IR

INTERNET RETAILER

RESEARCH
the global leader in ecommerce data

2020 LEADING VENDORS TO THE TOP 1000 E-RETAILERS

Ranking, data and analysis of the
top ecommerce technology providers.

INTRODUCTION

A growing number of retailers are seeing the benefits of utilizing the services of a vendor rather than handling every facet of their ecommerce operation themselves.

In fact, 66.0% of Internet Retailer's 2019 Top 1000 retailers use a vendor to power their ecommerce platform, compared with 34.0% who manage all, or at least some, of their platform management in house; 84.2% of Top 1000 retailers use a vendor for email marketing, compared with 15.8% that handle it in house or at least partially in house; and 79.2% of Top 1000 retailers use a vendor for personalization services compared with 20.8% that handle it in house or partially in house.

Additionally, 65% of retailers choose to use a vendor—compared with 35% who selected in house—when implementing a new technology, according to Internet Retailer's 2019 Ecommerce Technology Survey of 160 retailers conducted in August 2019.

NEW TECHNOLOGY: IN HOUSE VS. VENDOR

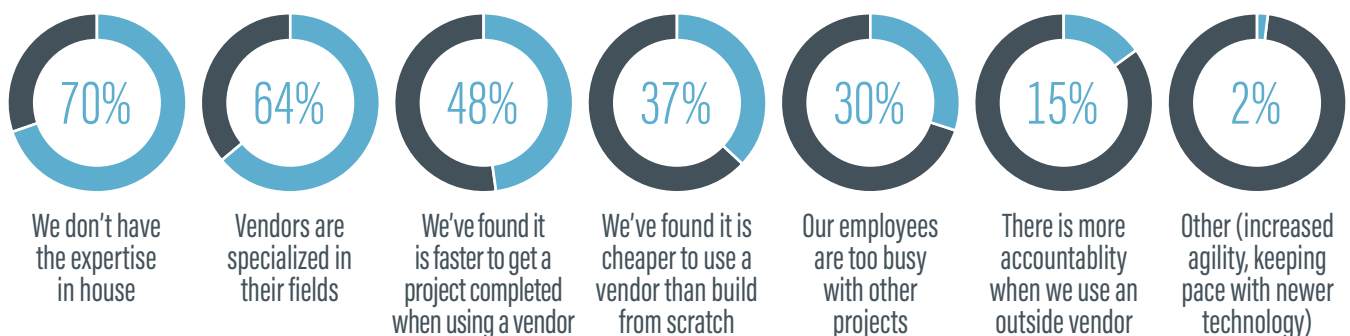When implementing a new technology, do you typically use a vendor or try to build the technology in house?
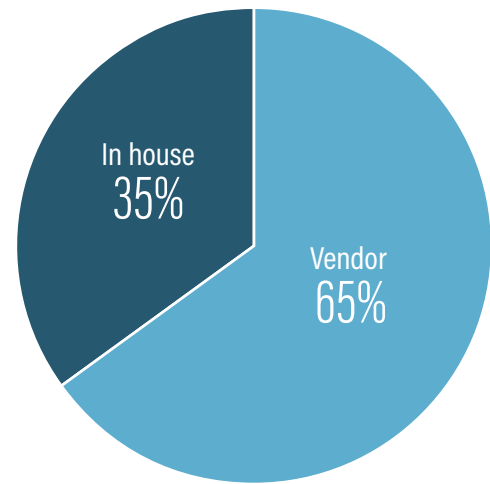
In house 35%

Vendor 65%

Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

TOP REASONS RETAILERS USE A VENDOR

What are your reasons for using a vendor? (Multiple responses allowed)

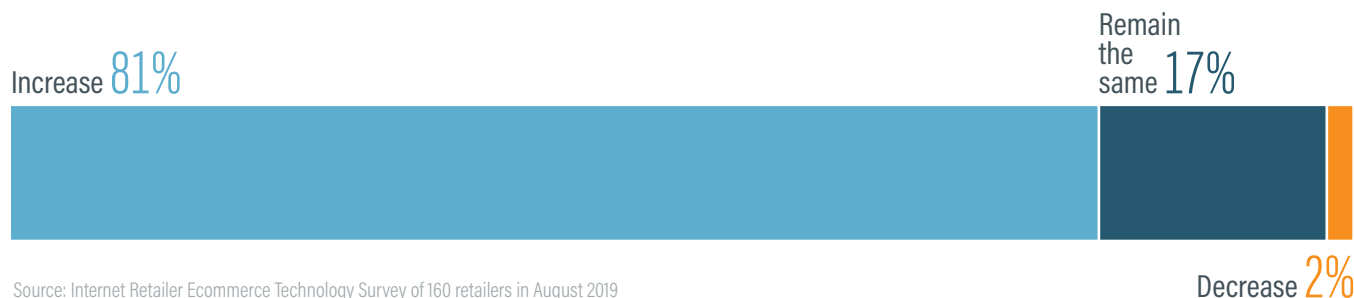| 70%	64%	48%	37%	30%	15%	2%
We don't have the expertise in house	Vendors are specialized in their fields	We've found it is faster to get a project completed when using a vendor	We've found it is cheaper to use a vendor than build from scratch	Our employees are too busy with other projects	There is more accountablity when we use an outside vendor	Other (increased agility, keeping pace with newer technology)

Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

RETAILER SPENDING PROJECTIONS FOR ECOMMERCE TECHNOLOGY
Will your spending on ecommerce technology and services increase, decrease or remain the same over the next year?

Increase 81%

Remain the same 17%

Decrease 2%

Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

And retailers trust vendors have the expertise that their own staff don't to upgrade or implement new technology. 70% choose a vendor because they don't have in-house expertise and 64% do so because vendors are specialized in their field, according to the survey. (Respondents could select multiple responses). 48% of retailers found it faster to get a project completed when using a vendor, and 37% said it is cheaper to use a vendor than build the technology from scratch in house.

Across nearly every aspect of ecommerce—from ecommerce platforms to site design to marketing to fulfillment—vendors offer a slate of services that can provide retailers with everything they need to get their ecommerce operations up and running, or to improve upon outdated practices. Plus, many retailers are ready to invest in more technologies. 81% of survey respondents said they plan to increase their spending on ecommerce technology and services in the next year to add more services and technology to their operations. That suggests the time is ripe for vendors to market their services to retailers that are ready to boost their offerings to keep up with growing ecommerce demand.
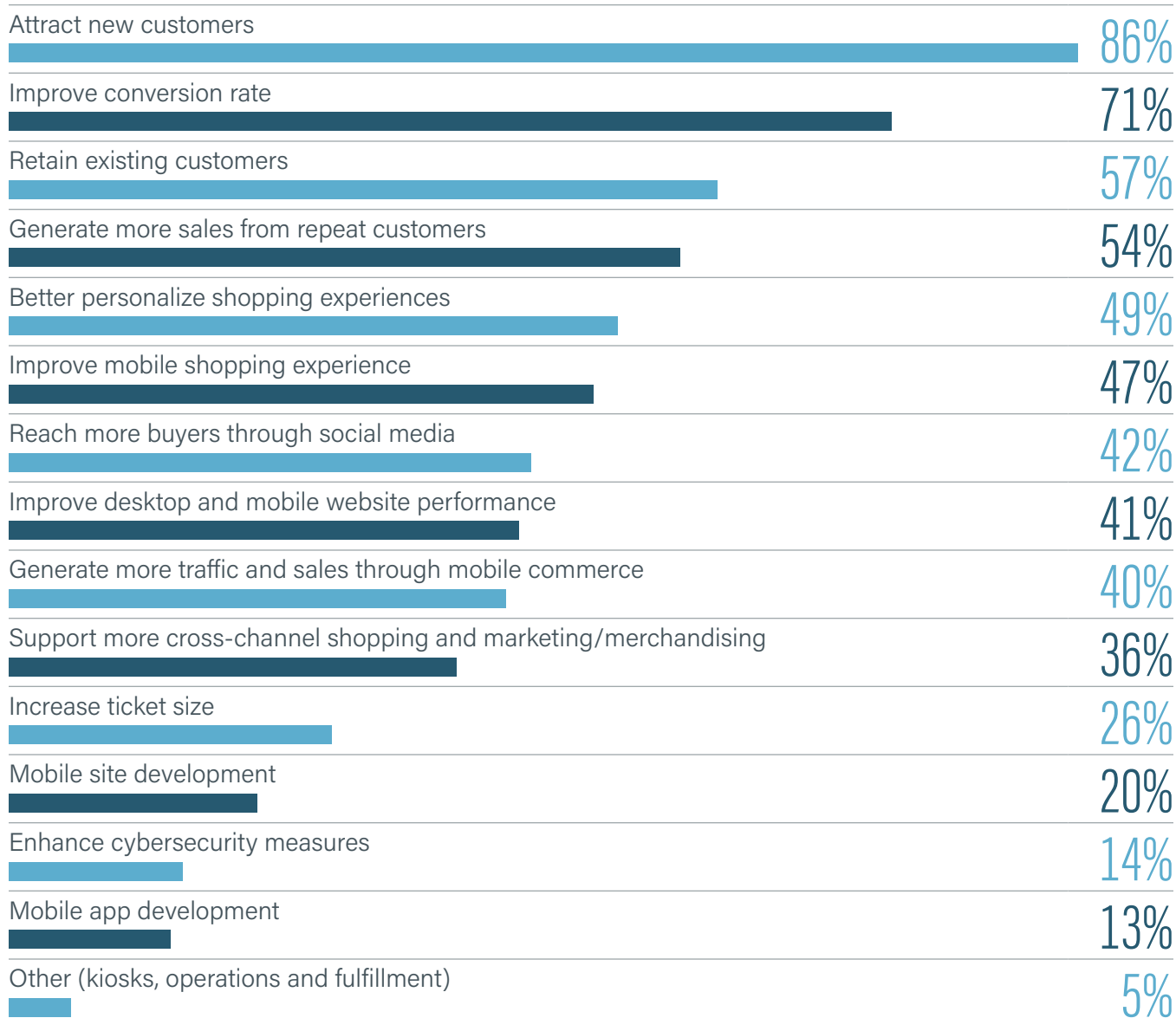
86% of online merchants plan to increase their ecommerce technology spending to attract new customers, according to the survey, making it the top response. (Respondents could select more than one answer.) Other reasons to increase spending include the following: improve conversion rate (71%), retain existing customers (57%), better personalize shopping experiences (49%), improve mobile shopping experience (47%), reach more buyers through social media (42%), and enhance cybersecurity measures (14%).

RETAILER SURVEY
REASONS RETAILERS SPEND ON ECOMMERCE TECHNOLOGY
What are your main reasons for spending more on ecommerce technology over the next year? (Multiple responses allowed)
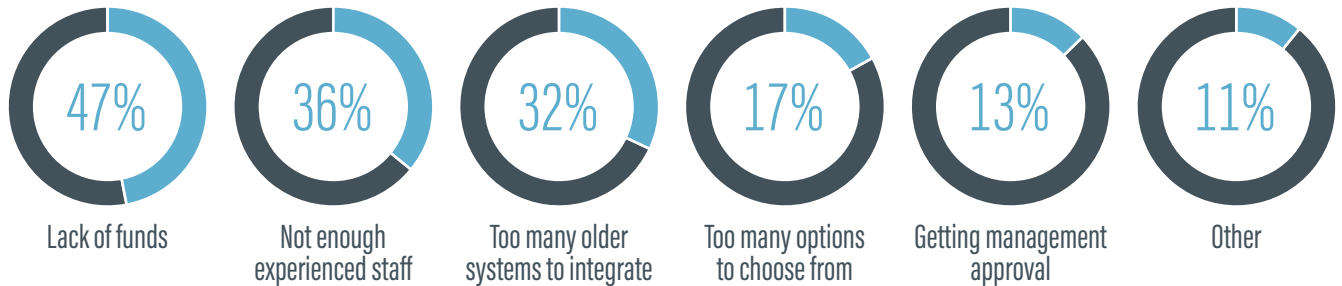
Reason	%
Attract new customers	86%
Improve conversion rate	71%
Retain existing customers	57%
Generate more sales from repeat customers	54%
Better personalize shopping experiences	49%
Improve mobile shopping experience	47%
Reach more buyers through social media	42%
Improve desktop and mobile website performance	41%
Generate more traffic and sales through mobile commerce	40%
Support more cross-channel shopping and marketing/merchandising	36%
Increase ticket size	26%
Mobile site development	20%
Enhance cybersecurity measures	14%
Mobile app development	13%
Other (kiosks, operations and fulfillment)	5%

Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

CHALLENGES IN UPGRADING ECOMMERCE TECHNOLOGY

In general, what are the main challenges you face in upgrading your ecommerce technology? (Multiple responses allowed)

47%	36%	32%	17%	13%	11%
Lack of funds	Not enough experienced staff	Too many older systems to integrate	Too many options to choose from	Getting management approval	Other

Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

But upgrading technology is not always easy. The No. 1 challenge for retailers that want to upgrade technology is lack of funds, which 47% of survey respondents selected. Even so, plenty of merchants plan to significantly increase their spending: 9% will increase their ecommerce technology spending more than 50% over the next year, while 50% of respondents plan to increase spending 10-25%.

Other challenges to upgrading ecommerce technology include not enough experienced staff (36%), too many older systems to integrate (32%), too many options to choose from (17%) and getting management approval (13%).

The message is clear: Ecommerce retailers want better-performing sites on all devices, to reach more customers, convert more shoppers to buyers and encourage those shoppers to come back by providing fast shipping and top-tier customer service. But checking all those boxes on their own can seem insurmountable to some. Vendors can take over some, if not all, of those tasks to deliver a seamless shopping, shipping and customer service experience for retailers' customers. ⚙

HOW MUCH RETAILERS PLAN TO SPEND ON ECOMMERCE TECHNOLOGY

How much of an increase in ecommerce technology spending do you anticipate over the next year?

5% or less	5.1%-10%	10.1%-15%	15.1%-25%	25.1%-50%	More than 50%
10%	19%	25%	25%	12%	9%
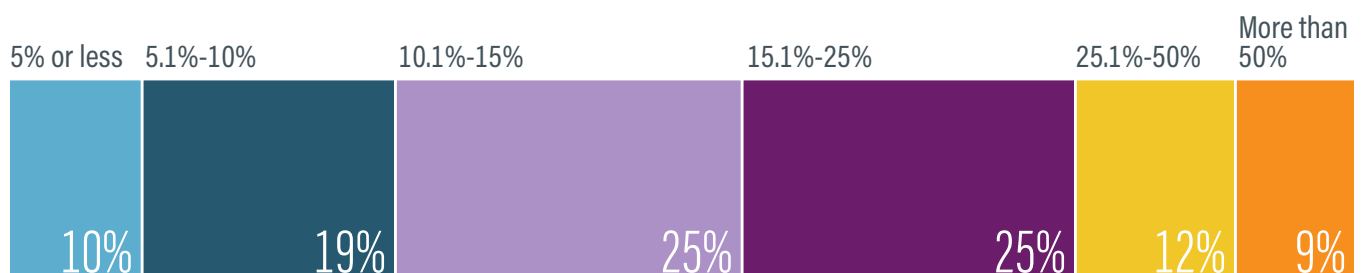
Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

CONTENTS

The author

Internet Retailer Research

CHARTS

CONTENTS

SPONSORED CONTENT

hawksearch

Give your customers a smarter way to search.

When shoppers can't find what they're looking for on a site, they leave - it's as simple as that.

Consumers are expecting a smarter way to search. Deliver that and more with Hawksearch.

Hawksearch is an intelligent search and recommendations platform that provides relevant, personalized, and accurate results allowing ecommerce retailers to build strategies that are tailor-fit for their business needs.

Intelligently recommend relevant products that appeal to your customers.

Drive decision making and strategy through a robust reporting dashboard.

Fine tune search results for each individual user through machine learning and location targeting.

Get the power to influence search results based on your own business goals.

Take your search experience to new heights with Hawksearch.

www.hawksearch.com

888-7-SEARCH | info@hawksearch.com

Powering search to drive conversions for...

POWELL'S
CITY of BOOKS

KR Kirby Risk
Electrical Supply

PURE HOCKEY

STUART WEITZMAN

HOW ECOMMERCE PLATFORMS HAVE EVOLVED

HOW ECOMMERCE PLATFORMS HAVE EVOLVED

Ecommerce platforms are the most-used vendor technology, as 58% of merchants use a vendor to power their ecommerce sites or apps, according to the August 2019 Internet Retailer Ecommerce Technology Survey.

But ecommerce platforms don't look like they used to. The once-simple tools that serve as the backbones to retailers' ecommerce sites are increasingly extending their reach by integrating with online marketplaces, offering fulfillment services and bolstering retailers' mobile commerce offerings.

And with good reason: Ecommerce is surging, and that's driving shoppers to demand more from online retailers. In turn, that's leading merchants to expect more from their ecommerce platforms.

However, only 28% of retailers are looking to switch ecommerce platforms in the coming year. This is good news for certain vendors since 72% are content with their current ecommerce platform.

But for those looking to switch, respondents have specific technology criteria they're looking for in a new platform. 33% of retailers want commercial software adapted for them and hosted externally in a single-tenant environment, while 27% are seeking an ecommerce platform that provides a multi-

28% Yes

72% No
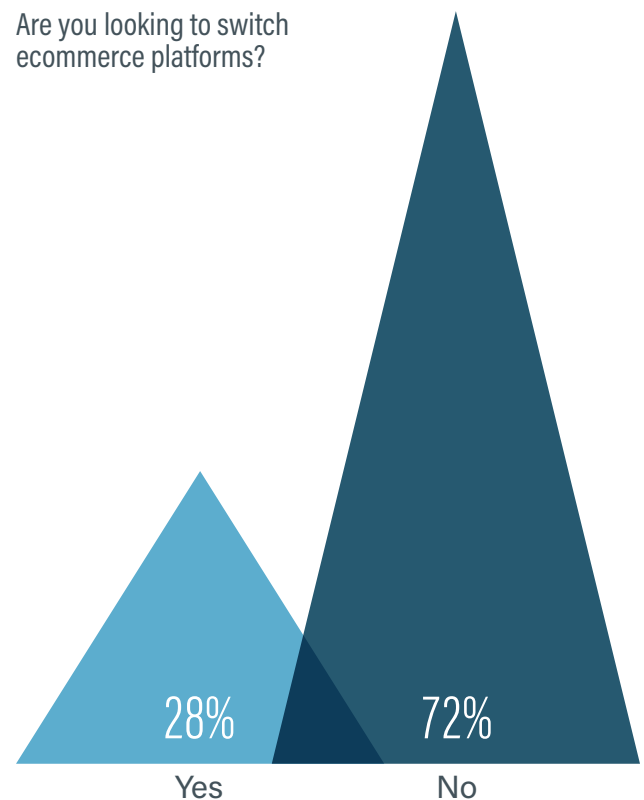
Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

tenant, software-as-a-service environment, in which a vendor hosts software used by multiple clients. Retailers are also looking for internally developed and internally hosted platforms where the retailer hosts it on its own web server (18%); headless commerce in which the front end and back end of a commerce platform are de-coupled and stand independently of one another (9%); internally developed and externally hosted in which a retailer develops its

HOW ECOMMERCE PLATFORMS HAVE EVOLVED
2020 LEADING VENDORS TO THE TOP 1000

RETAILER SURVEY

TYPES OF TECHNOLOGY RETAILERS WANT IN A NEW PLATFORM

What type of technology are you most likely to choose for a new platform?

4% Commercial software hosted internally

33% Commercial software adapted for us and hosted externally in a single-tenant environment

9% Headless commerce/ microservices approach

9% Internally developed and externally hosted

18% Internally developed and internally hosted

27% Multi-tenant SaaS (software as a service), in which a vendor hosts software used by multiple clients
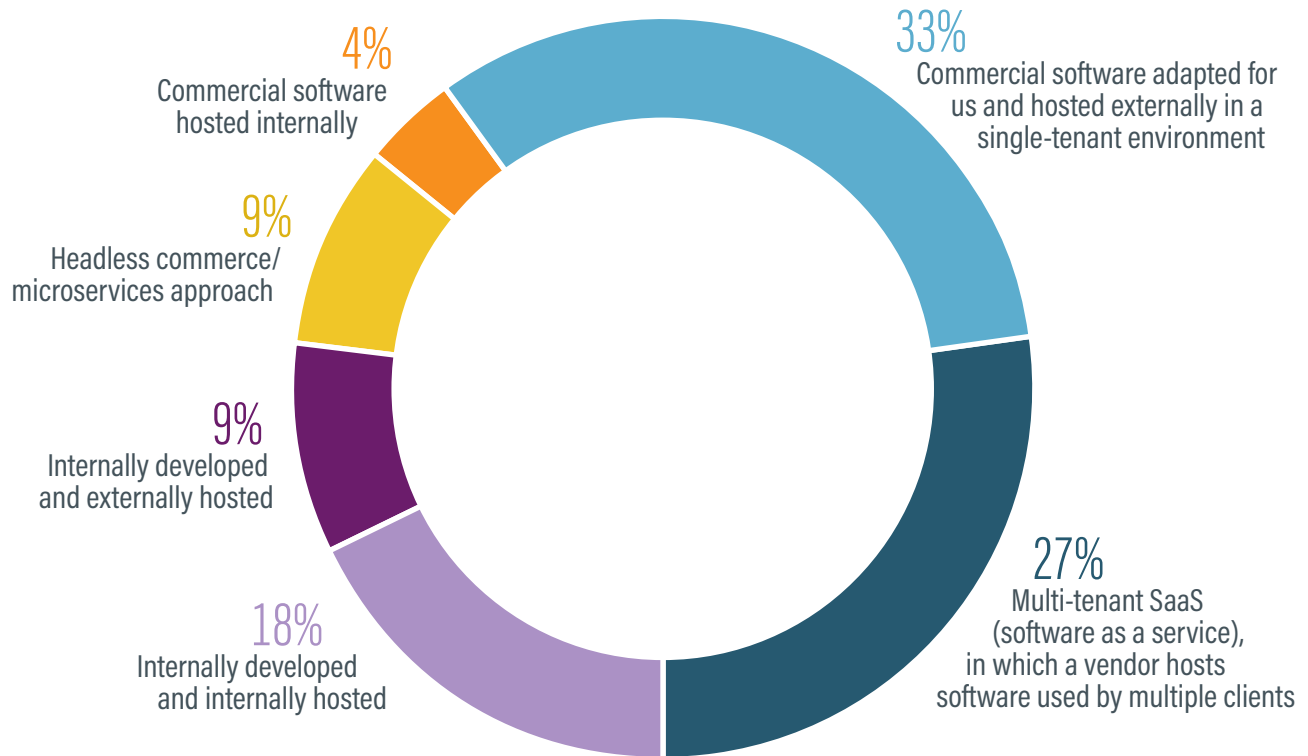
Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

own server hosting system but uses a third-party company's server to store and host it (9%); and commercial software hosted internally in which a retailer uses services, applications or other components from a service provider but keeps it all in house (4%).

Both online retailers and platform vendors intend to benefit from the growing ecommerce market by beefing up their offerings. For example, Magento Commerce, which Adobe Systems Inc. bought in June 2018, recently added Amazon integrations and Google Shopping ad tools. Canadian ecommerce platform vendor Shopify Inc., meanwhile, is on

a rapid push to add tools to simplify the process of creating and updating an ecommerce site and rolling out video and 3D-modeling tools to all merchants, in addition to setting up a network of fulfillment centers throughout the United States to help merchants using its ecommerce platform deliver products more quickly and for a better price. Plus, ecommerce platforms are more robust than ever as they seek to help merchants gain sales and amplify (and simplify) their business operations.

Take Adobe, which is rapidly expanding Magento's scope. The ecommerce platform in May 2019 launched the Magento Amazon

Dynamic pricing and competitor price comparisons are among the sales tools offered by Magento's Amazon Sales Channel.

Sales Channel that lets Magento merchants integrate their product catalogs with Amazon's marketplace. This enables merchants to manage their Amazon listings from their Magento dashboards. Adobe also recently rolled out Amazon Sales Channel in Magento for Europe, further extending its relationship with Amazon, and allowing brands to more easily manage and sell products on Amazon's marketplace; integration of Magento commerce platform with Adobe Stock; and a multi-cloud infrastructure service with Microsoft.

The integration is a natural fit for Magento, given that 60% of retailers that use its platform also sell on Amazon, says Jason Woosley, Adobe's vice president of commerce product and platform. To use the feature, merchants add Amazon as a sales channel from their Magento administrative page, then select which products they want to list on the marketplace. The feature includes a pricing module that helps retailers

set prices for their products on the site. For example, it informs merchants when their prices are within 5% of the average price on Amazon. That information then prompts a merchant to offer other incentives to stand out, such as free shipping, he says.

A merchant can also tie the pricing feature to its inventory. For example, a retailer can use the tool to set a trigger to increase its price on Amazon by 5% if it has fewer than five SKUs of a particular item in stock. A seller can also set product prices to adjust to the current price

listed in the Amazon Buy Box, or adjust to the lowest competitor price for an item without sacrificing set margins.

Moreover, building a connection with Amazon's marketplace can generate other benefits. The new feature leverages the massive trove of information included in Amazon listings by allowing Magento merchants to sync those product details into their Magento catalogs. For example, if a merchant sells a video game console but its Magento catalog listing doesn't include the release date, the Amazon Sales Channel can import that data from the Amazon page and add it to the merchant's product information on its own ecommerce site.

Hoopologie, a supplier of hula hoop tubing and accessories, in September 2018 became one of the first retailers to use the Amazon Sales Channel in Magento to sell on Amazon. Because Hoopologie didn't sell on Amazon prior to the Magento integration, the ecommerce platform helped the retailer directly manage its inventory on Amazon. Magento also delivered competitor reporting on pricing to help the merchant ensure its products are priced competitively on the marketplace, says Melinda Rider, Hoopologie's founder. After implementing Amazon Sales Channel, Hoopologie's sales grew 30% as Amazon helped the retailer extend its reach through a new channel with a wider audience than its existing customer base, Hoopologie says.

Z Natural Foods is another retailer using the new Amazon integration from Magento. While

30% Sales growth for hula hoop accessories retailer Hoopologie after it implemented Magento's Amazon Sales Channel
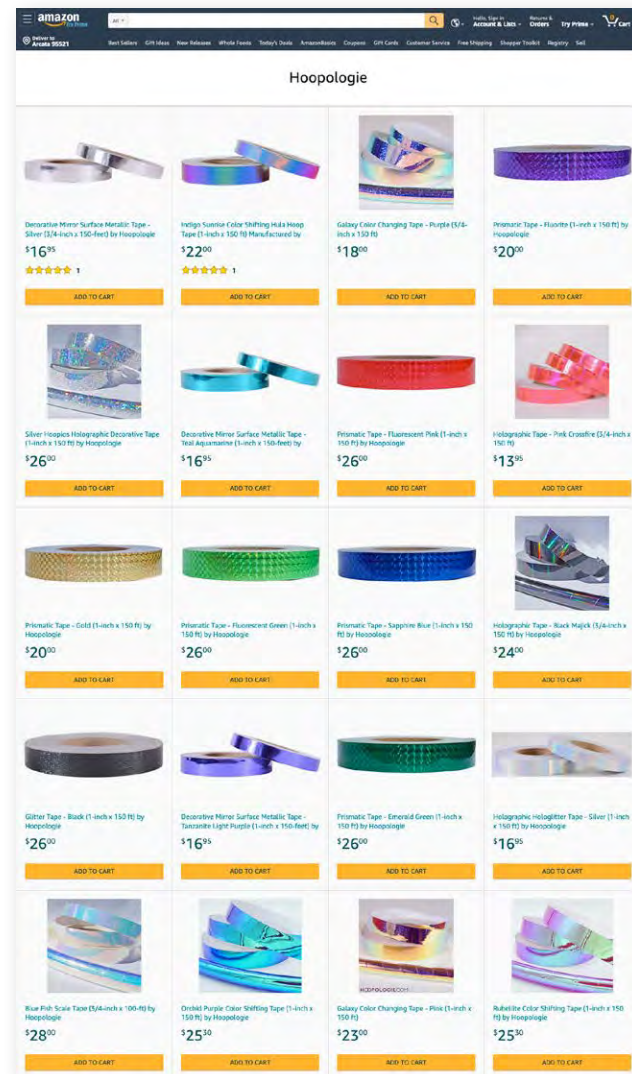
the retailer sold products on Amazon prior to using Magento's Amazon Sales Channel, the integration eliminated the need for the retailer to rely on two separate teams to manage its listings across Amazon, its ecommerce site and other channels, says Jon Parker, the retailer's director. That helped Z Natural Foods cut up to 70% of the management time it required in the past to run its own site and its Amazon Seller Central account separately.

Adobe in May also added Google advertising tools to Magento. The Google Shopping Ads Channel for Magento Commerce integrates with Google Merchant Center and Google Ads so merchants can manage their Google Ad campaigns from their Magento accounts.

Merchants can create a Google Merchant Center account through Magento, then automatically claim and verify their website, set up shipping and tax rules, and conform their Magento catalogs to Google's requirements. In the Google Shopping Ads Channel, merchants fill out the product attributes Google needs to create ads—for example, color, size and product category. Magento then adapts the merchant's product data to adhere to Google's standards. It then sends the data to the Google Merchant Center.

Through the Magento administrative dashboard, retailers can also create Google Smart Shopping campaigns that allow them to set a daily budget and let Google optimize the campaign for the highest conversions by automatically choosing which products to advertise, how much to bid,
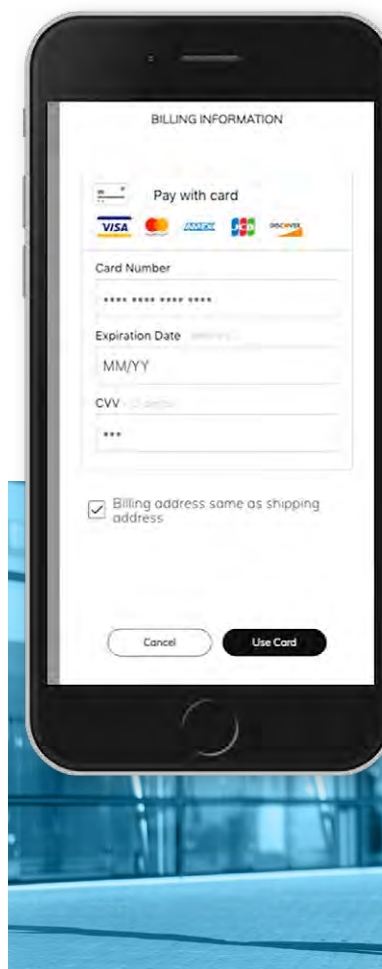
The Magento PWA studio integrates with PayPal-owned Braintree, allowing merchants to accept debit and credit card transactions.

who to target and which ad creative to show. Merchants can also track the performance of their campaigns within Google Shopping Ads Channel.

Adobe also added payment acceptance capabilities to the Magento PWA Studio. The progressive web app studio, announced in October 2018, helps merchants and developers create progressive web apps. A PWA is a set of design and technology standards that offer the look and feel of an app, but in a mobile website. Now, the PWA studio integrates with PayPal-owned Braintree for merchants to accept debit and credit card transactions. ⚙

FULFILLMENT MATTERS FOR CUSTOMER EXPECTATIONS

FULFILLMENT MATTERS FOR CUSTOMER EXPECTATIONS

It's not just Magento making moves to broaden its appeal to online merchants. Shopify also has been busy lately, announcing a series of steps to help online merchants compete in the cutthroat retail landscape. In June, it announced plans to spend $1 billion over the next five years to set up a network of fulfillment centers in the U.S. to help merchants using its ecommerce platform deliver products to shoppers more quickly and cheaply and better compete with Amazon. A Shopify spokeswoman says the company has negotiated low rates with warehouses and shipping companies for its merchant customers.

The response has exceeded the vendor's expectations with "thousands" of merchants expressing a desire to be a part of Shopify's early-access program, Shopify chief operating officer Amy Shapero said on Shopify's second quarter earnings call on Aug. 1, 2019.

Shopify plans to spend $1 billion over the next five years to set up a network of fulfillment centers in the U.S.
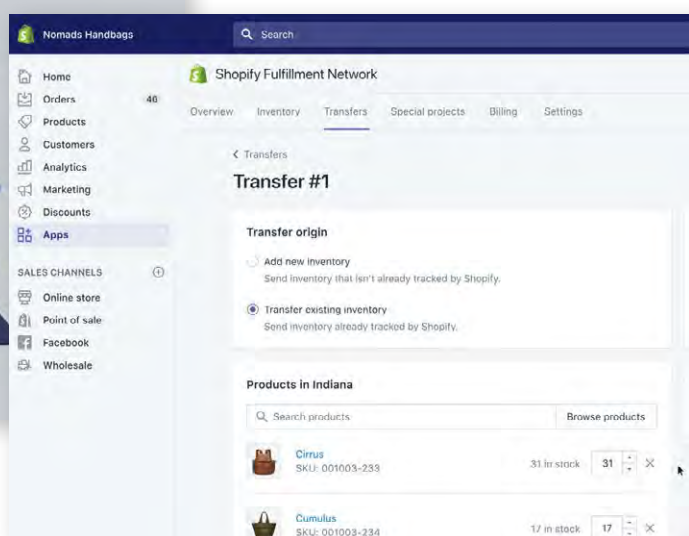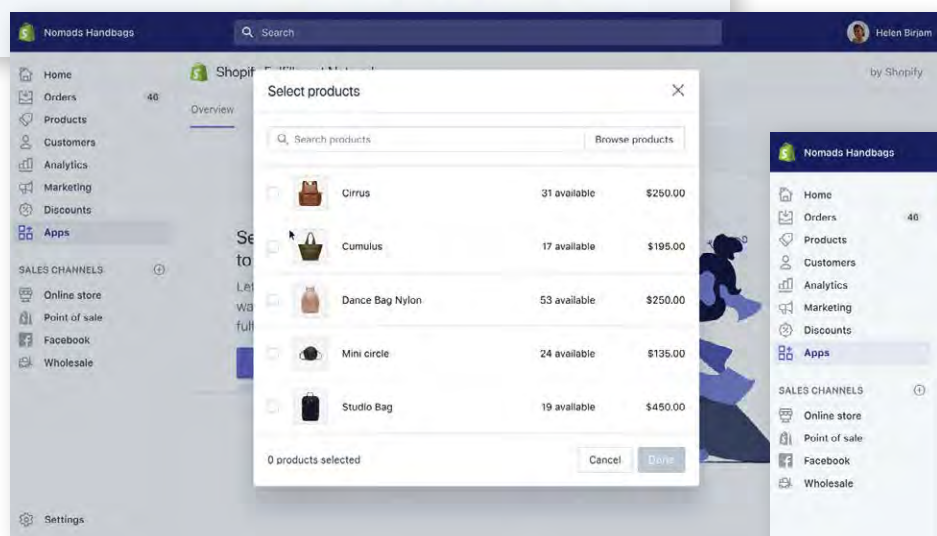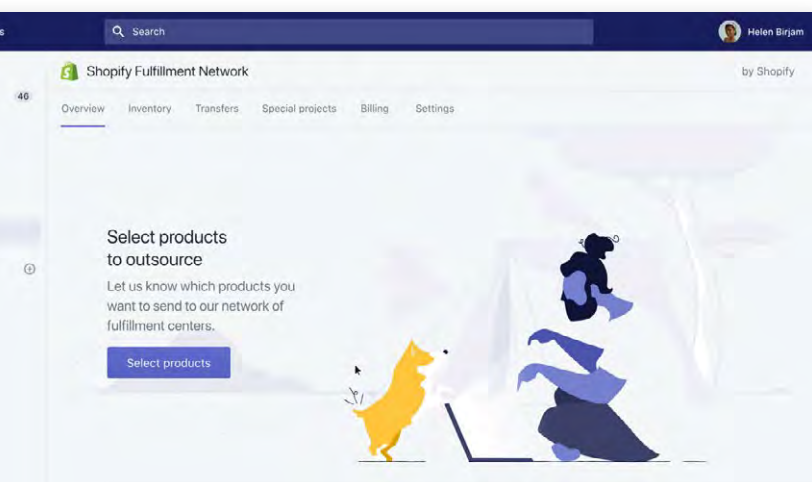
The Shopify Fulfillment Network is a geographically dispersed network of fulfillment centers that uses machine learning to weigh a number of factors, including the closest fulfillment centers and optimal inventory quantities per location to ensure fast, low-cost delivery, Shopify wrote in a blog post announcing the network. Shopify built the network to support multiple channels: retailers' ecommerce sites and apps, physical stores, as well as sales that take place on Instagram, eBay and Amazon. It will also support returns and exchanges, Shopify says.

37 retailers in the Internet Retailer Top 1000 use Shopify as their ecommerce platform provider. Plus, the vendor works with more than 820,000 merchants in 175 countries and the Shopify Fulfillment Network aims to provide the "best shipping and fulfillment rates" for its merchants, says a company spokeswoman. This may lead it to rethink the typical fulfillment approach by leveraging the vast number of merchants it works with to combine packages from various Shopify merchants to lower shipping fees for both consumers and merchants. Storing items from different merchants in warehouses also could provide Shopify with another revenue stream.

Shopify is working with logistics firms to offer the service to merchants of all sizes shipping from warehouses in seven states: Nevada, California, Texas, Georgia, New Jersey, Ohio and Pennsylvania. ⚙

820,000

Global number of retailers using the Shopify ecommerce platform

MARKETING AUTOMATION WITH ARTIFICIAL INTELLIGENCE

MARKETING AUTOMATION WITH ARTIFICIAL INTELLIGENCE

Artificial intelligence-based marketing tools are not one-size-fits-all. While some retailers take a hands-off approach that lets the algorithm do the heavy lifting, others prefer to use the technology's insights to help inform their human-based marketing decisions. That reflects the nature of the technology, says Joe Stanhope, vice president and principal analyst at Forrester.

"AI isn't a product in of itself; it's a technology that's embedded in existing capabilities," he says.

And selecting the right vendor with the right offerings can be a challenge. Retailers have a specific criteria they look for when selecting a vendor for a specific technology, according to

FEATURES RETAILERS LOOK FOR WHEN SELECTING A VENDOR

What are the main things you look for when choosing which vendor to work with (Multiple responses allowed)

Feature	%
Responsive team	64%
Technology that is easy to implement and use	54%
Great references	53%
Works well with my other technology systems	52%
Low price	31%
Ability to stop service when wanted without incurring a fee	31%
Willing to negotiate on fee structure	31%
Free trial period	29%
Guaranteed response times if something goes wrong	29%
A package that offers many features in one system	27%
Willing to negotiate on contract terms	27%
Short contract terms	17%
Other	3%

Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

88%

Portion of marketers who have adopted AI or are in the planning stages of doing so

Source: Forrester Research Inc.

the 2019 Ecommerce Technology Survey. 64% of retailer respondents want a responsive team, 54% want a technology that's easy to implement and use, 53% want to use a vendor's technology that will work well with their other technology systems, 31% want a low price and 27% want a package that offers many features in one system. (Respondents could select more than one response.)

Lingerie retailer Adore Me handed over the reins to its email marketing campaigns to digital marketing vendor Optimove's artificial intelligence-powered algorithm about four years ago. The algorithm combines the lingerie retailer's shopper history and website behavioral data, as well as its product data to determine the emails it sends to various groups of shoppers. For example, if a consumer adds a product to her shopping cart but doesn't check out, the algorithm draws on the behavioral patterns of the retailer's customer base to determine whether she's more likely to buy after receiving an email that directs her to a similar product at a lower price or with a coupon code.

Adore Me partly attributes a 15% year-over-year revenue jump to Optimove-driven campaigns in its first year of use in 2016. That email sales growth has in part helped the retailer reach an Internet Retailer-estimated $117.5 million last year, up from $42.9 million in 2015, the year before it began using the technology.

Adore Me is hardly alone in adopting AI-powered marketing tools into its marketing strategy; 88% of marketers have adopted AI or are in the planning stages of it, up from 43% in 2016, according to a 2019 Forrester Research Inc. survey commissioned by marketing platform Albert.ai. There's good reason for the rapid adoption: It works. 58% of marketers said AI-powered marketing tools are more effective at analyzing and leveraging data than their prior techniques; 50% reported AI-powered tools drove more effective marketing campaigns than non-AI-powered tools; and 42% said such tools increased their return on marketing spend. (Respondents could select more than one response.)

In addition to sales, Adore Me's AI-powered campaigns have produced a number of other benefits. For example, Optimove's technology is behind Adore Me's onboarding quiz. The quiz asks the shoppers seven different questions to find the style of bra and underwear that best matches her personality and preferences. Questions range from her preferred bra style for everyday wear to her preferred type of bra padding. The quiz tallies those results and displays a "showroom" for the shopper featuring appropriately sized bras, underwear, swimsuits and loungewear that best match her answers.

The retailer requires a shopper to provide her email address to access the showroom. By identifying the shopper and means of communicating with her, Adore Me can then send her personalized marketing messages tailored to her preferences.

"It's low maintenance for us," says Nicolas Capuono, Adore Me's vice president of customer engagement.

Optimove's predictive customer modeling tools use customer data to build models of the types of customers that visit its site and helps retailers target shoppers who will likely make a purchase, as well as identify additional products the customer might buy. That technology enables Adore Me to finely target shoppers with emails based on their customer personas. The more narrowly tailored the persona, the more Adore Me believes it knows about the shopper, Capuono says.
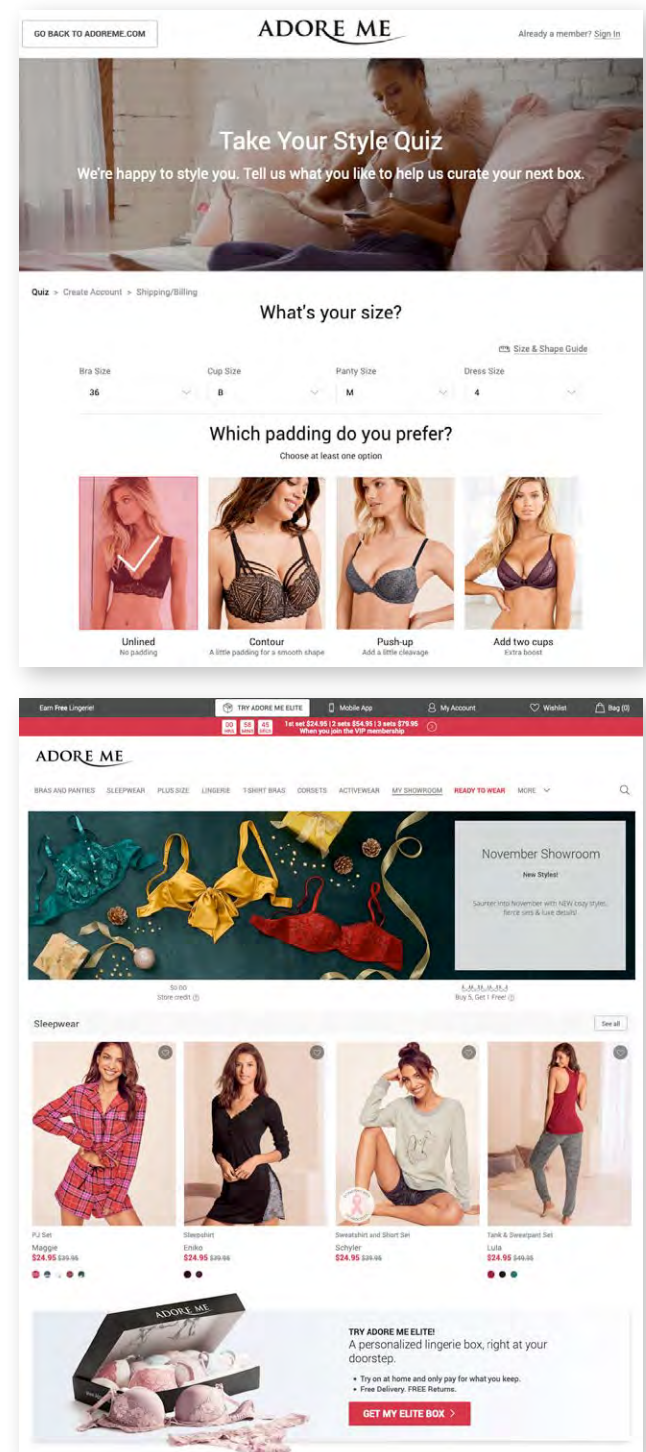
Shoppers who complete Adore Me's onboarding quiz can access a personalized showroom and sign up for a lingerie box tailored to their style preferences.

'Customer engagement is happening in so many channels so quickly that human beings alone can't do it manually anymore.'

—**Joe Stanhope,** vice president and principal analyst, Forrester Research

Adore Me identified 60 unique customer personas in 2017, one year into the program. That specificity helped it boost its average order value 22%, as well as helped spur a 2.3 times growth in the number of repeat customers from 2017 to January 2019. Adore Me continues to refine its approach and now has about 170 personas that it markets to on a monthly basis, the retailer says, but declined to provide more recent results.

The technology has helped the retailer better understand its customer base by making educated guesses as to what prevented shoppers who only placed one order from returning, Capuono says. For example, the shopper may have been turned off by an item's price or color. "We capture a phenomenal amount of data that we are able to use to find out why now," he says. "Based on that, we tailor our message to them."

That message might be a coupon code or a 15-minute chat with an Adore Me stylist to better match her to a product. "Artificial intelligence is an asset," Capuono says, noting that it helps the retailer determine what attributes matter to a particular type of customer.

That type of tailored approach would be nearly impossible for a human to maintain. However, AI not only makes it possible, it creates a better experience for consumers, says Forrester's Stanhope.

"Customer engagement is happening in so many channels so quickly that human beings alone can't do it manually anymore or with standard rules because there's so much data," Stanhope says. "You need AI or automation to help make sense of this level of complexity."

Women's fitness apparel retailer Sweaty Betty also uses Optimove to power its marketing campaigns. But the apparel retailer takes a more hands-on approach, preferring to dig deep into the data. Roughly 18 months ago, the 20-year-old U.K.-based retailer found itself struggling to reach online shoppers because it lacked the ability to follow consumers' paths to purchase or the best way to communicate with them, says Emma Crepeau, the store-based retailer's vice president of performance marketing.

After it began working with Optimove at the end of 2018, Sweaty Betty gained insights into its data, including how individual customers shop

on its site, as well as the ability to control all of its marketing—via email, direct mail and social—from the marketing vendor's platform. "We can see what channels are driving performance," she says. That enables it to efficiently target consumers.

The retailer leverages the AI-based technology for its data analysis and to better understand its customers. Plus, it tells Sweaty Betty what to do to drive more shoppers to its website, the best channel to reach them and when to reach them, she says, without revealing more. Sweaty Betty used Optimove to launch 1,500 marketing campaigns across all of its channels in the first quarter of 2019. The retailer would have been unable to scale its marketing efforts without it, Crepeau says.

"The platform is only as good as the data," she says. That was a lesson Sweaty Betty learned early on because it wasn't using its customer data in the beginning to inform marketing decisions.

Since the integration, Sweaty Betty has doubled the size of its customer relationship management team—but did not disclose how large the team was prior to the integration—to better leverage the Optimove platform's insights. The data-driven approach led Sweaty Betty to switch gears with its marketing spend. In 2016, the retailer spent about 80% of its marketing budget on direct mail and catalog. Now, after realizing it could generate a lot more revenue via social media, 60% of its marketing budget is spent on social media, with the remaining 40% split between email and direct mail.
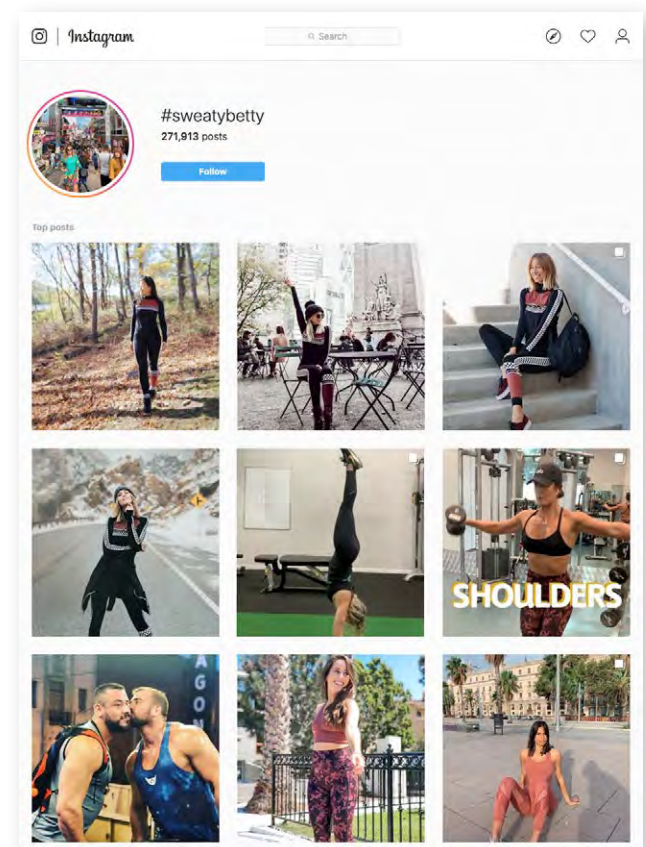
Insights from the Optimove platform led Sweaty Betty to highlight its power leggings in ads on Facebook and Instagram because a significant share of consumers buy the leggings after seeing them on those social media sites.

"The platform enables us to see which products on which channel are great for recruitment and repeat rate," she says. For example, because a significant share of consumers buy Sweaty Betty's power leggings after seeing them in Facebook and Instagram posts, the retailer regularly highlights those leggings in its ads on those Facebook Inc.-owned platforms, she says.

"We looked at repeat rate by month from recruitment rate and identified clear trends," Crepeau says. For example, it's found that a large share of consumers who made a purchase in

'There's a fine balance, we make sure we keep in touch and not assume the data is correct'

—Emma Crepeau, vice president of performance marketing, Sweaty Betty

January 2017 also made a purchase in January 2018 and January 2019. Those insights have helped it model its expected monthly sales, as well as helped it look for ways to recruit those customers in other months.

"We know how much it costs to retain a customer and how many returning customers are coming to the website," she says. "With a specific sales target in mind, we now know how many customers we need to recruit and how much it costs to acquire those and that ties into our marketing budget."

Because of the change in marketing mix and data transparency, Sweaty Betty drove a 40% year-over-year improvement in conversion rate. And its cost per acquisition fell by 75%.

"We've grown by leaps and bounds in terms of what we're doing with artificial intelligence," Crepeau says. Even so, it's careful not to abandon the human element. "There's a fine balance, we make sure we keep in touch and not assume the data is correct," Crepeau says.

Like Sweaty Betty, luggage retailer Tumi leverages AI-based technology to help it better understand how consumers arrived at, and navigated, its ecommerce site.

Before it began using data platform company AgilOne, Tumi's brand marketing and performance marketing data lived in distinct silos and its revenue was declining. But AgilOne helped it streamline and understand the data its site was generating.

In 2017, the first year it began using AgilOne, Tumi sent 40 million fewer emails and still earned more revenue from them. "We're sending less email and making more money," says Charlie Cole, Tumi's chief digital officer.

Tumi uses the technology from AgilOne to help it understand customers better and how to target specific customers looking for specific things rather than sending a mass marketing message to everyone. For example, if it wants to send an email about women's backpacks, with the mountain of data that AgilOne pulls from, Tumi can send an email to female customers who have taken a specific action on the site. Additionally, it has used these AI-powered targeted emails to drive more customers into its stores as well, which is important as its stores generate about 20% of overall revenue, Cole says.

"We already knew who the customer was from however they accessed us, be it from email, visiting the website or coming from social media,"

Cole says. "Now, we are doing a much better job connecting people to the in-store purchase."

The retailer leverages AgilOne to track logged-in consumers' browsing behaviors, as well as their path to purchase. That data helps Tumi send more targeted, personalized emails.

"The AI is completely hands off," Cole says. "We don't do anything." Tumi relies on the "expertise" of the machine-learning technology, but it still takes time to analyze things from the back-end every now and then to ensure that the data the AI is pulling from is accurate.

Tumi's next step is to apply the data it's collected to customer service. When a shopper calls in, Tumi has her phone number linked to her email and account information. In the future, Tumi wants its agents to tap into that information for product recommendations or making the service more personalized.

AI provides retailers with a streamlined way to reach its shoppers and to personalize marketing campaigns. It may never get to the point of being fully hands off, but it allows retailers to make more informed decisions about whom to target, what kind of message might convert them and how to keep them coming back.

"If you can use AI to scan, analyze and apply data, you can craft better experiences because you understand the customer better and make better timing and choices about which channel to use to reach customers," Forrester's Stanhope says.

> 'The AI is completely hands off. We don't do anything.'
>
> —Charlie Cole,
> chief digital officer,
> Tumi

EMAIL MARKETING STRATGIES

EMAIL MARKETING STRATEGIES

Email is still one of the most dependable ways to reach a shopper base for many retailers: 83.7% of merchants surveyed for Internet Retailer's 2019 Digital Marketing Survey use email for their digital marketing. (The runner-up was social media advertising at 65.8%.) Therefore, many retailers find email to still be a lucrative tool.

Perry Ellis International Inc., which operates a number of ecommerce sites including CallawayApparel.com, is one of those retailers. The men's apparel retailer decided to focus on email and wanted a simple way to cut through the clutter of consumers' inboxes by getting the right message to the right consumer at the right time.

Of course, that's easier said than done, says Linda Sestrick, the retailer's vice president of ecommerce and digital marketing. "We try to avoid blasting out messages that might be relevant," she says. "That requires us to search for behavioral signals based on how a shopper is interacting on one of our websites."

Since 2016, the retailer has worked with retail marketing vendor Bluecore to send triggered emails after customers take a specific action. Perry Ellis has plenty of company among retailers investing in email; 39% of retailers said they implemented email marketing technology from a vendor in the last year, according to Internet Retailer's 2019 Ecommerce Technology Survey.

TOP 1000 WEBSITE[1] TRAFFIC FROM EMAIL
Median share by merchant type
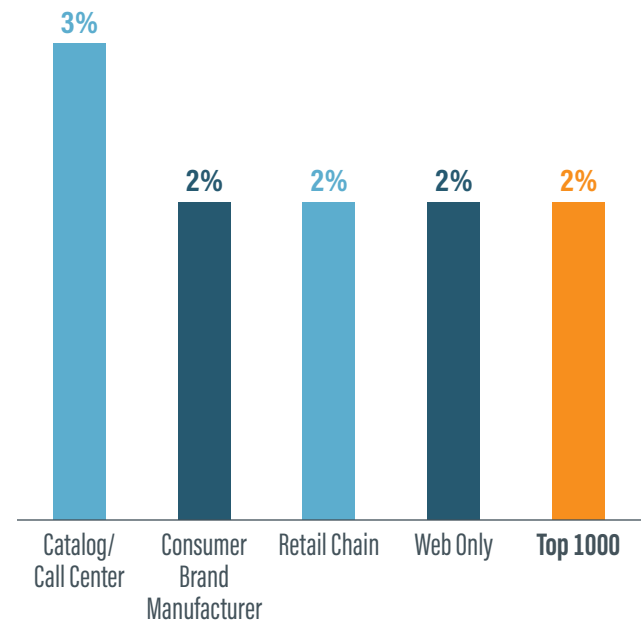
Catalog/Call Center	Consumer Brand Manufacturer	Retail Chain	Web Only	Top 1000
3%	2%	2%	2%	2%

1. Reflects retailers' primary URL
Source: Internet Retailer analysis of SimilarWeb traffic data

If a shopper on CallawayApparel.com looks at big-and-tall items but doesn't make a purchase, for example, it will place that shopper in Callaway's extended sizes affinity group, which it then uses to power a personalized email marketing program. If the shopper takes another action, such as adding an item to his shopping cart but not completing a purchase, it may send an abandoned cart email.

The platform uses a combination of testing and artificial intelligence-powered automation to determine how and when the retailer sends an email, Sestrick says. Removing the human element helps eliminate the retailer's biases.

"Not every message resonates with every shopper," she says. "That's why we test different messages at different times to see which audience should see which message and which time."

Personalizing the messages a consumer receives is crucial to driving a shopper to open the email. Based on a consumer's actions, the retailer may send the items the shopper looked at, related items or items in the same category.

The retailer's email marketing success has helped it boost its online sales 80.6% in 2017, Internet Retailer estimates. However, the retailer's online sales decreased 11.0% in 2018, according to Internet Retailer.
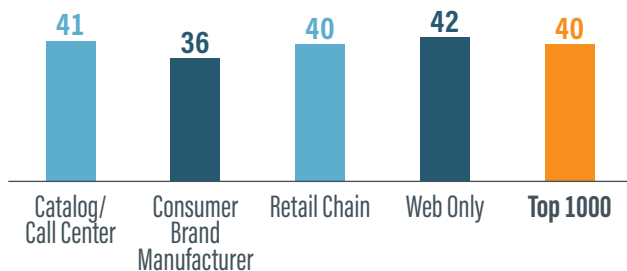
Although Perry Ellis isn't a web-only retailer, the web-only retailers in the Top 1000 sent a median 167 unique emails in 2018, according to an Internet Retailer analysis of MailCharts' email marketing data from Jan. 1, 2018 to Dec. 31, 2018.
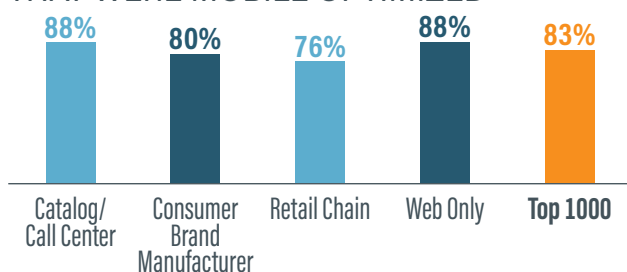
TOP 1000[1] EMAIL MARKETING CHARACTERISTICS
Medians by merchant type

1. Reflects retailers' primary brand
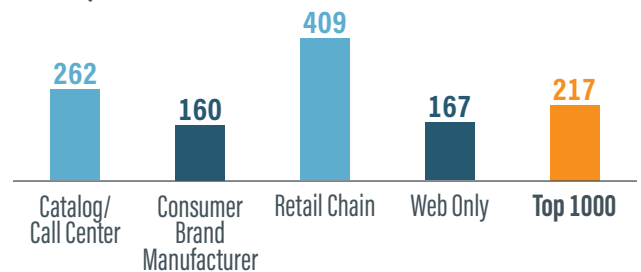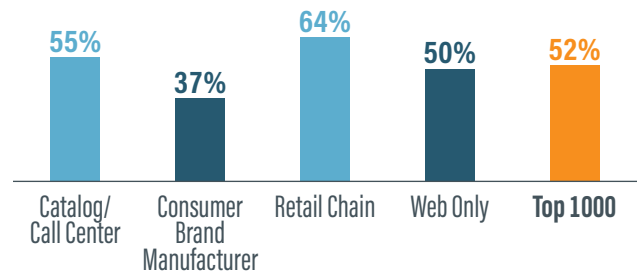Source: Internet Retailer analysis of MailCharts email marketing data

NUMBER OF ANNUAL UNIQUE EMAILS SENT

Catalog/Call Center	Consumer Brand Manufacturer	Retail Chain	Web Only	Top 1000
262	160	409	167	217

SUBJECT LINE LENGTH IN CHARACTERS

Catalog/Call Center	Consumer Brand Manufacturer	Retail Chain	Web Only	Top 1000
41	36	40	42	40

PORTION OF EMAILS THAT WERE PROMOTIONAL

Catalog/Call Center	Consumer Brand Manufacturer	Retail Chain	Web Only	Top 1000
55%	37%	64%	50%	52%

PORTION OF EMAILS THAT WERE MOBILE OPTIMIZED

Catalog/Call Center	Consumer Brand Manufacturer	Retail Chain	Web Only	Top 1000
88%	80%	76%	88%	83%

PORTION OF EMAILS THAT WERE ANIMATED

Catalog/Call Center	Consumer Brand Manufacturer	Retail Chain	Web Only	Top 1000
9%	18%	16%	13%	14%

EMAIL MARKETING STRATEGIES
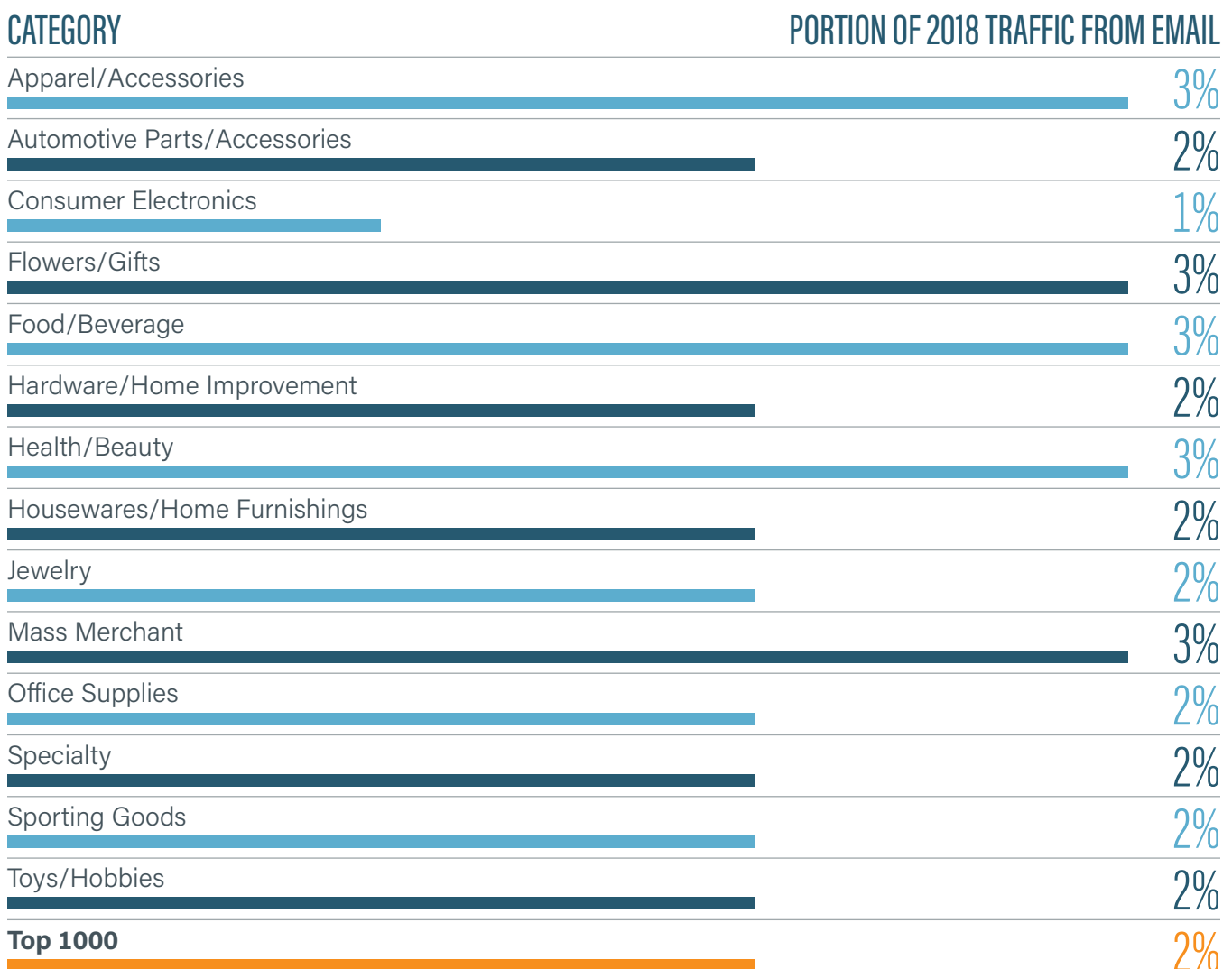## 2020 LEADING VENDORS TO THE TOP 1000
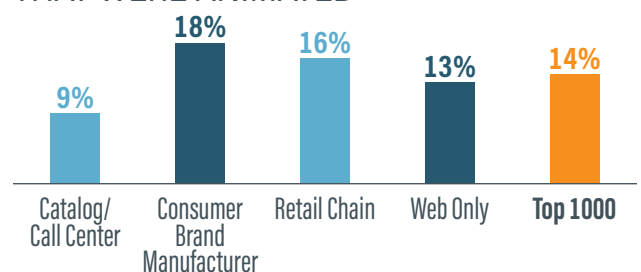
50% of those emails were promotional, and 88% of the emails were mobile optimized. Retail chains sent a median of 409 unique emails—64% were promotional and 76% were mobile optimized. Therefore, retail chains are sending shoppers emails, in some cases, more than once a day and 144% more emails than web-only retailers, who are more conservative in how often they contact their email lists.

When breaking down the Top 1000 retailers by category, apparel/accessories retailers, like Perry Ellis, sent 379 unique emails in 2018, according to Internet Retailer's analysis of MailCharts' email marketing data. 54% were promotional emails and 80% were mobile optimized.

The retailer is currently testing new personalization elements on its site. The AI-powered tool

TOP 1000 WEBSITE[1] TRAFFIC FROM EMAIL
Median share by merchandise category

CATEGORY	PORTION OF 2018 TRAFFIC FROM EMAIL
Apparel/Accessories	3%
Automotive Parts/Accessories	2%
Consumer Electronics	1%
Flowers/Gifts	3%
Food/Beverage	3%
Hardware/Home Improvement	2%
Health/Beauty	3%
Housewares/Home Furnishings	2%
Jewelry	2%
Mass Merchant	3%
Office Supplies	2%
Specialty	2%
Sporting Goods	2%
Toys/Hobbies	2%
Top 1000	2%

1. Reflects retailers' primary URL   Source: Internet Retailer analysis of SimilarWeb traffic data

allows Perry Ellis to show recommend-
ed items on product pages based on similar
items purchased by other consumers.
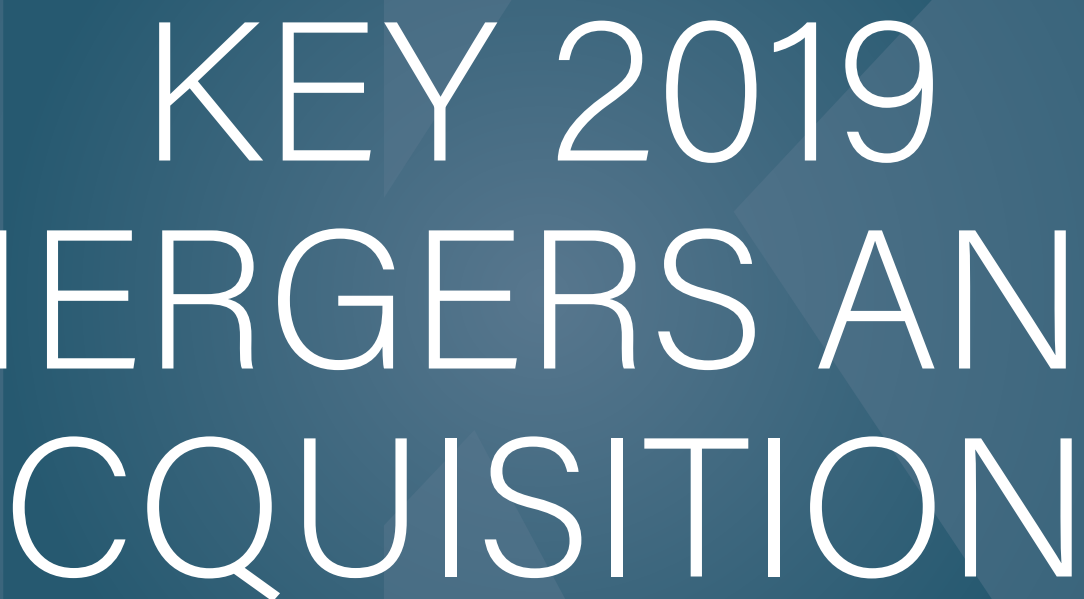
"We have such a wide portfolio of products,
it doesn't always make sense just to show
someone looking at a shirt other shirts,"
she says. "Drawing on shoppers' previous
interactions, they might be interested in shoes,
fragrance or underwear." ⚙

TOP 1000[1] EMAIL MARKETING CHARACTERISTICS
Medians by merchandise category

CATEGORY	NUMBER OF ANNUAL UNIQUE EMAILS SENT	SUBJECT LINE LENGTH IN CHARACTERS	PORTION OF EMAILS THAT WERE:		
			PROMOTIONAL	MOBILE OPTIMIZED	ANIMATED
Apparel/Accessories	379	37	54%	80%	23%
Automotive Parts/Accessories	135	41	68%	86%	9%
Consumer Electronics	76	42	45%	85%	11%
Flowers/Gifts	301	41	68%	36%	22%
Food/Beverage	213	44	59%	86%	11%
Hardware/Home Improvement	121	42	65%	80%	8%
Health/Beauty	206	41	54%	85%	19%
Housewares/Home Furnishings	160	40	56%	86%	14%
Jewelry	239	34	39%	81%	17%
Mass Merchant	374	42	56%	77%	7%
Office Supplies	63	42	36%	72%	10%
Specialty	159	44	51%	90%	11%
Sporting Goods	185	42	44%	63%	9%
Toys/Hobbies	169	47	41%	88%	8%
Top 1000	217	40	52%	83%	14%

1. Reflects retailers' primary brand   Source: Internet Retailer analysis of MailCharts email marketing data

KEY 2019 MERGERS AND ACQUISITIONS

KEY 2019 MERGERS AND ACQUISITIONS

Since 81% of survey respondents in Internet Retailer's 2019 Ecommerce Technology Survey said they plan to increase their spending on ecommerce technology and services in the next year, some retailers may be looking for vendors that offer a full suite of services. Their investment and spending then can be less spread around as they can get more offerings from one vendor that can fulfill multiple needs. In the last year, vendors have been busy buying each other up to make for more robust companies with more holistic offerings for their retailer clients.

For example, ESW Capital, which operates the Think3 portfolio, a $1 billion private equity fund that purchases software-as-a-service companies and has acquired 75 companies over the last 15 years, bought site search vendor SLI Systems in January 2019. SLI is used by 47 retailers in the Internet Retailer 2019 Top 1000, including Lenovo Group Ltd. and Rugs Direct, and ranks No. 5 among site search providers to the Top 1000.

As part of the deal, Andy Tryba, Think3 founder, became SLI Systems' CEO. "SLI has a great history of bringing innovation into the retail search space. Now as a part of the ESW and Think3 family of companies, we will invest further in enabling strong search ROI for our customers and enable them to continue to grow their businesses," Tryba said. "The added resources to SLI will enable us to scale, grow and increase the speed to which we bring our innovations to market."

75 Companies acquired by ESW Capital, which operates the Think3 portfolio, a $1 billion private equity fund that purchases software-as-a-service companies

The Handshake Rep mobile app, recently purchased by Shopify, allows sales reps to access their company's product catalog, check inventory, enter orders for customers and check order history on mobile devices.

For example, SLI recently launched new filtering, analytics and merchandising tools, including software that allows merchandisers to boost, suppress or hide various product attributes based on shopper behavior, and a tool that enables retailers to test boosting selected products to the top of search results or "above the fold" on a page to promote visibility.

Another significant move came in May when Shopify bought mobile commerce firm Handshake Corp. for a reported $100 million. Founded in 2010 in New York, Handshake developed the Handshake Rep mobile app that's designed for sales representatives to access their company's product catalog, check inventory, enter orders for customers and check order history on mobile devices. And that followed a new point-of-sale hardware Shopify launched in April that can be detached from the

register, allowing store associates to check out consumers throughout a store.

Then, in September, Shopify announced plans to buy 6 River Systems Inc., a robotics warehouse fulfillment vendor, for $450 million.

6 River Systems' cloud-based software and mobile robot named "Chuck" will be added to Shopify's Fulfillment Network and will help Shopify's warehouse associates with daily tasks, including inventory replenishment, picking, sorting and packing. Shopify expects this to increase the speed and reliability of its warehouse operations and is a "critical step to accelerate its growth," Shopify says.

With the 6 River acquisition, Shopify aims to add important talent from the vendor, as two of its executives have previously worked at

Amazon.com Inc., says Samad Samana, senior vice president at investment banking firm Jefferies Group LLC.

"The deal gives Shopify the 'technical know-how' as it adds intellectual property to its broader fulfillment ambitions," says Brian Peterson, a vice president at investment banking firm Raymond James Financial.

6 River was founded by executives who came from Kiva Systems—now Amazon Robotics—and it operates in more than 20 facilities across the U.S., Canada and Europe. It fulfills orders for companies including Lockheed Martin Corp. and Office Depot Inc.

The deal, poised to close in the fourth quarter, is expected to increase Shopify's expenses by about C$25 million ($19 million) in 2019, with no material impact on its revenue for the year.

In July, performance marketing company Merkle, owned by Dentsu Aegis Network, acquired a majority stake in data and analytics company Ugam for an undisclosed amount.

Co-founder and CEO Sunil Mirani continues to lead Ugam; however, Ugam was renamed to Ugam, a Merkle Company. Mirani will report to Craig Dempster, president of Merkle Americas. Ugam's analytics and digital solutions include retail analytics, survey analytics, technology implementation, data engineering and digital product content solutions.

"Ugam is vital to the execution of Merkle's multi-year analytics strategy of creating a ... shared analytics service across Dentsu Aegis Network," Dempster said. "With its experienced management team, highly educated workforce, scale and vertical market expertise, Ugam will bring high-end analytics capabilities,

6 River Systems' cloud-based software and mobile robot named "Chuck" will be added to Shopify's Fulfillment Network and will help Shopify's warehouse associates with daily tasks.

along with a broad spectrum of analytical decision support."

Merkle handles search engine marketing services for 26 retailers in the Internet Retailer 2019 Top 1000, such as Nordstrom Inc., 1-800-Flowers.com Inc. and Urban Outfitters Inc.

In August, Microsoft Corp. bought marketing automation vendor PromoteIQ, which works with manufacturers and online retailers to place sponsored ads for products on ecommerce sites of retailers, including Kohl's Corp., Office Depot Inc. and Overstock.com Inc. The service enables online retailers to earn revenue from ads placed on their ecommerce sites and advertisers to target ads at shoppers based on their on-site activity.

PromoteIQ maintained its brand and became a division within Microsoft Advertising, Rik van der Kooi, corporate vice president of Microsoft Advertising, wrote in a blog post.

"PromoteIQ's technology strategically complements Microsoft's current retail advertising offerings, and together, we can enable retailers with a portfolio of technology solutions to modernize their ecommerce platforms and maximize their monetization opportunity," he wrote.

PromoteIQ's technology "reaches millions of shoppers daily and powers millions of dollars of vendor marketing revenue on behalf of some of the largest online retailers and brands in the world," PromoteIQ wrote in a blog post announcing the acquisition. "We've spent the last few years helping companies build and scale their vendor marketing programs with strong success, and now we are taking the next step in that journey."

PromoteIQ said it plans to use Microsoft's size, expertise in AI and machine learning and global footprint to grow its business. Microsoft powers the ecommerce platform for five retailers in the Top 1000.

"We'll have more plans to share on this front in the coming months, but we are confident that this acquisition will accelerate PromoteIQ's growth and expand Microsoft's reach and scale globally," PromoteIQ writes.

PromoteIQ, recently purchased by Microsoft, enables online retailers to earn revenue from ads placed on their ecommerce sites and advertisers to target ads at shoppers based on their on-site activity.
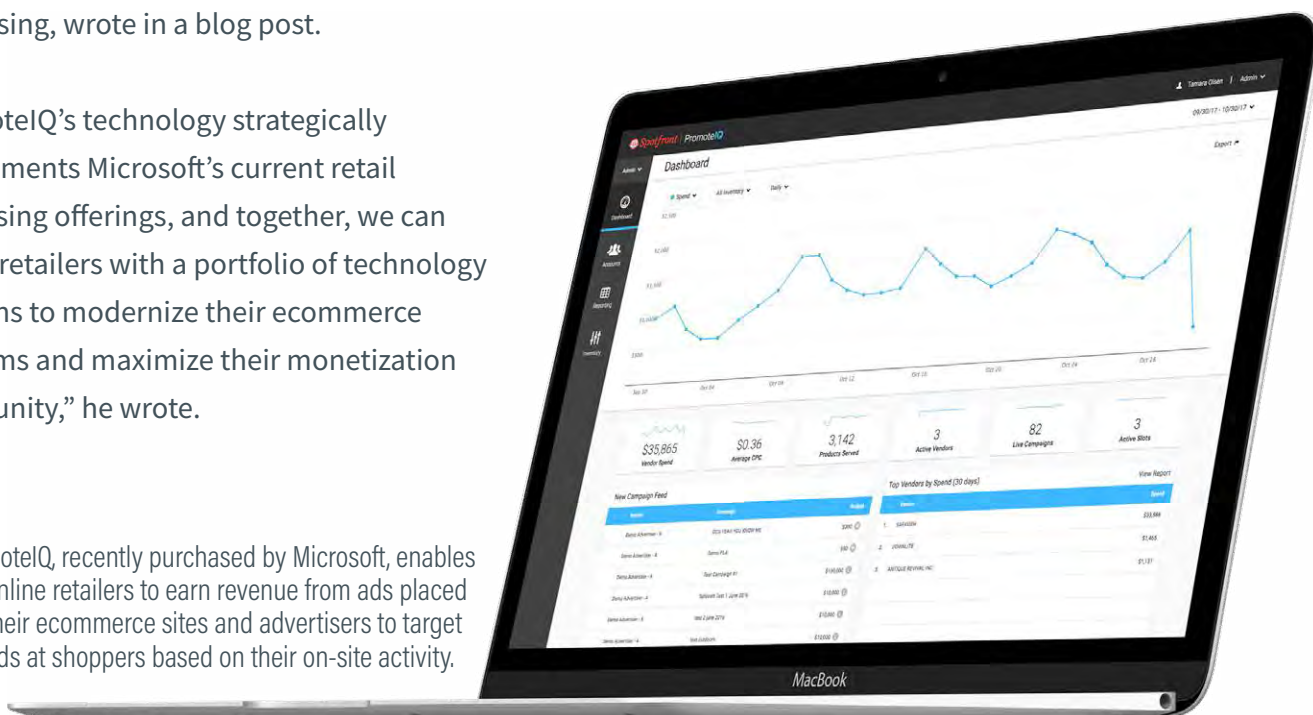
Then, in October, ecommerce platform provider Kibo Software Inc. announced it would acquire personalization and testing vendor Monetate for an undisclosed amount.

The acquisition will give Kibo's customers access to Monetate's testing and optimization software, such as A/B testing, content personalization and audience building and targeting. The acquisition will allow Kibo to provide a "holistic suite of solutions" to its clients, said Kibo CEO David Post in a press release announcing the acquisition.

"Through the combination of Certona and Monetate, we've created the leading personalization engine in the market, which will enable retailers to make the most of customer intent-driven data, deliver exceptional content experiences, and measure incrementality to optimize customer lifetime value at scale," he said.

In addition, Monetate's clients will have access to Kibo's order managing system, cloud ecommerce software and software from its previous acquisition of personalization and search vendor Certona Corp., acquired in February 2019.

Since the acquisition, Kibo has had the most personalization clients in Internet Retailer's Top 1000 of any other vendor in the Top 1000, with 83 Top 1000 clients totaling $52.46 billion in sales. Monetate has 80 Top 1000 retailer clients with web sales totaling $39.34 billion, according to Internet Retailer.

163
Top 1000 retailers that use Kibo or Monetate for personalization

How Kibo integrates the technologies together will be key to its success, says Arthur McManus, chief technology officer at ecommerce consultancy FitForCommerce, which has worked with both vendors.

"The combination of Certona and Monetate at Kibo is the literal definition of doubling down on personalization, which is now the table stake and competitive differentiator for brands and retailers wanting to serve the customer," McManus says.

Kibo has more than 600 B2B and retailer clients that use any of its services, including its ecommerce platform fulfillment software and order managing software.

Kibo itself is a result of several mergers and acquisitions. Private equity firm Vista Equity Partners formed Kibo when it combined three companies—MarketLive Inc., Shopatron and Fiverun—in January 2016. Vista had acquired ecommerce platform provider MarketLive and order-fulfillment software firm Shopatron for an undisclosed price in late 2015 and then bought mobile point-of-sale vendor Fiverun. Kibo acquired personalization provider Baynote Inc. in September 2016. ⚙

CONCLUSION

CONCLUSION

Given the examples above, it's clear that vendors play a key role in the success of many retailers. Whether it's an increase in conversion rates and sales, more email opens and personalized experiences, or a better fulfillment network, vendors are providing valuable services and expertise retailers might otherwise lack in house.

There is still room for improvement, however, as Internet Retailer's 2019 Ecommerce Technology Survey found. 61% of retailers said their last project over the past year with a vendor went as expected, but 14% said it went poorly overall.

Timeliness of a project being delivered and budget issues could be a factor in retailers' reasoning for a project going poorly. 36% of respondents said

their project with a vendor over the last year was completed on time and on budget. However, 30% said their project was completed later than planned and over budget, 9% said their projects were on time but over budget and another 9% said their project was done later than planned but came in under budget. A lucky 3% said their project finished on time and under budget.

Vendors continue to bolster their tools and features to help online retailers sell more—and more easily. Retailers who take a critical look at the offerings of various ecommerce technology providers and take advantage of the ones that make sense for their business stand to gain more sales by satisfying shoppers' appetites for easy, seamless online shopping.

RETAILER SURVEY

PAST VENDOR PROJECT EVALUATION

Thinking of your last project with a vendor over the past year, how did it go?
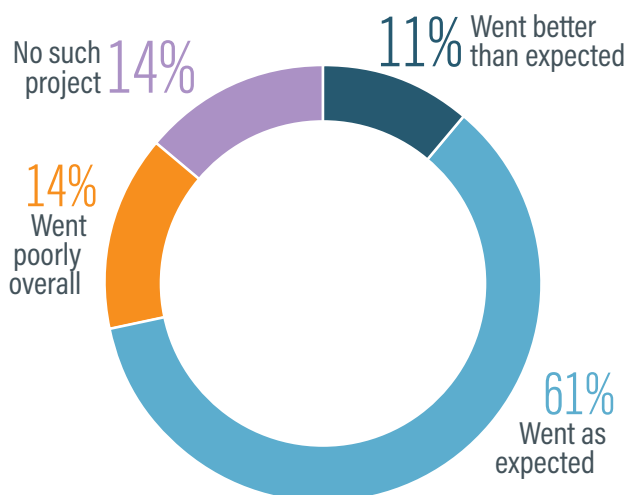
- No such project **14%**
- **11%** Went better than expected
- **14%** Went poorly overall
- **61%** Went as expected

Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

RETAILER SURVEY

PAST VENDOR PROJECT TIMELINE AND BUDGET

Thinking of your last project with a vendor over the past year, how did it go in terms of timelines and budget?

On time and on budget	**36%**
Later than planned and over budget	**30%**
No such project over the past year	**13%**
On time and over budget	**9%**
Later than planned and under budget	**9%**
On time and under budget	**3%**
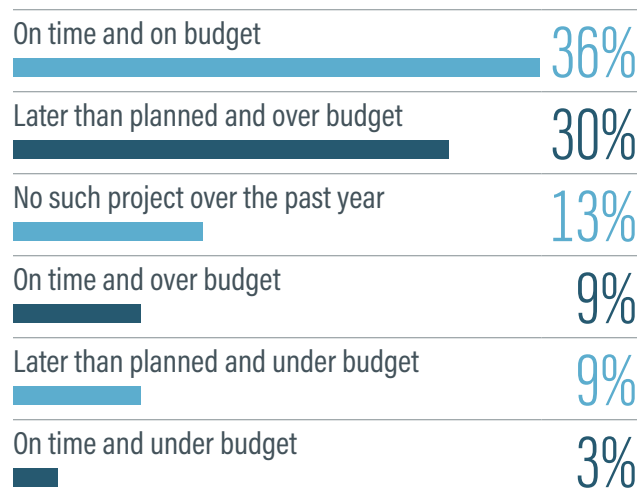
Source: Internet Retailer Ecommerce Technology Survey of 160 retailers in August 2019

PEPPERJAM

pepperjam®

RANK IN AFFILIATE MARKETING CATEGORY — **5**

2019 TOP 1000 RETAIL CLIENTS — **74**

Pepperjam is a performance marketing technology and service provider powering growth for acquisition marketers seeking a scaled alternative to their primary sales and marketing channels. Ascend, Pepperjam's cloud-based affiliate marketing lifecycle platform, delivers fully-integrated partner discovery, recruitment, tracking, payment and a brand safety and fraud prevention suite, automating the full affiliate lifecycle and powering over $1 billion in gross merchandise sales. Marketers using Ascend, are supported by a comprehensive service team including an unparalleled in-sourcing practice.

PRIMARY URL — Pepperjam.com

YEAR LAUNCHED — 1999

TOTAL 2019 TOP 1000 CLIENT WEB SALES — **$12.53** BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: **26**   Chain: **14**   Manufacturer: **25**   Catalog/Call Center: **9**

TOP 1000 CLIENTS BY WEB SALES

$40M or less: **12** $40-125M: **40** $125-500M: **17** $500M or more: **5**
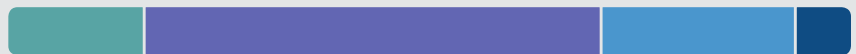
KEY CLIENTS

Away
Dollar Shave Club
Everlane
MSC Industrial Supply
Shutterfly
WeightWatchers

PRODUCTS & SERVICES

Performance marketing technology and services for brands, partners, influencers and agencies.

Pricing: Flexible model in including, SaaS, performance, and agency fee structures.

CORPORATE

555 E. North Lane, Suite 5045
Conshohocken, PA 19428
877-796-5700

MANAGEMENT

Matt Gilbert, CEO
Tom Szymanik, SVP, Finance
Maura Smith, CMO

Q&A

Affiliate marketing: the most efficient and cost-effective channel marketers can leverage

An executive conversation with **Maura Smith,** Chief Marketing Officer, Pepperjam

Affiliate has evolved into a leading channel for customer acquisition and revenue generation. And it plays a critical role throughout the customer-controlled purchase path. To discuss how affiliate serves as the most versatile, efficient and cost-effective channel marketers can leverage, Internet Retailer spoke with Maura Smith, Chief Marketing Officer at Pepperjam, an affiliate marketing technology solutions provider.

Why is affiliate marketing the sophisticated marketers' secret channel?

Sophisticated marketers understand that being omnipresent in today's customer-controlled purchase path is imperative, but they also know how expensive it is to rely too heavily on primary, pay-for-access channels like paid search and paid social. They need a scaled, transparent solution that offers the ability to pay for outcomes vs. paying for audience access. They're finding that solution with affiliate. The combination of scale, new technology automating historically manual processes, and a pay-for-performance model are delivering a material subsidy to the cost of pay-for-access channels. It delivers operating leverage in unit economics needed to maintain growth trajectories without sacrificing profitability.

How is affiliate marketing versatile, efficient and cost-effective?

Affiliate's unique versatility is that it encompasses all forms of marketing including media publications, influencers, review sites and savings destinations. Affiliate's efficiency and cost-effectiveness lies in its composition; its pay-for-performance model enables marketers to pay partners upon conversion. Affiliate revenue can guarantee the ability to self-fund the program and can generate a return that offsets costs to remain in other primary channels. Affiliate is credited with a 12:1 return on advertising spend, according to the Performance Marketing Association—something no other channel can claim.

Do retailers understand the potential impact affiliate can have on their business?

Sophisticated marketers that actively leverage affiliate understand the impact it has on new customer acquisition and revenue generation. They invest resources into affiliate strategies—they don't just "check the box" and think their work is done. BI Intelligence reported that more than 80% of marketers will be investing or increasing their investment in the channel. But still, too many marketing organizations overlook the category's evolution, plagued by legacy perceptions that scale is isolated to coupon and cash-back publishers, that tasks are manual, and attribution data is not available for export into a marketers' single source of truth. While legacy network models continue to perpetuate those practices, that model is dead. Marketers who understand this have an advantage over those who have failed to challenge legacy perceptions.

What are some of the challenges retailers face with regard to affiliate marketing?

A lack of education leads to a misinterpretation of the channel's opportunities and strengths. All perceived challenges—including affiliate as a last-click channel, marketers lacking affiliate expertise and the inability to quantify its incremental contribution to overall revenue—can be remedied by learning about affiliate, and what individual providers offer that best aligns with marketers' needs. Marketers must stop settling for the status quo, allowing historical inertia to stymie strategies that realize the best returns.

How can they overcome these challenges?

Marketers should revisit their affiliate strategy and ensure they're working with the right partner to help cultivate expertise needed to unlock the channel's potential. They must educate stakeholders and socialize channel fundamentals and facts so they can leverage affiliate as a primary channel to derive immediate value.

Pepperjam helps marketers gain operating leverage necessary to deliver against growth and profitability targets and offset the high costs of other channels. Our cloud-based affiliate marketing lifecycle platform, Ascend , delivers fully-integrated partner discovery, recruitment, tracking, payment and a brand safety and fraud prevention suite, automating the full affiliate lifecycle and powering more than $1 billion in gross merchandise sales. Marketers using Ascend are supported by a comprehensive service team including the category's only in-sourcing practice.

pepperjam®

TOP 10 LEADING VENDORS BY CATEGORY

TOP 10 LEADING VENDORS BY CATEGORY

METHODOLOGY

The coming pages identify the Leading Vendors to the Top 1000, a ranking of the ecommerce technology and service companies that the Top 1000 e-retailers in North America rely on the most. To determine each vendor's ranking, Internet Retailer compiled a list of clients each vendor serves among the retailers ranked in the 2019 Internet Retailer Top 1000, totaling the number of clients across 27 categories. Rankings are based on the number of Top 1000 clients held by each company in each technology category. Only parent companies of retailers are included.

Internet Retailer identifies merchants' technology providers by confirming them directly with retailers, through a third-party data source such as BuiltWith or Ghostery, or via the vendor.

Charts and rankings take into account consolidation among ecommerce technology providers, unless otherwise noted. Client counts and sales figures for some vendors in the rankings include the services provided by companies they've acquired or merged within recent years.

Full-page company profiles are paid by advertisers. However, the rankings and the content itself were compiled by Internet Retailer researchers and editors. ⚙

AFFILIATE MARKETING

Affiliate marketing is one of the oldest online marketing strategies in ecommerce, but it can be one of the most effective, too, as it's easy to measure success and failure. Easier to measure than, for example, television commercials or billboards, where tracking an advertisement to a final sale is murky. Affiliate marketing, which means paying publishers to mention your brand and/or link back to your site, can be less risky than other forms of online advertising in terms of cost since most retailers arrange a cost-per-acquisition payment structure, where they only pay a publisher if the traffic from a particular ad drives a sale. Some retailers choose to operate their own affiliate networks and manage the multiple affiliate links to their site from blogs, forums or social channels, while others work with major affiliate network operators.

1 CJ Affiliate[1]
Top 1000 Clients: 168   Client Web Sales: $349.22B

2 Rakuten Marketing
Top 1000 Clients: 98   Client Web Sales: $147.79B

3 Awin
Top 1000 Clients: 91   Client Web Sales: $29.84B

4 Impact   impact
Top 1000 Clients: 85   Client Web Sales: $111.94B

5 Pepperjam
Top 1000 Clients: 74   Client Web Sales: $12.53B

6 Gen3 Marketing (OPM Pros)[2]
Top 1000 Clients: 56   Client Web Sales: $23.23B

7 AvantLink
Top 1000 Clients: 35   Client Web Sales: $20.06B

8 Acceleration Partners
Top 1000 Clients: 24   Client Web Sales: $20.15B

9 ForwardPMX[3]
Top 1000 Clients: 15   Client Web Sales: $5.85B

10 Streamline Marketing
Top 1000 Clients: 12   Client Web Sales: $185.34B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. CJ Affiliate is owned by Publicis Groupe.   2. In February 2019 Gen3 Marketing acquired OPM Pros.
3. In January 2019 Forward3D and PMX Agency merged and rebranded as ForwardPMX.

IMPACT

impact

RANK IN CATEGORY

4

2019 TOP 1000 RETAIL CLIENTS

85

Impact was founded in 2008 to deliver real-time actionable insights across marketing channels and devices, developing a digital marketing platform with buyer journey insights, attribution modeling, built-in ad fraud detection and the automation of marketing workflows. In 2019, Impact launched its Impact Partnership Cloud to address the technology needs of marketers and business development leaders for partnership automation. With its partnership automation platform, retailers can manage their different types of partnerships in one place. Impact's platform gives retailers access to performance metrics and actionable insights and custom tracking solutions, as well as tools to identify and block fraudulent partners.

PRIMARY URL

Impact.com

YEAR LAUNCHED

2008

**TOTAL 2019 TOP 1000 CLIENT WEB SALES**

$111.94 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: 35   Chain: 18   Manufacturer: 24   Catalog/Call Center: 8

TOP 1000 CLIENTS BY WEB SALES

$40M or less: 12 $40-125M: 27 $125-500M: 26 $500M or more: 20

KEY CLIENTS

Walmart
The Home Depot
Kohl's
Dick's Sporting Goods
StitchFix
1-800-Flowers

PRODUCTS & SERVICES

Affiliate marketing, influencer marketing, mobile partnerships, business development, analytics and attribution and fraud protection services.

Pricing: Pricing and fees vary.

CORPORATE

350 Fifth Ave., 36th floor
New York, NY 10118
917-720-2883

MANAGEMENT

David A. Yovanno, CEO
Per Pettersen, Co-Founder/
   Chief Strategy Officer
Roger Kjensrud, Co-Founder/CTO

Four Key Steps to a Killer Career in Partnerships

By **Mike Head,** GM, Partnership Cloud, Impact

Home Depot and Pinterest, Walmart and Buzzfeed, Crocs and AAA—partnerships are taking off right now in retail, emerging as the "it" channel for driving revenue and growth (30+% of total revenue in some cases). By partnerships, I mean trusted relationships that contribute to purchase decisions like social influencers, brand to brand, publishers (think Time Magazine) and a new generation of affiliates.

This trend is making partnership management skills highly marketable, and a new career path is emerging alongside the new channel. You need only look at the organizational charts of top retail brands for evidence of this shift as titles like "vice president, growth and partnerships" (Levi Strauss & Co.) have become commonplace.

So, how do you get your foot in the door and/or up the ladder in this hot field?

1. Do your homework

You've bolstered your overall knowledge, augmenting your sales, marketing, relationship management and negotiating skills. Now, to convince key internal stakeholders to invest in you and your program, you'll need to gather up hard facts about the business value of the partnership channel, such as:

- Industry data on how partnerships contribute to revenue growth (Forrester has done some great research providing powerful validation).
- Historical data on partners and programs at your organization.
- Forecast data on how much partnerships could realistically contribute to your business over the next 12 to 24 months.
- The specific types of partnerships you have in mind for expansion at your organization.

2. Engage key stakeholders

Next, you'll need to start communicating to your stakeholders about your proposal, highlighting the partnership channel's specific benefits to each team. For example:

- **Management:** Your boss (and likely your boss' boss) will need to understand how your partnership program will bring value to them and their roles—bring on the revenue data here.
- **Business development:** A collaborative approach is key. Find out what their limits are and show them how you can bring in new partners and scale up what they can accomplish.

- **Social media team:** Demonstrate how you can augment this team's results by expanding their capabilities. For example, partnership automation makes the seemingly impossible possible, managing high-maintenance, low-touch partners with ease.

3. Prepare for objections and plan your guardrails

Here's how to address some of the objections you might hear:

- **Brand protection:** How will you be sure your partners align with your brand image and preserve your brand's value? The "guardrail" here will be in your recruitment and vetting processes—the tools you'll have in place to identify and continually monitor brand-aligned partners at scale.
- **Sales cannibalism:** How will you know if the sales you pay for wouldn't have happened anyway? You'll need to make good attribution tools part of your proposal to show you can measure and prove incrementality.
- **Headaches for finance:** Your finance team will need reassurance about how you'll handle payments and budgets without creating accounting nightmares. You will make it easy—costs are incurred only after a desired action is delivered (e.g., a sale, new customer, lead), so budgeting can be percentage-based.

4. Build technology into your proposal

- **Reality check:** One person with a spreadsheet can't do it all. Partnership automation and purpose-built technology will be crucial if you want to scale a program efficiently, manage partners effectively, measure accurately and sustain growth over time. Establishing your technology strategy upfront will dramatically reduce the risk and costs of getting your program off the ground—and will help you convince stakeholders that you are ready to deliver value from the get-go.

Driving at least two times more growth (according to Forrester), the partnership channel is retail's engine for the future. To spearhead and lead a partnership program, you'll need to secure buy-in and resources, advocate for yourself and demonstrate how you will move the entire business forward.

impact

impact

Sales and marketing without automation? **Unthinkable.**

So why aren't you automating your partnerships?

Affiliates, influencers, B2B—the partnership channel drives 30% of revenue for some retailers and is overtaking traditional channels when it comes to ROI. By automating the partner management lifecycle, there's no limit to where partnerships can take you.
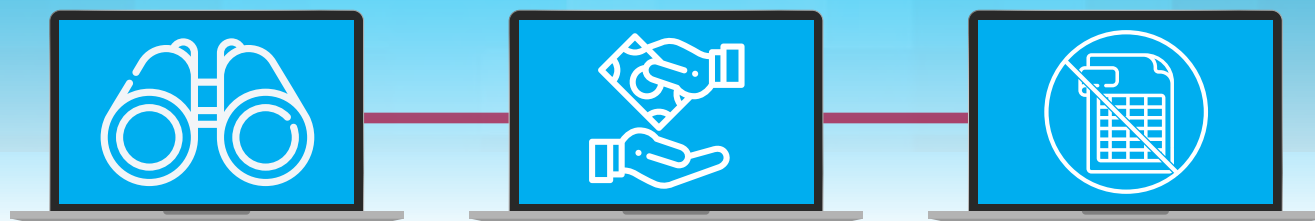
Discovery, screening, and onboarding?
✔ **Check.**

Payments, attribution, and reporting?
✔ **Done.**

Time-sucking spreadsheets?
✔ **Adios.**

Discover partnership automation at **impact.com**

CHANNEL MANAGEMENT

A channel management engine can be an obvious place for a retailer to list its products, as these sites largely draw a motivated buyer. Shoppers perusing these sites know what they want, and they often will come to them to compare prices. That's why it make sense to have accurate and updated information on products on these sites. Many retailers choose to manage their own data feeds to these sites—uploading images, pricing, product details, reviews, etc.—while others choose to work with a vendor that can manage these feeds on retailers' behalf. In addition, selling on online marketplaces is becoming a bigger part of retailers' ecommerce strategies. Many retailers who sell on these channels often do so on multiple marketplaces rather than on just one platform. While there are benefits to diversifying channels, this strategy can be complex when managing different inventory, sales and advertising requirements on different marketplaces. Channel management helps retailers and brands manage marketplace sales with such features as adjusting product pricing, SKUs and fulfillment on marketplaces via one dashboard. This enables sellers to view their entire marketplace portfolio in one spot.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

■ Indicates a ranking tie

1 ChannelAdvisor
Top 1000 Clients: 140   Client Web Sales: $289.94B

2 GoDataFeed
Top 1000 Clients: 55   Client Web Sales: $18.46B

3 CommerceHub
Top 1000 Clients: 51   Client Web Sales: $38.73B

4 Google
Top 1000 Clients: 34   Client Web Sales: $34.70B

5 Braze
Top 1000 Clients: 13   Client Web Sales: $10.91B

6 Radial[1]
Top 1000 Clients: 11   Client Web Sales: $4.09B

7 ROI Revolution
Top 1000 Clients: 10   Client Web Sales: $795.4M

8 Mirakl
Top 1000 Clients: 9   Client Web Sales: $10.12B

8 MerchantAdvantage
Top 1000 Clients: 9   Client Web Sales: $2.04B

10 Merkle[2]
Top 1000 Clients: 7   Client Web Sales: $2.47B

10 SingleFeed[3]
Top 1000 Clients: 7   Client Web Sales: $562.6M

1. Radial is owned by bpost.   2. Merkle is owned by Dentsu Aegis Network.   3. SingleFeed is owned by Vendio.

CONTENT DELIVERY NETWORK

Content delivery networks intend to speed up websites and improve overall performance by strategically locating groups of computer servers around the world to deliver content to website visitors from the closest service. In addition to reducing latency, content delivery networks can improve the performance of applications by reducing the needs for the application to continually compete for resources on the fly. Many ecommerce applications come with a content delivery network solution, or they can be purchased separately.

1 Amazon
Top 1000 Clients: 346   **Client Web Sales:** $113.22B

2 Akamai
Top 1000 Clients: 344   **Client Web Sales:** $440.89B

3 Cloudflare
Top 1000 Clients: 101   **Client Web Sales:** $28.15B

4 Salesforce
Top 1000 Clients: 58   **Client Web Sales:** $24.33B

5 CNET
Top 1000 Clients: 34   **Client Web Sales:** $74.54B

6 Rackspace
Top 1000 Clients: 21   **Client Web Sales:** $2.26B

7 Limelight Networks
Top 1000 Clients: 20   **Client Web Sales:** $191.74B

8 Fastly
Top 1000 Clients: 19   **Client Web Sales:** $9.36B

9 Verizon Media
Top 1000 Clients: 14   **Client Web Sales:** $2.98B

10 Cloudinary
Top 1000 Clients: 11   **Client Web Sales:** $2.28B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

CONTENT MANAGEMENT SYSTEMS

Content management systems are software applications that help create and manage digital content. In online retail, many ecommerce platform systems have built-in content management tools or offer separate tie-ins from an ecommerce platform to a content management system. Some content management providers allow retailers to manage their web and mobile apps, sites and marketing campaigns from one location to ensure that product information, blogs and other content adapts to the consumer, whether the shopper is on a desktop, tablet or smartphone.

■ Indicates a ranking tie

1 Oracle
Top 1000 Clients: 35   Client Web Sales: $23.84B

2 Adobe
Top 1000 Clients: 25   Client Web Sales: $18.84B

3 CNET
Top 1000 Clients: 19   Client Web Sales: $255.89B

4 WordPress
Top 1000 Clients: 9   Client Web Sales: $3.35B

4 Oracle NetSuite[1]
Top 1000 Clients: 9   Client Web Sales: $463.0M

6 Sitecore
Top 1000 Clients: 8   Client Web Sales: $4.11B

7 Nativo
Top 1000 Clients: 6   Client Web Sales: $536.1M

8 Guidance
Top 1000 Clients: 5   Client Web Sales: $1.53B

9 HP
Top 1000 Clients: 4   Client Web Sales: $14.61B

9 SAP
Top 1000 Clients: 4   Client Web Sales: $13.17B

9 Episerver
Top 1000 Clients: 4   Client Web Sales: $381.6M

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.

CUSTOMER RELATIONSHIP MANAGEMENT

Even as customer relationship management (CRM) tools become more central to many industries' success, some retailers are content to employ the most basic version they find. CRMs are useful, not just because they simplify keeping track of customers and sales, but because of their versatility and customizability. Most existing platforms offer the ability to integrate with other tools that can upgrade and augment existing business processes. The top CRM suites include tools designed to enhance functions and cover important gaps in retailers' operations. Connecting an organization's CRM to communication tools such as email clients, voice over IP systems, even messaging applications can help retailers properly record new lead information and handle their initial contact with an organization. Connecting a CRM to a business intelligence system, meanwhile, can offer a useful data stream that can convert data into better insights.

■ Indicates a ranking tie

1 Oracle
Top 1000 Clients: 13 — Client Web Sales: $12.94B

1 Braze
Top 1000 Clients: 13 — Client Web Sales: $10.91B

1 Oracle NetSuite[1]
Top 1000 Clients: 13 — Client Web Sales: $2.08B

4 Talkable
Top 1000 Clients: 9 — Client Web Sales: $613.1M

5 Salesforce
Top 1000 Clients: 8 — Client Web Sales: $7.73B

6 FriendBuy
Top 1000 Clients: 7 — Client Web Sales: $1.07B

6 HubSpot
Top 1000 Clients: 7 — Client Web Sales: $590.7M

8 Zendesk
Top 1000 Clients: 5 — Client Web Sales: $690.8M

9 SAP
Top 1000 Clients: 4 — Client Web Sales: $6.42B

9 Veras Retail
Top 1000 Clients: 4 — Client Web Sales: $4.75B

9 Epicor
Top 1000 Clients: 4 — Client Web Sales: $2.68B

9 Microsoft
Top 1000 Clients: 4 — Client Web Sales: $384.7M

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.

CUSTOMER REVIEWS & RATINGS

Ratings and reviews can help inform a retailer's business and product decisions. Retailers can harness feedback data to ensure customers are satisfied and improve upon any issues. Vendors can enable retailers to have a ratings and reviews platform on their product detail pages with comments, as well as photos, to better inform both the retailer and other customers who are shopping for the same, or similar, products. Retailers can also use social media posts to gather customer feedback and data about products.

■ Indicates a ranking tie

1 Bazaarvoice
Top 1000 Clients: 623   **Client Web Sales:** $481.61B

2 Bizrate Insights
Top 1000 Clients: 102   **Client Web Sales:** $27.36B

3 Trustpilot
Top 1000 Clients: 79   **Client Web Sales:** $39.99B

4 TurnTo Networks
Top 1000 Clients: 65   **Client Web Sales:** $33.01B

5 PowerReviews
Top 1000 Clients: 57   **Client Web Sales:** $9.63B

6 Verint
Top 1000 Clients: 40   **Client Web Sales:** $116.96B

7 Yotpo
Top 1000 Clients: 25   **Client Web Sales:** $2.07B

8 ResellerRatings
Top 1000 Clients: 13   **Client Web Sales:** $879.6M

9 Shopper Approved
Top 1000 Clients: 6   **Client Web Sales:** $1.35B

10 Sprinklr
Top 1000 Clients: 4   **Client Web Sales:** $7.74B

10 Google
Top 1000 Clients: 4   **Client Web Sales:** $1.11B

10 Ekomi
Top 1000 Clients: 4   **Client Web Sales:** $246.7M

10 Practical Data
Top 1000 Clients: 4   **Client Web Sales:** $184.3M

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

CUSTOMER SERVICE SOFTWARE & SUPPORT

Ecommerce customer service software providers seek to make it easier for online retailers to interact with their customers, shift gears to meet changes in consumer demand and solve problems for consumers. In addition to software, these vendors provide data that merchants can use to better understand their customers and anticipate their needs, or the means to collect such data on their own. Retailers care about these things because customers care about them. Live chat and click-to-call vendors provide software and services to help merchants communicate with their customers via live chat and/or create self-service and other agent-assisted help channels, such as email, messaging and social media. This can include chatbots—interactive software that uses artificial intelligence to simulate human conversation.

■ Indicates a ranking tie

1 Narvar
Top 1000 Clients: 161   Client Web Sales: $139.82B

2 LivePerson
Top 1000 Clients: 120   Client Web Sales: $79.32B

2 Zendesk
Top 1000 Clients: 120   Client Web Sales: $15.58B

4 Oracle
Top 1000 Clients: 84   Client Web Sales: $85.23B

5 Bold360[1]
Top 1000 Clients: 69   Client Web Sales: $18.59B

6 LiveChat
Top 1000 Clients: 67   Client Web Sales: $7.98B

7 Verint
Top 1000 Clients: 47   Client Web Sales: $134.63B

8 Olark
Top 1000 Clients: 38   Client Web Sales: $3.53B

9 Radial[2]
Top 1000 Clients: 22   Client Web Sales: $14.72B

10 Moxie
Top 1000 Clients: 21   Client Web Sales: $37.84B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. Bold360 is owned by LogMeIn.   2. Radial is owned by bpost.

ECOMMERCE PLATFORM

Ecommerce platforms comprise technology tools that allow online merchants to create customer-facing websites for selling products and services. They are the digital welcome mats for shoppers and the backbones of an online retail operation. Ecommerce platforms enable retailers to build a website and brand via tools and technology they could otherwise not build in house, such as providing checkout and payment processing services, website layouts and themes, marketing tools to promote products and a full content management system, depending on the provider.

■ Indicates a ranking tie

1 Adobe (Magento)
Adobe
Top 1000 Clients: 136   **Client Web Sales:** $53.50B

2 Oracle
Top 1000 Clients: 84   **Client Web Sales:** $99.16B

3 Salesforce
Top 1000 Clients: 68   **Client Web Sales:** $26.07B

4 HCL[1]
Top 1000 Clients: 42   **Client Web Sales:** $51.02B

5 Shopify
Top 1000 Clients: 37   **Client Web Sales:** $3.67B

6 BigCommerce
Top 1000 Clients: 17   **Client Web Sales:** $1.28B

7 SAP
Top 1000 Clients: 15   **Client Web Sales:** $17.07B

8 Kibo
Top 1000 Clients: 9   **Client Web Sales:** $1.23B

9 Guidance
Top 1000 Clients: 7   **Client Web Sales:** $1.70B

9 osCommerce
Top 1000 Clients: 7   **Client Web Sales:** $619.3M

9 Workarea
Top 1000 Clients: 7   **Client Web Sales:** $347.3M

9 Oracle NetSuite[2]
Top 1000 Clients: 7   **Client Web Sales:** $340.2M

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. In July 2019 HCL Technologies acquired select IBM products.   2. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.

ADOBE (MAGENTO)

RANK IN CATEGORY 1

Adobe

2019 TOP 1000 RETAIL CLIENTS 136

Adobe offers open commerce software to build and run web stores, handle online purchases, and support B2C and B2B experiences. It also helps merchants sell products through social media ads and integrates with online marketplaces like Amazon. Adobe's platform is supported by a community of more than 300,000 developers and includes services like pre-built extensions, including payment, shipping, tax and logistics. In addition to its digital commerce platform, Adobe offers SaaS-based omnichannel software that's designed to allow merchants to successfully integrate digital and physical shopping experiences, and business intelligence software to enable data-driven decision making.

PRIMARY URL
Magento.com

YEAR LAUNCHED 2008

TOTAL 2019 TOP 1000 CLIENT WEB SALES $53.50 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: 71   Chain: 15   Manufacturer: 36   Catalog/Call Center: 14

TOP 1000 CLIENTS BY WEB SALES

$40M or less: 32 $40-125M: 67 $125-500M: 31 $500M or more: 6

KEY CLIENTS

Walmart
Kroger
Shutterfly
Bed Bath & Beyond
Advance Auto Parts
Scholastic

PRODUCTS & SERVICES

Flexible ecommerce platform with options for business intelligence dashboards and data, order management applications and a marketplace of free and premium software extensions.

Pricing: Pricing and fees vary.

CORPORATE

345 Park Avenue
San Jose, CA 95110
800-685-3624

MANAGEMENT

Gary Specter, VP, Global Head of GTM, Commercial Business
Jason Woosley, VP, Commerce Product & Platform

Q&A

The right ecommerce platform can help retailers provide unique customer experiences

An executive conversation with **Peter Sheldon,** senior director of commerce strategy, Adobe

Commerce is going through an evolution. While historically ecommerce sites have focused on selling products to shoppers, today it's much more about providing customers with bespoke experiences that fit their shopping needs and engaging them on the channels that matter to them. To discuss how ecommerce platforms can help retailers meet their customers' expectations and evolve with the changing ecommerce landscape, Internet Retailer spoke with Peter Sheldon, senior director of commerce strategy at Adobe.

What current trends around ecommerce platforms are impacting retailers?

The shift from desktop to mobile is really accelerating. Mobile is the predominant source of ecommerce traffic today, and therefore it's becoming the predominant source of revenue for retailers. This means that there's an obligation for all retailers to improve their subpar mobile experience. An evolution in web technology in the form of Progress Web Apps (PWA) is enabling retailers to re-invent and optimize mobile experience for their customers.

What common mistakes do retailers make with regard to their ecommerce platforms?

Many retailers take too short term a view of the investment they're making in their commerce platform. Commerce platforms today are very strategic. For many retailers, ecommerce sales make up a significant portion of their revenue, and it's by far the most strategic and fastest growing channel, outperforming physical stores. So, it's imperative that they choose a platform vendor that has long-term viability while ensuring the platform has the capability to scale with the business, and how consumers shop.

Retailers need to ask themselves: What do we need from our platform not just today, but also five years from now? If they pick the wrong platform, it's a huge risk to their business and their bottom line to replace it in a few years.

What ecommerce platform challenges do they face?

Retailers who had partnered with purely software-as-a-service (SaaS) platform vendors are now feeling boxed into a path and destiny they don't have control over. They're completely dependent on that vendor to provide updates and innovations to the platform. In today's era, retailers must differentiate by providing highly unique customer experiences. If you don't have a platform that gives you the agility to build unique business processes and to test new business models, and you are constrained to a particular template, that is potentially very dangerous. Therefore, the most complex challenge is having the flexibility and agility to differentiate in the market.

What strategies can retailers implement to address these trends and challenges?

Gaining a competitive advantage today is less about products and more about experiences. Simply put, people today buy experiences, not products. And to create these unique experiences, retailers need to be able to clearly articulate their brand story. They should be investing in unique content that not only highlights the products they sell but also engaging content that illustrate their brand values and mission. To do this effectively, they need the right tools and a platform that is flexible enough to allow them to do that.

How can retailers easily implement a platform to do this?

They can partner with a vendor like Adobe, for example. Our whole DNA is focused on experiences. With a platform like Magento Commerce, retailers can tell their whole end-to-end brand story. And, ultimately, they have complete control and the extensibility to build and innovate at their own pace, as well as grow and evolve with the changing ecommerce landscape.
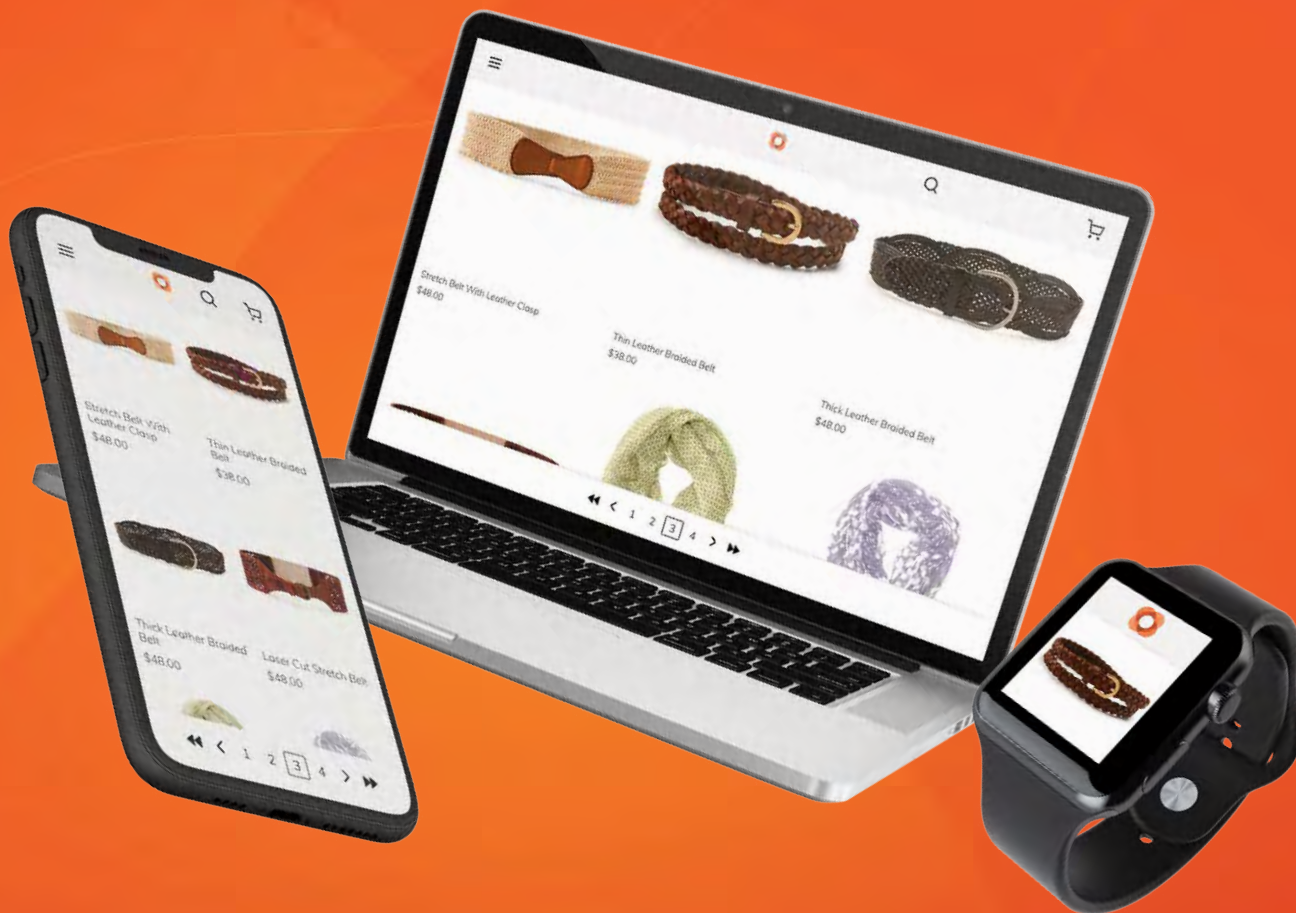
EMAIL MARKETING

Many online merchants view email as their most tried-and-true marketing channel. But it can also be challenging to target specific customers at specific times with specific needs. Some vendors can help retailers with personalizing email sends so that a customer gets a coupon sent to her soon after she's abandoned her cart or an order confirmation email with recommended products. Additionally, vendors can help retailers build and design eye-catching and engaging emails to drive more sales and conversions.

1 Mailchimp
Top 1000 Clients: 179   **Client Web Sales:** $27.91B

2 Oracle
Top 1000 Clients: 98   **Client Web Sales:** $86.82B

3 Experian
Top 1000 Clients: 97   **Client Web Sales:** $70.29B

4 Oracle NetSuite[1]
Top 1000 Clients: 95   **Client Web Sales:** $9.77B

5 Listrak
Top 1000 Clients: 93   **Client Web Sales:** $10.41B

6 Twilio SendGrid[2]
Top 1000 Clients: 75   **Client Web Sales:** $18.46B

7 TowerData
Top 1000 Clients: 74   **Client Web Sales:** $10.83B

8 Bluecore
Top 1000 Clients: 68   **Client Web Sales:** $55.56B

9 HCL[3]
Top 1000 Clients: 47   **Client Web Sales:** $20.16B

10 BounceX
Top 1000 Clients: 36   **Client Web Sales:** $14.77B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. In June 2015 NetSuite acquired Bronto. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.   2. In February 2019 Twilio acquired SendGrid.   3. In July 2019 HCL Technologies acquired select IBM products.

Q&A

Personalizing email marketing
helps retailers stand out
among the competition

An executive conversation with
Darcy Kurtz, vice president of
product marketing, Mailchimp

Email marketing is a key channel retailers use to build customer loyalty and drive repeat purchases. But with the large amount of emails hitting consumers' inboxes daily, it's vital retailers find ways to stand out. To discuss how retailers can best leverage email marketing to rise above their competition, Internet Retailer spoke with Darcy Kurtz, vice president of product marketing at Mailchimp, an all-in-one marketing platform.

What current email marketing trends are affecting retailers?

In the same way that consumers shop across channels, they also consume news, entertainment and, therefore, marketing messages across channels. Consumers are constantly inundated with messages, so they need to see a message multiple times across channels before converting. As a result, email is no longer just a standalone marketing tactic. It's most impactful when combined with other channels, like social posting and advertising.

Additionally, consumers have high expectations and want to feel connected to brands they interact with. Tailoring messaging based on a customers' site behavior and purchase activity helps retailers build relationships with their audience. Behavioral retargeting, such as product recommendations, allows retailers to deliver personalized content to their audience, and increase engagement and conversion.

What are some common email marketing mistakes retailers make?

One mistake retailers make is following a one-size-fits-all approach to communicating with their audience. An easy fix is segmenting audience members based on shared traits like behavior, preferences and purchase history. Another mistake centers around the frequency of emails, which can be an outcome of lack of segmentation. If audiences aren't segmented, retailers can fall into the trap of sending out too many emails—inundating consumers, driving down open rates, increasing unsubscribes and potentially negatively impacting their view of your brand.

What complex email marketing challenges are retailers currently facing?

Putting your audience at the center of your marketing is key, but collecting and understanding multichannel customer behavior data is a complex challenge retailers face. As consumers shop in store, online, via mobile apps and on social media, retailers need to get a complete view of their customers' cross-channel interactions and then turn those insights into tailored email marketing strategies.

What strategies can help retailers overcome these challenges?

Marketing platforms with built-in tools, such as marketing customer relationship management tools (CRM), are critical. A CRM serves as a single source of truth for all of their customer data—regardless of what channel those customers are shopping in. Retailers can then use tags to identify customers who shop in a particular channel or who do a certain behavior. Segmentation and behavioral targeting based on tags allows retailers to track and better understand who their customers are and how they interact with that retailer's business. From there, retailers can develop messaging strategies tailored to their needs and automate them.

How can they go about implementing these strategies?

For small businesses that have fewer resources, it's critical to invest in a marketing platform that fits their budget and allows them to create personalized content, automate messaging and reach customers across different channels. Mailchimp's platform, for example, empowers small businesses to market smarter and grow faster. Email is a fundamental tool that helps small businesses learn more about their audience so they can build their brand. Retailers can connect their online store to Mailchimp to see all of their audience information in one place. This allows them to collect helpful ecommerce data—like a customer's order history, how much they spent and whether they're first-time or repeat customers—so they can send targeted campaigns that direct traffic back to your store and generate more sales. And Mailchimp allows them to automate it all.

mailchimp

So you want to grow your business. *Now what?*

Get the All-in-One Marketing Platform that grows with you. *That's what.*

Sock Fancy used the All-in-One Marketing Platform to put more socks on more feet. Try it for yourself at mailchimp.com

All-in-One Marketing Platform

CRM | SOCIAL | EMAIL | ADS | ANALYTICS

mailchimp

FULFILLMENT SERVICES

Responding to the precedents set by ecommerce powerhouses, such as Amazon and Walmart, retailers are working hard to meet consumers' expectations for merchants to deliver products quickly and efficiently. Vendors that offer fulfillment services can help merchants meet shoppers' demands. Some vendors will house inventory for retailers, as well as handle the entire supply chain of fulfilling products all the way to delivering them to the customer's doorstep. Some fulfillment vendors provide retailers with the necessary technologies—such as conveyor belts, robotics or picking services—to enhance their own warehouse operations.

■ Indicates a ranking tie

1 Amazon
Top 1000 Clients: 6   Client Web Sales: $285.5M

2 Saddle Creek Logistics Services
Top 1000 Clients: 5   Client Web Sales: $4.43B

2 Pitney Bowes
Top 1000 Clients: 5   Client Web Sales: $358.1M

4 PFSweb
Top 1000 Clients: 4   Client Web Sales: $638.6M

4 UPS
Top 1000 Clients: 4   Client Web Sales: $618.2M

6 GEODIS
Top 1000 Clients: 3   Client Web Sales: $1.87B

7 Bastian Solutions[1]
Top 1000 Clients: 2   Client Web Sales: $1.58B

7 Jagged Peak
Top 1000 Clients: 2   Client Web Sales: $1.05B

7 DHL
Top 1000 Clients: 2   Client Web Sales: $432.4M

7 Dotcom Distribution
Top 1000 Clients: 2   Client Web Sales: $133.1M

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. Bastian Solutions is owned by Toyota Advanced Logistics.

— SADDLE CREEK LOGISTICS SERVICES —

RANK IN CATEGORY 2 (TIE)

Saddle Creek LOGISTICS SERVICES

2019 TOP 1000 RETAIL CLIENTS 5

Saddle Creek is a third-party logistics provider, specializing in designing and delivering omnichannel logistics services for retailers, manufacturers and ecommerce companies. The company offers fulfillment, warehousing and transportation services as stand-alone offerings, or as part of an integrated logistics solution. Retail clients have access to a nationwide network of strategic fulfillment locations and a full range of transportation capabilities, including a large private fleet, brokerage services and extensive relationships with all major parcel providers. Saddle Creek also offers advanced technologies for optimal visibility and order processing; scalable resources to handle seasonal or promotional fluctuations; value-added services such as kitting and engraving; the ability to pick, pack and ship orders B2B, B2C or through marketplace sites; and same-day shipping on most orders received by 2:00 p.m.

PRIMARY URL
SCLogistics.com

YEAR LAUNCHED 1966

TOTAL 2019 TOP 1000 CLIENT WEB SALES $4.43 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: 1   Chain: 3   Manufacturer: 1   Catalog/Call Center: 0
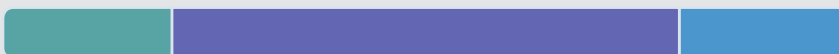
TOP 1000 CLIENTS BY WEB SALES

$40M or less: 1 $40-125M: 2 $125-500M: 1 $500M or more: 1

KEY CLIENTS

Bealls
Brandless
Lowe's
ipsy
Rack Room Shoes

PRODUCTS & SERVICES

Logistics services for omni-channel fulfillment, warehousing and transportation, as well as other value-added services like packaging, kitting, display building, embroidery and engraving.

Pricing: Pricing and fees vary.

CORPORATE

3010 Saddle Creek Road
Lakeland, FL 33801
863-665-0966

MANAGEMENT

Mark Cabrera, CEO
Tom Patterson, EVP, Operations
Donna Slyster, CIO

Q&A

Reliable service aligned with customer expectations is key to competing against Amazon

An executive conversation with **Perry Belcastro,** Senior Vice President Fulfillment Services, Saddle Creek Logistics Services

Amazon Prime is a powerful force in today's ecommerce marketplace. As a result of the subscription membership's premium services, consumer expectations have increased exponentially—particularly around shipping and delivery. To discuss what retailers can do to stand out in this competitive environment, Internet Retailer spoke with Perry Belcastro, senior vice president of fulfillment services at Saddle Creek Logistics Services.

What are some of the biggest challenges Amazon Prime currently poses to online retailers?

Retailers feel compelled to compete head-to-head with Amazon, but shipping every order with expedited service is simply not economical for the average retailer. It's important to weigh the cost for one- or two-day deliveries against consumer demand.

Consumers are more likely to buy when deliveries are free, but of course shipping isn't free for retailers. Whether the retailer absorbs the shipping cost or passes it along to customers, it's critical to keep shipping costs down. That can be challenging as parcel costs continue to rise.

How can online retailers balance their shipping and delivery capabilities with customers' expectations?

The key is to provide the level of service shoppers expect—reliably and at the lowest possible cost to the retailer. In most cases, receiving an order when expected is just as important to consumers as speed. Consumers are also often loyal to brands, so a strong social media presence and brand presence help to offset the "I have to have it tomorrow" mindset in most cases.

What strategies can online retailers implement to ship faster and more cost effectively?

Moving inventory closer to the customer is a good place to start. Using multiple, strategically located distribution centers allows retailers to reach 90% of the country using two-day ground service—helping to reduce transit time

and cost. Retailers also should establish efficient processes for managing orders so that inventory is pulled from the best fulfillment source to ensure the fastest and most affordable service for each order.

Effective parcel management is also critical. Working with multiple carriers and shopping for competitive rates can help. To negotiate the best rates, retailers should take time to understand all the pricing considerations at play such as point of origin, order volume, surcharges and dimensional weight.

How are advancements in technology helping retailers compete against Amazon?

Robust technology is essential for providing fast, low-cost service. A sophisticated order management system, for example, helps to optimize inventory across multiple distribution nodes, route orders for maximum efficiency and improve cycle times. Automated fulfillment and material handling solutions also can speed order turnaround and delivery times. Rate shopping technologies and parcel analytics software can help to optimize service and cost, ensuring that shipping costs are minimized.

How can retailers quickly implement these solutions?

Partnering with a third-party provider can help. Saddle Creek, for example, takes a strategic approach to fulfillment and designs solutions to help retailers satisfy demanding consumers. With a nationwide network of facilities, state-of-the-art technology and extensive parcel management expertise, we can provide timely, cost-effective deliveries on a reliable basis. For example, orders received by 2 p.m. ship out the same day at competitive rates.

An experienced provider can help retailers strike the right balance between cost and service in order to meet or exceed their customers' expectations.

Saddle Creek LOGISTICS SERVICES

FULFILLMENT SOFTWARE

Fulfillment software vendors can help retailers manage their fulfillment operations much more efficiently. For example, some fulfillment software can give retailers a single view of inventory across stores and ecommerce, help retailers offer store returns for online purchases or help retailers manage multiple delivery options including buy online, pick up in store. Those services can also include ways to help merchants find the most cost-effective route to fulfill an order, such as shipping an online order from a store that is closer to a consumer's home.

■ Indicates a ranking tie

1 Logistyx Technologies
Top 1000 Clients: 92   **Client Web Sales:** $75.71B

2 Manhattan Associates
Top 1000 Clients: 76   **Client Web Sales:** $84.56B

3 Radial[1]
Top 1000 Clients: 55   **Client Web Sales:** $36.02B

4 JDA Software
Top 1000 Clients: 26   **Client Web Sales:** $9.36B

5 CommerceHub
Top 1000 Clients: 11   **Client Web Sales:** $23.99B

6 Oracle
Top 1000 Clients: 9   **Client Web Sales:** $3.17B

7 Kibo
Top 1000 Clients: 7   **Client Web Sales:** $428.8M

8 HighJump
Top 1000 Clients: 5   **Client Web Sales:** $9.27B

8 Speed Commerce
Top 1000 Clients: 5   **Client Web Sales:** $1.36B

8 Microsoft
Top 1000 Clients: 5   **Client Web Sales:** $426.4M

8 Amazon
Top 1000 Clients: 5   **Client Web Sales:** $238.8M

8 Oracle NetSuite[2]
Top 1000 Clients: 5   **Client Web Sales:** $230.6M

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. Radial is owned by bpost.   2. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.

GO BEYOND THE
SHIPPING LABEL

Logistyx
TECHNOLOGIES

8
Global Office Locations

240+
Employees

2B+
Cartons Shipped
Last Year

1,000+
Clients Around
the World

- Leading provider of global, multi-carrier parcel transportation management systems
- Only FedEx® Diamond/Platinum Compatible Solution Provider for 6 consecutive years and now EU and APAC FedEx certified
- FedEx Diamond status attained for 2019
- UPS Global Platinum Partner
- One of the industry's largest multi-national, global, major and regional carrier networks
- A robust portfolio of products, solutions and expertise

Transport Management for Parcel

PROCUREMENT	OPERATIONS	CUSTOMER SERVICE & CONTROL TOWER	FINANCE & ACCOUNTS PAYABLE
Tender | Procure	**Optimize | Execute**	**Monitor | Report**	**Accrue | Control | Settle**

• Rate simulation
• CUG tendering
• Freight contract compliance
	• Carrier selection
	  —Dynamic
	  —Static
	• Shipping module
	• Labeling
	• Carrier EDI
	• Documents
	• Supplier inbound
		• Lead-time monitoring
		• Exception management
		• Claims resolution
		• Dashboards & graphs
		• Data warehouse
		• Consignee track and trace
			• Pre-invoicing
			• Invoice matching
			• Self-billing
			• Abc-costing, cost per
			  —Shipment
			  —Material (group)
			  —Business unit/factory
			• Dispute handling
			• PO-coverage

Contact Logistyx today for a free consultation
www.logistyx.com | info@logistyx.com
US Phone: +1 877 755 2374 | Intl Phone: +31 (0)75 7991010

INTERNATIONAL ECOMMERCE SERVICES

International ecommerce service vendors help online retailers take advantage of overseas demand. These vendors offer software and services such as those that can help retailers navigate complicated duty and tax rules, foreign parcel delivery, currency conversions and managing returns from non-U.S. customers, among other things.

■ Indicates a ranking tie

1 Pitney Bowes
Top 1000 Clients: 57   **Client Web Sales:** $46.11B

2 eShopWorld
Top 1000 Clients: 12   **Client Web Sales:** $15.73B

3 Radial[1]
Top 1000 Clients: 11   **Client Web Sales:** $8.67B

4 FedEx
Top 1000 Clients: 8   **Client Web Sales:** $3.42B

4 UPS
Top 1000 Clients: 8   **Client Web Sales:** $1.79B

6 Guidance
Top 1000 Clients: 5   **Client Web Sales:** $1.62B

6 MyUS.com
Top 1000 Clients: 5   **Client Web Sales:** $517.4M

8 Digital River
Top 1000 Clients: 3   **Client Web Sales:** $4.20B

8 Oracle NetSuite[2]
Top 1000 Clients: 3   **Client Web Sales:** $3.17B

8 USPS
Top 1000 Clients: 3   **Client Web Sales:** $273.0M

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. Radial is owned by bpost.   2. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.

ESHOPWORLD

eshopworld
Sell Global, Feel Local

RANK IN CATEGORY

2

2019 TOP 1000 RETAIL CLIENTS

12

eShopWorld helps brands grow their ecommerce sales in global markets, thanks to its global cross-border ecommerce solutions. eShopWorld provides retailers with technology, logistics, services and expertise to drive their global ecommerce strategy. It manages digital marketing strategy for retailers, including customer acquisition, analytics reporting and optimization for each individual global market. eShopWorld offers a pricing and payments platform to manage customized pricing for different markets, as well as local, market-specific payment methods and machine-learning powered fraud screening. Through global carriers and facilities, eShopWorld optimizes global inventory access, omnichannel capabilities, final-mile delivery and returns. An important consideration in global ecommerce is customs, so eShopWorld also provides customers compliance management, customs/duties risk management and optimized customs declarations.

PRIMARY URL

eShopWorld.com

YEAR LAUNCHED

2010

TOTAL 2019 TOP 1000 CLIENT WEB SALES

$15.73 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: 0   Chain: 4   Manufacturer: 5   Catalog/Call Center: 3

TOP 1000 CLIENTS BY WEB SALES

$40M or less: 0 $40-125M: 1 $125-500M: 2 $500M or more: 9

KEY CLIENTS

Nike
L Brands
PVH
Estee Lauder
Yeti Holdings
1-800-Flowers

PRODUCTS & SERVICES

Crossborder ecommerce services for customer acquisition, market-specific pricing, checkout, shipping, returns and customer support.

Pricing: Pricing and fees vary.

CORPORATE

1330 Ave. of the Americas, Suite 23
New York, NY 10019
353-18809114

MANAGEMENT

Tommy Kelly, CEO
Stephen O'Riordan, COO
Cynthia Hollen, President, U.S.A.

Q&A

How retailers can successfully create a seamless cross-border ecommerce experience

An executive conversation with **Tommy Kelly,** CEO, eShopWorld

As global ecommerce has grown, so has customer expectation. Today's consumers expect to be able to order the products they want, wherever they are in the world. That means retailers must provide seamless cross-border experiences—giving customers what they want, regardless of where they live. To discuss the importance of creating seamless cross-border experiences for both enterprise size and smaller retailers, Internet Retailer spoke with Tommy Kelly, CEO of eShopWorld, a global ecommerce technology and solutions provider working with leading U.S. retailers and brands.

Why is creating a seamless cross-border ecommerce experience important for all retailers?

Consumers have lots of needs, and by the very nature of the transaction, a shopper who chooses to shop across borders is attempting to fulfill a need that can't be met locally. Today's consumer expectations have been shaped by the way they live day-to-day and the experiences they have across multiple touchpoints and services—whether ordering a taxi, getting something to eat, or shopping online with a domestic brand.

Retailers that want to succeed in selling across borders need to be able to meet those expectations, and enable an omnichannel, locally optimized experience that meets the customer where they want to interact and engage, across devices and locations. Local pricing, and payments; buy online, pickup in store; return-to-store—these are what seamless means when serving international markets.

What are the most complex cross-border ecommerce challenges retailers face?

The complexity of serving multiple global markets across borders can be compared to an iceberg. The shopper sees what is above the waterline, but hidden below is the enormous scope of operations and functionality that make up a seamless experience.

Retailers need to factor in total cost of ownership for meeting all of those challenges, as well as the learning curve that comes with optimizing for each market. From that perspective, cross-border ecommerce is more about the holistic complexity that comes from building a best-in-class solution for each market. There is no one-size-fits all approach that will deliver on the potential that exists.

How do enterprise retailers' cross-border challenges differ from those of smaller retailers?

Enterprise-size retailers face an additional set of challenges, many of which relate to how they position inventory globally and serve markets from local or regional inventory pools. In that sense, they need to have a single view of inventory and be able to link up product availability with their ecommerce engine so they can fulfill orders in the most time-effective and cost-efficient manner.

They also need to be careful not to neglect marketing and demand generation. Larger brands often have the advantage of existing brand recognition, but they don't always have the in-house expertise to execute local marketing initiatives. They also need to think about brand consistency—does the cross border shopping journey support a great brand experience in how shoppers engage with them around the world?

What are some strategies retailers can implement to overcome challenges?

Cross-border ecommerce should be planned and executed by aligning resources with knowledge, expertise and technology. All retailers should partner with a cross-border specialist that can help them understand what markets are the best fit for their business, and where they will generate the greatest returns.

eShopWorld, for example, works closely with retailers to gain a deep understanding of their business, customers and requirements. We find the solutions that will meet the needs of both retailers and their customers, while never sacrificing the brand experience. Our mission is to build successful, in-country businesses for retailers. We don't just localize their shopping experiences, we take them to another level completely.

eshopworld

Sell Global, Feel Local

GLOBAL eCOMMERCE · TOP 25 · POWER PLAYERS

eShopWorld and Coresight Research would like to congratulate our 2019 Top 25 Global eCommerce Power Players! Global selling is currently the most important growth opportunity for retailers, and this list highlights those who are showing the world how to do it right.

Watch for nominations for the 2020 list in January: https://coresight.com/global-ecommerce-power-players/

01 Adam Sussman – *VP/GM Nike Direct Digital & Geographies, Nike*

02 Marc Lore – *President & CEO, Walmart E-Commerce U.S | Jet.Com, Founder & CEO*

03 Andrea Cappi – *Group Global Digital Business Director, Max Mara Group*

04 Mary Beth Laughton – *EVP, Omni Retail, Sephora*

05 Andrew Robb – *Chief Operating Officer, Farfetch*

06 Julie Wainwright – *CEO/Founder, The RealReal*

07 Tobjörn Lööf – *CEO IKEA*

08 Matt Carey – *EVP & Chief Information Officer, The Home Depot*

09 Nicolas Oudinot – *Chief Digital & Innovation Officer, Gucci*

10 Loren Simon – *VP of Digital & Performance, Everlane*

11 John Galantic & Gregory Baratte – *President and COO, Chanel Inc.; Global Head, Chanel.com, Chanel*

12 Yael Cosset – *SVP & CIO, The Kroger Company*

13 Diane Randolph – *Chief Information Officer, Ulta*

14 Scott Johnson – *Head of E-Commerce/Digital Technology, Harrods*

15 Abel López Cernades – *Import, Export, And Transport Director, Inditex*

16 Jane Lu – *Founder & CEO, Showpo*

17 Kentaro Tanoue – *VP Digital Innovation, Fast Retailing/Uniqlo*

18 Steph Korey – *Cofounder & CEO, Away*

19 Sid Jatia – *VP, Head of Global E-Commerce & Digital, Under Armour Inc.*

20 Stefano Valente – *Global VP of Retail, Burberry*

21 Andrea Trocino – *Chief Product Officer, ASOS Plc Holdings*

22 Rami Atallah – *Co–Founder & CEO, SSENSE*

23 Julie Averill – *EVP & CTO, Lululemon*

24 Andrea Dorigo – *SVP/GM Global Retail, Estée Lauder*

25 Lubomira Rochet – *EVP, Chief Digital Officer, L'Oréal*

eShopWorld empowers the world's best brands and retailers to sell more to shoppers around the world, with hyperlocalized experiences in 200+ markets. Visit us at eshopworld.com.

eshopworld
Sell Global, Feel Local

MARKETING & ADVERTISING SERVICES

Marketing and advertising vendors help retailers promote their products or website and drive sales and conversions via a variety of marketing channels or advertising avenues. Some of these services could include customer targeting, sponsored products, dynamic retargeting, direct bidding and audience matching on digital platforms.

■ Indicates a ranking tie

1 Google
Top 1000 Clients: 378   **Client Web Sales:** $81.84B

2 Criteo
Top 1000 Clients: 181   **Client Web Sales:** $123.07B

3 Rubicon Project
Top 1000 Clients: 139   **Client Web Sales:** $27.11B

4 AdRoll
Top 1000 Clients: 77   **Client Web Sales:** $14.36B

5 MediaMath
Top 1000 Clients: 73   **Client Web Sales:** $57.75B

6 Acxiom
Top 1000 Clients: 54   **Client Web Sales:** $5.38B

7 ChannelAdvisor
Top 1000 Clients: 44   **Client Web Sales:** $30.30B

8 Tapad
Top 1000 Clients: 41   **Client Web Sales:** $4.56B

9 Conversant[1]
Top 1000 Clients: 33   **Client Web Sales:** $45.34B

9 PubMatic
Top 1000 Clients: 33   **Client Web Sales:** $5.47B

1. Conversant is owned by Publicis Groupe.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

MOBILE COMMERCE

Mobile commerce involves shopping and completing online purchases via a mobile device, such as a smartphone. The shift of completing a transaction on mobile devices, and on smartphones in particular, is transforming ecommerce and leading mobile commerce to take a growing share of online sales. Some vendors offer solutions to make mobile commerce even more user friendly, such as ensuring a retailer's ecommerce site is responsive and performs well on a mobile device. Other vendors offer progressive web apps, or PWAs, which is a form of mobile design that formats the page to the size of the shopper's screen and offers the look and feel of an app, but within a mobile website.

■ Indicates a ranking tie

1 Salesforce
Top 1000 Clients: 60   Client Web Sales: $33.07B

2 Moovweb
Top 1000 Clients: 37   Client Web Sales: $23.97B

3 Branding Brand
Top 1000 Clients: 35   Client Web Sales: $33.92B

4 Mobify
Top 1000 Clients: 11   Client Web Sales: $1.83B

5 UsableNet
Top 1000 Clients: 10   Client Web Sales: $7.57B

6 Oracle
Top 1000 Clients: 9   Client Web Sales: $3.03B

7 Mad Mobile
Top 1000 Clients: 8   Client Web Sales: $5.32B

7 Unbound Commerce
Top 1000 Clients: 8   Client Web Sales: $4.27B

9 Skava
Top 1000 Clients: 7   Client Web Sales: $11.27B

9 Guidance
Top 1000 Clients: 7   Client Web Sales: $1.70B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

ORDER MANAGEMENT

Order management technology is especially important for retailers that operate both stores and an ecommerce website. A good order management system provides better inventory visibility for consumers, which can help generate sales. For example, some order management systems are designed to allow shoppers to see if a product is available in a store near them. Others tell retailers which locations should fulfill an order based on efficiency, and in which priority orders should be fulfilled. Systems can change this logic based on the type of product as well—such as boots vs. jeans vs. T-shirts and so on. Many order management systems offer greater transparency into inventory across channels, all the way down to the individual store or warehouse level. Some retailers allow a customer to reserve a product, pick it up at the store of their choosing and pay for it.

1 Oracle
Top 1000 Clients: 28   **Client Web Sales:** $10.60B

2 JDA Software
Top 1000 Clients: 27   **Client Web Sales:** $18.08B

3 Oracle NetSuite[1]
Top 1000 Clients: 21   **Client Web Sales:** $5.42B

4 IBM
Top 1000 Clients: 20   **Client Web Sales:** $48.34B

5 Manhattan Associates
Top 1000 Clients: 15   **Client Web Sales:** $16.94B

6 Radial[2]
Top 1000 Clients: 13   **Client Web Sales:** $7.40B

7 SAP
Top 1000 Clients: 11   **Client Web Sales:** $9.85B

8 Microsoft
Top 1000 Clients: 10   **Client Web Sales:** $1.04B

9 Kibo
Top 1000 Clients: 7   **Client Web Sales:** $428.8M

10 Monsoon
Top 1000 Clients: 6   **Client Web Sales:** $777.1M

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.
2. Radial is owned by bpost.

PAYMENT SECURITY/FRAUD PREVENTION

With fraud and security top-of-mind for consumers shopping online, many online retailers look to vendors for technology to help protect themselves from cybersecurity threats and fraudulent transactions. This includes updating their fraud prevention technology, ensuring consumers who sign up for an account are legitimate shoppers, differentiating their fraud prevention strategies for desktop and mobile devices and ensuring their vendor partners have the necessary security measures in place. Some fraudulent activity can be combatted simply by updating or changing security software, which vendors can assist with as well.

■ Indicates a ranking tie

1 CyberSource[1]
Top 1000 Clients: 39   Client Web Sales: $20.85B

2 Accertify[2]
Top 1000 Clients: 26   Client Web Sales: $109.56B

3 McAfee
Top 1000 Clients: 21   Client Web Sales: $2.78B

4 PayPal
Top 1000 Clients: 20   Client Web Sales: $2.07B

5 Radial[3]
Top 1000 Clients: 15   Client Web Sales: $10.02B

Radial a bpost company

6 Riskified
Top 1000 Clients: 11   Client Web Sales: $2.07B

7 Authorize.Net[4]
Top 1000 Clients: 10   Client Web Sales: $1.82B

7 Forter
Top 1000 Clients: 10   Client Web Sales: $1.68B

7 Chase Merchant Services
Top 1000 Clients: 10   Client Web Sales: $1.54B

10 Signifyd
Top 1000 Clients: 9   Client Web Sales: $8.93B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. CyberSource is owned by Visa.   2. Accertify is owned by American Express.
3. Radial is owned by bpost.   4. Authorize.net is owned by Visa.

RADIAL

RANK IN CATEGORY

5

Radial
a bpost company

2019 TOP 1000 RETAIL CLIENTS

15

Radial is an ecommerce omnichannel technology company that offers retailers services for ominichannel technology, fulfillment and supply chain services, customer service, and payments and fraud. With its payments and fraud services, retailers can eliminate fraud and deliver a frictionless payment experience that maximizes conversions and removes consumer frustration. Radial's payments and fraud service handles every aspect of payments, taxes and fraud for retailers, while also guaranteeing that retailers will never pay for a fraudulent charge. For payments, retailers will offer shoppers the right payment tenders in every local and regional market.

PRIMARY URL

Radial.com

YEAR LAUNCHED

1999

TOTAL 2019 TOP 1000 CLIENT WEB SALES

$10.02 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: 0   Chain: 8   Manufacturer: 7   Catalog/Call Center: 0

TOP 1000 CLIENTS BY WEB SALES

$40M or less: 0 $40-125M: 4 $125-500M: 4 $500M or more: 7

KEY CLIENTS

L Brands
The Estee Lauder
Dick's Sporting Goods
Ralph Lauren
Signet Jewelers
Stein Mart

PRODUCTS & SERVICES

Omnichannel technology, supply chain services, transportation, payments, fraud and customer care services.

Pricing: Pricing and fees vary.

CORPORATE

935 First Ave.
King of Prussia, PA 19406
610-491-7000

MANAGEMENT

Pierre Winand, President/CEO
Devang Patel, CTO
Gary Crowe, CFO

Radial is owned by bpost.

Q&A

Robust fraud prevention strategies help retailers decrease chargeback, increase sales

An executive conversation with **KC Fox,** senior vice president of technology services, Radial

Incidents of ecommerce fraud have been steadily rising over the years and continue to worsen. According to the LexisNexis Risk Solutions report, retail fraud attempts have doubled over the last 12 months with small retailers and mid-sized retailers selling digital goods being hit the hardest. To discuss how retailers can defend themselves against fraudsters while still increasing conversions, Internet Retailer spoke with KC Fox, senior vice president of technology services at Radial, a global omnichannel technology and operations provider.

What common mistakes do retailers make when it comes to fraud prevention?

Many retailers tend to not invest enough in their fraud prevention strategies. And that may be for a few different reasons. First, they think they won't have a fraud problem. A men's underwear merchant, for example, might think that fraudsters are only targeting expensive items, but studies have shown that they often go after lower cost items to make their money.

Second, retailers often don't recognize that they might already have a fraud problem. They think they're doing a great job preventing fraud—and they probably are. But they are doing it at the expense of sales by declining what may be perfectly good orders out of fear those orders are fraudulent. And finally, many fraudsters manage their fraud on the cheap. Instead of investing in robust fraud prevention tools, they try to handle it internally—delegating the task to lower level employees. Fraud prevention is very complex, so this strategy will never work.

What are the most complex challenges retailers face when trying to manage fraud?

There is a very delicate balance between declining potentially fraudulent transactions and approving valuable sales. That's where retailers struggle. They need the tools and expertise to delve deeply into those particularly questionable sales to determine whether they should approve or decline those transactions.

Additionally, fraudsters are amazingly sophisticated. They're intelligent, they adapt, and they're good at figuring out where the holes are in your system and taking advantage of them. Therefore, retailers need equally sophisticated tools to combat fraudster attacks.

What strategies can retailers implement to better manage ecommerce fraud and decrease chargebacks?

First, they need to either become fraud prevention experts or hire fraud prevention experts. Chances are fraud prevention isn't the focus of their business. And it can be detrimental to your relationship with a customer when you decline a sale that looks like fraud but is actually legitimate. You will insult the customer, and they likely never buy from you again. So retailers really need to invest properly in finding outside sources that can effectively handle fraud prevention for them.

An ideal fraud prevention partner, such as Radial, understands how fraudsters work. They can identify retailer's fraud vulnerabilities and set in place the appropriate measures to thwart attacks. But on top of that, they can implement strategies that help retailers optimize for taking more risk with the questionable transactions to increase sales.

How can retailers increase good conversions?

In addition to working with fraud prevention experts and investing in the right tools, retailers need to plan for attacks. Understand the various attacks, then have a plan in place ahead of time for handling those attacks. The easiest way to do this is to understand your customers really well. The more you know about your consumer and how they behave normally, the easier it is to identify whether what may seem like a fraudulent transaction is actually how they behave. That helps you increase conversions.

Radial
a bpost company

Radial
a bpost company

SIMPLIFYING ECOMMERCE

Radial is focused on delivering technology and services to help you:

Deliver orders faster	**_Expose_** more inventory	**_Scale_** on demand
Mitigate fraud	**_Inspire_** customer loyalty	

Visit **Radial.com** to see how our Fulfillment, Supply Chain Logistics, Customer Care, Payments & Fraud and Order Management Solutions can grow your business.

www.radial.com | +1 877 255 2857

PAYMENT PROCESSING

A payment processor is a company that a merchant works with to handle transactions from various payment types, such as credit and debit cards. Payment processing vendors enable shoppers to pay for items on a retailer's website, either directly on the checkout page or through a redirect to pay via a third-party website.

1 PayPal
Top 1000 Clients: 159   **Client Web Sales:** $23.51B

2 Chase Merchant Services
Top 1000 Clients: 80   **Client Web Sales:** $291.97B

3 CyberSource[1]
Top 1000 Clients: 47   **Client Web Sales:** $19.58B

4 Authorize.Net[2]
Top 1000 Clients: 34   **Client Web Sales:** $4.75B

5 Amazon
Top 1000 Clients: 32   **Client Web Sales:** $3.76B

6 FIS[3]
Top 1000 Clients: 31   **Client Web Sales:** $80.36B

7 Fiserv[4]
Top 1000 Clients: 24   **Client Web Sales:** $46.36B

8 Radial[5]
Top 1000 Clients: 14   **Client Web Sales:** $9.92B

9 Google
Top 1000 Clients: 13   **Client Web Sales:** $10.26B

10 CardinalCommerce[6]
Top 1000 Clients: 11   **Client Web Sales:** $3.14B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. CyberSource is owned by Visa.   2. Authorize.net is owned by Visa.   3. In July 2019 FIS acquired Worldpay.
4. In July 2019 Fiserv acquired First Data.   5. Radial is owned by bpost.   6. CardinalCommerce is owned by Visa.

PERSONALIZATION

A large advantage ecommerce sites have over their bricks-and-mortar competitors is their ability to show a customer products she might like based on past site behavior and past purchases. Personalization allows websites to show customers products they're more likely to buy through a range of marketing channels, such as targeted emails and recommended products. Even with consumers wary of providing too much data, the benefits of making them feel unique can be dramatic. Combining buying history, demographic information, geographic details and pricing data can connect customers with products they want to buy. Pain points in personalization include data gathering, analyzing trends to determine the right personalization options and creating personalized marketing materials. Data vendors can provide customer data and demographics can help inform trends, while A/B testing helps to find the most effective marketing options. Automation and artificial intelligence are playing a growing role in determining how companies spend their time personalizing products for shoppers.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

■ Indicates a ranking tie

1 Certona (Kibo)[1]   CERTONA A KIBO COMPANY
Top 1000 Clients: 83   Client Web Sales: $52.46B

2 Monetate
Top 1000 Clients: 80   Client Web Sales: $39.34B

3 Salesforce
Top 1000 Clients: 62   Client Web Sales: $24.56B

4 Bluecore
Top 1000 Clients: 55   Client Web Sales: $45.58B

5 RichRelevance
Top 1000 Clients: 36   Client Web Sales: $42.84B

6 Nosto
Top 1000 Clients: 31   Client Web Sales: $245.73B

7 Reflektion
Top 1000 Clients: 21   Client Web Sales: $3.73B

8 Adobe
Top 1000 Clients: 18   Client Web Sales: $23.38B

9 TowerData
Top 1000 Clients: 17   Client Web Sales: $19.53B

9 GroupBy
Top 1000 Clients: 17   Client Web Sales: $7.54B

9 Deloitte
Top 1000 Clients: 17   Client Web Sales: $2.70B

1. In February 2019 Certona was acquired by Kibo.

CERTONA (KIBO)

CERTONA
A KIBO COMPANY

RANK IN CATEGORY 1

2019 TOP 1000 RETAIL CLIENTS 83

Certona provides AI-based, real-time personalization for retailers and brands. The Certona Experience Manager identifies customers by demographics, browsing and purchase history, location and session context, among other factors. This data is then used to provide customers with product recommendations and content based on their in-the-moment behaviors and their profile and powered by a deep-learning algorithm. All customer data is profiled using behavioral knowledge, contextualization, segmentation information and predictive intelligence. Certona gives clients tools to measure and test performance and enables them to manage all aspects of the personalization process, including audience targeting, product and content recommendations, and customer permissions. Certona also offers predictive and visual search solutions, as well as email and remarketing personalization.

PRIMARY URL
Certona.com

YEAR LAUNCHED 2004

TOTAL 2019 TOP 1000 CLIENT WEB SALES
$52.46 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: 18   Chain: 40   Manufacturer: 8   Catalog/Call Center: 17

TOP 1000 CLIENTS BY WEB SALES

$40M or less: 5 $40-125M: 31 $125-500M: 24 $500M or more: 23

KEY CLIENTS

The Home Depot
Kroger
Gap
Nike
Sears
Victoria's Secret

PRODUCTS & SERVICES

All-in-one personalization platform with applications focused on discovery, search, recommendations and content.

Pricing: Pricing and fees vary.

CORPORATE

717 N. Harwood St., Suite 1900
Dallas, TX 75201
858-369-3888

MANAGEMENT

David Post, CEO
Meyar Sheik, President/Chief Commerce Officer
Ram Venkataraman, Chief Product & Technology Officer

In February 2019 Certona was acquired by Kibo.

Q&A

Orchestrating customer journeys by pairing personalization technology with unified data

An executive conversation with **Mayer Sheik,**
CEO, Certona

Creating personalized customer experiences is table stakes in today's competitive ecommerce environment. And it's more than simply offering product recommendations. To win at personalization, retailers need a 360-degree view of the customer—one that comprises data from a wide number of online and offline channels. Internet Retailer spoke with Mayer Sheik, CEO of Certona, a provider of ecommerce technology, about how retailers can harness that customer data to personalize every touchpoint of the shopping journey—even beyond mere product recommendations.

How has the availability of customer data changed in recent years?

The online retail phenomenon gave retailers access to a wealth of data about customers, beyond just traditional transactional data. With the customer's permission, retailers now have the ability to collect customer behavioral data. Mobile shopping introduced new touchpoints that provide additional information about shoppers. Options like buy online pick up in store; buy online, return in store; and reserve online, buy in store provide even more data about customer preferences. Then there's fulfillment—how, when and where customers prefer to receive products. The customer journey is no longer linear. It's random and unique to each shopper's habits.

How can retailers harness that data and use it to personalize the customer journey?

By using software that allows retailers to bring it together and tie it to an individual shopper. But retailers also need a unified data structure on the back end that allows them to understand things like inventory levels, product attributes, shopper attributes, promotional items—anything that helps make the customer experience smooth. There is a lot of information to collect, maintain and organize. And the more unified and connected that data is, the better retailers

learn about an individual shopper holistically and can use that information to deliver a better experience every step of the way.

How can retailers personalize touchpoints beyond product recommendations?

By leveraging technology that allows them to predict human behavior after a few clicks—even for anonymous visitors. Certona's software, for example, works to understand the shopper right away, even if it's their first time on a retailer's site and we know little about them. As they move about the site, we learn more by observing their interactions. We get a better understanding of the types of products they might want to see and the experience they want to have. This allows online retailers to dynamically "rearrange the shelf" as the customer is "walking down the aisle."

What challenges do retailers typically face with regard to their personalization initiatives?

First, many retailers don't get buy-in from their C-suite, which often sees personalization as just an expensive feature. But personalization isn't a feature. It's a corporate new customer experience strategy. Secondly, retailers don't always understand the importance of good data and that they need it from the start. Only then can they unify and connect it with other operational data to deliver that exceptional personalized experience.

What strategies can retailers implement to overcome these challenges?

Make sure the different data silos inside the organization start talking to each other. Data is the high octane fuel for the personalization engine. Retailers need to make sure it's enriched. Then, start simple, trying out personalization in areas where you know you have holes. Get some quick wins and get the organization to understand the value of personalization. Finally, work with a partner that is not just a technology provider, but also adds value in terms of best practices. Then build up from there. But understand that there is no silver bullet. It's a lot of nurturing, looking at the data and testing.

CERTONA
A KIBO COMPANY

CERTONA

Ranked the #1 Personalization Provider for 11 Years in a Row

100 BILLION
PERSONALIZED EXPERIENCES MONTHLY

Anyone can be buzzword compliant, but the industry's leading retailers know who they can trust to deliver one-to-one experiences. Engage your customers and build loyalty with a data-driven approach to automate omnichannel personalization.

AI-POWERED INNOVATION

BEST-IN-CLASS CLIENTS

HIGH-TOUCH SUPPORT

OPTIMIZATION EXPERTISE

Discover why Brands Worldwide Trust Certona for Real-time, Omnichannel Personalization

Go beyond segmentation with Certona, the pioneer in real-time, AI-driven individualization. With personalization solutions for search, browse and discovery, recommendations, and content, you can tailor your customer experiences across all touchpoints, including stores, web, apps, and email.

Named a "Leader" in Gartner's 2019 Magic Quadrant for Personalization Engines, Certona partners with over 500 brands in more than 70 countries.

CERTONA A KIBO COMPANY

SEARCH ENGINE MARKETING

Search engines make the vast library of online content accessible, serving up the most relevant content to user queries. But to make money, search engines all sell slots in those search results as ads, helping retailers target potential customers based on what they search for—this is called keyword bidding. Search engine marketing has become a quick way to not only advertise a product, but also A/B test product page copy, acquire customers and even show up in competitors' search results. While traditional advertising agencies will incorporate search marketing into many campaigns, some agencies will help retailers constantly evaluate search engine marketing opportunities via software and human help. Marketing software platforms also have built-in search engine marketing tools to allow easy expansions of campaigns. The practice is closely linked to search engine optimization, which involves crafting copy and altering site metadata to rank higher in search engine algorithms. Both require keeping a close eye on popular search terms and proper practices as outlined by various search engines. However, they are also highly susceptible to changes in algorithms and advertising standards that search engines hold.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1 Kenshoo   kenshoo
Top 1000 Clients: 82   Client Web Sales: $247.55B

2 ChannelAdvisor
Top 1000 Clients: 44   Client Web Sales: $30.30B

3 Marin Software
Top 1000 Clients: 38   Client Web Sales: $42.34B

4 ForwardPMX[1]
Top 1000 Clients: 30   Client Web Sales: $12.50B

5 iProspect[2]
Top 1000 Clients: 27   Client Web Sales: $223.59B

6 Merkle[3]
Top 1000 Clients: 26   Client Web Sales: $33.86B

7 BloomReach
Top 1000 Clients: 21   Client Web Sales: $32.81B

8 ROI Revolution
Top 1000 Clients: 17   Client Web Sales: $1.44B

9 Google
Top 1000 Clients: 14   Client Web Sales: $3.32B

10 Adobe
Top 1000 Clients: 10   Client Web Sales: $1.64B

1. In January 2019 Forward3D and PMX Agency merged and rebranded as ForwardPMX.
2. iProspect is owned by Dentsu Aegis Network. 3. Merkle is owned by Dentsu Aegis Network.

KENSHOO

kenshoo

RANK IN CATEGORY

1

2019 TOP 1000 RETAIL CLIENTS

82

PRIMARY URL

Kenshoo.com

YEAR LAUNCHED

2006

TOTAL 2019 TOP 1000 CLIENT WEB SALES

$247.55 BILLION

Kenshoo software is designed to help brands and agencies automate and optimize their marketing spending. Its software helps clients run ad campaigns across the leading search platforms, including Google, Microsoft Advertising, Yahoo, Pinterest and Verizon Media. Using Kenshoo's software, retailers gain productivity, performance and intelligence with insights-to-action scheduling, launching, managing and testing of campaigns in various markets across different publishers. The automation features are designed to help marketers easily manage large numbers of accounts or locations. Kenshoo allows marketers to automate campaign launches and routine tasks, set alerts for bid and budget thresholds and create and scale localized ads. The Kenshoo Search for Local solution allows retailers to connect order management systems and CRMs to automatically launch new accounts. It also has tools intended to help marketers pinpoint audiences within specific geographic locations.

TOP 1000 CLIENTS BY CATEGORY

Web only: **25**   Chain: **30**   Manufacturer: **19**   Catalog/Call Center: **8**

TOP 1000 CLIENTS BY WEB SALES

$40M or less: **4** $40-125M: **31** $125-500M: **22** $500M or more: **25**

KEY CLIENTS

Shutterfly
Ace Hardware
Macy's
Walgreens
William-Sonoma
Eddie Bauer

PRODUCTS & SERVICES

Marketing technology platform offering data-driven insights and optimization, with SEM technology that provides direct access to leading search platforms and help with tasks like campaign and audience management.

Pricing: Pricing and fees vary.

CORPORATE

22 4th St., 7th Floor
San Francisco, CA 94103
877-536-7462

MANAGEMENT

Yoav Izhar-Prato, Co-Founder/CEO
Alon Sheafer, Co-Founder/
 Chief Innovation Officer
Nir Cohen, Co-Founder/CTO

Q&A

The customer is at the center of every successful search marketing program

An executive conversation with **Kate Dubois,** general manager of search, Kenshoo

Search marketing has experienced an evolution in recent years. What used to be as simple as tapping a few words into a search engine has now become more creative-driven. To discuss the challenges search marketing presents retailers and strategies to overcome them, Internet Retailer spoke with Kate Dubois, general manager of search at Kenshoo, a digital advertising platform provider.

What common search marketing mistakes do retailers make?

Retailers often get too focused on promotions, ad formats and tactics. They need think about the customer journey and then take a more holistic approach with their search marketing efforts. Retailers should challenge their assumptions about search as well as the data—and dig deeper into whether they are genuinely delivering growth or just seeking out vanity metrics through tactics. There is a lot of opportunity in search marketing that retailers may miss when they need don't have a holistic strategy.

What complex search challenges are retailers facing?

First, keeping up with the publishers. The technology changes rapidly and marketers need to be agile and informed enough to know where to budget and how soon to adopt a new ad type. Additionally, new data and privacy legislation is changing retailers' ability to zero in on relevant audiences, and adding new challenges to strategies that were previously tried and true. Consumer behavior is also changing. There's an expectation of higher quality and better prices, as well as more sharing and transparency in our reliance on peer reviews. They're demanding better experiences at every touchpoint, including the ability to easily search for products. Consumers are having direct relationships with brands, and are eager to try out disruptors, so there's more diverse competition on search results pages. And finally, Amazon provides an advertising ecosystem that in many ways mirrors search engines. So developing an "Amazon strategy is critical.

What are some strategies online retailers can implement to overcome these challenges?

First, they need to nail the basics. Many retailers still settle for sub-par performance and productivity gains via campaign setup and optimization. This includes thinking about where to leverage artificial intelligence (AI) and machine learning. They really need to have expertise on best practices and the right tools and strategies in place to do that.

They also need to have data and be able to derive insights that can be made actionable in a search program. Intelligent search marketing means understanding what your search data says about your total customer and total marketing efforts.

How are advancements in technology helping retailers with search?

AI and machine learning have taken a lot of the manual labor out of search. Managing keywords, match types and ad copy at scale took a tremendous amount of human involvement. Now, machine learning and AI have automated a lot of that— allowing search marketers to spend more time doing critical and creative analysis.

Technology can also help by constantly monitoring search campaigns in an always-on way, identifying both red flags, like evidence of ad fatigue, and areas of opportunity, like new audience segments—and surfacing these suggestions in real time.

What is the most important take-away retailers should know about search?

Search marketing offers retailers an opportunity to connect with customers and make the most of the relationships. By ensuring every personal experience a customer has is seamless, connected and delivers value, you'll win loyalty. But retailers looking to benefit from search need a data-fueled and innovative program with rich intelligence that manifests into access, insights and actions.

kenshoo

kenshoo
SEARCH

#1 PROVIDER
FOR THE 6TH CONSECUTIVE YEAR
SEARCH ENGINE MARKETING

The all-you-need search platform for the world's largest retailers

Kenshoo Search brings intelligence, power and control to SEM with the industry's leading platform for retailers. Our award-winning, end-to-end AI- and ML-based technology solutions deliver actionable insights and elevate your search program to new heights. Kenshoo Search keeps you ahead of the innovation curve to achieve next-level performance across the top search publishers.
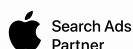
SECURITY CERTIFICATION

Website security is especially important for online retailers, ensuring that customer payment and personal information is safe. Security certifications are a way of independently verifying that a retailer's web address is secure and connections are safe between a user's device and company servers. All major browsers have some way of displaying certified sites, usually with a green lock displayed by the URL. Some browsers only accept certificates from trusted providers. The certification marker helps shoppers feel secure when shopping online, especially boosting sales for smaller sellers where new buyers may be less trusting. These benefits are compounded when adding other on-site visual cues like certification seals—called trust marks—on checkout pages. Many security certificate vendors also include threat management, compliance help and vulnerability checks as part of their offerings.

■ Indicates a ranking tie

1 DigiCert[1]
Top 1000 Clients: 641   **Client Web Sales:** $524.26B

2 McAfee
Top 1000 Clients: 187   **Client Web Sales:** $84.70B

3 GoDaddy
Top 1000 Clients: 139   **Client Web Sales:** $34.90B

4 Sectigo[2]
Top 1000 Clients: 112   **Client Web Sales:** $79.47B

5 Let's Encrypt
Top 1000 Clients: 34   **Client Web Sales:** $2.73B

6 Network Solutions
Top 1000 Clients: 27   **Client Web Sales:** $3.86B

6 GlobalSign[3]
Top 1000 Clients: 27   **Client Web Sales:** $3.16B

8 Trustwave
Top 1000 Clients: 26   **Client Web Sales:** $12.07B

9 Entrust Datacard
Top 1000 Clients: 16   **Client Web Sales:** $11.16B

10 Cloudflare
Top 1000 Clients: 11   **Client Web Sales:** $1.31B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. DigiCert owns GeoTrust, Thawte and RapidSSL.   2. In November 2018 Comodo CA rebranded as Sectigo. 3. GlobalSign is owned by GMO Internet Group.

SHIPPING CARRIER

Shipping carriers make the online selling of physical goods feasible. These are the companies that get products from a seller's warehouse to the customer's door. They handle the logistics in between, ensuring on-time delivery and minimizing costs by operating at scale. Shipping carriers allow retailers to deliver packages to almost anywhere on the planet. Many of these services also offer tracking options to keep customers informed of delivery dates, integration with inventory software to quickly print accurate labels and return services to satisfy customers unhappy with their purchases. While many of these shippers may seem similar on the surface, details like shipping speeds, coverage areas and unique packaging needs can help vendors stand out. When considering a vendor, retailers want to think about product volume, package density and warehouse location to fully realize possible benefits.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

■ Indicates a ranking tie

1 UPS
Top 1000 Clients: 266 | Client Web Sales: $298.26B

2 FedEx
Top 1000 Clients: 198 | Client Web Sales: $269.72B

3 USPS
Top 1000 Clients: 193 | Client Web Sales: $256.27B

4 Pitney Bowes pitney bowes
Top 1000 Clients: 63 | Client Web Sales: $268.07B

5 DHL[1]
Top 1000 Clients: 32 | Client Web Sales: $187.11B

6 Canada Post
Top 1000 Clients: 8 | Client Web Sales: $4.05B

7 OnTrac
Top 1000 Clients: 5 | Client Web Sales: $7.40B

8 NSD
Top 1000 Clients: 3 | Client Web Sales: $9.06B

8 Ryder
Top 1000 Clients: 3 | Client Web Sales: $7.26B

8 Purolator
Top 1000 Clients: 3 | Client Web Sales: $838.2M

1. DHL is owned by Deutsche Post.

PITNEY BOWES

pitney bowes

RANK IN CATEGORY

4

2019 TOP 1000 RETAIL CLIENTS

63

Pitney Bowes leverages global and domestic networks and partnerships to offer delivery and returns services, which includes technology that assists its clients throughout the post-purchase experience. Its services include: standard delivery of parcels through an extensive U.S. domestic network, leveraging USPS for final-mile delivery; cross-border delivery service to 207 countries and territories with bundled quoting and compliance services; and standard domestic returns services that allow retailers to offer free at-home pick-up, convenient drop-off options and fast refunds. All of these services include a diversified transportation network to help retailers provide consumers with consistent, timely and efficient delivery experiences.

PRIMARY URL

PitneyBowes.com

YEAR LAUNCHED

1920

TOTAL 2019 TOP 1000 CLIENT WEB SALES

$268.07 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: **13**   Chain: **21**   Manufacturer: **17**   Catalog/Call Center: **12**

TOP 1000 CLIENTS BY WEB SALES

$40M or less: **7** $40-125M: **22** $125-500M: **13** $500M or more: **21**

KEY CLIENTS

Victoria's Secret

Nordstrom

QVC

Rothy's

Dermstore

PRODUCTS & SERVICES

Ecommerce shipping and fulfillment services, customer analytics, global and domestic ecommerce fulfillment, delivery and returns services.

Pricing: Pricing and fees vary.

CORPORATE

3001 Summer St.
Stamford, CT 06926
203-356-5000

MANAGEMENT

Marc B. Lautenbach, President/CEO
Stanley J. Sutula III, EVP/CFO
Bill Borrelle, SVP/CMO

Q&A

What really matters to online shoppers about delivery and returns

An executive conversation with **Rajeeb Mohapatra,** global product leader, Pitney Bowes Commerce Services

Whether it's marketplace selling or direct-to-consumer, today's ecommerce environment has created unprecedented opportunities for retailers to reach consumers. But with that growth has come challenges. According to Pitney Bowes recent Online Shopping Study, the number of holiday shoppers disappointed in online delivery and returns has doubled over the last four years because of delayed shipments, expensive shipping costs and inaccurate tracking. And 40% blame the retailer. To discuss how retailers can overcome these challenges, Internet Retailer spoke with Rajeeb Mohapatra, global product leader at Pitney Bowes Commerce Services.

What can retailers do to address these issues?

Retailers should challenge the conventional wisdom that faster is better. Our research found that same-day and next-day delivery isn't necessary to meet what today's consumers consider fast. Free shipping is what matters. More than 90% of online shoppers consider any free shipping offer of fewer than five days as "fast" or "acceptable." Half of consumers think five days is acceptable.

Our study looked at dozens of other post-purchase features and offers that retailers could use to drive conversions and repeat purchases, but free shipping was four times more popular than any other. If given only two choices, 80% of consumers would pick free shipping with a longer delivery time over fast shipping at a cost.

What can retailers do to make free shipping more feasible and sustainable?

Most retailers don't realize they are likely overpaying for 1- to 4-day delivery. With complex rules and practices that define when and how shipping discounts are applied and in what scenarios surcharges take effect, the private parcel carrier industry has made it hard to discern what is a "good value" for shipping. To reduce spend, retailers should look at whether the discounts they currently receive are being offset by significant surcharges—and they should realize that few shippers actually pay the "base rate" listed by private carriers. In many cases, the USPS services are both faster and less expensive than discounted private carrier pricing.

Which aspect of the post-purchase experience are retailers not paying enough attention to?

Our study asked consumers to pick the post-purchase scenario that felt most like getting a root canal. 64% said "taking a long time to get a refund on a return"! Online returns are a tough problem for apparel retailers in particular because shoppers don't buy frequently enough with you to allow a great returns experience to drive loyalty. But our study found that more than half of shoppers are now 'bracketers'; they buy multiple sizes to try on and return what doesn't fit. This means that returns have become a part of the pre-purchase experience. You don't see many bricks-and-mortar stores introducing friction into the process of using their fitting rooms.
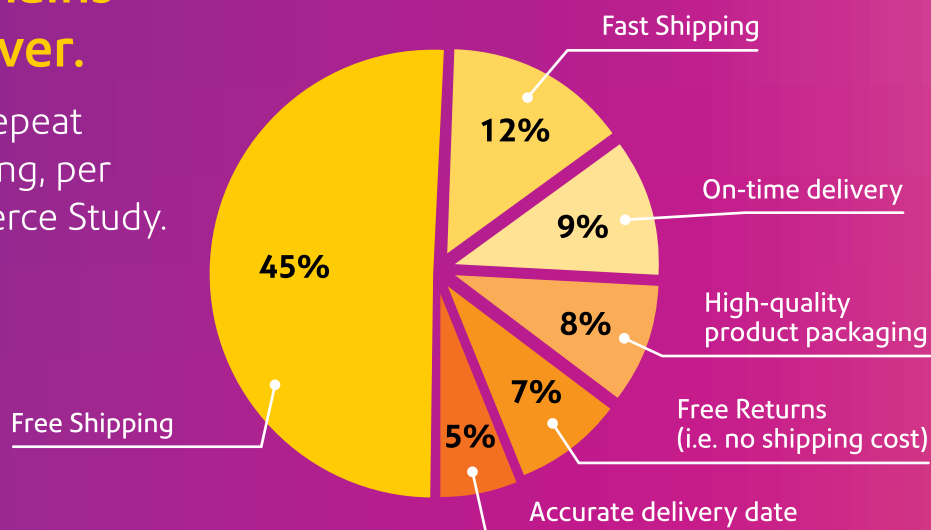
In what part of the returns process can retailers easily reduce friction, without adversely impacting return rates?

Home pickup of returns is three times more popular among consumers than dropping returns off at a carrier or store location. If the item fits in a mailbox, 66% of consumers prefer fitting it in the mailbox. Additionally, our research has shown that consumers hold onto their returns for an average of four days if they're asked to drop it off. This "trunk time" adds to the perceived time it takes to issue the customer a refund.

Retailers really need to find a shipping partner that makes it easier for retailers to serve their customers. At Pitney Bowes, we strive to be the easiest carrier to work with. We offer simpler pricing with fewer and lower surcharges than others, and we offer free at-home pickup of returns.

pitney bowes

Free shipping remains the #1 loyalty driver.

Free shipping drives 4x repeat purchase over fast shipping, per our 2019 Global Ecommerce Study.

Fast Shipping 12%

On-time delivery 9%

High-quality product packaging 8%

Free Returns (i.e. no shipping cost) 7%

Accurate delivery date 5%

Free Shipping 45%

Return frequency rises.

Majority of online shoppers are now 'bracketers' who have made the bedroom the new dressing room.*

Women 19%

Men 27%
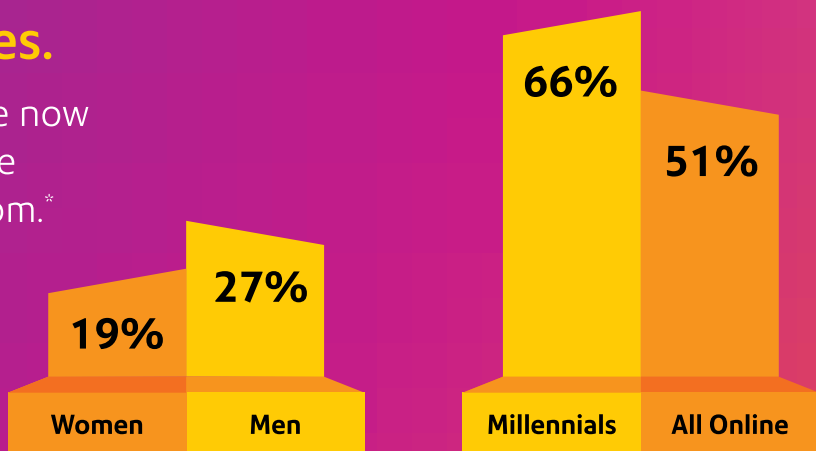
Men are significantly more likely to always/frequently bracket than women.

Millennials 66%

All Online 51%

*Online shoppers who purchase multiple versions and return what doesn't work (aka 'bracketing.')

We are a Top 4 parcel carrier to the IR1000.

As demands for delivery and returns continue to increase, Pitney Bowes is the trusted leader providing national delivery and returns solutions that combine the cost efficiency of postal delivery with the reliability, visibility and technology of premium services.

Get more insights from our landmark 2019 Global Ecommerce Study. **Visit pb.com/ecommerce**

pitney bowes

SITE DESIGN & DEVELOPMENT

A site design can be complicated. Retailers must balance clear product visuals, easy navigation, engaging content and responsive elements. Site design vendors keep development costs down for agile site development, quickly catching up with trends like responsive design, integrated videos and shoppable content, keeping load times low, and maintaining an easy purchasing process. Vendor solutions range from professionally designed and updated sites to software programs that convert designs into code for ecommerce storefronts. Site design can also inform mobile apps, marketing materials, customer emails and advertising campaigns. Site design also involves rich media elements, which can be a headache for some merchants that need to digitize a paper catalog of products. Adding elements like 360-degree product views, videos of items in use or even augmented reality can give shoppers nearly as much detail as those shopping in store.

■ Indicates a ranking tie

1 Adobe
Top 1000 Clients: 113   Client Web Sales: $272.97B

2 Snap36
Top 1000 Clients: 43   Client Web Sales: $294.54B

3 CNET
Top 1000 Clients: 36   Client Web Sales: $90.08B

4 Syndigo[1]
Top 1000 Clients: 31   Client Web Sales: $287.03B

5 Industrial Color[2]
Top 1000 Clients: 25   Client Web Sales: $49.80B

6 Brightcove
Top 1000 Clients: 19   Client Web Sales: $41.13B

7 Oracle
Top 1000 Clients: 12   Client Web Sales: $4.98B

8 Wistia
Top 1000 Clients: 10   Client Web Sales: $5.35B

8 Vimeo
Top 1000 Clients: 10   Client Web Sales: $1.85B

10 Guidance
Top 1000 Clients: 7   Client Web Sales: $1.70B

10 Blue Acorn
Top 1000 Clients: 7   Client Web Sales: $1.36B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. In August 2019 Sellpoints was acquired by Syndigo.   2. In June 2019 Invodo was acquired by Industrial Color.

SITE SEARCH

Search bars on ecommerce sites are the gateway to connecting shoppers with the products they are seeking in the absence of assistance from a sales associate at a bricks-and-mortar store. The feature's success at leading to a converted sale depends largely on its ability to recognize the consumer's request and deliver the most relevant results. Vendors and retailers alike say site search plays a big role in retaining customer loyalty. If a customer can't quickly find what she's looking for, she's likely to move onto a competitor's site. If done well, site search can lead to better product discovery and result in more revenue. Retailers can invest in upgrades to enhance site search with intelligent auto-complete that pulls up suggested terms as a shopper types a query, typo detection that predicts the meaning of a misspelled word and still yields the correct results, improved synonym matching, photo components and personalized results based on search, order and browsing history. Some retailers are also dabbling in search features that derive product matches via voice command or submitted photos of a similar product.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

■ Indicates a ranking tie

1 Oracle
Top 1000 Clients: 95   Client Web Sales: $116.09B

2 Salesforce
Top 1000 Clients: 57   Client Web Sales: $23.82B

3 SLI Systems
Top 1000 Clients: 47   Client Web Sales: $19.36B

4 Algolia
Top 1000 Clients: 40   Client Web Sales: $24.39B

5 Apache Solr
Top 1000 Clients: 27   Client Web Sales: $17.98B

6 Nextopia
Top 1000 Clients: 22   Client Web Sales: $1.56B

7 Adobe
Top 1000 Clients: 17   Client Web Sales: $7.69B

7 GroupBy
Top 1000 Clients: 17   Client Web Sales: $7.54B

9 Google
Top 1000 Clients: 15   Client Web Sales: $4.04B

10 Hawksearch
Top 1000 Clients: 13   Client Web Sales: $8.01B

SLI SYSTEMS

RANK IN CATEGORY

3

SLI SYSTEMS.

2019 TOP 1000 RETAIL CLIENTS

47

SLI Systems offers cloud-based, artificial intelligence tools designed to help retailers convert shoppers into buyers, increase order values and generate more traffic by making their products easier to find in search engines. Its products also make predictions about which products shoppers are most likely to buy. The SLI Product Discovery Suite uses artificial intelligence to predict what each shopper is most likely to buy in the moment and includes software designed to improve site search, navigation, mobile, merchandising, recommendations and SEO. The SLI Commerce Console organizes data into one easy-to-use control center. In January 2019, software investment firm ESW Capital acquired SLI Systems. SLI became part of ESW's Think3 portfolio to anchor an offering to support and advance ecommerce operations. SLI operates on five continents and in 20 languages.

PRIMARY URL

SLI-Systems.com

YEAR LAUNCHED

2001

TOTAL 2019 TOP 1000 CLIENT WEB SALES

$19.36 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: 20   Chain: 10   Manufacturer: 7   Catalog/Call Center: 10

TOP 1000 CLIENTS BY WEB SALES

$40M or less: 15 $40-125M: 21 $125-500M: 8 $500M or more: 3

KEY CLIENTS

Crate and Barrel
Lenovo
Vistaprint
Sennheiser
Jomashop.com
Tire Rack

PRODUCTS & SERVICES

AI-driven learning technology designed to accelerate ecommerce sales with search personalization and predictive discovery applications.

Pricing: Pricing and fees vary.

CORPORATE

401 Congress Ave.,Suite 2650
Austin, TX 78701

MANAGEMENT

Andy Tryba, CEO
Bobbi Kommineni, SVP, Operations
Giuseppe Rossi, SVP, Customer Success

Creating personalized experiences helps retailers differentiate from top competitors

Andy Tryba, CEO, SLI Systems

In today's ecommerce environment, online behemoths like Amazon take the lion's share of online sales dollars. Last year, Amazon reported nearly $233 billion in net revenue—a 30% increase over 2017. According to eMarketer, Amazon captured 47% of all U.S. sales online.

"Retailers trying to compete with Amazon on price or fast delivery are going to lose," says Andy Tryba, CEO of SLI Systems, a site search software provider. "Instead, they need to differentiate by finding ways to give customers a shopping experience that Amazon can't—by turning a purely transactional experience into a highly personalized one."

Tryba says customers today want to experience online shopping the same as they do brick-and-mortar shopping: They want retailers to know their preferences and offer suggestions. And they want to have conversations with sales associates who know about the products they're interested in.

To accomplish this in the digital world, Tryba says online retailers need access to as much data as possible about their customers. "Retailers today can collect customer information from various data points to really understand who is at their doorstep," he says.

But oftentimes, retailers don't access it. And when they do, they struggle to understand and intelligently use the data they have to its fullest potential. "There is a mountain of data about what customers are actually searching within your site—how they are navigating around your site, how many times they have to go to a certain page to find what they're looking for, and what happens when they get there," he says. "But unfortunately, a lot of retailers aren't paying attention to that data or don't have the expertise to be able to grab it and use it."

Tryba says by fully using that data, retailers can not only tailor the customer experience on their sites in terms of search and navigation, but also on inventory to make highly personalized product recommendations and continuously drive customers back to the sites. To do that, he suggests partnering with a site search and navigation software provider, such as SLI Systems, that uses artificial intelligence and machine learning to automate the process.

"By using machine learning and artificial intelligence technology to better utilize data about customers, retailers not only make their search functions better, but also their sites overall," he says. "And that allows for those highly personalized experiences customers want."

Take Adore Beauty, for example. With its more than 10,000 SKUs, the Australian makeup company wanted to make sure it was guiding customers to the right products from the moment they typed in the search bar. So it implemented the SLI Learning Search Connect for Magento, which automates that process for Adore. Since it began using the software, Adore has gotten 30% of its site revenue from search, and its session times are four times longer for searchers compared to non-searchers.

"We partnered with SLI Systems in 2010 because of its deep commitment to customer service," says Gareth Williams, ecommerce manager at Adore Beauty. "The SLI Learning Search Connect extension for Magento made it easy to implement and the results speak for themselves. We know when shoppers use search, we've got them!"

Tryba says it all comes down to the data. "When retailers truly know their customer and understand their behavior through the data, they can create these highly personalized experiences that customer want—and truly compete against the Amazons of the world," he says.

SLI SYSTEMS™

DOES INCREASING CONVERSIONS 10x SOUND TOASTWORTHY?

Premium wine retailer Zachys thinks so.

Improving customers' search experience has transformed Zachys site visitors into bigger-ticket buyers.

> **At Zachys, we have seen great results from implementing SLI, including growth both in conversions and average order value.**

Victor Castro,
Director of E-commerce,
Zachys

Let us help you create results worth celebrating!

Visit us online:
www.sli-systems.com/InternetRetailer

Email us:
sales@sli-systems.com

SLI SYSTEMS
THE E-COMMERCE ACCELERATOR

SOCIAL MEDIA MARKETING

Social media marketing is a vehicle for building brand awareness, gaining web traffic, promoting products and expanding a customer base. Vendors in this category use a combination of video, image and text ads to target consumers in specific demographics or with specific interests. Some social media marketing vendors also provide generated content for organic discovery. The opportunity for retailers to boost their marketing efforts via social media sites is enormous, and investments in this arena are paying off. Social networks have put a steady stream of ad options to help merchants connect the dots from their marketing efforts to sale conversions. Reaching a target audience in the right place at the right time with a message that resonates is a golden tenet of marketing.

■ Indicates a ranking tie

1 Kenshoo
Top 1000 Clients: 32   **Client Web Sales:** $40.06B

kenshoo

2 Nanigans
Top 1000 Clients: 22   **Client Web Sales:** $23.55B

3 AddThis[1]
Top 1000 Clients: 20   **Client Web Sales:** $1.40B

4 ForwardPMX[2]
Top 1000 Clients: 19   **Client Web Sales:** $6.38B

5 SAP
Top 1000 Clients: 16   **Client Web Sales:** $23.78B

5 Olapic[3]
Top 1000 Clients: 16   **Client Web Sales:** $2.07B

7 DaVinci Marketing Cloud
Top 1000 Clients: 10   **Client Web Sales:** $12.34B

8 Curalate
Top 1000 Clients: 8   **Client Web Sales:** $19.26B

9 Zinrelo
Top 1000 Clients: 7   **Client Web Sales:** $907.8M

10 Hootsuite
Top 1000 Clients: 6   **Client Web Sales:** $2.87B

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1. AddThis is owned by Oracle.   2. In January 2019 Forward3D and PMX Agency merged and rebranded as ForwardPMX.   3. Olapic is owned by Monotype.

KENSHOO

kenshoo

RANK IN CATEGORY

1

2019 TOP 1000 RETAIL CLIENTS

32

Kenshoo is a technology company that helps marketers execute digital advertising across mobile and desktop publishers. Kenshoo's marketing platform is integrated with Google, Facebook, Microsoft Advertising, Pinterest, Snapchat, Instagram, Yahoo, Yandex, Yahoo Japan, Baidu and Verizon Media through each publisher's native API. The firm's Kenshoo Social solution allows brands and agencies to use one platform for managing leading social media websites. Kenshoo's technology uses machine-learning algorithms to evaluate the performance of ads on an hourly basis and automatically optimize bids and budgets. Kenshoo's software also includes audience targeting, optimization algorithms, automation controls and analytics capabilities. The social media platform also facilitates the creation of Instagram Stories Ads, which are video-based, full-screen ads in a vertical format within Instagram.

PRIMARY URL

Kenshoo.com

YEAR LAUNCHED 2006

TOTAL 2019 TOP 1000 CLIENT WEB SALES

$40.06 BILLION

TOP 1000 CLIENTS BY CATEGORY

Web only: **8**   Chain: **18**   Manufacturer: **6**   Catalog/Call Center: **0**

TOP 1000 CLIENTS BY WEB SALES

$40M or less: **2** $40-125M: **12** $125-500M: **3** $500M or more: **15**

KEY CLIENTS

Tractor Supply
Sleep Number
Belk
Nike
REI
Petco Animal Supplies

PRODUCTS & SERVICES

Marketing technology platform offering data-driven insights and optimization, with social media management and integration tools to help with audience engagement, branding opportunities and performance analysis.

Pricing: Pricing and fees vary.

CORPORATE

22 4th St., 7th Floor
San Francisco, CA 94103
877-536-7462

MANAGEMENT

Yoav Izhar-Prato, Co-Founder/CEO
Alon Sheafer, Co-Founder/
    Chief Innovation Officer
Nir Cohen, Co-Founder/CTO

Q&A

How retailers can use social media ecommerce to its fullest potential

An executive conversation with **John Dobrowolski,** general manager of social, Kenshoo

---

Social media marketing has proven itself as a sales driver for retailers. According to eMarketer, referral traffic to ecommerce sites from social publishers is up 110% over the last two years. To explore ways retailers can fully leverage social media to boost revenue, Internet Retailer spoke with John Dobrowolski, general manager of social at Kenshoo, a digital advertising platform provider.

What current social media trends are impacting retailers?

In addition to driving consumers to online stores, social commerce functionality now allows consumers to buy products within their favorite social networks directly. New opportunities for shopping across Facebook, Instagram, Pinterest and Snap are just the tip of the iceberg. We're going to see more purchasing options within social media over the next few years that will have the potential to rival direct sales volume of traditional ecommerce.

What common social media mistakes do retailers make?

Retailers still aren't leveraging the full social funnel to maximize the opportunity it provides. Social is amazing at the top of the funnel, as well as good at driving interest at the middle. And it helps to convert at the bottom—whether that's part of a social commerce feature where consumers can purchase without leaving the social environment or driving people to ecommerce sites. Another mistake lies in complacency and assumptions around what social "can" and "can't" do. It helps you check all the boxes: increasing brand awareness, driving engagement, converting new customers and driving repeat purchases. If it's stronger in some areas than others, retailers should adopt the same approach they may already take with other channels.

What are the most complex social challenges retailers currently face?

Retailers continue to struggle with both creative and measurement in social media. In terms of creative, social advertising is difficult to get right. It's complex, and because the consumer mindset on social is so actively engaged, there's not a lot of room for error if an ad is missing the mark.

On top of that, each social publisher is different. Instagram Stories are a totally different ballgame from the Feed, for example. Marketers would love to "make it once" and place it everywhere, but realistically, they need tools that make editing for multiple formats easy. Meanwhile, amid new rules around third-party data and consumer privacy, it's hard to measure social performance and ad relevance.

How can retailers overcome these challenges?

To build optimal creative, retailers must fully understand the context of the platform and the consumer mindset inherent to it. Retailers should build their own set of best practices for each ad format and publisher combination, and consider the role each platform plays in consumers' lives.

Measurement challenges involve tracking issues. Brands need to use every option offered by the publishers and their technology partners to increase the efficacy of social measurement, and they need tools to validate the numbers with an unbiased, holistic perspective.

How can technology help?

As social advertising accounts grow, retailers need help from machine learning and artificial intelligence to manage campaigns and ads at scale. Technology partners can help you manage the mix better and get smarter about your creative with AI that provides always-on monitoring and surfaces issues like ad fatigue or low engagement. Technology can also help fill in gaps that native platform tools can't, like third-party audiences and cross-channel data, to expand your customer base. It can bring your shopping campaigns to life by providing seamless connections and insights linking your social marketing to Amazon product pages or Google and Microsoft search ads. An ideal platform solution can help you plan and pace budgets, maximizing ROI throughout seasons and sales.

kenshoo

kenshoo
SOCIAL

#1 PROVIDER
FOR THE 6TH CONSECUTIVE YEAR
SOCIAL MEDIA MARKETING

The all-you-need social media marketing technology for the world's largest retailers

Top brands require sophisticated technology. Power your paid social campaigns with the gold standard for marketing that engages and performs. Kenshoo Social delivers actionable insights, unparalleled creative management, and advanced campaign controls. Thousands of brands trust Kenshoo Social to automate, orchestrate, and scale advertising across the top publishers.

WEB ANALYTICS

Retailers can extract data from just about every system or software associated with their businesses—from on-site analytics programs to ecommerce platforms to vendor-supplied digital marketing services, such as email and social plug-ins. With a mountain of data at merchants' fingertips, knowing where to start when mining the numbers for insights can be overwhelming. Web analytics vendors can help merchants understand which data points to collect and analyze to help them make data-driven tweaks to ultimately boost sales. Retailers can run reports with the help of these vendors to spot trends or evaluate the success of a given campaign, page treatment or product. If a particular page shows a low bounce rate, high on-page time and a strong conversion rate, this can serve as a model for mapping out a web redesign. Once armed with data that shows something is working, online retailers can assess which efforts have the largest return on investment and reallocate dollars accordingly.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

■ Indicates a ranking tie

1 Google
Top 1000 Clients: 647   Client Web Sales: $160.26B

2 Adobe
Top 1000 Clients: 247   Client Web Sales: $427.47B

3 HCL[1]
Top 1000 Clients: 95   Client Web Sales: $85.31B

4 Microsoft
Top 1000 Clients: 87   Client Web Sales: $8.46B

5 Crazy Egg
Top 1000 Clients: 69   Client Web Sales: $16.85B

5 Hotjar
Top 1000 Clients: 69   Client Web Sales: $10.58B

7 ForeSee[2]
Top 1000 Clients: 51   Client Web Sales: $61.15B

8 Oracle
Top 1000 Clients: 36   Client Web Sales: $3.33B

9 Webtrends
Top 1000 Clients: 25   Client Web Sales: $17.77B

10 Mixpanel
Top 1000 Clients: 18   Client Web Sales: $1.74B

1. In July 2019 HCL Technologies acquired select IBM products.   2. Foresee is owned by Verint.

WEB HOSTING/CLOUD SERVICES

Web hosting vendors provide storage space and access for websites—essentially storing a website on servers and delivering the sites to customers' browsers. Servers are either owned by retailers themselves or by vendors that lease them for client use. Services in this arena vary in terms of features, as well as payment structures. A shared hosting setup means a provider houses multiple websites, which is inexpensive since the participating sites are splitting the costs, but traffic surges on a given site can impact the performance of another client. Virtual private server (VPS) hosting still accommodates multiple sites, but each site has its own individual resources, so traffic spikes for one site don't have repercussions on other tenants. Dedicated hosting indicates that a retailer's site is the lone occupant on a server, so it taps the server's full power. Servers typically are housed in data centers, where remote storage, processing and distribution of large amounts of data occur. There has been a recent shift in this industry as vendors race to move corporate computing to the cloud, which offers nearly limitless capacity and ability for retailers to pay only for the capacity needed at any given time.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

■ Indicates a ranking tie

1 Rackspace
Top 1000 Clients: 191 Client Web Sales: $382.88B

2 Amazon
Top 1000 Clients: 163 Client Web Sales: $60.86B

3 Cloudflare
Top 1000 Clients: 77 Client Web Sales: $6.77B

4 Salesforce
Top 1000 Clients: 58 Client Web Sales: $24.04B

5 Akamai
Top 1000 Clients: 51 Client Web Sales: $27.54B

6 INAP
Top 1000 Clients: 35 Client Web Sales: $24.31B

7 CenturyLink
Top 1000 Clients: 34 Client Web Sales: $28.07B

8 AT&T
Top 1000 Clients: 18 Client Web Sales: $22.38B

9 Oracle
Top 1000 Clients: 17 Client Web Sales: $3.78B

10 Verizon Media
Top 1000 Clients: 16 Client Web Sales: $20.00B

10 HCL[1]
Top 1000 Clients: 16 Client Web Sales: $17.87B

1. In July 2019 HCL Technologies acquired select IBM products.

WEB PERFORMANCE

Rich media and real-time updates are crucial to enriching the customer experience online, but they also can significantly slow webpage load times, which leads to increased bounce rates. Performance monitoring tools from vendors often conduct an audit of on-site plugins and widgets, identify bottlenecks and make suggestions on adjustments. Website testing and optimization are important to retailers as they evaluate their online stores' usability. Seeing which calls to the server are taking the longest—and why—is crucial so that web teams can isolate and tweak problematic features and ensure load times remain within an acceptable threshold. To combat slow site speeds and improve performance, retailers are often forced to minimize rich images or third-party plugins. But optimization vendors can help accelerate web performance without cutting content that's necessary to engage shoppers. These vendors can automate and accelerate the loading of static and dynamic content, manage the order in which content appears, and make user experiences more seamless and consistent across devices.

Source: Internet Retailer

Client counts and web sales are based on Top 1000 data and include primary/parent company data only.

Category leaders are ranked on the total number of parent/primary URL clients named by retailers in the 2019 edition of the Top 1000.

1 New Relic
Top 1000 Clients: 189 **Client Web Sales:** $60.68B

2 Rackspace
Top 1000 Clients: 156 **Client Web Sales:** $373.01B

3 Optimizely
Top 1000 Clients: 132 **Client Web Sales:** $57.70B

4 Dynatrace
Top 1000 Clients: 128 **Client Web Sales:** $383.24B

5 Monetate
Top 1000 Clients: 82 **Client Web Sales:** $36.03B

6 Adobe
Top 1000 Clients: 72 **Client Web Sales:** $272.20B

7 SmartBear
Top 1000 Clients: 47 **Client Web Sales:** $28.69B

8 Pingdom[1]
Top 1000 Clients: 33 **Client Web Sales:** $6.98B

9 Google
Top 1000 Clients: 20 **Client Web Sales:** $2.58B

10 SiteSpect
Top 1000 Clients: 19 **Client Web Sales:** $70.13B

1. Pingdom is owned by SolarWinds.

ABOUT THE AUTHOR

Stephanie Crets is the digital editor at Internet Retailer. She edits and writes daily web news and long-form, in-depth retailer profiles for the web and magazine. She also edits and writes research reports. Stephanie previously covered retail and ecommerce for a retail magazine where she was editor-in-chief. She has an M.A. in writing and publishing from DePaul University and a B.A. in journalism from the University of Iowa.

Stephanie Crets
Digital Editor
screts@digitalcommerce360.com
312-362-0075

INTERNET RETAILER RESEARCH

FAREEHA ALI
Director of Research Strategy
fareeha@digitalcommerce360.com
312-946-2048

LAURA BERRIGAN
Project Manager, Research
laura@digitalcommerce360.com
312-572-6261

TABITHA CASSIDY
Content Manager & Analyst, Research
tabitha@digitalcommerce360.com
312-572-6252

LAUREN FREEDMAN
Senior Consumer Insights Analyst
lfreedman@digitalcommerce360.com
312-572-7004

JONATHAN LOVE
Associate Data Analyst
jon@digitalcommerce360.com
312-262-0069

BRENDAN REILLY
Research Analyst
brendan@digitalcommerce360.com
312-362-0076

JAMES RISLEY
Research Analyst
jrisley@digitalcommerce360.com
312-572-7005

JOEL SMITH
Data Assistant
joel@digitalcommerce360.com
312-362-0273

JESSICA YOUNG
Research Analyst
jessica@digitalcommerce360.com
312-362-0104

ABOUT INTERNET RETAILER RESEARCH

At Internet Retailer Research, our goal is to provide data and information about ecommerce that helps retail companies, investors and technology providers prosper.

The team tracks hundreds of metrics on roughly 6,000 online retail companies around the world, including such sought-after data points as web sales and traffic, conversion rates, average order value and key technology partners used to power their ecommerce businesses. We sell this data in its raw format in our multiple online databases, and we dig deeply into these numbers to help inform our 30+ exclusive analysis reports we publish each year on key ecommerce topics, including online marketplaces, cross-border ecommerce and omnichannel retailing. In-depth, data-focused reports are also available on key categories of online retail like apparel, housewares, food and luxury. We also have a robust custom research department, which provides tailored research products—in-depth reports, exclusive surveys, raw data pulls and other products—for top retail companies, consultants, financial analysts and technology companies.

COPYRIGHT