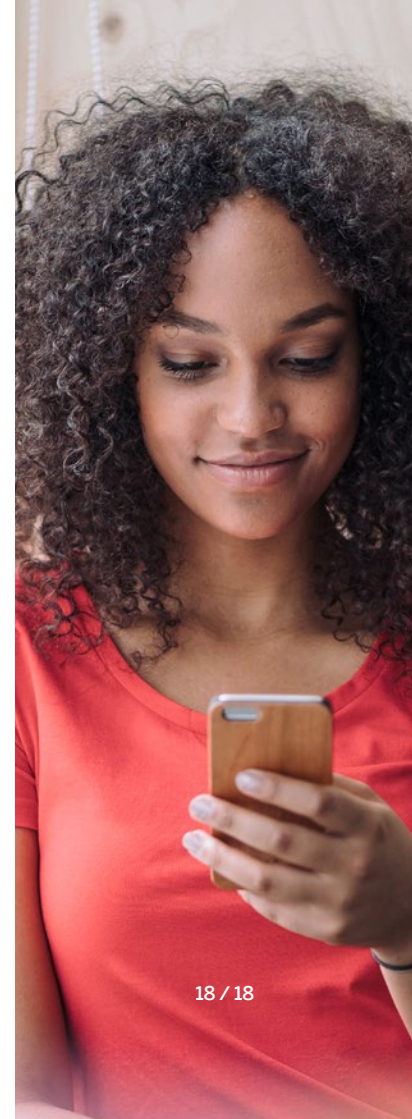
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