

DIGITAL COMMERCE PRIMER FOR 2018

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SUMMARY

Marketing leaders' most mission-critical priority is revenue growth. Digital commerce offers a way to reach that objective. Yet, many struggle to seize the opportunity. Our 2018 research helps marketing leaders orient strategies, resources and technologies to deliver digital commerce revenue growth.



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Scope

Digital commerce involves the use of marketing technology, techniques and channels — along with data-driven insights and compelling content — to deliver revenue growth through digital sales channels.

Gartner's digital commerce research offers insight and guidance to enable marketing leaders to:

- Develop digital commerce strategies that deliver revenue and business results
- Use first- and third-party customer data and insight to personalize digital commerce experiences
- Align resources and capabilities to support their marketing and digital commerce strategies
- Optimize the marketing technology stack to better execute the digital commerce strategy

ANALYSIS

Figure 1. Digital Commerce Overview



Source: Gartner (January 2018)

Marketing leaders' roles in digital commerce vary. In some instances, marketing has full accountability for the digital commerce profit and loss (P&L) and leads a cross-functional team to deliver results. In other organizations, marketing is part of that cross-functional team, which is responsible for the multichannel campaigns that drive revenue and conversion. Regardless of their scope of responsibility, marketing leaders share one thing in common: They use data-driven insight, talent and technology to make a business impact.

Marketing leaders who own digital commerce must develop digital go-to-market strategies that reflect business context, customer understanding and emerging trends. Those who support digital commerce must align marketing plans, budgets and resources to deliver high-impact programs that effectively target, attract, engage and convert high-value customers.



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Top Challenges and How Gartner Can Help

The 2018 digital commerce research agenda helps marketing leaders understand a rapidly changing commerce environment, providing in-depth analysis required to seize opportunities, avoid common pitfalls, optimize plans and resources, and measure marketing impact.

How do I deliver relevant digital commerce strategies?

Although most B2C brands and retailers have an established digital presence, they seek ways to extend into digital commerce, enhance their digital commerce strategies and optimize revenue results. At the same time, B2B companies are looking to digital commerce — whether it be online portals used by sales teams or customer-facing web stores — as a way to complement their traditional sales models.

Branded manufacturers that sell through channel partners are making the case for digital commerce, increasingly using digital channels as a means of building a more intimate customer relationship (even going direct-to-consumer), mining valuable customer data and generating new revenue streams. Gartner's 2018 research on digital commerce helps marketing leaders build and advance their digital commerce strategies to improve its relevance to customer wants and needs and to business objectives.

Planned Research

- **Defining a digital commerce strategy.** Marketing leaders must answer critical questions before embarking on digital commerce, yet many have skipped this step and gone straight to launch. Gartner offers a strategic framework for defining your digital commerce strategy, which serves as a foundation for marketing, operations and technology, talent, and measurement decisions.
- **Selling direct to customer through digital commerce.** B2B and B2B2C companies are turning to digital commerce to support their customers' buying journey and to increase customer engagement. Use Gartner's research to make the case for digital commerce, to understand strategic use cases and key considerations (like channel conflict), and to develop your strategy.

How do I align marketing to maximize digital commerce results?

Performance marketing and advertising are essential elements of marketing for digital commerce. However, successful execution takes data-driven segmentation, orchestration and optimization. In order to align marketing budgets and activities to maximize digital commerce results, marketing leaders need to know how to use customer and audience insight to plan and personalize campaigns aimed at online buyers. They also need to know where to allocate budget to drive peak performance and how to use data and analytics to measure and increase conversion. Gartner's 2018 research offers best practices to align marketing to digital commerce and to build and execute marketing plans that deliver measurable ROI through digital sales channels.



Successful execution takes data-driven segmentation, orchestration and optimization.

Planned Research

- **Building a measurable marketing strategy for digital commerce.** Marketing for digital commerce takes a different approach than brand marketing. Use Gartner's research to build a marketing strategy that aligns to your digital commerce strategy, to identify the right mix of channels and tactics, and to establish key performance indicators (KPIs) to measure and optimize digital commerce results.
- **Optimizing the use of performance marketing and media.** Display and social advertising, search and affiliate marketing are among the most common performance media channels. Gartner's research exposes the ways marketing leaders can use these channels to increase visibility and conversion on brand and retailer sites, Amazon.com and other marketplaces.

How do I use technology to execute digital commerce strategy and innovation?

Marketing leaders are key influencers — if not the outright owners — of digital commerce platform selection. Although that platform is the backbone of digital commerce, it takes an ecosystem of tools and vendors to deliver a personalized commerce experience. Marketing leaders need to know how to select and leverage point solutions, like personalization engines, to enhance digital commerce. They need to be aware of mobile technologies needed to adapt digital commerce to consumers' mobile behaviors. And they need to understand how emerging digital commerce trends and technologies fit into their martech stack and roadmap. Gartner's research will expose the tools that marketers' need to execute their digital commerce strategies.

Planned Research

- **Identifying and leveraging digital commerce technology innovations.** Marketing leaders looking for a competitive edge in their digital commerce strategy must be aware of leading innovations, available solutions and key lessons from brands deploying these techniques and technologies. Use Gartner's research to identify emerging digital commerce trends and technologies, as well as potential technology partners and providers.
- **Delivering personalized digital commerce experiences.** Personalization, fueled by rising customer demand for individualized experiences, is a key point of difference in digital commerce. But an array of tools creates a paradox of choice. Gartner's research helps marketing leaders determine the data, content and technology they need to deliver personalized digital commerce.

Related Priorities

Priority	Focus
Customer Experience Strategy and Design	Customer experience (CX) management is the practice of using customer insight to design and execute a cross-functional CX strategy that increases satisfaction, loyalty and advocacy.
Marketing Data and Analytics	Data and analytics have become the foundation of marketing, driving efficiency and effectiveness through better data collection, modeling, optimization and greater relevance to the consumer.
Mobile Marketing	Effective mobile marketing balances targeting audiences with gathering data on how mobile device use informs marketing strategy, which is critical to successful multichannel marketing teams.
Social Marketing	Social marketing involves listening to and engaging customers, distributing content and cultivating brand advocates. It can increase awareness, consideration, conversion and advocacy.
Leading and Managing Marketing	Leading and managing marketing involves setting strategy, structuring teams, sourcing and developing talent, and aligning people, processes, partners, data and technology to achieve corporate goals.
Multichannel Marketing and Communications	Multichannel marketing constitutes continual, orchestrated engagement across digital and traditional customer touchpoints.

Source: Gartner

GARTNER RECOMMENDED READING

Suggested First Steps

[“Maturity Model for Digital Commerce”](#)

[“Survey Analysis: Marketing Risks Losing Ground in Digital Commerce Leadership”](#)

[“Use the Six Attributes of Mobile to Strengthen Digital Commerce”](#)

[“Use the Hierarchy of Digital Commerce Marketing Metrics to Balance Business Results”](#)

[“Evaluate Digital Commerce Platforms Based on Three Types of Requirements”](#)

Essential Reading

[“How to Build a Marketing Strategy for Digital Commerce”](#)

[“It’s Time to Give Stores Credit for Digital Commerce Sales”](#)

[“Grow Customer Lifetime Value With Digital Commerce”](#)

[“Marketing Leader’s Guide to Choosing a Digital Commerce Platform”](#)

[“Use Content to Attract, Engage and Convert in Digital Commerce”](#)

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Digital has redefined the role of marketing, adding new players and creating bigger complexities

Gartner for Marketers helps you get up to speed on and stay smarter in the eight marketing areas that matter most: social, mobile, multichannel and data-driven marketing, digital commerce, customer experience, marketing management, and emerging marketing technology and trends. Our clients say that they use our real-time, expert advice and objective research, data and tools to:

- Target the right audiences
- Choose the right channels
- Quickly shortlist marketing and technology providers
- Stay informed on market and competitors
- Save time and avoid costly mistakes

Gartner helps companies improve their business results through the use of technology. Our independent research and advice is trusted by business and technology leaders in more than 10,000 distinct enterprises around the world.

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