



The Composable Commerce Cheat Sheet

How to sell the commerce solution of your dreams to your business peers

Are you a tech expert dreaming of a composable commerce solution, but C-level and business teams haven't bought into your idea? It's time to change tactics.

What exactly is composable commerce?

Composable commerce is a component-based solution design approach that gives companies flexibility and freedom to build and run outstanding shopping experiences. A composable system combines cloud-native, technology-agnostic and independent components into a unique system that addresses specific business needs.

“ You need to have the agility to adapt to your changing requirements and needs. I believe that the MACH approach suits that quite well. If we are thinking about 2...3...4 years into the future, we need to be prepared in case something changes, for example, in customer behavior or connecting to IoT. If we would have built the system with a traditional monolith eCommerce system, we would have lost that agility for the future. This is why we chose composable architecture.

PEKKA JAARINEN, DIRECTOR OF DIGITAL SERVICES, NORMET

Why the shift to composable architecture?

Embracing constant change has become more important than ever to thrive in a competitive marketplace. Legacy systems aren't able to cope with the pace of change — and your business colleagues know it.

Gartner® forecasts that composable will become the new paradigm in commerce by the end of 2024. The shift to “composable thinking” also reflects the idea that using change as a tool is how businesses can thrive now and in the future.

82%

of C-level executives said concerns about the economy have increased the need to adapt and modernize their IT architecture.

89%

said customer expectations are increasing all the time.

85%

recognized that it's vital to deliver improvements to customer experiences at speed.

Tips to get your business peers on board with composable commerce:

- 1. Drop the jargon** – You may love MACH®, SaaS and multi-tenant architecture, but your business peers probably have no idea what these terms mean.
- 2. Read the room** – Your business-minded colleagues care about revenue increase, cost reduction, brand reputation and operational efficiency. Address these topics for a productive discussion.
- 3. Flip the script** – Every story has a beginning, and this one should start from the customer's point of view. Position composable commerce as the enabler to achieving your company's goals.
- 4. Build your story** – Follow the five steps outlined below to create a compelling story. Add visuals and KPIs to inspire and trigger interest.

Step #1 What consumers want

How is your company serving today's demanding consumers?

- Consumers want convenient, personalized and localized shopping experiences.
- Fast web experiences and accurate search results are at the heart of online shopping.
- Shopping on webshops, mobile, social media, in-car and even through voice commands is highly desired.
- Seamless experiences between offline and online channels attract customers.

Get inspired

Staying ahead of consumers' desires is vital for future growth

- Automaker **Audi** implemented in-car commerce across 1 million vehicles in 30 markets.
- Retail platform for luxury watches **CHRONEXT** increased mobile traffic by 80%.
- Canadian luxury menswear retailer **Harry Rosen**'s implementation of an omnichannel approach resulted in 300% growth in orders, a 1.8% increase in basket value and a 3x lower return rate.

Step #2 What businesses need

What commerce requirements does your company need to stay ahead of customers' demands?

- **Speed.** Be adaptable and agile to fast-moving market changes and customer needs. Implement new business models, add product lines and touchpoints and enter new markets in a matter of weeks – not months.
- **Flexibility.** Perform changes and updates efficiently without depending on IT.
- **Scalability.** Handle traffic peaks during Black Friday-like moments.
- **Customizable.** Experiment with campaigns and create unique features for differentiated CX.
- **Freedom.** A tech-agnostic solution gives your engineers freedom to code without predefined programming languages or certified solutions.

Get inspired

Leading companies are investing heavily in speed, scalability and more to grow faster

- Beauty online store **flaconi** processes 300 peak orders per minute and 50 million API calls daily without downtime.
- Fashion brand **Express** handled 3x the traffic on Black Friday without a hitch and added five significant capabilities to their digital experience in three months.
- Denmark's largest retailer **Salling Group** launched new webshops within 60 days.

Step #3 Your company vision, realized

What's composable and why should your colleagues care?

- Marketing, digital, creative and merchandising teams no longer depend on IT to turn ideas into reality: They can create stunning frontends without relying on the commerce backend.
- Invest in flexibility to adapt, modify and grow as you go. No upgrades. No maintenance fees. No backward compatibility testing.
- Cloud-native architecture that seamlessly integrates with major cloud providers, leading to increased resiliency and faster time to value.
- Compose your commerce with independent components that best fit your business needs.
- Agnostic platform: Any industry, any business model, multi-everything. No vendor or tech lock-in. It's all about freedom!

Get inspired

Composable commerce is gaining traction because it's the answer for businesses to manage constant change in their customer experiences without spending a fortune.

Gartner® forecasts that by the end of 2024:

- 70% of large and medium-sized enterprises will have composability as a key criterion for new application planning.
- 20% of global 2,000 CEOs will report an increased appetite for risk and improved resilience, both attributed to modular [composable] business redesign.
- The mantra for new SaaS will be “composable API-first and API-only,” relegating traditional SaaS vendors as “legacy.”

Step #4 Money and efficiency

What are the benefits of composable commerce?

- Handle more orders in shorter periods, e.g., seasonal campaigns like Black Friday, with elastic cloud scalability. This way, you can fulfill your revenue goals without a hitch.
- Creating unique customer experiences means increased conversion and repeat purchase rates.
- Save money in the long run as the total cost of ownership (TCO) drops.
- Efficiency gains mean less operational costs.

Get inspired

Switching to composable commerce has a direct impact on sales increase and cost reduction.

- Electronics manufacturer **Bang & Olufsen** increased the D2C conversion rate by 60%.
- Clothing retailer **66°North** increased the repeat purchase rate by 75%.
- The B2B work uniform company **Cargo Crew** saved about 2,000 hours of customer administration time when compared with manual order processing.

Step #5 Why commercetools

Say yes to composable commerce.

- Move from the monolith to a composable commerce solution that can address complex requirements without complexity.
- Complete digital commerce portfolio with frontend and backend solutions.
- Never re-platform again! With composable commerce, you can swap third-party services across vendors easily and without lock-in.
- Phased migration by strangling your existing monolith platform.
- Global network of technology and system integration partners.

Our credentials

- Hundreds of business customers across several industries, serving **B2C**, **B2B** and **D2C** models, including Audi, Mars, Sephora, Ulta Beauty, Qantas and Dawn Foods.
- A leader in the **Gartner® Magic Quadrant™** for Digital Commerce Report for four years in a row.
- The top-scoring vendor in the **2023 Paradigm B2B Combine** with 14 total gold medals across both enterprise and mid-market solutions.
- Part of an elite subset of the less than 200 unicorns by achieving **Centaur** status surpassing the \$100M live ARR (annual recurring revenue) milestone in 2023.

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