

HANDOUT

Understanding Spryker's 'Completeness of Vision' Position in Gartner's Magic Quadrant

An assessment of Spryker's
positioning in the 2022 Gartner
Magic Quadrant for Digital
Commerce



Spryker

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Objective of this document

For enterprise commerce and IT executives, the 2022 Gartner Magic Quadrant for Digital Commerce is a highly valuable piece of analyst research that provides an understandable overview of a complex market. This document provides context and helps executives understand Gartner's assessment of Spryker in more detail. We will give a summary of the overall results and trends in the 2022 Magic Quadrant, and then zoom into the evaluation of Spryker. How did Spryker develop on which axis? What were the reasons for Gartner's evaluation of Spryker? And what do these results mean for your business?

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Attributions:

Gartner, Magic Quadrant for Digital Commerce, 10 August 2022, Jason Daigler, Yanna Dharmasthira, Sandy Shen, Penny Gillespie, Mike Lowndes, Aditya Vasudevan.

Gartner, Critical Capabilities for Digital Commerce Platforms, 15 August 2022, Mike Lowndes, Yanna Dharmasthira, Sandy Shen, Penny Gillespie, Jason Daigler, Aditya Vasudevan.



PART 01

The Hard Facts: 2022 Gartner Magic Quadrant for Digital Commerce

What is the Gartner Magic Quadrant all about?

Founded in 1979, Gartner is one of the leading analyst firms worldwide. Its mission is to equip executives across the enterprise to make the right decisions and stay ahead of change. For that, their flagship publication is the annual technology research called Magic Quadrant in which the most relevant vendors of the industry are assessed. It is called 'quadrant' as the final overview chart is segmented into four quadrants which divide the companies listed into four broad categories: niche, challenger, Visionary, or leader.

The Gartner Magic Quadrant can be seen as a snapshot of the current market situation for digital commerce vendors. As the market's overall direction is often evolving, so do Gartner's evaluation criteria. The report also contains an assessment of the strengths and weaknesses of each provider, which is a comprehensive and market-driven reflection of the current performance and vision of the providers.

With the increasing complexity of the digital commerce market, the importance of such an objective market overview to support the enterprise software selection process is critical. Gartner analysts have extensive relationships with enterprise business leaders and buyers of technology, and they study vendors very closely throughout the year. The results of their comprehensive analysis are only published once a year. While Magic Quadrants are published for every conceivable tool and software category, this document focuses solely on the Magic Quadrant for Digital Commerce in its most recent edition from August 2022.

Overview of the 2022 Magic Quadrant

The 2022 Magic Quadrant for Digital Commerce has been released on 10 August. The responsible analysts are Jason Daigler, Yanna Dharmasthira, Sandy Shen, Penny Gillespie, Mike Lowndes, and Aditya Vasudevan. Overall, 18 vendors are included in the 2022 Magic Quadrant. The key results can be summarized as follows:

Leaders remained the same

- In 2021, the vendors recognized as Leaders – Adobe, SAP, Salesforce, and commercetools – continue to be so in 2022. The main movement for each vendor is an advancement on the Ability to Execute axis.

Oracle and Intershop left the Quadrant

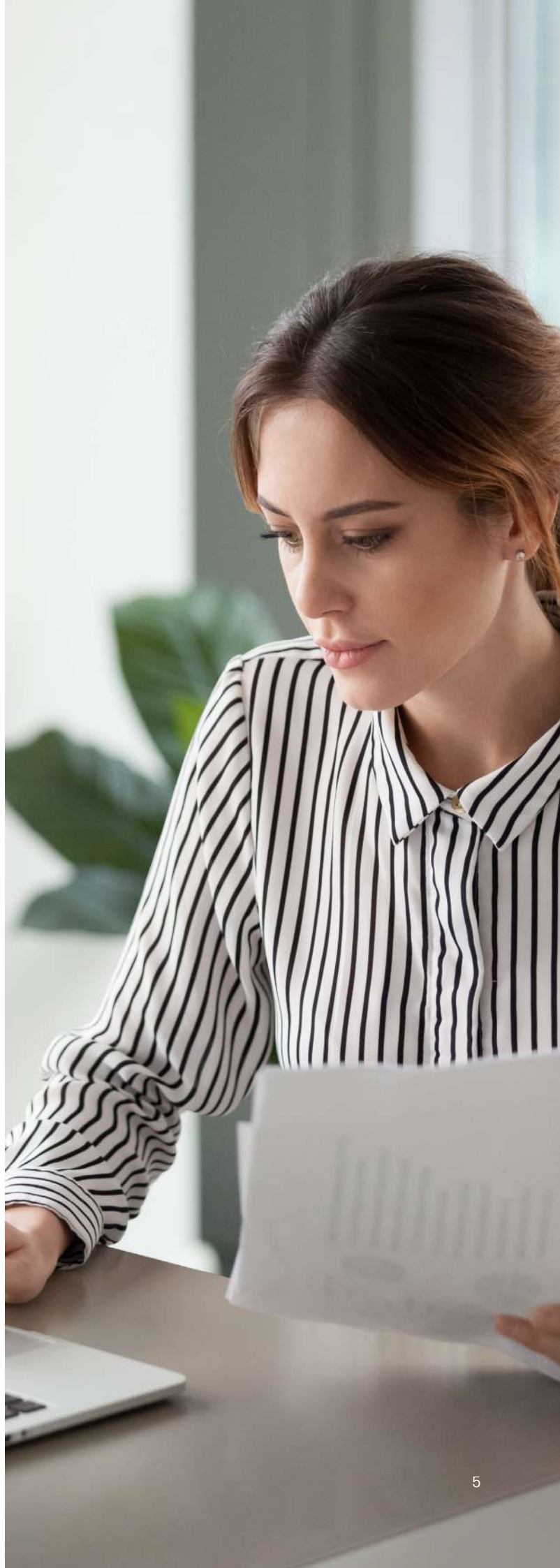
- Three vendors showed significant change compared to the 2021 Magic Quadrant. Former Leader vendor Oracle and Niche Player Intershop have dropped out of the quadrant completely. Optimizely swapped positions with HCL Software from the Challengers quadrant into Niche Players.

Three new entrants

- Sana Commerce, SCAYLE, and Infosys Equinox are three new entrants in the 2022 Magic Quadrant. All are positioned in the Niche Players quadrant, which contains the most vendors with a total of six.

Spryker advanced the most in its quadrant

- Spryker was the only vendor in the Visionary quadrant to advance on both the x-axis ('Completeness of Vision') and y-axis ('Ability to Execute'). The most significant movement by Spryker was on the Ability to Execute axis, making it the closest vendor among all visionaries to the leader quadrant.



Spryker's Evaluation in the 2022 Magic Quadrant



Against its competitors, Spryker ranks first for composable commerce, and in the upper midrange for the B2C commerce, B2B commerce, and B2C and B2B commerce on the same platform use cases.” – Gartner

Spryker is among the youngest vendors in the Magic Quadrant and yet already included for the **third consecutive year**. Spryker has made another big leap forward in the Visionary quadrant, and is now positioned **highest and furthest for its Ability to Execute and Completeness of Vision in the Visionaries' quadrant, as well as in the top three vendors for completeness of vision overall.**

In this section, we will take a closer look at Spryker's evaluation and provide more context to Gartner's assessment.

'Completeness of Vision' Axis

What does 'Completeness of Vision' mean?

'Completeness of Vision' stands for the forward-looking idea, strategy and future-proofness of the providers and how well they succeed in addressing the movements on the market and needs of tomorrow today.

Gartner definition: 'Completeness of Vision' reflects the vendor's innovation, whether the vendor drives or follows the market, and if the vendor's view of how the market will develop matches Gartner's perspective.

The standard criteria that are being assessed to evaluate the vendors' ability to execute are:

- **Market understanding:** The ability of a vendor to understand buyers' needs and translate these needs into products and services.
- **Marketing strategy:** Strength, clarity, and consistency of marketing messages throughout all channels.
- **Sales strategy:** Strategy across sales channels to extend market reach, expertise, and customer base.
- **Offering (product) strategy:** Solutions for current and future requirements in the vendor's approach to product development and service delivery
- **Business model:** The validity and logic of a vendor's underlying business proposition in this market.
- **Vertical/Industry strategy:** Ability to meet the needs of individual market segments.
- **Innovation:** Marshaling of resources, expertise or capital for competitive advantage.
- **Geographic strategy:** Quality of the locally adapted offerings outside vendor's region of origin.

How did Spryker perform?

As mentioned in the 2022 Gartner Magic Quadrant for Digital Commerce:

On the x-axis Completeness of Vision, Spryker is in the top three vendors, as well as the furthest in its quadrant. This is extremely significant given its strength in transformational deals, where enterprises are beginning a new business model, revenue stream, or starting up a new business organization.

“**Spryker scores high for Composability and Agility due to its modular architecture, extensibility of frontend and third-party applications, and hybrid of SaaS/PaaS environments.**” – Gartner

“**[Spryker] is a good fit for digitally mature organizations in Europe and North America with advanced skills for API management and integration, and strong product management and governance.**” – Gartner

What does Spryker's result mean?

Only in the third year of inclusion in the Magic Quadrant, Spryker advances to the high-end of Visionary quadrant, putting it in the same league with several large providers that have been in the market for a long time. This demonstrates the strength of Spryker's market understanding and how well its vision fits the evolving market.



‘Ability to Execute’ Axis

What does ‘Ability to Execute’ mean?

The ‘Ability to Execute’ stands for the already implemented, tangible and measurable business of the providers in the past year.

Gartner definition: ‘Ability to Execute’ summarizes factors such as the vendor’s financial viability, market responsiveness, product development, sales channels and customer base.

The standard criteria that are being assessed to evaluate the vendors’ Ability to Execute are:

- **Product:** How well do the offered capabilities compete in the market?
- **Overall viability:** The vendor’s financial health and practical success
- **Sales execution/pricing:** Capabilities in (pre-)sales activities and their overall effectiveness
- **Market responsiveness/track record:** Ability to respond to market changes flexibly and achieve competitive success as opportunities develop
- **Marketing execution:** Clarity, quality, creativity and efficacy of the vendor’s activities to deliver their message and build a strong brand.
- **Customer experience:** The relationship and enablement of clients to succeed.
- **Operations:** The vendor’s ability to meet its goals and commitments.

How did Spryker perform?

Only in the third year in the Gartner Magic Quadrant, Spryker was once again recognized as a Visionary. The strong advancement in Ability to Execute has propelled it close to the leader quadrant in a short period of time.

As mentioned in the 2022 Gartner Magic Quadrant for Digital Commerce:

“Of the vendors in this Magic Quadrant, Spryker was among the fastest growing in terms of customer and revenue growth in 2021. It has presence in all major regions and in more than 12 industries” – Gartner

“Spryker supports B2B, B2C and marketplace business models. Organizations that need a modular commerce platform with extensibility should consider Spryker.” – Gartner

What does Spryker's result mean?

If the x-axis describes the potential and foresight of a solution, the y-axis represents the extent to which a vendor has been able to translate this vision into successful projects in practice.

Spryker's strong advancement on the Ability to Execute axis reflects large enterprise B2B & B2C customer wins in all major regions over the course of the last year. Also, the ecosystem of Technology Partners and Solution Partners was expanded significantly. Moreover, Gartner interviews customers of all vendors to see how satisfied they are with the solution and service provided.

Taken together, this result means that Spryker has demonstrated ability to execute their visionary understanding of the market and is recognized as a viable enterprise product by Gartner.

Peer reviews

“State Of The Art ECommerce Platform Addressing The Needs Of Today And Built For The Future”¹
– Business Platform Owner, Enterprise (\$30B+ revenue)



4.4 out of 5
(62 Reviews)

“Spryker offers a great platform with an amazing team to work with!”² – Data Analyst Manager, Enterprise (1000+ employees)



4.4 out of 5
(104 Reviews)

“Spryker was the right choice to relaunch our B2B E-Commerce system”³ – C-Level Executive, Machinery Company (1001-5000 employees)



8.0 out of 10
(83 Reviews)

Partner statement

“Diva-e is working with Spryker for 4 years. For us, Spryker being recognized as a Visionary in the 2022 Gartner® Magic Quadrant™ for Digital Commerce once again is a great achievement yet not surprising. Their success is based on the forward-thinking team and it's vision of how modern e-commerce platforms need to be built. The idea of a composable commerce operating system instead of just a webshop technology is the right approach. It allows their clients to build nearly every business model and makes Spryker a very good choice for medium to large scale online operations with diverse business models in an international environment.” – Sirko Schneppe, CCO, diva-e

¹Peer Review for Spryker Cloud Commerce OS, gartner.com | ²Spryker Cloud Commerce OS Reviews & Product Details, g2.com

³User Review of Spryker Cloud Commerce OS, trustradius.com

Spryker's Vision for the Market

The following table shows several examples of how Spryker's market understanding and solutions fit the future predictions by Gartner analysts. Gartner indicates concepts that will be crucial keys to success in the future of digital commerce. These future success factors match with Spryker's approach and value proposition today, which is why Spryker has been recognized as Visionary by Gartner.

Capability	Definition	Relevance According to Gartner	Spryker's Solution
Enterprise Marketplace	There are two different types of Marketplace models: Pure, or first party, Marketplaces and Enterprise, or first and third party, Marketplaces. In both models, the Marketplace Operator is running the platform. While only third-party Merchants are selling products in a Pure Marketplace, it's Merchants and the Marketplace Operators that sell in an Enterprise Marketplace.	By 2023, organizations that have operated enterprise marketplaces for more than one year will see at least 10% increase in digital revenue.	Spryker is one of only three vendors to be recognized in the Magic Quadrant as well as the 2022 Gartner Market Guide for Marketplace Operation Applications. Spryker offers native Marketplace operation capabilities in the same platform as your regular B2B or B2C e-commerce. It is easy and profitable to transform existing online shops into an Enterprise Marketplace.
Packaged Business Capabilities (PBC)	PBCs are a foundational technology resource of the composable enterprise. They act as the building blocks for rapid composition and recomposition of application experiences.	By 2024, 10% of digital commerce organizations will use packaged business capabilities (PBCs) to construct their application experiences.	Spryker's modular platform architecture is based on PBCs. Customers can select and combine needed capabilities freely, enabling unprecedented flexibility and speed.
Composable Commerce	Composable Commerce architecture comprises of packaged components that can be individually used and connected with other providers, as needed. It is a way for businesses to select vendors based on "best-of-breed" principles instead of traditional "off-the-shelf" bundles.	By 2023, organizations that have adopted a composable approach will outpace competition by 80% in the speed of new feature implementation.	Spryker's App Composition Platform allows customers to access 3rd party services in the most seamless, secure and curated way. Integration requires only a few clicks and provides the freedom to test different solutions with minimal effort and risk.
Cloud / PaaS	Platform as a Service (PaaS) is a model of cloud service for businesses. PaaS delivers a framework for developers who can focus on developing or extending the custom business logic on top of the fully managed application core.	By 2023, 80% of digital commerce implementations will be hosted on public cloud infrastructure.	Spryker is cloud-native. Spryker PaaS is best suited for digitally fast-growing environments with complex requirements. It is a fully managed, multi-tenant cloud offering with an end-to-end SLA that provides complete control over the application layer with no limits on customization and integration.



Spryker's Leap within the Visionary quadrant

What does it mean to be in the Visionary quadrant?

The chart is segmented into four quadrants which divide the companies listed into four broad categories, identifying them as Niche Player, Challenger, Visionary, or Leader. Being a Visionary in the Magic Quadrant means that the vendor "understands where the market is going and has a vision to change the market rules".

What is so special about Spryker's advancement?

Spryker's major leap in 2021 from Niche Player to Visionary was already extraordinary in terms of distance on the chart, but also for the point in the company's history where it happened. Spryker was founded in 2014 and is competing with vendors whose history goes back to the 70s and 80s in some cases. In 2020, Spryker was the youngest firm ever to enter the Gartner Magic Quadrant for Digital Commerce, and the advancement to Visionary in the second year after its inclusion was remarkable.

This year, Spryker continued its aggressive trajectory within the Visionary quadrant by advancing in Completeness of Vision and in Ability to Execute – pushing it into close proximity with the leader quadrant in a very short period of time. Its position advanced upward and to the right, showing that Spryker continues to innovate, and to execute and win deals in the market. Gartner also explicitly mentions that Spryker ranks first among its competitors for composable commerce, and highly across a range of use cases from B2B to B2C and Enterprise Marketplaces.

Spryker is only one of three vendors recognized in both the Magic Quadrant and the Gartner Market Guide for Marketplace Operation Applications, and such a unique selling point makes Spryker's positioning all the more special.

Spryker's perspective



Statement by

Alexander Graf, Co-CEO

"Gauging the digital commerce market and its technology and service providers is a business-critical task. At the same time, the vendor landscape is growing and becoming more differentiated and complex. For this reason, objective analysts are also becoming increasingly important. We understand and appreciate the value of the Magic Quadrant and take the analysts' feedback very seriously, and collaborate with them to create the maximum transparency.

Last year, Spryker celebrated our extraordinary leap from first-time entrants into the Visionary quadrant. Since then, we continue to be recognized for our ability to execute and completeness of vision, particularly as the leader in composable commerce technology. We are beyond thrilled and excited that our e-commerce solutions for B2B, B2C, and enterprise marketplaces have been evaluated as among the most relevant in the market. This encourages us that our ideas of modern digital commerce beyond the standard are hitting a nerve. And Spryker is still only at the beginning. We are looking forward to continuing this growth together with our fantastic partners and customers."



Statement by

Chris Germann, Global Head of Analyst Relations

"Gartner impacts the buying decisions of thousands of large and mid-size B2B and B2C enterprises, and Spryker's evaluation in the Magic Quadrant for Digital Commerce is an impressive validation of the progress Spryker has made in a very short period of time. As a former analyst at Gartner, I know how particular analysts need to be when evaluating companies for inclusion into the Magic Quadrant, let alone advancing their position to the top of the Visionaries quadrant. Spryker's unprecedented move from new entrant to near market leader in only three years shows how Spryker has delivered value to businesses and pushed the market forward with a transformational vision."



About Spryker

Spryker Systems GmbH is a privately held technology company headquartered in Berlin, Germany and New York, USA. Founded in 2014, Spryker enables companies to build sophisticated transactional business models in unified commerce including B2B, B2C, and Enterprise Marketplaces. Spryker is the most modern, fully composable platform-as-a-service (PaaS) solution with headless & API-based architecture that is cloud and enterprise-ready and loved by developers and business users worldwide. Spryker customers extend their sales reach and grow revenue with a system that allows them to increase operational efficiency, lower the total cost of ownership, expand to new markets and business models faster than ever before: Spryker solutions have empowered 150+ companies to manage transactions in more than 200 countries worldwide and is trusted by brands such as Aldi, Siemens, Hilti, and Ricoh. Gartner® recognized Spryker as a Visionary in the 2021 Magic Quadrant™ for Digital Commerce, just one year after it first appeared (2020), and has also been named as a major player in B2B e-Commerce by IDC. Finally, it is the only commerce platform to provide full B2B, B2C, D2C, and Marketplace capabilities out of one stack. Find out more at spryker.com



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