HCL is Recognized as 2020 SPARK Matrix Leader in the B2C Digital Commerce Platforms Market

KNOWLEDGE BRIEF

BY

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Driven by the continued technology disruption, digital transformation, and widespread adoption of smart devices, traditional commerce platforms are not effective in driving business growth and improving customer experience. Businesses are increasingly focusing on improving their presence in an omnichannel environment and provide a consistent, personalized customer shopping experience to cater to the most demanding customers. Driven by the unprecedented growth of eCommerce globally in recent years, businesses are increasingly adopting modern digital commerce platforms. These platforms help businesses in managing their omnichannel commerce operations efficiency, enhance customer experience and engagements, and improve customer loyalty by transforming the end-to-end customer shopping experience.

Digital Commerce platforms provide businesses with a platform to showcase and sell their products and services across digital channels. It offers interactive UI/UX for customers to search, select, compare, and purchase their desired products and services. Digital commerce platform provides functionalities for the storefront, catalog management, product information management (PIM), search, pricing, discount & promotion management, shopping cart, check-out, order management, customer profile management, and analytics & reporting. Depending on the vendor's technology architecture and product strategy, a digital commerce platform may offer extensive out-of-the-box (OOTB) capabilities or open APIs to provide a range of digital commerce functionalities.

Digital commerce platforms vendors may provide multiple functionalities to support B2C specific capabilities, including omnichannel management, distributed order management, in-store fulfilment, endless aisle, point-of-sale (POS) integrations, support for a variety of payment processors, marketplace integration, personalized product and content recommendation, demand forecasting and management, integration with omnichannel campaign management systems, and such others.

Global organizations have well understood the importance of embracing digital strategies to succeed in a highly competitive environment with ever-increasing expectations around customer experience. In the digital age, product features and price are no longer the primary consideration as customer experience is

becoming the primary differentiating factor. While B2C commerce platforms are available for over two decades, continued innovations around technology architecture and CX-specific functionalities are transforming the overall market. Driven by the growing complexities of customers shopping journey and significance of exceptional customer experience, the vendors are improving CX-specific functionalities, including omnichannel management, personalized product and content recommendation, predictive customer segmentation, 1:1 targeting, multi-variable A/B testing, omnichannel order fulfilment, and such others.

Quadrant Knowledge Solutions recent study "Market Outlook: B2C Digital Commerce Platforms, 2020-2025, Worldwide" analyzes market dynamics, growth opportunities, emerging technology trends, and the vendor ecosystem of the global market. This research provides strategic information for technology vendors to better understand the market supporting their growth strategies and for users to evaluate different vendor capability, competitive differentiation, and its market position.

The research includes detailed competition analysis and vendor evaluation with the proprietary SPARK Matrix analysis. SPARK Matrix includes ranking and positioning of leading digital commerce platforms vendors with a global impact. The evaluation is based on primary research with expert interviews, analysis of use cases, and Quadrant's internal analysis of the global B2C digital commerce platforms market. The B2C Digital Commerce Platforms SPARK Matrix includes analysis of the leading vendors, including 2Checkout, Adobe (Magento), commercetools, Digital River, Elastic Path, HCL (IBM WebSphere), Kibo, Oracle, Salesforce, SAP, Shopify, Sitecore, Skava, TrueCommerce, and VTEX.
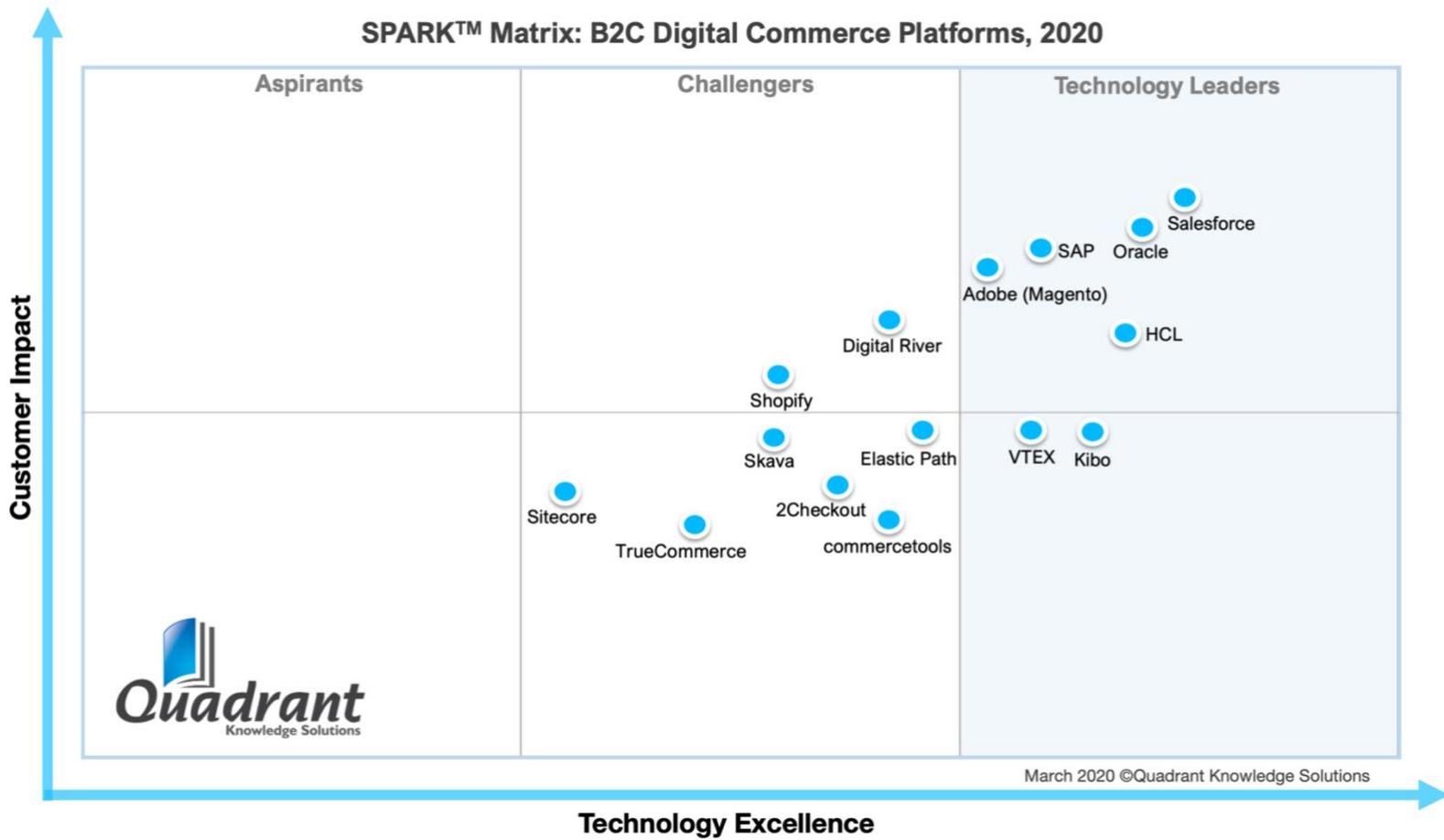
SPARK Matrix Analysis of the B2C Digital Commerce Platforms Market

Quadrant Knowledge Solutions conducted an in-depth analysis of the major B2C digital commerce platform vendors by evaluating their product portfolio, market presence, and customer value proposition. The B2C digital commerce market outlook provides competitive analysis and a ranking of the leading vendors in the form of a proprietary SPARK Matrix™. SPARK Matrix analysis provides a snapshot of key market participants and a visual representation of market participants. It provides strategic insights on how each vendor ranks related to their competitors, concerning various performance parameters based on the category of technology excellence and customer impact. The evaluation is based on the primary research with expert interviews, analysis of use cases, and Quadrant's internal analysis of the overall B2C digital commerce platforms market.

Technology Excellence	Weightage
Sophistication of Technology	20%
Competitive Differentiation Strategy	20%
Application Diversity	15%
Scalability	15%
Integration & Interoperability	15%
Vision & Roadmap	15%

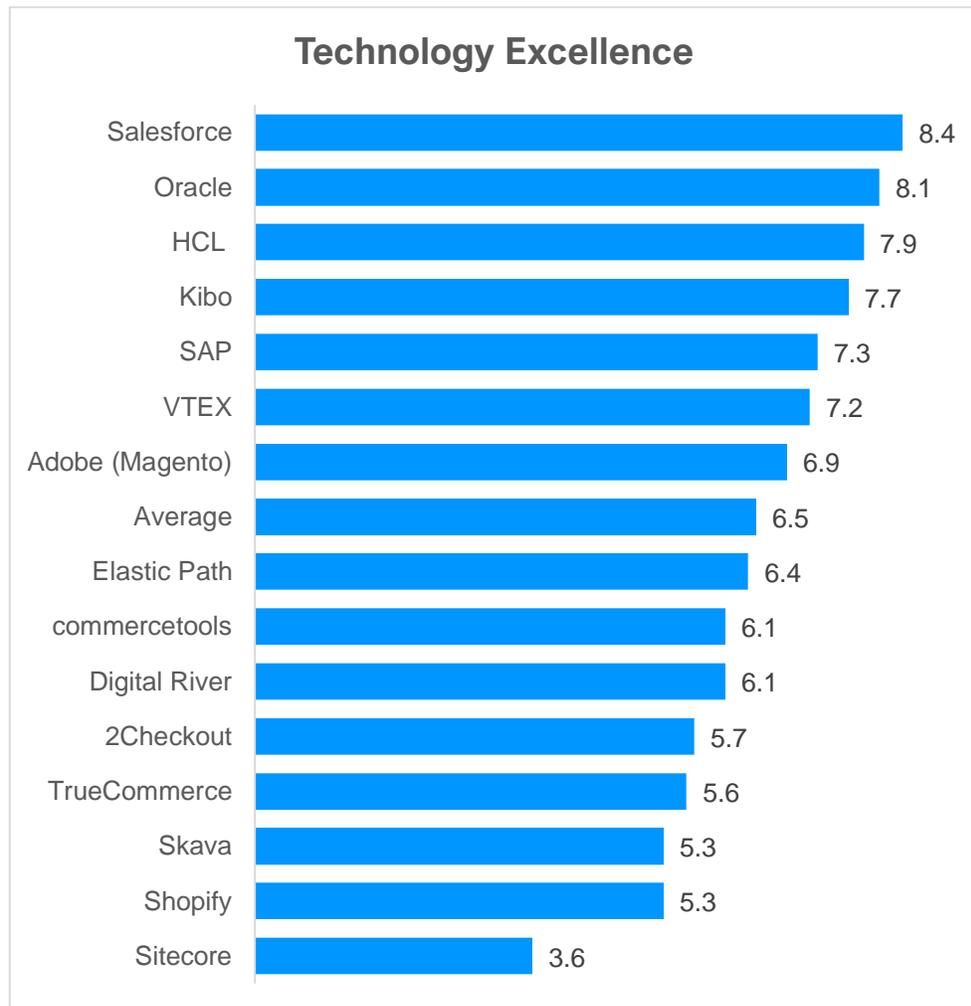| Customer Impact	Weightage
Product Strategy & Performance	20%
Market Presence	20%
Proven Record	15%
Ease of Deployment & Use	15%
Customer Service Excellence	15%
Unique Value Proposition	15%

According to the SPARK Matrix analysis of the global B2C digital commerce platforms market, "HCL, with its comprehensive and end-to-end digital commerce platform has secured the strong ratings across the performance parameters of technology excellence and customer impact and has been positioned as the top three technology leader in the 2020 SPARK Matrix of the B2C digital commerce platforms market."

Figure: 2020 SPARK Matrix
(Strategic Performance Assessment and Ranking)
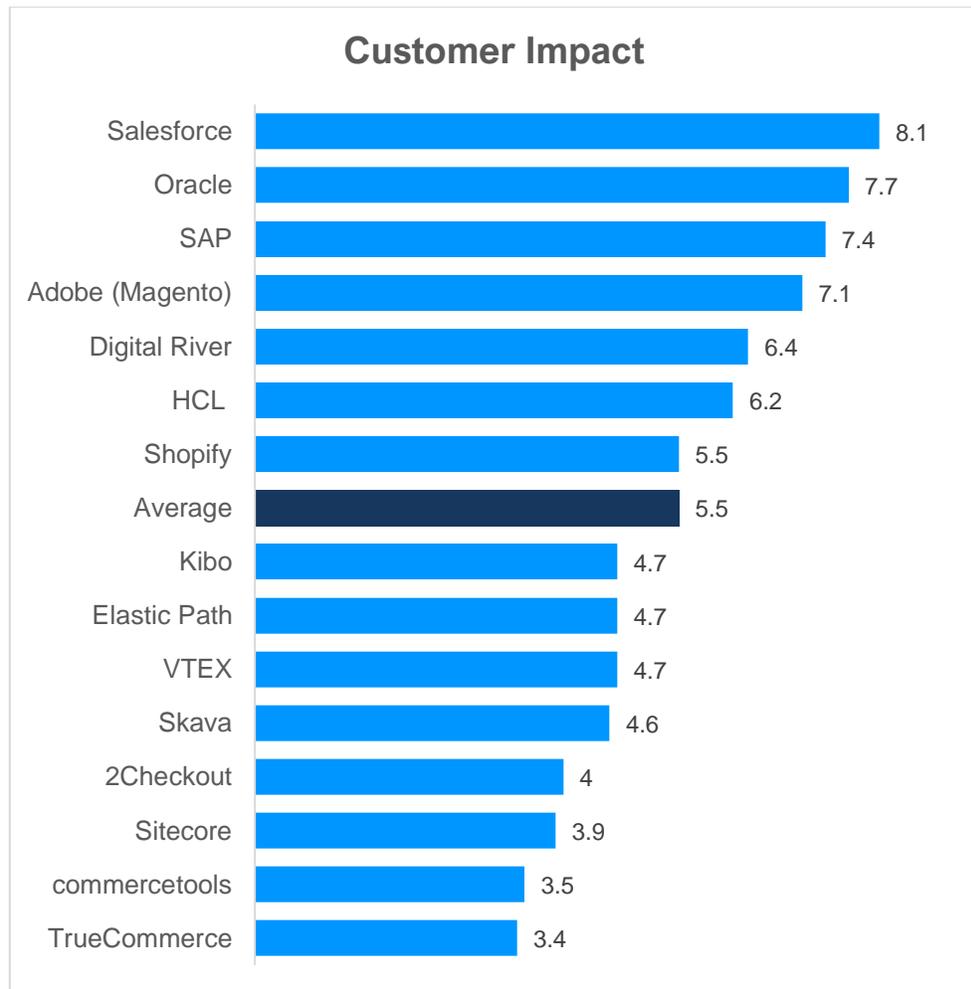B2C Digital Commerce Platforms Market

SPARK™ Matrix: B2C Digital Commerce Platforms, 2020

Figure: 2020 SPARK Matrix Analysis
Technology Excellence: B2C Digital Commerce Platform Vendors Performance against Average Rating

Technology Excellence

Vendor	Rating
Salesforce	8.4
Oracle	8.1
HCL	7.9
Kibo	7.7
SAP	7.3
VTEX	7.2
Adobe (Magento)	6.9
Average	6.5
Elastic Path	6.4
commercetools	6.1
Digital River	6.1
2Checkout	5.7
TrueCommerce	5.6
Skava	5.3
Shopify	5.3
Sitecore	3.6

Figure: 2020 SPARK Matrix Analysis
Customer Impact: B2C Digital Commerce Vendors Performance against Average Rating

Customer Impact

Vendor	Rating
Salesforce	8.1
Oracle	7.7
SAP	7.4
Adobe (Magento)	7.1
Digital River	6.4
HCL	6.2
Shopify	5.5
Average	5.5
Kibo	4.7
Elastic Path	4.7
VTEX	4.7
Skava	4.6
2Checkout	4
Sitecore	3.9
commercetools	3.5
TrueCommerce	3.4

HCL Capabilities in the Global B2C Digital Commerce Market

In July 2019, HCL acquired IBM WebSphere Commerce to offer HCL Commerce platform for B2B2C, B2B and B2C use cases from a single platform. HCL Commerce is based on a cloud-agnostic, API-first, containerized architecture enabling e-commerce professionals to accelerate innovation at a reduced total cost of ownership. HCL Commerce provides native capabilities for product management, catalog management system, multi-site functionality, personalization, search, and centralized business user tooling.

♦ **The product management** feature enables businesses to manage all product information, including bulk information updates, internationalization, assigning attributes, merchandising associations, pricing, and such others.

♦ **The inbuilt catalog management system** allows the creation of personalized catalogs based on product information.

♦ **The multi-site functionality** is based on HCL's patented technology that uses a true inheritance model enabling businesses to quickly deploy multi/microsites leveraging full or selective asset sharing. The platform aids retailers and distributors to build and manage multiple storefronts on a single platform. With centralized business user tooling, business users can manage the experience through merchandising, storefront previews from a single and intuitive dashboard.

♦ **Search**: The platform offers an out of the box, embedded search capabilities that indexes structured and unstructured content. It leverages business rules to provide search results, landing pages, product ranking, and other information. With the recent enhancements, HCL supports NLP-based search capabilities.

♦ **Personalization or Precision Marketing**: The HCL platform includes built-in personalization/precision marketing, a rule-based tool to manage a unique experience based on customer information and their browsing behaviour.

♦ **Order Management System (OMS)**: HCL leverages third-party solution to provide OMS functionalities including lightweight order

orchestration, available-to-promise (ATP) calculation, subscription management, and such others.

♦ **Customer Services Tools**: The platform provides tools for customer service representatives to help the customer and manage their experiences.

Analyst Perspectives and Differentiators

HCL Commerce, after acquiring IBM WebSphere Commerce, is gearing up to expand its presence in the large enterprise business segment. HCL Commerce with API-first architecture and the cloud-agnostic platform is well-positioned to support headless commerce, drive B2B and B2C use cases from a single unified platform and provide AI-driven capabilities to drive personalized customer engagements. It supports enterprise-grade scalability and extensibility, enabling businesses to add HCL services, third-party commerce services, and configure their own commerce extensions.

HCL is making significant investments to provide agile commerce at scale for enterprise companies and focusing on themes including world-class experience, optimized merchandising, and cloud-native commerce. HCL is also looking at offering industry-specific commerce functionalities and enhancements in B2B capabilities as part of its product roadmap.

The company primarily targets large enterprise companies with complex business processes and has a strong presence in the apparel & fashion retail, luxury goods manufacturing, health & beauty, and automotive & transportation sectors. The majority of the company's customers are based in North America and the European Union regions. However, HCL is also making inroads into the APAC and Latin America region.

HCL has received strong overall ratings across the performance parameters of technology excellence and customer impact and has been positioned amongst the technology leaders in the 2020 SPARK Matrix of the B2C digital commerce platforms market.