

Magic Quadrant for E-Commerce

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Improving the online customer experience, enabling Web 2.0 and supporting mobile e-commerce are three goals driving the demand for website redesigns and upgrades. Use this Magic Quadrant during the vendor evaluation and selection process.

WHAT YOU NEED TO KNOW

The economic downturn has spurred investment in online sales technology, as organizations struggle to reduce the overall cost of goods sold, expand addressable markets, and keep up with the online innovation from Amazon.com, eBay and other online leaders servicing consumer markets. Rising standards for the Web experience are creating a demand for rich Internet experiences with user-generated content provided to the seller via product reviews or social networks, such as Facebook or Twitter.

Online buyers want websites to accelerate the processes that perform product search, review relevant information, make comparisons and complete purchases. Tools should help buyers better understand products, and draw on community-based information for buying decisions. Moreover, consistent, orchestrated online experiences are required across multiple points of interaction, including smartphones, to enable contextual awareness that matches customers' browsing, buying and interaction habits.

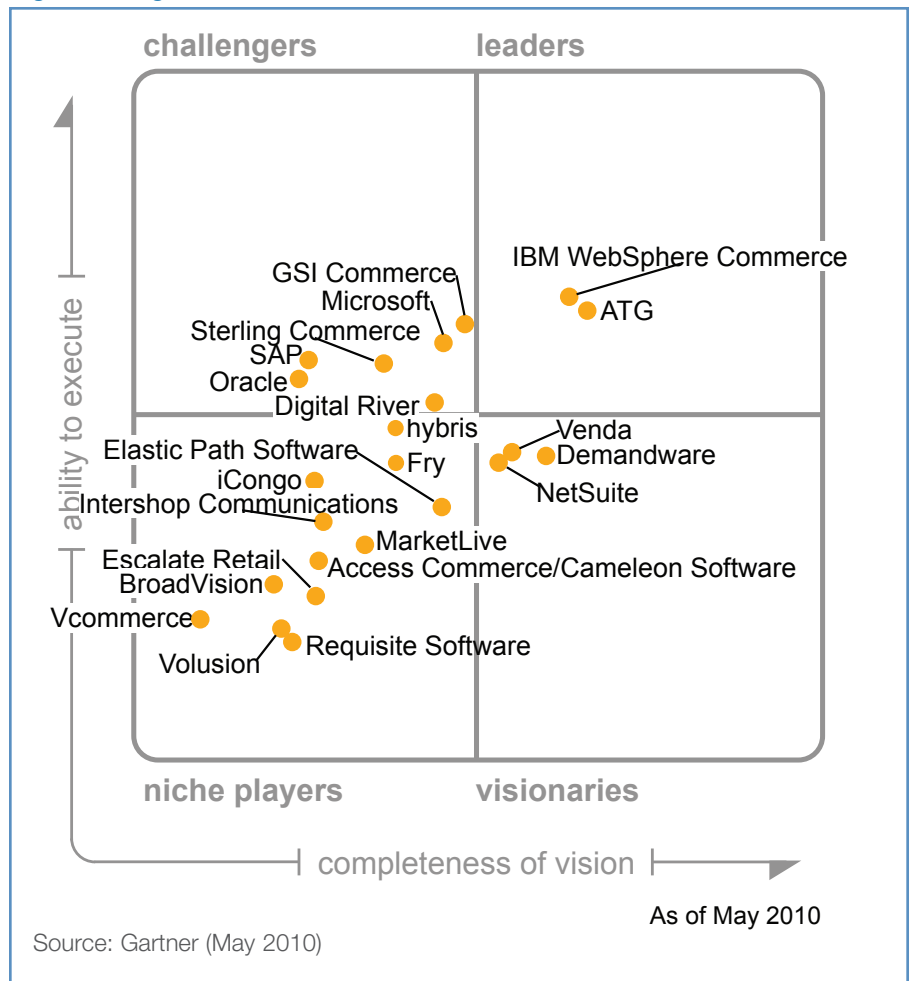
Hence, online sales environments are increasingly becoming rich, interactive media that appeal to a growing number and variety of different customer segments. At the same time, e-commerce as a whole continues to gain momentum as a viable, alternative sales channel, where the intensive application of technology helps companies reduce staffing expenses (such as salespeople), attain stronger line of sight on revenue under management, and improve sales and margin expansion in many instances.

Users should select a vendor with a proven record of successful e-commerce implementations, deep functional capabilities and an open Web-services-based architecture. In addition, users should ensure that their e-commerce technology provider:

- Provides all key commodity e-commerce components, such as shopping cart management, product catalogs and settlement processes required for business-to-business (B2B) and business-to-consumer (B2C) e-commerce.
- Provides a Web 2.0 rich Internet application (RIA) customer experience with shopping tools, such as sliders for search and single-page check-out, and the ability to leverage user-generated content, such as product reviews, wikis, blogs and Really Simple Syndication (RSS).

- Leverages external Web services (e.g., Google Maps, Google Analytics and product reviews) and internal Web services (such as fulfillment systems, ERP or call-center-based Web services) to complete the customer experience.
- Integrates with other points of interaction, especially those that improve and grow quickly, such as mobile smartphones and Web-capable phones.
- Supports multiple forms of payment options for B2B and B2C sales.
- Provides product/service recommendations in real time.
- Enables improvements to site search and external search engine discovery (for example, Google, Bing, MSN and Yahoo).
- Enables personalization of the overall online experience.
- Offers appropriate ownership models, such as licensed software, Web hosting services, software as a service (SaaS), outsourcing and open-source software (OSS).
- Has a large, deep set of technology and service partners.

Figure 1. Magic Quadrant for E-Commerce



MAGIC QUADRANT

Market Overview

Client interest in e-commerce continues to mount, as organizations address tough, competitive business climates. Many realize they must reduce the overall cost of sales by moving more sales to the online channel, while others are hoping to reach new markets. Either way, large numbers of businesses need to replace outdated e-commerce systems to improve online customer experiences and establish competitive Web presences. Key initiatives typically encompass adding the Web 2.0 user experience, and community and mobile store capabilities to websites. These initiatives are laying the groundwork for context-aware commerce, which leverages information about users' identities, environments, processes and communities.

Many organizations consider their websites to be their primary faces, and competition enabled by the Web is increasing in all industries, as organizations look to win those customers that "Google" themselves to any of their websites. B2B organizations are being asked to be more "consumer-like" with their Web experiences for their retail and wholesale customers, while B2C organizations continue to vie to capture the consumer's interest for first-time business and return business.

Leading online organizations have already raised the bar for the online experience by making their sites easy to use, while adding new features, such as enabling follow-up on Facebook and Twitter to their stores and mobile iPhone applications. IT organizations

are being asked to reduce the time it takes to update existing sites and create new ones, and this has increased interest in site management and multisite capabilities. In addition, IT departments are being asked to deliver and manage new sites in many new geographic regions where site design, payment processes and options may vary beyond those of North America and Europe.

Organizations have a wide array of ownership and operating choices – from on-premises, such as “build it yourself,” licensed software and open source, to off-premises, such as Web-hosted services, SaaS and outsourcing operations—providing e-commerce capabilities to organizations that may not have had the resources or management support for an Internet sales endeavor. Moreover, organizations can choose how much e-commerce they want to own and manage. The choices are to:

- Completely outsource the operation
- Use SaaS to run the site
- Have the site hosted and managed
- Use “build it yourself,” licensed or OSS and run the site themselves

OSS e-commerce solutions were evaluated for this research; however, none were able to satisfy the inclusion criteria of this Magic Quadrant. Gartner will continue to monitor OSS (that is, more than just basic shopping carts) for consideration for future research.

These choices enable the organization to bring several criteria, such as control of the code, where the software will run and how it will be paid for into the evaluation:

- How much revenue will they generate online?
- Will e-commerce be paid for out of the capital or the operations budget?
- How many IT resources are available to the organization?

As a result of market demand and new models (such as SaaS), more vendors have matured enough to meet the entrance criteria for this Magic Quadrant. This has increased the number of vendors from 20 to 23, compared with the number in 2008. New vendors have entered the market using SaaS as a way to convince customers to use their services and to win new accounts. Licensed software vendors are continually adding new capabilities, such as multisite management, product reviews, RIA user interface (UI) improvements, single-page check-out, mobile applications or improvement to mobile phone browser presentation and much more. Even in a questionable economy, requests for information (RFIs) and RFPs for e-commerce continue to be made, and inquiries to Gartner analysts ranging from strategy and vision to implementation and design partners increased during 2009.

E-commerce’s role in CRM continues to increase as organizations adopt elements of social, community and emerging mobile shopping capabilities; therefore, organizations must develop an e-commerce strategy that is in line with their overall CRM vision to be successful.

Market Definition/Description

E-commerce technology providers offer e-commerce platforms that enable online sales for B2B and B2C commerce. E-commerce platforms facilitate a transaction over the Web, but also support the creation and continuing development of an online relationship. Common e-commerce functions, such as the creation and management of Web storefronts, shopping cart management, taxation, personalization, transaction management, settlement and product visualization, enable organizations to build basic online stores.

The next level of specialized capabilities, such as interactive selling, site merchandising management, order management, product management, customer/account management, personalization/preference profiling, multichannel selling, site/product search, search engine optimization, customer community management or participation, mobile stores, lead management, locator and matching, warrantee/returns management, analytics/reporting, integration, and other capabilities specific to B2B or B2C (such as gifting, registries, product configurations and quoting) enable advanced online selling and relationship building.

This Magic Quadrant focuses on Internet sales e-commerce end-user requirements and is not focused on a fully integrated marketing, sales and service solution. Therefore, all functions relating to marketing, such as campaign management, A/B testing and functions related to service, such as knowledge-based self-service and call center capabilities, are not part of this market or evaluation.

All functions in this Magic Quadrant are evaluated with a focus on Internet-based B2B and B2C selling and Internet sales processes. Technology providers that offer different deployment options for e-commerce, such as SaaS, Web-hosted solutions, outsourced and service providers with a proprietary offering and/or traditional licensed software and meet the inclusion criteria are included in this evaluation.

Inclusion and Exclusion Criteria

To be included in this Magic Quadrant, a technology provider must demonstrate:

- Market traction and momentum:
 - Technology provider has at least 50 production customers for e-commerce functionality, each with at least an average of 10,000 transactions per week.
 - Technology provider has at least five new referenceable customers for e-commerce in the past four rolling quarters.

- Technology provider has generated at least \$5 million in revenue for e-commerce in the past rolling four quarters.
- Technology provider has demonstrated active market participation, including inbound customer inquiries from Gartner customers and prospects.
- Multiple production references on a current version (a minimum of at least five) are available, as well as visible efforts to sell and/or market product to new customers.
- E-commerce product capabilities; a generally available, credible e-commerce platform that satisfies the following criteria:
 - Deployed either on-premises or via hosted infrastructure (with dedicated database, hardware and other infrastructure) or SaaS.
 - Supports common e-commerce functions such as Web storefronts, shopping cart management, product catalog, pricing, personalization, transaction management, site and product search, settlement, product visualization and order management that enable the selling of products or services over the Internet. These capabilities must be able to service consumers and business partners' core e-commerce needs, and are designed to foster long-term customer relationships via the Web.
 - Provides operational e-commerce capabilities that can be used for B2B or B2C sales.
 - Delivers value to multiple clients in live production conditions (a minimum of 50 unique clients running at least one production site on the current offering).
- Short-term viability:
 - Availability of sufficient professional services, delivered internally or through partnerships, to fulfill customer demand during the next 12 months.
 - Technology provider has enough cash to fund a year of operations at its current burn rate.

Added

The following vendors were added to this year's Magic Quadrant:

- Elastic Path Software
- Escalate Retail
- MICROS Systems (Fry)
- Volusion

These vendors were added for one or more of the following reasons:

- They demonstrated active market participation – including inbound customer queries from Gartner customers and prospects.
- They met or exceeded the inclusion criteria after the “Magic Quadrant for E-Commerce.”
- They garnered active interest from Gartner clients through inquiries and inclusions on RFI or RFP vendor lists.

Dropped

Macrovision (now known as “rovi”) is no longer actively selling an e-commerce application and has left the e-commerce market.

On 1 September 2009, Channel Intelligence announced the acquisition of certain key assets of Vcommerce for inclusion in future Channel Intelligence e-commerce offerings, which were not part of this research. The commentary below is solely based on Vcommerce.

Click Commerce has been renamed Requisite Software. On 15 May 2009, Marlin Equity Partners acquired three software operating units from Illinois Tool Works (ITW) and the rights to the Click Commerce name. Click Commerce's eCommerce and Channel Management Division were retained by ITW and are now doing business as Requisite Software.

On 29 March 2010, Access Commerce changed its company name to Cameleon Software.

Evaluation Criteria

Ability to Execute

The weightings in this section have not changed during the past year, because client interest and priorities have remained unchanged. However, edits and additions have been made to the Product/Service and Customer Experience criteria.

Product/Service (High) – The technology provider must demonstrate the ability to support B2B and B2C operational e-commerce commodity functions, as well as advances in the product since its last release. The following e-commerce capabilities were considered:

- **Core common e-commerce** includes such functions as the creation and management of Web storefronts, shopping cart management, taxation, transaction management, settlement and product visualization. These functions enable clients to build an online store and provide basic capabilities for the online selling of products and services.
- **Interactive site presentation and a rich user experience** can include RIA (sliders, carousels, preview tags, etc.), video and mashup capabilities during the customer's online shopping experience.

- **Interactive selling** (that is, sales configuration, advisor, cross-sell, upsell, promotions, product comparisons and others) provides tools that enable sales assistance and advisement to customers during their online shopping experience.
- **Site merchandising management** enables the organization to have a merchant or product/service end user determine the placement, presentation, packaging, pricing and promotion of a product on a website.
- **Order management** enables the customer or business partner to track and monitor an order across various back-office systems from a single point in the Web store. It also enables functions, such as recurring orders.
- **Product management** may include master data management (MDM) or product information management (PIM) capabilities. At a minimum, clients should be able to create and populate a product catalog that customers and business partners can use to shop for goods or services.
- **Customer and account management** enables an enterprise to manage the customer account information that has been collected, and enables the end customer to manage changes to its account.
- **Personalization and preference profiling** enables the website experience to be customized (by the user or dynamically) for the customer.
- **Multichannel selling** enables an organization to integrate Web sales and capabilities with other customer points of interaction, such as Web-enabled mobile phones, stores and call centers.
- **Customer community capabilities** include such capabilities as product/service reviews and ratings, the creation and management of an online community or integration with established external communities, and the support of wikis and blogs.
- **Site and product search** enables the search for and location of products in a Web store during the shopping experience, as well as the location of categories of goods and services.
- **Search engine optimization (SEO)** enables an organization to improve its ranking in external search engines, such as Google, Bing, MSN and Yahoo.
- **Lead management** enables the enterprise to generate online sales. This capability also enables the capture of customer information for a product or service sale, and then distributes a completed order to a partner for fulfillment.
- **Locator and matching** enables customers to locate stores, dealers or distributors in the customer's chosen area. This can be by ZIP Code or other location information, such as GPS, and

this function can be delivered via any Web browser and mobile applications.

- **Warranty/returns management** enables the management of customer returns, and warranty claims and requests, from the moment the issue begins until its resolution.
- **Analytics and reporting** enables functions such as site activity (hits), site errors, uptime, browser types, abandoned carts, viewed products, visit conversion rate, campaign effectiveness, content presented, page design, content "stickiness" and visitor segmentation.
- **Integration capabilities** enable the integration of the Web store with various sources of data and content required for online sales, marketing and service.
- **Multiple browser support** enables the detection of different Web browsers and ensures a consistent experience across multiple Web browsers.
- **Specific B2B or B2C capabilities** include gifting, registries, product configurations and quoting, and can be listed by type.

Overall Viability (Business Unit, Financial, Strategy, Organization) (High)

– The technology provider must be stable and demonstrate organizational financial health, as listed in the inclusion criteria above, and demonstrate an ability to generate sustainable business results in the e-commerce market.

Sales Execution/Pricing (Standard) – The technology provider must have sufficient sales resources and an effective sales strategy to demonstrate its commitment to the e-commerce market. In addition, it must provide global sales and distribution coverage that aligns with marketing messages, and have experience selling its e-commerce product to the business and IT buying centers.

Market Responsiveness and Track Record (Standard) – The technology provider must demonstrate past innovation to meet a changing market's requirements, as well as a plan for future innovations based on market trends.

Marketing Execution (Standard) – The technology provider must have sufficient marketing resources to communicate a well-defined message as it relates to e-commerce, and must consistently generate market demand and awareness of its e-commerce solutions through marketing programs and the media.

Customer Experience (High) – Successfully supported customers are important in this market, so this criteria entails the vendor's assistance and support with launching client sites. It is coupled with support, maintenance and upgrades with the production site:

- **Professional services** involves providing internal professional service resources, or partnering with system integrators with vertical-industry expertise, e-commerce domain knowledge, global and localized country coverage,

and a broad skill set (for example, project management and system configuration) to support a complete project life cycle.

- **Customer support** involves providing prompt, satisfactory and demonstrated (that is, referenceable) service to customers worldwide. The technology provider must have numerous successful implementations, as well as client experiences, to demonstrate its capability to meet client expectations for the product, as well as clients' personal projects.

Operations (Standard) – The technology provider must demonstrate that it has the resources, organizational structure and experience to effectively and efficiently operate on an ongoing basis.

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product/Service	high
Overall Viability (Business Unit, Financial, Strategy, Organization)	high
Sales Execution/Pricing	standard
Market Responsiveness and Track Record	standard
Marketing Execution	standard
Customer Experience	high
Operations	standard
Source: Gartner (May 2010)	

Completeness of Vision

In this section, only the geographic strategy criterion weighting has changed since the last Magic Quadrant. It switched from standard to high, because clients' requirements for the ability to expand their Web businesses into new regions with the same provider have grown in interest with organizations looking to normalize their product portfolios and enter new and emerging markets.

Market Understanding (Standard) – The technology provider demonstrates a strategic understanding of e-commerce opportunities (for example, new application functionality or customer segments) and ongoing vendor market dynamics (for example, consolidation trends). In addition, the technology provider demonstrates an understanding of the wider implications and position of e-commerce in a company's CRM strategy, because sales, marketing and service strategies are valuable to customers taking the strategic view.

Marketing Strategy (Standard) – The technology provider demonstrates a clear, differentiated set of messages that are consistently communicated to clients across all channels.

Sales Strategy (Standard) – The technology provider demonstrates a clear sales plan for the product and how it will be executed through various sales resources, such as direct sales, indirect sales, partners and the Web.

Offering (Product) Strategy (Standard) – Technology provider publishes "statements of direction" (or the Gartner understanding of them) for the next two product releases to keep pace with Gartner's vision of the e-commerce market. Technology and architecture figure strongly here. The vendor must offer a range of e-commerce architectural styles to satisfy different implementation scenarios, such as B2B, B2B2C and B2C. The vendor understands major technology/architecture shifts in the market and communicates a plan to leverage them, including migration issues that may affect customers on current releases – specifically, how well the provider has articulated its vision to support mainstream technology, as opposed to a proprietary stack, and a service-oriented business architecture.

Business Model (Standard) – The technology provider has a well-articulated strategy for revenue growth and sustained profitability. Key strategic elements include the sales and distribution plan, internal investment priority and timing, and partner alliances.

Vertical/Industry Strategy (Standard) – The technology provider has the ability to articulate how it will service industry-specific needs from a "whole product" viewpoint (that is, from delivered products and services required to gain value from the solution). Included are reviews of the vendor's strategy for delivering product requirements (for example, retail, consumer goods and automotive aftermarket).

Innovation (Standard) – The technology provider must lead this market, and, in so doing, provide customers with an innovative solution and approach to service their needs in a complex, heterogeneous environment. Innovation implies a well-rounded and well-considered road map for resolving e-commerce issues.

Geographic Strategy (High) – The technology provider has capabilities for sales, marketing and support for complex global companies and is able to launch and support Web stores in new regions with the platform and the vendors' or partners' support.

Leaders

This quadrant contains technology providers that demonstrate the highest levels of support for B2C and B2B Internet sales. These providers lead the market in e-commerce by consistently demonstrating customer satisfaction, strong support and professional services, leading to the implementation of a successful e-commerce site. These technology providers are also consistently on clients' long lists and shortlists of e-commerce evaluations, and have a record of winning these accounts.

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	standard
Marketing Strategy	standard
Sales Strategy	standard
Offering (Product) Strategy	standard
Business Model	standard
Vertical/Industry Strategy	standard
Innovation	standard
Geographic Strategy	high

Source: Gartner (May 2010)

These leaders also have demonstrated longevity in the e-commerce market, as well as a commitment to new product innovations for Internet sales. In addition, leaders represent technology providers with the strongest capability to meet Internet selling requirements.

Technology providers in this quadrant have demonstrated consistent, extensive and durable execution in delivering e-commerce websites at the enterprise level. In addition, the maturity of this market demands that leaders maintain a strong vision regarding the key points that have emerged during the past year, including globalization, mobile e-commerce, Web 2.0 (user experience and community capabilities), multiple deployment options and multisite management; the capability to support B2C, B2B and B2B2C selling models; integration with multiple points of interaction, such as mobile, call centers and stores; and support for overall sales, service and marketing in an e-commerce context.

Challengers

This quadrant typically represents technology providers that have offerings for a client base that is focused on mainstream versus visionary core operational e-commerce capabilities. These technology providers have market presence in the e-commerce space, and clients often refer to them on the long list of vendors. However, these technology providers must improve their products' vision for e-commerce to be elevated into the Leaders quadrant.

Challengers generally have access to R&D capital, highly capable execution models, ease of implementation and deep functionality involving core operational e-commerce, all of which make them successful. Challengers also can demonstrate a wide variety of e-commerce implementations across business models and different industries.

However, end-user organizations are often concerned regarding the technology provider's ability to deliver at the enterprise level in cases where heterogeneous environments, advanced B2C and B2B selling capabilities, or innovative capabilities (such as globalization, mobile e-commerce, Web 2.0 or advantaged search optimization or other emerging areas of innovation) are involved, or where the e-commerce offering isn't the primary focus, because it's part of a larger solution, such as CRM or ERP. This includes offerings with weaker marketing messages, but products that exhibit the potential to move into the Leaders quadrant by demonstrating strong, new client acceptance in B2C and B2B accounts, and by demonstrating the ability to span heterogeneous environments and deliver new and innovative customer experiences online via Web 2.0 and mobile technologies.

Visionaries

Visionaries apply an innovative, market-leading and forward-thinking or disruptive approach to e-commerce. Because of this, they also have smaller market shares. New entrants with exceptional technology may appear in this quadrant early, after their general availability release; typically, however, unique or exceptional technology will emerge in this quadrant after several quarters of general availability.

This quadrant is often populated by new entrants that have new architectures and functionality, or deployment models such as SaaS that haven't garnered a large portion of the market. However, established technology providers that offer new functionality that isn't found in any other provider's offerings also can be located in this quadrant.

Visionaries can meet customers' production requirements and general availability of at least one year, which indicates that they are more than just startups with good ideas. Technology providers in this quadrant must demonstrate customers in production, proving the value of the new functionality and architecture. Frequently, visionaries will drive leaders toward new concepts and engineering enhancements.

Niche Players

A niche technology provider has a small market share and/or a narrow market appeal or specialization with its current customers. Although its solution may be compelling, market adoption/traction is limited. However, these providers surpassed this research's entrance requirements, whereas other organizations not found in this research were unable to satisfy the entrance criteria for this Magic Quadrant. Clients should not infer that the niche vendors perform poorly and cannot meet an organization's needs for e-commerce. Instead, they should realize that these vendors are participating in an extremely competitive market.

This quadrant contains technology providers in several categories:

- Those that offer an exceptional product limited to a specific end-user community (for example, only B2B manufacturers, or B2C retailers that sell only a specific product type), or is limited to a specific vertical industry (for example, only manufacturing)

or has a limited geographic strategy. Moreover, in some cases, the offering is for a vertical industry within an industry, such as branded high-technology manufacturers or apparel retailers only.

- Those with new e-commerce products that lack general customer acceptance or market visibility, or proven functionality to move beyond niche status.
- Those that have suffered from economic issues or are losing market traction, but remain in the market and are trying to rebound.

This is the starting point for many new entrants in a Magic Quadrant; however, some vendors may be included due to one or more of the above reasons.

Vendor Strengths and Cautions

Access Commerce/Cameleon Software

On 29 March 2010, Access Commerce changed its company name to Cameleon Software.

Strengths

- The Cameleon Commerce Suite can support B2B, B2B2C and B2C e-commerce, with strong product catalog capabilities in the B2B market and a flexible UI environment for B2B, B2B2C and B2C sales. However, its key strengths are in B2B capabilities, such as the product catalog support of many individual views with individual pricing, dynamic product information and formats by product type. Cameleon supports multilanguage and multicurrency capabilities.
- Cameleon enables guided selling, and offers a separate product configurator that can be used to support the sale of goods and/or services that must be configured and priced before the completion of the sale, and can be combined with constraint-based search to help narrow the search return list. In addition, other B2B-specific capabilities, including quoting, proposal management and service part sales, as well as a customizable shopping cart, enable users to take a cart and create a proposal from that cart, enabling B2B organizations to sell online.
- Cameleon supports account management of multiple orders by a business manager in a B2B sales experience. In this case, a manager can see his or her orders, as well as all orders that his or her delegates have placed, along with proposals. This type of B2B-specific order management capability, coupled with the product catalog and configuration capabilities, is why B2B clients have Cameleon on their long list of vendors – that is, clients can get all these capabilities from a single provider.

Cautions

- Cameleon 's customer base is mostly composed of B2B sellers, so it must add more B2C customers and capabilities for B2C-specific sales to become a general e-commerce vendor and address the consumerization of the Web buying experience. Cameleon does not offer mobile e-commerce or social-software e-commerce functions.
- Access Commerce has been better known for its other products, such as Cameleon Configurator for sales configuration and is not thought of as an e-commerce platform. It will need to improve its market awareness.
- Cameleon 's customer base in B2C e-commerce is small, compared with the leaders in this Magic Quadrant. It is mainly in Europe, the Middle East and Africa (EMEA), with some U.S. customers and a U.S. office in Chicago providing professional services. Therefore, organizations seeking a provider to support other regions may not want to select Cameleon.

ATG

Strengths

- ATG Commerce 9.1 consistently appears on clients' shortlists due to its high client recognition as a vendor that can deliver a complete, multichannel e-commerce solution with strong personalization, shopping cart management, product catalog and RIA capabilities, as well as multisite, multilanguage and multicurrency capabilities. It also offers search merchandising, which improves the data returned in a search based on the user's interests, and many core operational e-commerce components. ATG offers multiple deployment choices (licensed, hosted and SaaS), giving clients options to fit with their resources. ATG supports B2C and B2B e-commerce; however, a large portion of its client base is B2C.
- ATG continues to innovate by releasing capabilities such as its online store reference application (ATG Commerce Reference Store) and a starter store for ATG's SaaS offering (ATG Live Store), with Facebook and Twitter integration available with ATG Commerce On Demand and via traditional license software, which enables organizations to reduce implementation time. ATG optimization services (added via acquisition) contribute to the overall online customer experience and enable automated product recommendations, click to call/chat and e-mail response. They are offered via a SaaS model. Additionally, ATG offers UI improvements via RIA to the merchandising workbench in the Business Control Center.
- ATG's iPhone mobile store application was built using the iPhone SDK. This enables ATG's iPhone store to leverage native

iPhone capabilities, such as shaking to start a new search, thumb-flicking horizontally through the search facet carousel and using contacts to prepopulate shipping and delivery addresses. Moreover, the iPhone application is integrated with core ATG capabilities, such as search, merchandising and personalization. ATG leverages partnerships with Scene 7 for mobile product visualization and Flurry for mobile user analytics.

- ATG offers an online community (community.atg.com), where customers, partners and ATG personnel can collaborate. It is divided into two subgroups – one for technical users and another for business users of ATG. This ATG community brings crowdsourcing for product extensions, new concepts and other product innovations for all ATG products, including the new ATG Catalyst Program that shares code via an open-source license.

Cautions

- Although ATG offers multilanguage and multicurrency capabilities, ATG is challenged on delivering international implementations in certain countries in which an organization plans to operate. Gartner believes ATG must improve system integration partnerships internationally to increase its ability to execute. By doing this, ATG will be able to increase its customer satisfaction, product distribution and project fulfillment capabilities globally.
- ATG customer support in areas outside North America and the U.K. can be challenging, due to a lack of resources in other geographies for local implementations and, at times, require resources from the U.S. at U.S. rates to travel to the account.
- Due to ATG's broad and deep offering, some Gartner clients and reference accounts have expressed that ATG's pricing is too high in the market for its licensed software and ATG Commerce On Demand.

BroadVision

Strengths

- BroadVision 8.2 Commerce Agility Suite offers out-of-the-box B2B and B2C functionality that is supported by its Kona management framework, which administers a site's UI and service-based application programming interfaces (APIs). Application development is done using the Kukini workbench. BroadVision offers a sample commerce application (B2C) and a portal application (B2B) that can use e-merchandising, commerce, portal, process, search, staging and content services found in the platform to build the customers' online commerce experience. BroadVision 8.2 contains new account management and multicurrency capabilities.
- BroadVision 8.2 Kukini workbench is an Eclipse-based integrated development environment (IDE) for creating Web

applications, workflows, page flows and automated flows. This enables a visual representation of an e-commerce application's process and interaction flows. BroadVision 8.2 Kukini enhancements include Kukini shared packs that enable white labeling of sites, based on other site attributes. This is inheritance of site attributes for the creation of multiple sites. This includes mobile-based stores where you would need to build the store to the mobile device.

- BroadVision offers an add-on to the Kukini workbench called BroadVision Commerce services. This additional set of workflows and e-commerce commodity components delivers configurable business processes for check-out and order fulfillment – as well as APIs for shopping cart, taxing, shipping and so on – and can be used with BroadVision Portal for B2B or B2C sales. The workbench also comes with a sample application, which gives organizations a place to start creating their sites. BroadVision Commerce services support multiple languages and currencies.
- The BroadVision Kona platform upgrades include page request cache in JBoss, support for 64-bit Linux and support for JBoss 4.2.3 and version upgrades, WebLogic and WebSphere application servers.

Cautions

- BroadVision appears in the Niche Players quadrant because some organizations believe it is a company that's lost touch with the e-commerce market – for example, the addition of Clearvale, which is designed for corporate use in creating employee-to-employee (E2E), B2E or B2B communities. Some organizations are fearful of a possible acquisition. BroadVision must demonstrate that it is focused on e-commerce by moving its client base to 8.2 and by winning new customers, based on its ability to deliver e-commerce 8.2 sites, because many references are running versions 7.0, 7.1 and 8.0.
- BroadVision's financial position and long-term viability are concerns for prospective clients. However, BroadVision retains a loyal customer base. Most of the references provided are accounts that purchased BroadVision more than five years ago. However, BroadVision is challenged to make new sales and move from long lists to shortlists.
- According to BroadVision clients' accounts, the migration to version 8.1 or 8.2 is not easy for users on versions 7.0 or older, due to some legacy proprietary language that doesn't port well.
- BroadVision must increase the depth of functionality in the application, because, compared with many other vendors in this Magic Quadrant, BroadVision is lagging in several areas, including social capabilities, RIA and mobile.

Demandware

Strengths

- Demandware has demonstrated innovation with the addition of a fully functional, mobile storefront; a native iPhone application; an online store reference application (Site Genesis), which includes RIA functions, such as product scrolling and carousel to speed up site implementations; and the addition of social-selling capabilities, such as shop with a friend, and integrations with Facebook, digg, del.icio.us and other social sites. Demandware's new Link Technology Partner Community offers free configurable certified integrations that will be managed by Demandware and its partners, enabling interoperability of offerings and a reduction in integration costs.
- Demandware Active Merchandising enables analytics-driven merchandising through the automated collection of customer and product data. The collected data is used to create rules to power dynamic customer groups, dynamic content to a slot on a page and dynamic search sorting rules. Slotting enables a user to assign offers for a customer group to appear in a slot on the page and can change the login screen for return visitors, based on offers for that customer type. In addition, Active Merchandising offers search-merchandising capabilities, such as a preview function that enables the seller to preview search return sets based on user profiles.
- Demandware client references mention site uptime; the ability to run multiple sites under one agreement; direct control of site functionality, which is enabled by the site management; and development tools, which are provided by Demandware. This functionality enables organizations to manage the site without having to depend solely on Demandware support to make changes to items, such as products offered, promotions/discounts and online pricing, as well as site functionality, integrations and processes. Demandware also supports multiple languages and currencies.
- Demandware's UI for managing the product catalog is easy to use and makes it easy to visualize the products being sold. The product catalog has SEO support built into the catalog management, making it easier for clients to manage their product information. The product catalog also supports one-to-many price management, which can be used in B2B sales for individual customer pricing. The offering also includes support for multiple currencies through the use of a price-book-to-product model.

Cautions

- Due to Demandware's rich capabilities and its revenue-based SaaS pricing model, Gartner clients and reference accounts have expressed comments that Demandware's pricing is too high or not competitive with the market for a SaaS e-commerce offering. However, Demandware has made available new pricing models, such as usage-based pricing on page views or utilities consumed, which references were not able to consider at the time of the survey.
- Some Gartner client SaaS prospects and Magic Quadrant references did not shortlist Demandware because the SaaS offering did not have a migration path to license software. In these cases, the organizations believed that Demandware's SaaS e-commerce offering did not fit their technical architecture and wasn't the right ownership model for them. Therefore, we recommend that organizations work with Gartner to compile their vendor lists.
- Demandware is B2C-focused, with a customer base of largely B2C online sellers. B2B organizations, or other organizations looking to support multiple forms of commerce, should ensure that their B2B needs are similar to B2C sales models, because some key B2B-specific functions (such as quoting) aren't supported. Demandware's customer base is largely B2C online sellers.
- Because of Demandware's size and maturity, clients often state that Demandware is strong technically, but it lacks rigor in its internal processes for professional services and support services, and the depth of its documentation also could use improvement. In addition, Demandware must increase its system integrator partnerships to help clients with implementations and expand Demandware's distribution capabilities.

Digital River

Strengths

- Digital River's global e-commerce offering is a hosted solution of B2C and B2B e-commerce, with core e-commerce capabilities that can enable an organization to sell online without having the IT resources needed to run and manage a site. Digital River has a proven track record for this among high-technology software publishers, within the gaming and services market, and with consumer technology manufacturers.
- Digital River has added subscription-based sales capabilities that can be used for items such as software and for media that's purchased via subscription. This feature supports time-based, metered use, and issue-based subscriptions. Digital River also added support for mobile e-commerce browser rendering for BlackBerry, Symbian OS, Microsoft Windows Mobile and Apple iPhone OS.
- Digital River supports multilanguage, multicurrency, international tax requirement capabilities, with support for 23 languages (both for shoppers and administrators of the solution), 100 localized payments processes and support for value-added taxation. Digital River can also support e-commerce sales in multiple geographies, such as North America; EMEA; the Asia/Pacific region and South America, particularly Brazil. Digital River supports regulatory fee management that are fee types or recycling (mostly in western Europe), battery reclamation and hazardous handling. Digital River will display and collect the fees and maintain compliance. The fees are managed by the individual country's rules for how the fee should be included and displayed to the buyer.

- Digital River can support B2B, B2C and marketplace-based e-commerce models, including those that require e-procurement supports for transactions, such as Ariba PunchOut. Digital River also supports sales of digital content, software and hard goods in the same online store, or separately. Digital River offers an intelligent sourcing engine that enables the sourcing of products from a network of providers and distribution channels; however, this offering is focused on high-technology products.

Cautions

- Digital River has a client base that's mostly in the high-technology software publishing or consumer technology industries. These clients use Digital River to sell digital goods (such as software and games) or high-technology hard goods (such as network routers, phones and other devices). Therefore, organizations that sell item types outside the high-technology or digital goods spaces (such as home goods, jewelry and apparel that require product catalog capabilities to manage products by style, color, material and size) must be certain that the capabilities required to sell their product types can be supported.
- Digital River depends on a few, large software companies for most of its revenue and lost one of its major accounts in 2009. Clients have expressed concerns about the future of Digital River if more of those large software companies decide to leave Digital River. Therefore, Digital River must grow its client base, and its new support for selling hard goods can help with this transition.

Elastic Path Software

Added to the Magic Quadrant this year.

Strengths

- Elastic Path v.6.1.1 offers a complete set of core e-commerce capabilities and leverages open-source components, such as Apache Solr. A reference store is available to accelerate implementation. In addition, Elastic Path offers guided selling capabilities that enable telecommunications and other similar industries to sell products that require service plans. Elastic Path enables subscription-based sales of software and published material; however, the user must have a subscription management systems for the Web store to fulfill the orders.
- Elastic Path supports UI themes for microsites, enabling the store to have a theme and then have the end user define the store without IT involvement. In addition to enabling themed microsites, Elastic Path supports multisite management, which enables the organization to have multiple stores managed from a single tool, Commerce Manager.
- Elastic Path enables dynamic content placement through e-spots management (slotting), based on conditional settings

and user segmentation. Content can also be delivered to one or more sites. Elastic Path offers a promotion engine and supports gift certificates, as well as Web 2.0 standard out-of-the-box navigation tools, such as mouse-over peek-ahead tags, scrollable item lists and sliders.

- Elastic Path supports multilanguage and multicurrencies capabilities, as well as sales of products based on noncurrencies, such as miles or membership points.

Cautions

- Most of the customer base is located in North America, with a small portion in Europe. Due to the company's size and its need for marketing, Elastic Path's market presence is low, and it is not well-known in the e-commerce market or viewed as a strategic partner.
- Gartner clients and references have removed Elastic Path from long lists, due to technical architecture or a lack of focus on a specific set of industry requirements, because of the general-purpose capabilities of the platform.
- Elastic Path lacks mobile e-commerce and Web 2.0 community capabilities.

Escalate Retail

Added to the Magic Quadrant this year.

Strengths

- Escalate Retail v.10.2 offers a core set of e-commerce capabilities that are integrated into a single solution that supports multichannel e-commerce called "Buy Anywhere, Fulfill Anywhere Commerce." Escalate Retail offers personalized promotions, recommendations, loyalty programs, gift registries and other retail-specific capabilities. It has a client base that is mostly B2C, and it has begun to leverage open-source tools, such as Solr, for search.
- Escalate Retail's Buy Anywhere, Fulfill Anywhere Commerce enables tracking of inventory at the store level in combination with the Web store and a multichannel shopping cart. This enables buying via online, mobile, call-center and in store to be fulfilled in a number of ways, such as a warehouse, vendor, store pick-up or another store. It enables customers to mix different types of fulfillment in one order.
- Escalate Retail improved its multichannel capabilities with the addition of a store portal to help with store-to-store, pickup in store and other multichannel requirements. Moreover, it has expanded the number of customer touchpoints to include kiosk support and the development of a rich user experience for kiosk customers, and plans to offer mobile kiosks in future releases.

- Escalate Retail has improved the site administration UI using Ajax with a tab-based interface.

Cautions

- Escalate Retail focuses on retailers, branded manufacturers, pure-play e-commerce and B2B organizations that ultimately serve a consumer audience.
- Escalate Retail customers are limited to North America, EMEA and Australia, and it does not operate in other regions.
- Escalate Retail is owned by Golden Gate Capital and was formed by the acquisition of GERS, Ecometry and Blue Martini. The e-commerce product evaluated is the integration of GERS Escalate Order Management Asset with Blue Martini. Escalate Retail must convince customers of Blue Martini to migrate to the latest version to demonstrate its long-term viability to the market.

Fry

MICROS Systems (Fry) has been added to Magic Quadrant this year. For this research, the Fry Open Commerce Platform product (OCP v.3.1) was evaluated, and all conclusions pertain to OCP v.3.1 and Fry, and not to any other divisions (Datavantage, CommercialWare, eOne Group or Redsky IT) of MICROS.

Strengths

- The OCP v.3.1 solution offers a complete set of core B2C e-commerce capabilities and a limited set of B2B features, which can be extended through customization. Fry's OCP customer base is in the retail, manufacturing and consumer packaged goods vertical segments, and Fry is moving into the hospitality sector. In addition, Fry OCP engagements include all professional services necessary to deliver a complete solution, including creative, information design, production, quality assurance, technology and project management activities. OCP is delivered as either on-premises or hosted/managed software. In a hosted/managed configuration, Fry will provide all necessary services and infrastructure. The software implementation can be in a single or multi-instance configuration, depending on the organization's business requirements. Fry OCP runs on Java Platform, Enterprise Edition (Java EE)-compliant application servers and Java Database Connectivity (JDBC)-compliant database servers, and supports Java development environments, such as Eclipse.
- Fry OCP Site Manager has an Ajax UI for the business user to update site elements such as filmstrips, breadcrumbs, tabs and recently viewed widgets. These site elements are populated based on how a user sets site elements up in the Site Manager. OCP supports the refinement of product by attributes such as style, color and size, and enables the narrowing down of products via drop downs, radio buttons and other Web 2.0 RIA widgets. This is managed in site manager. It is also integrated with Adobe Scene7 for product visualization.

- Fry OCP Site manager offers a user experience section in the tool that has a graphical user interface (GUI) for modeling an online process and experience. This enables users to manage, and update processes, such as adding promotions into the check-out or abandoned cart processes.

- Fry OCP supports product-level templating that enables bundling of products. For example, in the retail apparel industry, sellers can bundle products into a complete ensemble (this is mixing and matching of products based on a look, style or seasonal fashion trend).

Cautions

- Gartner clients and references find the Fry offering to be robust in core e-commerce capabilities. Fry does maintain a premium pricing structure for its platform, which has caused some potential clients to choose alternative solutions. Five out of 12 reference companies that had Fry on their shortlists did not select it due to price. Core platform support, equivalent to traditional software maintenance support, is typically \$60,000 per year. Upgrades and testing of the platform across point releases typically cost \$75,000, while major product release upgrades average \$150,000. Ongoing development activities, for features outside of core platform functionality, typically range between \$250,000 and \$1 million per year.
- Implementation and customization of the Fry OCP platform can be an issue for organizations, because it often requires a services engagement. These engagements often require Fry services, because Fry has only two other implementation partners – SysIQ and CSC.

GSI Commerce

Strengths

- GSI Commerce is a hosted solution that supports many core B2C e-commerce capabilities, such as product catalog, product selection, rich media (including video), personalization search, promotion, settlement, SEO, product finders (interactive selling tool), order and inventory management. Advanced RIAs and Web 2.0 community capabilities have been preintegrated by GSI Commerce. The company's clients have stated that the environment is stable and can manage large-scale transaction volumes, as well as multichannel store integrations. The hosted environment enables organizations to customize their Web stores.
- GSI Commerce client references have stated that the company is proactive in offering new capabilities to clients as soon as these capabilities are generally available and does a good job of building and maintaining a site – both functionally and as an online business partner. They find the capabilities to be technically strong, and their sites are stable and perform well during peak periods.

- GSI Commerce enables organizations to operate B2C e-commerce websites, even if those organizations don't have the requisite IT resources (infrastructure and human). Retailers fitting this profile say that this has enabled them to focus their efforts on site merchandising and multichannel sales. In addition, GSI Commerce offers functions outside the scope of this research, such as fulfillment and call center services, which enable an organization to wholly outsource its B2C website operations.

Cautions

- GSI Commerce primarily supports B2C Internet sales. Organizations with demanding B2B requirements (such as lead management, proposal generation and selling into multitier partner networks) may not be able to use GSI Commerce's offerings.
- GSI Commerce arrangements can take many years (that is, more than five). Therefore, organizations should understand that GSI Commerce isn't a short-term solution for e-commerce requirements. In addition, Gartner advises clients that arrangements shouldn't extend more than five years.
- Because GSI Commerce's solution includes all infrastructure costs and integrations to technologies outside the scope of this research, a site's management costs can be higher than for some licensed, self-managed sites, or for SaaS solutions during an extended period longer than five years. Therefore, clients should ensure that they have conducted total cost of ownership (TCO) and ROI analyses, including in-house development costs, application integration and upgrade costs, and system integrator fees for this extended period of time, as opposed to the other ownership options.

hybris

Strengths

- The hybris commerce 4.0 solution offers core e-commerce capabilities that can support B2B and B2C online sales. It provides promotions management, which includes coupons, personalized offers and online support for gift card redemption. In addition, it supports product reviews natively within the product (but also has partnerships). It provides cross-selling and upselling by analyzing the profiles of customers, and can enable real-time behavioral base personalization. Hybris commerce also has B2B capabilities, such as procurement integration and a quotation module. The product fully supports virtualization and cloud-based delivery models, and has proven high-end scalability and performance capabilities.
- The hybris commerce 4.0 solution offers user cockpits (product, cms, print and hybris management) with an RIA based UI. It offers mobile shopping via an iPhone application that supports product browsing, searching (online/offline), and a shopping cart and check-out when back online or when a customer is ready to order. It also offers a store locator based on GPS data and product availability and support for Short Message Service

(SMS)/Multimedia Messaging Service (MMS) campaigns. Through hybris partners, hybris offers a SaaS offering for SAP Business ByDesign users.

- Hybris offers complementary e-commerce products as part of the hybris multichannel suite, such as hybris print for managing printed sales material (for example, catalogs), and hybris PIM, which enables centralized PIM for use in any channel, such as Web, print, mobile, store and call center. The PIM system supports multiple catalogs derived from the master catalog by customer, market and language by site, and has language inheritance so that when no language is specified there is a default language for the site, and the product catalog enables product comparisons based on attributes listed therein.
- Hybris supports multisite capabilities and localized product content and assortments; multilanguage, multicurrencies, localized pricing and promotions, and localized processes (tax calculations, regulations, etc.). Also supported is localization of process rules, such as free shipping only in this country or 24-hour delivery in another country where it is available. Hybris supports multichannel capabilities via PIM by delivering consistent messaging, consistent assortment, product information, and joint inventory management between stores and the website.

Cautions

- Hybris is recognized by Gartner European clients and appears in Gartner European client inquiries but is not as well-known in other regions, such as North America or Asia/Pacific. However, hybris is increasing its traction in North America, mainly through its partnership with Endeca and increasing its U.S.-based partner network (e.g., Sapien, SkillNet, Isobar, Acquity Group and Arvato).
- Gartner clients have expressed concerns about the size of hybris in terms of revenue and personnel, and its capability to service its customers while managing its growth and supporting three product sets: hybris commerce, hybris print and hybris PIM. However, hybris is extending its R&D team internally and is integrating third parties for product development (nearshoring and selected hybris implementation partners) to help with this issue.

iCongo

Strengths

- The iCongo E-Commerce Platform (version 8) offers core e-commerce capabilities for B2C and B2B online selling, such as product catalog management, merchandising, personalization, guided selling, cross-selling, promotions, order management and warehouse management, and it supports multiple languages and currencies. It offers workflow management and visual merchandising of the products and has added new promotion capabilities, such as buy X amount and get free shipping or bounce-back coupons. The iCongo Web

2.0 improvements include UI widgets and search widgets, such as carousels for last-viewed items or category browsing and popup video support.

- ICongo can support multichannel sales with integration to point-of-sale (POS) systems. It can support the capability to pool real-time inventory from multiple fulfillment locations or physical store locations, and to manage inventory for multiple locations through “trickle poll files” that help determine which store should fulfill the order, based on such parameters as geography, inventory availability or type of store set by the seller. Local region multichannel support enables fulfillment from only the stores or distribution centers defined for a region and can limit what products can be shipped to what regions. It also provides seamless integration with Amazon and eBay, enabling customers to manage Amazon.com and eBay storefronts.
- Support from iCongo for microsites enables several approaches. The microsite can be within a site or be a completely separate site that is spun off a master copy. Users can create the landing pages in the administration tool and can control search, product pages, the navigation bar and banners. The user has a choice to use the iCongo editor or can take HTML from another source and place it into the tool via the gallery area for landing pages. Also, iCongo supports online “Virtual Events” that enable companies to launch an online virtual event for prospects, sales conferences or training; iCongo added an associate dashboard capability for sales associates to view reports and other information.
- The iCongo tab-based Web store administration tool supports the display of product information in multiple languages side-by-side. This enables translators to edit the data for the product into the local language. It also enables previewing a product in the catalog for viewing all the information on a product, and the user can edit or remove information of the product for product information approval processes. The company supports Universal Product Code (UPC) downloading for B2B use, where the UPC code can be shared with their customers for downloading into back-end systems for receiving.

Cautions

- The iCongo v.8 offering does not have mobile e-commerce capabilities, and this will not be available until the release of v.8.1. Additional capabilities will be added in v.9.
- The iCongo brand is not well-known in the e-commerce market, but it has a strong customer base in the retail, wholesale and service markets, which sell a diverse set of goods in these vertical industries. The company has increased its ability to execute in these industries since the last Magic Quadrant.
- With iCongo’s focus in retail, wholesale, manufacturing and service markets, some Magic Quadrant references outside of these verticals have removed iCongo from their long lists or

shortlists, and stated that iCongo did not fit into their technical architectures or was not viewed as a strategic partner. Therefore, we recommend that organizations work with Gartner to compile their vendor lists.

IBM WebSphere Commerce

Strengths

- IBM WebSphere Commerce v.7 provides many core e-commerce capabilities out-of-the-box, as well as additional capabilities, such as multichannel enablement, a gift registry, an inbound call center solution, SEO, multisite management, and a Web 2.0 reference stores that enable users to develop unique online stores for B2B and B2C e-commerce. Version 7 offers tools such as Management Center and new geographically specific capabilities, such as starter stores for Brazil and China, support for Brazilian and Chinese requirements, such as layaway or bank billet payment methods (Brazil), and coupons and loyalty programs (China). In 2009, IBM launched IBM Commerce as a Service (currently a pilot offering in China). It’s an on-demand e-commerce solution delivered via a business partner and managed under IBM’s OEM program. The software usage is charged through the partner on a monthly billing cycle based on a tiered percentage of online revenue that flow through the site.
- IBM WebSphere Commerce v.7 offers many enhancements to WebSphere Commerce’s foundation to take advantage of the underlying service-oriented architecture (SOA) framework. This further exposes data and business processes in support of storefront shopping services, and provides integration to back-office systems such as Distributed Order Management and ERP, improved administration of the out-of-the-box service library, delegation of services and workflow coordination to structure online processes. Version 7 also offers improvements to version-to-version migration via a new migration wizard and improvements to data-loading capabilities. In addition, v.7 can leverage IBM eXtreme Scale’s distributed and sharable cache resources, which enable improved cache performance for data-intensive operations executed within the WebSphere Commerce environment.
- WebSphere Commerce Management Center improvements include a configurable UI; improvements to catalog management, such as mass field updates; and the ability to manage merchandise for multiple stores. Management Center offers a Precision Marketing feature that supports multitier personalized marketing, based on personas, customer profiles or other sources; online end-capping; and real-time behavioral creation of customer segments. In partnership with Bazaarvoice, Pluck, and Lotus Connections, IBM Social Commerce offers a Web 2.0 Starter Store for B2B and B2C e-commerce that can be managed through Management Center, as well as the ability to link Facebook and other communities into the e-commerce site by sharing products, reviews and blog entries.

- Mobile e-commerce support in WebSphere Commerce v.7 works via a storefront starter template that is optimized for smartphones and offers carrier and device detection. In addition, it offers GPS-based store location mapping, buy-on-mobile with distribution order management integration for inventory visibility, a quick check-out function and a payment plug-in architecture for carrier-based charges with “My Account” management of orders, subscriptions, opt-ins and personal information. It enables browse and navigate, search by stock-keeping unit (SKU), attributes, price range and SMS support. It also leverages the Precision Marketing feature for a consistent cross-channel experience.

Cautions

- Since WebSphere Commerce v.7 was released while this research was being written, references on that release were not available. References provided were on v.6.0 or earlier. Therefore, we recommend that clients interested in v.7 investigate v.7 references at the time of their evaluation.
- Some Gartner clients and references have removed IBM WebSphere Commerce from their vendor long lists, stating that the price was not competitive, its technical architecture did not fit with their organizations, or IBM’s ownership models (e.g., licensed software, hosted) were not a match for their organizations’ e-commerce requirements. Therefore, we recommend that organizations work with Gartner to compile their long lists and shortlist of vendors.
- IBM WebSphere Commerce v.7 is available in three varieties – Express, Professional and Enterprise – and is offered as a service through partners (Commerce as a Service is currently a pilot offering in China). Some Gartner clients are concerned about the selection of the proper offering at the start of their projects, and the cost of migration from one offering to another. Others worry about migrating from version to version. These clients are unsure of where to start and how they will migrate as their e-commerce sales increase. Therefore, we recommend that organizations reach out to Gartner and IBM to obtain clarity on their specific issues.

Intershop Communications

Strengths

- Intershop Enfinity Suite 6.3 offers an inclusive set of core e-commerce capabilities for B2B and B2C e-commerce sales. Enfinity 6.3 offers RIA UI improvements to the site administrative tools, such as drop-down menus and paging bars. In addition, business users find it intuitive to use (that is, on version 6.0 or later releases). Intershop has improved URL creation and handling that can improve SEO. Enfinity 6.3 supports configurable URL rewriting that enables a user to take a long URL and write a short one to improve crawling. Enfinity 6.3 also has site map, keyword and bid management capabilities.

- Enfinity offers a master catalog that enables users to have individual catalogs for individual sites. This enables users to support one to many catalogs for selling in multiple sites (B2B and B2C). Enfinity back-office tools support English or German natively, and other languages would require replacing Enfinity’s dictionary for languages to be used in the tools. It was also made easier in Enfinity 6.3 for the client to do this without having to use Intershop services. Enfinity also supports local currencies that are selected in the back-office tools.
- Enfinity 6.3 supports dynamic content placement, enabling users to place content into page slots based on personalization or promotions. Enfinity 6.3 offers a new advance search module – which is an OEM of Omikron. In addition, Enfinity 6.3 has a library of Enfinity Cartridges for integration with call center, sales configurator (ship to order and assemble to order only), and subscription management tools.
- Intershop can support B2B and B2C e-commerce models on one system, and can support multiple product catalogs that can be created from a master catalog. In addition, Intershop enables partner-based, channel-based and consumer-based sales, and can support supplier networks and procurement-based sales.

Cautions

- Intershop has not appeared on many Gartner clients’ long lists or shortlists for North American companies, and North American competitors continue to gain “mind share” over Intershop. However, in Europe and the Asia/Pacific region, Intershop appears in client inquiries, and on long lists and shortlists, due to its ability to support multiple countries.
- Some clients have stated that the complexity of Enfinity Suite 6.3 can lead to a steep learning curve, because of the product’s capability to support multiple types of sales models (B2B, B2C, supplier networks and procurement-based sales). References have stated that Intershop was removed from their long lists because of a lack of industry focus.
- Enfinity Suite 6.3 is lacking in Web 2.0 community functions, user-generated content management functions (such as blogs, wikis and RSS) and mobile applications.

MarketLive

Strengths

- MarketLive eCommerce Suite v.5.5 is now known as Commerce as a Service. It offers core e-commerce functionality with multisite management capabilities and can support multiple currencies and six languages. In addition, MarketLive v.5.5 enables the sharing of pricing across sites, and enables individual pricing by site. This pricing flexibility contributes to the capability to support multiple site sales for midmarket B2B and

B2C models. MarketLive v.5.5 is a hosted offering, and v.5.6 will be offered in a platform-as-a-service version, which is a multitenanted hosting model.

- MarketLive v.5.5 offers new capabilities, such as Intelligent Insights, which provide users with site performance and management capabilities that enable recommendations on site improvements, based on data from the overall MarketLive customer base. Its Intelligent Merchandising and Marketing features offer end users customer site management merchandising and marketing capabilities. These enable users to directly manage product pricing, promotions, product recommendations, and other merchandising and marketing functions.
- MarketLive v.5.5 offers Web 2.0 capabilities and RIAs, such as social search and navigation and merchandising, and have enabled goal-oriented shopping capabilities. Goal-oriented shopping enables a customer to buy items based on goals, such as vacations or special events. Additionally, MarketLive offers a community, called Intelligent Commerce Connections, for its customers to share best practices and information
- Clients have said that the out-of-the-box site is a simple way to get their websites up and running, and that the basic things an organization wants to do on a website are already in the offering.

Cautions

- MarketLive v.5.5 became generally available on 30 June 2008. However, MarketLive still has customers on versions 4.0 or 3.0. We recommend that organizations on these older version migrate to v.5.5 or newer.
- Clients have stated they like the ability to customize the product when needed; however, they have also stated that site customizations can be expensive, and that if your site needs to be highly customized, then MarketLive may not be the right provider.
- MarketLive is best-suited for midsize organizations with few IT resources. MarketLive's customer base is U.S.-centric, with some penetration in the U.K. and Japan. MarketLive's mobile offering does not leverage GPS for store locations; it requires a postal code to locate a store.

Microsoft

Strengths

- Microsoft Commerce Server 2009 is the release after Microsoft Commerce Server 2007 Service Pack 2 (SP2). It offers a set of core e-commerce capabilities, such as shopping cart management, taxation, personalization, transaction

management, settlement and product visualization, and has a reference application to help organizations launch new online stores, because it is designed to compress the deployment of an e-commerce site for key Web scenarios, such as B2C.

- Microsoft Commerce Server 2009 improvements include integration with SharePoint Server 2010 (beta), FAST Search and BizTalk Server. Another improvement to SharePoint Commerce Services (SharePoint installation required) is the addition of out-of-the-box, customizable, Live Services for an integrated B2C shopping experience with 30 Web Parts (such as an "add to cart" button) that can be used for Web and Mobile sites.
- Microsoft Commerce Server 2009 offers site designers new design tools that standardize the creation and editing of site designs and contain prebuilt components for site creation. For developers and architects, there is new functionality: a new multichannel, unified foundation, the addition of Web parts and a new extensibility model. It also offers Web 2.0 Social Commerce (which requires SharePoint) and RIA (which requires Silverlight) capabilities. Microsoft also has added integration with Microsoft live MSN, so that organizations can sell into those marketplaces.
- Microsoft Commerce Server 2009 can support B2B and B2C online selling. It also includes capabilities for B2B e-commerce, such as support for punch-outs and marketplace integration, and for B2C models. Microsoft Commerce Server supports multichannel integration with kiosks, mobile devices, POS systems, interactive TV and gaming. It also supports multilanguage, multicurrency and multiple-payment models.

Cautions

- Clients and references have disqualified Microsoft Commerce Server (both 2007 SP2 and 2009) from long lists due to its technical architecture not being a proper fit with their organizations' Java technical architecture, or because they believe that Microsoft lacks an industry focus for their industries' e-commerce requirements. Therefore, we recommend that organizations work with Gartner to compile their long lists and shortlists of vendors.
- Organizations looking to take advantage of SharePoint Commerce Services and Web Parts, or that wish to offer a Web 2.0 rich Internet experience and community capabilities with Microsoft Commerce Server, must purchase additional products, because these capabilities aren't part of the core offering. Therefore, organizations also must purchase Silverlight for RIAs and SharePoint to leverage Web parts or enable community aspects of Web 2.0. Otherwise, organizations can use best-of-breed providers for the rich Internet experience or community aspects of Web 2.0.

- Microsoft Commerce Server has three Tier 1 partners (Accenture, Avanade and Cactus Commerce), which have clients and references concerned about the small number of Tier 1 partners that can deliver implementation resources. However, Microsoft does have Tier 2 partners in North America (one in Canada; 12 in the U.S.), EMEA (eight countries), Brazil (one) and India (one).

NetSuite

Strengths

- NetSuite Multichannel Retail Management Suite, which is delivered as a SaaS offering, contains core e-commerce capabilities and inventory management with UPS and FedEx shipping integration. In addition, it enables multisite capabilities with parent/child website capabilities to roll up revenue to a master site where local currencies are supported. It supports multiple currencies (170), localized taxation and 12 languages. NetSuite also offers a user-friendly UI for users to manage the site information. NetSuite's SaaS model and pricing are preferred by smaller organizations or departments with limited IT resources and funding for e-commerce, and the model has the lowest price of all the SaaS offerings in the Magic Quadrant.
- NetSuite offers basic and advanced multichannel retail sales capabilities, such as the ability to check inventory in other stores, deliver to a customer's favorite store and integration for data to be shared across all points of interaction. In addition, product recommendations and Web analytics are included in the SaaS offering. NetSuite is integrated with NetSuite's ERP and CRM solutions.
- NetSuite has clients in multiple industries, such as retail, manufacturing, services, pure-play e-commerce and so on. NetSuite can support B2B and B2C e-commerce. Its offering supports B2B payment types, such as invoicing and purchasing cards, can handle the various pricing requirements, such as volume pricing and invoice terms, and can support repeating orders and reorders, based on an organization's order history (B2B and B2C).
- NetSuite added multichannel capabilities for Web and in-store sales. NetSuite also added GoogleCheckout integration, PayPal Express – with the data on the payment pasted into the NetSuite ERP, except for the credit card number (only the last four digits are pasted back to the ERP). NetSuite added U.S. Postal Service integration for printing postage-paid labels with Endicia via the Endicia Web services integration (Endicia account required and not as part of the SaaS subscription).

Cautions

- With NetSuite, some clients state they can't customize certain processes, such as check-out, and that they can't be changed because they're locked down. This is common for SaaS

offerings, but the organization must accept this as part of the lower costs to run a site. In addition, some clients have stated that NetSuite isn't strong in its fraud processes; however, fraud protection is part of NetSuite's payment processing.

- A key value proposition of NetSuite's Ecommerce offering is its integration with NetSuite's ERP and CRM products. Organizations that won't use those offerings should ensure that NetSuite can support their integration requirements for their own CRM and ERP applications.
- Clients have stated that NetSuite's support for e-commerce needs improvement, and this may be due to the company's growth, combined with a stronger focus on NetSuite's SaaS CRM and ERP products. In addition, NetSuite is removed from client long lists due to its SaaS technical architecture not being a proper fit for the organization.

Oracle

Strengths

- Oracle iStore (R12) offers a complete set of core e-commerce functions for B2B and B2C e-commerce. Oracle continues to win accounts in its installed base of other Oracle products, based on integration with many of Oracle's other products. However, key products, such as ERP (EBS) advanced pricing, product/sales configurator and procurement, quoting, order management and fulfillment lead the way on client requirements. Oracle also offers on-premises licensing and hosting via Oracle On Demand.
- Oracle iStore continues to support multiple sale models, with most of its installed base using iStore for B2B sales, and some using iStore for B2C. A small portion are supporting B2B and B2C sales models. The iStore supports such industries as high-technology and manufacturing, life sciences, telecommunications and professional services, and geographies including EMEA and the Asia/Pacific region.
- Oracle iStore has deep integration with other Oracle products and many reference accounts. Clients find that this has eliminated redundant data by enabling single product, customer and order databases, lowered their TCO and enabled them to support multichannel customer experiences. Clients also have stated that Oracle iStore has enabled customers to view and manage all their orders, invoices and other aspects of their businesses online, regardless of where the order was placed. Oracle B2B customers have been able to offer online configuration of products with quoting, because of iStore's capability to integrate with Oracle Configurator, advanced pricing and quoting applications.

- Oracle iStore enables install products reorder and check-out. This is appealing to organizations that need to upgrade products as part of a service renewal, such as wireless carriers with handset and plan upgrades. In addition, Web analytics are included in the iStore, and no separate purchase for the tool is needed. This enables the user to track customer usage across the site.

Cautions

- The iStore references provided were for 11i10, and not R12. Oracle's current iStore release is R12. Therefore, organizations interested in moving to R12 should require R12 references as part of their RFP process. The lack of R12 iStore references factored into Oracle's change in position from the 2008 Magic Quadrant.
- Oracle iStore R12 does not support social-software capabilities, such as communities. Oracle plans to add Web 2.0 social-media capabilities, support for gift cards/gift vouchers capabilities to the product in later releases, but no timeline was provided. Moreover, Oracle iStore lacks partnerships with vendors for Web 2.0 capabilities, such as product reviews or user experiences. Oracle iStore does not have a strategy for mobile e-commerce applications or for making a Web store available via mobile browsers. This is one of the reasons Oracle scored lower on its ability to execute, compared with its 2008 position in the Magic Quadrant.
- Oracle iStore's installed base mostly consists of B2B implementations in the high-technology, communications and industrial manufacturing industries. Clients and references have stated that iStore has an industrial look and feel, and they have issues with support of embedded flash. This also contributed to the change in position for Oracle iStore. Some Oracle references and Gartner clients have reported performance issues regarding iStore's integration with other products, such as configuration, advanced pricing and quoting.

Requisite Software

On 15 May 2009, Marlin Equity Partners acquired three software operating units from Illinois Tool Works (ITW) and the rights to the Click Commerce name. Click Commerce's eCommerce and Channel Management Division was retained by ITW. It is now doing business as Requisite Software.

Strengths

- Requisite Software eCommerce Suite 8.2 focuses on B2B and target verticals and is good for partner relationship management (PRM)-based Web selling. Capabilities such as deal registration, campaign management, lead

management, marketing funds management, forecasting, order management, PRM/channel management, renewals management, partner locators, training and certification, multilanguage, multicurrencies and product catalog.

- Requisite Software PIM supports Web service integration and XML messaging, comma-separated values uploading, partner-specific catalogs and pricing that is useful for B2B e-commerce online selling, especially for organizations that sell into a network of partners or distributors with multitiered organizations. Product panning (viewing the product by moving across the picture) and rotation links to YouTube from anywhere in the product have been added to the offering.
- Requisite Software offers B2B channel-based sales functions, such as user registration and account management, partner profile creation, partner management and scenario creation with workflow creation, and management for processes. Requisite Software can handle split shipping for B2B orders and selection of past orders for resubmission as new orders, as well as the creation of co-brand Web pages.
- Requisite Software offers profile management, which enables an organization to maintain and store multiple billing and shipping addresses by organization, and to set default billing and shipping addresses by organization. Click Commerce's user profile management and partner profile management capabilities appeal to organizations that sell into a network of channel partners.

Cautions

- The UI is B2B-specific and lacks B2C RIA presentation capabilities. This functionality is fine for B2B applications; however, in the B2C environment, this appears to be simplistic. Additionally, many of the functions for PRM, such as deal registration, are not required by B2C organizations. The product's Web 2.0 and mobile capabilities are nascent.
- The product catalog search capabilities are focused toward B2B users and lack RIA usability capabilities, such as mouse-over peek-ahead tags, which are useful for B2C shoppers and are becoming more popular in B2B selling.
- For B2B selling, the product lacks a guided selling or product configuration capability. (This function enables an organization to guide the buyer to a solution that fits a certain set of requirements.)
- Requisite Software has retained its client base, but this base hasn't grown significantly since the ITW acquisition. Also, some Gartner clients have expressed concerns about the direction of Requisite Software's overall long-term product road map.

SAP

Strengths

- SAP CRM Web Channel Enablement 7.0 offers a new iPhone application via partners that enables Web shopping, order placement and maintenance of user shopping lists. Also new to v.7.0 is loyalty management, which enables customers to have point-based loyalty programs. However, SAP CRM is required to run loyalty management. If your organization runs SAP Web Channel (e-commerce) without SAP CRM, then loyalty management will not be included. SAP CRM Web Channel Enablement offers other ease-of-use improvements, such as a single product catalog UI for customers, sales representatives and contact center agents, enabling the same view to product catalog information for employees, as provided through SAP CRM Web Channel Enablement.
- A large portion of SAP's E-Commerce clients are B2B organizations, for which SAP offers such capabilities as interactive selling and configuration, partner-based pricing and contract support, quoting, auctions, order management and other channel management capabilities. SAP offers B2C functions, such as shopping cart management, product catalog, search, vouchers, gift registry, wish lists, cross-selling/upselling, guided product selection, and sale of bundled products and services.
- SAP Web Channel Enablement can be deployed as a stand-alone product in front of an SAP ERP instance, or it can be deployed as part of a larger SAP CRM implementation. SAP also added a third deployment option, which enables clients to run Web channel capabilities with SAP CRM, but uses SAP ERP sales order management. This enables clients to use the ERP order, but benefits from the e-marketing features of CRM, such as product recommendations, cross-sell and upsell, and marketing campaigns, without having to replicate orders and set up pricing in CRM.
- SAP integration capabilities with other aspects of the SAP CRM suite (Sales Force Automation, Business Information Warehouse, Call Center and Marketing), and with SAP ERP, are one of the primary reasons why SAP appears on clients' long lists and shortlists.

Cautions

- Although SAP CRM 2007 provides Web 2.0 capabilities (such as RIAs, communities or product reviews), SAP was unable to provide references that are live with these functions. However, SAP has added UI improvements, product ratings, reviews and communities to its plan for SAP CRM Web Channel's next release.

- Some clients have stated that migrating from a stand-alone instance of SAP E-Commerce, with an SAP ERP instance, to e-commerce within SAP CRM can be difficult, and, in some cases, it requires a full upgrade to SAP CRM, with a loss of customizations that were performed in SAP E-Commerce.
- Most client references for this research are running SAP CRM 2005 or higher. The current, generally available offering is SAP CRM v.7.0. Therefore, we recommend that clients interested in SAP CRM v.7.0 investigate v.7.0 references at the time of their evaluations.
- Some clients on SAP CRM 2005 (v.5.0) or lower have stated that SAP E-Commerce doesn't generate search-engine-friendly URLs, making it difficult to obtain higher rankings on-site, such as in Google. However, SAP does provide a special "Web crawler enablement" feature, which started in SAP CRM 2005, that caters to Google and other Web crawlers to pick up the site's content.

Sterling Commerce

Strengths

- Sterling Multichannel Selling v.8.5 enables B2B and B2C multichannel sales. It offers B2C functions, such as multichannel gift registry wish lists, product reviews, gift cards and shipping discounts, and B2B functions, such as customer-specific pricing and catalogs, guided search and selling, product configuration and quoting. Sterling Commerce offers personalization, merchandising, storefront skins, multiple languages and currencies, promotions and storefront-specific rules. Sterling Multichannel Selling is available as licensed software or on-demand. The on-demand offering is a configured deployment that is hosted.
- Sterling Commerce is good at partner stores, because it supports a partner sales model and purchasing from procurement managers, based on user types and rights. It offers configurable partner and company storefronts. Sterling Multichannel Selling leverages its strength in configuration, pricing and order management, and it enables the sharing of product catalogs with multiple storefronts, and enables individual storefront owners to manage their own catalogs and pricing. Business Center enables the management of product data, promotions, catalog taxonomy and pricing (price lists plus product catalog plus entitlement). The runtime brings these attributes together to calculate a valid product price (based on the combination of all three attributes) for an individual buyer.
- Sterling Commerce added two new iPhone mobile applications – Sterling Store Associate Mobile and Sterling Mobile Store Channel. These applications work with Sterling Order Management and enable consumers to browse available

products, find inventory, select their fulfillment method, and order and pay for products via a mobile storefront. They also enable store associates to be more effective in meeting consumer needs by finding and reserving available-to-promise inventory and completing the sale from the mobile device when stock is not immediately available.

- Sterling Commerce offers capabilities for channel consistency across all channels, with the integration of Web, call center, store and field sales channels; and the e-commerce offering leverages order management features, including inventory management, available to promise, store pickup, order brokering and automated sourcing. In addition, Sterling Commerce's order management capabilities target organizations with complex fulfillment requirements.

Cautions

- B2B e-commerce organizations find that Sterling Multichannel Selling's UI meets their usability requirements. However, B2C e-commerce organizations find the storefront UI to be behind current B2C e-commerce usability trends, and prefer to use its fulfillment capabilities behind another e-commerce product or custom-developed site.
- Most of Sterling Commerce's customers are in North America, with a small portion in EMEA, the Asia/Pacific region and Japan. However, Asia/Pacific/Japan is an area that Sterling Commerce will not focus on in 2010. Organizations seeking a global solution provider may find this limiting.

Vcommerce

On 1 September 2009, Channel Intelligence announced the acquisition of certain key assets of Vcommerce for inclusion in future Channel Intelligence e-commerce offerings (which were not part of this research). The following commentary is based solely on Vcommerce.

Strengths

- Vcommerce Enterprise Commerce Platform (ECP) is a SaaS provider that offers e-commerce capabilities, such as shopping-cart management, taxation, personalization, transaction management, settlement, product visualization and RIAs via Adobe Flex for a rich user experience and the ability to run multiple brands under one store with a single cart.
- Vcommerce began as an order management solution, and has added an e-commerce storefront that offers subscription management (simple and complex), digital download, and single-page check-out capabilities on top of its order management engine. Because of its background, Vcommerce is strong in order management and partner integration for drop-shipment suppliers, and supports multiple shipping options and charges.

- Vcommerce offers a phone order-entry capability – this is the call center agent desktop, which is integrated with the Web storefront and the back end, and integrated with the voice response system for credit card processing. This voice response system enables an organization to outsource its call center, but not have the foreign agents' process the credit cards being used for a transaction.

- Clients have stated that they chose to work with Vcommerce because of the pricing of its SaaS offering and its order management integration with suppliers for direct drop shipment of goods sold on the website.

Cautions

- Vcommerce was acquired by Channel Intelligence during the Magic Quadrant research period. Clients and prospects should engage Channel Intelligence senior management and review Channel Intelligence's strategic product development plans for Vcommerce's SaaS offering to determine whether there is still a fit with their organizations' requirements.
- Vcommerce only has B2C e-commerce clients, and is specifically targeting selected markets with its e-commerce offering. These markets are apparel and accessories, health and beauty, home, and brick-and-mortar retailers looking to go online. Therefore, organizations outside these markets shouldn't evaluate Vcommerce. In addition, clients interested in Vcommerce order management capabilities did not consider the SaaS offering an appropriate ownership model for their organizations.

Venda

Strengths

- Venda is a SaaS offering that contains core e-commerce capabilities at a fixed price per month with transactional fees. Venda's pricing model changed the way organizations viewed funding of e-commerce projects, because it was different than existing, per-transaction or revenue share models. Venda's SaaS model is all-inclusive for B2C e-commerce capabilities; however, the monthly fixed price doesn't include integration with back-end systems or customization. However, clients like the cost model because it's relatively predictable, and includes capabilities outside core e-commerce capabilities, for the same single fee.
- Venda offers a tabbed interface UI for managing the site, which includes capabilities for user management of the store, publishing, customer service, marketing, order management, security, reporting and configuration. New to Venda is Venda Flash Merchandising, which is an update capability that enables the merchant to apply hot spots within Flash, show product collections, carousels, and videos via the vendor control

center. You can navigate to products from Flash. Venda Feed Commerce Manager enables a merchant to determine where to have its product to show up in different search engines (e.g., Google, Bing, Yahoo and MSN).

- Venda supports direct store integration with eBay. Venda's UI toolkit, Advanced Customer Experience (ACE), enables organizations to modify templates; create layouts and pages, through Cascading Style Sheets (CSS); and launch additional Venda sites, after Venda has deployed the client's first site. Venda was the OEM for Avail.net for behavioral recommendations and embedded this into the server. Customers pay for the service only if the product recommendation ends with purchases. This is paid on an affiliate fee and is session-based. Only pay for recommendation within the session when it is recommended, not if you come back a day later and make a purchase.
- Venda uses an offshore model with company developers for product support and development to keep costs in line with the SaaS model. Venda releases code upgrades 10 times a year (except in November and December). Venda's help desk and dedicated account manager are included in the fee, and the company has staff in London, New York and Bangkok, Thailand, with a business manager and a project manager assigned to each account.

Cautions

- Some clients with multichannel requirements beyond call center integration would like Venda to support other multichannel customer touchpoints, such as integration with POS and CRM systems.
- Some clients have stated that the Venda's store locator function isn't robust and should work better with stores. Additionally, Venda doesn't integrate with gift cards for store purchases; only online gift cards for online-only purchases are supported. Venda does not have a production mobile storefront or application; it is in proof of concept with one customer.
- Some North American clients have stated that they have experienced some support delays when issues arise. However, this may be due to an increase in the number of North American clients. In addition, Venda's size, based on revenue, and its status as an emerging vendor, may be contributing to this issue.
- Some client have stated Venda Integrations are rigid, standardized file formats. However, clients should understand that, for the low price point of Venda's standard integration, there will be defined file formats. However, Venda offers custom integrations for an additional fee.

Volusion

Added to the Magic Quadrant this year.

Strengths

- Volusion's SaaS e-commerce offering is a turnkey solution that is offered via a monthly subscription with separate implementation service fees. The monthly fee includes maintenance-related fees. It has a strong fit from midmarket or departmental B2C Internet sales and retailers of this size. Volusion is customizable and offers more than Yahoo or eBay stores. Volusion offers Social Store Builder, where merchants can feature their online stores and products in online communities, such as Facebook and MySpace.
- Volusion offers marketing services for search engine marketing and search engine optimization. Volusion offers design services for customized designs, as well as premium and free templates for sites. Volusion offers live chat as part of its offering.
- Volusion provides business management of data access, reporting, integrated tools for inventory management, CRM and order fulfillment. Volusion's offering is managed via the business manager and minimizes the need for coding.

Cautions

- Volusion solutions are geared toward small or midmarket retailers, with little or no IT capabilities. Organizations seeking large-scale or high-volume e-commerce capabilities will not find Volusion a good fit for their organizations.
- Because Volusion is a SaaS product, the amount of customization that organizations can make to their online stores is limited. For this reason, some organizations do not find Volusion to be a good technical fit for their e-commerce requirements. Therefore, we recommend that organizations work with Gartner to compile their vendor lists.

Vendors Added or Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets and skills, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability (Business Unit, Financial, Strategy, Organization): Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all pre-sales activities and the structure that supports them. This includes deal management, pricing and negotiation, pre-sales support and the overall effectiveness of the sales channel.

Market Responsiveness and Track Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word-of-mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements, etc.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the Web site, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services, and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.