



SECOND EDITION

# State of Commerce

Insights from 4,000+ Commerce Leaders and 1 Billion Consumers and Business Buyers



Customer Profile

15-Minute Delivery

Revenue



## Executive Letter



The past few years have brought about a significant evolution in the role of digital commerce within organizations. Companies across all industries and buyer demographics are finding themselves with more complex consumer demands, organizational priorities, and ideas for the future.

From enabling agility via headless architecture to evolving the role of brick-and-mortar stores, businesses are finding their own ways to get a competitive edge. The companies poised to win the day know that gaining new customers is only part of it. When it comes to digital solutions, seamless integration and first-party data can set businesses apart. Business buyers and consumers agree – their ability to adopt more digital channels is causing an evolution in the point of purchase.

In this report, we'll take a look at the current commerce landscape during a period of immense change, and explore what's top of mind for industry leaders as they prepare for what's next in commerce.

### **Lidiane Jones**

*EVP & GM, Digital Experiences*

*Salesforce*



## What You'll Find in This Report

Salesforce surveyed 4,102 commerce leaders and analyzed the consumer and business buyer behavior of over 1 billion customers worldwide. We learned:

- How executives are bridging online and offline commerce
- How important first-party data is in light of changing regulations and policies
- How sellers are investing to keep up with rising customer expectations

### Methodology

Practitioner insights in this report come from a double-blind survey conducted throughout February 2022 that generated 4,102 responses from commerce professionals who held a director or higher leadership role. Respondents included professionals from B2B, B2C, and B2B2C companies across North America, Latin America, Asia Pacific, Japan, and Europe. All respondents are third-party panelists (and were not limited to Salesforce customers). For further survey demographics, see page 35.



## What You'll Find in This Report

Buying activity was collected from websites operating on Salesforce Commerce Cloud. To qualify for inclusion, a digital commerce site must have conducted transactions throughout the analysis period (Q1 2019 through Q1 2022) and met a monthly minimum visit and order threshold. Additional data hygiene factors were applied to ensure consistent metric calculation.

Any forecasts within this report are forward-looking projections based on current and prior values and do not guarantee 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, 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.

### Digital Leaders

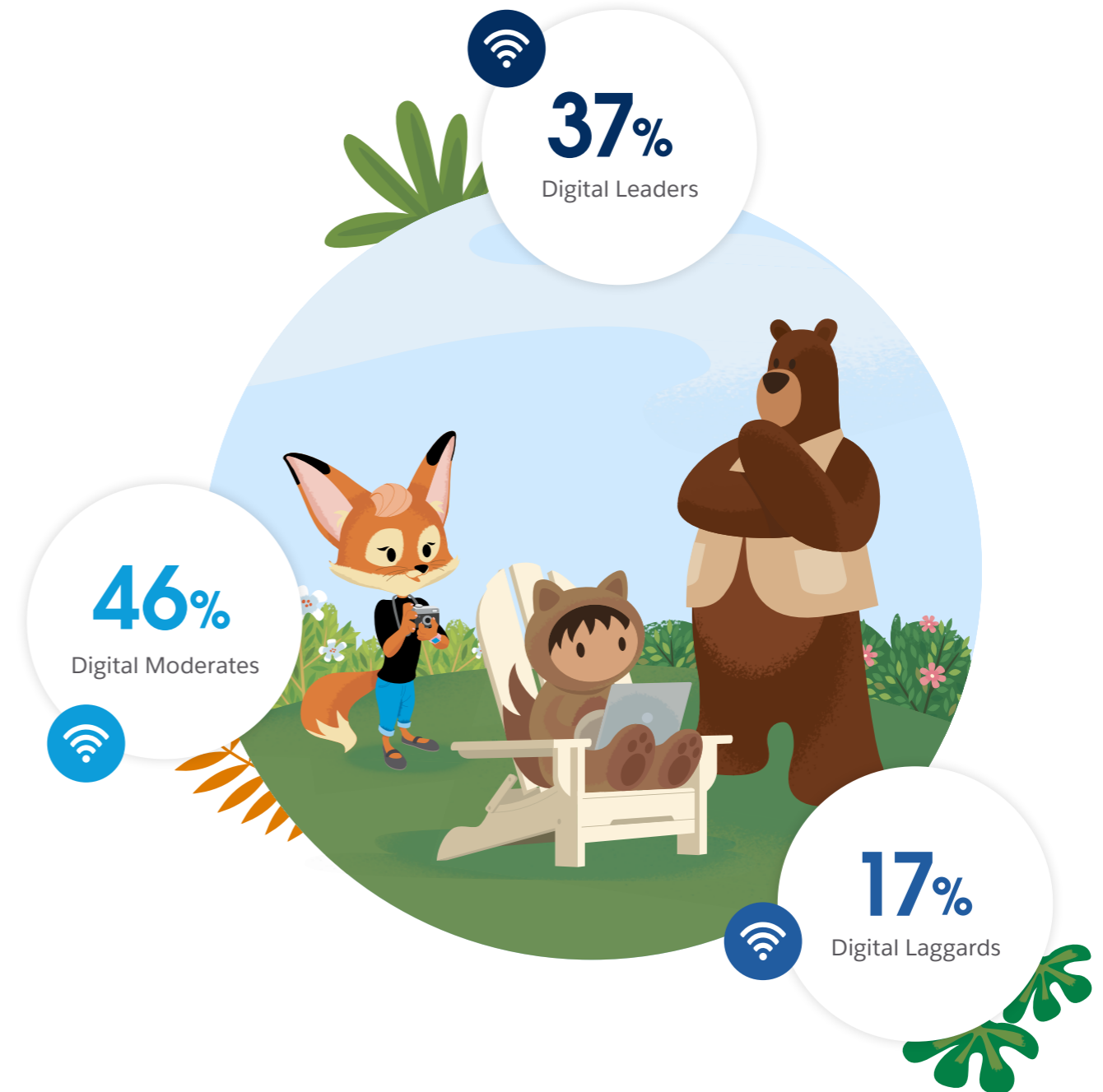
Digital leaders classify their organization as excelling at digital commerce and can attribute the company's overall success to digital commerce.

### Digital Moderates

Digital moderates include all other respondents who did not fall into one of the two other categories.

### Digital Laggards

Digital laggards classify their organization as not having a high degree of success with digital commerce and can't attribute the company's overall success to digital commerce.



# Contents

**Executive Summary** ..... 07

**Distributed and Complex Commerce Emerges as the Norm**

**Chapter 1:** New Channels Are Key to Digital Success ..... 09

**Chapter 2:** Demand Grows for Complex B2B Online Sales ..... 13

**Chapter 3:** Digital Marketplaces Take Center Stage ..... 16

**Actionable Data Is Driving Personalized Engagement**

**Chapter 4:** Firms Focus on Putting Data into Action ..... 18

**Chapter 5:** Post-Purchase Experiences Drive Loyalty and Satisfaction..... 21

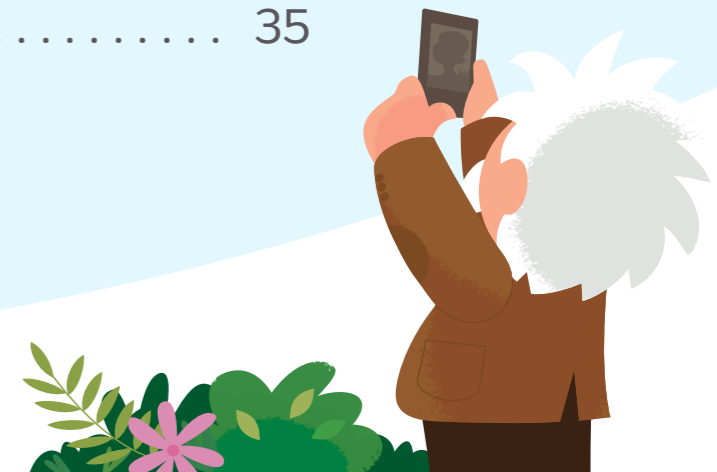
**Companies Renew Focus on Agility and Profitability**

**Chapter 6:** Digital Commerce Boosts Sales Productivity ..... 25

**Chapter 7:** New Options Meet Old Fears at the Moment of Purchase ..... 28

**Chapter 8:** Headless Commerce Is Gaining Momentum ..... 31

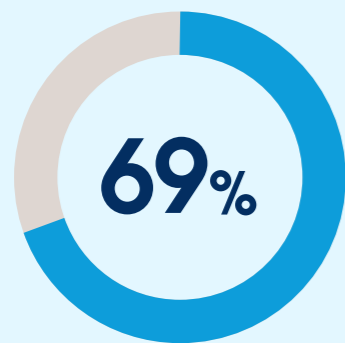
**Survey Demographics** ..... 35



# Executive Summary

On the heels of the global pandemic, commerce has become digital-first. Flexibility and scalability are key as buying becomes even more distributed and customers become more technologically savvy. To keep up over the past two years, executives pivoted quickly to uplevel their buying experiences.

## Distributed and Complex Commerce Emerges as the Norm



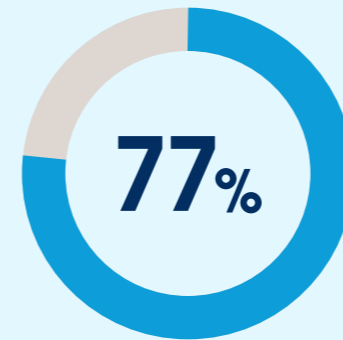
69% of digital leaders report having already invested into new digital channels within the past two years.

## Actionable Data Is Driving Personalized Engagement

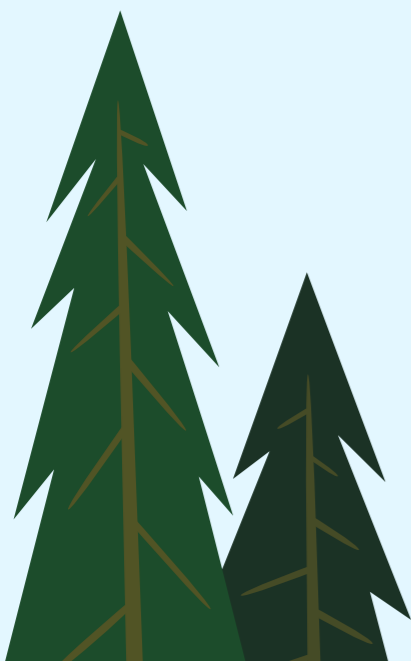
Digital leaders vs. digital laggards

**4.3 x** more confident in their ability to implement an artificial intelligence strategy.

## Companies Renew Focus on Agility and Profitability



77% of organizations with headless architecture say it enables faster changes to storefronts.



# Distributed and Complex Commerce Emerges as the Norm





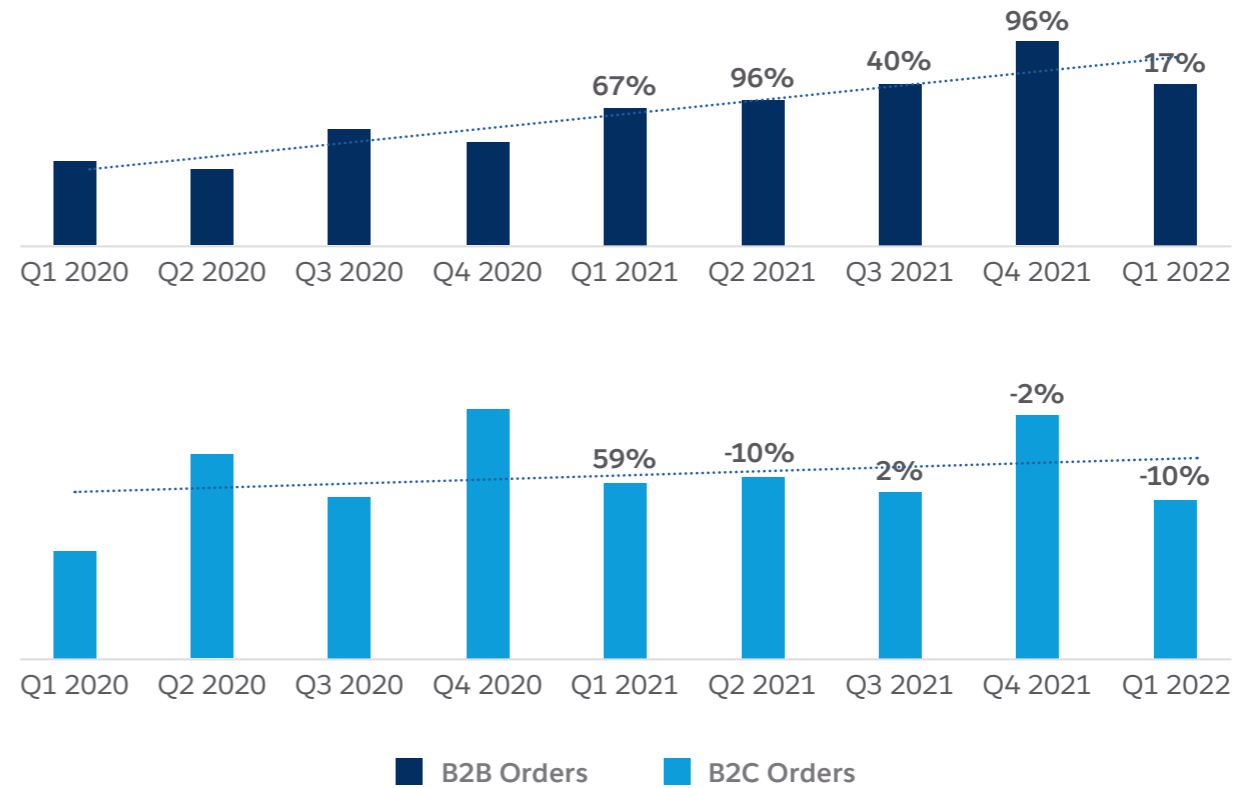
01

# New Channels Are Key to Digital Success

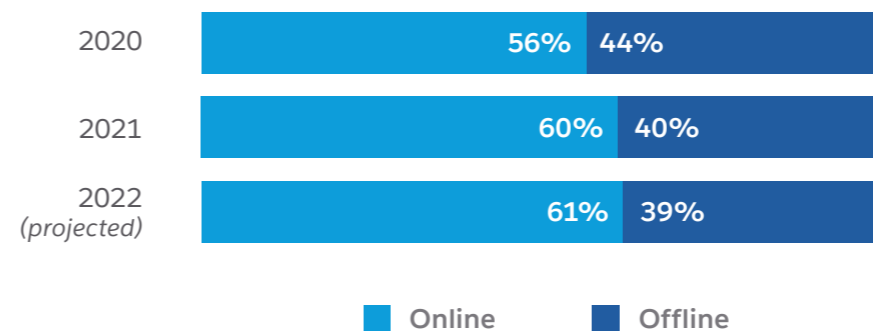
The COVID-19 pandemic forever changed how consumers and businesses connect and conduct commerce. Digital order growth boomed from Q1 2020 to Q1 2022, with global same-site sales growing 44% in B2C and 95% in B2B. At the same time, companies recognize that the popularity of ecommerce hasn't dampened enthusiasm for in-person experiences.

In B2C, organizations are bridging the gap with services like Buy Online, Pickup In-Store (BOPIS): 85% report that they have either already or will implement BOPIS in the next two years. The same story is unfolding in the B2B world, in which 69% of sellers rely on digital channels as well as salespeople or third-party distributors to conduct business.

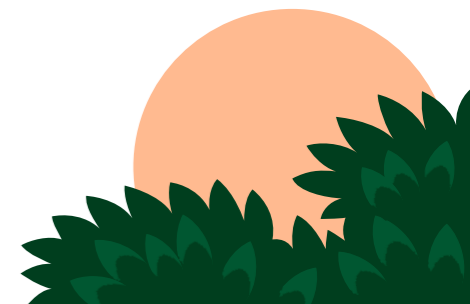
### Order Volumes by Quarter with Trend Line



### Customers' Estimated Split of Online and Offline Interactions with Companies<sup>1</sup>



<sup>1</sup>Salesforce State of the Connected Customer, Fifth Edition, 2022



01

## New Channels Are Key to Digital Success

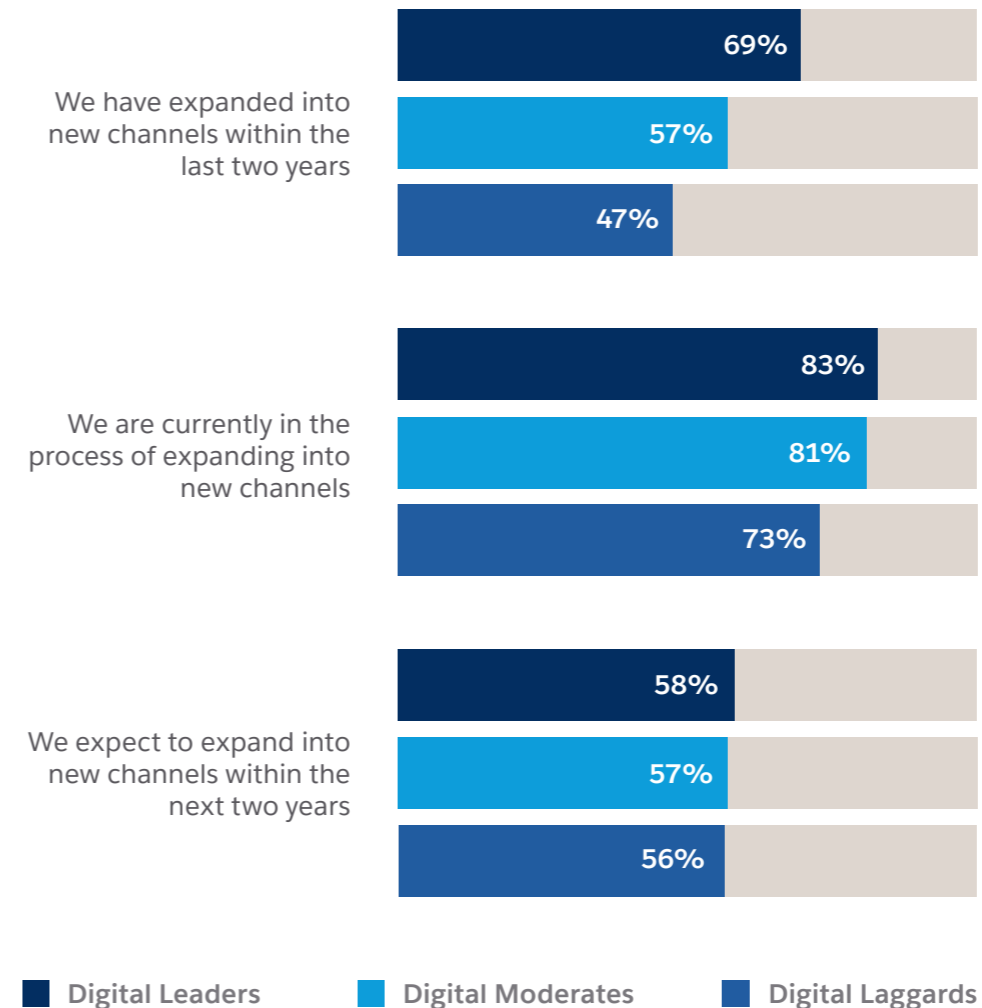
The shift to digital commerce is making buying journeys more complex. In B2C, consumers engage across an average of nine different touchpoints in their communications with companies.<sup>1</sup> Digital leaders are ahead of the curve when it comes to capitalizing on this trend: 69% of leaders report having invested in new digital channels within the past two years.

**The channels with the biggest gaps in adoption between digital leaders and digital laggards are marketplaces, mobile apps, and social media.**

As the global economy continues changing at a rapid pace, however, more companies are catching up to digital leaders. The share of commerce professionals who report expanding into new channels today is nearly identical across all performer categories. More than half of those surveyed expect to expand into new channels within the next two years.

<sup>1</sup> [Salesforce State of the Connected Customer, Fifth Edition, 2022](#)

### Expectations for Expanding into New Channels



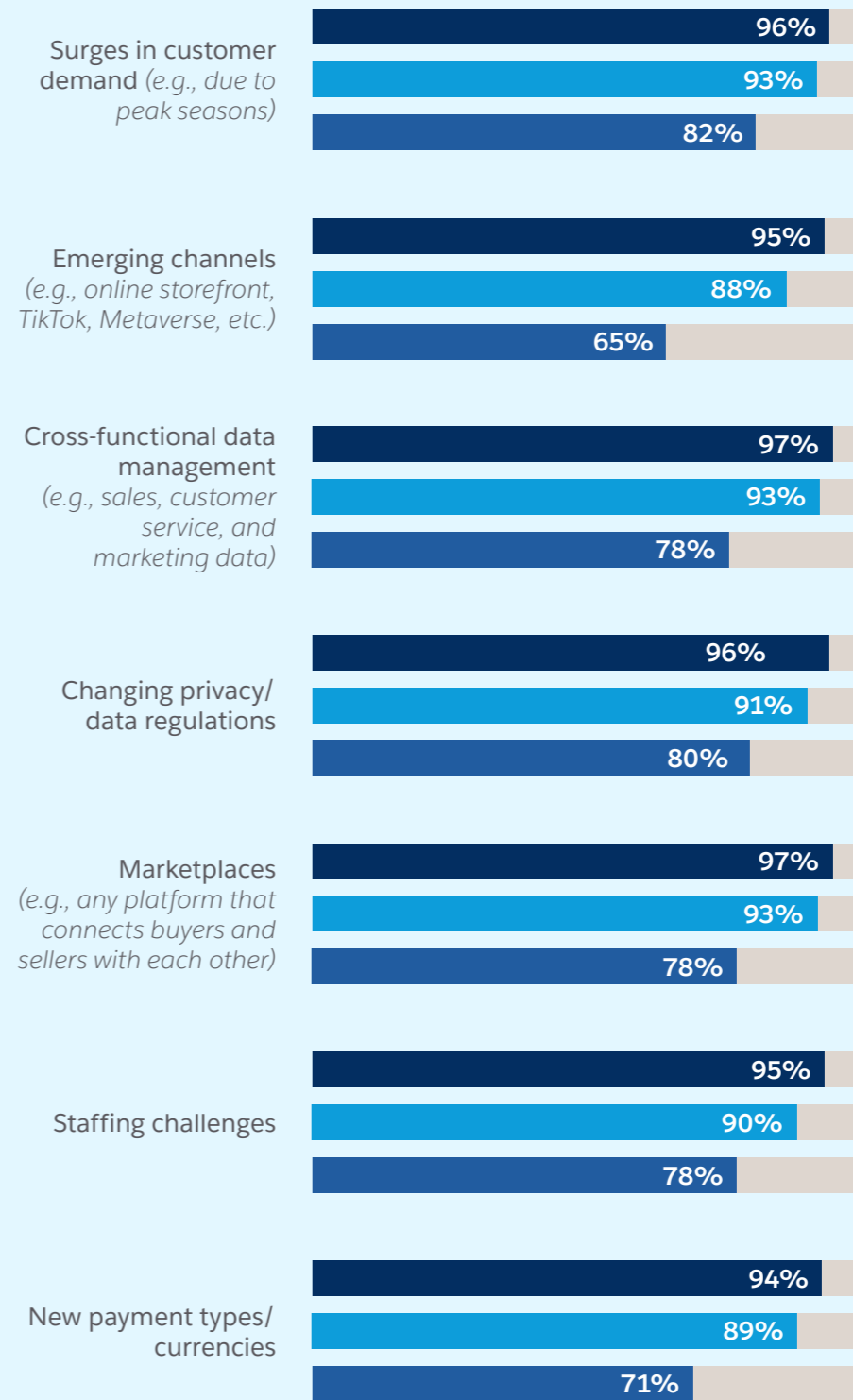
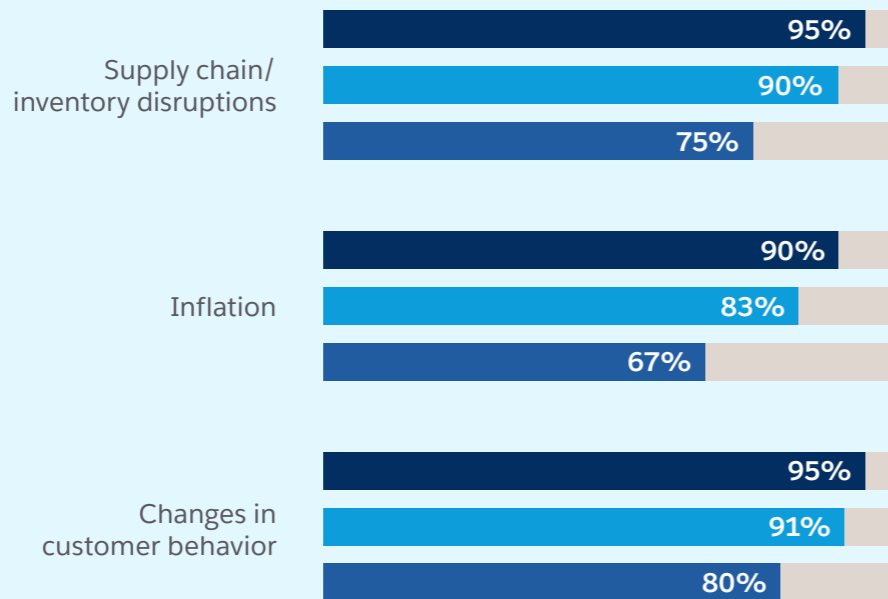


01

# New Channels Are Key to Digital Success

It's no surprise that companies are worried about how different channels may conflict as they explore expansion opportunities. In fact, developing an approach toward emerging channels (like Web3, TikTok, and new online storefronts) is the number two issue that executives feel least prepared to address today. For digital laggards the challenge is even steeper: They are three times less likely than digital leaders to report being prepared to handle emerging channels than leaders.

## Commerce Professionals Who Feel Prepared to Handle the Following Challenges











# Industry Spotlight



Looking to the future, the top priorities across nearly all industries surveyed are growing revenue and expanding the customer base. Beyond these shared objectives, what else is top of mind in each industry?

## Top Commerce Priorities Beyond Revenue Growth and Expanded Customer Bases



### Deepening Customer Relationships

|   |                                       |
|---|---------------------------------------|
|    | Food & beverage                       |
|    | Grocery                               |
|  | Healthcare & life sciences            |
|  | Media & communications                |
|  | Retail                                |
|  | Travel, transportation, & hospitality |


### Global Expansion

|   |                    |
|---|--------------------|
|  | Automotive         |
|  | Telecommunications |

### Process Automation

|   |                   |
|---|-------------------|
|  | Insurance/banking |
|  | Manufacturing     |

### Implementing a Marketplace

|   |                         |
|---|-------------------------|
|  | Consumer packaged goods |
|---|-------------------------|

### Returns Optimization

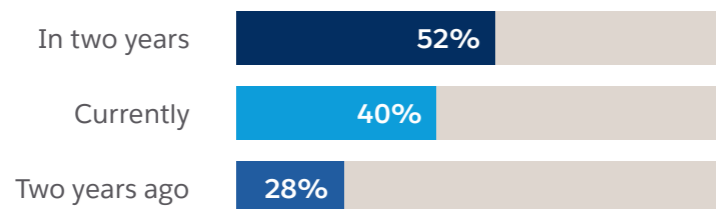
|   |                 |
|---|-----------------|
|  | Health & beauty |
|---|-----------------|



02

## Demand Grows for Complex B2B Online Sales

### Estimated Share of Revenue Coming from Digital Channels for B2B Sellers



### Reported Benefits from Digital Channels for Business Sellers



B2B buyers are turning to digital channels now more than ever. As digital gains greater influence, companies are expanding into new sales channels rapidly. While 31% of business sellers say online channels provide more than half of all revenue today, 57% of digital leaders report that digital channels will provide more than half of all revenue within the next two years.

Digital leaders are more likely than laggards to attribute customer service benefits to digital commerce. For leaders, the top benefit of digital commerce is improved customer satisfaction, as they recognize the impact of customer relationships on loyalty metrics such as retention and share of wallet. Digital laggards, by contrast, cite growing their customer base as the top benefit of digital commerce.



# Industry Spotlight

Digital channels' contribution to sales numbers is projected to increase across industries over the coming years.

## Estimated Share of Sales from Digital Channels

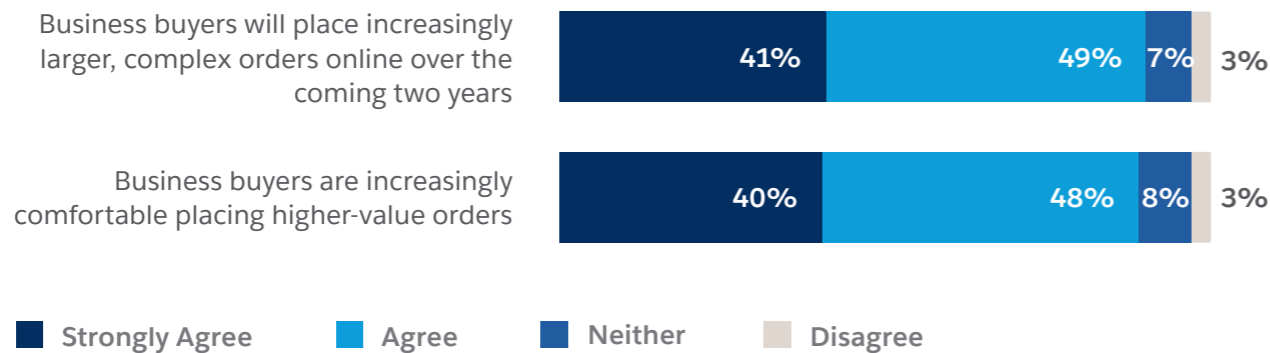


Two years ago
  Currently
  Two years from now

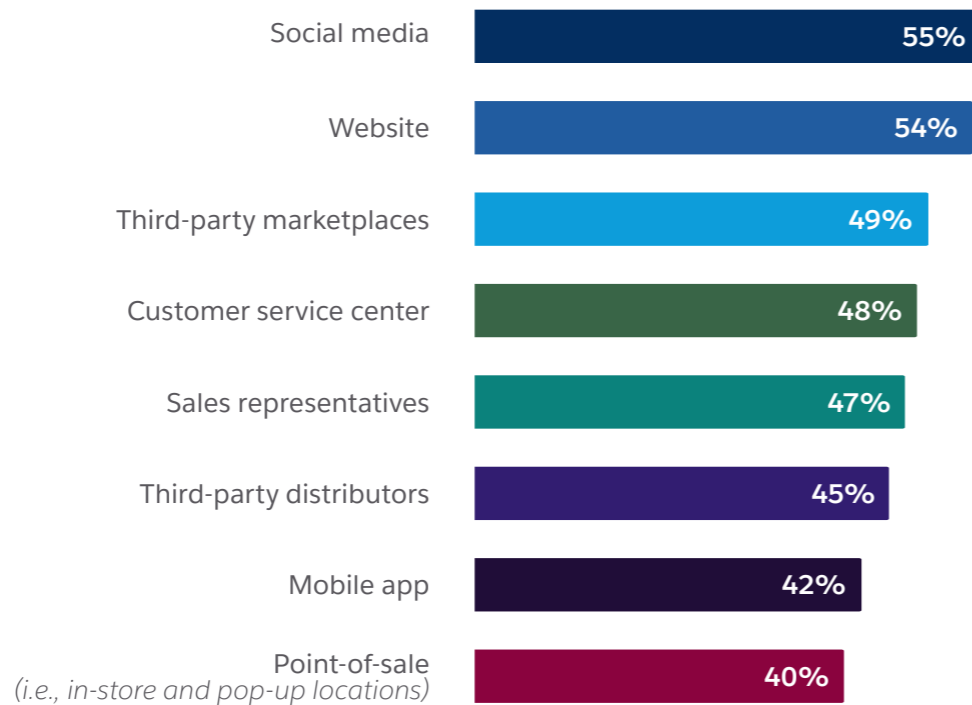


# 02 Demand Grows for Complex B2B Online Sales

## B2B Commerce Professionals Who Agree with the Following Statements



## Channels B2B Companies Currently Sell Through



Business sellers are planning for an ecommerce-focused future. Ninety-seven percent of digital leaders and 91% of digital moderates expect buyers to place larger, more complex orders online in the next two years, compared to only 62% of digital laggards. Companies are also prioritizing going direct to customer online. In fact, 54% of B2B organizations already sell directly to their end customers through their website.

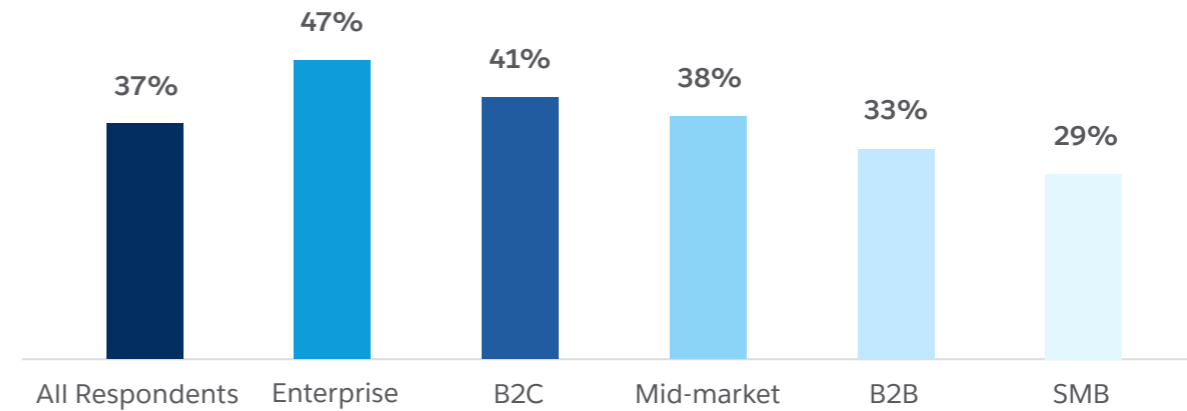


## Digital Marketplaces Take Center Stage

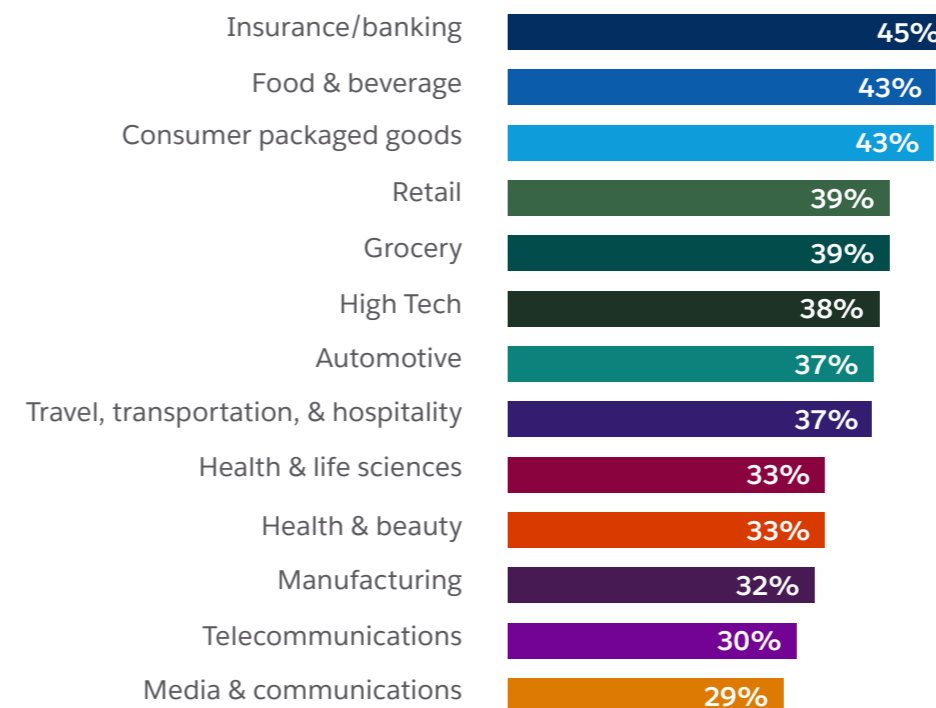
Ninety-one percent of B2B buyers say the purchase experience a company provides is just as important as its products or services.<sup>1</sup> To meet expectations, B2B sellers are creating more satisfying commerce experiences. This includes marketplace platforms where buyers and sellers can connect directly: 33% of B2B sellers report that launching their own marketplace is a priority over the next two years. And digital leaders are 1.5 times more likely to be prioritizing their own marketplaces when compared to laggards.

Size and industry also matter. Enterprise-sized organizations are 1.6 times more likely to be exploring ways to improve the buying journey compared to small and midsize businesses.

### Commerce Professionals Prioritizing Their Own Marketplaces



### Commerce Professionals Who Prioritize Owned Marketplaces

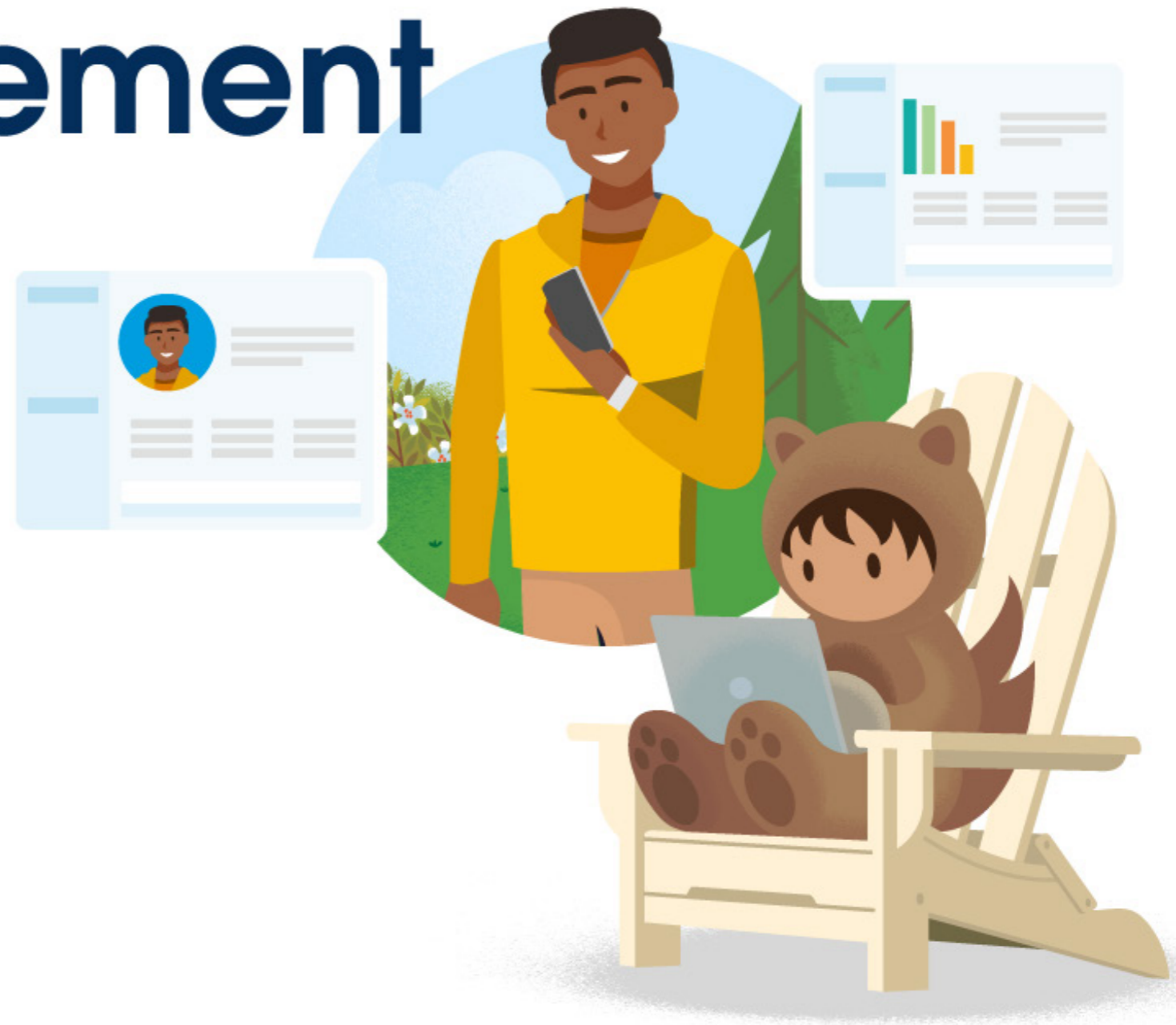


<sup>1</sup> [Salesforce State of the Connected Customer, Fifth Edition, 2022](#)





# Actionable Data Is Driving Personalized Engagement



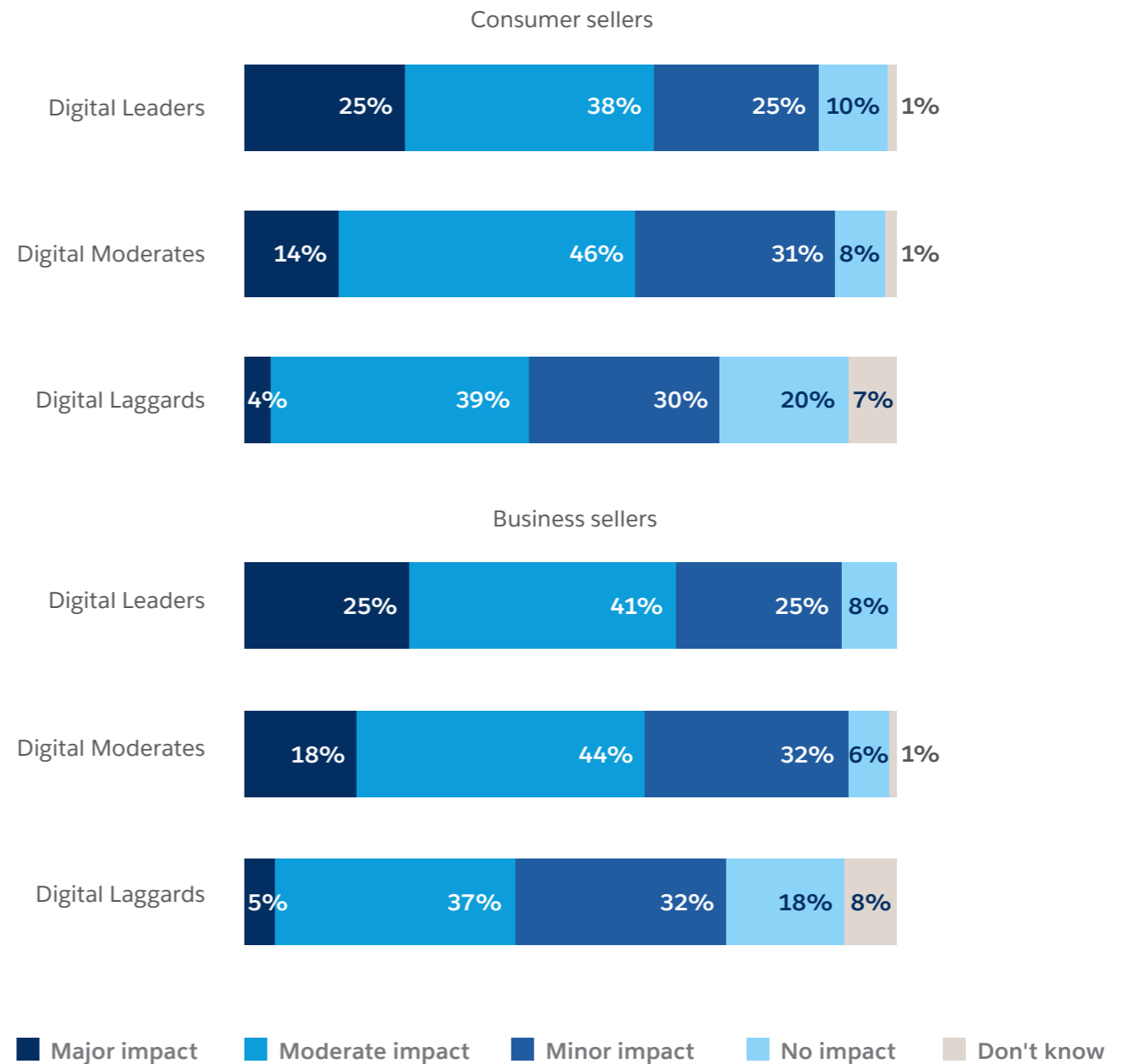
04

# Firms Focus on Putting Data into Action

Stricter privacy regulations and an evolving internet are changing how companies find and connect with customers. Selling across digital channels gives organizations a big advantage – including a treasure trove of customer data. Case in point: Digital leaders are 2.5 times more likely than laggards to feel prepared to manage changing privacy and data regulations.

First-party customer data is critical to generating actionable insights. But access to this data is getting more difficult, and the shift to a cookieless internet has even the most data-literate organizations concerned. In fact, organizations that say they're very prepared for changing data regulations are also the most concerned about losing access to this data. They are three times more likely than organizations that say they are unprepared for changing data regulations to report that their organizations are experiencing a major impact from the switch. For businesses that mainly serve consumers, the impact is even greater. Businesses that sell to consumers are over six times more likely than laggards to feel the impact of the switch compared to those who cater to businesses.

## Degree of Impact to Organizations' Data Strategies from the Depreciation of Third-Party Cookies

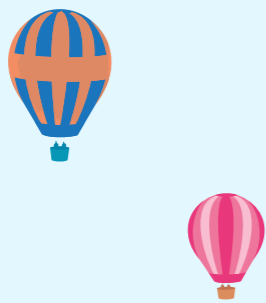


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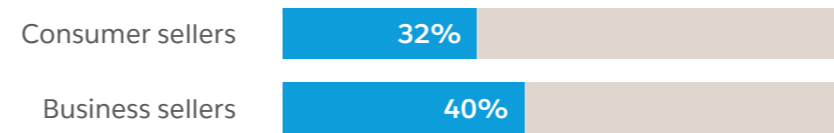
# Firms Focus on Putting Data into Action

**36% of commerce organizations are investing in a first-party data strategy over the next two years.**

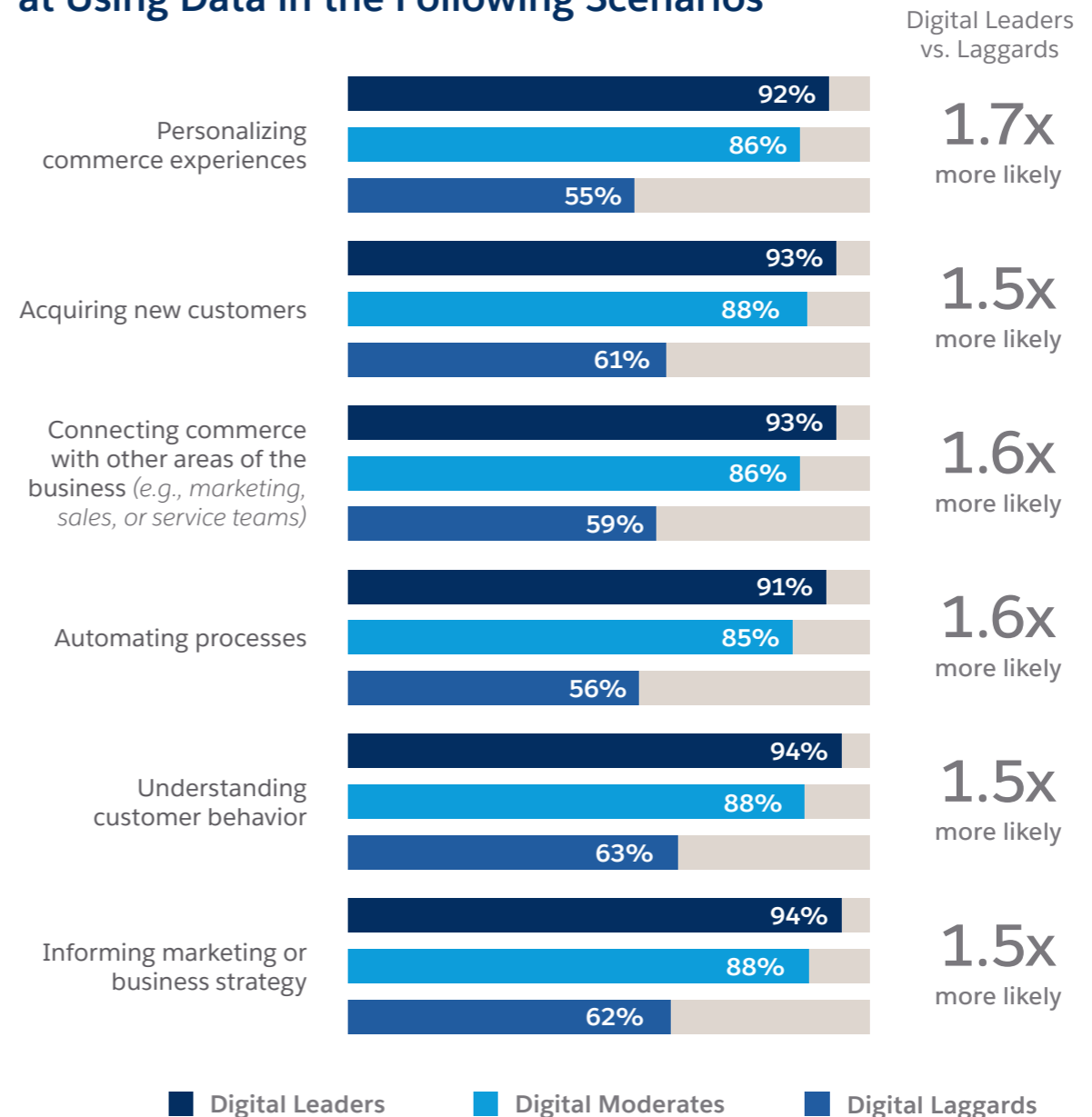
But it's not enough to just have data. What companies do with it is equally, if not more, important. Digital leaders recognize this: 53% report being very effective at using their data to understand customer behavior, a rate 3.5 times greater than laggards. They are also four times more likely to be using their data to deliver personalized buying experiences.



## Organizations Prioritizing a First-Party Data Strategy over the Next Two Years



## Organizations That Rate Themselves as Effective at Using Data in the Following Scenarios



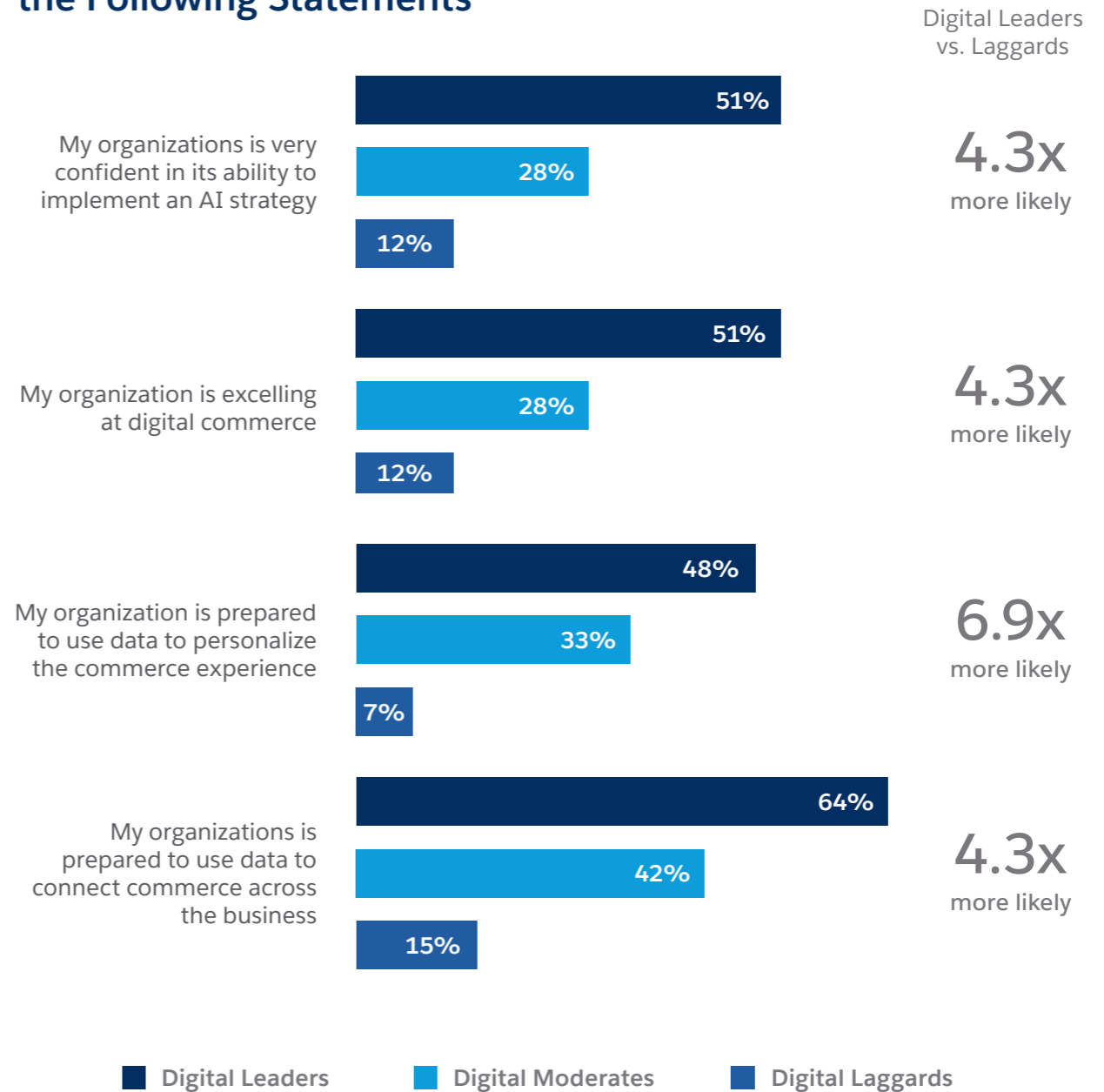
04

# Firms Focus on Putting Data into Action

With inflation the top concern for all respondents, operational excellence has taken on new importance. To achieve it, organizations that already have an existing data strategy are prioritizing efficiency by investing in first-party data strategies like automation and AI. Digital leaders are more satisfied with the results: They are over four times more likely to be effective at automating processes than laggards, seven times more likely to report excelling at digital commerce, and four times more likely to report being prepared to handle data across their organization. They're also over four times more likely to feel they can effectively implement an AI strategy.

The stakes for not using data are high – even among leaders. In fact, leaders who report that they aren't effective at using their data are 37% more likely to report not being prepared to handle rising inflation.

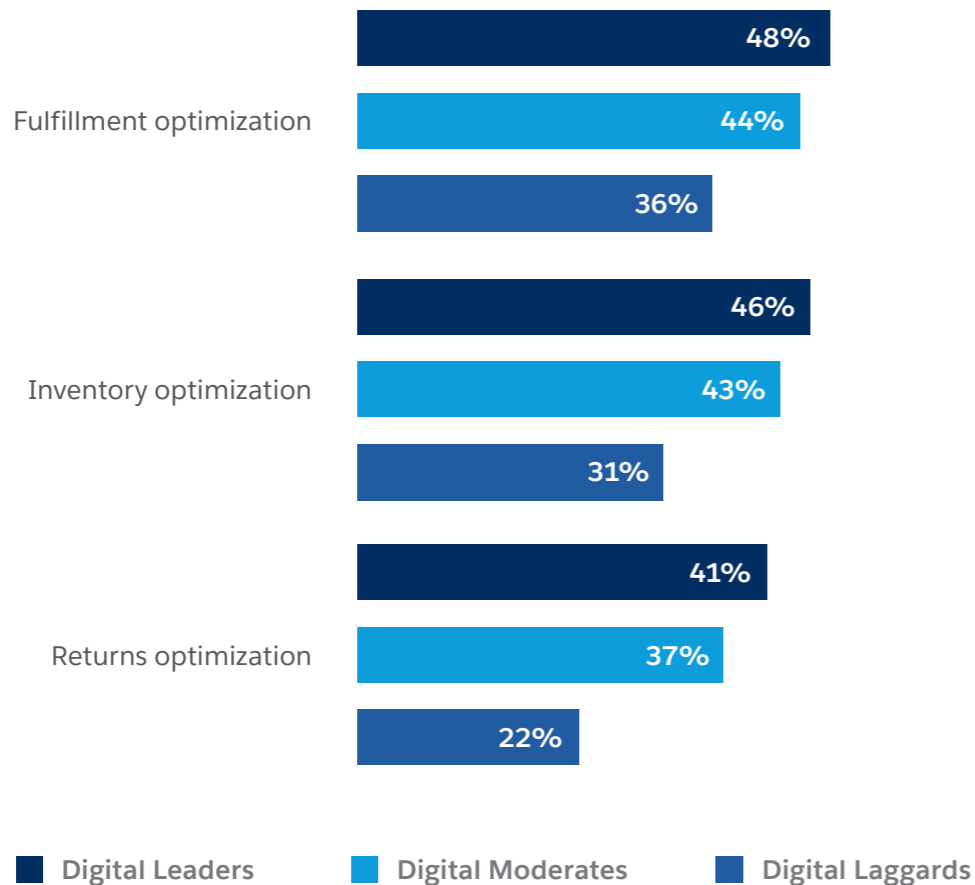
## Commerce Professionals Who Agree with the Following Statements



05

## Post-Purchase Experiences Drive Loyalty and Satisfaction

### Investment Priorities over the Next Two Years



When choosing between brands, 54% of business buyers and 51% of consumers prioritize convenience.<sup>1</sup> Nearly all B2C sellers offer at least one type of fulfillment option – such as BOPIS, curbside pickup, or fast shipping – currently or plan to within the next two years. But even business sellers are adopting flexible fulfillment: 51% of B2B buyers report using curbside pickup more than they did one year ago, and 55% expect to be using these options more within the next three years.

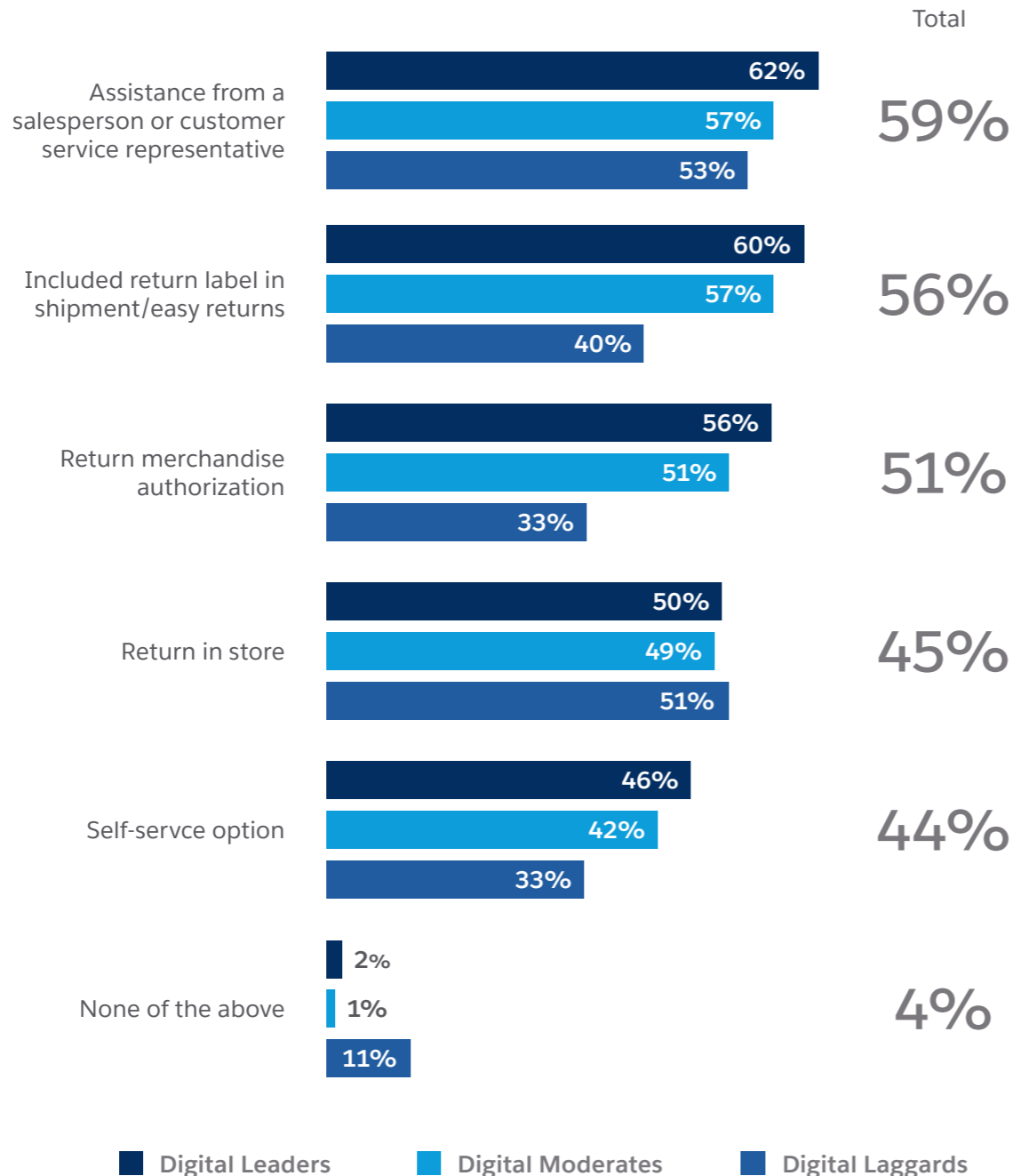
Optimizing the entire fulfillment journey will be a focus for many organizations over the next two years, with 44% of executives reporting that this will be a priority. Digital leaders are 1.3 times more likely than laggards to prioritize fulfillment optimization. That includes fast home delivery: Digital leaders are 1.6 times more likely than digital laggards to offer two-day or faster shipping.



<sup>1</sup> [Salesforce State of the Connected Customer, Fifth Edition, 2022](#)

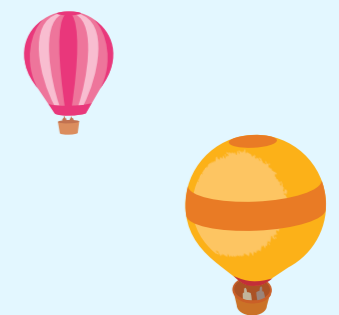
# 05 Post-Purchase Experiences Drive Loyalty and Satisfaction

## Return Options Currently Offered



Simple (and free) returns are a big deal for consumers. In fact, it's the second-most-reported benefit that increases a consumer's likelihood to buy.<sup>1</sup> But even if a consumer returns a purchase, digital leaders are eager to keep satisfying their customers and generate loyalty – in fact, they're 1.9 times more likely than digital laggards to prioritize returns optimization in the next two years. Interestingly, companies whose returns average 20% or more of their online orders also offer a wider variety of return options. But even organizations with higher return rates are more likely to report higher levels of digital commerce success.

**42% of consumer sellers say their return policy includes a self-service option.**



<sup>1</sup> [Salesforce Consumer Sentiment Snapshot, November 2021](#)

05

## Post-Purchase Experiences Drive Loyalty and Satisfaction

### Percentage of Customers Who Expect Consistent Interactions Across Departments<sup>1</sup>



As shopper journeys become more distributed and complex, the lines between service, marketing, and commerce are blurring. At the same time, customer expectations are rising, with 86% of consumers saying the experience a company provides is just as important as its products or services.<sup>1</sup> With 90% of business buyers and 84% of consumers expecting consistent experiences across touchpoints, companies are streamlining service: Nearly half (47%) have already embedded commerce in the customer service experience. Digital leaders are leading the way, with 49% of leaders selling through their customer service centers compared to 40% of laggards.

While B2C and B2B companies are selling through service at similar rates, B2B digital leaders are slightly more likely to report already expanding the roles of their contact centers (51%) than B2C digital leaders (48%).

<sup>1</sup>[Salesforce State of the Connected Customer, Fifth Edition, 2022](#)

# Companies Renew Focus on Agility and Profitability







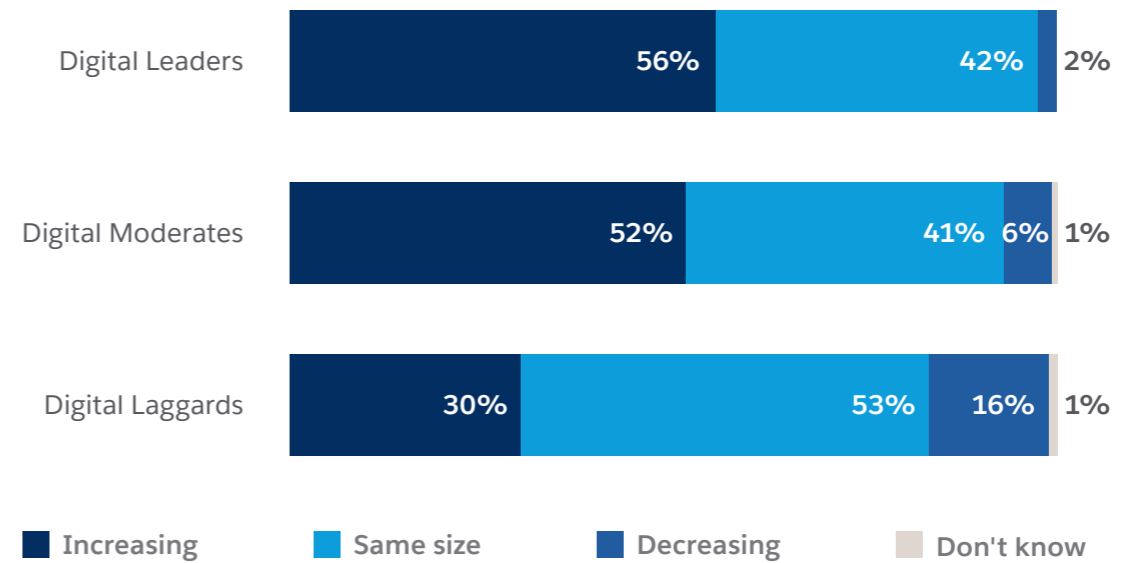
06

## Digital Commerce Boosts Sales Productivity

Commerce professionals agree that digital commerce and traditional sales help, rather than hurt, each other. Sales teams are growing across the board: 93% of organizations are maintaining or growing their sales team. Yet digital leaders (61%) are more likely to report that their sales team is growing, while digital laggards (57%) are more likely to report that their sales team sizes are remaining the same.

Digital commerce also makes selling faster: 39% of digital leaders, 52% of digital moderates, and 46% of laggards reported at least a 10% faster time to close.

### How the Size of Sales Teams Has Changed in the Past Year

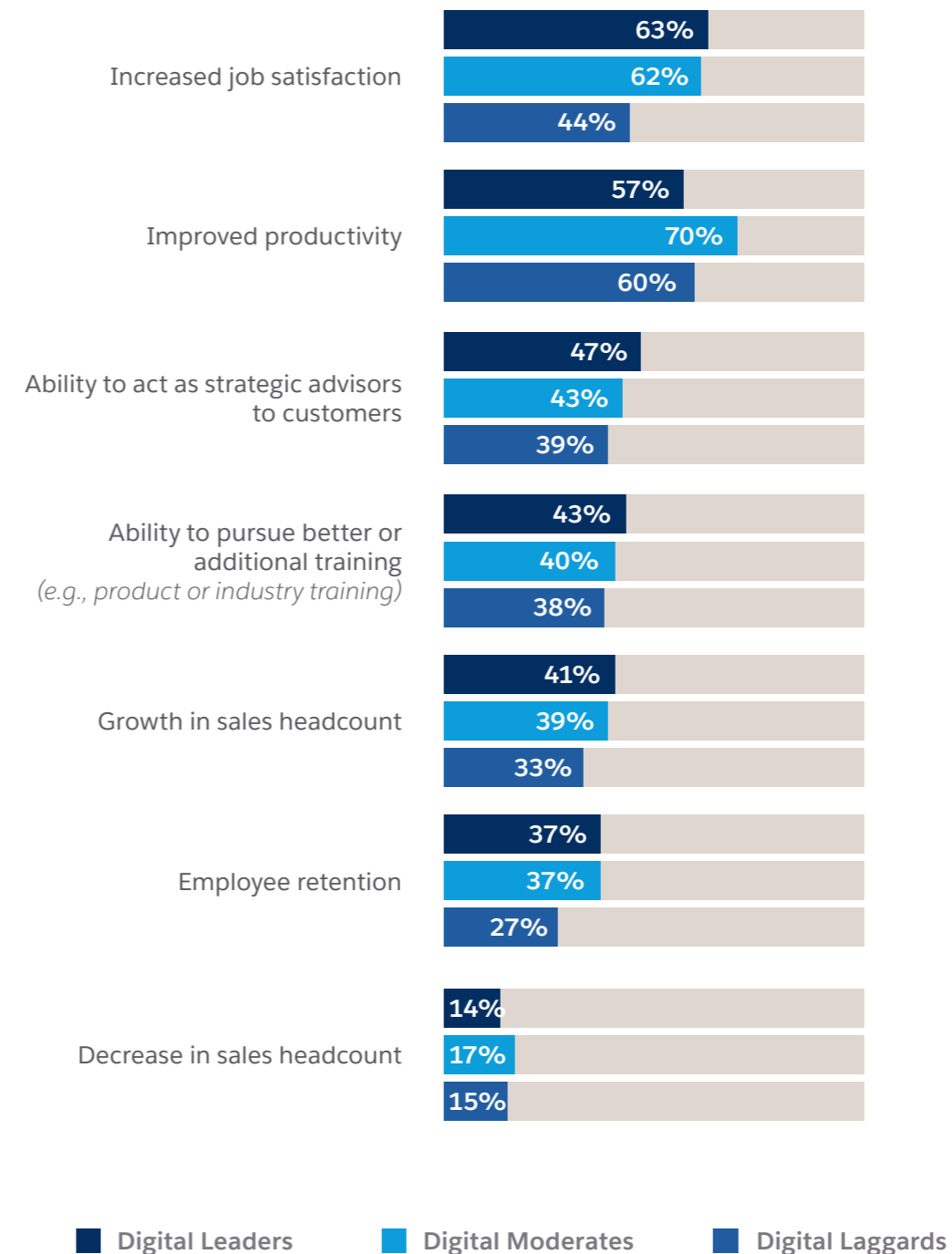


## Digital Commerce Boosts Sales Productivity

Companies that invest in digital commerce say it benefits their sales team. While 64% of all B2B sellers report that digital commerce increases sales team productivity, digital moderates and laggards are most likely to report this benefit (70% and 60% respectively). Forty-seven percent of digital leaders report that their sales teams act more like advisors during the sales process as a result of digital commerce.

Digital commerce appears to improve employee and customer experiences. Sixty percent of B2B sellers reported that digital commerce improves sales team members' job satisfaction, with digital leaders 1.4 times more likely than laggards to report this benefit. Similarly, 75% of digital leaders say digital commerce has improved customer satisfaction. Sales and service relationships also emerge as winners: 53% of organizations report this as a benefit overall, although leaders (54%) and moderates (56%) are more likely to agree.

### Reported Impacts for Sales Teams Due to Selling over Digital Channels



## Digital Commerce Boosts Sales Productivity

Companies that sell to third-party distributors report even greater rates of customer success when they adopt digital commerce: 65% of organizations that sell through distributors report digital commerce has improved customer satisfaction. Fifty-nine percent of these organizations say this is because digital selling simplifies the ordering process (compared to 49% of companies that don't sell through distributors).

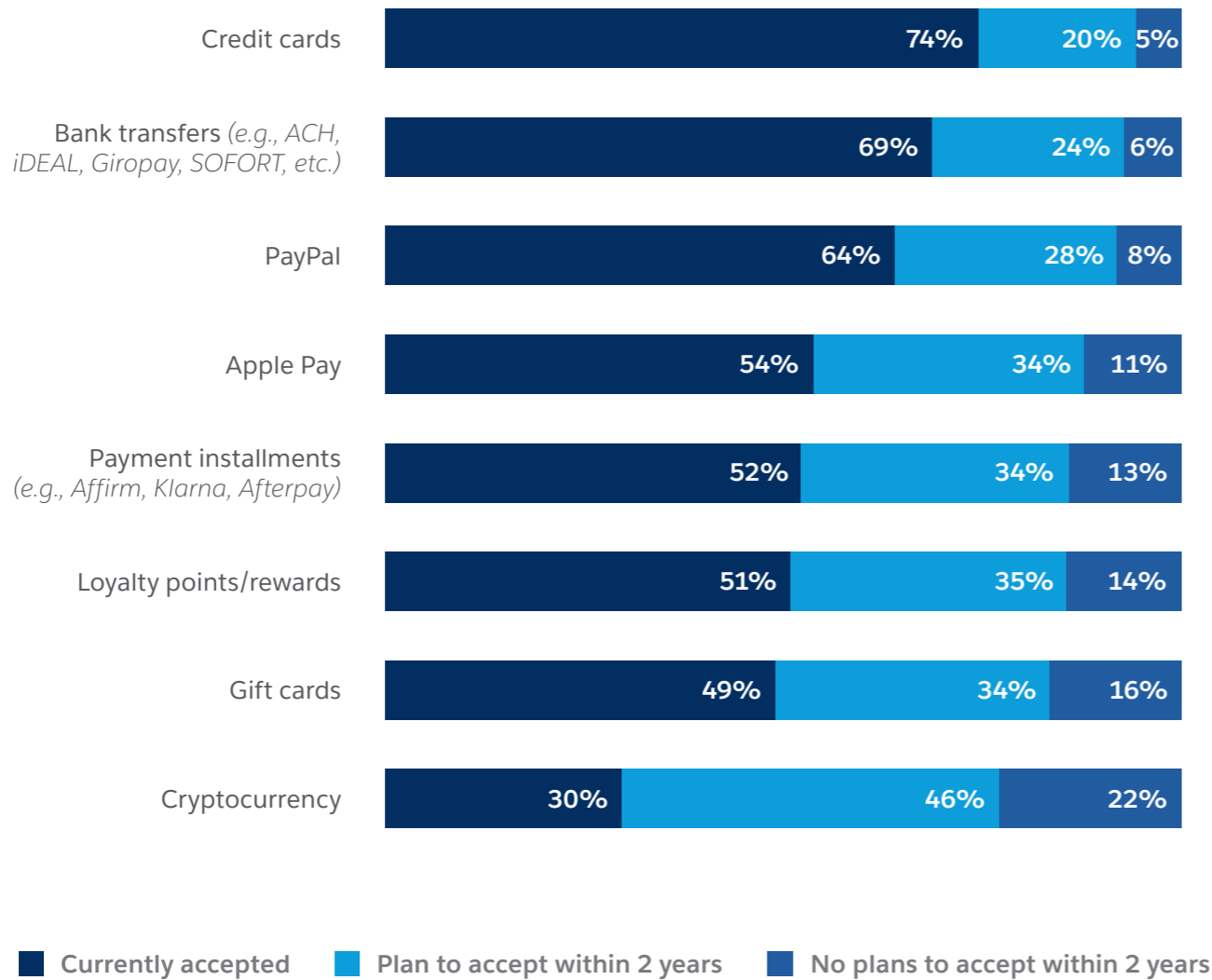
The benefits also extend to the contract management process. Companies that sell through distributors report that digital commerce has improved contract management (58%) at greater rates than organizations that don't (49%).

### Impacts of Selling over Digital Channels for Companies That Sell Through Distributors



# 07 New Options Meet Old Fears at the Moment of Purchase

## Implementation Plans for Payment Types



Today’s customers expect more options at checkout than cash or credit card. Organizations are prioritizing investments in flexibility: 61% of digital leaders say they’re already offering installment payments like Buy Now, Pay Later (BNPL), while another 32% plan to add it in the next two years. Leaders are twice as likely than laggards to already offer installment options at checkout.

### PayPal accounted for 80% of all mobile wallet transactions in Q1 2022.

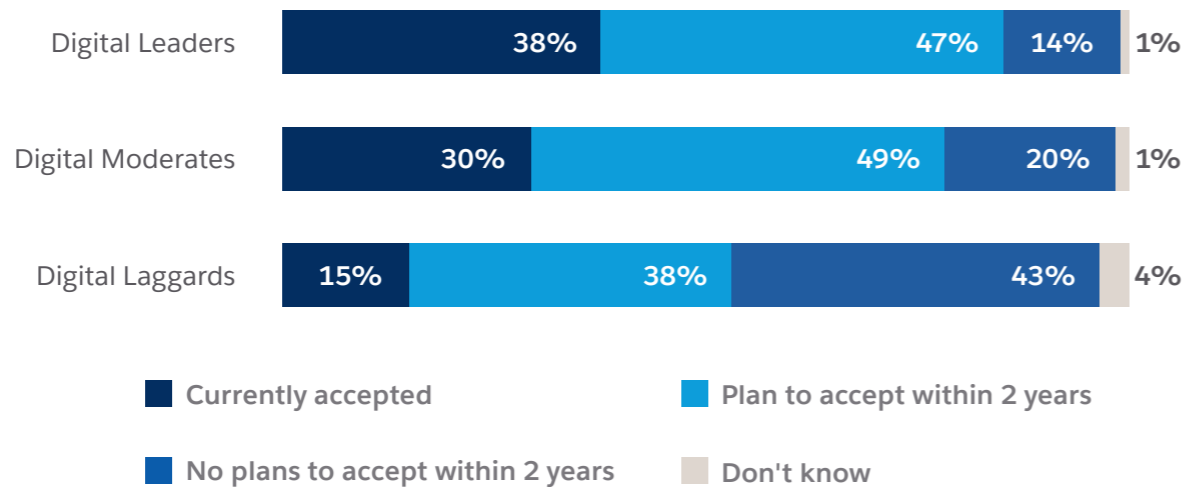
The number of payment types is also growing, as 64% of companies already offer at least one mobile wallet option. And although loyalty redemptions at checkout are still in the early stages of customer adoption, according to the Salesforce Shopping Index,<sup>1</sup> organizations are leaning in: 51% of organizations offer this option at checkout, with digital leaders being two times more likely to have already invested.

<sup>1</sup> [Q1 Shopping Index: Global Digital Commerce Grew 58 Percent, Stimulus Checks Boost U.S. Sales](#)

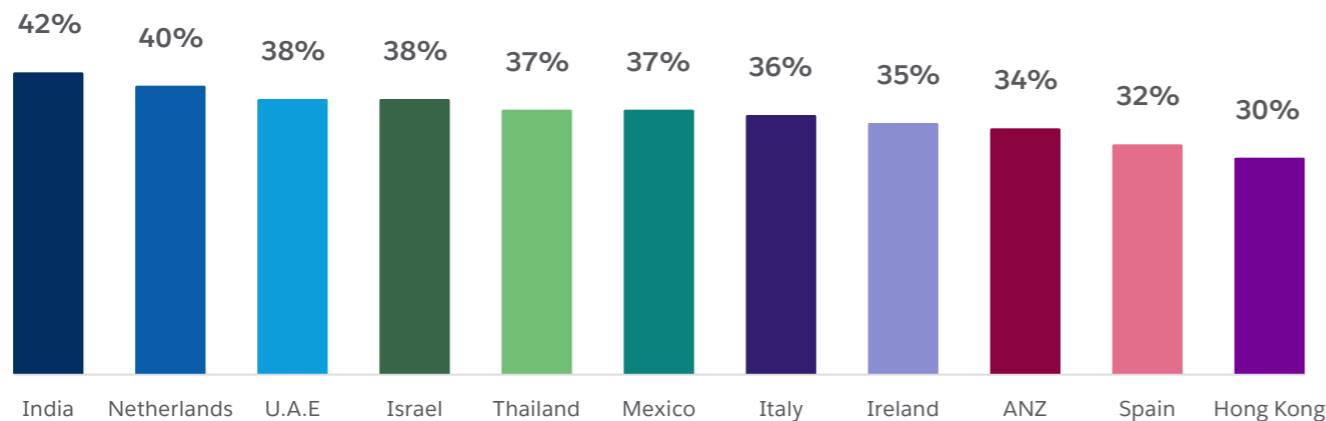


# New Options Meet Old Fears at the Moment of Purchase

## Organizations' Plans to Accept Cryptocurrency as Payment

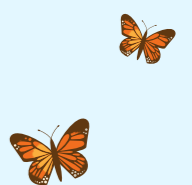


## Top 10 Countries In Which Organizations Accept Cryptocurrency as Payment



One of the most exciting advancements in payment technology is the rise of cryptocurrency. While crypto has been popular within nations that experience a lot of currency instability, its buzz has skyrocketed globally in recent years. Even governments are exploring digital currencies<sup>1</sup> as an option to replace traditional banking systems.

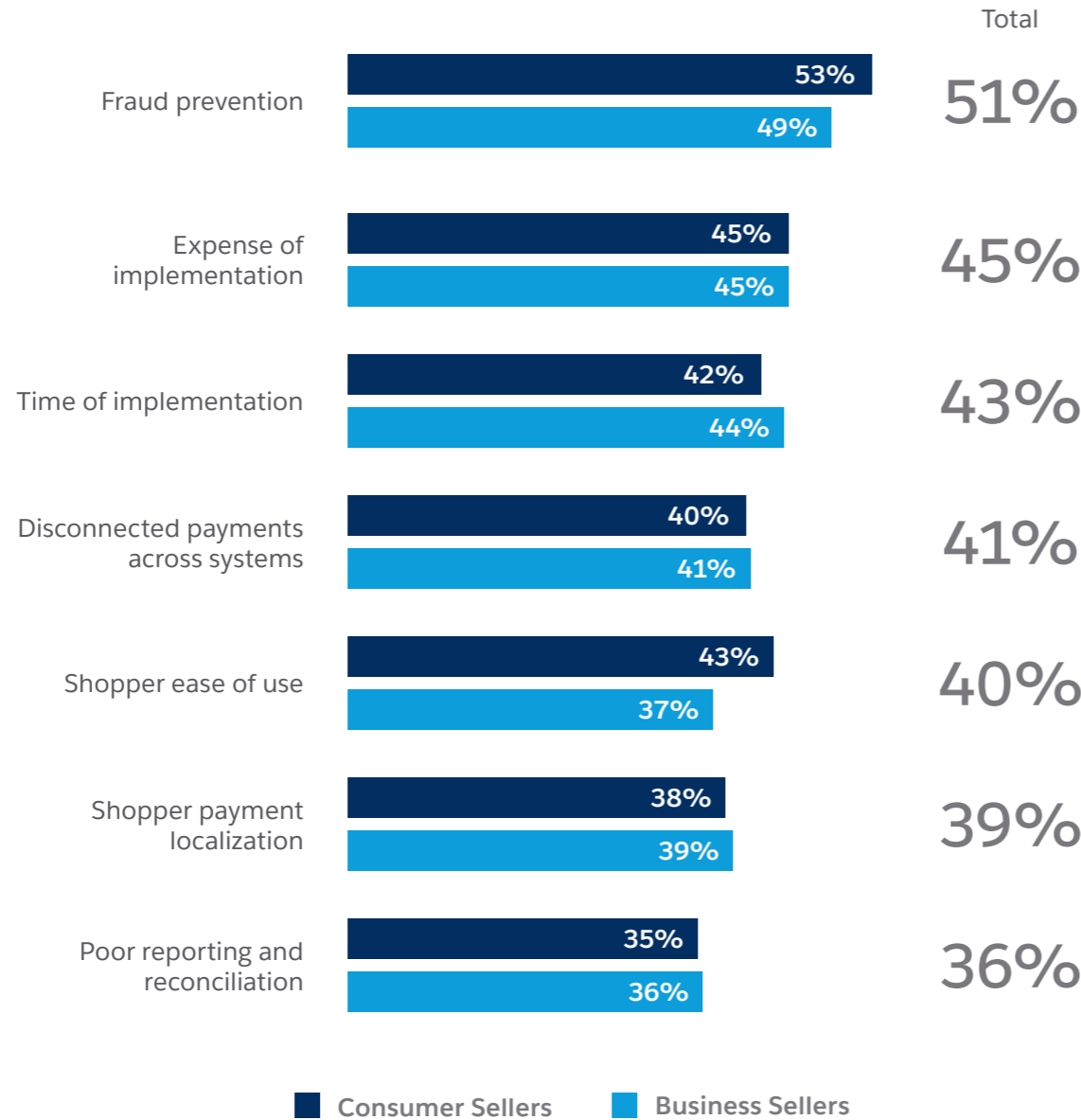
As crypto moves more into the mainstream, organizations are eager to get on board. Today, only 30% of organizations offer crypto as a payment option at checkout. This makes it the least likely payment option to be offered. However, that's changing quickly. Crypto is the number one reported payment method that organizations are investing in over the next two years when compared to all other forms of payment. And leaders are 2.5 times more likely than laggards to be investing.



<sup>1</sup> [Central African Republic Becomes Second Country to Adopt Bitcoin as Legal Tender](#)

# 07 New Options Meet Old Fears at the Moment of Purchase

## Concerns When Implementing a New Payment Option



As companies improve their payment technology, they're focused on a growing challenge: fraud prevention. In fact, when it comes to evolving payment strategies, fraud prevention is the highest-ranked concern among all performers and across the globe, with more than half (51%) of all organizations agreeing that fraud is a major concern.

**54% of digital leaders say that fraud is a concern when implementing a new payment offering.**

While fraud ranked as the number one concern across all performance categories, business size was a key differentiator when it came to fraud's impact on payment tech implementation. Enterprise-sized companies are more concerned with fraud (64%), compared to small (47%) and midsize businesses (50%).

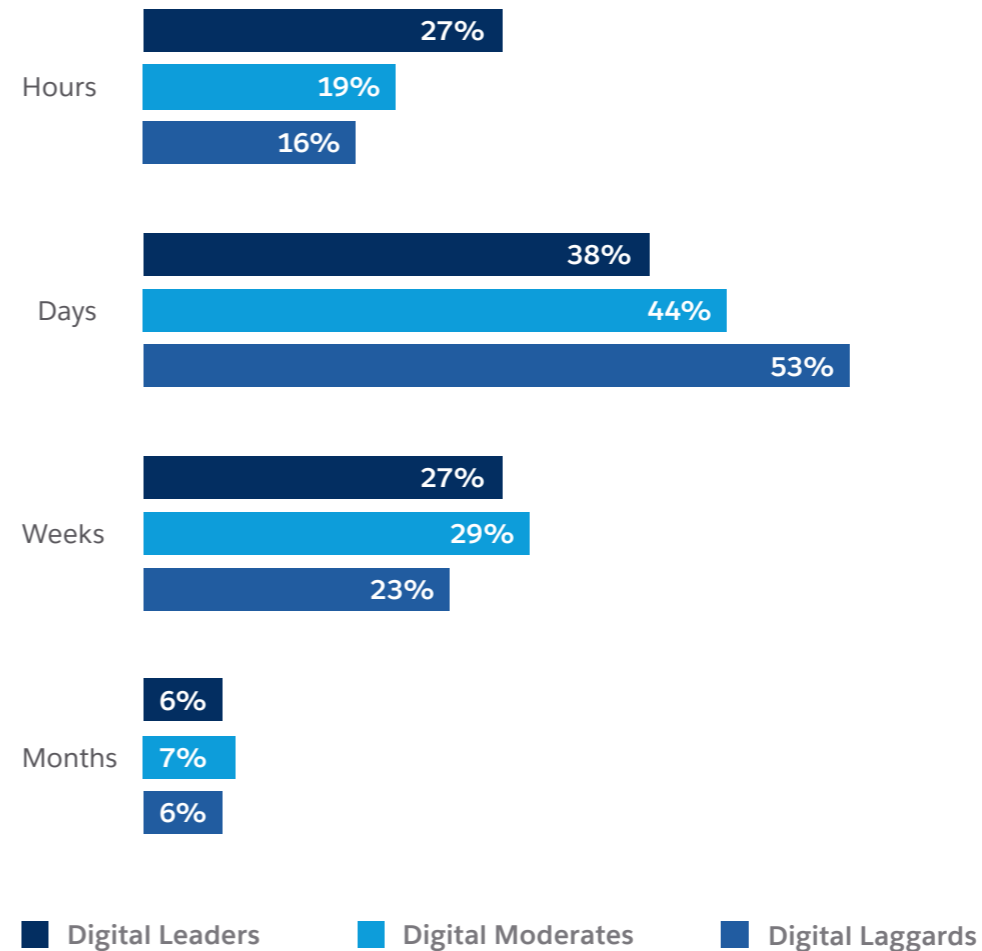


08

## Headless Commerce Is Gaining Momentum

When it comes to what impacts an organization's ability to pursue new digital initiatives, technology constraints are ranked as the top challenge across all commerce organizations. Our findings suggest that one factor holding organizations back is a slow and complicated back-end experience: 34% of organizations say it takes weeks or months to make changes to their digital storefront. That makes it harder to stay agile online – an unfortunate consequence, given challenging macroeconomic conditions and changing consumer preferences.

### How Long It Takes to Make Changes to Digital Storefronts



## Headless Commerce Is Gaining Momentum

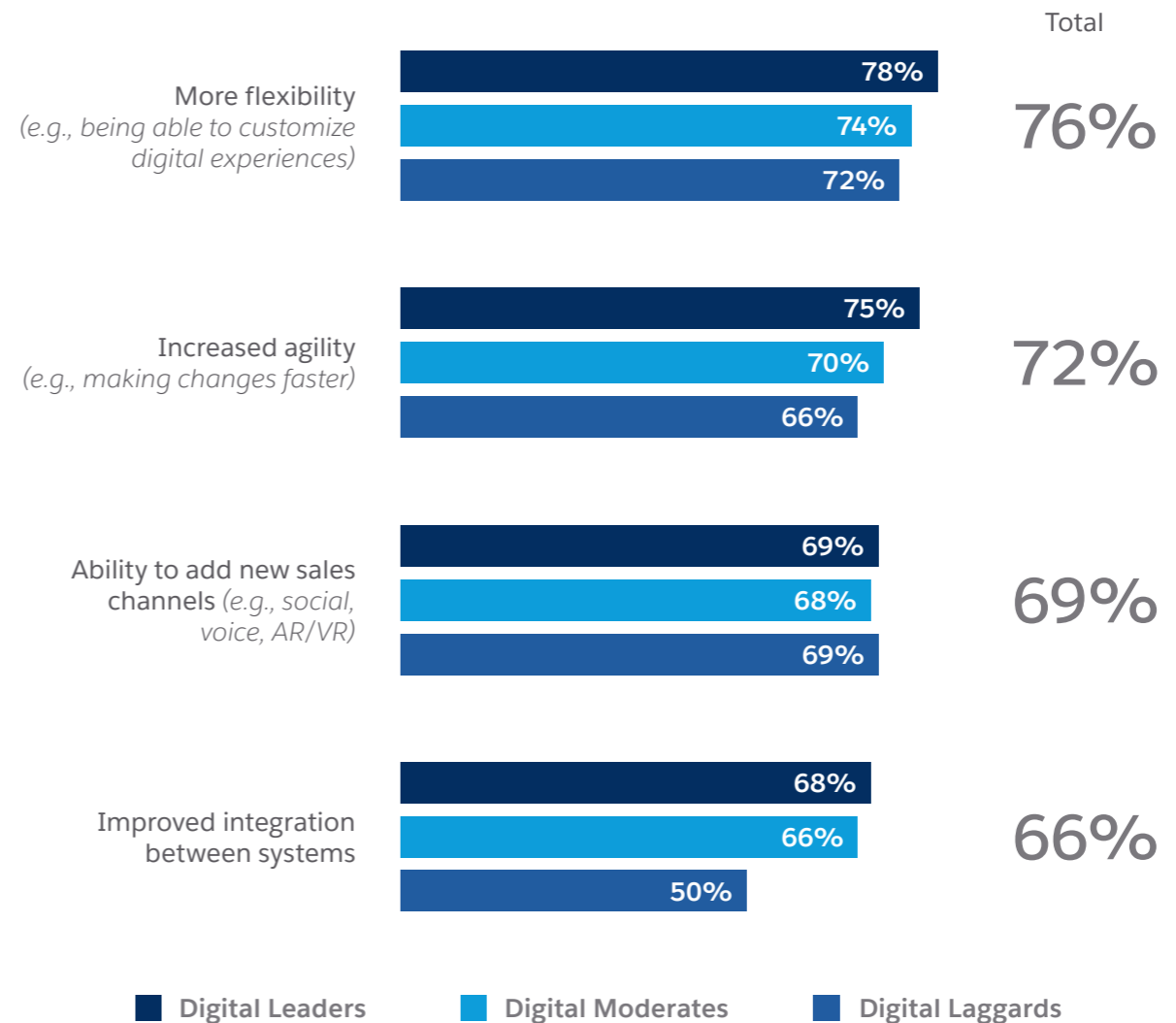
To enable digital agility, many companies are turning to headless architecture. Headless decouples the digital front end from the back end, enabling businesses the freedom to build to their own specifications.

Seventy-seven percent of companies with headless architecture agree it gives them increased agility, such as by allowing them to make changes to their digital storefront faster. In fact, 32% said they could make website changes in hours (compared to 19% of non-headless companies).

**Companies with headless architecture are more likely to be rapidly expanding into new channels (77%) than non-headless companies (54%).**

Headless implementers cite several benefits: They report excelling at digital commerce at greater rates (55%) than non-headless organizations (30%). They are also more likely to attribute their companies' overall success to digital commerce (58%) versus non-headless organizations (37%).

### Reported Benefits of Headless Architecture





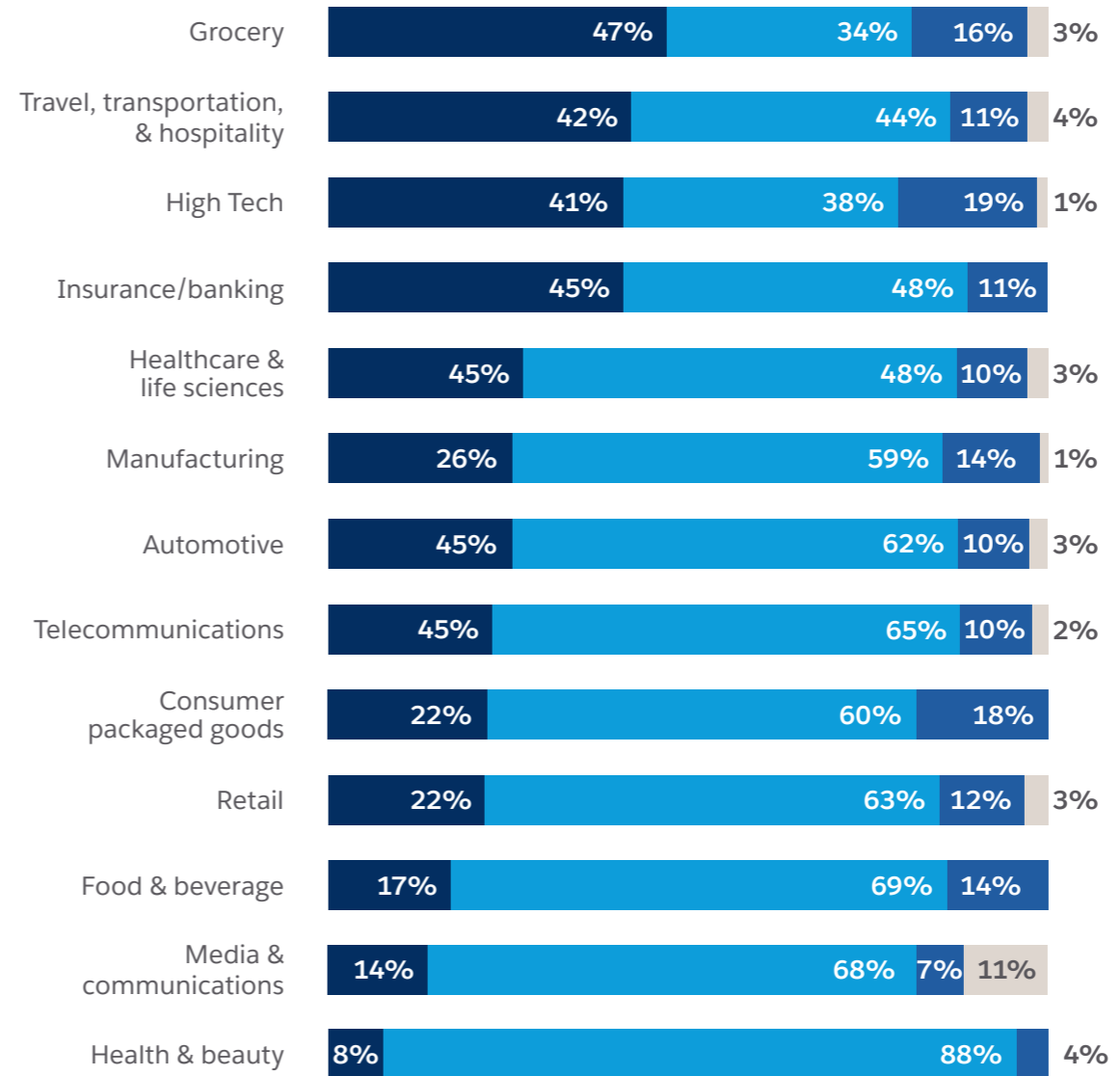
08

# Headless Commerce Is Gaining Momentum

Headless architecture is poised for growth: 80% of businesses that don't have headless architecture today say they plan to implement it in the next two years. This trend spans organizational size: 57% of leaders across all business sizes say that they plan to implement headless in the next two years.

**Travel and grocery are the industries most likely to already use headless architecture. Health and beauty is least likely to be familiar with headless.**

## Organizations' Plans for Implementing Headless Commerce



- We currently have headless commerce architecture
- We plan to implement headless commerce architecture within 2 years
- We have no plans to implement headless commerce architecture within 2 years
- Don't know



# Explore State of Commerce Data in Tableau

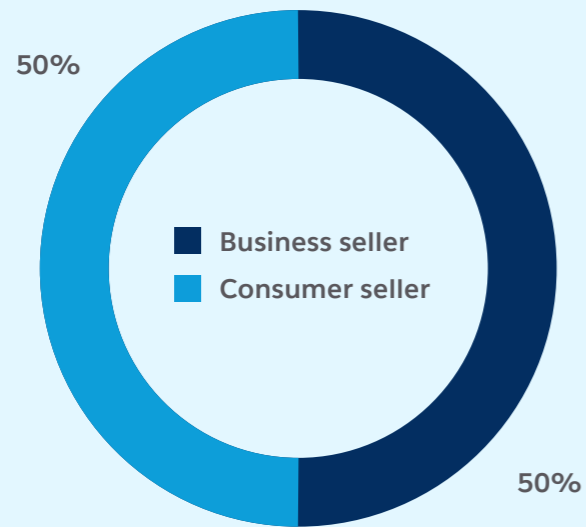
Explore key State of Commerce data in Tableau.  
Segment by industry, geography, and more in our interactive Tableau page.

EXPLORE THE DATA

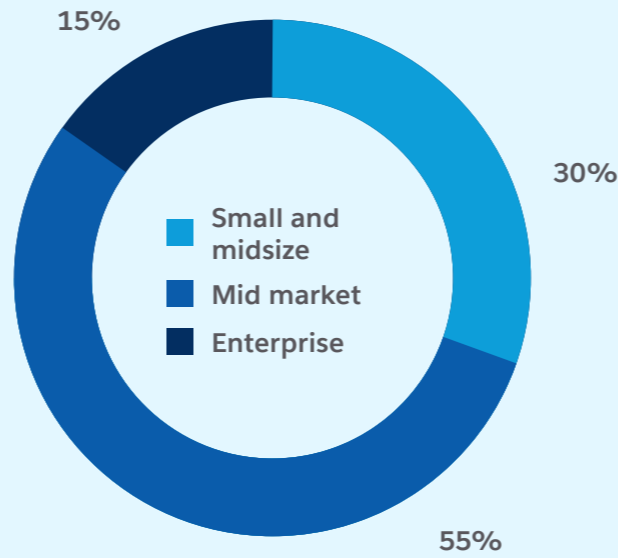


# Survey Demographics

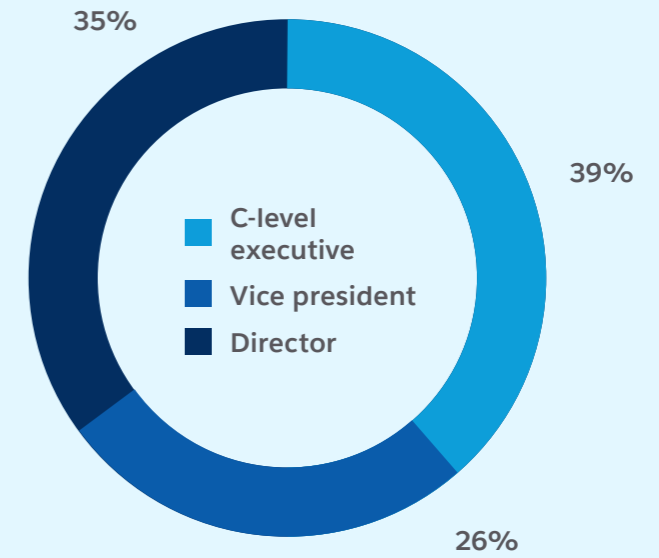
### Business Type



### Business Size



### Job Level



### Country

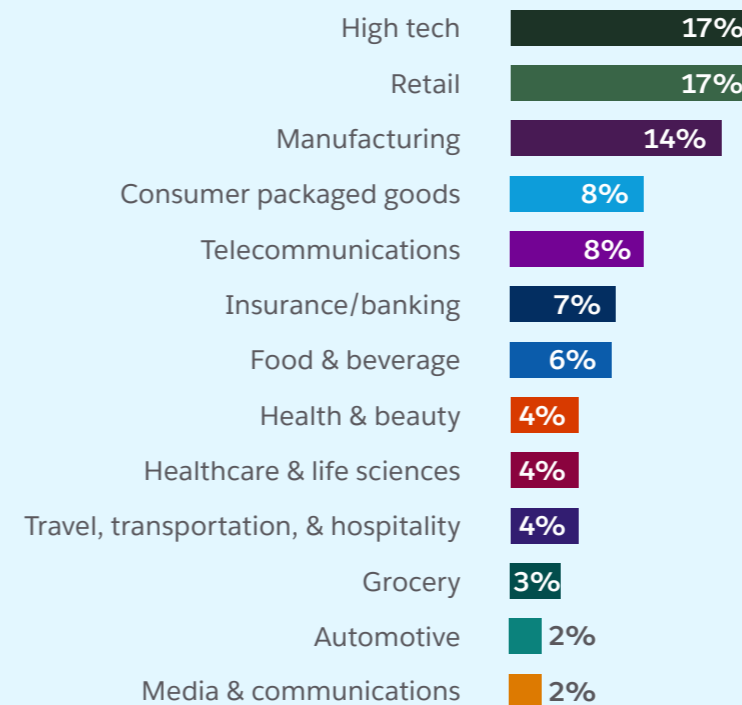
**5%**  
each

Australia and New Zealand, Brazil, Canada, France, Germany, Hong Kong, India, Israel, Italy, Mexico, Netherlands, Nordics (Denmark, Finland, Norway, Sweden), Singapore, South Africa, Spain, Thailand, United Arab Emirates, United Kingdom, United States, Japan

**2%**

Ireland

### Industry





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