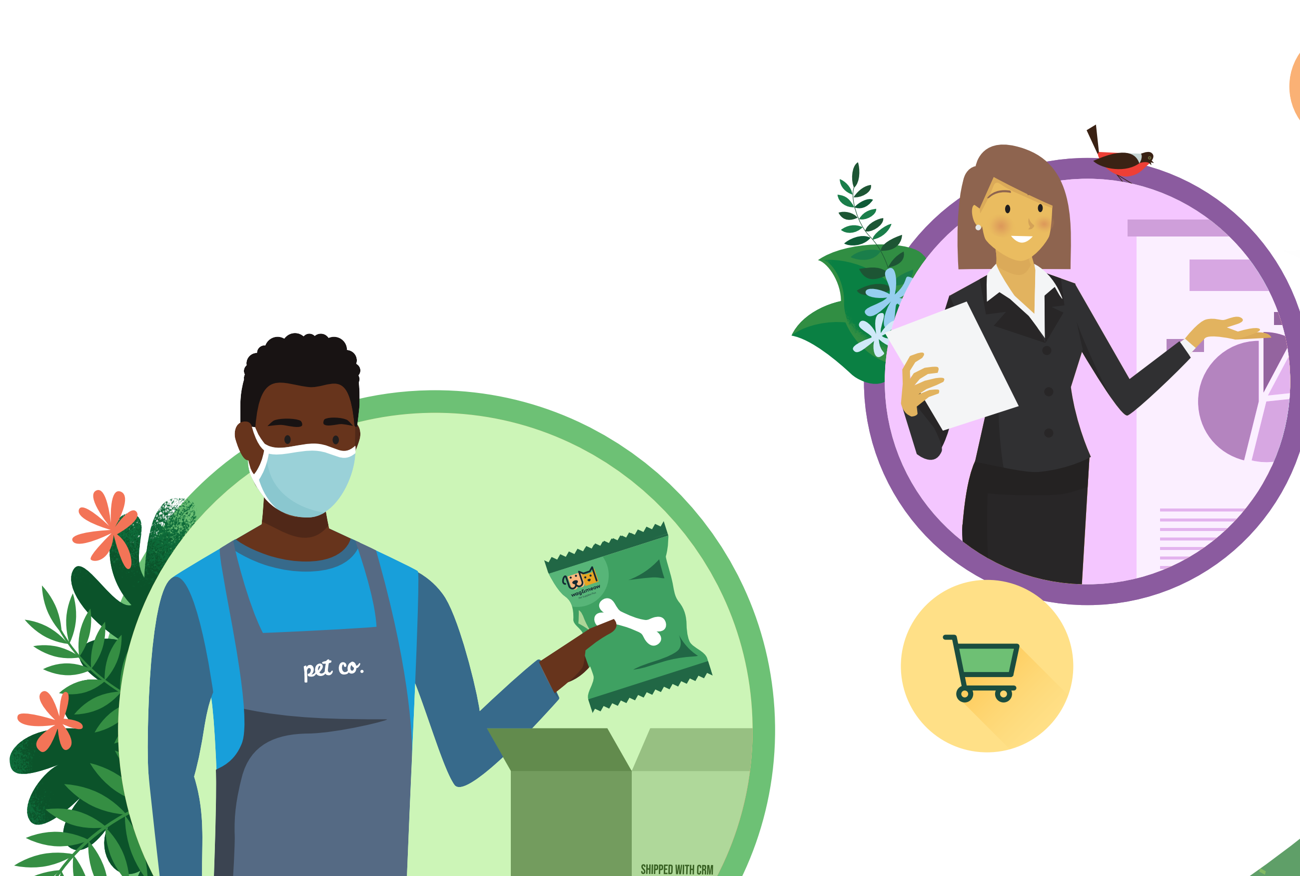
salesforce

FIRST EDITION

# STATE *of* COMMERCE

Insights from Nearly 1,400 Commerce Leaders
and 1 Billion Consumers and Business Buyers

# State of Commerce:
## An Expert Point of View

**Showcasing the Leadership of 1440 CEO and Founder Jon Jessup**

Salesforce recently released their highly anticipated report on the State of Commerce. The report is so valuable to business leaders because it analyzes industry-specific data sourced from one billion consumers and business buyers. Plus, it features insights from nearly 1,400 leaders of ecommerce companies.

To assist you in highlighting some key takeaways for your company, we had the opportunity of getting additional insider information from Jon Jessup – Founder, CEO, and Senior Engineer of 1440, Inc., a Utah-based leading provider of seamless customer journeys across the digital landscape. Founded in 2021, 1440 is a next-generation technology provider that helps organizations across diverse industries deliver on the promise of digital ecommerce. As the market leader in intelligent solutions, they help organizations make smarter decisions and act on them. 1440 is an innovative technology provider that combines industry expertise, leading cloud platforms, and data science to deliver big outcomes. 1440 helps their clients maximize the power of their data by integrating and consolidating disparate processes behind a single login. Learn more at 1440.io.

### What impressed you the most in the State of Commerce Report?

The media has covered the increase in digital purchases of essential goods during the pandemic pretty well. As the report states, it increased 200% during COVID-19. The thing that impressed me the most in this report is that the change will likely be permanent. There is a great opportunity for brands to adopt direct-to-consumer (D2C) models, even once the health threats of COVID-19 have subsided.

### How has the report changed/helped your digital transformation strategy?

Brands that are able to streamline the Customer Experience (CX) – everything from support to chat – will save time and delight customers, leading to repeat business. With our trio of studios (Commerce Studio, Reputation Studio, and Translation Studio) and our work to develop new ones, we are helping businesses break down data silos to facilitate a more optimal CX.

Proud member of the Salesforce Partner Program approved to distribute this report.

Salesforce Research provides data-driven insights to help businesses transform how they drive customer success. Browse all reports at salesforce.com/research.

### How would you describe the differences between yesterday's and today's digital-first consumers?

"Yesterday" wasn't that far off for many companies, and some are still living there. The idea of managing any portion of a business with shared spreadsheets and manual processes is so antiquated, yet many companies are still doing it. Believe it or not, this kind of clunky back end comes through to the customer (for example, in the form of longer response times). Streamlining and integrating the tools used to manage a business is best for the brand, the customer, and the bottom line.

### What changes in ecommerce do you predict for a post-pandemic, post-cookies world?

A cookieless world changes everything for marketers. One way we are helping our customers address this is with solutions that help them own their own customer data and relationships. The growth of both online marketplaces and direct-to-consumer will be a top-of-mind priority for marketers. Brands need to be able to engage with consumers no matter where they may be purchasing, at any time of day – 1440 minutes strong.

### What are the biggest opportunities for digital-savvy companies right now?

Impressing customers is the biggest opportunity for digital-savvy companies right now. Why? Because a happy customer will return. Impressing them in the moments that matter – such as faster interactions in their language, a flexible returns process, and real-time management of their reviews and questions – will result in more D2C business and a higher Customer Lifetime Value (CLV).

# What You'll Find in This Report

For the first edition of our "State of Commerce" report, Salesforce surveyed nearly 1,400 commerce leaders and analyzed the consumer shopping and business buyer behavior of more than 1 billion customers worldwide to discover:

- Shifts in consumer (B2C) and business buyer (B2B) engagement and expectations
- How digital commerce has changed the role of sales
- The effects of the pandemic on consumer behavior
- How B2B commerce is evolving

## Methodology

Practitioner insights in this report are from a double-blind survey conducted throughout August 2020 that generated 1,373 responses from full-time commerce leaders – those holding a director or higher leadership role. Respondents include commerce professionals from B2B, B2C, and B2B2C companies across North America, Latin America, Asia Pacific, Japan, and Europe. All respondents are third-party panelists (not limited to Salesforce customers). For further survey demographics, see page 34.

# What You'll Find in This Report

Consumer shopping activity was collected from websites operating on the Salesforce Commerce Cloud platform. To qualify for inclusion in the analysis set, a digital commerce site must have transacted throughout the analysis period, in this case Q3 2018 through Q3 2020, and meet a monthly minimum visit threshold. Additional data hygiene factors are applied to ensure consistent metric calculation.

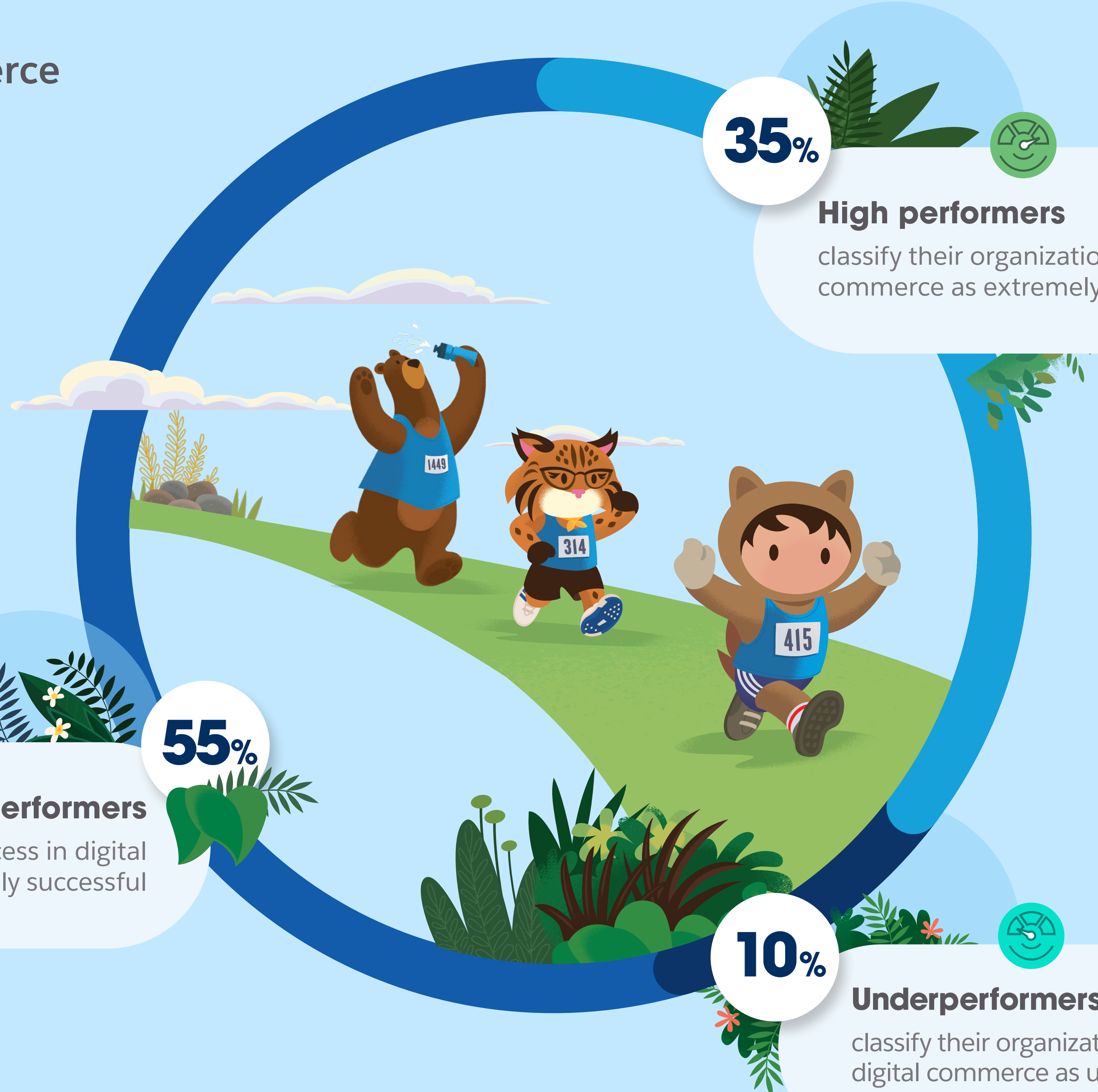
Any forecasts noted within this report are forward-looking projections based on current and prior values and as such should not be read as guarantees of future performance or results. This data is not indicative of the operational performance of Commerce Cloud or its reported financial metrics, including GMV growth and comparable customer GMV growth.

Due to rounding, not all percentage totals in this report equal 100%. All comparison calculations are made from total numbers (not rounded numbers).

# What You'll Find in This Report

## Distribution of Commerce Performance Levels

Throughout this report, we classify survey respondents across three tiers of commerce organization performance.



**35%**

**High performers**

classify their organization's success in digital commerce as extremely successful

**55%**

**Moderate performers**

classify their organization's success in digital commerce as moderately successful

**10%**

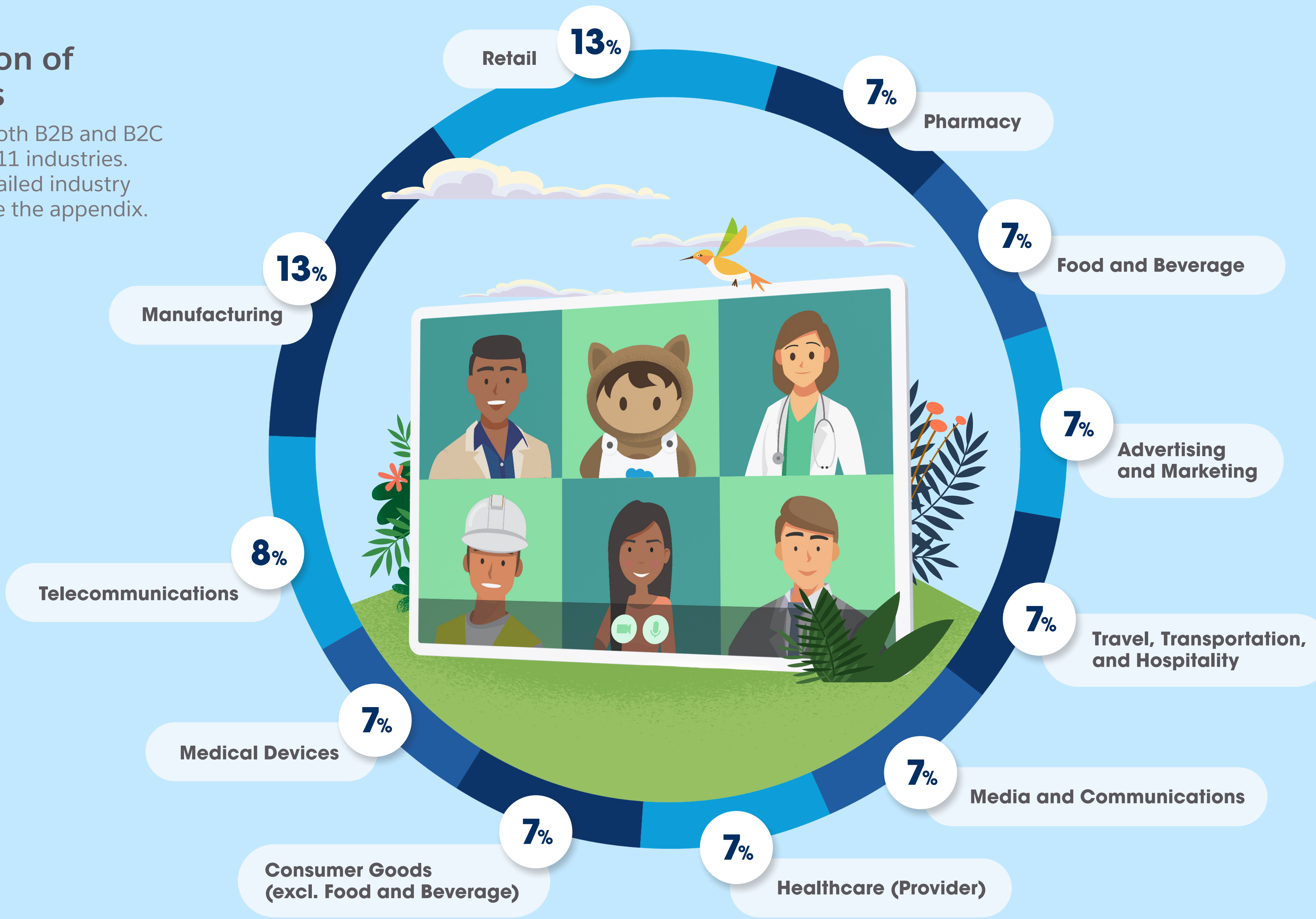
**Underperformers**

classify their organization's success in digital commerce as unsuccessful or have not invested in digital commerce at all

# What You'll Find in This Report

## Distribution of Industries

We surveyed both B2B and B2C leaders across 11 industries. For a more detailed industry breakdown, see the appendix.



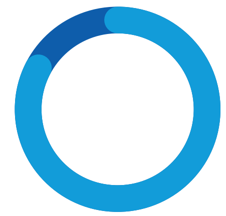
# Contents

# Executive Summary

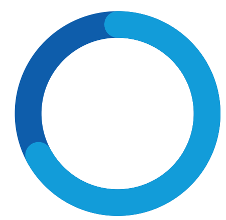
The COVID-19 pandemic has transformed commerce across the globe – and almost overnight. It also accelerated the massive transition to digital channels that was already underway. The research in this report offers insight around the changes taking place. Certain channels are performing well, while others are not. And companies differ starkly in their business decisions and investment priorities in ways that relate to their performance during the crisis.

This report provides a new baseline for commerce after a disruptive event and suggests a path forward for both B2C and B2B organizations.

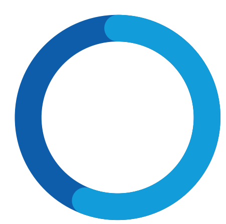
* Data from sales team respondents only.



**80%** of commerce leaders of high-performing B2B companies say the growth of ecommerce has either not affected the size of their sales team or increased it*



**66%** of high-performing companies are replacing in-store experiences with digital ones



**56%** of organizations expect the majority of their revenue to come from digital channels within the next three years

Social referral orders were up a record **104%** between 2019 and 2020

Digital purchases surged **200%** between March 2019 and March 2020

# The State of B2C Commerce

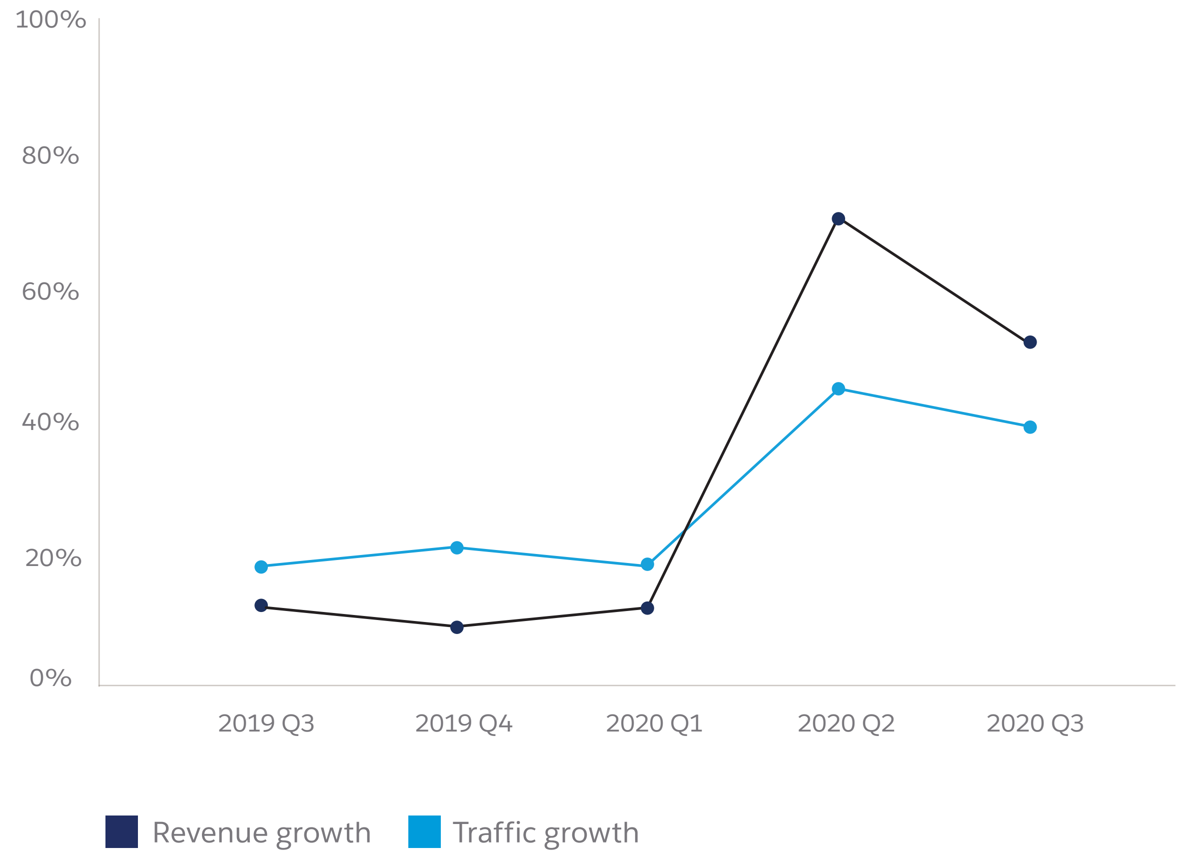
# 01 The Line Fades Between Physical and Digital Commerce

In 2019, ecommerce was 14.1% of total global retail sales – and it is expected to reach 22% by 2023.* COVID-19-related restrictions pushed ecommerce further into the spotlight as nonessential businesses temporarily closed their stores or reduced foot traffic.

The shift from physical to digital commerce has been significant and far reaching. An analysis of shopping activity of over 1 billion global consumers shows strong ecommerce adoption in 2020. As the pandemic kept many consumers at home, ecommerce revenue increased 75% year over year in the second quarter and 55% in the third quarter. Consumers were not just browsing online at record rates, they were driving historic conversion.

* Ecommerce share of total global retail sales from 2015 to 2023, Statista.

## Global Ecommerce Traffic and Revenue Skyrocket



# 01 The Line Fades Between Physical and Digital Commerce

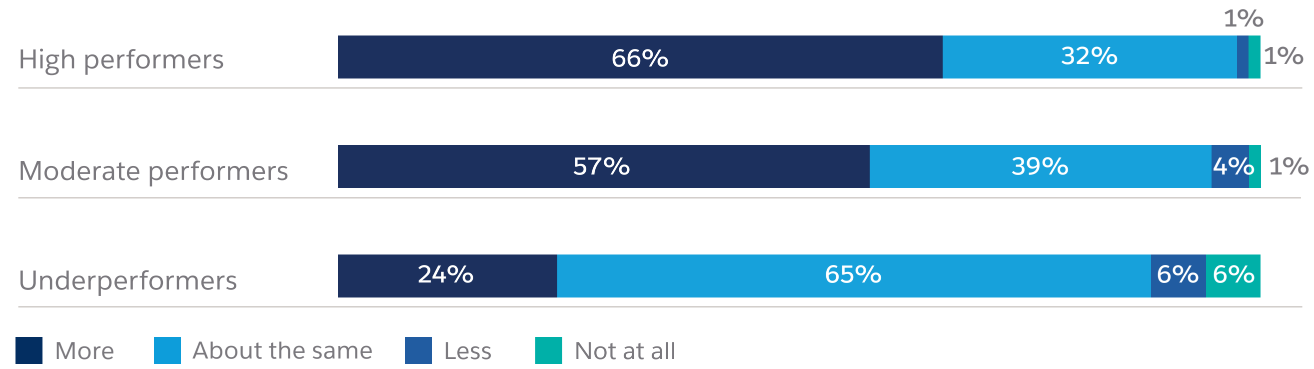
As stores shut their doors to adhere to stay-at-home orders, digital became the primary focus for merchandising, marketing, and engagement.

B2C organizations shifted investments to digital experiences as a result of changing consumer behavior. When asked to what extent they replaced in-store experiences with digital substitutes, 66% of high performers answered "more."

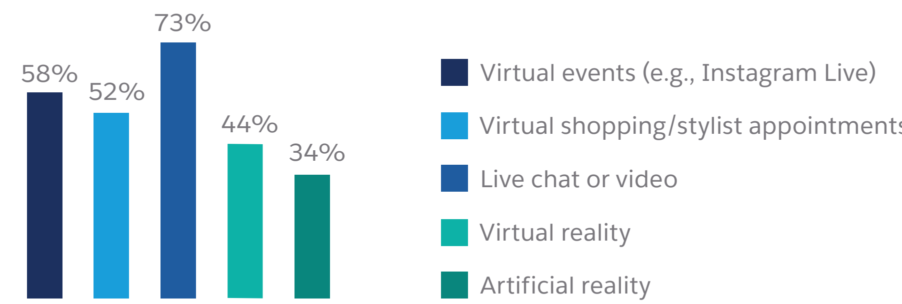
Consumer adoption of digital commerce in 2020 spurred many B2C organizations to experiment with new consumer engagement tactics. In the absence of face-to-face interactions, B2C organizations shifted technologies to provide the same level of personalized attention online that they would offer in person. A strong majority (73%) report implementing a live chat or video. Also, 58% of respondents say they are running virtual events on platforms like Instagram Live.

## High Performers Offer More Digital Experiences

**Extent to Which Companies Are Augmenting In-Person Experiences with Digital Experiences Compared to 2019**




Digital Experiences Being Implemented to Augment In-Store Experiences*



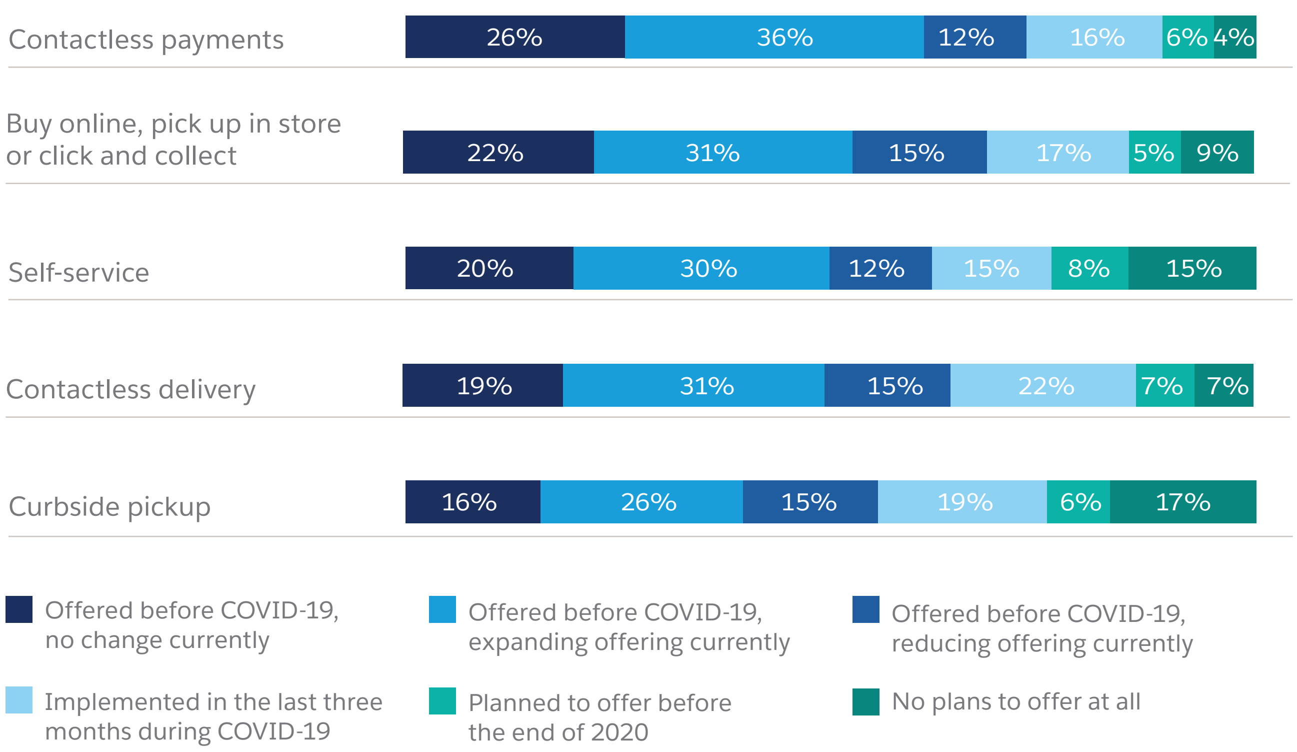

* Base: commerce leaders who indicate their company is replacing in-store experiences with digital experiences.

# 01 The Line Fades Between Physical and Digital Commerce

Do B2C organizations still need stores? Yes, but low-contact options, such as buy online, pick up in store (BOPIS) or curbside, are important for consumers concerned with convenience and safety.

Self-service options for consumers also have the potential to reduce B2C reliance on the last-mile delivery network. More than half of B2C organizations already offered contactless and low-contact choices at their store locations before the pandemic, while most others have implemented them this year.

## Stores Expand Contactless Options




# 01 The Line Fades Between Physical and Digital Commerce

Two big trends impacted stores this year.

## Consumers paid using their phones.

Mobile wallets are no longer just for online ordering; they also facilitate contactless payment in stores. Throughout the summer of 2020, 38% of consumers reported using contactless payment methods more than before the pandemic.

## Stores fulfilled online discoveries.

When nonessential brick-and-mortar stores closed to foot traffic, consumers couldn't discover new products in stores. They found them instead on websites or through other digital channels like social media, where 54% of consumers noticed brand communications frequently or more in the summer of 2020. The physical store largely became a place to fulfill online orders. In Q3 of 2020, U.S. retailers that had a BOPIS option experienced 76% growth compared to the prior year, far higher than the 47% growth for U.S. retailers not offering BOPIS.

## Consumers Adopt New Shopping Methods amid Social Distancing

**90%** year-over-year growth
Global contactless payment use

**76%** year-over-year revenue growth
U.S. retailers offering BOPIS

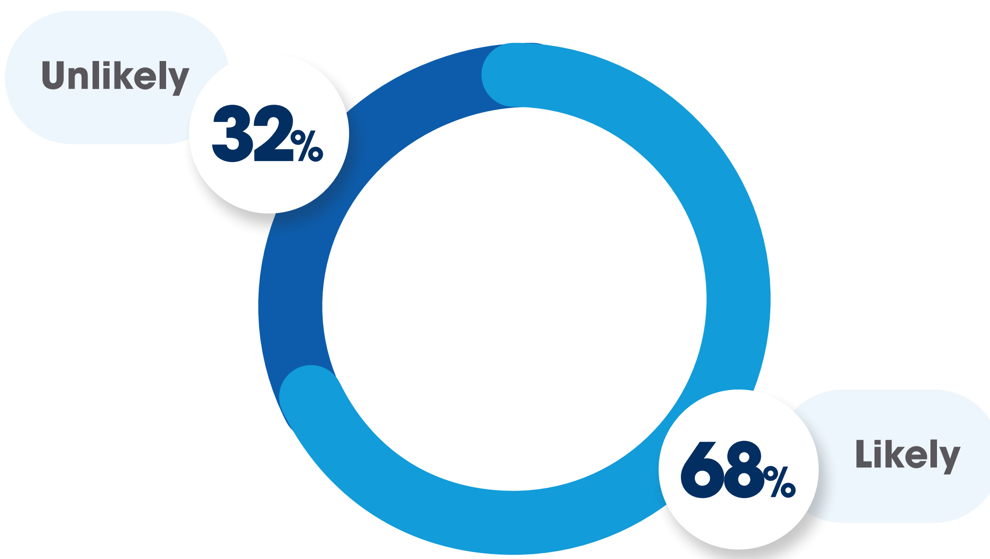
**47%** year-over-year revenue growth
U.S. retailers not offering BOPIS

## Top Contactless Methods B2Cs Are Expanding During COVID-19

| Contactless delivery | Contactless payments | Buy online, pick up in store or click and collect | Self-service |
|---|---|---|---|
| Manufacturing<br>Media and Communications<br>Food and Beverage<br>Pharmacy | Travel, Transportation, and Hospitality<br>Healthcare (Provider)<br>Advertising and Marketing | Retail<br>Consumer Goods<br>Telecommunications | Medical Devices |

# 02 Direct-to-Consumer Initiatives Take Off

## Many Consumers Will Still Buy Essential Goods Online After the Health Threats of COVID-19 Subside*




**200%** increase in digital purchases of essential goods between March 2019 and March 2020

* Snapshot Research Series," Salesforce, 2020.

The current digital shift in purchasing behavior is affecting consumers' relationships with brands. As the pandemic took hold, digital purchases directly from manufacturers for essential goods (normally on grocery store shelves) skyrocketed 200% year over year.

Even during the 2020 holiday shopping season, food and beverage was a top spending category for online shoppers as consumers turned to convenience.

**62% of food and beverage leaders are replacing in-store experiences with live chat or video experiences.**

The change will likely be permanent: 68% of consumers said they'll continue to buy essential goods online after the pandemic.* This creates an opportunity for brands to sell direct to consumers.

# 02 Direct-to-Consumer Initiatives Take Off

## Top Motivations for Leaders to Invest More in Digital Commerce in 2020, by Industry

### Top motivation: COVID-19

- Food and Beverage
- Medical Devices
- Advertising and Marketing

### Top motivation: customer demands

- Telecommunications
- Media and Communications
- Consumer Goods
- Retail
- Healthcare (Provider)
- Manufacturing
- Pharmacy

### Top motivation: competitive market pressure

- Travel, Transportation, and Hospitality

Evolving consumer behavior hasn’t gone unnoticed by B2C leaders. The majority of leaders across industries report increased investments in digital commerce since 2019. This occurred across regions also, with leaders in Latin America noting even more urgency to invest.

The top factors motivating these investments were COVID-19, customer demands, and competitive market pressure. For food and beverage leaders, the urgency due to COVID-19 was most pronounced. In fact, 84% of leaders in the industry noted the pandemic as a top factor, far more than in most other industries.

# 02 Direct-to-Consumer Initiatives Take Off

One benefit from more direct-to-consumer (D2C) transactions is the incremental revenue, especially as the pandemic pushes essential purchases online. Consumer goods (CG) manufacturers were already experiencing a lift from this shift before the pandemic. Despite the direct channel contributing an average of 5% of the total revenue for most CG companies, it constituted 40% of the growth.* The pandemic supercharged that growth. Online spend for food and drink directly from manufacturers' websites grew by triple digits in both Q2 and Q3.

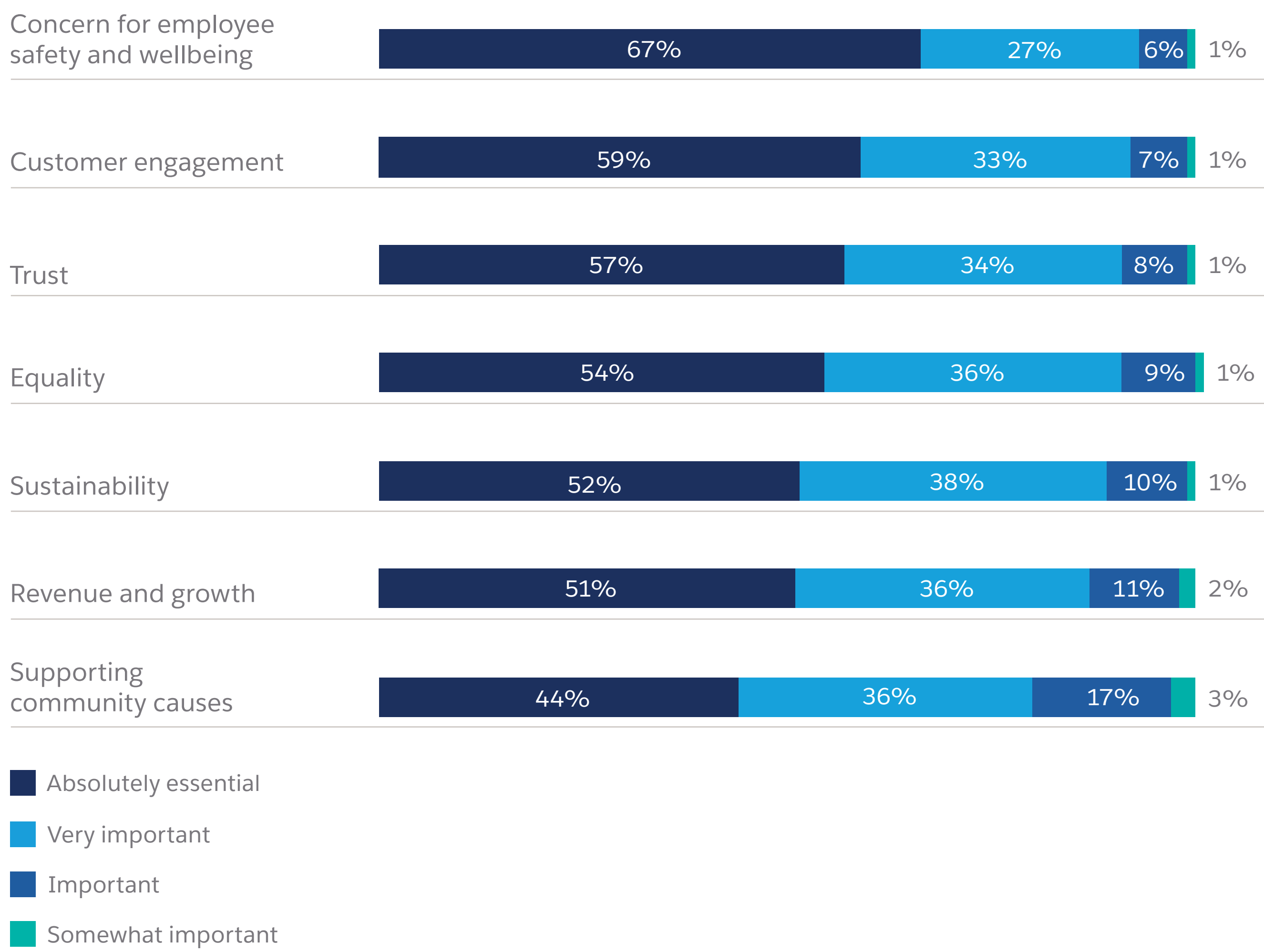
## Digital Commerce Skyrocketed When the Pandemic Began


* "Consumer Goods and the Battle for B2B and B2C Relationships," Salesforce Research, 2019.

# 02 Direct-to-Consumer Initiatives Take Off

## Priorities Extend Beyond the Bottom Line

Degree of Importance Commerce Leaders Place on the Following



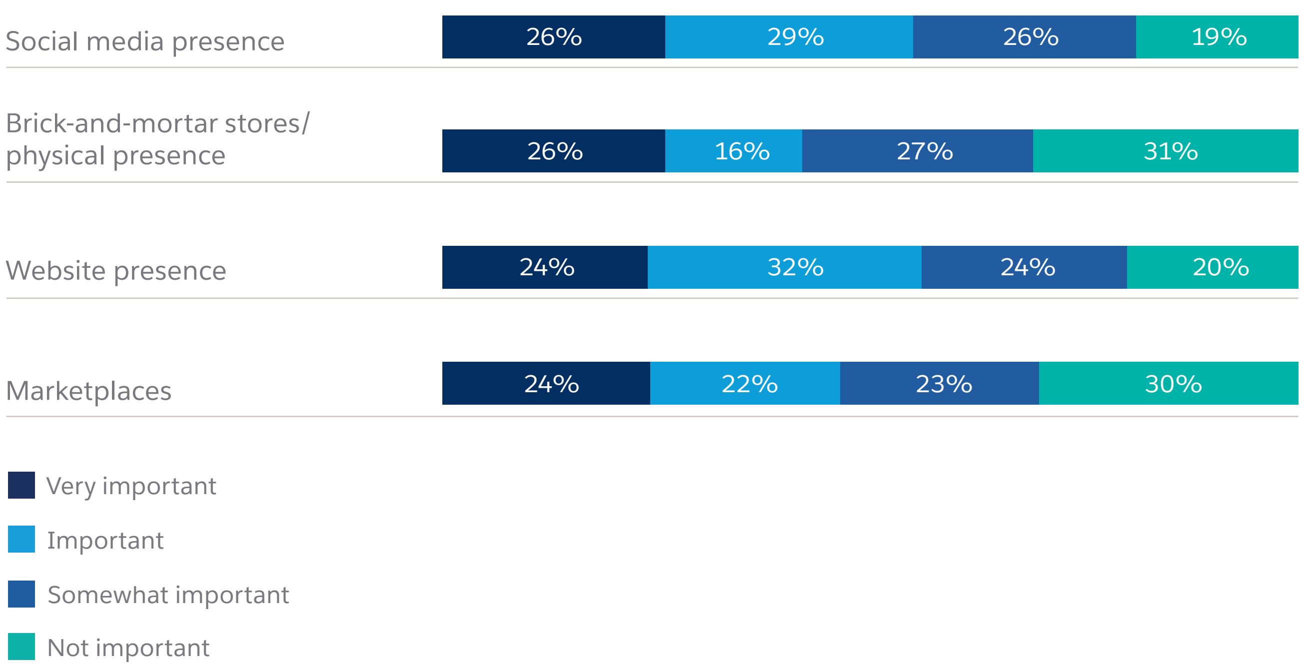

In the COVID-19 era, many leaders are putting people first. More than half say that concern for the safety and wellbeing of employees is absolutely essential. A similar percentage values trust to the same degree. Almost all leaders at high-performing companies say that customer engagement is an absolutely essential part of their values.

But B2C leaders face significant barriers to building D2C relationships. The biggest one is elevated consumer expectations, followed closely by a lack of first-party data from retailers.* In addition, 55% of CG leaders are challenged to turn the customer data they do own into insights.

* "Consumer Goods and the Battle for B2B and B2C Relationships," Salesforce Research, 2019.

# 02 Direct-to-Consumer Initiatives Take Off

## B2C Leaders Have Multiple Investment Priorities




As B2C commerce leaders struggle with a lack of first-party data, new investments could provide some relief. Leaders across a wide variety of industries – like manufacturing, consumer goods, and pharmacy – are investing more in a presence on social media and less on online marketplaces.

Meanwhile, leaders in the consumer goods and medical device industries are putting more investment into online marketplaces. Yet for healthcare, food and beverage, advertising and marketing, and pharmacy leaders, brick and mortar is the top investment priority.

Among our performer categories, high and moderate performers clearly state that website presence and social media presence are the most important investment priorities, while underperformers are focusing more on brick-and-mortar stores.

# 03 Shopping at the Edge Accelerates

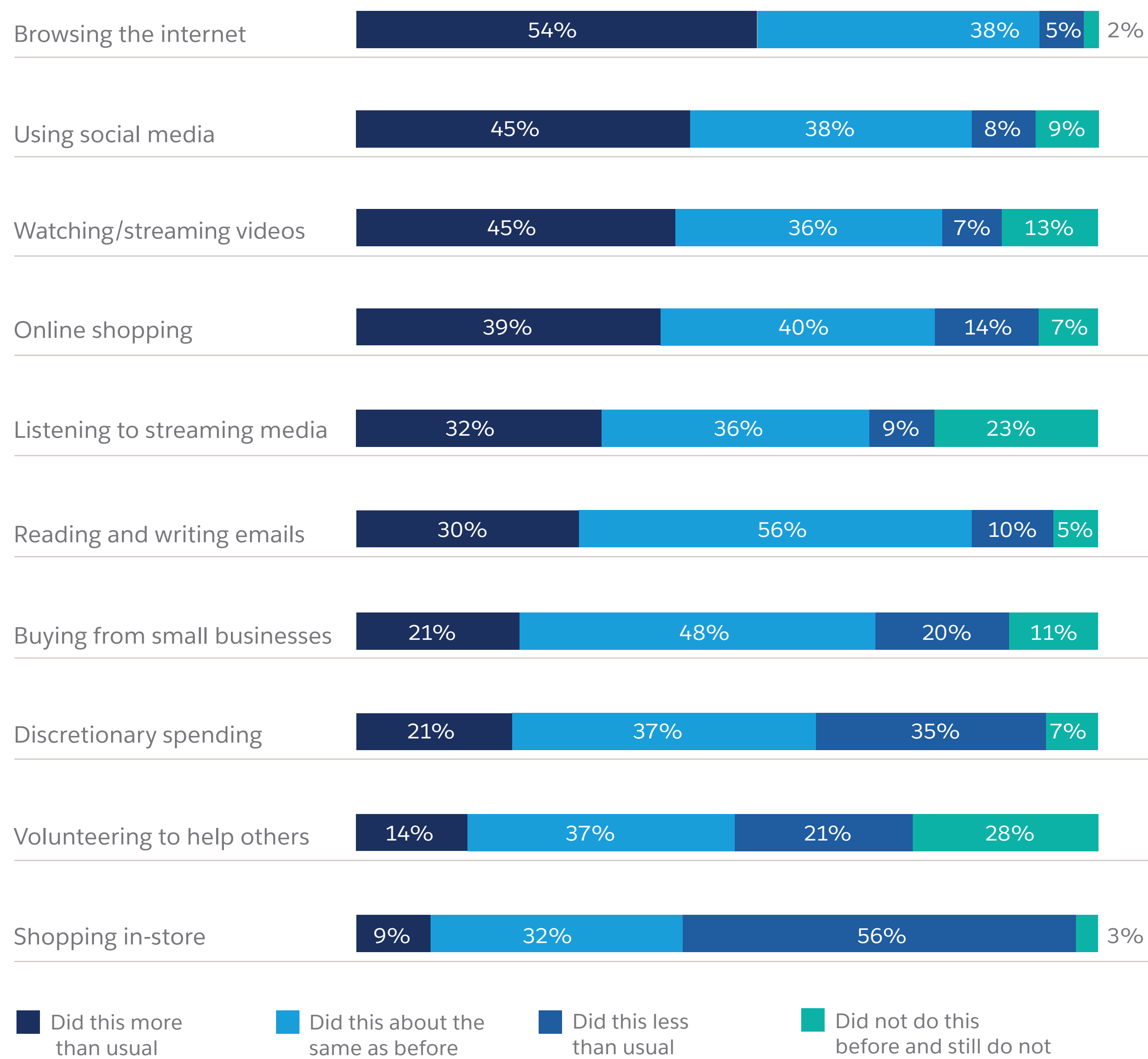
Digital transformation has dramatically changed the way that people communicate, find entertainment, work, bank, and shop. As physical interaction waned due to the pandemic, digital interaction grew.

Consumer digital spending grew **55%** from Q3 2019 to Q3 2020.

As shoppers migrate away from physical stores and toward the apps, sites, and other digital spaces they already frequent – a shift Salesforce calls “shopping at the edge” – brands are under pressure to meet customers where they are.

## Consumer Behavior Changed During the Pandemic

Degree to Which Consumers Report Doing the Following Compared to Before the Pandemic*




* “Snapshot Research Series,” Salesforce, 2020.

# 03 Shopping at the Edge Accelerates

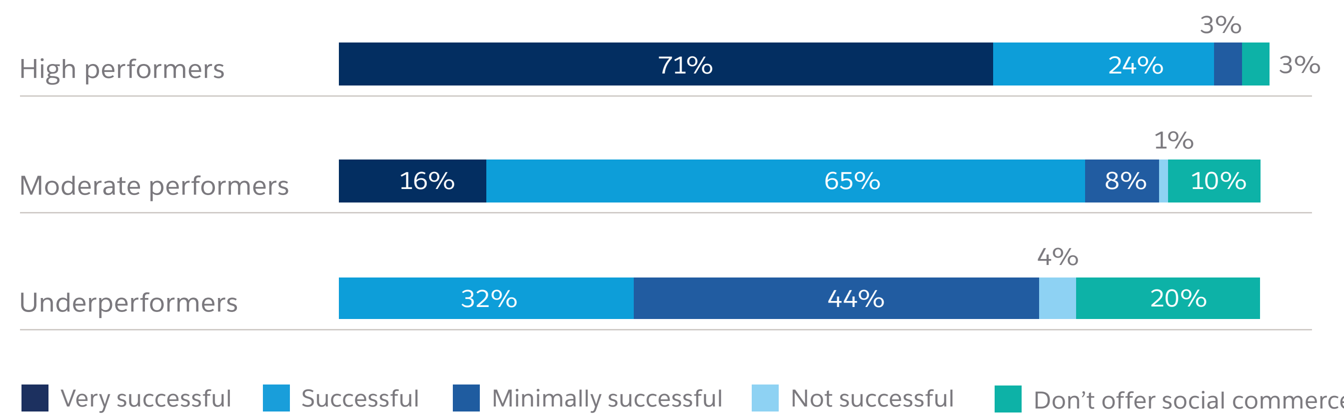
High-performing organizations tend to agree that embracing digital means embedding a brand into the channels and devices where consumers spend most of their time. As 56% of consumers report spending less time than usual shopping in-store, where did they go instead? To social media.

Over the second quarter of 2020, Salesforce data shows that traffic to digital websites from social media referrals grew by a record 104% over the same quarter the prior year, and consumers were not just browsing. Orders generated from social referrals were up a record 104% year over year.

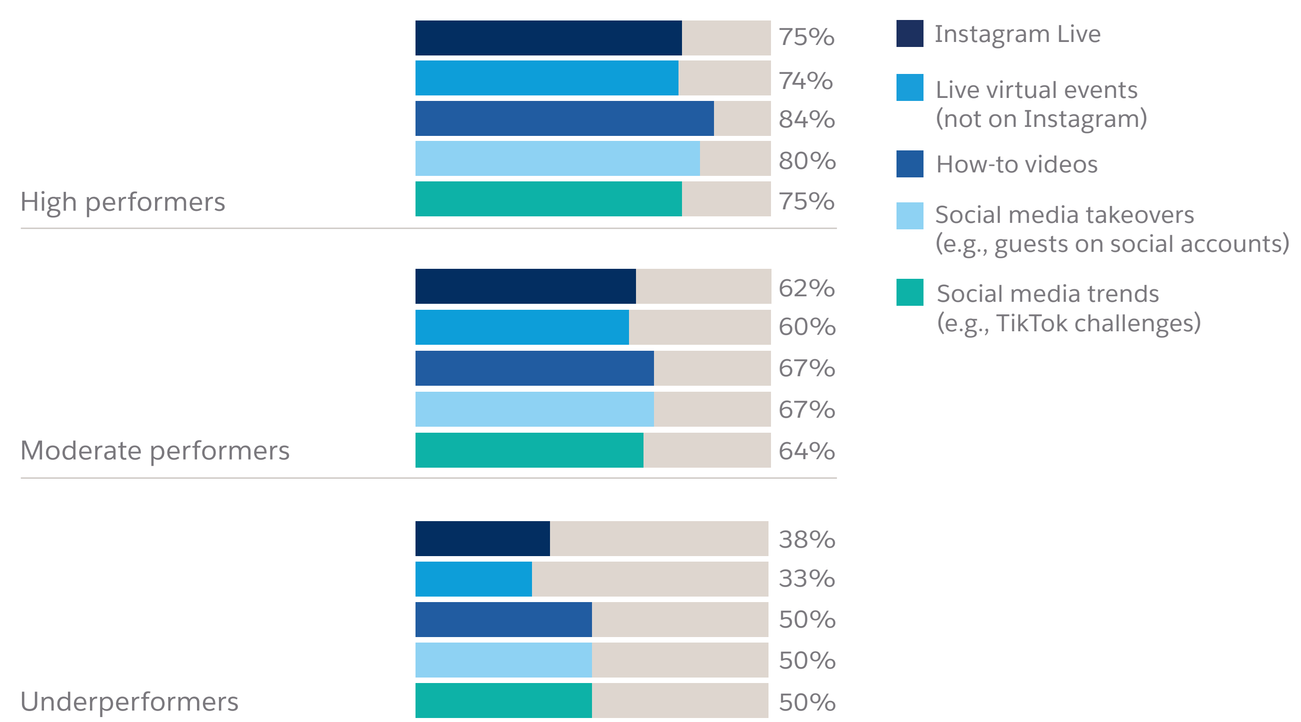
The regional differences in engagement are clear. Latin American and European leaders saw the highest rates of engagement for how-to videos, while those in China, Japan, and Australia reported Instagram Live and social media trends (like TikTok challenges) had the greatest engagement. Meanwhile, in North America, B2C commerce leaders said social media takeovers were the most successful.*

* See Appendix.

## High Performers Report More Success with Social Commerce



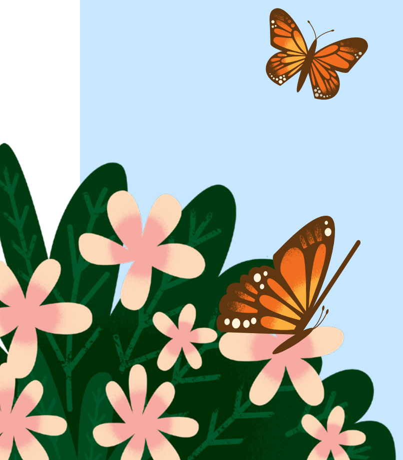

## Commerce Leaders Who Report High Engagement Across the Following



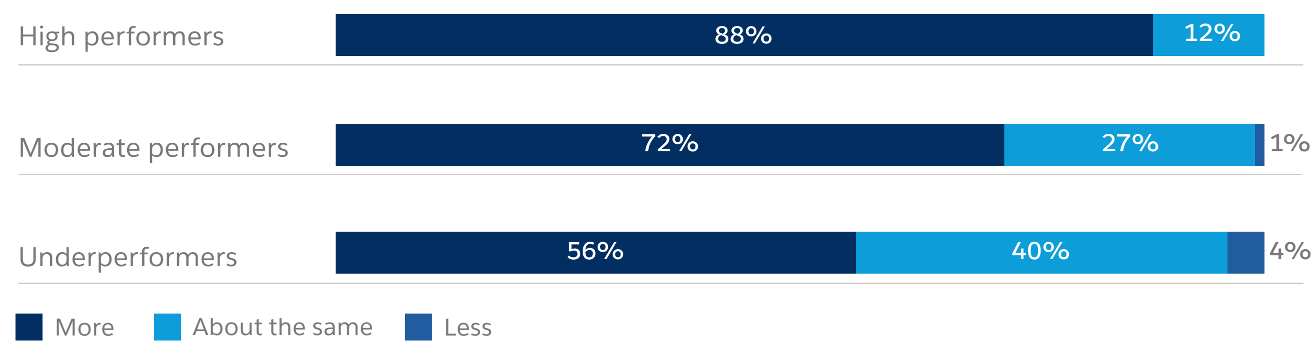
# 03 Shopping at the Edge Accelerates

B2C organizations' motivations for investing in new channels go beyond expanded brand awareness. Eighty-eight percent of high performers report that they are investing more in contextual commerce or embedded commerce experiences. These bring commerce into other digital experiences such as social media, gamification, voice, and virtual reality.

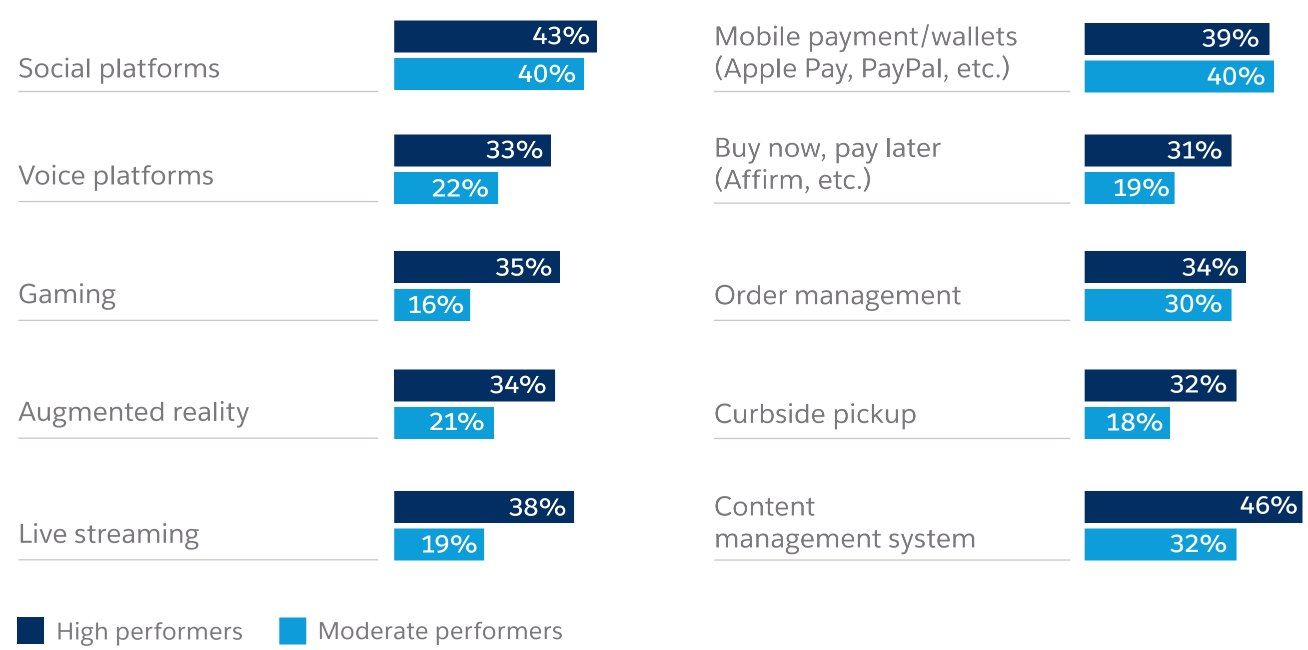
B2C organizations are investing in a variety of systems to manage contextual commerce, among other initiatives. High performers are particularly likely to turn to a content management system (CMS).



## Most Companies Increased Investment in Contextual Commerce Compared to 2019




## Many B2Cs Reported Expanding Investments in the Following Technologies



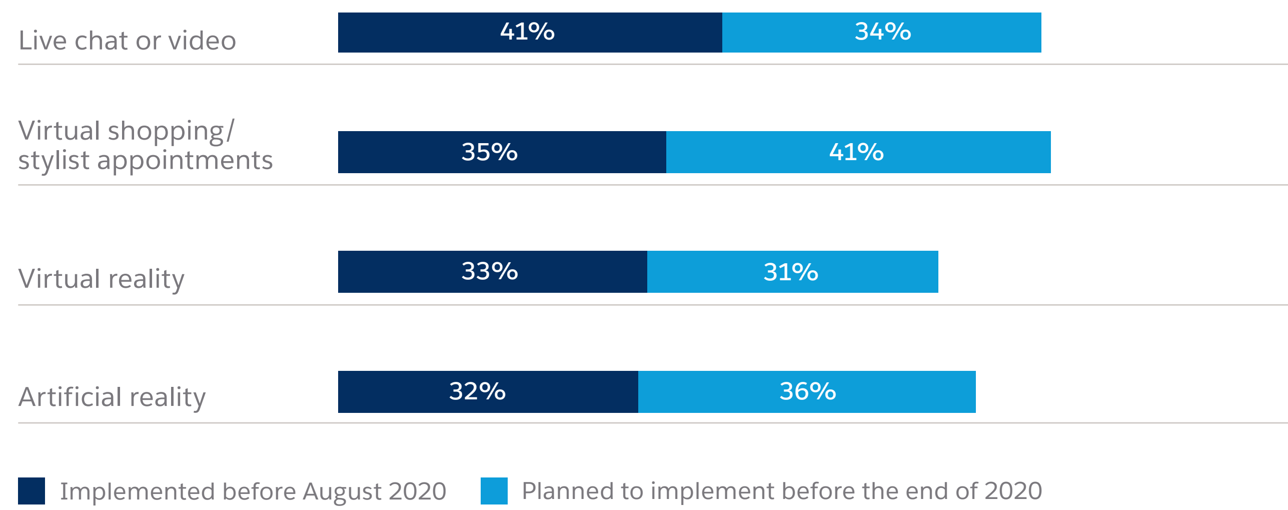
03

# Shopping at the Edge Accelerates

Engagement opportunities increased across many online channels during the pandemic. Social media, internet browsing, and video streaming are the top three activities consumers have spent more time on in 2020.

In response, B2C organizations pivoted quickly. In just three months, 41% of organizations added real-time web chats or video chats to their online offerings. Another 34% of organizations say they plan to implement these chat services before the end of 2020. And 33% of survey respondents implemented virtual reality and virtual shopping over the course of the year.

## B2Cs Implemented New Technologies in 2020




# Conclusion: Commerce Is Only a Part of the Customer Journey

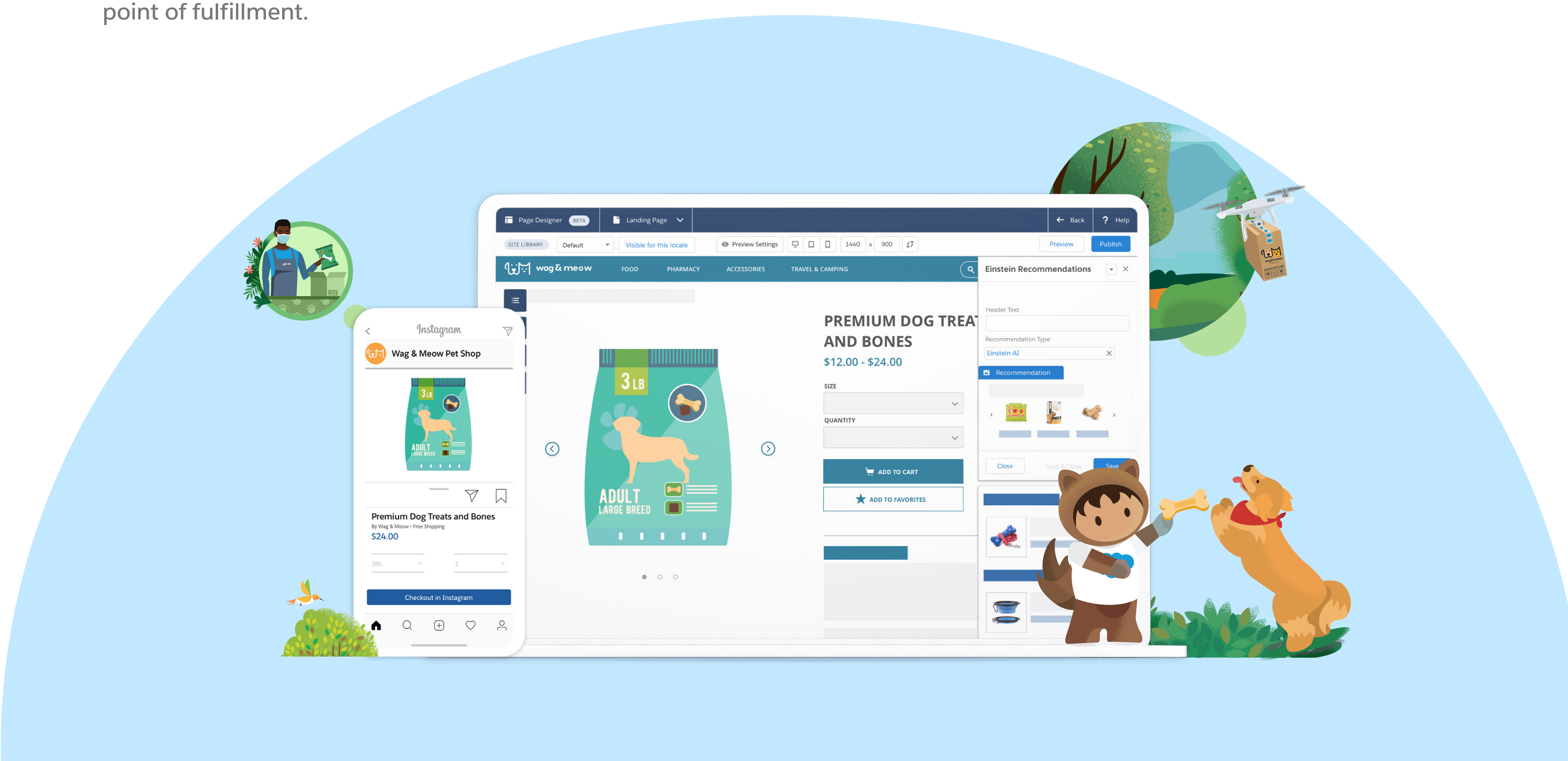
Where does the evolution of commerce leave brick-and-mortar stores? B2C leaders agree that their physical locations still play a role in their business strategy and are among the top areas of investment. However, social media and website presence are even more important.

COVID-19 accelerated the move to digital for product discovery and purchasing. The store, which was once the main point of product discovery, is transitioning into a point of fulfillment.

The challenge, then, is to connect the customer experience. Oftentimes, store associates are not able to tap into the treasure trove of information in their shoppers' online profiles.

**See how to create unified commerce experiences both online and in stores.**

**Read on to understand the state of B2B commerce.**



# The State *of* B2B Commerce

# 04 B2B Is Warming Up to Ecommerce

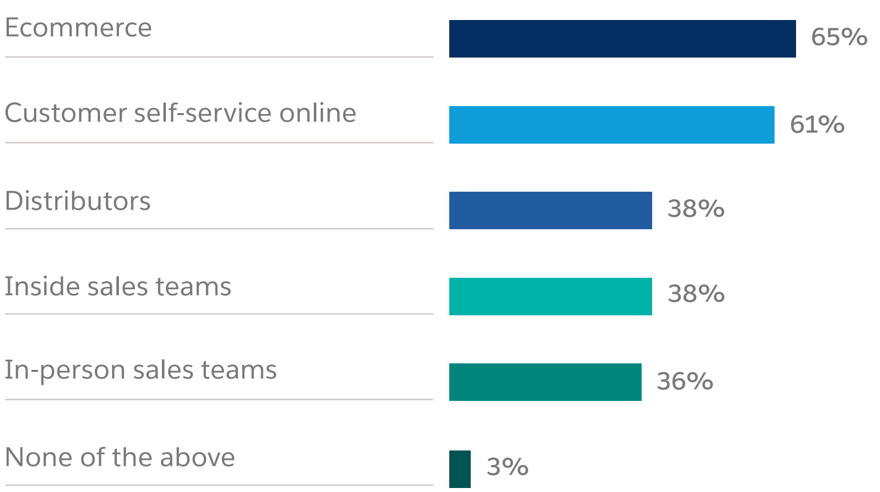
The quick shift to digital is happening to all businesses – including B2B organizations. In fact, 83% of B2B organizations are already selling online, and most continue to invest in digital. In fact, ecommerce is cited as the top sales channel for investment by B2B survey respondents.

Nearly one in three B2B organizations report that 50% or more of their overall revenue already comes from digital channels. Fifty-five percent of respondents expect that will be the case within the next few years.

Regional differences in digital commerce maturity are apparent among respondents. Fifty-four percent of respondents in the United States reported digital revenues comprising at least 50% of their sales. Commerce leaders across all other regions reported lower figures. However, most leaders from all regions were confident that digital sales would reach over 50% of their business within the next few years.*

* See Appendix.

## Where B2B Organizations Plan to Increase Investment over the Next Two Years




**30%** of respondents said digital channels provide more than 50% of B2B revenue **in 2020**

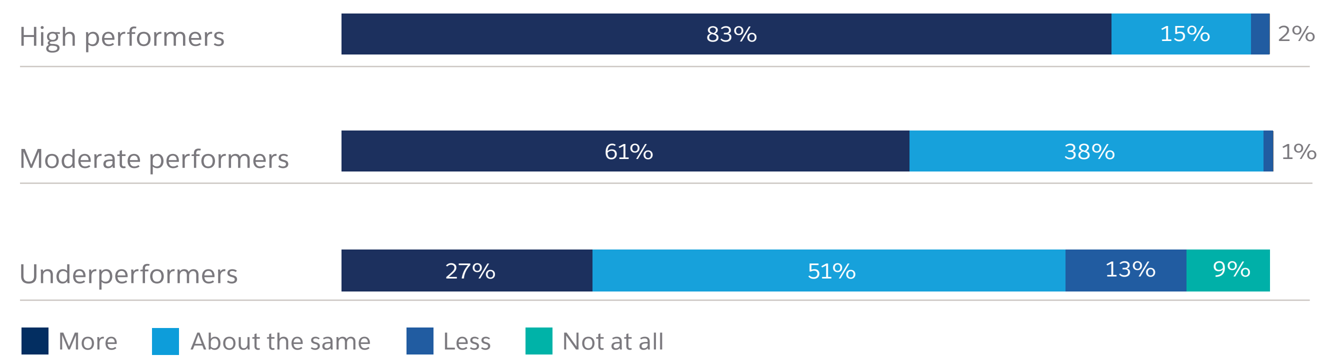
**55%** of respondents said digital channels would provide more than 50% of B2B revenue **in three years**

# 04 B2B Is Warming Up to Ecommerce

Most B2B organizations increased their investment in digital commerce over the past year. Those that implemented digital capabilities early faced a great challenge – and opportunity – due to the pandemic. Thirty-eight percent of organizations say they were extremely successful at managing remote sales. That figure rockets to 70% among high performers.

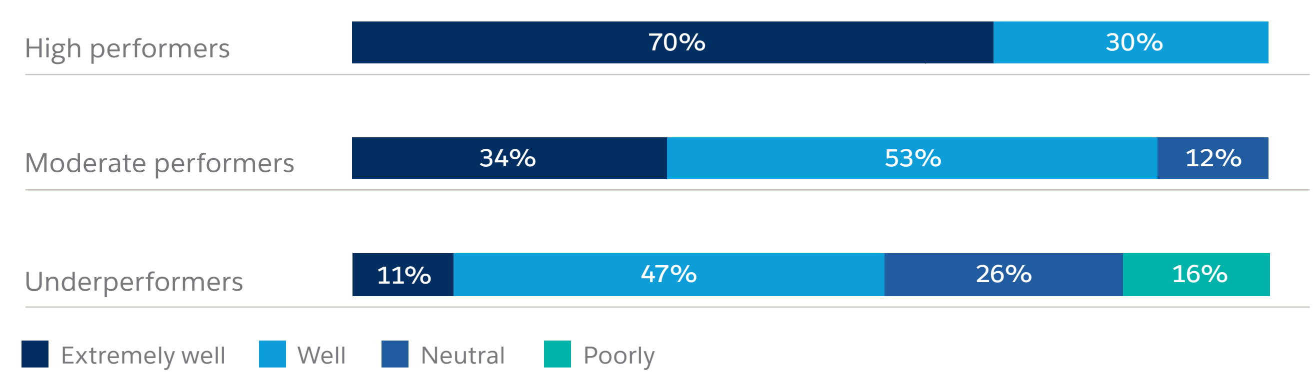
## Many B2B Organizations Boosted Investments in Digital Commerce in the Past Year

Degree to Which Organizations Invested in Digital Commerce in 2020 Compared to 2019




## High Performers Excelled at Remote Sales in 2020

Commerce Leaders Who Rate Their Remote Sales Performance During the Pandemic as Follows



# 04 B2B Is Warming Up to Ecommerce

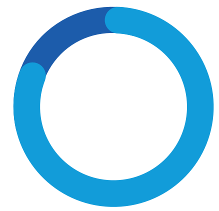
Leaders across the globe report differing levels of success with managing remote sales in 2020. Over 90% of leaders in the United States, Canada, and Australia report that they were successful or extremely successful. In Japan, 66% of leaders say the same. Meanwhile, 80% of leaders in the U.K., Germany, and France report success with their ecommerce investment.

Data from Commerce Cloud indicates increased digital commerce activity among B2B organizations. B2B orders placed via an ecommerce solution increased by 44% between January 2020 and August 2020. That number climbed higher as the year went on.

But digital and in-person sales aren't created equal. Survey respondents estimate the average order value (AOV) of self-service orders was about half of in-person purchases.

In other words, there is a case for combining traditional and digital sales models for B2B organizations.

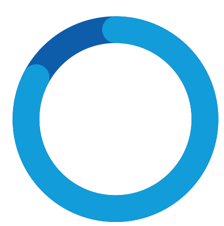
## B2B Buyers Embraced Ecommerce This Year



**90%** of leaders in the United States, Canada, and Australia reported success in managing remote sales **in 2020**

**66%** of leaders in Japan reported success in managing remote sales **in 2020**

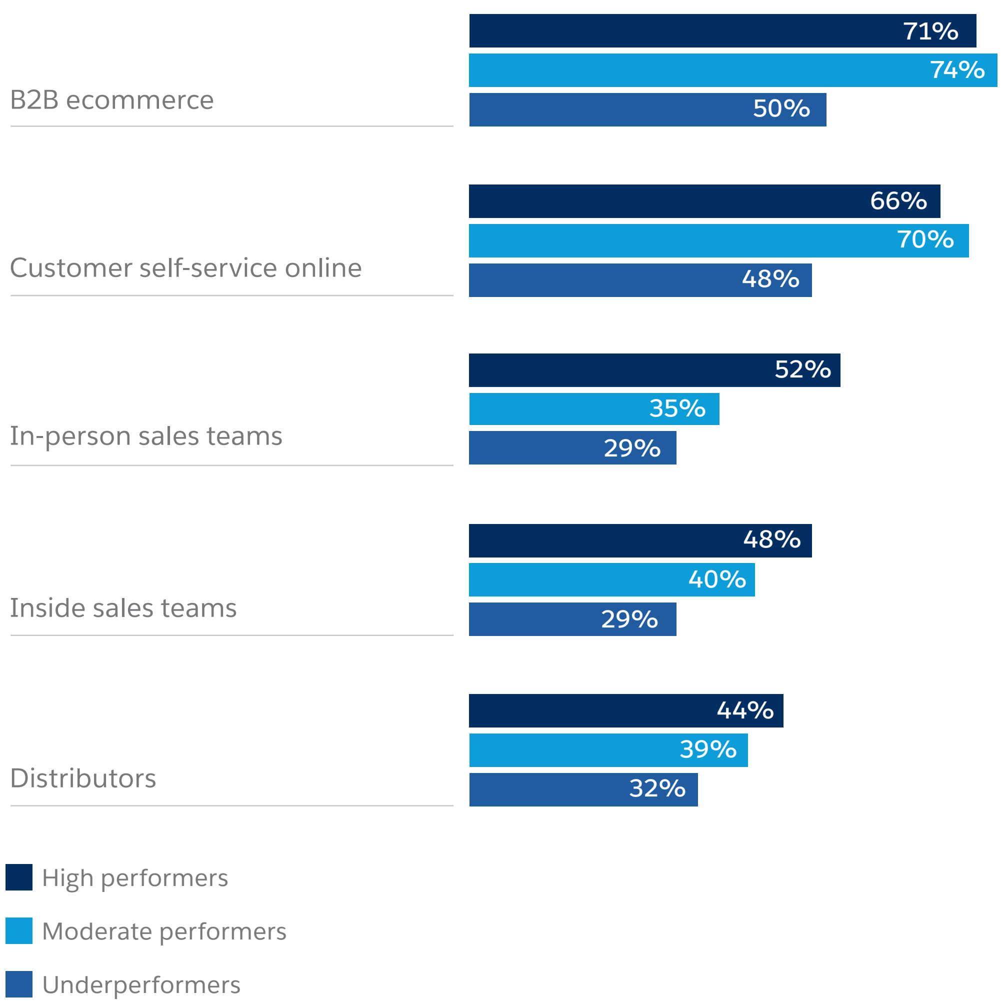
**44%** global increase in B2B orders placed online **between January and August**



**80%** of leaders in the U.K., Germany, and France **report success with their ecommerce investment**

# 05 The Traditional Model Persists amid a Digital Transformation

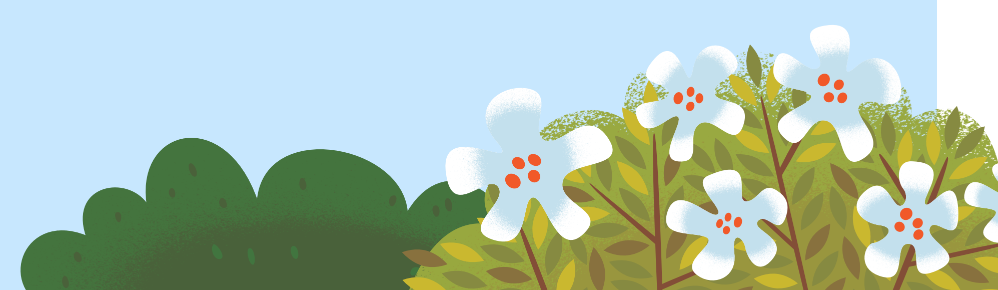
## Where B2B Organizations Plan to Invest in the Next Two Years




With 83% of B2B organizations investing in a digital commerce solution, where does the traditional sales role fit in? In fact, the majority (58%) of high-performing B2B organizations reported that despite a rise in digital commerce, they remain highly invested in in-person sales teams. Fifty-two percent of these high performers even report plans to increase investment in their sales teams over the next two years.

Industry leaders are split over the role of in-person sales teams. B2B leaders in pharmacy, food and beverage, medical devices, and consumer goods often support more investment for their in-person sales teams. Meanwhile, leaders across other industries were more likely to report increasing investment in B2B ecommerce solutions.*

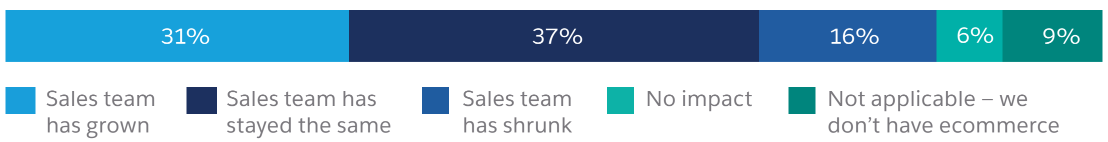
* See Appendix.



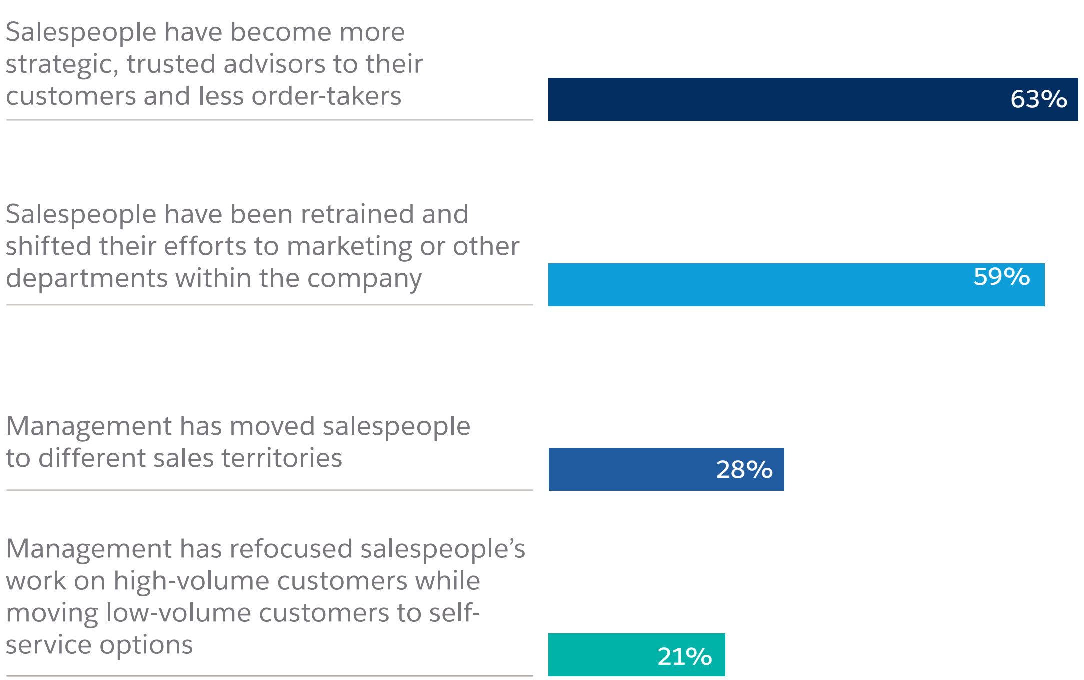
# 05 The Traditional Model Persists amid a Digital Transformation

## Ecommerce Growth Affects B2B Sales Teams

Degree to Which Ecommerce Growth Has Impacted Sales Team Size




## How B2B Sales Roles Are Evolving in Response to Ecommerce




Survey question was asked of Sales only.

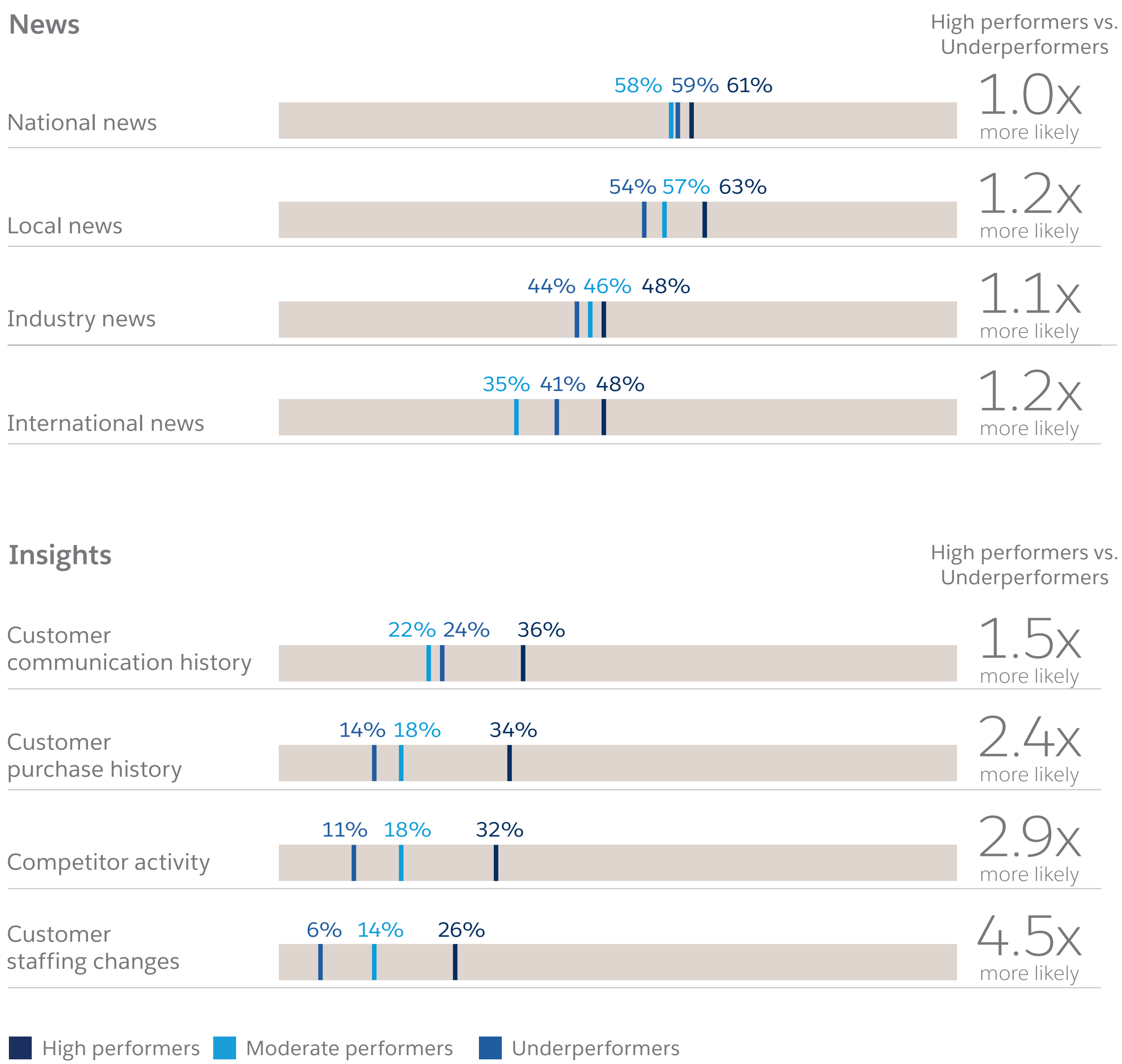
In a testament to the symbiotic nature of traditional and digital sales, only 16% of B2B organizations say that the growth of their ecommerce channel led to reduced investment in their sales teams. In fact, 31% of organizations report increasing the size of their sales teams after investing in ecommerce.

Even among sales teams with stable sizes, transformation is occurring. Thirty-seven percent of such organizations agree that sales roles are evolving. Specifically, the majority of respondents (63%) report that ecommerce has freed their sales teams from the logistics of order processing and have allowed them to become strategic advisors. And while 59% say that some have been retrained to focus on other priorities within the company, 21% report that digital commerce allows sales teams to focus more time and attention on their most valuable customers.

# 05 The Traditional Model Persists amid a Digital Transformation

## Top Performers Closely Track Deeper Customer Insights

Reps Who Monitor the Following Information Sources Daily




All data on this page is from “State of Sales,” Salesforce Research, 2020.

Sales reps voraciously devour information from many sources so they can understand and advise customers – powering a process called insight selling.

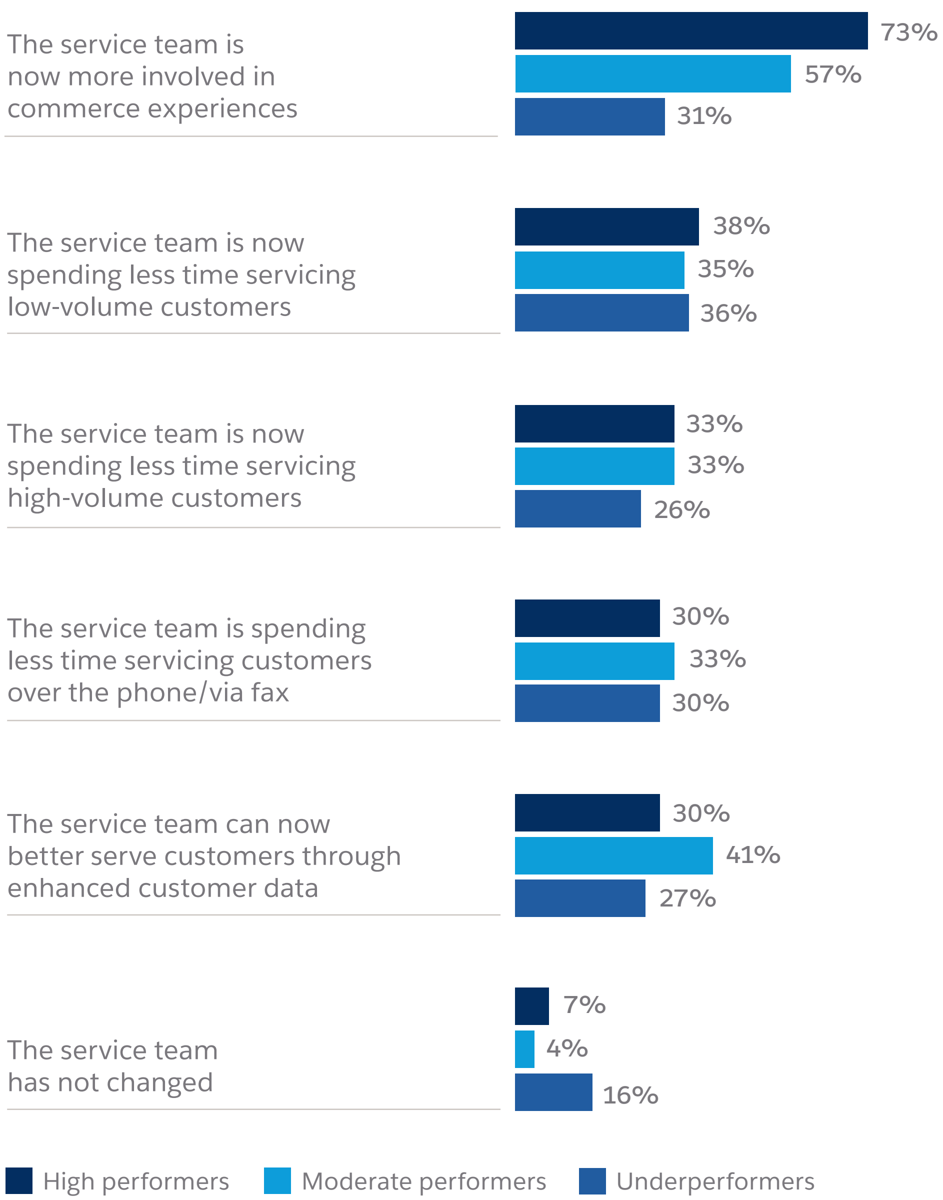
**88%** of reps say current economic conditions make it important to anticipate customers’ needs.

Reps are generally aligned on how frequently to monitor publicly available information sources – such as macro developments in national and international news, and micro trends in trade magazines, industry podcasts, and more. However, an interesting split emerges when it comes to the kinds of customer-specific insights often revealed in sales conversations and documented privately, like staffing changes. Across the board, high-performing organizations track these insights much more closely, using them to flesh out a holistic picture of who their customers are and what they need.

# 05 The Traditional Model Persists amid a Digital Transformation

## Ecommerce Helps Customer Service Teams

Commerce Leaders Who Report the Following Impacts




B2B ecommerce is also impacting customer service teams. In fact, 57% of organizations report that their customer service teams are now more directly involved in commerce experiences than ever before.

For high performers, customer service agents are even more likely (73%) to be involved in the commerce experience. The reality is that high-performing organizations don't see roles and departments as siloed, but rather as connected opportunities to enhance every aspect of the customer journey.

# 06 What B2B Organizations Value in Ecommerce

## Most Important Factors When Picking a Digital Solution

| Top 3 | High performers | Moderate performers | Underperformers |
|---|---|---|---|
| 1 | Digital innovation | Customer satisfaction | Revenue |
| 2 | Customer satisfaction | Digital innovation | Customer satisfaction |
| 3 | Growth | Growth | Growth |

## Less Important Factors When Picking a Digital Solution

| Bottom 3 | High performers | Moderate performers | Underperformers |
|---|---|---|---|
| 4 | Personalization | Cost savings | Digital innovation |
| 5 | Platform customization | Platform customization | Platform customization |
| 6 | Cost savings | Personalization | Personalization |

When picking an ecommerce platform, B2B organizations' priorities vary widely depending on business performance. While all three performance categories cite customer satisfaction as a top factor, high and moderate performers also value digital innovation. Meanwhile, underperformers focus on revenue when picking a platform. High performers are particularly likely to deprioritize cost as a factor, but join their moderate and underperforming peers in paying relatively little attention to platform customization.

Industries like food and beverage; travel, transportation, and hospitality; and telecommunications all agree that revenue is the most important factor when picking a digital solution. For retail, consumer goods, medical devices, advertising and marketing, media and communications, and pharmacy, the top factor is customer satisfaction. Meanwhile, healthcare (provider) reported digital innovation as the most important factor.*

* See Appendix.

# Conclusion

It’s clear that ecommerce will continue to play an important role for both B2B and B2C organizations going forward. Even when COVID-19 is no longer a concern, customers say they will continue to make digital purchases.

**See how solutions like Salesforce Commerce Cloud work.**

# Appendix

# Survey Demographics

| B2B Industry | |
|---|---|
| Retail | 7% |
| Manufacturing | 24% |
| Healthcare (Provider) | 7% |
| Consumer Goods (excl. Food and Beverage) | 24% |
| Medical Devices | 7% |
| Telecommunications | 9% |
| Media and Communications | 7% |
| Travel, Transportation, and Hospitality | 7% |
| Advertising and Marketing | 7% |
| Food and Beverage | 7% |
| Pharmacy | 7% |

| B2C Industry | |
|---|---|
| Retail | 19% |
| Manufacturing | 17% |
| Healthcare (Provider) | 7% |
| Consumer Goods (excl. Food and Beverage) | 7% |
| Medical Devices | 7% |
| Telecommunications | 7% |
| Media and Communications | 7% |
| Travel, Transportation and Hospitality | 7% |
| Advertising and Marketing | 7% |
| Food and Beverage | 7% |
| Pharmacy | 7% |

| B2B Region | |
|---|---|
| United States | 11% |
| United Kingdom | 11% |
| Germany | 11% |
| Canada | 10% |
| France | 11% |
| China | 11% |
| Australia | 11% |
| Japan | 12% |
| Latin America | 11% |

| B2C Region | |
|---|---|
| United States | 11% |
| United Kingdom | 11% |
| Germany | 11% |
| Canada | 9% |
| France | 11% |
| China | 14% |
| Australia | 11% |
| Japan | 11% |
| Latin America | 11% |

| B2B Size | |
|---|---|
| Small (<50–500 employees) | 37% |
| Medium (501–5,000 employees) | 45% |
| Enterprise (>5,000 employees) | 18% |

| B2C Size | |
|---|---|
| Small (<50–500 employees) | 37% |
| Medium (200–5,000 employees) | 43% |
| Enterprise (>5,000 employees) | 19% |

| B2B Role | |
|---|---|
| President | 12% |
| C-level executive | 45% |
| VP | 13% |
| Director | 30% |

| B2C Role | |
|---|---|
| President | 16% |
| C-level executive | 49% |
| VP | 12% |
| Director | 23% |

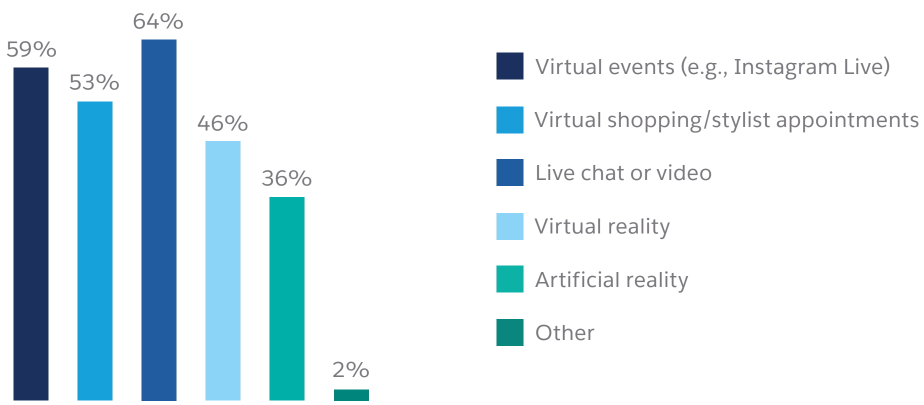
# Industry Profile
Retail

## **B2C** (131 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

**1** Social media takeovers

**2** Social media trends AND How-to videos
TIE

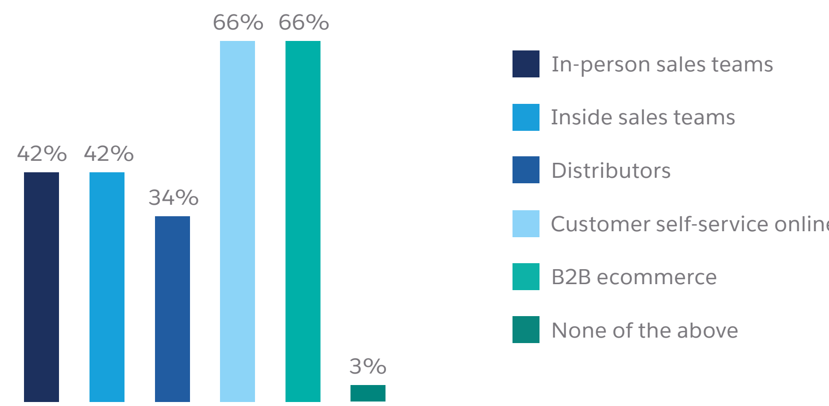
**4** Instagram Live

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019

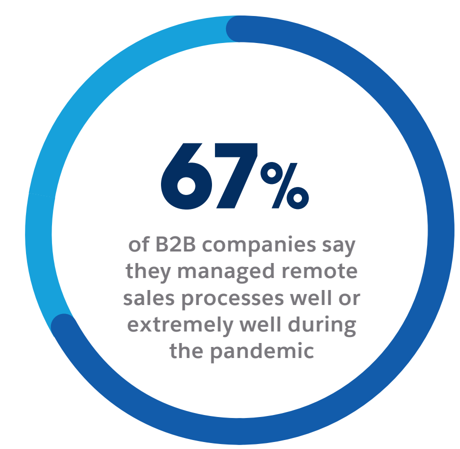

## **B2B** (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Customer satisfaction

**2** Digital innovation AND Personalization AND Growth
TIE

**5** Revenue

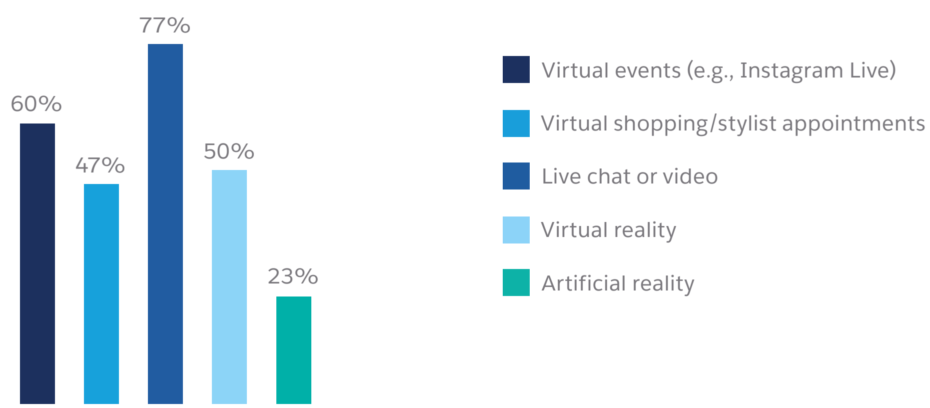
# Industry Profile
## Consumer Goods (excl. Food and Beverage)

## B2C (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

1 Social media trends

2 How-to videos

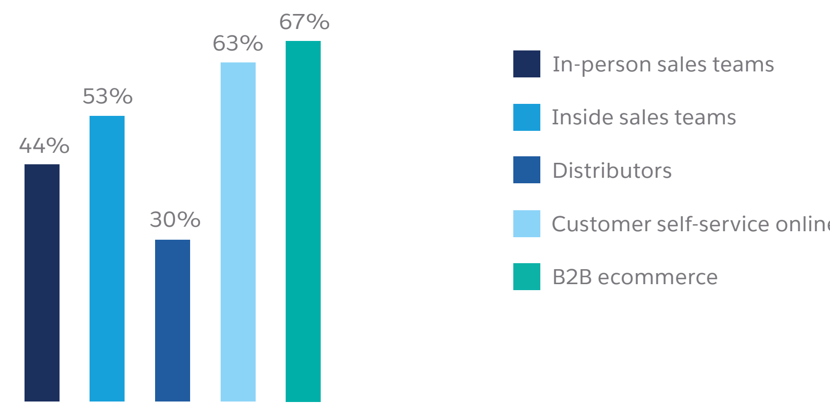
3 Social media takeovers

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019


## B2B (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Digital innovation

2 Customer satisfaction AND Growth (TIE)

4 Platform customization AND Revenue (TIE)

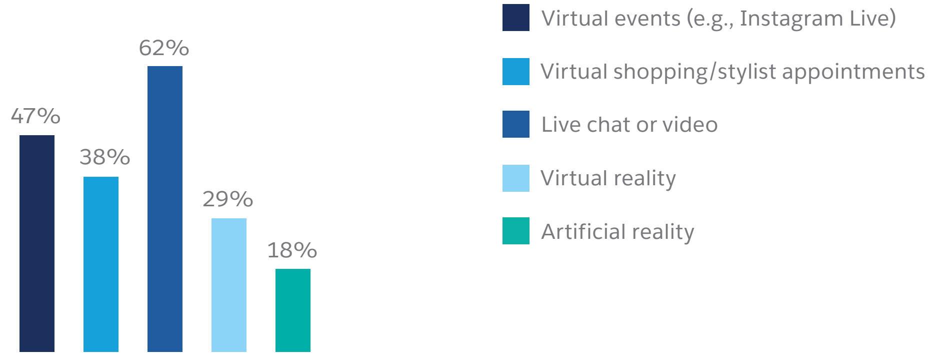
# Industry Profile
## Food and Beverage

## B2C (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

**1** How-to videos AND Social media takeovers **TIE**

**3** Instagram Live

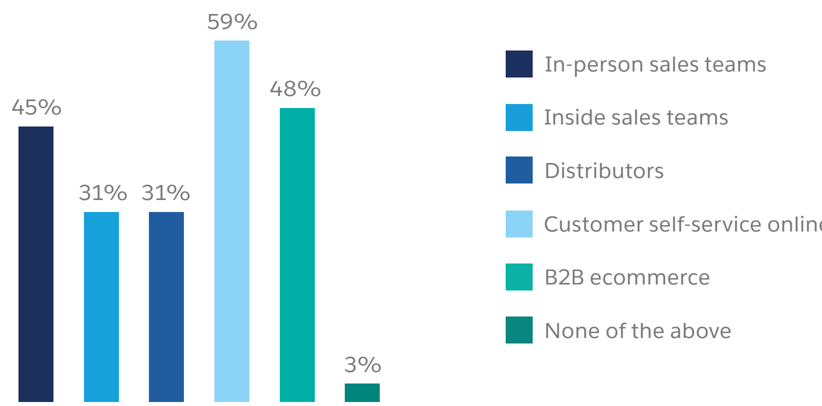
**4** Social media trends

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019


## B2B (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Revenue

**2** Customer satisfaction

**3** Growth

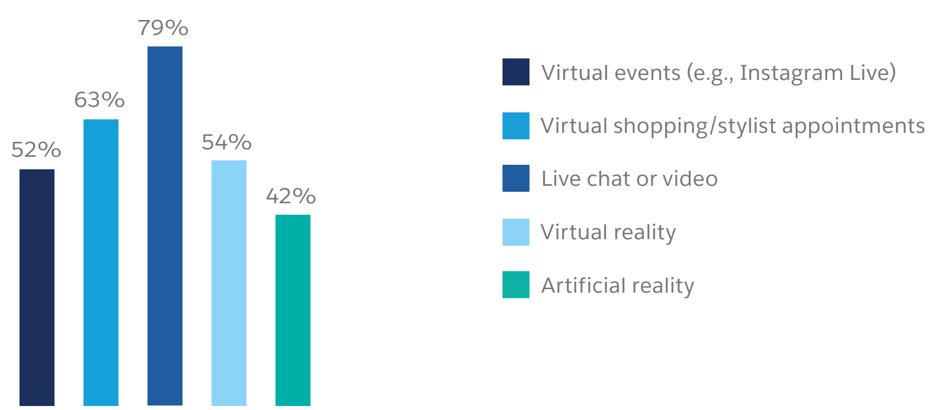
# Industry Profile
## Manufacturing

## B2C (119 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

1 How-to videos

2 Social media takeovers

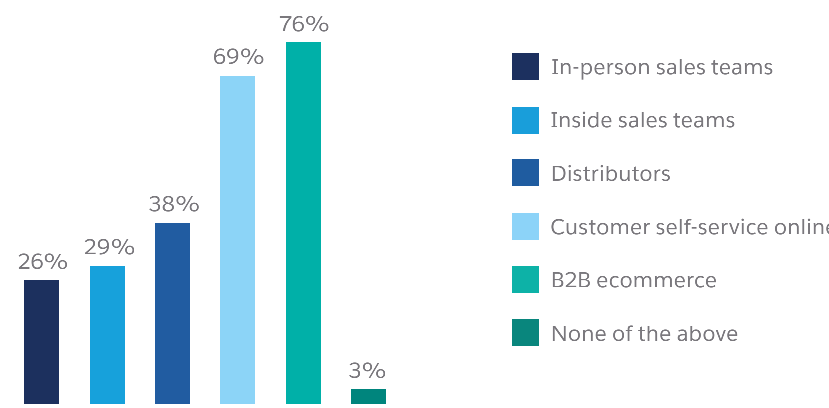
3 Instagram Live

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019

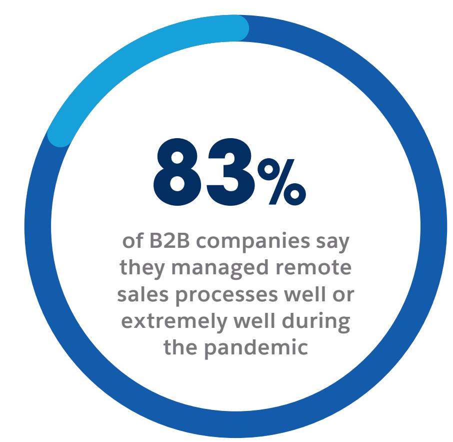

## B2B (160 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Revenue

2 Customer satisfaction AND Growth — TIE

4 Cost savings AND Digital innovation — TIE

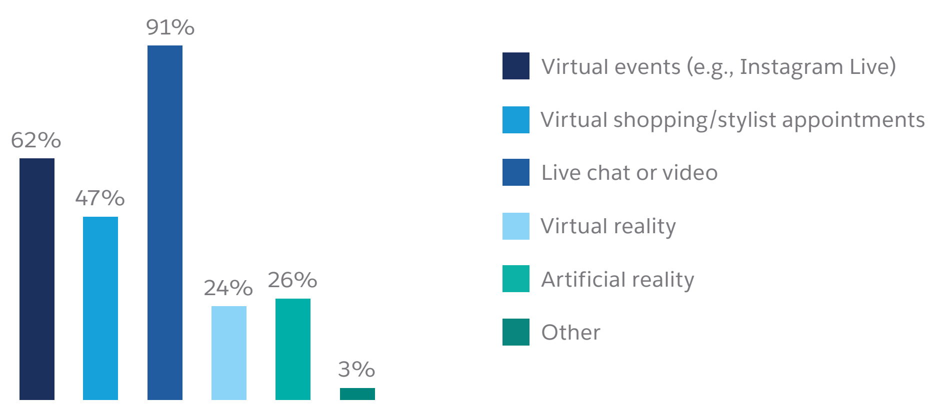
# Industry Profile
## Healthcare (Provider)

## **B2C** (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

**1** How-to videos

**2** Instagram Live

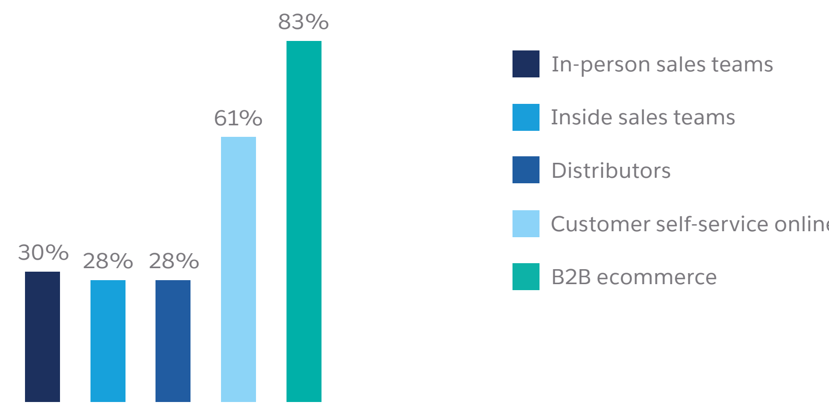
**3** Social media takeovers **AND** Social media trends **TIE**

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019

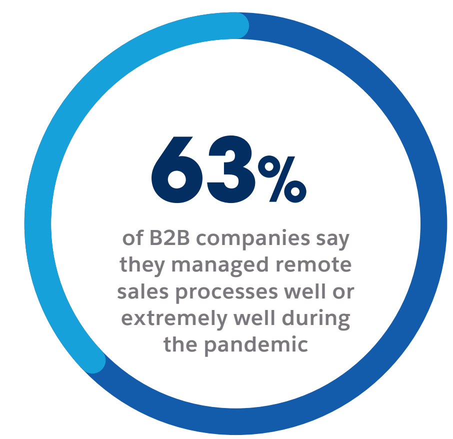

## **B2B** (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Digital innovation

**2** Customer satisfaction

**3** Revenue **AND** Growth **TIE**

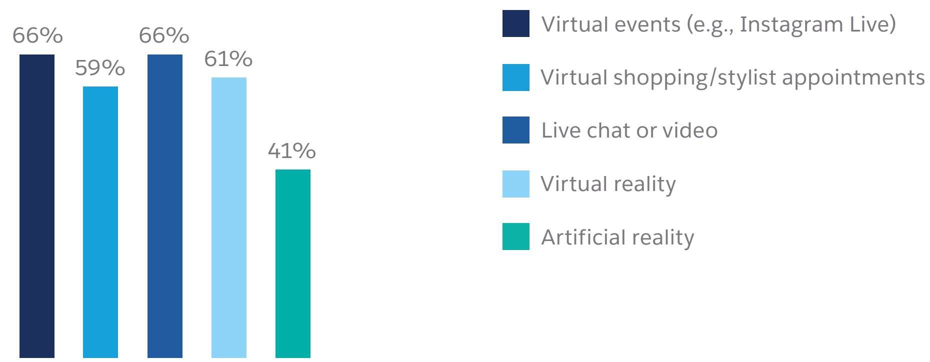
# Industry Profile
## Medical Devices

## **B2C** (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

1 How-to videos

2 Instagram Live

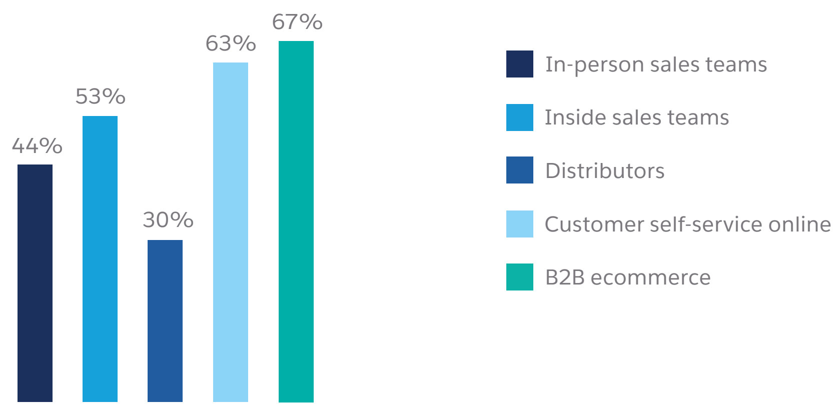
3 Social trends

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019


## **B2B** (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Digital innovation

2 Customer satisfaction

3 Platform customization AND Revenue AND Growth TIE

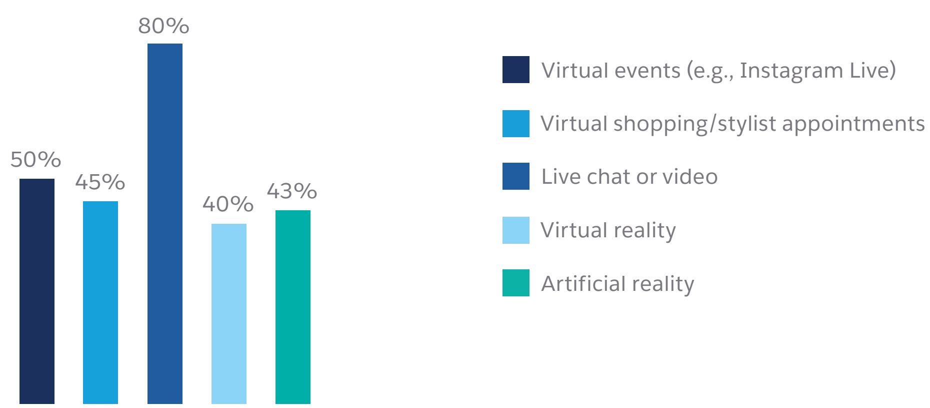
# Industry Profile
## Pharmacy

## B2C (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

**1** Social media takeovers AND Social media trends **TIE**

**3** Live virtual events

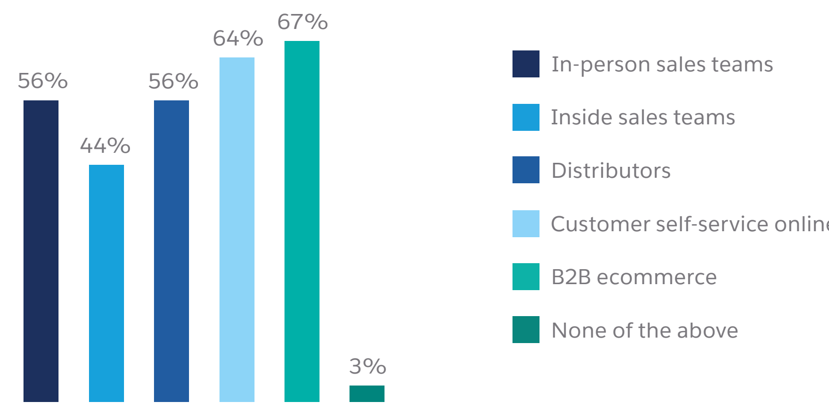
**4** How-to videos

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019

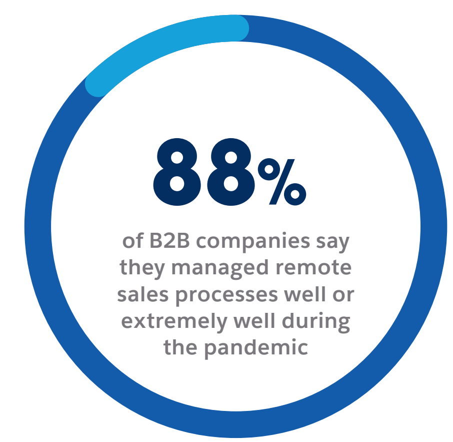

## B2B (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Digital innovation

**2** Customer satisfaction

**3** Revenue

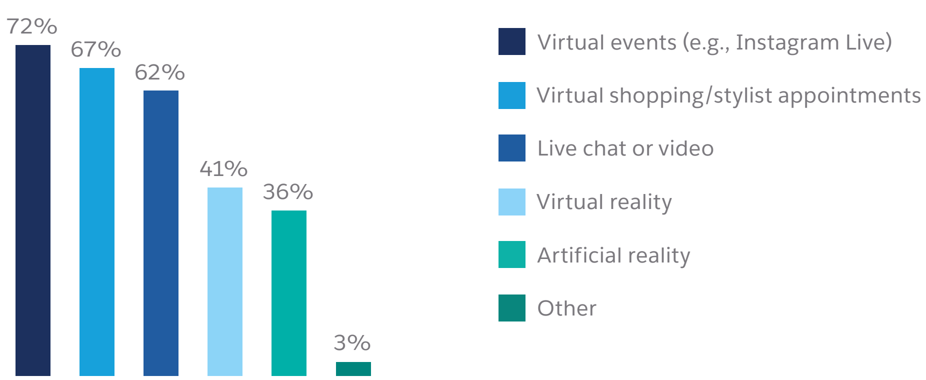
# Industry Profile
## Telecommunications

## B2C (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

**1** TIE Instagram Live **AND** Social media takeovers

**3** Social media trends

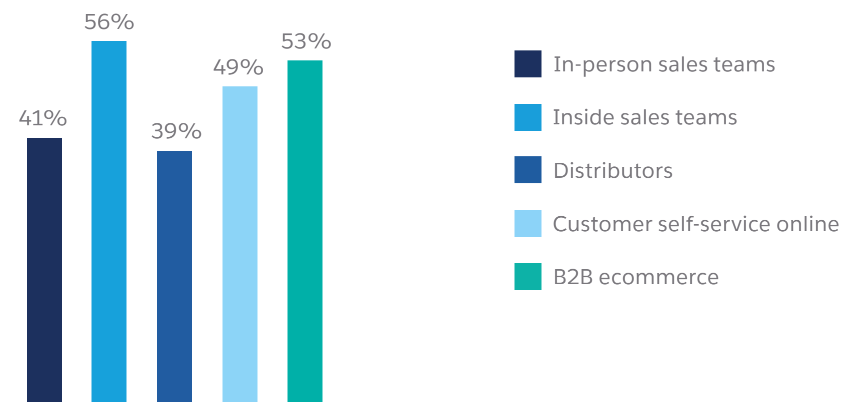
**4** TIE Live virtual events **AND** How-to videos

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019

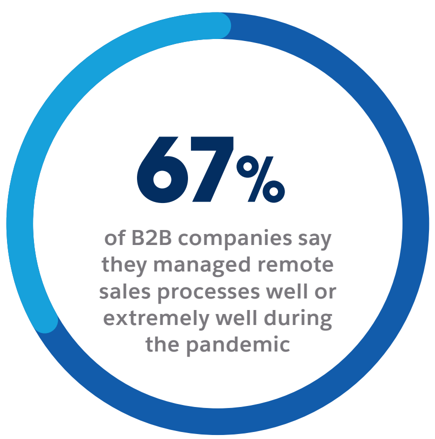

## B2B (63 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Growth

**2** TIE Digital innovation **AND** Revenue

**4** TIE Customer satisfaction **AND** Personalization

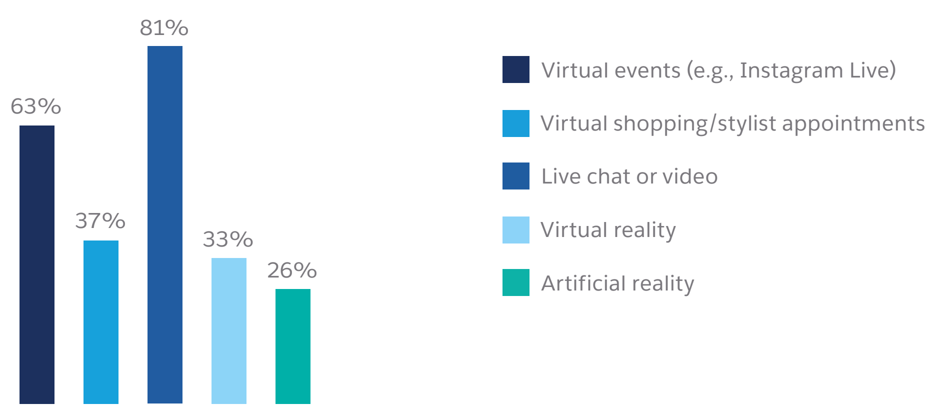
# Industry Profile
## Media and Communications

## **B2C** (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

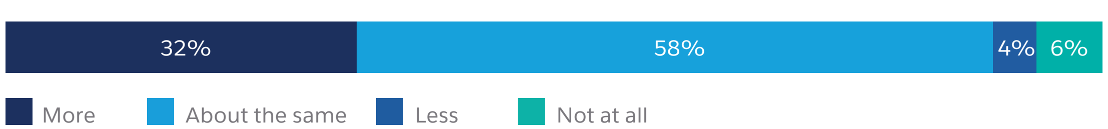
**1** Instagram Live

**2** Live virtual events AND Social media takeovers AND Social media trends

TIE

**5** How-to videos

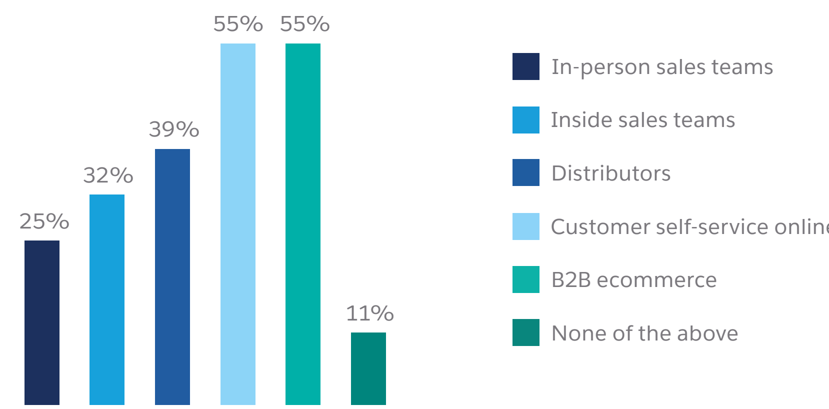
Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019




## **B2B** (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Customer satisfaction

**2** Digital innovation

**3** Revenue

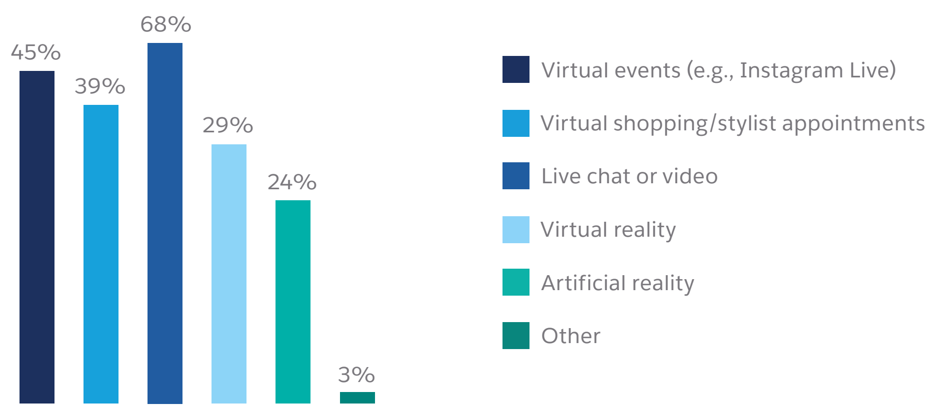
# Industry Profile
## Travel, Transportation, and Hospitality

## B2C (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

1 How-to videos

2 Live virtual events

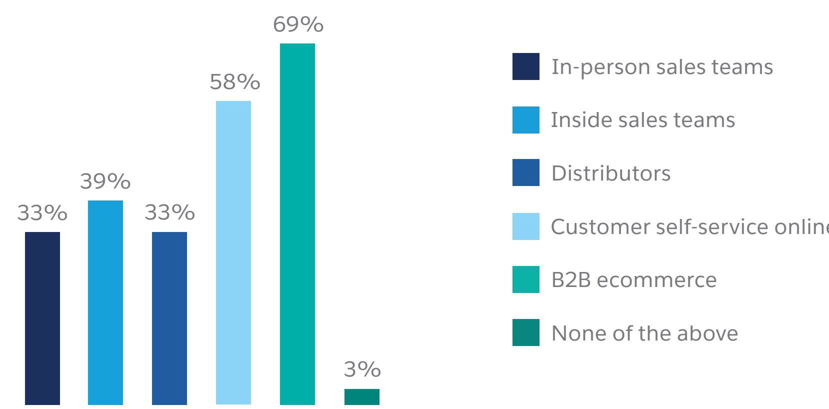
3 Social media takeovers

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019


## B2B (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Revenue

2 Customer satisfaction

3 Digital innovation AND Personalization

TIE

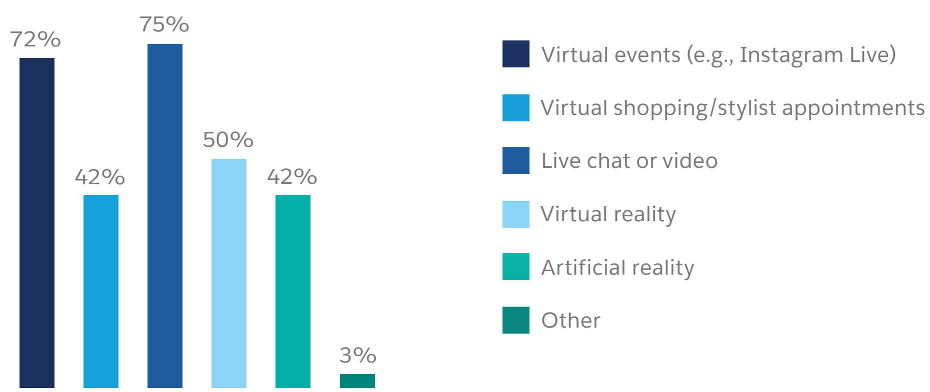
# Industry Profile
## Advertising and Marketing

## B2C (50 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

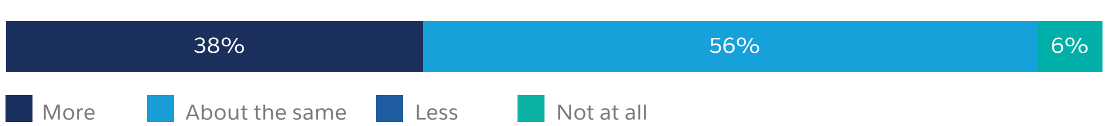
Social Media Content with the Highest Engagement

1 Social media takeovers

2 How-to videos

3 Social media trends

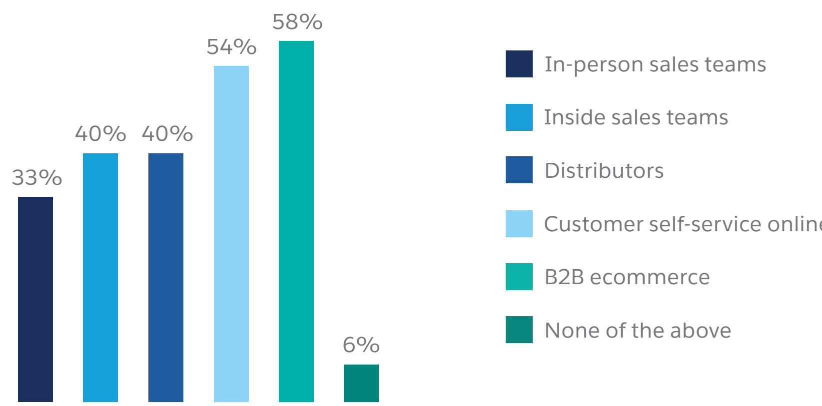
Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019




## B2B (50 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Customer satisfaction

2 Digital innovation

3 Cost saving **AND** Growth

TIE

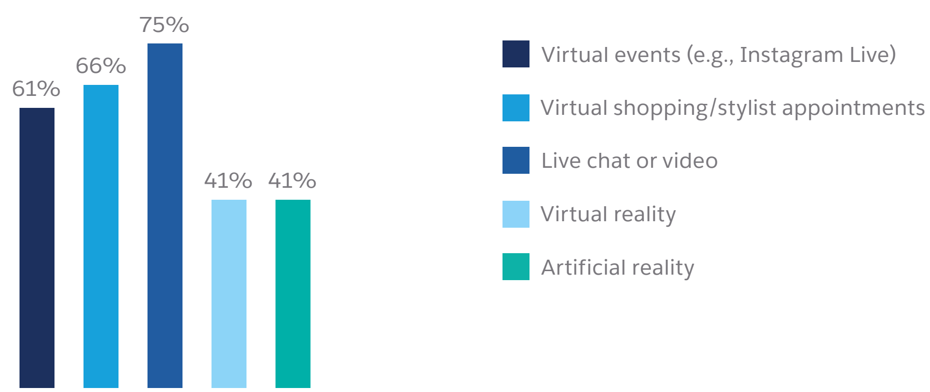
# Regional Profile
## United States

## **B2C** (79 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

1 Social media takeovers

2 How-to videos

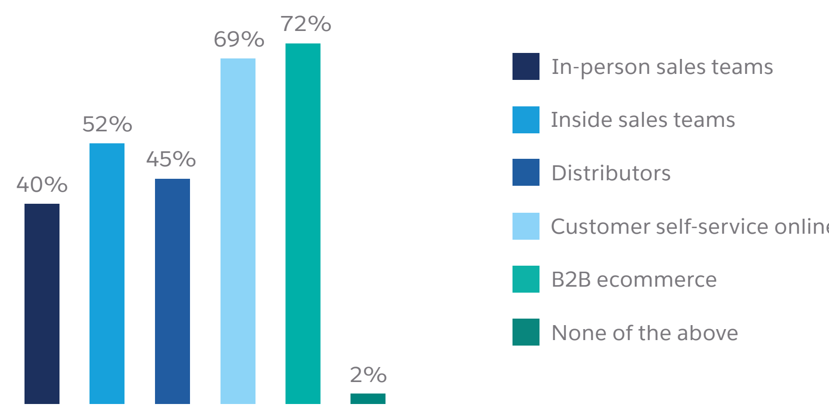
3 Instagram Live

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019

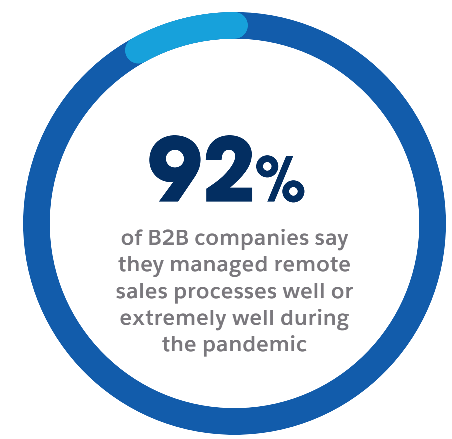

## **B2B** (72 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Digital innovation

2 Customer satisfaction AND Growth (TIE)

4 Revenue

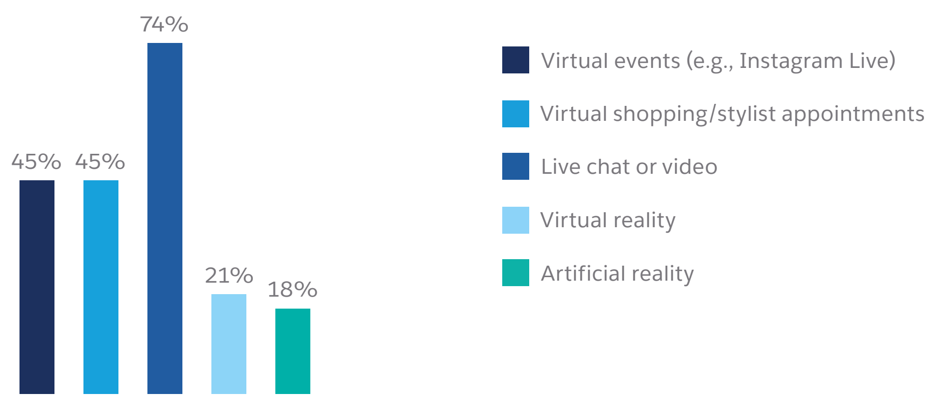
# Regional Profile
Canada

## B2C (66 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

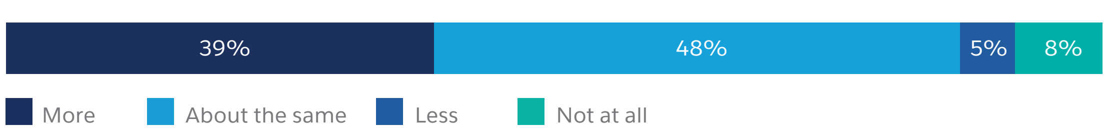
Social Media Content with the Highest Engagement

1 Social media takeovers

2 Social media trends

3 How-to videos

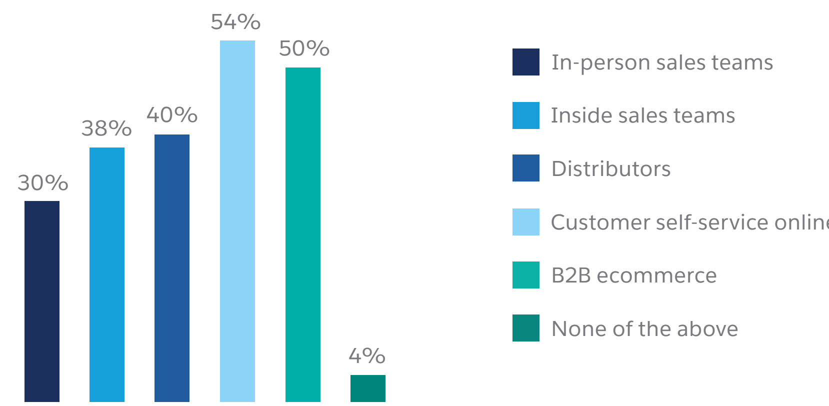
Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019




## B2B (67 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Growth

2 Revenue

3 Customer satisfaction

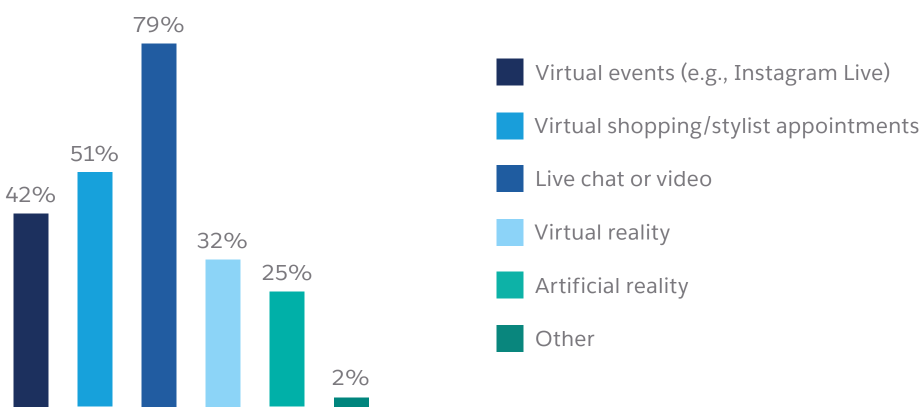
# Regional Profile
## United Kingdom

## B2C (76 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

1 How-to videos

2 Instagram Live

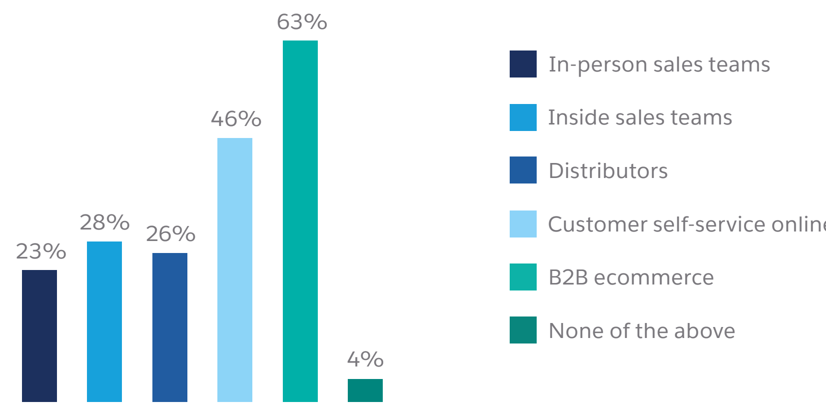
3 Live virtual events

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019


## B2B (76 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Revenue

2 Digital innovation

3 Customer satisfaction

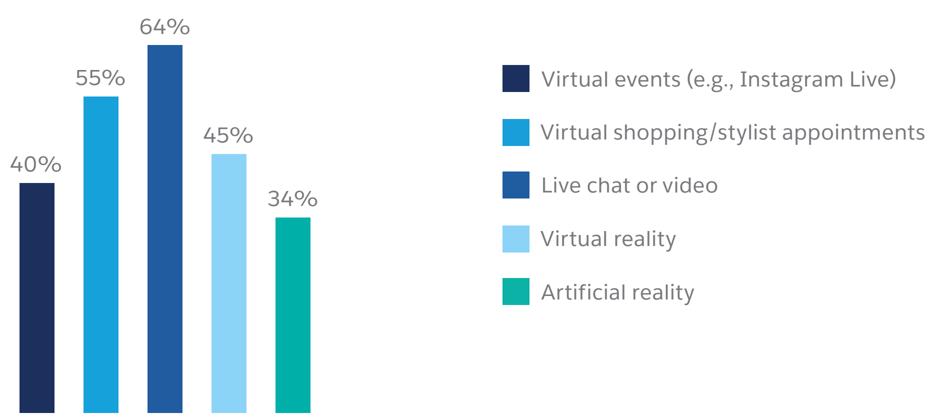
# Regional Profile
Germany

## B2C (76 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

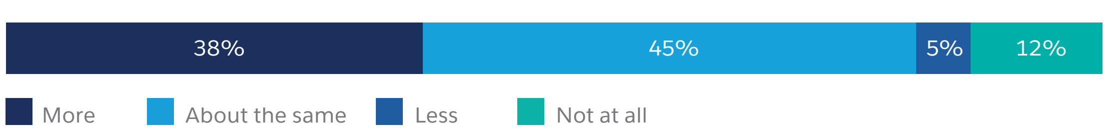
Social Media Content with the Highest Engagement

1 How-to videos

2 Social media trends

3 Social media takeovers

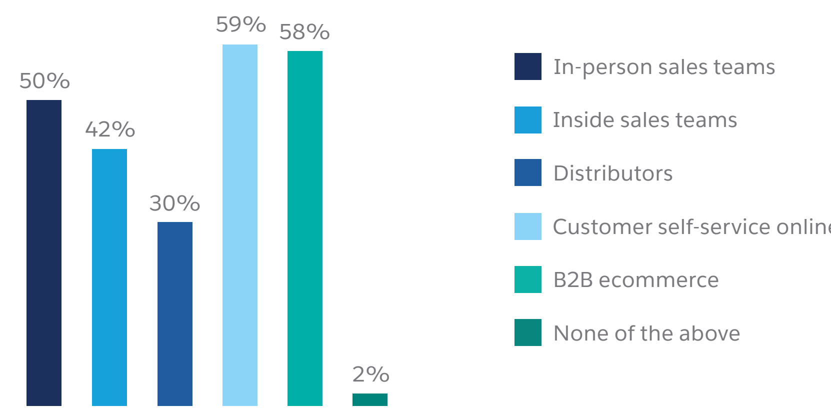
Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019



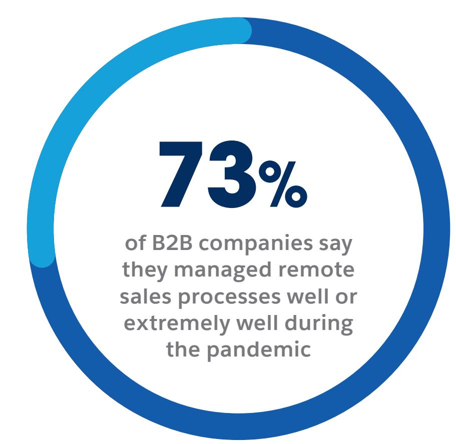

## B2B (73 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Digital innovation

2 Customer satisfaction

3 Growth

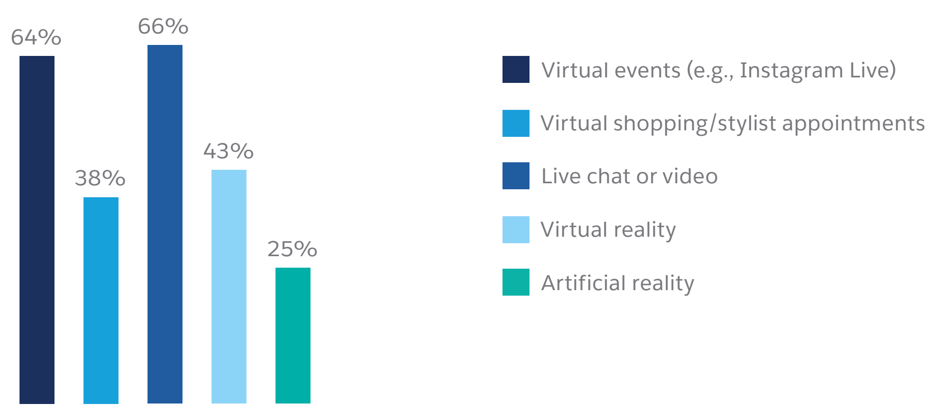
# Regional Profile
France

## B2C (77 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

1 Social media takeover

2 How-to videos

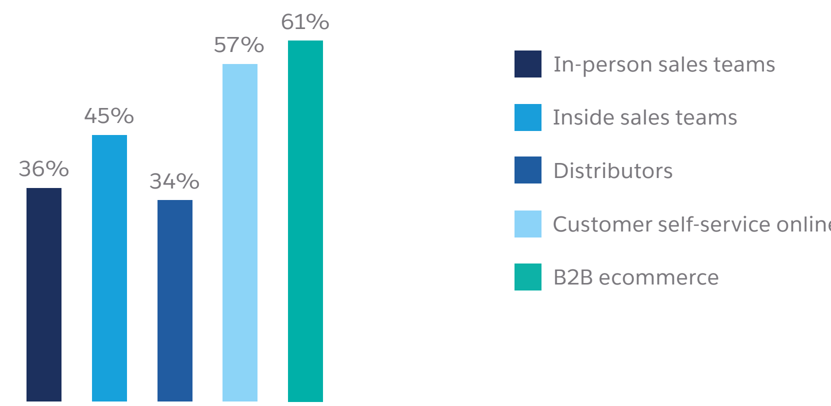
3 Social media trends

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019

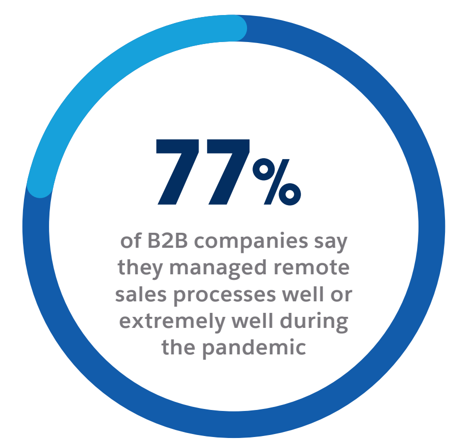

## B2B (76 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Revenue

2 Customer satisfaction

3 Personalization

# Regional Profile
## China

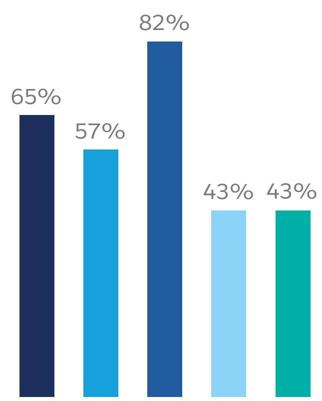
## **B2C** (95 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


More than usual | About the same | Less than usual | Not at all

Companies That Introduced These Digital Experiences to Replace In-Store Experiences




- Virtual events (e.g., Instagram Live)
- Virtual shopping/stylist appointments
- Live chat or video
- Virtual reality
- Artificial reality

### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

**1** Social media trends

**2** Instagram Live **AND** Social media takeovers **TIE**

**4** How-to videos

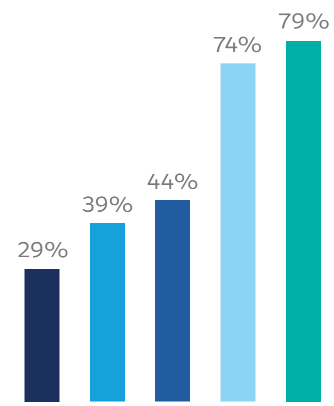
Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019


More | About the same | Less | Not at all

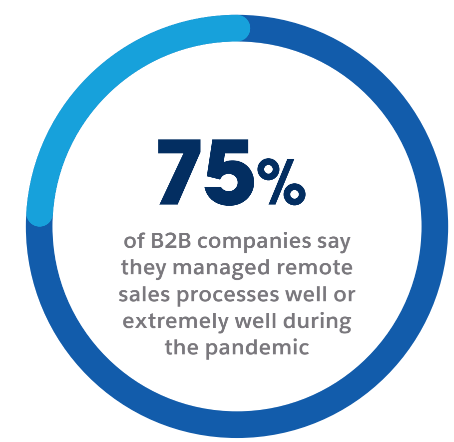
## **B2B** (76 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years




- In-person sales teams
- Inside sales teams
- Distributors
- Customer self-service online
- B2B ecommerce


### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Digital innovation

**2** Growth

**3** Customer satisfaction

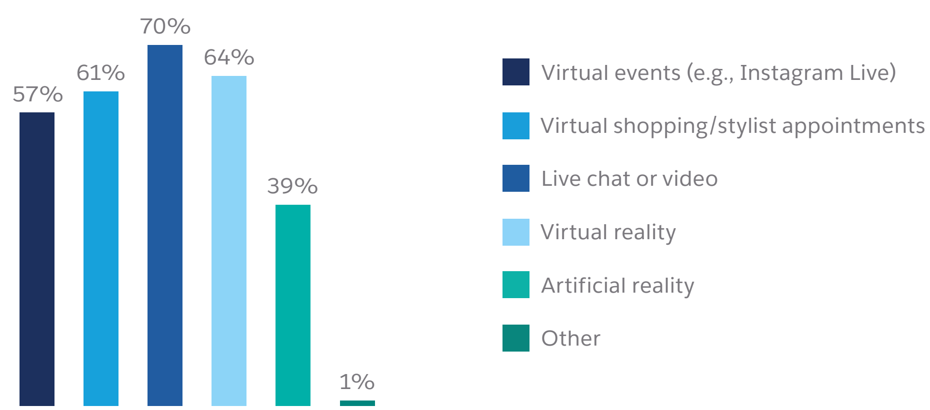
# Regional Profile
Australia

## B2C (76 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

**1** Social media takeovers

**2** Instagram Live **AND** Social media trends **TIE**

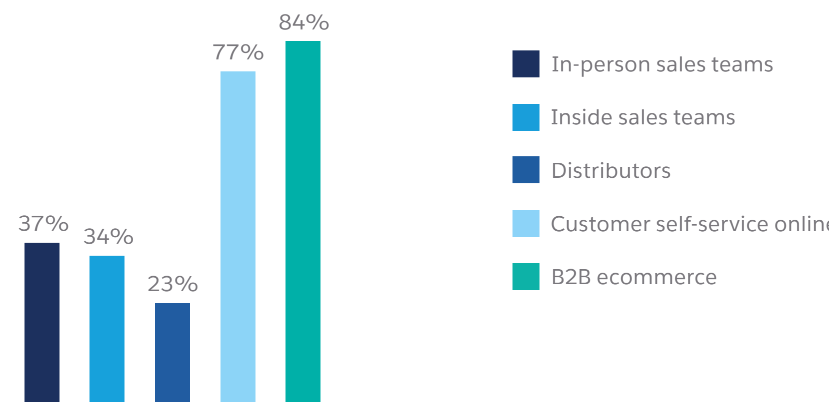
**4** How-to videos

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019


## B2B (76 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Revenue

**2** Cost savings

**3** Digital innovation **AND** Growth **TIE**

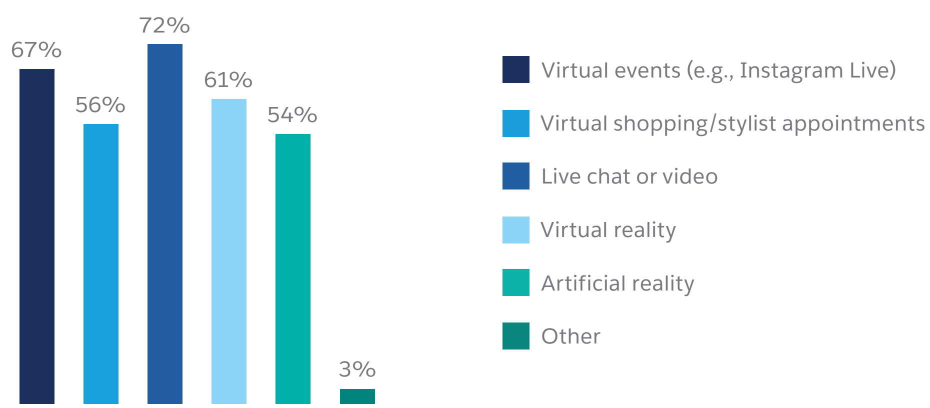
# Regional Profile
## Japan

## B2C (78 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

**1** Instagram Live

**2** Live virtual events **AND** Social media trends **TIE**

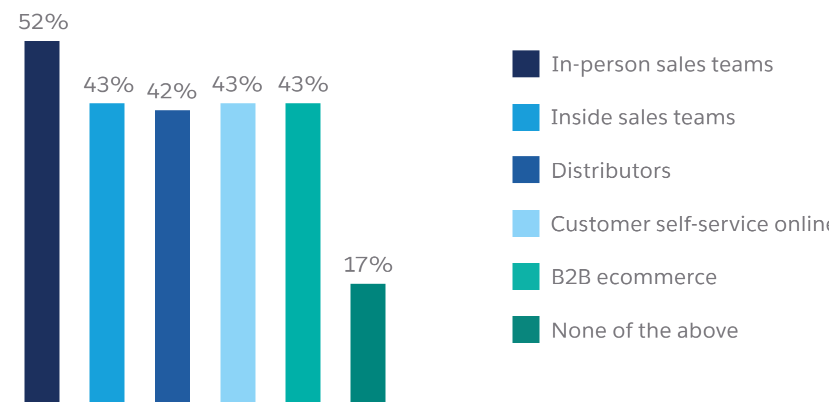
**4** Social media takeover

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019


## B2B (81 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years






### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

**1** Revenue

**2** Customer satisfaction

**3** Platform customization

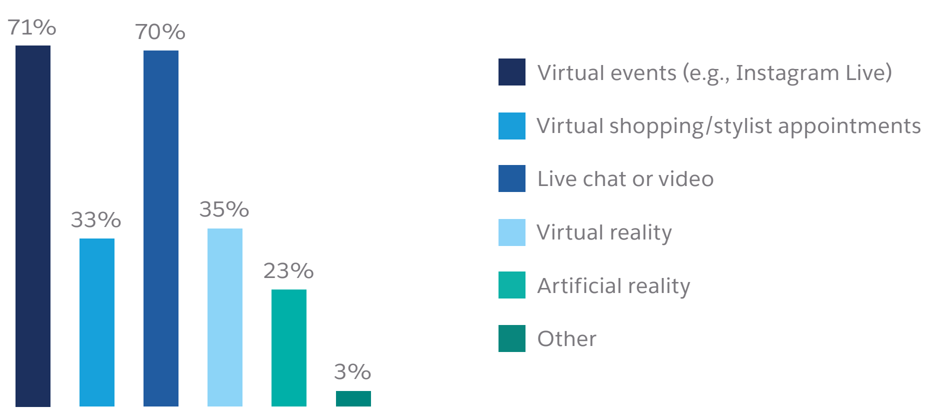
# Regional Profile
Latin America

## **B2C** (77 respondents)

### The Line Fades Between Physical and Digital Commerce

Extent to Which Companies Are Replacing In-Store Experiences with Digital Experiences


Companies That Introduced These Digital Experiences to Replace In-Store Experiences




### Shopping at the Edge Accelerates

Social Media Content with the Highest Engagement

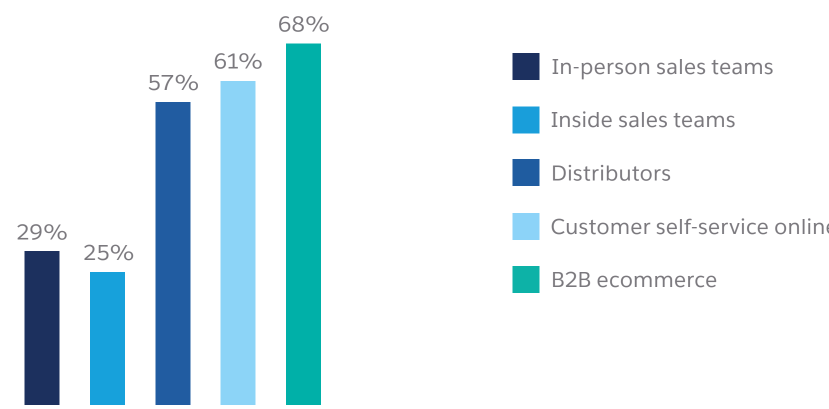
1 How-to videos
2 Social media takeovers
3 Social media trends

Company Investment in Embedded Commerce/Contextual Commerce, Compared to 2019

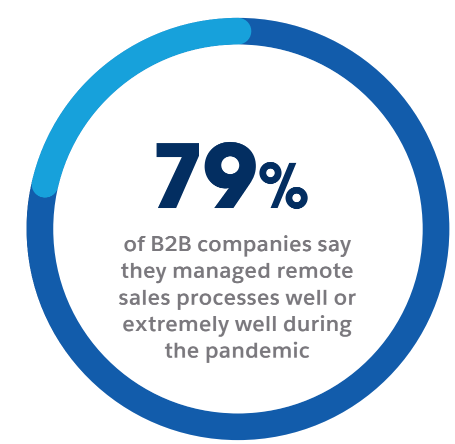

## **B2B** (76 respondents)

### B2B Is Warming Up to Ecommerce

Companies Planning to Increase Investments in the Following over the Next Two Years








### What B2B Organizations Value in Ecommerce

The Importance of Key Features When Picking an Ecommerce Solution

1 Customer satisfaction
2 Digital innovation
3 Growth