

2019 LEADING VENDORS TO THE TOP 1000 E-RETAILERS

Rankings, Data & Analysis of the
Top E-Commerce Technology Providers



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INTRODUCTION

TURNING TO THE PROS

There's a rising tide amid online retailers today. You might call it the reverse or anti-DIY movement. Merchants are opting to delegate technology tasks—from operating e-commerce platforms to automating marketing to squeezing the most value out of email—to vendors that specialize in each technology. Many retailers today are opting to buy rather than build.

In an August 2018 Internet Retailer survey of 183 e-commerce executives, 66% of retailers said they use a vendor when implementing new technology rather than build it in-house. In our survey last year, 51% of retailers who said they planned to increase their e-commerce technology spending expected to buy technology from a vendor. In this year's survey, among those opting for outside vendor help when implementing technology, 65% said it's because they don't have the technology expertise in-house, which was the most popular answer. The next most popular reason was because vendors are specialized in their fields, named by 47% (respondents could choose multiple answers).

Jean Grant, purchasing and product development senior manager for the U.K.-based online gift retailer FindMeAGift.co.uk is firmly in the outsourcing camp. The retailer has grown rapidly in the 18 years since its launch. Its 2017 sales totaled around 16 million pounds (\$20.88 million), up from around 14 million pounds (\$18.04 million)

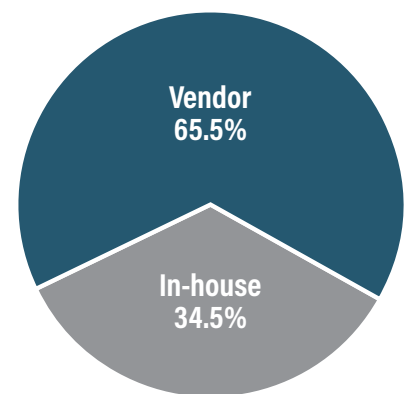
a year earlier. But growing sales doesn't necessarily mean a retailer is pricing products for maximum profit and revenue and, as the retailer grew, it wanted to consider more carefully what it should charge for its products. "With our rapid growth, we were running around like busy fools selling lots and lots of stuff but we wanted to find a way to make each pound work harder for us," Grant says.

Find Me A Gift in May began testing a service from retail price optimization company Competera Ltd. Competera's service uses an automated script that crawls websites for data, such as pricing at competitors' sites and other information, weekly for Find Me A Gift. It can collect data from around the web including Google Shopping results, Amazon.com Inc. and other retailer sites as dictated by its clients, says Nick Savin, head of products at the vendor. It then couples the newly collected data with macroeconomic data, such as current interest rates or a region's net disposable income, and several years' worth of data from the retailer client—including conversion rates over time, promotions, and transaction data and seasonal variances. Using these factors, Competera derives a recommended price per SKU based on clients' goals, such as revenue or profit.

In a one-week test using the Competera recommended price on 100 SKUs with a goal to maximize profit, FindmeAGift.co.uk increased by 260% its profit per pound sold.

INTERNAL OR EXTERNAL TECHNOLOGY?

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



Source: Internet Retailer survey of 183 e-commerce executives, August 2018.

260%

Amount Find Me A Gift increased profits in a one-week test of 100 SKUs using recommended prices from Competera

Source: Find Me A Gift

And in a three-week test of 600 products with the goal being to drive more revenue, the volume of products sold for the SKUs that used Competera’s suggested price increased 42.4% compared to before the test and revenue increased 28.1%.

“We were going to write our own formula for pricing, but the IT functionality needed to design a pricing model requires more specialization than we are capable of,” Grant says. “We are retailers, not mathematicians.”

That’s precisely the school of thought with many retailers today: Why not outsource technology tasks to professionals in their fields?

And there are plenty of e-commerce vendors specializing in a range of technologies. As e-commerce has grown—in the fourth quarter and in 2017 as a whole, U.S. online retail grew faster than it had since 2011—it’s not just the merchants that have been busy. Vendors are beefing up their offerings—putting new spins on old marketing workhorses such as email marketing, helping smaller retailers run their e-commerce platforms with a slim, non-technical staff, and also launching new offerings that use machine learning and artificial intelligence to help retailers save time and money in new ways.

In the 2019 Leading Vendors to the Top 1000 we rank in more than 30 categories the Top 10 vendors used by Internet Retailer Top 1000 retailers, offer real-world examples of how a range of vendor services are paying off for merchants, share data from an exclusive Internet

LOOKING TO VENDORS

If you typically use a vendor, what are your reasons.

We don't have the expertise in-house **65.1%**

Vendors are specialized in their fields **46.8%**

We've found it is faster to get a project completed when using a vendor **38.9%**

Our employees are too busy with other projects **25.4%**

We've found it is cheaper to use a vendor than build from scratch **23.8%**

Multiple responses possible. Source: Internet Retailer survey of 183 e-commerce executives, August 2018.

Retailer survey of 183 merchants about their experiences with vendors and their technology plans for the year ahead, and more.

As e-commerce grows, the vendor landscape is constantly changing and improving. And there are many decisions merchants must make when selecting providers. This report is a blend of data and case studies and is designed to give readers an overview of the e-commerce vendor landscape today. Understanding the e-retail vendor community is paramount for retailers. Using vendors gives merchants a chance to get out of the IT business and instead focus on the substantial challenges of online retailing today. And that’s important, because that’s a full-time job in and of itself. ●

ANALYTICS

ADVANCEMENTS IN ANALYTICS

Major technology vendors are seeking to bolster the longtime analytics tools retailers have been using since nearly the advent of e-commerce.

For instance, Google and Salesforce Inc. in November launched a program that helps retailers get a more complete view of a customer's shopping journey to improve marketing. The program combines data between Google Analytics 360 and Salesforce's Sales and Marketing Cloud customer relationship management platform. 24% of merchants surveyed by Internet Retailer listed online marketing as one of their top three budget priorities in the coming year, 11% listed analytics and 9% said CRM.

By combining Google Analytics data with Salesforce's CRM system, a retailer that sends an email via its Salesforce CRM system to frequent shoppers to promote its fall fashion line can see in its dashboard the information from Google Analytics. That can include the number of pages those consumers visited when they came to the site after receiving the email, how often they clicked on product details to learn more and the percentage of shoppers who received the email who added items to their shopping carts and converted. Google ranks first in analytics vendors to Top 1000 retailers with 668 Top 1000 retailer clients.

Google Analytics has always allowed retailers to create audience lists and goals they can send to Google AdWords and DoubleClick for digital remarketing and to optimize bids, but adding CRM data from Salesforce aims to make this process more robust, the companies say. For example, a retailer of high-end bike wheels that wants to find new customers can create an audience in Google Analytics of qualified leads from its Salesforce CRM platform and use AdWords or DoubleClick Bid Manager to reach people with similar characteristics.

Retailers can also use the newly combined Google and Salesforce data to take action in marketing channels beyond Google's ad platforms, such as email, SMS or push notifications. For example, a retailer can create in Google Analytics an audience of customers who bought a TV on its e-commerce site and came back later to browse for home theater accessories. The retailer can then use the Salesforce CRM system to send that audience an email promoting speakers.

Similarly, members-only flash-sale site BrandAlley lowered its cart-abandonment rate and cost per sale by 50% after it began using an analytics platform from Emarsys.

The U.K.-based retailer, which has 5 million members, each day launches fashion, beauty and houseware sales that last up to a week, says Bruce MacInnes,

WHERE WILL YOU SPEND?

What are your top e-commerce technology budget priorities over the next year?



Source: Internet Retailer survey of 183 e-commerce executives, August 2018.

chairman for the retailer. It works with roughly 200 designer brands, including French Connection and Diesel, and promotes new sales to members via email twice a day as well as through social media and its website. Its sales are growing in the high double digits, he says.

BrandAlley began using Emarsys to develop more targeted, personalized recommendations in March 2016. The challenge for BrandAlley, MacInnes says, is that because it offers such a wide range of brands that change based on the sales that week, its target customer frequently changes. Emarsys enables it to see the attributes of each shopper segmented by the brand she purchases. “If we launched a Karen Millen sale, Emarsys data can give us an



‘We are targeting a different customer every day.’

Bruce MacInnes,
chairman, BrandAlley

understanding of Karen Millen customers,” MacInnes says. “That’s important because we are targeting a different customer every day.”

This data has been especially effective using Facebook’s Lookalike Audiences targeting tool, which lets brands show ads to consumers who share traits with their existing customer base. Using the tool, coupled with the data from Emarsys, BrandAlley can quickly target Facebook users based on the designer sale BrandAlley is currently running. Using Lookalike Audiences has contributed to a 230% increase in users registering for BrandAlley from Facebook. BrandAlley uses a marketing cloud tool from Emarsys to integrate with Facebook and Google, which then auto-syncs BrandAlley analytics with marketing activities. 27.7% of retailers polled by Internet Retailer said they implemented new analytics programs in the past year, the third most popular answer behind e-commerce platforms and email marketing.

BrandAlley is also working to further hone its analytics capabilities to drive sales. For example, as a flash sale retailer, BrandAlley has limited inventory of a wide range of products, which creates complexities, MacInnes says. For instance, the first day of a weeklong sale of a particular brand will feature a better range of sizes than day three. And, as shoppers purchase and return products after a sale ends, BrandAlley places returned items in its outlet section. That means the outlet section has limited sizes of specific products. BrandAlley is

developing tools that can identify a shopper who typically buys a size 12 and has an affinity for tweed trousers and alert her that a single size 12 pair of tweed trousers that was very popular and quickly sold out is now available in BrandAlley’s outlet section. “As sizes sell out, we will know what sizes a shopper typically buys and will not recommend products which are not available in her size,” MacInnes says. ●

TECHNOLOGIES ADDED IN THE PAST YEAR

What technologies from vendors have you implemented over the past year?

E-commerce platform	48.0%
Email marketing	35.8%
Web analytics	27.7%
Social media	25.0%
Online marketing	21.6%
Mobile commerce	18.9%
Search marketing	18.2%
Customer ratings and reviews	15.5%
Content management	13.5%
Site search	12.8%
Order management	11.5%
Fraud prevention	10.8%
Customer relationship management	9.5%
Customer service software	9.5%
Cyber security	9.5%
Online marketplace management	8.8%
Performance monitoring	8.8%
Cloud computing	8.1%
Data storage	8.1%
Personalization	8.1%
Warehouse management	8.1%
Web server infrastructure	8.1%
Fulfillment/rate management software	6.8%
Product sourcing	4.1%
Supply chain management	2.7%

Multiple responses possible. Source: Internet Retailer survey of 183 e-commerce executives, August 2018.

EMAIL MARKETING

NEW SPINS ON AN OLD MAINSTAY

Email marketing may be mature, but that isn't a bad thing. It's a reliable, relatively inexpensive workhorse that's been heavily used by retailers for more than a decade. And new spins on the technology are delivering compelling results. Many retailers are looking for help with important marketing technologies like email marketing. In fact, 28.2% of retailers list email marketing as one of their top three technology budget priorities for the coming year.

A new email technology from email marketing vendor 4Cite has helped home décor retailer Plow & Hearth LLC win back inactive shoppers by sending emails to them when they are actively shopping online and more likely to open a message with an enticing discount from Plow & Hearth. The new email marketing technology, called Shopping

28.2%

Percentage of retailers that list email marketing as one of their top three technology budget priorities for the coming year

Source: August 2018 survey of 183 e-commerce executives conducted by Internet Retailer

Elsewhere Triggers, is helping the retailer add thousands of customers back to its email send list, while also driving sales.

Driving sales via marketing emails isn't as easy as it used to be, says Cindy White, senior e-commerce marketing manager at Plow & Hearth.

"You used to be able to email your customers as much as you wanted," White says. But that's no longer the case, she says. While the retailer has collected more than 1 million customer email addresses, it only sends marketing messages to several hundred thousand of those addresses, White says.

That's because Plow & Hearth must contend with major email service providers, including Google's Gmail, which will send emails to spam if a customer hasn't engaged—such as opened or clicked within a message—with an email from a specific sender within a certain period of time. Much like Google's search engine results algorithm, the details surrounding what triggers a message to land in a spam folder are not made public and require a bit of trial and error on the retailer's end.

"We've found that if shoppers haven't opened an email from us in 12 months, it typically was going to spam," White says.



'Just because I'm not opening every email doesn't mean I won't be interested in products down the line.'

Cindy White, senior e-commerce marketing manager, Plow & Hearth LLC

That meant Plow & Hearth, which also operates a few other sites, including children’s toy site Magic Cabin, had a massive database of consumer email addresses it could no longer market to, and many of those consumers might be interested in the retailer’s products, just not on a frequent basis. “We sell outdoor patio sets, for example. I’m not going to buy a patio set every few months,” White says. “Just because I’m not opening every email doesn’t mean I won’t be interested in products down the line.”

The retailer needed outside help from a pro to get inactive email recipients to finally click. Plow & Hearth deployed the Shopping Elsewhere Triggers technology in the fourth quarter of 2017. To set up the service, Plow & Hearth provided 4Cite with a list of email addresses of shoppers who had not opened one of its emails in the last year. It then created an email for this group of inactive customers, offering a 20%-off coupon code and free shipping for orders over \$65.

4Cite’s Shopping Elsewhere Triggers technology can identify when an inactive Plow & Hearth customer is shopping online with another retailer via a system that uses tracking pixels placed on other retail sites. The technology is a cooperative model among 4Cite clients. However, companies can’t target sites that are similar or competitive to one another, 4Cite CEO Bob Gaito says, which gives retailers like Plow & Hearth and others the comfort to participate.

That means that a dormant Plow & Hearth customer who begins

browsing online for shoes might suddenly receive a Plow & Hearth email. “The simple act of shopping allows the email campaign to be successful,” Gaito says. Once the system is triggered by the shopper’s action, it sends the customer Plow & Hearth’s promotional email, reaching her when she is in a shopping mindset.

With this service, a single email to one inactive customer isn’t flagged for spam by email service providers because they view such emails’ “extremely high” engagement rates or opens positively, Gaito says. The emails are sent in real time and just a few at a time rather than in a massive blast, which affords the emails the opportunity to land in the inbox rather than the junk folder, 4Cite says.

The emails sent using the new program to inactive shoppers garnered a 16% open rate. Shoppers who were sent the emails spent 139% more money than inactive shoppers who made a purchase by coming to Plow & Hearth via another channel, such as paid search or an affiliate, but did not receive targeted emails. Additionally, shoppers who made a purchase within 30 days of receiving the specialized email had a significantly higher average order value than the merchant’s average shopper, far above the \$65 threshold for free shipping included in the email offer, White says.

Meanwhile, Melissa & Doug, a manufacturer and retailer of children’s toys, recently used Salesforce Commerce and Marketing Cloud to solve an email timeliness problem.

Melissa & Doug entices shoppers to sign up for its emails by offering 15% off their first order if they provide their email address. But it had issues with the process that sends the welcome email with the discount. The welcome email was only triggered when a consumer clicked a sign-up link at the footer of the merchant’s webpage, not anywhere else on the site, such as at the header or via a pop up. And the process to collect and send the discount email was long and laborious.

First, the new email addresses would be added to Melissa & Doug’s main email file each evening. Then, the system would check for duplicates in the morning and would send a scheduled welcome email with the discount only to new addresses. Therefore, a consumer could potentially sign up to receive emails at 2 p.m. and would not receive the welcome message with the discount until 8 a.m. the following day, says Candice Martinez, director of performance marketing for Melissa & Doug.

That posed a problem because shoppers wanted to use the discount immediately, Martinez says. “If we can make it easier for consumers to complete their intended action, this saves the consumer valuable time trying to hunt and peck for other offers,” Martinez says.

To solve this, Melissa & Doug began using an automated email system from Salesforce Marketing Cloud in November 2017. The retailer built a pop-up message on its homepage requesting new visitors’ emails within Salesforce Commerce Cloud,

the retailer's e-commerce platform. That system sends each email address from Salesforce Commerce Cloud to Salesforce Marketing Cloud and triggers the welcome email with the discount to be sent to the shopper within minutes rather than the next day. 67 Top 1000 retailers use Salesforce as their e-commerce platform, ranking Salesforce third among e-commerce platform providers to the Top 1000.

With the discount delivered more quickly, Melissa & Doug is capturing more sales from email, Martinez says. Revenue from all emails sent from Jan. 1 to May 31, 2018, accounted for 12% of total revenue compared with 7% for the same period a year earlier.

The retailer also used the link between Salesforce commerce and marketing clouds to launch automated abandoned cart and abandoned browse emails in late 2017 and early 2018. The pre-designed email templates automatically populate with the products a shopper was browsing or placed in her cart, Martinez says. For instance, the abandoned cart email reads, "Don't leave us like this! The toys in your cart really want to play!" And the abandoned browse email reads: "About that toy you were looking at. Still thinking about this? Imagine their reaction... Imagine them in action!"

Today, after the changes, 24% of total email revenue stems from these automated emails, and 75% of that automated email revenue comes from the welcome email that is sent immediately and includes the discount. "They are all performing well but the welcome email is the

real workhorse," Martinez says.

Meanwhile, sports gear and apparel retailer Evo uses a vendor to immediately notify shoppers via email when a price on an item they are interested in has dropped, says Nathan Decker, Evo's director of e-commerce.

In an effort to automate and generate more ROI from email, Decker turned to retail marketing vendor Bluecore Inc. Bluecore sends triggered emails after customers take an action, such as abandoning a cart or looking at an item but not purchasing it.

Specifically, implementing Bluecore has improved the timeliness of Evo's price-drop emails, Decker says. At any given time, Evo might have 15,000 products for sale on its site, each with a price that may change multiple times throughout the day. Meanwhile, the merchant has thousands of site visitors who engage with these products daily.

Prior to automation, when the price of an item dropped there was no fast way to communicate to a customer with specific interest in that product that the price was lower. With Bluecore, when a price drops for an item in which a customer has shown interest by browsing the item or placing it in his shopping cart, Evo automatically sends an email alert to the shopper with the product he looked at, informing him of the change in price.

Bluecore creates a custom JavaScript file that sits on Evo.com that collects all customer behavior. It then uses cookies to match site

Melissa & Doug used the link between Salesforce commerce and marketing clouds to launch automated abandoned cart and abandoned browse emails.

visitors to Evo's existing email list. Each cookie is a small file that holds data about a specific consumer such as her name. Evo uses these cookies to match site visitors to emails in its email list. It picks up additional customer emails when someone clicks through a promotional email to the Evo site. Evo sends a shopper a price-decrease email when there's a drop in price for a product that a shopper has viewed but not purchased in the last 90 days, Decker says.

In tests during the first six months of implementing Bluecore, shoppers who received triggered messages from Bluecore consistently generated 15-20% more revenue than those who did not receive such messages, Decker says.

"The process of matching interested customers to items that have fresh price drops happens hundreds or thousands of times every day," Decker says. "Through Bluecore, this happens while we sleep, while we are in a meeting, without any active management."

70 Top 1000 merchants use Bluecore for email marketing, landing the vendor at No. 8 among email providers to the Top 1000. ●

12%

Percentage of total revenue at Melissa & Doug that came from emails from Jan. 1-May 31, compared with 7% for the same period a year earlier

Source: Melissa & Doug

15-20%

Additional revenue generated by Evo shoppers who received Bluecore triggered emails compared with Evo shoppers who did not

Source: Evo

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MARKETING AUTOMATION

HANDS OFF MARKETING

As the digital marketing landscape has grown increasingly complicated, a number of merchants are finding it can be dizzying and nearly impossible to manage all the moving parts in a way that will generate the best return on investment. That's leading them to turn to marketing automation vendors that leverage technology to help retailers more easily and efficiently implement, run and optimize these marketing channels. For some, such as Australia-based RedBalloon, it seems to be working.

RedBalloon sells experiences online—once in a lifetime experiences, such as taking a flight in a “Top Gun”-themed fighter jet.

However, the marketing landscape has changed significantly since RedBalloon launched in 2001, the early days of e-commerce before the launch of the Google AdWords program for bidding on paid search ads. Over the years the retailer watched its customer acquisition costs soar from 5 Australian cents (3.6 cents) per customer to 50 Australian dollars (\$36.78) by 2017, says Naomi Simson, the company's founder and CEO.

In May 2017, RedBalloon turned to Albert Technologies Ltd., a marketing platform that uses artificial intelligence technology to automate retailers' digital advertising programs. Albert aims to perform many of the manual, time-consuming tasks involved

\$16*

Amount RedBalloon generates in sales for every dollar spent in online marketing since implementing Albert

*Australian dollars. Source: RedBalloon

in a marketing campaign—from digital media buying to execution to optimization and analysis. Albert additionally offers retailers insights and recommendations based on the data it gathers over time. RedBalloon charged Albert with reducing acquisition costs, finding new audiences and making media buying decisions more autonomous.

Within the first month of a three-month trial using the platform, Albert reduced RedBalloon's acquisition costs by 25%. Within 60 days, Albert had paid for itself 10 times over, Simson says. RedBalloon now generates A\$16 in sales for every dollar it spends on online marketing. And its cost for acquiring a customer is now A\$11 on average, a 78% decrease from A\$50 before using Albert.

Much of the cost savings for RedBalloon stemmed from the automated Albert offers. The tool enabled RedBalloon to cut the

number of outside marketing agencies it used and the number of employees on its payroll involved in decisions regarding digital marketing, Simson says.

Forrester Research Inc. estimates retailers account for 17% of the \$13.4 billion spent on marketing automation globally—the largest share among the verticals it analyzes.

Albert uses artificial intelligence to automate marketing decisions. AI systems are trained to use their “intelligence” to achieve specific results, despite not being programmed by a human for every obstacle they may encounter. Such systems then use the knowledge they have gained to adapt for future interactions and improve over time. RedBalloon at first tasked Albert with matching the sales it generated from its previous online marketing efforts at a lower cost.

To use the system, RedBalloon feeds Albert the data from its marketing channels and customer records, such as its AdWords data, CRM system information, and Facebook, Instagram, YouTube and Bing advertising accounts. Albert then uses that information to test thousands of campaigns on small audiences to analyze what each group responds to and what specific messaging moved them to respond. It then ramps up what works, while continuing to test additional tweaks.



'You could not get the return on time invested if a human tried to do the same.'

Naomi Simson, founder and CEO, RedBalloon

The process helped RedBalloon identify audiences it had never considered targeting in the past, such as expat Australian and New Zealand communities in the U.S. and Europe who were interested in gifting its products to friends and relatives overseas. It also helped the company identify niche groups of potential customers, such as men over 65 years old in Melbourne who love the thrill of flight experiences. "These are minute audiences that are profiled by their consumer behaviors," Simson says. "You could not get the return on time invested if a human tried to do the same."

Albert also helped the retailer shift away from battling head-to-head in a keyword bidding war with its competitors. Instead,

the tool helped it find different, less expensive keyword phrases that its competitors weren't using to acquire customers based on purchasing patterns and online behaviors of current customers. Albert also fine-tuned RedBalloon's Facebook advertising so that it performed better than Google AdWords. At that point, it automatically shifted more of the retailer's marketing spend to Facebook.

Albert runs thousands of these campaigns quickly, rapidly analyzes what works and suggests tweaks to RedBalloon, and then shifts ad spending for the best return on ad spend. ●

CLOUD PROVIDERS

CLEAR PAYOFFS IN THE CLOUD

As the battle to lure the growing number of merchants and vendors moving to the cloud heats up, cloud services providers are beefing up their tools and features.

Public cloud hosting is a big business and it is growing. While Amazon Web Services leads the pack and was the first to market with the service in 2006, it's facing increasing competition from massive technology companies such as Microsoft Corp. and Google.

For retailers, public cloud storage services offer nearly unlimited computing power for storing and processing data very quickly—power that would be far too expensive and time consuming to build out, buy and maintain in-house using their own servers. After all, just as a consumer's home PC speed depends on the computer's processor, a retailer's processing power depends on its server capacity and with the public cloud, retailers can mine and process data—from shopper contact information to inventory information and more—much faster and for less money than they could on their own. The public cloud also allows retailers to scale their capacity up and down and pay only for what they need when they need it.

Amazon Web Services is the leader in the category in terms of market share. And, while AWS accounted for just 9.8% of the retail giant's \$177.9 billion in revenue in 2017, it was far more profitable than its

other operations. For example, AWS' operating income was \$4.3 billion last year compared to a \$225 million loss for Amazon's retail sales. And the division is growing quickly. AWS grew 42.9% in 2017 to reach \$17.46 billion, up from \$12.22 billion a year earlier.

However, its competitors are also growing quickly. For example, Microsoft's Azure cloud infrastructure service that's used by online retailers, such as Sephora USA Inc. and Gap Inc., grew 93% for the fiscal third quarter ending March 31, and 99% for all of 2017. Azure is just one part of Microsoft's Intelligent Cloud business which brought in \$7.9 billion in the quarter. Microsoft doesn't break out Azure revenue specifically.

Google, meanwhile, is sprinting (and spending) to catch up. For example, it's been opening up access to a host of tools for its cloud clients that had previously only been available to Google employees. And it's signed big name retailers such as the The Home Depot Inc., zulily.com, Kohl's Corp., Lush and Etsy Inc.

169

Number of Top 1000 retailers using AWS for e-commerce site hosting

Source: Internet Retailer

Alphabet doesn't break out Google Cloud revenue in its earnings, lumping it in with "other revenues."

169 retailers in the Internet Retailer 2018 Top 1000 use AWS for hosting their e-commerce sites, placing it No. 2 among web hosting providers to the Top 1000. 130 host their sites in-house, 13 use Google and nine use Microsoft. Many use older, more traditional cloud hosting providers as well. For example, 204 use Rackspace Inc. for website hosting, ranking it No. 1 among web hosting providers to the Top 1000.

However, AWS, Google and Azure are going far beyond providing basic website hosting services, experts say. AWS isn't competing with a typical hosting provider such as Rackspace or CenturyLink. Instead, it and other cloud service providers want retailers to come to them when they're ready to do something new and exciting.

Cloud service providers can enable retailers to process data extremely quickly. For example, the Microsoft Azure Cosmos product for managing data enables online fashion retailer ASOS PLC to quickly access and manipulate data allowing it to offer real-time product recommendations and instant order updates across its 85,000 items (with 5,000 new ones added each week).

From a feature standpoint, AWS and Microsoft provide similar tools and offerings. However, Azure has the



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largest global data center footprint. Azure has data centers in 38 regions with 50 more announced, says Karen Garrette, global retail industry director at Microsoft. That could be attractive to e-retailers with an ample global business. And cost-wise all three players are similar—merchants pay as they go and for what they use.

Many retailers leverage the speed and data available in the cloud to build their own offerings. For example, online flash sale apparel retailer zulily, which uses Google Cloud for site hosting, began using the Google Cloud product BigQuery four years ago for data warehousing and analytics, says Gaurav Tandon, director, data, machine learning engineering and data science at the retailer.

The retailer, which launched in 2010 and grew sales 17% in the first quarter of 2018 to \$490 million, says BigQuery gives it the computing power to process large quantities of data quickly, avoiding the need to store massive data sets in-house. “The cloud definitely gave us the agility, nimbleness and ability to analyze more data and look at longer term patterns,” Tandon says. “91% of our orders are from repeat customers. One of the reasons we have been able to achieve such a strong repeat purchase rate is because we serve millions of personalized customer experiences every day. That personalization technology is fueled by the cloud. On any given day, marketing can take a look at the acquisition methods and the different ad campaigns and how they have been performing.”



‘What Google Cloud gives us is the scale and speed to make the heavy-duty computation of our personalization possible.’

Gaurav Tandon, director, data, machine learning engineering and data science, zulily

Zulily then uses the data it can quickly access in the cloud to build its own programs. For example, zulily built a data science model that it applies to advertising platforms. On Facebook, zulily develops ads using its own ad generator technology, and automates ad operations in real-time and at scale. That allows for increased speed to take advantage of in-the-moment ad opportunities, particularly with video creative. This approach has driven a 20% improvement in advertising ROI, says Kevin Saliba, senior vice president of marketing at zulily.

“Our business model is about driving urgency. We launch 100 sales featuring 9,000 styles every day and we as marketers need to know in real-time how to optimize and reallocate spend,” he says.

In addition to using data from Google Cloud to leverage personalization from a social ad perspective, zulily also has employed personalization in its mobile strategy. In 2017, it added personalized content in its mobile push notifications and also adjusted them for local times. With the changes, zulily has increased sales from mobile push notifications by 49% year over year in the first quarter of this year, Saliba says. Zulily also grew its active customers by 24% in the first quarter to reach 6.1 million.

“What Google Cloud gives us is the scale and speed to make the heavy-duty computation of our personalization possible,” Tandon says. ●

E-COMMERCE PLATFORMS

BUILDING A BETTER HOME

E-commerce sites are arguably the most important technology for online retailers. They are the foundation for an e-commerce business. If a retailer's site doesn't let a shopper easily find what she wants and purchase, there's no need for email marketing, ratings and reviews, or analytics. For shoppers, the e-commerce site is the face of a retailer and for merchants e-commerce platforms need to be easy to work with, modify and customize—and they need to work, all the time.

Retailers are placing heavy emphasis on e-commerce sites. For example, 49% of merchants surveyed by Internet Retailer listed e-commerce platforms as one of their top three budget priorities for the coming year, the No. 1 answer. And 48% say they have implemented e-commerce platform technology over the past year, also the No. 1 answer. Additionally more than one fifth, 21%, of merchants are looking to switch e-commerce platforms. 40% of them are looking at moving to a software-as-a-service e-commerce platform provider where the vendor hosts sites for multiple clients on the web. Of those looking to switch, 20%—the largest percentage—are most strongly considering Shopify, followed by Magento's enterprise e-commerce platform. Magento ranks No. 1 among e-commerce platform providers to the Top 1000 with 167 clients.

SOURCING A NEW E-COMMERCE PLATFORM

If you are planning to move to a new e-commerce platform, what type of technology are you most likely to choose?

Multi-tenant SaaS (software-as-a-service), in which a vendor hosts software used by multiple clients **40%**

Commercial software adapted for us and hosted externally in a single-tenant environment **30%**

Commercial software hosted internally **10%**

Internally developed and externally hosted **10%**

Other **10%**

Internally developed and internally hosted **0%**

Source: Internet Retailer survey of 183 e-commerce executives, August 2018.

WHO'S BUILDING AND WHO'S BUYING E-COMMERCE PLATFORMS?

Top 1000 e-retailers, by merchant type, that use custom-built versus third-party e-commerce platform technology

Merchant Type	In-house	Commercial product
Web Only	94	156
Retail Chain	25	142
Manufacturer	16	138
Catalog/Call Center	27	66
Total Top 1000	162	502

Source: Top500Guide.com. Information was unavailable for 336 merchants.

Both those merchants moving to Magento and those retailers currently using it might see some changes in the coming year. In June 2018, Adobe Systems Inc. finalized its purchase of Magento for \$1.68 billion. The acquisition will help Adobe “complete the commerce loop” it offers retailers, Magento CEO Mark Lavelle says.

And, for Magento, the purchase will help the company meet the demand it’s been encountering recently from enterprise organizations spanning insurance, financial services, wholesale and entertainment companies. “We knew we had a great product,” Lavelle says. “But we are a tech company first and foremost. We were getting so much demand from a broad range of industries. From a market perspective, this will help us build enterprise sales and scale. [Adobe] is a massive cloud company with a lot of resources and technology.”

In an interview in late 2017, Peter Sheldon, senior director of strategy at Magento Commerce, said Magento added “well over” 600 paid enterprise customers in 2017 and is profitable. Part of the reason for that is the deals it has secured recently with much larger online retailers including many business-to-business companies. “When we look at our deal size, our annual contract value, we’ve seen a significant move upmarket,” Sheldon said.

Clients with more than \$10 million and more than \$100 million in revenue are “up significantly,” he said. “We are being invited to RFPs we wouldn’t have been invited to before.”

“The acquisition [by Adobe] will help Magento develop in the enterprise market, both from a product and a sales perspective,” says Jason Daigler, research director, digital commerce for Gartner Inc. “Magento has had recent success in the enterprise market, and the order management and B2B offerings they introduced in the last two years also make them a more complete solution than they were a few years ago. This fits well with the gaps Adobe was looking to fill.”

Adobe is adding Magento commerce capabilities to digital media products that made it one of the world’s largest software companies.

Adobe works with consulting and advertising firms, including Deloitte, Capgemini and MRM McCann, and it kept hearing from such partners that it needed to offer the full suite of e-commerce technology, Lavelle says.

“[Adobe] offers so much on the creative side about what drives people to buy and around consumer intentions about brands,” Lavelle says. “It can deliver all the way up until checkout. Now, Magento can take over at checkout, and we offer help with shipping and fulfillment as well.”

Many Top 1000 retailers use Adobe for a range of services including for analytics (262 Top 1000 merchants, No. 2 in the category) and rich media (117 Top 1000 merchants, No. 1 in the category).

Magento is an open-source

platform, which means it allows web developers to create and share their own custom features or tweak the existing ones themselves because it offers access to underlying source code.

Magento mainly competes with e-commerce platform providers BigCommerce, Shopify and Kibo, which, unlike Magento, have always solely offered cloud-based e-commerce platforms. Both BigCommerce and Shopify also mainly serve small and mid-sized businesses and neither are open source.

167

Number of Top 1000 merchants that use Magento as their e-commerce platform

Source: Internet Retailer

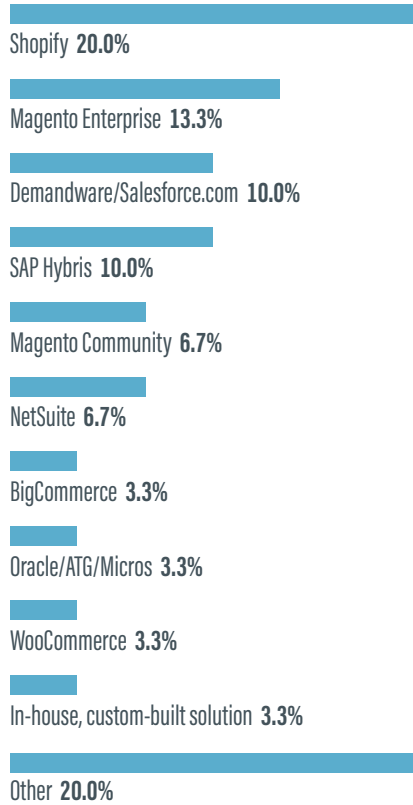
“[The deal] gives Magento a more compelling offering for the enterprise space than BigCommerce and Shopify,” Daigler says. Shopify has 33 e-commerce platform retail clients in the Top 1000, ranking it No. 5; BigCommerce has 15, ranking it No. 6; and Kibo has 9, ranking it No. 8.

Of the merchants surveyed by Internet Retailer planning to switch e-commerce platforms, 40%, the largest amount, are looking at moving to a software-as-a-service e-commerce platform provider where the vendor hosts sites for multiple clients on the web.

One merchant that recently made a switch to an SaaS platform is leather handbags, wallets and accessories manufacturer and retailer Hobo. It offers more than 500 SKUs online and its web sales have grown more than 100% over the past two years. However, to manage and continue such rapid growth, Hobo needed an easy-to-customize e-commerce platform, says Jane Scott, senior director of direct to consumer for the retailer, which sells online at HoboBags.com.

TECHNOLOGY CHOICES

If you are planning to move to a new e-commerce platform, which e-commerce platform are you considering most strongly?



Other technology sources were not defined. Source: Internet Retailer survey of 183 e-commerce executives, August 2018

As a midsized retailer, Hobo has a seven-person internal team with each spending part of their time supporting e-commerce initiatives, Scott says. These employees generate creative for the site, write front-end code and work on product merchandising, including launching new products and copy. They also prioritize site updates and enhancements and work on digital marketing, customer service, and analytics and planning—a lengthy list of tasks for a handful of employees.

“We are not the huge brand in the handbag space,” Scott says. “Since we are a midsized player, it is important that we make use of the competitive advantage of our size and our ability to be dynamic.”

Scott says Hobo has a loyal base of shoppers who often return to the site two times in the same day. Additionally, Hobo’s average units per transaction grew more than 5% last year.

To keep up with its swift pace of online growth, Hobo moved to e-commerce platform firm Kibo in late 2017. Hobo began working with Kibo in February 2017 and launched on the new platform in early October 2017, in time for National Handbag Day on Oct. 10.

“We were seeking a company that would provide the support required for the growth that our emerging direct-to-consumer brand is experiencing,” Scott says.

Hobo says the platform gives the retailer creative and coding control over the site so that Hobo’s staff can quickly and easily make

changes.

“[We have] complete control over the look and feel of our home page, our branded pages and many other pages throughout the site, in addition to the header and footer, all of which we can update any time with our own in-house front-end developer,” Scott says. For example, staff can write custom code into a blank HTML field to add a feature to the site, she says, adding that the platform is user friendly for entry-level employees.

The ability to quickly respond to user behavior is paying off in visitor activity. Time on Hobo’s home page increased 5% as of March 2018, and bounce and exit rates have each dropped by 4.5%, Scott says.

“Our users are staying on site and clicking through to learn more and shop our Hobo handbags and wallets,” Scott says. For instance, shoppers are spending 24% longer in Hobo’s lookbook. The majority of visitors who come to the lookbook are spending at least one minute there, and the bounce rate from the lookbook has dropped by more than 16% year over year, Scott says. “We have been able to design without boundaries, and we are seeing positive responses from our users.”

Hobo also is able to use the same catalog, marketing and merchandising tools on its new B2B site as its B2C site.

“After a few years without one, we are relaunching our B2B site,” Scott says. “Our B2C and B2B sites can share attributes, which allow for one product upload to cover both

'Since we are a midsized player, it is important that we make use of the competitive advantage of our size and our ability to be dynamic.'

Jane Scott,
senior director of direct to
consumer, HoboBags.com

sites, which saves us from having to create and maintain two complete lists." And, with the ability to access and manipulate both sites, staff can easily copy and paste any look-and-feel changes across both sites, she says.

In addition to creative control, the new site enables Hobo to easily offer complex discounts, update orders with notes from customer service, maintain accurate inventory, load new products to the site and plug in new technology—such as fraud protection or international checkout—Hobo says.

Since moving to Kibo, Hobo's sales are up 62% in early 2018 compared with a year earlier, and units per transaction are up 12%, Scott says.

In 2015, e-commerce platform provider MarketLive Inc., order fulfillment software firm Shopatron and mobile point-of-sale vendor Fiverun merged to form cloud-based e-commerce platform Kibo. In 2016, Kibo acquired Mozu, the enterprise-level e-commerce platform from Volusion LLC, another platform provider. ●

62%

Percentage that Hobo's sales are up year over year as of early 2018

Source: HoboBags.com

CONCLUSION

VENDOR SCORECARD

As the numerous examples above show, a plethora of vendor services are paying off for retailers in a range of ways. They can save retailers time and money, boost ROI and provide expertise that a merchant might not have in-house. And our survey shows vendors overall are meeting online retailers' expectations—but there is still room for improvement.

For example, 60% of retailers say their last vendor project went “as expected,” 16% said it went poorly overall and 10% said it went better than expected.

In terms of timeliness and budget, 36% said their last project was on time and on budget, the top response. However, 27% said it was finished later than planned and over budget.

In terms of the main factors retailers assess when choosing a vendor, a responsive team ranks first with 65% of retailers saying this was important. That was followed by technology that is easy to implement with 52%, and great references, with 51%.

As Grant of Find Me A Gift explains, many merchants today are realizing their limits—that they are retailers and merchandisers, not mathematicians or technologists. And the numbers back up her statement. Two thirds of merchants are opting to use vendors for new technology projects. This opens a huge door for existing and emerging vendors to sell their services. And as vendors work to tap this growing market opportunity, the pool of vendors for retailers to choose from will only deepen. ●

OVERALL VENDOR EXPERIENCE

How would you assess your most recent project with a vendor in the past year?

Went as expected	59.9%
Went poorly overall	15.7%
Haven't done any projects with outside vendors in the past year	14.3%
Went better than expected	10.2%

Source: Internet Retailer survey of 183 e-commerce executives, August 2018

BUDGET AND TIMELINES MET?

How would you assess your most recent project with a vendor, in the past year, in terms of timelines and budget?

On time and on budget	36.3%
Later than planned and over budget	27.4%
Haven't done any projects with outside vendors over the past year	15.8%
On time and over budget	8.9%
On time and under budget	6.9%
Later than planned and under budget	4.8%

Source: Internet Retailer survey of 183 e-commerce executives, August 2018

Valued Data Partner

bizrate insights

**TOP 1000
CLIENTS**
14
Primary URL: BizrateInsights.com

Year Launched: 1996

Bizrate Insights is a market research company that collects more than 25 million surveys from 5,000+ retailers each year. Bizrate creates targeted surveys designed to address client objectives. Bizrate's Consumer Panel product allows retailers to create custom, targeted surveys based on their objectives. The product collects demographics, geographic information and other data points about panel participants. Its Online Buyers product is a two-part survey that can collect, review and respond to real-time feedback from verified buyers after they have completed an online purchase. Bizrate's Site Abandonment tool can survey shoppers who abandon a retailer's website, helping retailers determine the root cause and where they plan to ultimately complete their purchase. Another product, called In-Store Buyers & Shoppers, collects feedback and measures satisfaction from bricks-and-mortar retail experiences. Bizrate also offers a product called Call Center/Customer Support that allows clients to monitor and measure agent interactions with their centers when customers place an order or contact customer support.

**2018 TOP 1000
RETAIL CLIENTS**
14
**TOP 1000 CLIENTS
BY CATEGORY**
Web Only: 11

Chain Retailer: 1

Manufacturer: 0

Catalog/Call Center: 2

**NO. OF TOP 1000
CLIENTS BY SIZE**
\$15 million or less: 0

\$15-40 million: 2

\$40-125 million: 11

\$125-500 million: 1

\$501 million or more: 0

**TOTAL 2018 TOP 1000
CLIENT WEB SALES**
\$929,715,986

KEY CLIENTS

- Pharmapacks
- Dog.com
- eFaucets
- US Appliance
- zZounds Music
- Tactics Board Shop

PRODUCTS & SERVICES

Customer surveys, site abandonment solutions, online and in-store customer feedback, call center feedback, and consumer panel insights.

Entry Level Pricing: Pricing and fees vary.

Customer Reviews & Ratings Rank: 7

CORPORATE

11766 Wilshire Blvd., Suite 1800
Los Angeles, CA 90025
424-832-1870

Management

Scott Macon, President
Lindsay Martinez, Executive Director, Client Development & Partnerships
Sierra McGuire, Executive Director, Product Management & Operations

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Do you know what your customers really want?

Find out with Bizrate Insights: the Leading Voice of Customer Solution



Shoppers & Visitors

You've gotten shoppers to your site, but now they're leaving without buying.

- Receive real-time feedback to save the sale
- Expand your opt-in marketing list by up to 32%

Find out why they left, where they plan to purchase and how to win them back.

Our Omnichannel Solutions collect and analyze the Voice of Customer from online visitors and buyers, retail store shoppers, and call center interactions.

Online Buyers

Learn about the customer experience from purchase to post-delivery.

Benefit from:

- Seller Ratings
- Rich Review Snippets
- Product Reviews



syndicated to Bizrate Insights' partners like Google.

Feedback is collected from verified buyers only

In-Store Shoppers and Call Center Support

Gain insights from your brick-and-mortar shoppers and buyers and monitor your call center experience across phone orders and customer support.

Track and analyze the omnichannel customer to build best-in-class customer experiences, gain competitive intelligence, and attract more qualified traffic from top search engines.

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[Create Your Free Account](#)

TOP 10
LEADING
VENDORS BY
CATEGORY

LEADING VENDORS TO THE TOP 1000

METHODOLOGY

The coming pages identify the Leading Vendors to the Top 1000, a ranking of the e-commerce 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 listed in the 2018 Internet Retailer Top 1000, totaling the number of clients across 31 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 e-commerce 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 with in 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. Advertisers did not contribute information included in the listings.

Affiliate Marketing

Affiliate marketing is one of the oldest online marketing strategies in e-commerce, but it can be one of the most effective, too, as it's easy to measure success and failure. Easier to measure than, say, 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 also 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 such as CJ Affiliate by Conversant (formerly Commission Junction). In 2017, two of the biggest companies in this sector merged. Affiliate Window (now called Awin), which says it works with more than 100,000 publishers, acquired ShareASale for an undisclosed sum.

1	CJ AFFILIATE	Top 1000 Clients ▶ 179	Client Web Sales ▶ \$290.09B
2	RAKUTEN	Top 1000 Clients ▶ 100	Client Web Sales ▶ \$116.99B
3	SHAREASALE ¹	Top 1000 Clients ▶ 96	Client Web Sales ▶ \$18.14B
4	PEPPERJAM	Top 1000 Clients ▶ 41	Client Web Sales ▶ \$30.50B
5	AVANTLINK	Top 1000 Clients ▶ 40	Client Web Sales ▶ \$16.17B
6	OPM PROS	Top 1000 Clients ▶ 28	Client Web Sales ▶ \$26.83B
7	IMPACT ²	Top 1000 Clients ▶ 24	Client Web Sales ▶ \$6.75B
8	ACCELERATION PARTNERS	Top 1000 Clients ▶ 20	Client Web Sales ▶ \$8.60B
9	LINKCONNECTOR	Top 1000 Clients ▶ 5	Client Web Sales ▶ \$426.86M
10	PMX AGENCY	Top 1000 Clients ▶ 4	Client Web Sales ▶ \$3.21B

1. In March 2017 Affiliate Window and zanox merged and rebranded as Awin. Also in 2017 ShareASale and Affilinet were acquired by Awin. 2. In March 2018 Impact Radius rebranded as Impact.

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. Source: Internet Retailer

Affiliate Marketing



Rank
In Category
3

TOP 1000
CLIENTS

96

Primary URL: ShareASale.com

Year Launched: 2000

ShareASale is an affiliate marketing network. It connects advertisers with website publishers to facilitate a kind of marketing in which advertisers work with affiliates that publish websites. The advertisers pay the affiliates for each visitor or customer brought in by the affiliate's marketing efforts. Affiliates use ShareASale to find products to promote, and earn commission for referrals on those products. In 2017 ShareASale was acquired by global affiliate network Awin. The Awin network includes 100,000 contributing website publishers and 13,000 advertisers located in more than 180 countries. Awin says it generated \$16.3 billion in revenue for its advertisers and \$734 million for its publishers in the most recent financial year. Also in 2017, Awin merged with affilinet, a longstanding European competitor. Under the terms of the deal, digital publisher Axel Springer owns 80% of the combined company, and United Internet, a global Internet services company, owns 20%.

2018 TOP 1000
RETAIL CLIENTS

96*

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 58

Chain Retailer: 10

Manufacturer: 21

Catalog/Call Center: 7

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0

\$15-40 million: 33

\$40-125 million: 40

\$125-500 million: 17

\$501 million or more: 6

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$18,142,143,563

KEY CLIENTS

- Wayfair
- Shutterfly
- Market America | Shop.com
- Yoox Net-a-Porter Group
- Fanatics
- FreshDirect

PRODUCTS & SERVICES

Global affiliate marketing network for advertisers and publishers operating across the retail, telecommunications, travel and finance verticals.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

15 W. Hubbard St., Suite 500
Chicago, IL 60654
312-321-0487

Management

Sarah Beeskow-Blay, VP
Stephanie Salomon, Head, Marketing, U.S.
Nicholas Cartwright, New Business Director, U.S.

In 2017 Affiliate Window and zanox merged and rebranded as Awin. Also in 2017 ShareASale and affilinet were acquired by Awin.

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation with **Sarah Beeskow-Blay**, Vice President, ShareASale



What is an affiliate network and how can working with one benefit an online retailer?

An affiliate network is a technology service that provides a tracking platform to support a retailer's affiliate marketing efforts. Affiliate marketing is a channel in which a brand can grow its online sales through performance-based affiliate partnerships. Retailers can control their ROI because commissions are paid only after a sale has happened or a lead has been passed on.

Affiliate networks can expose online retailers to thousands of affiliates that can expand the retailers brand online and offline. Affiliates, also known as publishers, represent a diverse range of referral partners such as influencers, paid search, content providers, podcasters, mass media outlets, coupon, and cashback websites. Becoming part of an affiliate network exposes a brand to all of these types of publishers to help increase traffic and generate sales or leads.

How can a retailer be sure its ad messages show up next to quality content?

Retailers control their program and are able to review and approve only those publishers they choose to work with. This ensures that the retailer can select the partners best suited to represent their brand. From the other side, publishers are motivated to produce high-value content and maintain a quality website. Providing value to their audience has a direct correlation to the conversion rates they will see by their efforts.

Are certain kinds of retailers best suited for this kind of marketing?

Any retailer looking to expand its online presence would benefit from performance-based marketing. Any retailer looking to increase conversions or referrals can benefit from joining an affiliate network—that is the beauty of this channel.

What are the top three things retailers should consider when choosing an affiliate network?

- **Reliable tracking:** A network must have a proven record of providing real-time dependable tracking and a solid uptime history.
- **On-time payments:** Affiliate networks that value timely payments ensure all parties are compensated fairly without delay.
- **Technology:** It's important to find a network that invests in innovation and flexible technology to support what is valuable to you as a retailer.

How much can a retailer boost sales and conversion rates via an affiliate network?

On average, the affiliate channel can represent around 10% to 15% of e-commerce business depending on the brand. There can be huge variances here based on the company's business model. It really depends on the product and the other marketing channels supporting the brand. A network alone is not going to be the only marker of success. A majority of a program's success depends on the management of the program. A solid manager that communicates with affiliates, shares important news and promotions, and actively engages with the recruitment can greatly impact the channel's effectiveness.

Redefining affiliate attribution

Leverage our technology to reward affiliates for desired customer behavior, not just sales. Customizable to your needs.



Fully
customizable using
your program data



Transparent reporting
along the path to
purchase



Support and
prioritize influencer
relationships



Flexible
commissioning based on
thousands of conditions

We are **affiliate marketing**

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Comparison Engine Feeds

A comparison shopping engine like Shopzilla, NexTag and PriceGrabber 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 here to compare prices. That's why it makes sense to have as accurate and updated information on products as possible 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 companies like Merchant Advantage or ChannelAdvisor, that can manage these feeds on retailers' behalf.

1 CHANNELADVISOR
Top 1000 Clients ▶ 65 **Client Web Sales** ▶ \$54.91B

2 GODATAFEED
Top 1000 Clients ▶ 39 **Client Web Sales** ▶ \$12.52B

3 GOOGLE
Top 1000 Clients ▶ 33 **Client Web Sales** ▶ \$32.23B

4 COMMERCEHUB
Top 1000 Clients ▶ 30 **Client Web Sales** ▶ \$18.06B

5 MERCHANTADVANTAGE
Top 1000 Clients ▶ 9 **Client Web Sales** ▶ \$1.82B

6 ROI REVOLUTION
Top 1000 Clients ▶ 8 **Client Web Sales** ▶ \$640.84M

7 MERKLE
Top 1000 Clients ▶ 7 **Client Web Sales** ▶ \$2.12B

8 IPROSPECT
(Tie) **Top 1000 Clients** ▶ 6 **Client Web Sales** ▶ \$4.85B

8 CPC STRATEGY
(Tie) **Top 1000 Clients** ▶ 6 **Client Web Sales** ▶ \$479.23M

8 SINGLEFEED¹
(Tie) **Top 1000 Clients** ▶ 6 **Client Web Sales** ▶ \$402.88M

1. SingleFeed is owned by Vendio.

Content Delivery Network

Content Delivery Networks (CDNs) aim 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 server. In addition to reducing latency, content delivery networks can improve the performance of applications by reducing the need for the application to continually compete for resources on the fly. Many e-commerce applications come with a CDN solution or they can be purchased separately. Leading providers of CDNs include Akamai Technologies, Amazon Web Services and Limelight Networks.

1	AKAMAI	Top 1000 Clients ▶ 353	Client Web Sales ▶ \$357.78B
2	AMAZON WEB SERVICES	Top 1000 Clients ▶ 351	Client Web Sales ▶ \$85.20B
3	CLOUDFLARE	Top 1000 Clients ▶ 107	Client Web Sales ▶ \$24.53B
4	SALESFORCE	Top 1000 Clients ▶ 60	Client Web Sales ▶ \$20.29B
5	LIMELIGHT NETWORKS	Top 1000 Clients ▶ 20	Client Web Sales ▶ \$158.72B
6	FASTLY	Top 1000 Clients ▶ 17	Client Web Sales ▶ \$6.50B
7	VERIZON	Top 1000 Clients ▶ 16	Client Web Sales ▶ \$3.09B
8	PEPPERJAM	Top 1000 Clients ▶ 14	Client Web Sales ▶ \$7.62B
9	ADOBE	Top 1000 Clients ▶ 6	Client Web Sales ▶ \$6.23B
10	CACHEFLY	Top 1000 Clients ▶ 5	Client Web Sales ▶ \$604.77M

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included.
 Source: Internet Retailer

Content Management Systems

Content management systems are software applications that help create and manage digital content. In online retail, many e-commerce platform systems offered by companies like Magento, Oracle and Kibo have built-in content management tools, or offer separate tie-ins from an e-commerce 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, when she's on a desktop, tablet, or smartphone.

1 ORACLE
 Top 1000 Clients ▶ 37 Client Web Sales ▶ \$14.07B

2 ADOBE
 Top 1000 Clients ▶ 29 Client Web Sales ▶ \$12.67B

3 PEPPERJAM
 Top 1000 Clients ▶ 12 Client Web Sales ▶ \$7.21B

4 SITECORE
 (Tie) Top 1000 Clients ▶ 10 Client Web Sales ▶ \$1.29B

4 ORACLE NETSUITE¹
 (Tie) Top 1000 Clients ▶ 10 Client Web Sales ▶ \$601.80M

6 WORDPRESS
 Top 1000 Clients ▶ 9 Client Web Sales ▶ \$1.45B

7 SIMPLEREACH
 Top 1000 Clients ▶ 7 Client Web Sales ▶ \$599.70M

8 HP
 (Tie) Top 1000 Clients ▶ 4 Client Web Sales ▶ \$11.91B

8 EPISERVER
 (Tie) Top 1000 Clients ▶ 4 Client Web Sales ▶ \$318.69M

10 SAP HYBRIS
 Top 1000 Clients ▶ 3 Client Web Sales ▶ \$6.72B

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, most companies 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 due to 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 companies' operations. Connecting an organization's CRM to communication tools such as email clients, VoIP systems, even messaging applications, for example, 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.

1	ORACLE NETSUITE ¹	Top 1000 Clients ▶ 20	Client Web Sales ▶ \$3.79B
2	ORACLE	Top 1000 Clients ▶ 18	Client Web Sales ▶ \$12.78B
3	SALESFORCE	Top 1000 Clients ▶ 12	Client Web Sales ▶ \$8.90B
4	ZETA	Top 1000 Clients ▶ 11	Client Web Sales ▶ \$3.04B
5	TALKABLE	Top 1000 Clients ▶ 9	Client Web Sales ▶ \$472.75M
6	MICROSOFT	Top 1000 Clients ▶ 7	Client Web Sales ▶ \$1.50B
7	ZENDESK	Top 1000 Clients ▶ 6	Client Web Sales ▶ \$586.42M
8	SAS	Top 1000 Clients ▶ 4	Client Web Sales ▶ \$5.94B
(Tie)	SAP HYBRIS	Top 1000 Clients ▶ 4	Client Web Sales ▶ \$5.86B
(Tie)	TERADATA	Top 1000 Clients ▶ 4	Client Web Sales ▶ \$5.77B

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

Customer Reviews & Ratings

In 2017, reviews company Bazaarvoice Inc. rolled out its Brand Edge program, which enables brands to collect reviews and other consumer-generated content and distribute it to multiple e-commerce sites in the Bazaarvoice network. This is the company's first ratings and reviews application that does not require implementation on a company's own website. Ratings and reviews also can inform a retailer's business and product decisions. For example, men's custom dress shirt seller Proper Cloth harnesses customer feedback data to make sure customers are satisfied. The company offers various incentives for customers' opinions, including store credit, asking for details about fit and feel of the fabrics and cuts. Proper Cloth uses the data it gathers to constantly improve its 10-question Smart Size guide, where customers answer questions like if they wear shirts tucked in and what size pants they wear. By matching how customers answered the sizing questions with the review of how the shirt fits, Proper Cloth tweaks its algorithm and makes sizing even more accurate for the next new customer. Those tweaks have helped it predict the correct shoulder width within half an inch 78% of the time and correct collar size within half an inch 61% of the time after customers complete the smart sizing survey.



1	BAZAARVOICE	Top 1000 Clients ▶ 207	Client Web Sales ▶ \$183.07B
2	TRUSTPILOT	Top 1000 Clients ▶ 89	Client Web Sales ▶ \$30.33B
3	TURNT0	Top 1000 Clients ▶ 63	Client Web Sales ▶ \$31.52B
(Tie)	3 POWERREVIEWS	Top 1000 Clients ▶ 63	Client Web Sales ▶ \$11.57B
5	VERINT ¹	Top 1000 Clients ▶ 39	Client Web Sales ▶ \$85.10B
6	YOTPO	Top 1000 Clients ▶ 25	Client Web Sales ▶ \$1.58B
7	RESELLERRATINGS	Top 1000 Clients ▶ 14	Client Web Sales ▶ \$1.19B
(Tie)	7 BIZRATE INSIGHTS	Top 1000 Clients ▶ 14	Client Web Sales ▶ \$929.72M
9	GOOGLE	Top 1000 Clients ▶ 7	Client Web Sales ▶ \$1.42B
10	SHOPPER APPROVED	Top 1000 Clients ▶ 5	Client Web Sales ▶ \$1.19B

1. In November 2016 Verint acquired OpinionLab.

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. Source: Internet Retailer

Customer Reviews & Ratings



Rank
In Category
1

TOP 1000
CLIENTS

207

Primary URL: Bazaarvoice.com

Year Launched: 2005

Bazaarvoice's platform specializes in mining user-generated content such as product questions to feed into network analytics, which can help marketers and advertisers create more relevant campaigns that drive brand awareness and sales. Bazaarvoice captures data directly from shoppers engaging on product pages across 6,000-plus brand and retailer websites. The vendor's Ratings & Reviews product allows retail customers to share their opinions and experiences, wherever they shop. Bazaarvoice's Curations suite lets merchants collect, manage and display social media content—from platforms including Instagram, Facebook and Twitter—to build consumer trust. Retailers can browse and collect visual content from 17+ social sources, with custom filters and expert moderation to ensure that it meets a retailer's guidelines. Photos, videos, text and links that match a given set of filter preferences can be organized in Bazaarvoice's portal. The user-generated content can be integrated directly into a site rather than requiring a merchant to send shoppers to an off-site social destination.

2018 TOP 1000
RETAIL CLIENTS

207

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 32
Chain Retailer: 83
Manufacturer: 56
Catalog/Call Center: 36

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0
\$15-40 million: 29
\$40-125 million: 62
\$125-500 million: 59
\$501 million or more: 57

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$183,072,159,620

KEY CLIENTS

- Apple
- Dell
- Macy's
- The Home Depot
- Best Buy
- W.W. Grainger

PRODUCTS & SERVICES

Services and tools focused on ratings and reviews, shopper questions and answers, curated social content, product sampling, advertising, and personalization data.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

10901 Stonelake Blvd.
Austin, TX 78759
512-551-6000

Management

Sara Spivey, CMO
Michael Paulson, EVP, Product
Ann Kennedy, GM, Global Data Products

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation
with **Rachel Hocevar**,
Vice President of Client Success,
Bazaarvoice

**What are some of the more recent advancements you've seen in ratings and review technology over the past year?**

The industry has made big strides in moderating content and screening for authenticity. When you're dealing with millions of consumer-generated pieces of content, scaling moderation and maintaining high quality standards can be a challenge. Innovations in this area include implementing the right combination of solutions like natural language processing (NLP), AI technologies and human moderators.

Another major area of innovation is ensuring consumers can find, use and submit review content quickly. Recent advancements include using machine learning and natural language processing technology to analyze high volumes of review content and organize the reviews around keyword themes and sentiment. Another progression is around ensuring brands and retailers can collect content in a timely manner, whether that's adding functionality that allows users to submit reviews for multiple products at a time, submit from their email or ensuring the ask for a review comes at an appropriate time after purchase when it's top of mind.

What are some examples of retailers using ratings and reviews in an unorthodox way to help their business?

Example 1: We often associate ratings and reviews with products, but we've seen quite a few retailers leverage ratings and reviews to collect feedback on experiences or services. For example, a major telecom retailer collecting reviews on a device upgrade experience or an outdoor power company manufacturer collecting reviews on their dealer experience. The customer experience is a priority for every brand and retailer; not just their feedback and opinions about products.

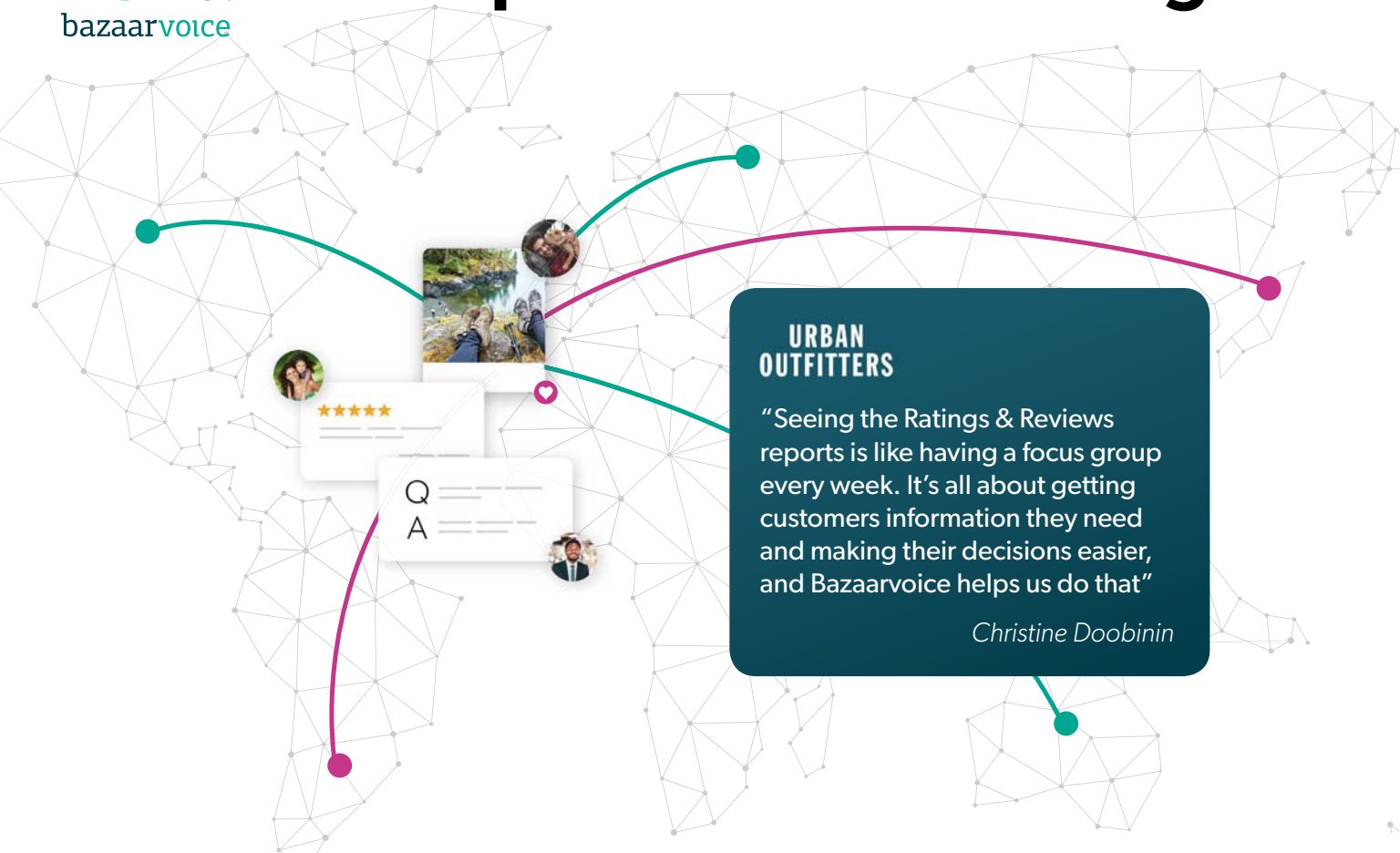
Example 2: We know that consumers have incredible trust in review content. I love seeing brands like J. Crew leverage star ratings and review content in places like Instagram ads or their e-newsletters. Incorporating word-of-mouth is a great way to add credibility to an ad on a social platform.

What are some of the best examples you've seen of retailers implementing ratings and reviews technology?

Many consumers prefer shopping for clothes in stores rather than online because you can touch and feel the garments and try them on. A study by Body Labs showed that 64% of apparel shoppers return their purchases because of sizing issues. Brands like Ann Taylor, Talbots, Athleta and Maurices solve for this by collecting consumer data around body type. Some brands like Levi's go even further and collect height and weight data from consumers as well. We see that consumers have a very high likelihood to share this data in a review, as it's also likely that data from other consumers helped them make a purchase decision. This also works wonders when paired with visual content from real shoppers which shows product images that reviewers post through social or otherwise. So, shoppers aren't just reading text reviews on how a product fits, visual content helps illustrate what clothes would look like on a real consumer with a certain body type.



We're more than a powerful content engine.



URBAN OUTFITTERS

"Seeing the Ratings & Reviews reports is like having a focus group every week. It's all about getting customers information they need and making their decisions easier, and Bazaarvoice helps us do that"

Christine Doobinin

Every shopping experience should feel personal



Innovation at scale

- One content partner worldwide
- Content from 2,500+ brands
- Fast, flexible, personalized features



Content Strategy & Integrity

- Strategic counsel, long after your program goes live
- Industry-leading moderation and authenticity
- GDPR compliance



Beyond Ratings & Reviews

- Integrate social content from real consumers
- Know what 1 in 3 people are shopping for - before they hit your site
- Advertising powered by 1.8B monthly shoppers

Customer Service Software

Success in e-commerce is largely a matter of competing successfully with Amazon.com Inc., and a big part of that is delivering great customer service. E-commerce customer service software providers seek to make it easier for e-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 e-retailers 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. Research finds retailers also can provide more answers to consumer questions on their e-commerce sites. For example, a May 2018 report from customer service insights company CFI Group and omnichannel services vendor Radial finds 60% of shoppers try visiting a retailer's website before contacting customer service when they have a question or problem. However, more than a fifth, or 21%, said that a retailer's website often isn't helpful in answering their query. The report is based on a survey of 500 shoppers. The survey also finds that 80% of shoppers first try to resolve their issue "somewhere online" before reaching out to customer service. The research also explored what customers thought about using visual interactive voice response (IVR), which allows consumers to get answers via their mobile device touch screens or chatbots for customer service. 32% who reach an IVR system try to use it, but say it was insufficient for their needs and that they needed to talk to an agent. Only 18% are familiar with visual IVR. And 55% are likely to use visual IVR if given the option.

1	ZENDESK	Top 1000 Clients ▶ 105	Client Web Sales ▶ \$10.95B
2	VERINT ¹	Top 1000 Clients ▶ 46	Client Web Sales ▶ \$103.60B
3	ORACLE	Top 1000 Clients ▶ 45	Client Web Sales ▶ \$28.25B
4	RADIAL ²	Top 1000 Clients ▶ 23	Client Web Sales ▶ \$9.69B
5	MOXIE	Top 1000 Clients ▶ 18	Client Web Sales ▶ \$29.66B
(Tie)	JDA SOFTWARE	Top 1000 Clients ▶ 18	Client Web Sales ▶ \$2.67B
7	HELP SCOUT	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$701.08M
(Tie)	ORACLE NETSUITE ³	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$420.41M
9	FRESHDESK	Top 1000 Clients ▶ 9	Client Web Sales ▶ \$799.10M
10	MICROSOFT	Top 1000 Clients ▶ 7	Client Web Sales ▶ \$1.61B

1. In November 2016 Verint acquired OpinionLab. 2. Radial is owned by bpost. 3. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. Source: Internet Retailer

E-Commerce Platform

E-commerce platforms comprise technology tools that allow e-retailers 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. 49% of merchants surveyed in August 2018 by Internet Retailer listed e-commerce platforms as one of their top three budget priorities for the coming year, the No. 1 answer. And 48% say they have implemented e-commerce platform technology over the past year, also the No. 1 answer. Additionally more than one fifth, or 21%, of merchants are looking to switch e-commerce platforms. 40%, the largest amount—are looking at moving to a software-as-a-service (SaaS) e-commerce platform provider where the vendor hosts sites for multiple clients on the web. Of those looking to switch, 20%—the largest percentage—are most strongly considering SaaS provider Shopify, followed by Magento’s enterprise e-commerce platform. Magento launched its SaaS option, Magento Commerce Cloud, in 2016. The cloud-based system is more expensive than its older on-premise platform in which retailers hosted the Magento software in-house because it offers many more built-in features such as a content delivery network.

1	MAGENTO ¹	Magento An Adobe Company	Top 1000 Clients ▶ 167	Client Web Sales ▶ \$51.89B
2	ORACLE		Top 1000 Clients ▶ 89	Client Web Sales ▶ \$78.05B
3	SALESFORCE		Top 1000 Clients ▶ 67	Client Web Sales ▶ \$21.80B
4	IBM		Top 1000 Clients ▶ 44	Client Web Sales ▶ \$41.55B
5	SHOPIFY		Top 1000 Clients ▶ 33	Client Web Sales ▶ \$2.14B
6	SAP HYBRIS		Top 1000 Clients ▶ 15	Client Web Sales ▶ \$8.55B
(Tie)	BIGCOMMERCE		Top 1000 Clients ▶ 15	Client Web Sales ▶ \$5.63B
8	KIBO		Top 1000 Clients ▶ 9	Client Web Sales ▶ \$894.80M
9	ORACLE NETSUITE ²		Top 1000 Clients ▶ 8	Client Web Sales ▶ \$299.11M
10	JDA SOFTWARE		Top 1000 Clients ▶ 7	Client Web Sales ▶ \$2.44B

1. In June 2018 Magento was acquired by Adobe. 2. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.

E-Commerce Platform



Rank
In Category
1

TOP 1000
CLIENTS

167

Primary URL: [Magento.com](https://www.magento.com)

Year Launched: 2008

Magento, an Adobe Co., offers open-source software to build and run web stores, handle online purchases, and shipping and returns. It also helps merchants sell products through social media ads and integrates with the Amazon and eBay marketplaces. Magento technology supports more than \$155 billion in gross merchandise volume. The Magento platform, which includes a recently launched expansion of B2B features, is supported by a community of more than 300,000 developers and includes services such as pre-built extensions, including for payment, shipping, tax and logistics. In 2018, Adobe Systems Inc. bought Magento for \$1.68 billion, in what was seen as a bid to capture a bigger slice of the e-commerce technology market from Salesforce.com Inc. and Oracle Corp. In addition to its digital commerce platform, Magento Commerce offers cloud-based omnichannel software that's designed to allow merchants to successfully integrate digital and physical shopping experiences.

2018 TOP 1000
RETAIL CLIENTS

167*

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 79

Chain Retailer: 23

Manufacturer: 49

Catalog/Call Center: 16

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0

\$15-40 million: 46

\$40-125 million: 83

\$125-500 million: 31

\$501 million or more: 7

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$51,888,453,438

KEY CLIENTS

- Walmart
- Staples
- Shutterfly
- adidas
- Kroger
- Advance Auto Parts

PRODUCTS & SERVICES

Customizable e-commerce platform, order management solutions, business analytics and a marketplace of software extensions.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

54 N. Central Ave., Suite 200
Campbell, CA 95008
877-574-5093

Management

Mark Lavelle, SVP, Commerce
Mark Lenhard, VP, Commerce Strategy & Growth
Andrea Ward, VP, Enterprise Marketing, Adobe

In June 2018 Magento was acquired by Adobe.

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation
with **Mark Lavelle**,
Senior Vice President,
Commerce, Magento



How can a retailer use its e-commerce platform to provide better omnichannel services to customers (including a better in-store experience)?

In B2C, we're seeing retailers create incredible experiences deeper into the discovery and consideration phases of the buying lifecycle and going farther into post-purchase. A great example is Gabor Shoes, a women's shoe retailer that switched from having no e-commerce to unifying its inventory across 80 owned, franchise and multi-brand retail partners. If a shoe existed anywhere, Gabor shoppers could buy it online. Not only did this drive online sales growth, they also saw 20% growth in sales across their own stores, franchise stores and partner-branded stores.

Traditional B2B has been mirroring what's happening in B2C, providing visibility for all online and offline orders. And more retailers are evolving into hybrid models. The number of Magento customers that support both B2B and B2C customers has grown by 7% in just the past year and we expect that trend to continue.

Does fast shipping always equate to a good shipping experience for the customer? Why or why not?

Two-day shipping is a basic expectation among consumers especially in markets where Amazon Prime operates. But speed is not everything. Predictability and transparency are more important to consumers. Shoppers care about an accurate promise of when their delivery will occur with ongoing notifications throughout the delivery lifecycle.

What are the first things retailers should do if they want to optimize the online "journey" of their customers?

Over the past decade, one-time differentiators

including placement, product, price and promotion have eroded. Companies have moved on to compete on customer experience. Having a customer-centric engagement strategy is a critical starting line for any business, particularly for smaller companies with limited resources. Competing on experience spans the lifetime of a customer's engagement with a brand.

Could you provide some tips on how small businesses can use their websites to show customers they care?

Small businesses need to stand out. This means creating unique content that drives value during the discovery and consideration phase of the shoppers' journey. Being small also means they can maximize the personal touch in all customer interactions. Create more engagement with customers by offering incentives throughout the shopping journey and look for behavioral patterns that can inform your ability to refine targeted messaging and offers.

B2B retailers have special challenges integrating e-commerce tools. What are they and how can they be overcome?

To build solid B2B e-commerce content, companies need the appropriate digital infrastructure to connect all business processes and simplify them. When you combine online data with offline data from your stores, your warehouses, your ERP and more, you get a detailed map of the behaviors of your customers leading up to a transaction. With all of this information, you are going to need intelligent systems to process data in real time, because that's what being a leader in commerce will demand.



Magento[®]
An Adobe Company

EXPERIENCE- DRIVEN COMMERCE

Magento.com

Email Marketing

Many online merchants view email as their most tried-and-true marketing channel. The reason: email works. For example in Internet Retailer’s 2018 Best Digital Marketers in E-Commerce report, 19, or nearly 38%, of the 50 best email marketers in e-commerce as ranked by Internet Retailer get more than 10% of their web traffic from email and 20 of them generate more than one million visits a month from email. And those retailers come in a range of sizes and flavors from Gap.com and Nordstrom.com to online-only consignment shop The Real Real Inc. and specialty mobile device accessories site CellularOutfitter.com. That suggests the right email strategy can work for retailers of all stripes. Email also remains effective largely because it keeps evolving and becoming more targeted. Michael Dub, a partner at digital marketing firm DXagency who has helped clients incorporate dynamic content into emails, says personalizing emails in real time helps the messages stand out. “It is essential to be able to personalize your communications,” he says. “The technology exists today—whether it’s serving an ad or sending an email, you can make it relevant down to multiple variables attached to the customer profile.” In an August 2018 survey of 183 retailers, 28.2% list email marketing as one of their top three technology budget priorities for the coming year, up from 26.7% a year earlier.

1	MAILCHIMP	Top 1000 Clients ▶ 194	Client Web Sales ▶ \$19.60B
2	ORACLE BRONTO ¹	Top 1000 Clients ▶ 109	Client Web Sales ▶ \$16.99B
3	ORACLE	Top 1000 Clients ▶ 106	Client Web Sales ▶ \$72.87B
4	EXPERIAN	Top 1000 Clients ▶ 102	Client Web Sales ▶ \$51.89B
5	LISTRAK	Top 1000 Clients ▶ 92	Client Web Sales ▶ \$8.83B
6	TOWERDATA	Top 1000 Clients ▶ 78	Client Web Sales ▶ \$7.65B
7	SENDGRID	Top 1000 Clients ▶ 72	Client Web Sales ▶ \$13.56B
8	BLUECORE	Top 1000 Clients ▶ 70	Client Web Sales ▶ \$47.43B
9	IBM	Top 1000 Clients ▶ 49	Client Web Sales ▶ \$16.96B
10	BOUNCEX	Top 1000 Clients ▶ 39	Client Web Sales ▶ \$13.37B

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

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Fulfillment Services

Responding to the precedents set by e-commerce powerhouses such as Amazon.com Inc. and Walmart Inc., 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. Gap Inc. is one retailer investing heavily in its distribution centers to make them more efficient, more automated and less dependent on labor. Gap said in May 2018 that it has invested "tens of millions of dollars" in warehousing equipment, such as cranes that retrieve and put away inventory, which has decreased the number of times a human has to touch the product from seven touches to one. Gap invested in two mechanical arms that use machine learning to sort 250,000 products a day in total from both arms. Plus, Gap now has a conveyor belt that automatically bags, labels and packages online orders. This machine alone replaced 28 workers. Gap says it is generating a 20% return on its fulfillment investments.

1	PITNEY BOWES	pitney bowes 
	Top 1000 Clients ▶ 61	Client Web Sales ▶ \$29.43B
2	AMAZON WEB SERVICES	
	Top 1000 Clients ▶ 6	Client Web Sales ▶ \$241.08M
3	UPS	
	Top 1000 Clients ▶ 4	Client Web Sales ▶ \$545.63M
4	GEODIS	
(Tie)	Top 1000 Clients ▶ 3	Client Web Sales ▶ \$1.83B
4	PFSWEB	
(Tie)	Top 1000 Clients ▶ 3	Client Web Sales ▶ \$810.68M
6	DHL	
(Tie)	Top 1000 Clients ▶ 2	Client Web Sales ▶ \$1.71B
6	BASTIAN SOLUTIONS ¹	
(Tie)	Top 1000 Clients ▶ 2	Client Web Sales ▶ \$1.22B
6	DOTCOM DISTRIBUTION	
(Tie)	Top 1000 Clients ▶ 2	Client Web Sales ▶ \$121.14M
9	ALLIANCE MARKETING DISTRIBUTORS	
(Tie)	Top 1000 Clients ▶ 1	Client Web Sales ▶ \$6.17B
9	BAKER AND TAYLOR ²	
(Tie)	Top 1000 Clients ▶ 1	Client Web Sales ▶ \$6.17B
9	NAVAR	
(Tie)	Top 1000 Clients ▶ 1	Client Web Sales ▶ \$6.17B

1. Bastian Solutions is owned by Toyota Advanced Logistics. 2. Baker and Taylor is owned by Follett.

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included.
 Source: Internet Retailer

Fulfillment Services

pitney bowes 

Rank
In Category
1

TOP 1000
CLIENTS

61

Primary URL: PitneyBowes.com

Year Launched: 1920

Pitney Bowes offers fulfillment services including its Complete Fulfillment product, a software suite designed to integrate with virtually any e-commerce technology. The suite includes features for: the pick, pack and ship process; kitting; warehouse inventory management; returns handling; refurbishment; promotional and marketing services; assembly; multi-site order fulfillment; and temperature-controlled storage. Other products include software for small-parcel and other kinds of shipping, delivery and returns. For example, its Complete Returns product is a suite of returns management software to help retailers handle returns more effectively. The company also offers shipping APIs designed to help streamline postage account registration, enable individual shippers to quickly activate accounts and optimize services through Pitney Bowes' Developer Portal. The company provides payment APIs set up to facilitate a wide range of payment options.

2018 TOP 1000
RETAIL CLIENTS

61

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 14

Chain Retailer: 20

Manufacturer: 14

Catalog/Call Center: 13

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0

\$15-40 million: 10

\$40-125 million: 23

\$125-500 million: 13

\$501 million or more: 15

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$29,430,672,748

KEY CLIENTS

- Nordstrom
- Victoria's Secret
- Toys 'R' Us
- Fingerhut
- Fanatics
- Urban Outfitters

PRODUCTS & SERVICES

Complete Fulfillment includes pick, pack and ship, kitting, warehouse inventory management, returns, assembly, and promotional and marketing services.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

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

Management

Marc B. Lautenbach, President/CEO
Lila Snyder, EVP/President, Commerce Services
Bill Borrelle, SVP/CMO

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation
with **Nick Pellegrino**, Senior
Vice President and General
Manager of Fulfillment, Delivery
and Returns Services,
Pitney Bowes



What are the top priorities for retailers that want to optimize fulfillment for omnichannel ecommerce?

We've all come to accept that "omnichannel" refers to the convergence of online and store experiences in retail. But let's look at this a different way. What is the intent of omnichannel? Ultimately, it's about convenience. And convenience for many consumers is about faster and free(er) shipping. And that, in turn, isn't possible until you get your inventory closer to customers—whether fulfilling orders from your stores or standing up warehouses in more regions. That said, storing inventory in metropolitan areas carries its own costs—and our studies show consumers are often willing to wait longer for orders if it means shipping is free. Merchants must strike the right balance between speed and cost.

What are some common packaging mistakes and how can they be avoided or corrected?

In this era of dimensional weight surcharges, proper box selection can be key to delivering an engaging brand experience and protecting merchandise while optimizing costs. Retailers must train employees or leverage systems to select the appropriate box size for each item or risk incurring unnecessary DIM weight charges. Another missed opportunity is branded packaging. Our recent study found that 51% of millennials are enrolled in at least one subscription box service. And we know that subscription box services excel at the "box opening" experience. As these services grow, so will consumer expectations around how well the box opening experience tells the brand story.

Same-day delivery is becoming more important for some retailers. Should most retailers offer it?

Offering it is different from optimizing for it. Consumers prefer free shipping with longer delivery times (79%)

over paying for expedited shipments (21%). Think twice about eating into your marketing or operations budget to optimize the cost of same-day delivery. Instead, offer it as an option, but give shoppers the free (standard) shipping they desire while focusing on strategies that can reduce your costs and drive revenue.

Customers sometimes want to return things. What are some tips for making that less of a headache for retailers?

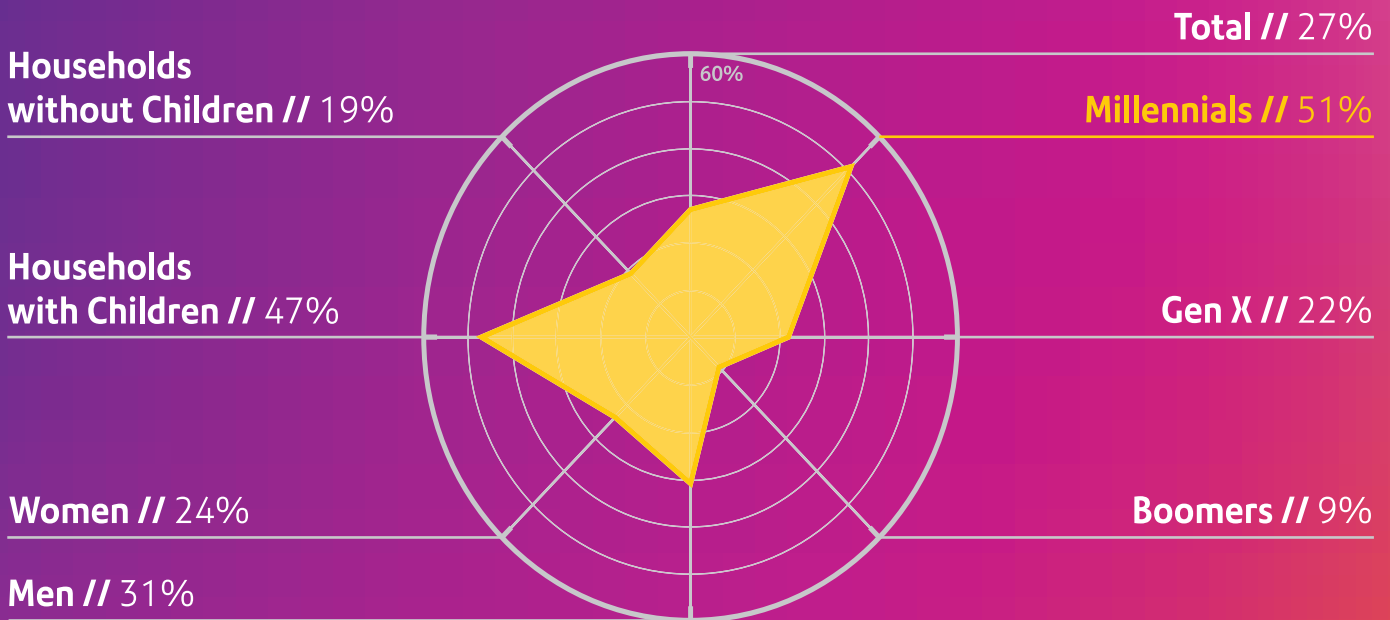
Rapidly growing return volumes present challenges, but, if handled properly, they can also open new opportunities to drive profitability. The key is keeping a close eye on the "four Cs":

- **Clarity:** Clearly define your returns policy and make it easy to find on your site. You'll make consumers more comfortable—and more likely to buy.
- **Convenience:** Returns are an inconvenience for consumers, but one you can minimize. Let them print return shipping labels at home or, better yet, provide prepaid labels. Work with a carrier that offers convenient locations for dropping off return packages—or even free home pickup.
- **Consistency:** Give consumers a consistent brand experience across all touchpoints. For instance, when your customers track returns online or receive email updates, whose brand is front-and-center—yours or your carrier's?
- **Communication:** Be proactive about communicating transit times and status updates.

Heeding these tips can lead to other terms that start with "c," like customer loyalty, cross-selling and cost efficiency.

51% of millennials are now enrolled in at least one subscription box service.

And they care about the 'box opening experience' more than any other age group, per our 2018 Global Ecommerce Study



We are the #1 fulfillment services vendor to the IR1000.

We provide customized, brand-centric fulfillment solutions for merchants looking to improve the speed and experience of the post-purchase journey.

Get more insights from our landmark 2018 Global Ecommerce Study. [Visit pb.com/ecommerce](https://pb.com/ecommerce)

Fulfillment Software

Fulfillment software vendors can help retailers manage their fulfillment operations much more efficiently. For example, fulfillment software vendor Radial gives retailers a single view of inventory across stores and e-commerce, and helps retailers offer store returns for online purchases and multiple delivery options including buy online, pick up in store. Those services include what it calls intelligent order routing, meaning it can help merchants find the most cost-effective way to fulfill an order, such as shipping an online order from a store that is close to a consumer's home. Radial's drop shipping service also works with 26,000 suppliers to deliver products for retailers as shoppers order them, minimizing overhead and inventory risks for merchants. And its inventory remarketing service aims to help retailers move slow-selling or older products by promoting them on online marketplaces.

1 **MANHATTAN ASSOCIATES**
 Top 1000 Clients ▶ 78 Client Web Sales ▶ \$69.09B

2 **RADIAL**¹
 Top 1000 Clients ▶ 62 Client Web Sales ▶ \$33.36B

3 **JDA SOFTWARE**
 Top 1000 Clients ▶ 27 Client Web Sales ▶ \$4.36B

4 **COMMERCEHUB**
 Top 1000 Clients ▶ 10 Client Web Sales ▶ \$20.52B

5 **ORACLE**
 Top 1000 Clients ▶ 8 Client Web Sales ▶ \$2.44B

6 **SPEED COMMERCE**
 (Tie) Top 1000 Clients ▶ 6 Client Web Sales ▶ \$1.29B

6 **AMAZON WEB SERVICES**
 (Tie) Top 1000 Clients ▶ 6 Client Web Sales ▶ \$241.08M

8 **HIGHJUMP**
 (Tie) Top 1000 Clients ▶ 5 Client Web Sales ▶ \$6.46B

8 **PITNEY BOWES**
 (Tie) Top 1000 Clients ▶ 5 Client Web Sales ▶ \$1.25B

8 **ORACLE NETSUITE**²
 (Tie) Top 1000 Clients ▶ 5 Client Web Sales ▶ \$197.24M

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

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. Source: Internet Retailer

International E-Commerce Services

International e-commerce service vendors help e-retailers take advantage of overseas demand by offering software and services related to dealing with complicated duty and tax rules, foreign parcel delivery, currency conversions and managing returns from non-U.S. customers—among other things. These services are increasingly important because cross-border e-commerce is growing fast. A July 2018 report released by payments provider PayPal Inc. based on a survey of 34,000 internet users finds 34% of respondents residing outside the U.S. had purchased from a U.S. site in the past 12 months. That was second to China, where 43% of those living outside of China had bought from a site based in that country. Better prices was the most common reason cited by consumers who shop on websites in other countries (72%), followed by access to items not available in my country (49%), the ability to discover new products (34%) and higher product quality (29%). Respondents could select more than one answer. By 2022, consumers shopping online with merchants outside their home countries will account for 20% of all online spending, according to a forecast from Forrester Research Inc.

1	PITNEY BOWES	pitney bowes	Top 1000 Clients ▶ 69	Client Web Sales ▶ \$46.95B
2	RADIAL ¹		Top 1000 Clients ▶ 11	Client Web Sales ▶ \$7.14B
3	FEDEX		Top 1000 Clients ▶ 9	Client Web Sales ▶ \$3.33B
4	UPS		Top 1000 Clients ▶ 7	Client Web Sales ▶ \$2.82B
5	PMG		(Tie) Top 1000 Clients ▶ 4	Client Web Sales ▶ \$2.43B
5	LANDMARK GLOBAL ²		(Tie) Top 1000 Clients ▶ 4	Client Web Sales ▶ \$514.36M
5	MYUS.COM		(Tie) Top 1000 Clients ▶ 4	Client Web Sales ▶ \$424.69M
8	ORACLE NETSUITE ³		Top 1000 Clients ▶ 3	Client Web Sales ▶ \$2.84B
9	DIGITAL RIVER		Top 1000 Clients ▶ 3	Client Web Sales ▶ \$1.12B
10	USPS		Top 1000 Clients ▶ 3	Client Web Sales ▶ \$266.37M

1. Radial is owned by bpost. 2. In January 2018 LandMark Global acquired IMEX Global. LandMark Global is owned by bpost. 3. In November 2016 Oracle acquired NetSuite; their solutions continue to operate independently.

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. Source: Internet Retailer

International E-Commerce Services



Rank
In Category
1

TOP 1000
CLIENTS

69

Primary URL: PitneyBowes.com

Year Launched: 1920

Pitney Bowes' international services help e-retailers sell to consumers in more than 220 countries and territories around the world. Capabilities include website localization, payment and risk management, logistics, and customer care. Pitney Bowes' Complete Cross-Border product allows retailers to localize their domestic websites for international consumers. It also includes cross-border logistics help and global customer service. The Complete Marketplace suite allows brands and products to appear on leading global marketplaces. Pitney Bowes also offers a tool to simplify legal issues, feed management, fulfillment, storefront management, merchandising, localized marketing and customer care. Pitney Bowes' Complete Payment Services includes next-day automated clearing house (ACH) payments along with foreign exchange, fraud-prevention, and tax calculation and settlement services. The Complete Marketing Services product includes strategic marketing planning and support, and marketing via Pitney Bowes' Borderfree.com online marketplace.

2018 TOP 1000
RETAIL CLIENTS

69

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 7

Chain Retailer: 32

Manufacturer: 21

Catalog/Call Center: 9

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0

\$15-40 million: 7

\$40-125 million: 24

\$125-500 million: 16

\$501 million or more: 22

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$46,945,192,489

KEY CLIENTS

- Macy's
- Nordstrom
- Target
- Gap
- Sears
- Williams-Sonoma

PRODUCTS & SERVICES

International e-commerce solutions include Complete Cross-Border, Complete Marketplace, Complete Marketing Services and Complete Payment Services.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

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

Management

Marc B. Lautenbach, President/CEO
Lila Snyder, EVP/President, Commerce Services
Bill Borrelle, SVP/CMO

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation
with **Tami Duncan**, Senior Vice
President and General Manager,
Cross-Border Solutions,
Pitney Bowes



Why should online retailers consider selling internationally?

Brand awareness has no borders. Whether intentional or not, customers in other countries are exposed to your brand and will want to buy your products, if they're differentiated. It's likely you're already getting site traffic from other countries—why not capitalize on it?

Could you suggest some strategies for getting started with international e-commerce?

Brand differentiation is important, but don't rely on organic traffic alone. Localized marketing is essential because marketing channel preferences among consumers vary significantly by country. Operational prowess separates the winners from the losers. The expectation is low cost and high visibility of delivery, localized customer care, and minimized duties and taxes.

Also, have the courage to go where the customers are: When retailers implement cross-border strategies, they tend to start where the transition is easiest—neighboring countries with similar regulatory environments, or countries where people speak the same language. But, more often than not, the greatest opportunity for cross-border growth and success is farther from home. Entering new markets with different cultures, languages and laws is complex, but the rewards can far outweigh the investment and challenges.

How pervasive is e-commerce worldwide and where is it growing fastest?

Consumers everywhere are buying online. 94% of consumers globally have made an online purchase in the past year. More than one third make online

purchases at least once per week. 70% of online shoppers have made a cross-border purchase. Last year, Asia Pacific saw the biggest year-over-year increases in cross-border purchasing, led by India, China and South Korea.

What are the most common mistakes retailers make when they start selling internationally?

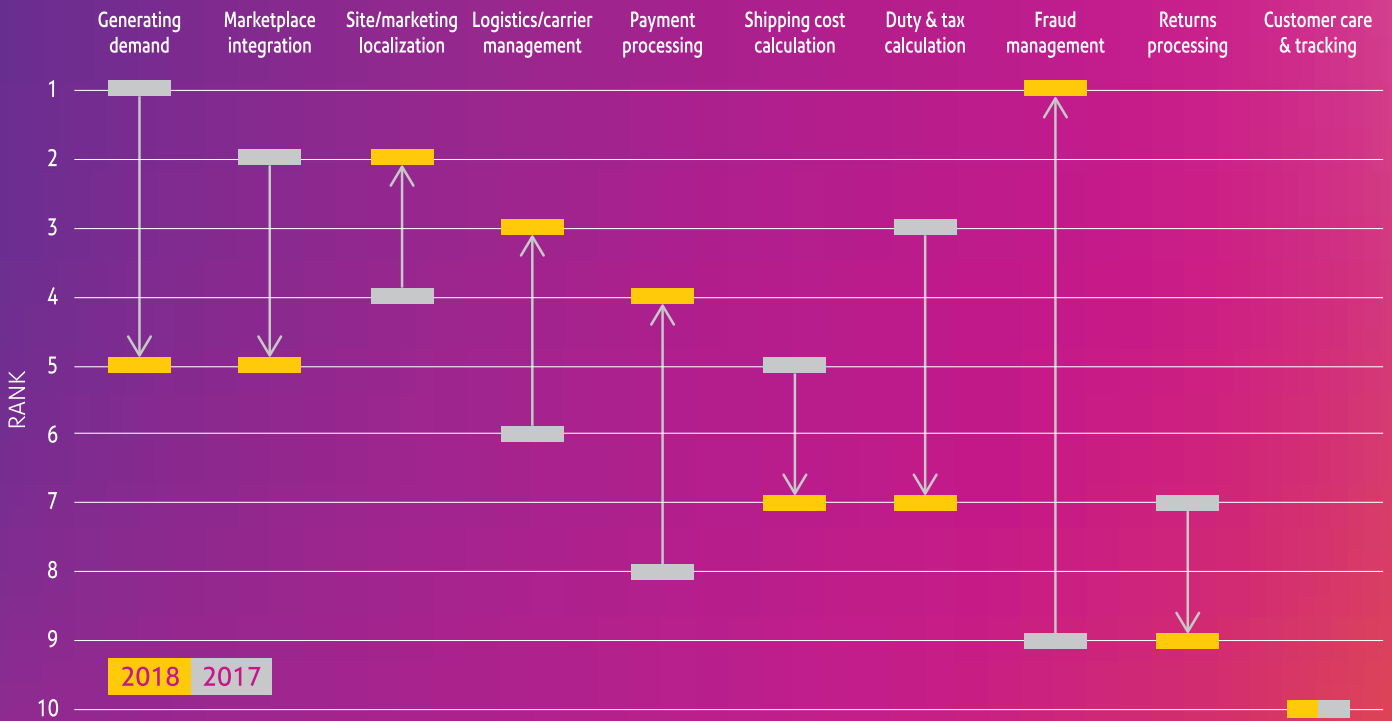
Cross-border can't be a patchwork quilt of multiple vendors and DIY solutions. You need to focus on what your teams do well and find a partner who can take care of the rest.

Many merchants don't have the right tools or processes to correctly identify fraudulent orders. Fraud is the #1 concern of cross-border merchants today (it was ranked 9th out of 10 a year ago). Nearly 40% of US retailers are rejecting more than 10% of their cross-border orders due to suspected fraud. That's almost triple the domestic average.

Some retailers fail to have a diversified carrier network, which can make them uncompetitive in terms of cost and/or coverage. Cross-border consumers ranked the cost of shipping as the #1 reason for cart abandonment. Yet, many global carriers don't have effective local delivery, and many country-specific freight forwarders don't have the scale to provide global coverage. 83% of high-growth retailers use three or more parcel carriers for their cross-border logistics. A third of them use between five and 20 carriers.

Fraud management is now the #1 concern for cross-border merchants.

Top cross-border challenges as ranked by retailers in our 2018 Global Ecommerce Study



We are the #1 international ecommerce services vendor to the IR1000.

We provide modular and end-to-end solutions for merchants looking to sell farther while reducing risk in the global ecommerce market.

Get more insights from our landmark 2018 Global Ecommerce Study. [Visit **pb.com/ecommerce**](https://www.pitneybowes.com/ecommerce)

Live Chat/Click-To-Call

Live chat/click-to-call vendors provide software and services to help e-retailers 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. Scott Emmons, director of the Neiman Marcus Innovation Lab, says artificial intelligence and chatbots have the potential to help live agents that service online customers. Chatbots, he says, can find and share product information much faster than a human and would allow Neiman Marcus customer service employees to concentrate on more difficult customer needs. One reason retailers are investing in these technologies is that customers like them. Live chat/click to call vendors include Bold360, LivePerson Inc. and LiveChat Inc.

1	LIVEPERSON	Top 1000 Clients ▶ 92	Client Web Sales ▶ \$54.00B
2	BOLD360 ¹	Top 1000 Clients ▶ 50	Client Web Sales ▶ \$10.31B
3	ORACLE	Top 1000 Clients ▶ 49	Client Web Sales ▶ \$45.59B
4	LIVECHAT	Top 1000 Clients ▶ 43	Client Web Sales ▶ \$5.03B
5	ZENDESK	Top 1000 Clients ▶ 27	Client Web Sales ▶ \$2.30B
6	OLARK	Top 1000 Clients ▶ 24	Client Web Sales ▶ \$2.60B
7	MOXIE	Top 1000 Clients ▶ 16	Client Web Sales ▶ \$29.58B
8	RADIAL ²	Top 1000 Clients ▶ 11	Client Web Sales ▶ \$5.19B
9	SNAPENGAGE	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$510.06M
10	EGAIN	Top 1000 Clients ▶ 6	Client Web Sales ▶ \$11.48B

1. In June 2017 BoldChat rebranded as Bold360. 2. Radial is owned by bpost.

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included.
 Source: Internet Retailer

Marketplace Management

Selling on online marketplaces, like those operated by Amazon.com Inc., eBay Inc. and Walmart Inc., is becoming a bigger part of more retailers' e-commerce strategies. Many retailers who sell on these channels often do so on multiple marketplaces instead of selling on just one platform. And while there are benefits to diversifying channels, this strategy can also be complex when managing the different inventory, sales and advertising requirements on different marketplaces. Marketplace management technology, offered by vendors such as ChannelAdvisor Corp. and GoDataFeed, helps retailers and brands manage marketplace sales. For instance, some marketplace management software enables retailers to adjust product pricing, SKUs and fulfillment on multiple marketplaces in one dashboard. That way sellers can view their entire marketplace portfolio in one spot. A leader in the category is ChannelAdvisor, which allows retailers to manage product orders and analytics on more than 100 marketplaces around the world.

1 CHANNELADVISOR
 Top 1000 Clients ▶ 129 Client Web Sales ▶ \$70.76B

2 COMMERCEHUB
 Top 1000 Clients ▶ 37 Client Web Sales ▶ \$9.71B

3 GODATAFEED
 Top 1000 Clients ▶ 15 Client Web Sales ▶ \$1.68B

4 RADIAL¹
 Top 1000 Clients ▶ 9 Client Web Sales ▶ \$4.97B

5 PITNEY BOWES
 Top 1000 Clients ▶ 5 Client Web Sales ▶ \$2.59B

6 ROI REVOLUTION
 Top 1000 Clients ▶ 4 Client Web Sales ▶ \$403.16M

7 MONSOON
 (Tie) Top 1000 Clients ▶ 2 Client Web Sales ▶ \$823.945M

7 SINGLEFEED
 (Tie) Top 1000 Clients ▶ 2 Client Web Sales ▶ \$234.17M

9 ORACLE
 (Tie) Top 1000 Clients ▶ 1 Client Web Sales ▶ \$1.70B

9 SPS COMMERCE
 (Tie) Top 1000 Clients ▶ 1 Client Web Sales ▶ \$898.10M

1. Radial is owned by bpost.

Mobile Commerce

Mobile has never been more important to driving online retail sales, according to new data released by Salesforce.com Inc. 62% of all e-commerce traffic stemmed from smartphones in the second quarter of 2018, up from 57% a year earlier. Additionally, mobile devices accounted for 42% of all orders in the second quarter, compared with 35% a year earlier, according to the Salesforce Q2 2018 Shopping Index. The number of mobile orders grew 41% year over year in the second quarter, and Salesforce expects mobile devices to account for half of online orders by the end of 2018. Mobile traffic grew 17% year over year, Salesforce says. Salesforce's findings are based on its analysis of shopping activity of more than 500 million consumers across the world on 853 e-commerce sites spanning 1.4 billion visits. Mobile commerce vendors can help retailers tap into the increasingly mobile shopper by helping with designing mobile sites and apps, optimizing for speedy mobile sites, aiding in mobile payments and advertising, and more. In an August 2018 survey of 183 e-commerce executives conducted by Internet Retailer, 54% listed improving the mobile shopping experience as one of their main reasons for spending more on e-commerce technology over the next year.

1	SALESFORCE	Top 1000 Clients ▶ 59	Client Web Sales ▶ \$20.02B
2	MOOVWEB	(Tie) Top 1000 Clients ▶ 38	Client Web Sales ▶ \$22.94B
2	BRANDING BRAND	(Tie) Top 1000 Clients ▶ 38	Client Web Sales ▶ \$22.09B
4	MOBIFY	(Tie) Top 1000 Clients ▶ 11	Client Web Sales ▶ \$4.92B
4	MAD MOBILE	(Tie) Top 1000 Clients ▶ 11	Client Web Sales ▶ \$2.83B
6	USABLENET	(Tie) Top 1000 Clients ▶ 10	Client Web Sales ▶ \$7.08B
6	ORACLE	(Tie) Top 1000 Clients ▶ 10	Client Web Sales ▶ \$2.60B
8	UNBOUND COMMERCE	Top 1000 Clients ▶ 9	Client Web Sales ▶ \$2.43B
9	SKAVA ¹	Top 1000 Clients ▶ 7	Client Web Sales ▶ \$11.95B
10	IBM	Top 1000 Clients ▶ 5	Client Web Sales ▶ \$4.39B

2. Skava is owned by Infosys.

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 Source: Internet Retailer

Online Advertising

Search engine advertising giant Google—faced with growing competition from Amazon as more shoppers begin product searches there—implemented a litany of new ad options for online retailers in recent years. While multiple studies show that more than half of consumers now begin their product searches on Amazon.com, its apps and Amazon-owned sites, many online retailers continue to invest in paid ads on search engines. They are taking advantage of these new options from Google, many of which do a better job than in the past of targeting consumers and presenting them with ads that drive measurable sales and web traffic. Some vendors offer online advertising products and services to help retailers manage digital ads, such as dynamic retargeting, dynamic email advertising, and Facebook, Instagram and mobile app advertising help. Firms like vendor AdRoll and Criteo offer these services.

1	GOOGLE	Top 1000 Clients ▶ 441	Client Web Sales ▶ \$66.23B
2	CRITEO	Top 1000 Clients ▶ 211	Client Web Sales ▶ \$100.23B
3	RUBICON PROJECT	Top 1000 Clients ▶ 156	Client Web Sales ▶ \$17.18B
4	CHANNELADVISOR	Top 1000 Clients ▶ 100	Client Web Sales ▶ \$54.63B
5	ADROLL	Top 1000 Clients ▶ 99	Client Web Sales ▶ \$13.96B
6	MEDIAMATH	Top 1000 Clients ▶ 86	Client Web Sales ▶ \$49.64B
7	TAPAD	Top 1000 Clients ▶ 40	Client Web Sales ▶ \$3.65B
8	DRAWBRIDGE	Top 1000 Clients ▶ 38	Client Web Sales ▶ \$2.54B
9	PUBMATIC	Top 1000 Clients ▶ 35	Client Web Sales ▶ \$4.90B
10	CONVERSANT	Top 1000 Clients ▶ 34	Client Web Sales ▶ \$36.92B

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included.
 Source: Internet Retailer

Order Management

Order management technology is especially important for retailers that operate both stores and an e-commerce site, as a good order management system provides better inventory visibility to consumers, which can help sales. For example, some order management systems are designed to allow online 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 also change this logic based on the type of product as well (i.e. boots vs. jeans vs. apparel, etc.). 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 his choosing and pay for it. Vendors such as Radial offer many of these services.

1	ORACLE	Top 1000 Clients ▶ 30	Client Web Sales ▶ \$9.77B
2	JDA SOFTWARE	Top 1000 Clients ▶ 28	Client Web Sales ▶ \$11.27B
3	ORACLE NETSUITE ¹	Top 1000 Clients ▶ 22	Client Web Sales ▶ \$4.95B
4	IBM	Top 1000 Clients ▶ 20	Client Web Sales ▶ \$42.79B
5	MANHATTAN ASSOCIATES	Top 1000 Clients ▶ 14	Client Web Sales ▶ \$14.49B
6	RADIAL ²	Top 1000 Clients ▶ 13	Client Web Sales ▶ \$7.03B
7	SAP HYBRIS	(Tie) Top 1000 Clients ▶ 11	Client Web Sales ▶ \$10.22B
7	MICROSOFT	(Tie) Top 1000 Clients ▶ 11	Client Web Sales ▶ \$2.00B
9	MONSOON	Top 1000 Clients ▶ 8	Client Web Sales ▶ \$769.39M
10	KIBO	Top 1000 Clients ▶ 7	Client Web Sales ▶ \$783.99M

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

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included.
 Source: Internet Retailer

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. A leader in this category is PayPal Holdings Inc., whose list of clients include retailers such as Newegg Inc., Etsy Inc. and Summit Sports. Last year, Google announced that consumers can link their PayPal accounts to Android Pay, which will help the payment systems compete with Apple Pay. A consumer can use either Android Pay or her PayPal account where one or the other is accepted. For example, a consumer can use her PayPal account to check out in apps and at physical stores that accept Android Pay. Now consumers can use their Android Pay account to check out from retailers that offer PayPal on mobile websites in the Chrome browser. The move also will help bolster Android Pay use, as many online retailers offer PayPal and many consumers use PayPal, especially on mobile devices.

1	PAYPAL	Top 1000 Clients ▶ 164	Client Web Sales ▶ \$23.78B
2	CHASE PAYMENTECH	Top 1000 Clients ▶ 86	Client Web Sales ▶ \$226.71B
3	CYBERSOURCE ¹	Top 1000 Clients ▶ 49	Client Web Sales ▶ \$15.51B
4	AUTHORIZE.NET ²	Top 1000 Clients ▶ 37	Client Web Sales ▶ \$4.29B
5	AMAZON WEB SERVICES	Top 1000 Clients ▶ 32	Client Web Sales ▶ \$2.45B
6	WORLDPAY ³	Top 1000 Clients ▶ 27	Client Web Sales ▶ \$22.72B
7	FIRST DATA	Top 1000 Clients ▶ 26	Client Web Sales ▶ \$38.68B
8	RADIAL ⁴	Top 1000 Clients ▶ 14	Client Web Sales ▶ \$9.37B
9	GOOGLE	Top 1000 Clients ▶ 13	Client Web Sales ▶ \$8.06B
10	CARDINALCOMMERCE	Top 1000 Clients ▶ 11	Client Web Sales ▶ \$2.88B

1. CyberSource is owned by Visa. 2. Authorize.net is owned by Visa. 3. In January 2018 Vantiv acquired WorldPay and is doing business as WorldPay. 4. Radial is owned by bpost.

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included.
 Source: Internet Retailer

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. “Historically, many business owners have taken action themselves, such as implementing manual reviews to spot fraud,” says Rafael Lourenco, vice president at ClearSale S.A., a fraud detection and prevention software provider. But that labor-intensive approach frequently results in lost revenue because legitimate transactions are often misidentified as fraudulent, he says. Although it would be nearly impossible to completely eradicate fraud, Lourenco says retailers should take a more strategic approach and work with vendors that combine human analysis with artificial intelligence to build tools that will predict and counter criminals’ next moves.

1 DIGICERT¹
Top 1000 Clients ▶ 46 **Client Web Sales** ▶ \$9.17B

2 CYBERSOURCE²
Top 1000 Clients ▶ 40 **Client Web Sales** ▶ \$18.45B

3 ACCERTIFY³
Top 1000 Clients ▶ 25 **Client Web Sales** ▶ \$83.47B

4 MCAFEE
Top 1000 Clients ▶ 23 **Client Web Sales** ▶ \$2.93B

5 PAYPAL
Top 1000 Clients ▶ 21 **Client Web Sales** ▶ \$1.96B

6 RADIAL⁴
Top 1000 Clients ▶ 15 **Client Web Sales** ▶ \$9.46B

7 AUTHORIZE.NET⁵
Top 1000 Clients ▶ 11 **Client Web Sales** ▶ \$1.56B

8 RISKIFIED
(Tie) Top 1000 Clients ▶ 10 **Client Web Sales** ▶ \$1.86B

8 CHASE PAYMENTECH
(Tie) Top 1000 Clients ▶ 10 **Client Web Sales** ▶ \$1.41B

8 FORTER
(Tie) Top 1000 Clients ▶ 10 **Client Web Sales** ▶ \$1.07B

1. In October 2017 DigiCert purchased Symantec’s website security and related PKI solutions. 2. CyberSource is owned by Visa. 3. Accertify is owned by American Express. 4. Radial is owned by bpost. 5. Authorize.net is owned by Visa.

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Personalization

A large advantage e-commerce sites have over their bricks-and-mortar competitors is their ability to show a customer products she might like based on past site behavior or past purchases. Personalization allows websites to show customers the products they're most likely to buy, through a range of marketing channels like targeted emails and recommended products. Even with consumers wary of providing too much data, the benefits of making them feel unique can be dramatic. Some companies report seeing 10% jumps in web sales after personalization efforts. Basic personalization, like a sports gear retailer letting you choose a few teams when you first visit the site, is just one step in the personalization game. Combining buying history, demographic information, geographic details and pricing data can connect customers with products they want to buy. Pain points in personalization include gathering the necessary data, analyzing trends to determine 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 option. Automation and artificial intelligence are playing a growing role in determining how companies spend their time personalizing products for individuals as well.

1	CERTONA		CERTONA
	Top 1000 Clients ▶ 93	Client Web Sales ▶ \$47.84B	
2	MONETATE		
	Top 1000 Clients ▶ 83	Client Web Sales ▶ \$32.83B	
3	SALESFORCE		
	Top 1000 Clients ▶ 62	Client Web Sales ▶ \$20.06B	
4	BLUECORE		
	Top 1000 Clients ▶ 57	Client Web Sales ▶ \$36.92B	
5	RICHRELEVANCE		
	Top 1000 Clients ▶ 37	Client Web Sales ▶ \$33.79B	
6	REFLEKTION		
	Top 1000 Clients ▶ 21	Client Web Sales ▶ \$3.25B	
7	ADOBE		
	Top 1000 Clients ▶ 19	Client Web Sales ▶ \$21.69B	
8	GROUPBY		
(Tie)	Top 1000 Clients ▶ 18	Client Web Sales ▶ \$7.30B	
8	MAGNETIC		
(Tie)	Top 1000 Clients ▶ 18	Client Web Sales ▶ \$2.90B	
10	TOWERDATA		
	Top 1000 Clients ▶ 17	Client Web Sales ▶ \$9.28B	

Personalization



CERTONA

Rank
In Category
1

TOP 1000
CLIENTS

93

Primary URL: Certona.com

Year Launched: 2004

Certona provides AI-based real-time personalization to more than 600 e-commerce websites in more than 70 countries. The Certona Experience Manager product identifies customers according to factors like demographics browsing and purchase history, location, current session site context, and other factors. This information is then used to present customers with product recommendations. The recommendations are created based on the consumers' in-the-moment behaviors, their profiles and a deep-learning algorithm. All customer data is profiled using behavioral knowledge, contextualization, segmentation information and predictive intelligence. The firm's Certona Experience Manager product gives clients tools to measure and test performance. The product enables clients to manage the personalization process and also target different audiences, manage content and manage permissions granted by customers. Certona also offers software designed to predict what a customer wants to find on an e-commerce website, along with email and remarketing personalization software.

2018 TOP 1000
RETAIL CLIENTS

93

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 22

Chain Retailer: 41

Manufacturer: 14

Catalog/Call Center: 16

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0

\$15-40 million: 8

\$40-125 million: 34

\$125-500 million: 28

\$501 million or more: 23

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$47,838,073,712

KEY CLIENTS

- Bed, Bath & Beyond
- Game Stop
- Victoria's Secret
- Gap
- Lands' End
- Nike

PRODUCTS & SERVICES

Omnichannel personalization with solutions for product discovery, content engagement, product recommendations, email and remarketing.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

10431 Wateridge Circle, Suite 200
San Diego, CA 92121
858-369-3888

Management

Meyar Sheik, CEO/Co-Founder
Geoffrey Hueter, CTO/Co-Founder
Dustin Ritter, CMO

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation
with **Meyar Sheik**,
CEO & Co-Founder, Certona



What are the challenges of implementing personalization? For example, is it expensive and/or technically difficult?

Most commonly, retailers lack the technology infrastructure and internal resources to stand up a strategic program. Many retailers still rely on legacy systems and manage segregated channels, which creates issues with data management and integration with new technologies. Another aspect is good data. Without this, the breadth and depth of what you can do with personalization is limited.

Finally, all technology implementations come with investment. Depending on the provider, capabilities and feature set, the cost can be expensive for many organizations. For this reason, I always encourage retailers to approach personalization as a strategic business initiative and holistically across all channels and touchpoints. Implement in phases, walk before you run and do not try to boil the ocean.

How can personalization technology be used with landing pages and product pages?

Personalizing the product detail page is an important part of the shopper's journey. You have real-time, explicit behaviors that can be used to surface additional relevant or similar products, images, and promotions, directly improving conversion rates.

A powerful personalization strategy is optimizing paid search and outbound campaigns through individualized landing pages. Retailers can deliver personalized experiences based on shoppers' context and interactions with Google Product Listing Advertisements (PLAs), or any outbound campaign item that directs the shopper back to a personalized landing page that now displays an expanded selection of relevant items.

Why is it important is it to track consumers across various devices?

Shoppers are engaging with brands across multiple touchpoints and the result is that shopper data has become extremely fragmented. Shoppers don't see each channel or device as separate experiences and if these interactions aren't consistent and connected the shopper gets frustrated and will go somewhere else.

When retailers know what a shopper is searching for and how they engage with a brand through each device and channel, then it becomes possible to target this shopper with relevant content, incentives, and recommendations at the right time, within the right medium.

How is e-mail marketing evolving and how does personalization play a role?

Retail marketers are evolving their programs to move past the one-size-fits-all batch and blast approach to more refined segmentation, and now to dynamically individualized communications. In fact, our clients experience a greater ROI on personalizing transactional, marketing and retargeting emails (on average) than the personalization ROI they experience on the web channel.

With personalization, marketers can leverage real-time continuous shopper profiling into email programs delivering more targeted and meaningful content, promotions, and recommendations to each individual shopper, in real time, at the point of email open.



C E R T O N A

POWERING 100 BILLION
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THERE'S A REASON WHY WE'RE **RANKED #1** PERSONALIZATION PROVIDER

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**



**OPTIMIZATION
EXPERTISE**



**BEST-IN-CLASS
CLIENTS**



**UNPARALLELED
FLEXIBILITY**



**HIGH-TOUCH
SUPPORT**



**ALL-IN-ONE
SUITE**

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.

Partnered with more than 500 brands in over 70 countries, Certona has the only personalization suite built for cutting-edge digital commerce.



CERTONA

www.certona.com

Rich Media

Digitizing a paper catalog has never cut it for online retail, but rich media is sometimes a headache for e-commerce retailers. High-resolution photography, dynamic reviews and a variety of product shots are table stakes in online retail. And adding elements like 360-degree product views, videos of items in use or even augmented reality can boost sales by offering nearly as much detail, if not more, as consumers find in a store. This has become especially important with the increase in smartphone shopping, where sensors like a camera, gyroscope and touchscreen can make products come to life. Social media also brings rich media opportunities for retailers, with new ad formats like in-line, auto-playing videos providing engaging formats for potential customers. Investments in better media can also save retailers money—good 360-degree views or videos can answer consumer questions without them needing to reach out to customer service. Rich media can also serve as content, helping to create powerful blog posts that are directly shoppable or tell customer stories to show the use of a product. And rich media can be reused across platforms, with tweaks made for Facebook videos, Snapchat stories or quick tweets.

1	ADOBE	Top 1000 Clients ▶ 117	Client Web Sales ▶ \$225.48B
2	SNAP36	Top 1000 Clients ▶ 43	Client Web Sales ▶ \$242.26B
3	WEBCOLLAGES ¹	Top 1000 Clients ▶ 27	Client Web Sales ▶ \$203.90B
4	INVODO	Top 1000 Clients ▶ 26	Client Web Sales ▶ \$48.05B
5	BRIGHTCOVE	Top 1000 Clients ▶ 22	Client Web Sales ▶ \$37.47B
6	SELLPOINTS	Top 1000 Clients ▶ 20	Client Web Sales ▶ \$81.88B
7	VIMEO	Top 1000 Clients ▶ 11	Client Web Sales ▶ \$1.37B
8	WISTIA	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$2.67B
9	PMG	Top 1000 Clients ▶ 6	Client Web Sales ▶ \$2.55B
10	CHANNELADVISOR	Top 1000 Clients ▶ 5	Client Web Sales ▶ \$6.17B

1. Webcollage is owned by Gladson.

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 also 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.

1	KENSHOO	
	Top 1000 Clients ▶ 99	Client Web Sales ▶ \$232.81B
2	MARIN SOFTWARE	
	Top 1000 Clients ▶ 42	Client Web Sales ▶ \$33.43B
3	I PROSPECT	
(Tie)	Top 1000 Clients ▶ 28	Client Web Sales ▶ \$188.29B
3	MERKLE	
(Tie)	Top 1000 Clients ▶ 28	Client Web Sales ▶ \$22.10B
5	BLOOMREACH	
(Tie)	Top 1000 Clients ▶ 22	Client Web Sales ▶ \$27.22B
5	PMX AGENCY	
(Tie)	Top 1000 Clients ▶ 22	Client Web Sales ▶ \$7.66B
7	ROI REVOLUTION	
	Top 1000 Clients ▶ 19	Client Web Sales ▶ \$1.29B
8	GOOGLE	
	Top 1000 Clients ▶ 14	Client Web Sales ▶ \$3.45B
9	ADOBE	
	Top 1000 Clients ▶ 11	Client Web Sales ▶ \$1.77B
10	PEPPERJAM	
	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$2.44B

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included.
 Source: Internet Retailer

Search Engine Marketing



Rank
In Category
1

TOP 1000
CLIENTS

99

Primary URL: Kenshoo.com

Year Launched: 2006

Kenshoo software is designed to help brands, agencies and developers automate and optimize their marketing spending. Kenshoo's software helps clients run ad campaigns across the leading search platforms, including Google, Bing, Yahoo and Pinterest. Using Kenshoo's software, retailers can schedule actions and set up mirror campaigns in new locales, create test campaigns, and evaluate those campaigns on the platforms of different publishers. The automation features are designed to help marketers easily manage large numbers of accounts or locations. The technology 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 product allows retailers to connect order management systems and CRMs to automatically launch new accounts, and manage large numbers of accounts or locations. It also has tools intended to help marketers pinpoint audiences within specific geographic locations.

2018 TOP 1000
RETAIL CLIENTS

99

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 27

Chain Retailer: 42

Manufacturer: 21

Catalog/Call Center: 9

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0

\$15-40 million: 8

\$40-125 million: 35

\$125-500 million: 27

\$501 million or more: 29

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$232,813,023,816

KEY CLIENTS

- Amazon
- DSW
- Best Buy
- Staples
- Target
- Nordstrom

PRODUCTS & SERVICES

Automated, optimized and personalized paid search campaigns, campaign mirroring, budget forecasting, unified reporting, and conversion tracking; Kenshoo Local offers targeted campaigns to local customers.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

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

Management

Yoav Izhar-Prato, CEO/Co-Founder
Alon Sheafer, Chief Innovation Officer/Co-Founder
William Martin-Gill, Chief Corp. Strategy & Development Officer/GM, Search

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation with **Will Martin-Gill**, Chief Corporate Strategy and Development Officer and General Manager, Search, Kenshoo



What are the newest features in search engine marketing (SEM) available today that retailers might not know about?

The recent trends in SEM innovation have revolved around four key areas:

- The evolution of search beyond keywords, especially visual and voice search, new non-text search ad types, and new audience strategies.
- The expansion of SEM to e-commerce and discovery platforms like Amazon and Pinterest, as well as the expansion of advertising that reveals actual inventory in real time.
- The growth of machine learning algorithms to complement traditional SEM analysis and drive insights and improvements in the way campaigns are structured and how business impact is tested.
- The evolution of search to reach customers earlier in the shopping process, using search publishers, ad types and strategies to maximize opportunity throughout the customer journey

What are some common mistakes you see retailers make when it comes to the way they think about or implement search engine marketing?

SEM practitioners can easily lose effectiveness by focusing only on lower-funnel ROI optimization to the exclusion of bringing in new customers and prospects. Over time, this turns SEM into a non-incremental program targeting the brand's most educated customers alone, massively decreasing the impact of SEM across the business.

Many advertisers also get stuck by being overly focused on re-targeting audiences in search. Best-in-class advertisers are very focused on expanding the use of loyalty and customer relationship management data to better and more holistically engage their customers through search.

Despite significant advances in automation, many SEM teams still devote a lot of their efforts to analyzing their campaigns, making tactical changes at scale and implementing new requirements from search engines. SEM practitioners can significantly benefit from implementing the latest advances in automation and AI to improve how they do this at scale, and work with technology partners that can help them execute in an agile way across the publishers.

Some advertisers also struggle with proving the actual impact of their search investment on the business, as finance organizations will question the ROI of brand or other parts of the program. Multi-touch attribution solutions provide a partial view but have been difficult to implement and get buy-in from all parts of the organization. Hold-out testing is the Holy Grail, but advertisers struggle with how to execute and interpret tests at scale on an ongoing basis.

What is an example of a retailer really getting search engine marketing right and utilizing it to its fullest advantage?

STYLEBOP.com, a German luxury apparel retailer, has taken full advantage of automation and optimization to help expand and customize their campaign initiatives by local regions across Europe. Through the use of these detailed customization and optimization strategies, they have been able to dramatically expand their reach and improve return on ad spend. They were early adopters of audience targeting in search marketing and successfully used native placements across search publishers.

In addition to what they've done directly within SEM, they've also levered the data from their search program to further customize and target consumers through social advertising on Facebook.



THERE'S A RIGHT WAY TO ADVERTISE

The only media that matters. Marketing that works.



#1

Fourth
Consecutive
Year

Search Engine Marketing



Manage, automate and optimize full-funnel search engine marketing campaigns across leading publishers at scale.



Campaign mirroring
across Google, Bing,
Yahoo and Pinterest



Scheduled
Actions



Advanced bid
and budget
optimization



Cross-channel
conversion
tracking

The all-you-need technology platform for the world's best brands



Kimberly-Clark

ALEX AND ANI



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. Popular browsers like Chrome and Safari 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. Retailers can experience over 10% higher conversion rates with these certification measures. To get certified, retailers pay a monthly fee and install the certificate on their servers. Many security certificate vendors also include threat management, compliance help and vulnerability checks as part of their offerings.

1 DIGICERT¹
Top 1000 Clients ▶ 387 **Client Web Sales** ▶ \$323.76B

2 MCAFEE
Top 1000 Clients ▶ 207 **Client Web Sales** ▶ \$72.64B

3 GODADDY
Top 1000 Clients ▶ 148 **Client Web Sales** ▶ \$29.82B

4 GEOTRUST
Top 1000 Clients ▶ 123 **Client Web Sales** ▶ \$57.43B

5 COMODO
Top 1000 Clients ▶ 119 **Client Web Sales** ▶ \$68.25B

6 THAWTE
Top 1000 Clients ▶ 45 **Client Web Sales** ▶ \$14.13B

7 LET'S ENCRYPT
Top 1000 Clients ▶ 33 **Client Web Sales** ▶ \$1.86B

8 TRUSTWAVE
Top 1000 Clients ▶ 28 **Client Web Sales** ▶ \$10.03B

9 NETWORK SOLUTIONS
(Tie) **Top 1000 Clients** ▶ 26 **Client Web Sales** ▶ \$3.40B

9 GLOBALSIGN
(Tie) **Top 1000 Clients** ▶ 26 **Client Web Sales** ▶ \$2.16B

1. In October 2017 DigiCert purchased Symantec's website security and related PKI solutions.

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 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 help various vendors stand out. When considering a vendor, retailers want to think about product volume, package density and warehouse locations to fully realize possible benefits. Insurance and software integrations are also possible perks. Shipping carriers often experience similar problems, including crushing holiday volumes that can delay deliveries, slowdowns from natural disasters and mishandled packages that could reflect negatively on retailers.

1 UPS
Top 1000 Clients ▶ 272 **Client Web Sales** ▶ \$243.86B

2 FEDEX
Top 1000 Clients ▶ 190 **Client Web Sales** ▶ \$215.66B

3 USPS
Top 1000 Clients ▶ 189 **Client Web Sales** ▶ \$203.51B

4 DHL
Top 1000 Clients ▶ 32 **Client Web Sales** ▶ \$154.52B

5 PITNEY BOWES¹ 
Top 1000 Clients ▶ 12 **Client Web Sales** ▶ \$3.69B

6 CANADA POST
Top 1000 Clients ▶ 6 **Client Web Sales** ▶ \$1.16B

7 NONSTOPDELIVERY.COM
(Tie) **Top 1000 Clients** ▶ 3 **Client Web Sales** ▶ \$7.24B

7 ONTRAC
(Tie) **Top 1000 Clients** ▶ 3 **Client Web Sales** ▶ \$3.20B

9 SEKO
(Tie) **Top 1000 Clients** ▶ 2 **Client Web Sales** ▶ \$7.13B

9 RYDER²
(Tie) **Top 1000 Clients** ▶ 2 **Client Web Sales** ▶ \$4.69B

1. In October 2017 Pitney Bowes acquired Newgistics. 2. In April 2018 Ryder System acquired MXD Group.

Shipping Carrier

pitney bowes



Rank
In Category
5

TOP 1000
CLIENTS

12

Primary URL: PitneyBowes.com

Year Launched: 1920

Pitney Bowes offers tools designed to help office and retail shippers send and receive packages domestically and internationally. Products include tools for automated parcel sorting and data capture, outbound shipping, and receiving and tracking. It also offers consolidated billing and reporting options designed to simplify shipping-related expense management. Those options include a credit line for postage and other office-related expenses, a PC-based information management system, and shopping payment software. Products include SendPro, an online shipping and mailing program for shippers that send fewer than 20 packages a day; SendPro Enterprise, designed to help shippers manage their outbound shipping via the cloud; SendPro C200, all-in-one technology for office mailing and package shipping; and SendSuite Live, a web-based service that uses a single platform to manage all transportation-related activities and automates the process of charging back shipping expenses to client accounts or departments.

2018 TOP 1000
RETAIL CLIENTS

12*

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 3

Chain Retailer: 3

Manufacturer: 3

Catalog/Call Center: 3

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0

\$15-40 million: 2

\$40-125 million: 4

\$125-500 million: 5

\$501 million or more: 1

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$3,692,945,873

KEY CLIENTS

- Victoria's Secret
- Swiss Colony
- Warby Parker
- Harry's
- Touch of Modern
- Balsam Hill

PRODUCTS & SERVICES

Outbound shipping, receiving, tracking and parcel sorting services.

Entry Level Pricing: Shipping supplies and equipment range from \$5-\$1,500+; various subscription plans range from \$15-\$60/mo.; pricing varies for other software and data solutions.

CORPORATE

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

Management

Marc B. Lautenbach, President/CEO
Lila Snyder, EVP/President, Commerce Services
Bill Borrelle, SVP/CMO

In October 2017 Pitney Bowes acquired Newgistics.

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation
with **Rajeeb Mohapatra**, Senior
Vice President and General
Manager, Shipping Solutions,
Pitney Bowes



Should merchants regularly review their mix of shipping carriers and how often should they do it?

This should be done on an ongoing basis, ideally with a shipping solution that automatically evaluates the entire logistics landscape to deliver the best shipping option for each purchase, delivery and/or return.

Globally, e-commerce continues to drive growth in all regions. Global e-commerce giants continue to raise the bar, resetting consumer expectations when it comes to shipping. As retailers race to keep up with increasing consumer expectations, carriers must create efficient, seamless services that deliver in a world of “fast and free” e-commerce shipping.

How can an e-retailer manage shipping costs to make them as small as possible?

The cost must be calculated for each and every delivery with an optimized mix of carriers that can deliver to consumer expectations.

The parcel carrier space is dominated by a few large players, which has resulted in growing costs while consumers increasingly demand free(er) and faster shipping. This is an area ripe for disruption—more so than what we’ve seen in the local/regional courier market. We know that by leveraging the strengths of partners like USPS and adding in proprietary networks and technologies, there are ways to provide free(er) shipping nationwide while eliminating compromises in visibility, reliability or acceptable speed.

As retailers look to reduce shipping costs, they must balance their decisions against consistently rising consumer expectations. Our most recent survey found that only half of online shoppers consider two-day shipping “fast.” Retailers cannot fall into the trap of accepting service levels that are too slow.

How important are shipping and returns to consumers and what do they value most?

We recently found that 61% of consumers felt let down by their holiday shopping experience online, primarily due to issues occurring after they made a purchase. This figure was 47% in 2017, and only 41% in 2016, up 20 percentage points in two years. Consumers point to issues with shipping and returns as causes for their dissatisfaction.

Retailers enjoying higher revenue growth focus on the entire “purchase to purchase” consumer experience. In this quickly maturing market, consumers are looking for real-time tracking of packages, free and fast shipping, easy returns with preprinted labels, prompt refunds, and even branded shipping boxes.

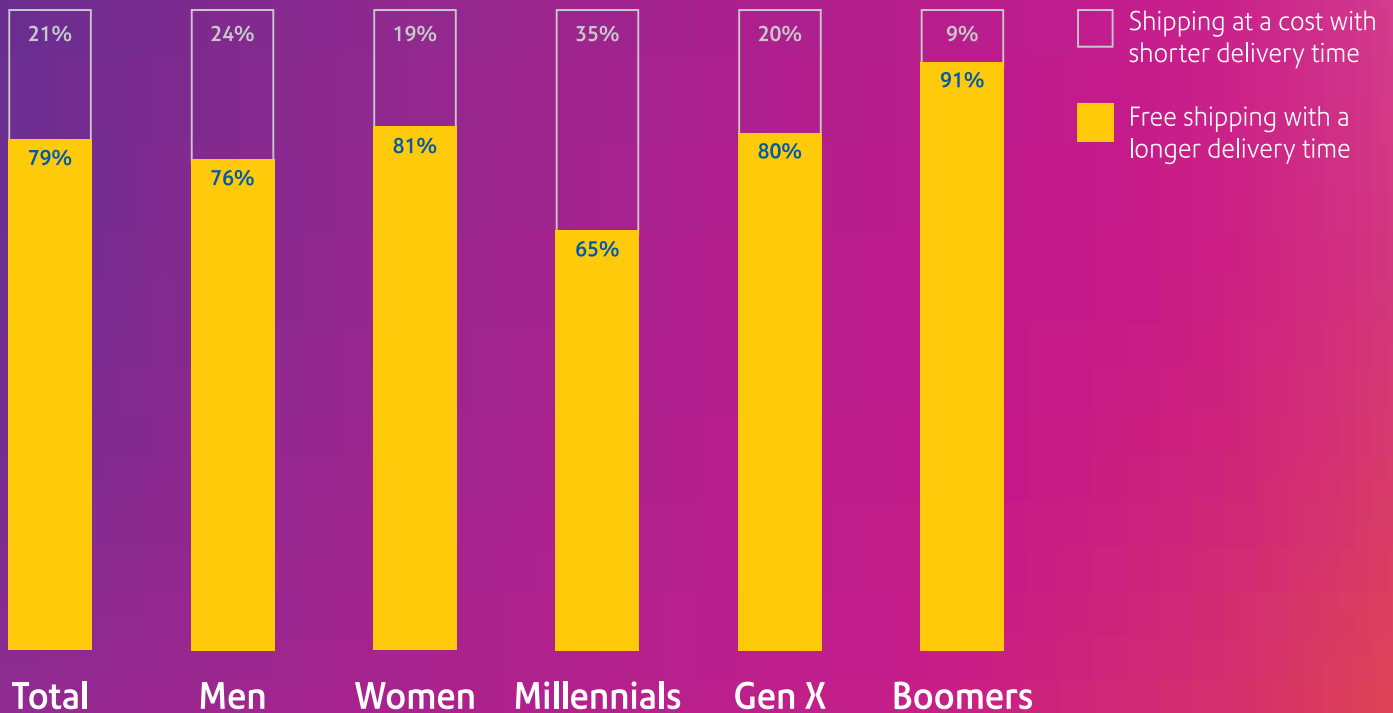
The stakes are high. 36% of consumers shop somewhere else if they have one poor post-purchase experience. 54% of consumers talk about their bad experiences with others (friends, social networks, online reviews, emails to retailers, etc.). Fast refunds matter as well: 61% of consumers expect a refund on their online return within two to four days. A quarter expect them in one day or less.

What’s most important to consumers, fast shipping or free shipping?

Free is most important: 91% of consumers leave the site if the retailer doesn’t offer some type of free shipping. But 67% of consumers are willing to make a minimum purchase of at least \$25 to qualify for free shipping. But perceptions of “fast” delivery—when consumers are willing to pay a premium for shipping—are changing as well. As previously stated, our research found that only half of consumers now consider two-day shipping “fast.” This is a wake-up call for retailers to re-examine their shipping strategies.

79% of consumers prefer free shipping over fast shipping.

If they had to choose between the two, per our 2018 Global Ecommerce Study, which also found that 69% of consumers expect to spend at least \$25 to qualify for free shipping.



We are a Top 5 parcel carrier to the IR1000—and growing fast.

We provide 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 2018 Global Ecommerce Study. Visit pb.com/ecommerce

Site Design

Slick site design is complicated. Retailers must balance clear product visuals, easy navigation, engaging content and responsive elements. Companies can hire freelance web developers to design one-off sites, but the web moves fast and designs can get stale quickly. Site design vendors keep developer costs down while allowing for agile site development, quickly catching up with trends like responsive design, integrated videos and shoppable content, while 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 e-commerce storefronts. Site design can also inform mobile apps, marketing materials, customer emails and advertising campaigns. Many site design vendors also offer products for these needs, allowing for seamless integration across channels and a unified experience for customers.

1 ORACLE

Top 1000 Clients ▶ 12 **Client Web Sales** ▶ \$3.86B

2 PEPPERJAM

Top 1000 Clients ▶ 11 **Client Web Sales** ▶ \$4.09B

3 IBM

(Tie) **Top 1000 Clients** ▶ 3 **Client Web Sales** ▶ \$3.41B

3 GUIDANCE

(Tie) **Top 1000 Clients** ▶ 3 **Client Web Sales** ▶ \$1.37B

3 WORKAREA ¹

(Tie) **Top 1000 Clients** ▶ 3 **Client Web Sales** ▶ \$116.24M

6 R/GA

(Tie) **Top 1000 Clients** ▶ 2 **Client Web Sales** ▶ \$2.93B

6 FLUID

(Tie) **Top 1000 Clients** ▶ 2 **Client Web Sales** ▶ \$635.57M

6 ADOBE

(Tie) **Top 1000 Clients** ▶ 2 **Client Web Sales** ▶ \$504.71M

9 CRITICAL MASS

(Tie) **Top 1000 Clients** ▶ 1 **Client Web Sales** ▶ \$15.86B

9 T3

(Tie) **Top 1000 Clients** ▶ 1 **Client Web Sales** ▶ \$1.94B

1. In February 2017 WebLinc rebranded as Workarea.

Site Search

E-commerce sites' search bars 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 on to 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, and personalized results based on search, order and website browsing history. Some retailers also are dabbling in search features that derive product matches via voice command or submitted photo of a similar product.

1	ORACLE	Top 1000 Clients ▶ 98	Client Web Sales ▶ \$81.75B
2	SALESFORCE	Top 1000 Clients ▶ 59	Client Web Sales ▶ \$19.78B
3	SLI SYSTEMS		Top 1000 Clients ▶ 48 Client Web Sales ▶ \$7.35B
4	APACHE SOLR	Top 1000 Clients ▶ 31	Client Web Sales ▶ \$20.31B
5	NEXTOPIA	Top 1000 Clients ▶ 23	Client Web Sales ▶ \$1.51B
6	ADOBE	(Tie) Top 1000 Clients ▶ 18	Client Web Sales ▶ \$7.81B
6	GROUPBY	(Tie) Top 1000 Clients ▶ 18	Client Web Sales ▶ \$7.29B
8	GOOGLE	Top 1000 Clients ▶ 15	Client Web Sales ▶ \$5.23B
9	PEPPERJAM	(Tie) Top 1000 Clients ▶ 12	Client Web Sales ▶ \$5.74B
9	HAWK SEARCH	(Tie) Top 1000 Clients ▶ 12	Client Web Sales ▶ \$3.99B

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. Source: Internet Retailer

Site Search



Rank
In Category
3

TOP 1000
CLIENTS

48

Primary URL: SLI-Systems.com

Year Launched: 2001

SLI Systems offers cloud-based, artificial intelligence tools designed to help retailers get more traffic and sales 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 September, SLI launched new filtering, analytics and merchandising tools, including software that allows merchandisers to boost, suppress, or even hide various product attribute variables based on shopper behavior, a search-phrases metrics monitoring tool, and a testing tool that can temporarily boost selected products "above the fold" to promote visibility. SLI operates on five continents and in 20 languages. It has been listed on the New Zealand Stock Exchange since 2013.

2018 TOP 1000
RETAIL CLIENTS

48

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 21

Chain Retailer: 9

Manufacturer: 5

Catalog/Call Center: 13

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0

\$15-40 million: 14

\$40-125 million: 23

\$125-500 million: 8

\$501 million or more: 3

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$7,348,993,741

KEY CLIENTS

- FTD
- Destination Maternity
- Tire Rack
- Lenovo Group
- Jomashop.com
- King Arthur Flour

PRODUCTS & SERVICES

Cloud-based, artificial intelligence platform that offers site search, navigation, merchandising and user-generated search engine optimization.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

101 Metro Dr., Suite 230
San Jose, CA 95110
866-240-2812

Management

Chris Brennan, CEO/Managing Director
Dr. Wayne Munro, CTO/Co-Founder
Michael Grantham, CIO/Co-Founder

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation
with **Carter Perez**,
Chief Revenue Officer

Cheri Winterberg,
Chief Marketing Officer

SLI Systems



Retailers have a lot of competing priorities. Why should improving search engine optimization (SEO) and site search be at or near the top of the list?

Carter: Site search has the highest return on investment when you look at the revenue generated relative to the time and money invested. An optimized site search not only helps site visitors discover products that are relevant to them, but it also facilitates the purchase of those products in fewer clicks.

Cheri: Creating an excellent customer experience should be at the top of the list for online retailers. More specifically: how do I anticipate shoppers' needs and quickly connect them to the most relevant products? Failure to do so means the loss of a sale.

What are some of the common SEO mistakes retailers make?

Carter: Many retailers do not have a holistic approach to SEO. Most retailers have a strategy in place to address the top keywords relevant to their businesses, but they are missing the bigger opportunity.

Cheri: According to a study by Moz, an SEO firm, long-tail phrases—those with a lot of specificity with more words than other search phrases—make up 70% of searches, and these longer searches show a higher conversion rate than the top keywords.

Carter: Data shows that I'm much more likely to make a purchase as my search term specificity grows. This becomes particularly relevant for B2B websites that have a lot of indicative parts or product strings, or in segments like apparel and fashion with highly descriptive product names.

How much can a retailer boost sales and conversion rates by improving site search?

Cheri: In our SLI customer base, we routinely see improvements in conversion over 40%. We also see increases in average order value (20% higher), improved time on site (32% higher), lower bounce rates (45% lower) and an additional benefit from the overall improved user experience that results in an increase in site-wide conversion, even if a visitor doesn't use search (19% higher).

What are the advantages of personalizing site search results?

Carter: From a retailer's perspective, the advantage of personalizing site search is that you 1) improve the user experience and 2) increase conversion rates. Personalizing site search is the natural progression of artificial intelligence-based search. I think about AI-based search as crowdsourced merchandising; you use the wisdom of the crowd to re-rank products that are relevant based on the search term entered. Enabling personalization improves the relevancy by tuning the search results to either a shopper's session-based behavior or their historical behavior.

Cheri: At the heart of it, great personalization is about retailers showing an individual shopper that they understand and can best address that shopper's needs. When this is done well, the shopper is happy, and the retailer makes money.

Monrovia grew its revenue 64% using site search technology from SLI Systems.



"We knew better product discovery would have a positive impact on our business. SLI Systems has made a huge difference in helping our customers find what they are looking for and boosting our revenue."

Kristopher Lichthart
Digital Marketing Director, Monrovia



Learn More:

www.sli-systems.com/InternetRetailer

(866) 240-2812

 [linkedin.com/company/sli-systems](https://www.linkedin.com/company/sli-systems)

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SLI Helps Big Brands Grow E-commerce Revenue

Social Media Marketing

Social media marketing is a vehicle for building brand awareness, gaining web traffic, promoting products and expanding a customer base. The opportunity for retailers to beef up marketing efforts via social media sites is enormous, and investments in this arena are paying off. Social networks have rolled out a steady stream of ad options such as Facebook Inc.'s dynamic ads for retail, and merchants can clearly connect the dots from these 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, so it makes sense for retailers to penetrate the likes of Facebook, Instagram, Snapchat and Pinterest. And the marketing channel is growing. Facebook's advertising revenue jumped 42.3% in Q2 2018, thanks in part to its strong mobile advertising business. Mobile ads accounted for 91% of the social network's ad revenue during the quarter, a four percentage point increase from 87% a year earlier. Based on that information, Internet Retailer calculates that Facebook's mobile ad business grew 48.8% during the quarter to \$11.865 billion from \$7.973 billion a year earlier. In an August 2018 survey of 183 e-commerce executives conducted by Internet Retailer, 33% listed social media as one of their top three budget priorities for the coming year—the third most popular answer.

1	KENSHOO	
	Top 1000 Clients ▶ 49	Client Web Sales ▶ \$198.74B
2	NANIGANS	
	Top 1000 Clients ▶ 21	Client Web Sales ▶ \$13.87B
3	SAP HYBRIS ¹	
	Top 1000 Clients ▶ 18	Client Web Sales ▶ \$20.67B
4	OLAPIC	
	Top 1000 Clients ▶ 17	Client Web Sales ▶ \$1.66B
5	CURALATE	
(Tie)	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$8.53B
5	DAVINCI MARKETING CLOUD ²	
(Tie)	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$8.18B
7	HOOTSUITE	
	Top 1000 Clients ▶ 8	Client Web Sales ▶ \$2.55B
8	SHOPSOCIALLY	
	Top 1000 Clients ▶ 7	Client Web Sales ▶ \$867.31M
9	PMX AGENCY	
	Top 1000 Clients ▶ 6	Client Web Sales ▶ \$5.31B
10	SPRINKLR	
	Top 1000 Clients ▶ 5	Client Web Sales ▶ \$1.83B

1. In November 2017 SAP Hybris acquired Giga. 2. In January 2018 Gravity4 rebranded as DaVinci Marketing Cloud.

Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. Source: Internet Retailer

Social Media Marketing



Rank
In Category
1

TOP 1000
CLIENTS

49

Primary URL: Kenshoo.com

Year Launched: 2006

Kenshoo is a technology company that helps marketers execute digital advertising across mobile and desktop publishers. Kenshoo's marketing software is integrated with Google, Facebook, Bing, Pinterest, Snapchat, Instagram, Yahoo, Yandex, Yahoo Japan and Baidu through each publisher's native APIs. The firm's Kenshoo Social product allows clients 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 functionalities. Among other things, the social media technology facilitates the creation of Instagram Stories Ads, which are video-based, full-screen ads in a vertical format inside Instagram. Kenshoo has completed more than 100 third-party integrations, and has campaigns running in more than 190 countries.

2018 TOP 1000
RETAIL CLIENTS

49

KEY CLIENTS

- Amazon
- Sears
- Overstock
- Lowe's
- Zumiez
- J. Crew

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 13
Chain Retailer: 21
Manufacturer: 14
Catalog/Call Center: 1

PRODUCTS & SERVICES

Creative Manager deploys ads and manages, traffics, sequences and optimizes creative assets. Personas manages audiences across campaigns.

Entry Level Pricing: Pricing and fees vary.

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0
\$15-40 million: 1
\$40-125 million: 14
\$125-500 million: 14
\$501 million or more: 20

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Management

Yoav Izhar-Prato, CEO/Co-Founder
Alon Sheaffer, Chief Innovation Officer/Co-Founder
Zvika Goldstein, Chief Product Officer/GM, Social

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$198,737,613,759

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.



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The only media that matters. Marketing that works.



#1

Fourth
Consecutive
Year

Social Media Marketing



Reach audiences with the latest, most engaging ad formats and automatically refresh creatives based on your goals.



Seamless connections into Facebook, Instagram, Snap and Pinterest



Manage audiences across campaigns with Kenshoo Personas



Scale performance with Creative Manager and Automated Actions



Advanced machine learning to optimize performance

The all-you-need technology platform for the world's best brands



Kimberly-Clark

ALEX AND ANI



Web Analytics

Retailers can extract data from just about every system or software associated with their businesses—from on-site analytics programs to e-commerce 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 and help them make data-driven tweaks to 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 or not, e-commerce executives can assess which efforts have the largest return on investment and reallocate dollars accordingly. In an August 2018 survey of 183 e-commerce executives conducted by Internet Retailer, 11% of respondents listed analytics as one of their top three budget priorities in the coming year.

1	GOOGLE	Top 1000 Clients ▶ 668	Client Web Sales ▶ \$110.46B
2	ADOBE	Top 1000 Clients ▶ 262	Client Web Sales ▶ \$344.21B
3	IBM	Top 1000 Clients ▶ 105	Client Web Sales ▶ \$70.54B
4	HOTJAR	Top 1000 Clients ▶ 69	Client Web Sales ▶ \$7.67B
5	CRAZY EGG	Top 1000 Clients ▶ 65	Client Web Sales ▶ \$9.99B
6	FORESEE	Top 1000 Clients ▶ 53	Client Web Sales ▶ \$48.62B
7	WEBTRENDS	Top 1000 Clients ▶ 26	Client Web Sales ▶ \$10.99B
8	MIXPANEL	Top 1000 Clients ▶ 15	Client Web Sales ▶ \$995.84M
9	SEGMENT	Top 1000 Clients ▶ 13	Client Web Sales ▶ \$1.76B
10	HEAP	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$755.04M

Web Hosting

Web hosting vendors provide storage space and access for websites—essentially storing a website on servers and delivering the sites to customers’ browsers. Servers either are 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 that a provider houses multiple websites, which is inexpensive since the participating sites are splitting costs, but traffic surges on a given site can impact the performance of another client. Virtual private server, or 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 the ability for retailers to pay only for the capacity needed at any given time.

1	RACKSPACE	Top 1000 Clients ▶ 204	Client Web Sales ▶ \$312.68B
2	AMAZON WEB SERVICES	Top 1000 Clients ▶ 169	Client Web Sales ▶ \$37.16B
3	CLOUDFLARE	Top 1000 Clients ▶ 86	Client Web Sales ▶ \$6.17B
4	SALESFORCE	Top 1000 Clients ▶ 60	Client Web Sales ▶ \$20.27B
5	AKAMAI	Top 1000 Clients ▶ 58	Client Web Sales ▶ \$13.58B
6	INTERNAP ¹	Top 1000 Clients ▶ 36	Client Web Sales ▶ \$23.10B
7	CENTURYLINK ²	Top 1000 Clients ▶ 31	Client Web Sales ▶ \$22.68B
8	AT&T	Top 1000 Clients ▶ 19	Client Web Sales ▶ \$17.00B
9	ORACLE	Top 1000 Clients ▶ 17	Client Web Sales ▶ \$2.72B
10	VERIZON	Top 1000 Clients ▶ 16	Client Web Sales ▶ \$16.84B

1. In February 2018 Internap acquired SingleHop. 2. In November 2017 CenturyLink acquired Level 3 Communications.

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 Source: Internet Retailer

Web Performance Monitoring

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. Additionally, one line of bad code can introduce site errors. Performance monitoring tools from vendors often conduct an audit of on-site plugins and widgets, identify bottlenecks, and make suggestions on adjustments. For example, in early 2018, Google rolled out performance management tools for its cloud customers, including Stackdriver Profiler, that until then were available only to Google employees. Stackdriver Profiler lets Google cloud customers profile and explore how code executes in production to optimize performance and reduce costs. Inefficiently written code can impact an e-commerce site in many ways. For example, it could slow down site speed by loading page elements one after another instead of simultaneously and not prioritize the most important elements that need to be loaded quickly for a consumer to shop. Inefficient code might load the header of the page with a company logo, and then the footer of a page with the company's address. Efficient code would load important items simultaneously and first, such as the search bar and Add to Cart button. Home Depot says the Google tool helps it quickly find and correct bugs. For example, if site search has an issue with performance or if a new deployment didn't go right, Stackdriver is the tool that monitors and alerts the retailer about the issue and identifies the source.

1	NEW RELIC	Top 1000 Clients ▶ 201	Client Web Sales ▶ \$46.70B
2	RACKSPACE	Top 1000 Clients ▶ 165	Client Web Sales ▶ \$309.26B
3	DYNATRACE	Top 1000 Clients ▶ 136	Client Web Sales ▶ \$316.42B
4	SMARTBEAR	Top 1000 Clients ▶ 50	Client Web Sales ▶ \$27.58B
5	PINGDOM ¹	Top 1000 Clients ▶ 35	Client Web Sales ▶ \$7.10B
6	IBM	Top 1000 Clients ▶ 15	Client Web Sales ▶ \$14.80B
7	RIGOR	Top 1000 Clients ▶ 10	Client Web Sales ▶ \$1.23B
8	CIRRUS10	(Tie) Top 1000 Clients ▶ 9	Client Web Sales ▶ \$12.27B
8	GOOGLE	(Tie) Top 1000 Clients ▶ 9	Client Web Sales ▶ \$559.65M
10	AKAMAI	Top 1000 Clients ▶ 8	Client Web Sales ▶ \$2.99B

1. Pingdom is owned by SolarWinds.

Website Testing/Optimization

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. According to a report from RSR Research and Yottaa, a technology company that offers web and mobile optimization services, half of shoppers will leave a site if it doesn't load within three seconds, but many sites take longer than that to load. The report "2018 E-commerce Website Performance: The Stakes are Increasing, but are Retailers Falling Behind?" finds much of the performance problem can be traced to lack of control over third-party applications such as personalization, social media, live chat and reviews—features that help enhance the customer experience. A reason for the slower performance, according to the report, is the large number of vendors on the site powering added features, such as social embeds or product reviews. Of the 79 retailers in the report, the average number of site features dependent on a third party was between 25 and 34, and the average number of third-party requests, or calls a vendor has to make to a server for the page to load, was 139, according to RSR data. To combat slow site speeds and improve performance, retailers often are forced to put their websites on a diet and minimize rich images or third parties. But optimization vendors can help accelerate web performance without cutting content that's necessary to engage shoppers. These companies 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.

1 OPTIMIZELY

Top 1000 Clients ▶ 139 **Client Web Sales** ▶ \$33.62B

2 CERTONA

Top 1000 Clients ▶ 88 **Client Web Sales** ▶ \$47.44B

3 MONETATE



Top 1000 Clients ▶ 85 **Client Web Sales** ▶ \$28.72B

4 ADOBE

Top 1000 Clients ▶ 71 **Client Web Sales** ▶ \$228.72B

5 SITESPECT

Top 1000 Clients ▶ 20 **Client Web Sales** ▶ \$56.61B

6 ORACLE

(Tie) **Top 1000 Clients** ▶ 12 **Client Web Sales** ▶ \$14.32B

6 VISUAL WEBSITE OPTIMIZER

(Tie) **Top 1000 Clients** ▶ 12 **Client Web Sales** ▶ \$1.01B

8 GOOGLE

Top 1000 Clients ▶ 10 **Client Web Sales** ▶ \$1.84B

9 CIRRUS10

Top 1000 Clients ▶ 9 **Client Web Sales** ▶ \$12.27B

10 PITNEY BOWES

Top 1000 Clients ▶ 4 **Client Web Sales** ▶ \$6.79B

Website Testing/Optimization



Rank
In Category
3

TOP 1000
CLIENTS

85

Primary URL: Monetate.com

Year Launched: 2008

Monetate's products include its Test & Segment product for testing and targeting software. Monetate's Intelligent Recommendations product, which personalizes product recommendations, offers nearly 200 different pieces of data, including those related to browsing and searching behavior; geography and media market; purchase frequency; abandoned carts, categories viewed and behavioral measures; device type; screen resolution; and current weather. Monetate also provides website personalization software for consumer brands. The goal is to help brands create individualized experiences. The company's Intelligent Personalization Engine product analyzes more than a million data points per second. The engine uses artificial intelligence to determine which data is most relevant and which action will have the highest likelihood of achieving a retailer's selected goal. Monetate Intelligent Recommendations product allows retailers to show website users contextually-relevant product recommendations.

2018 TOP 1000
RETAIL CLIENTS

85

TOP 1000 CLIENTS
BY CATEGORY

Web Only: 8
Chain Retailer: 34
Manufacturer: 24
Catalog/Call Center: 19

NO. OF TOP 1000
CLIENTS BY SIZE

\$15 million or less: 0
\$15-40 million: 15
\$40-125 million: 35
\$125-500 million: 21
\$501 million or more: 14

TOTAL 2018 TOP 1000
CLIENT WEB SALES

\$28,720,180,071

KEY CLIENTS

- Office Depot
- Fanatics
- Lands' End
- Newegg
- Walgreens
- J. Crew

PRODUCTS & SERVICES

Products and solutions for website testing, personalization and product recommendations; Monetate Test & Segment offers backend testing and segmentation.

Entry Level Pricing: Pricing and fees vary.

CORPORATE

311 W. 43rd St.
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Management

Stephen R. Collins, CEO
Brian O'Neill, CTO
Jay Sarwar, VP, Services

Source: Internet Retailer 2019 Leading Vendors to the Top 1000. Category leaders are ranked on the total number of clients they have in the 2018 edition of the Internet Retailer Top 1000. Only parent companies of retailers are included. The information on this page is sponsored by the vendor but all data originated from the Top 1000 and editorial content was supplied by Internet Retailer.

Q&A

An executive conversation
with **Brian O'Neill**
Chief Technology Officer,
Monetate



It's easy for a retailer to look at website performance and say, "If it's not broken, I'm not going to fix it." But isn't that complacency dangerous?

Worse than dangerous, failing to optimize your website on a continual basis is a huge lost opportunity.

Amazon has changed customer shopping expectations forever by leveraging data to create entirely new experiences. But they have done much more than just that. Amazon has also changed how all brands compete for consumer attention. Brands need to be cementing their direct-to-consumer relationships by building personalized experiences across all owned channels including in-store, on the website, via email and more. Those that do a good job creating a culture of experimentation are rewarded with faster-growing revenue, more loyal customers and a deeper understanding of their shoppers.

Should retailers tailor the messages on their websites based on geography and demographics? If so, why?

Absolutely, geography and demographics should play a role in personalizing a visitor's experience. Both provide insight into a person's needs and emotional context about how they communicate. For example, geography can tell us a lot about what might be in season, how the weather might affect purchase intent and can even signal what imagery might feel familiar to the visitor.

Yet although geography and demographics are valuable signals, they only scratch the surface of what's possible.

Besides geography and demographics, how else can consumers be segmented?

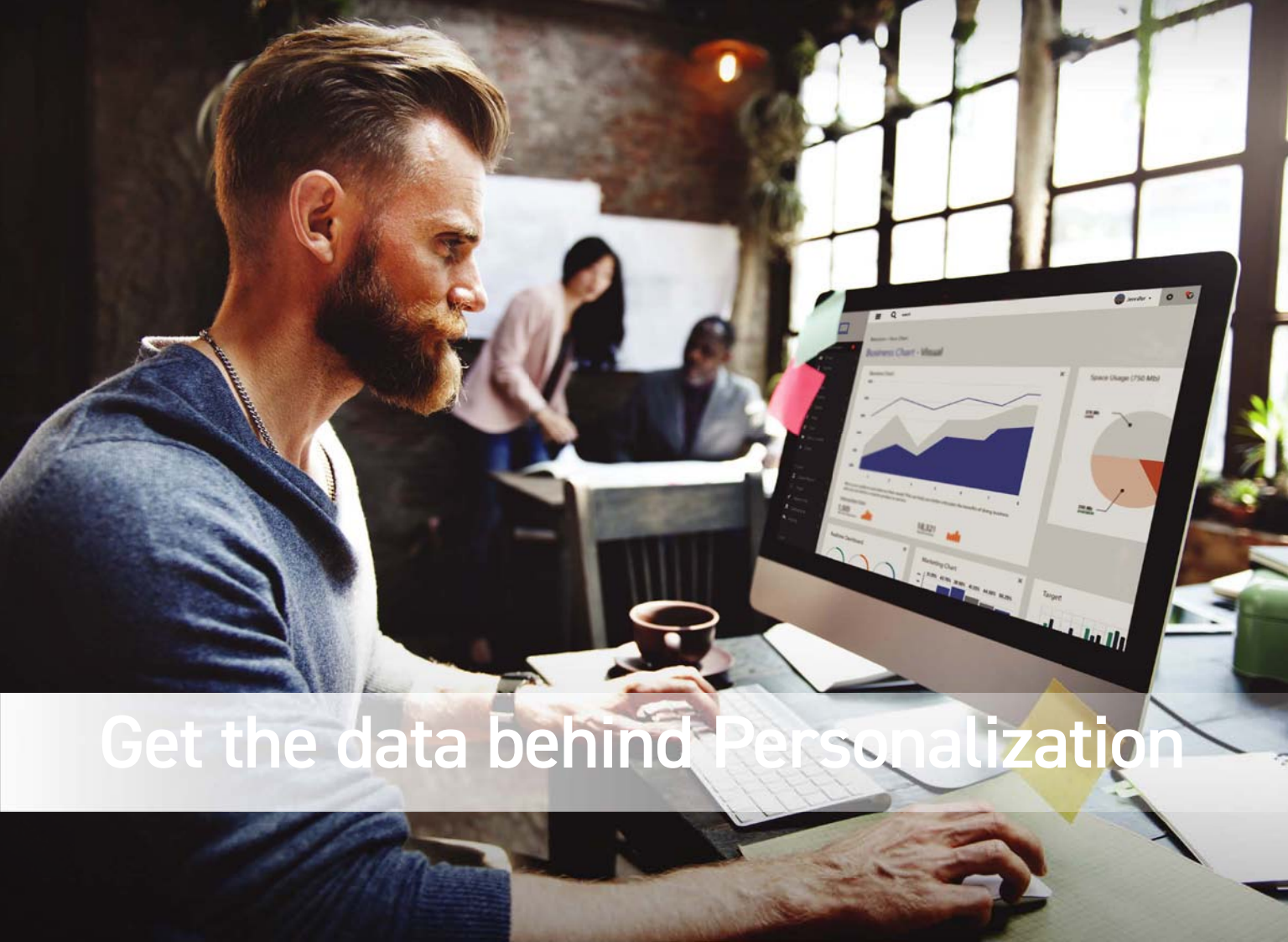
We believe that you should leverage everything shared between your brand and consumers to create personalized experiences at scale. Everything including purchase history, what devices are being used, in-session behavior, past browsing experiences, referring sources and so much more can play a critical role in understanding what actions are going to most influence your visitors.

When should e-retailers conduct A/B and multi-variable tests?

It would be better to ask when they shouldn't! The most effective e-commerce experiences are driven by constant experimentation and learning.

Why should marketers use artificial intelligence and machine learning tools?

Artificial intelligence is an incredibly powerful way to scale marketing intuition and insights. For decades marketers have used rules-based technologies to automate processes. These automation methods drove conversion lift and improved our ability to serve shoppers, but they are painfully rigid and difficult to maintain at scale. It's impossible to consider every individual when building segmentation rules. Today's artificial intelligence eliminates constraints allowing marketers to create truly personalized experiences at scale using the data they already have, and the creative resources that already exist.



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ABOUT THE AUTHOR

Katie Evans is Chief Technology Editor at Internet Retailer, where she leads tech-related coverage, strategy, reporting and writing for Internet Retailer website and magazine as well as many research reports, including the Leading Vendors to the Top 1000 and the Quintessential Guide to E-Commerce Platforms. She also aids in Internet Retailer magazine management, editing and production and serves as an editor for InternetRetailer.com. Katie is a frequent speaker and moderator at industry events including the Internet Retailer Conference and Exhibition, Shoptalk and Money 20/20. Katie holds a B.A. in journalism from Bradley University and has studied internationally at Stirling University in Scotland, U.K. She is a Fulbright journalism scholar, completing studies at University of Ljubljana and University of Maribor in Slovenia.



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ABOUT INTERNET RETAILER RESEARCH

At Internet Retailer Research our goal is to provide data and information about e-commerce 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 e-commerce 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 e-commerce topics, including online marketplaces, cross-border e-commerce 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.

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