

featuring a Q&A with:

Forrester[®]

The future of Commerce

What should merchants look for?



Introduction

It's every merchant's goal to have a successful business, not only now but also in the future. To achieve that, merchants must be flexible and act fast to changing customer needs. The only issue: We can never truly know what the future holds.

Just think about the global pandemic that changed our lives almost overnight. Nevertheless, in the context of Commerce, Covid proved once again that acting fast is crucial to success. This 'need for speed' is a trend that continues to shape the market beyond the pandemic.

Merchants achieved to launch multi-year initiatives in a few weeks, and vendors implemented functions nearly immediately. This 'go-then-improve'-mentality will most likely influence the industry long-term. Consumers expect businesses to implement changes faster than ever. To achieve that, merchants need the right technology to meet the requirements of this new reality of constant change.

To achieve their goals, merchants want to achieve more with less complexity, and we believe that Shopware's Open Commerce approach is the solution for making that possible. Having 'open' as one of our core values, besides 'authentic' and 'visionary', we believe that true creativity and inspiration requires an open ecosystem where lock-ins, no actual ownership, and closed source don't exist.



The future of (Open) Commerce

What is Open Commerce?

Open Commerce is Shopware's philosophy and approach for providing brands and merchants with maximum flexibility, at the fastest velocity, with a low cost of ownership. It offers full range of motion at all levels, from 100 % turnkey to totally bespoke – and everything in between.



"Open Commerce is Shopware's term for real-world flexibility to build the experiences that store customers and store operators need while allowing for innovation and growth and avoiding lock-in with the platform, integration, or vendors. It is about the freedom arising from a meaningfully opinionated solution that balances the flexibility, ingenuity, and distribution of open source and open source ecosystems with gentle guardrails for backend and frontend interfaces."

Ben Marks, Director Global Market Development at Shopware

Nevertheless, Open Commerce isn't the only approach, nor is it always what a merchant needs! We want businesses to seek out and choose the best approach for their unique requirements as they exist today and for what they will be tomorrow.





What are the elements of Open Commerce?

Shopware's Open Commerce approach has three core elements:

Turnkey application built for rapid customization First, it's a turnkey, open source (or open core) application specifically built for rapid customization. Every sales channel can be delivered via any preferred approach: turnkey frontend, headless, PWA, connected devices, etc.

Shopware provides "gentle guardrails" in the merchant's best interest

Second, Shopware provides a complete ecosystem of developers, agencies, and technology vendors working together in the best interest of their merchants and the industry.

A variety of options in an ever-evolving ecosystem

The third and last core element is – in a way – Shopware itself. We develop the platform with adaptability, agility, and ingenuity as core architectural tenets, support the merchants, and organize and facilitate ecosystem efforts.

Why does Open Commerce matter?

Open Commerce matters because it provides an ideal balance for complete range of motion. Since Shopware is fundamentally API-first, merchants get to build however they please. With our pre-composed and customizable elements, businesses benefit from turnkey functionality that is always ready to adapt. Merchants aren't only launching and changing fast. They are also free to move and free to grow: Our open source approach and widely distributed, well-known best practices prevent lock-in to the platform and specific agencies and vendors.

Why is Open Commerce future-fit?

We can't predict what is going to happen in the future. It's an arbitrary and chaotic space – not a resolvable set of requirements as some people make it seem to be. More often than not, the future holds surprises, events, and circumstances we could never expect. Engaging and managing the future from agility and ingenuity usually works best. The same applies to your business – agility from the platform and ingenuity from the ecosystem is what you need. The best approach to be fit for the future is to invent the future for your customers, which is core to Shopware's architecture and ecosystem.



Ben Marks
Director Global Market Development at Shopware

The former Magento Lead Evangelist is a leader when it comes to open source commerce ecosystems and strategies. Ben's journey in the world of open source commerce continues with Shopware, which began when he taught himself PHP in 2003.

Q&A featuring Forrester Research, Inc.

Following the webinar discussing the future of Commerce, we sat down with guest speaker Emily Pfeiffer from Forrester for a deeper dive into what merchants should look for to be more future-fit.

What does agility mean in the context of Commerce?

Emily: If the pandemic taught us anything, it's that we can't take years to implement the features and experiences that customers want. Moving forward, retailers and digital brands must enable technology that can help them make the quick pivots for whatever comes next. This agility will fuel the constant adaptation that consumers expect so digital businesses won't be left behind.

How can merchants find out from a diverse range of different vendors which offer is the most attractive and meets the current and future requirements of the market?

How can you spot meaningful differences in vendors?

Emily: It is so hard to compare tech solutions, and to decipher all the buzzwords vendors use to describe them. Here are a few recommendations that elevate the conversation from a feature checklist or technobabble adventure to a meaningful selection process:



Some may point you to their most-lucrative partnerships, but great partners will elevate the options on your short list that will best serve your needs.

Bring your non-technical practitioners to the table and let them evaluate the vendor demo themselves. The people who will use the system must buy in. Ensure they'll have the tools they need to do their jobs effectively.

Identify what a 'business like yours' looks like (geographical markets, number of stores and employees, digital channels, category of products, target customer, etc.). Ask to speak with current customers like you when evaluating a vendor and connect with the person who has a similar role to

yours, to gauge their experience. Beyond literal testing, this is a great way to assess scalability for larger organizations, too.

Look for the flexibility you will need as you move forward, and the stability that will create a solid foundation as you scale.

Finally, validate your thinking with services partners. Some may point you to their most-lucrative partnerships, but great partners will elevate the options on your short list that will best serve your needs.



What tactics can merchants use to see through vendor-centric marketing terms e.g., the MACH approach?

Ensure your ecosystem supports you now and, in the future, with solutions that won't make you feel 'locked in'. Balance flexibility and complexity to assemble an ecosystem you can afford to maintain.

Emily: The terms are more helpful to vendors that want to sound on top of the buzzwords than they are to a digital business looking for real value. Look for business user experiences that add value, automation, and ease of use for your practitioners. Cut through the marketing pitches to get to the value these features deliver. Remember though that the terms exist for a reason – because digital businesses have been 'stuck' without the flexibility they need. Ensure your ecosystem supports you now and, in the future, with solutions that won't make you feel 'locked in'. Balance flexibility and complexity to assemble an ecosystem you can afford to maintain.

How can merchants answer the question of solution architecture best for their business?

No business wants a completely modular ecosystem – it's too much to manage.

Emily: These are not all-or-nothing terms. They exist because of historical pain points. Monoliths are not necessarily bad – if they are modern platforms, delivered in a way that enables easy updates, with a unified experience for practitioners. Highly modular systems offer great flexibility for the businesses with complex requirements and technical infrastructure to support their inherent complexity.



What is the future of Commerce? If there is a trend movement in Commerce, what should merchants look for?

Emily: The future is on "**F.I.R.E. Businesses**" need systems that are increasingly Flexible, Inexpensive, Rapid, and Easy. While evolving the commerce tech ecosystem, digital businesses should look to evolve with solutions that are more:

- ✓ Flexible to future changes and pivots to deliver on the need for speed.
- ✓ Inexpensive, so it's the total cost of ownership and terms come together for optimal value to the business.
- Rapid to deploy, change, and swap when necessary, to keep up with the market's changing expectations.
- ✓ Easy for non-technical practitioners to administer. A usable interface is a requirement for an ecosystem that enables businesses to manage daily work without reliance on developers.



Emily Pfeiffer
Senior Analyst at Forrester Research, Inc.

Emily is an expert in commerce, order management, and drop-shipping technologies. In her research, she uncovers the power plays that merchants can execute to make the most of their commerce technology investments, and understand where the market is heading.

Conclusion

To be successful long-term, merchants have to act fast and notice trends and changing customer needs in the early stages. Nobody can say for sure what the future holds – but we can make it easier for you to adapt to change and be future-fit.

With Open Commerce, you experience a low cost of ownership, maximum flexibility, and the necessary speed to implement and deploy changes as fast as possible. It provides an ideal balance for complete range of motion, from 100 % turnkey to totally bespoke – and everything in between.

Open Commerce will change your business in the best way. From your supply chain to how your customers make a purchase. We believe it's the ideal way to combine the benefits of openness with digital commerce – a perfect balance for a total range of motion.

It's about the courage to take risks, explore new territory, pivot, and adapt to the fast-changing digital landscape. Open Commerce is a solid yet highly flexible foundation and platform to stand on with a resourceful global community that's got your back.

Overall, we want you to do more with less because we believe that unnecessary complexity holds merchants back long-term. You don't know if your business is future-fit? Then talk to us and let our experts advise you.



We're here for you!

shopware AG Ebbinghoff 10 48624 Schöppinger

□ growth@shopware.com

+49 (0) 2555 92885-C

About Shopware

Shopware is the leading ecommerce solution provider in Germany and is used by some of Europe's biggest brands, retailers and manufacturers in the B2C and B2B sectors. As a forward-thinking, open source solution, Shopware gives merchants the freedom to develop growth potential quickly and easily - with more flexibility and less complexity. Over 100,000 companies already rely on a Shopware solution today.

