



Preview

MODERN COMMERCE
DAY

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THE MODERN COMMERCE DAY REPORT

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**HOW THE MACH MOVERS AND MAKERS
USE STATE-OF-THE-ART COMMERCE
TECHNOLOGY TO INNOVATE AND GROW.**

Powered by  **commercetools**

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01. WELCOME TO THE MODERN COMMERCE DAY REPORT 2021

I am pleased to announce that commercetools hosted “*Modern Commerce Day*,” on June 16, 2021. The virtual event, streamed live, was a resounding success. Our team worked diligently to bring our customers together to give them a stage to share their projects, learn from each other and network, as well as motivate brands in the process of digital transformation. We wanted to help inspire change and growth for brands stuck facing (what we have coined) the “commerce possibilities chasm™.”

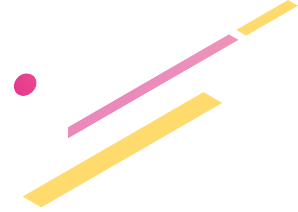
The chasm is a place many, many companies find themselves in one point or another – stuck in a purgatory of sorts where both their business and tech teams are underdelivering on the possibilities commerce offers today. They may know all the buzz words – omnichannel marketing, customer journeys, micro-moments, AR/VR, IoT and more – and understand the importance of them. But thus far, for a multitude of reasons, they haven't gotten to a place where they are easily able to capitalize on their technology to deliver these modern commerce experiences.

Each of our sessions was hosted by an individual who has helped their business or others cross the commerce possibilities chasm. We've distilled the 34 sessions into an easy-to-read report that offers a plethora of easily digestible takeaways from the event. There are stories, statistics and specific examples that offer an inside scoop on what's going on with the big players in eCommerce, what strategies are driving their success, and what challenges they've faced to get where they are today. Hopefully, you'll find a quote, or two, or four, that sparks your curiosity, or a statistic that compels you to want to learn more about a brand.

If you have additional questions, or want to contact a speaker directly, just let us know. We'd love to hear from you.

Enjoy,

Andreas Rudl
VP Global Marketing, commercetools



“THE SECRET OF CHANGE IS TO FOCUS ALL YOUR ENERGY, NOT ON FIGHTING THE OLD, BUT ON BUILDING THE NEW.” – SOCRATES (399-470 BC)

Bravo! If there was one resounding sentiment expressed more than 40 speakers the newest edition of commercetools' *“Modern Commerce Day”* event series, this was it.

Bravo for Microservices-based, API-first, Cloud-native, Headless (MACH) technology. As the inventor of MACH technology and founding member of the MACH Alliance, Munich-based commercetools organized the one-day event to bring retailers, manufacturers and brands together with practitioners, thought leaders, industry analysts, advisors and best-of-breed solution providers to discuss next-generation commerce. The majority of the speakers were technology leaders from brands who have shut down their old, monolith platforms and transitioned to commercetools' MACH-driven commerce solution. While most speakers shared their transition story, some focused on simply explaining the world of possibilities MACH opens up for commerce. Regardless of industry, company size, business model or path to transformation, the categorical message across the board was clear – MACH defines what modern commerce is today, providing the speed,

flexibility, performance and scalability brands need to meet the demands of consumers.

Andreas Rudl, Global Vice President Marketing at commercetools, says it makes sense that MACH is at the forefront of these discussions. “Microservices, APIs, Cloud and Headless (MACH) are just the way you build applications today. The legacy monolithic applications that are hosted today were built 20 plus years ago,” he explains, pointing out, “Large companies like Amazon, Google and Netflix have thrived due to their adoption of MACH principles.”

One of the keynote speakers, Jo Graham, CIO of Bohoo, a UK-based online fashion retailer that owns 13 brands, left the storytelling to her CTO and Chief Architect. Instead, she focused on dispelling the fear executives have of the transformation process. “Our role as leaders is to drive our team, encourage our team and enable the business,” she says. “It’s a bold move. You have to be brave – but it doesn’t feel like as big of a risk when you’ve got the support you need from the business and a great team.”



02. TOP 5 TAKEAWAYS OF MODERN COMMERCE DAY 2021

The amount of information delivered and knowledge shared during the “**Modern Commerce Day**” event was mind-boggling. The speakers not only shared insights, ideas and advice, they gushed quite a bit about the benefits of transitioning to MACH technology and the pure joy of working on commercetools’ headless commerce platform. The takeaways from the experience are countless. That said, we’ve extracted five key takeaways that will get you thinking about how your technology stacks up, and what your next step might be.

01. FEAR NO MORE

It doesn’t matter how big or small your company is or how many offices you have, modern commerce makes you a global brand. Even if your footprint is small, launching a promotion, stocking up for a holiday or finding that your product is suddenly in high demand, should never cause panic within your company. “Ability to scale” was by far the most frequently cited reason for transitioning to MACH. Greg Fancher, Chief Technology Officer at **Express**, shared a recent story of an overly aggressive promotion that went

viral. “We saw a spike in traffic that was over 3x higher than the busiest hour of Black Friday. Its peak was more than 10% of all commercetools transactions in that hour. If this would have happened with our monolith system, the system would have crashed, we would have lost sales and spent hours bringing the system back online. With commercetools, we first noticed the situation when we got alerts that our systems were autoscaling. We carefully watched the business, and our customers didn’t notice a blip.”

02. THINK LOCAL- AGILITY WITH A CENTRAL CORE

At first thought, this may only appear to be relevant for global companies. For example, **Danone** has been able to use MACH architecture to build a modular system that gives each of their markets autonomy to work at their own pace and develop features that meet their customers' unique needs. However, MACH also enables brands to provide access to partners, vendors and their employees (i.e., the Harry Rosen case study below) to customize with very low risk. According to Russell Lincoln, Global Head of Direct to Consumer at Danone Early Life Nutrition, "In the beginning, our ownership of the platform was quite high, but now we have enough markets and enough maturity that they as a community are now driving the roadmap and driving how our future goes." Luke O'Connell, Chief Architect, points out markets are able to pull out components as needed. "We get all the good stuff," he says. "commercetools is at the heart of this because it is, through and through, built to be MACH first and it delivers on that promise, allowing our ecosystem to talk together seamlessly."

03. PERSONALIZATION MADE EASY

The idea of making your data work for you isn't the story here. What you need to know is how easy MACH makes it to capitalize on your data. "With MACH, you can connect the dots," says Christoph Gerber, CEO of **Talon One**. By integrating with commercetools, his company has been able to help companies utilize their data to make informed, customized promotional decisions. "Ideally you are talking about a segment of one," he explains, "You control which promotion is to be created for what person. We look at the whole data landscape to make the best decisions on who and what to target." After all, he points out, "If you are a food delivery company, why would you target me on a burger promotion when I never want a burger? I want sushi."

04. AGILE TECH - AGILE BUSINESS

For the past few years, the focus has been on embracing agile technology, however, multiple speakers pointed to the importance of ensuring your business teams implement agile practices. Tina Lykke Kristensen, Senior Digital Manager, Nonfood eCommerce of **Salling Group**, stresses that her company is “only as good as the purpose we share.” She explains that in order to accomplish anything, “We have to calibrate our different purposes – and calibration happens through conversation and creating new ideas together.”

05. LOWER TCO, MORE POSSIBILITIES

While brands may point to total cost of ownership (TCO) as a key factor holding them back from digital transformation, the idea that TCO is higher for MACH systems is simply incorrect. Andreas Rudl, VP Global Marketing at **commercetools** says that brands are viewing the initial investment cost as part of TCO. Both **Gartner** and **Forrester** have shown the highest portion of TCO costs are actually maintenance and labor costs (typically up to 85% of the entire “project” cost). The transparent, cloud-native structure and on-demand pricing MACH vendors offer, along with the ability to eliminate upgrade costs, actually lowers long-term costs.

03.

INSIDER INSIGHTS

When you ask a group of passionate tech leaders to talk about their journey to digital transformation and how commercetools helped turn their technology into a friend instead of a foe, you are sure to get some great sound bites. There were funny anecdotes, horror stories and quite a few ah-ha moments along the way. Here's a round-up of some of the best things we heard from the thought-leaders who are driving the conversation in digital commerce.



"Recognize the solution, empower your team, get the hell out of the way."

Jo Graham, CIO, Boohoo.com



"We have lowered our operations costs, reduced our time-to-market, made it easier to recruit talented employees and vastly improved our mobile experience. We received an award for the best German connected retail solution and...we're just getting started."

Tina Lykke Kristensen, Senior Manager, Non-Food eCommerce, Salling Group

This is just a preview

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