

Spryker

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Guide

## 6 Ways your Digital Commerce Business can “Go Beyond” With Spryker in 2022

Learn from Spryker and Amazon how to Successfully Conquer Competition and Stay Ahead of Market Changes



# Content

<b>Introduction</b>	<b>1</b>
<b>01 Success Factor 1: Define a Vision and Mission!</b>	<b>3</b>
<b>02 Success Factor 2: Create Experiences!</b>	<b>5</b>
<b>03 Success Factor 3: Benefit from Smart Data!</b>	<b>8</b>
<b>04 Success Factor 4: Innovate or Die!</b>	<b>10</b>
<b>05 Success Factor 5: Speed Up!</b>	<b>13</b>
<b>06 Success Factor 6: Use the Power of Flexibility</b>	<b>16</b>
<b>Conclusion</b>	<b>18</b>





# Introduction

As a business leader, you might have asked yourself the questions “**Does my business do enough? Do we need to do more?**”. After all, it is your responsibility to enable your company to sustain and grow. But, that’s easier said than done.

The constantly changing market environment of today brings plenty of challenges. What works at the moment will probably not work in the future. Competition is so fierce, that you have to differentiate yourself in some way or you’ll get lost among your competitors. Furthermore, with the advance of technology lowering virtually every sector’s barrier of entry, client acquisition became harder than ever before. With all these hurdles in mind, what does it take to overcome them?

## Definitions

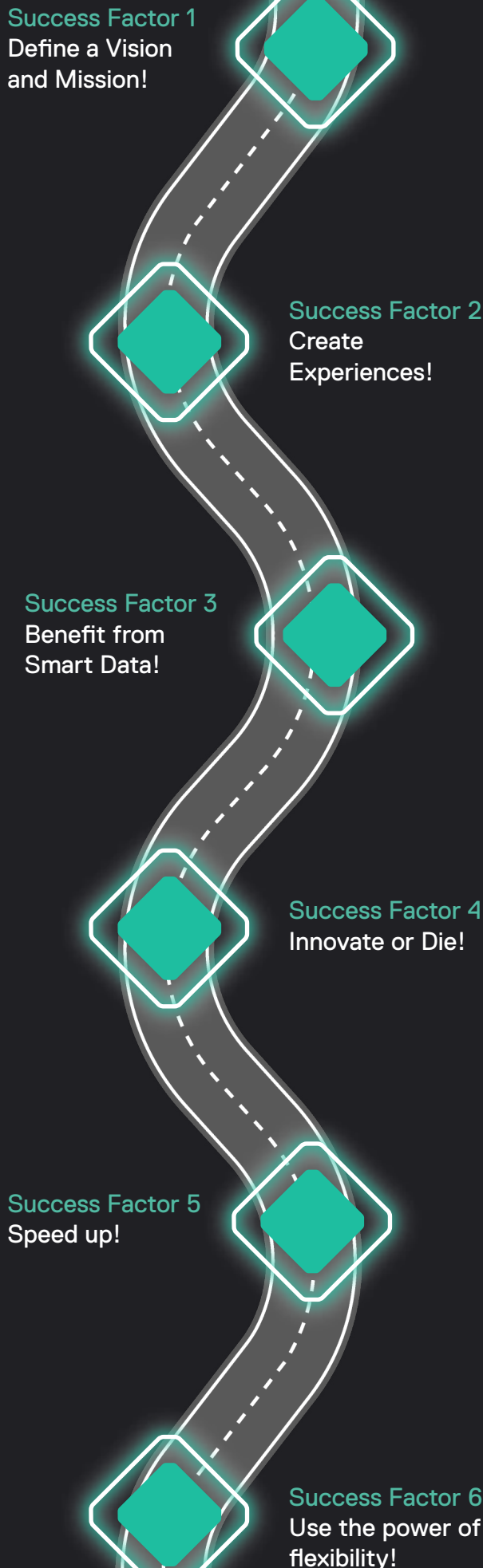
**Go Beyond** /gou/ bi’ja’nd/ *phrasal verb*

**1:** The mindset to do more than (something) : to do more than is expected or required. *(by Oxford Dictionary)*

**2:** More?...frankly said, more of everything. It describes the need to understand what drives customers, offer them what they desire, put them in the center of value creation or create new aspirations. *(by Spryker)*

## “Go Beyond” - what and how?

There is no such thing as a secret ingredient or a single key to successfully standing out from the crowd in digital commerce. That is the challenge of differentiation. You have to know your customers and create a unique solution that matches your individual business challenges. Something unique and novel has to be created. The solution is to try everything, collect data, test



**Success Factor 1**  
Define a Vision  
and Mission!

**Success Factor 2**  
Create  
Experiences!

**Success Factor 3**  
Benefit from  
Smart Data!

**Success Factor 4**  
Innovate or Die!

**Success Factor 5**  
Speed up!

**Success Factor 6**  
Use the power of  
flexibility!

more, fail faster, improve swiftly and retry more rapidly. This means you have to change the way you change. You have to build an agile organization that can quickly adapt to anything. Only by doing this can you ensure the growth of your company.

Following the lead is no longer en-vogue. However, becoming a pioneer instead of a follower, requires excellence in strategy, technology, processes and workforce. In this white paper, we will show you the 6 most impactful success factors to make your company 'go beyond' in the fast-paced environment that 2022 will bring. You can regard these success factors as key differentiators. We will show you how you can Go Beyond and design different digital commerce business models to make you stand out.

Additionally, we'll touch on how Spryker goes beyond and can enable your business to do so. We state some motivating insights from our inspiring mentors and use Amazon as an example story, to help you understand each point better. Why Amazon? Because they follow the mantra of doing things differently for the sake of doing things differently - which ultimately separates them from the sea of competition. You may think, how can my B2B Business learn from the typical B2C powerhouse that is Amazon? But the truth is, regardless of what you sell (and to whom) the traps of stagnation in digital commerce are the same and so are the solutions.



01

# Success Factor 1: Define a Vision and Mission

**Go beyond empty promises towards real customer value**

Let's face it, you're unlikely to be the only game in town. In e-commerce, everyone is competing for customers from the same pool of shoppers, and they're using all the same techniques as one another: emails, social, SEO, flash sales, loyalty schemes, advertising, PR, you name it. If you can't follow through, if you literally cannot deliver, you have broken the covenant that exists between buyer and seller in the online world.

In order to fulfill your promises and to Go Beyond you need to know your direction. Otherwise, you risk going astray and might get lost. A vision is your north star, guiding you throughout the journey ahead. Bigger than a goal, a vision embodies your ambition and dreams for your business. It's the core that motivates your whole organization to make a difference and be part of something bigger.



**“ Don't define yourself as what you already do,  
but rather what you provide your customers.”**

Guy Kawasaki  
Technology Evangelist, at Spryker Excite 2021



What is our mission at Spryker, for instance? At Spryker, we aim to initiate a revolution in digital transformation. As outlined in our vision, we enable winning transactional business models BEYOND retail, e-commerce and desktop. We do not strive to create another standard shop. Together with our customers and partners, we go beyond that. Our customers are industry leaders or have the ambition to become one. Nothing less than a mind-blowing experience would serve their customers.

After a vision, you will need a mission. This will help you to map your battle plans on how to get to the future you envisioned.

- What is truly different about your products and services?
- Which distinctive assets should you emphasize and develop?
- What should your company stop doing, in order to have resources for more important projects?
- Who is your target group exactly?
- Which problem specifically do you want to help them with?

Your vision and mission will help you to keep the focus. As a business leader, it is your responsibility to look at every business opportunity. However, not every attractive opportunity and appealing idea is worth it. If this opportunity doesn't help you move toward your vision, then it may be better to let it pass. Engaging in a wide range of activities does not necessarily mean your organization lost focus.

Take Amazon for example: “We aim to be Earth’s most customer-centric company. Our mission is to continually raise the bar of the customer experience by using the internet and technology to help customers find, discover and buy anything, and empower businesses and content creators to maximize their success.” [3] The great number of business models under their roof are all committing towards the same objective, which is serving customers.



02

## Success Factor 2: Create Experiences

### Go beyond selling something towards selling the unique

An obvious choice to start your quest for differentiation is your business's product or service offering. What makes it unique? Try to be honest. If the answer is 'nothing', don't be afraid - not all is lost. Your offering is not limited to the products or services themselves, it is also how they are being offered.

Let's start with the more obvious choice though. The physical form of your product may be differentiated through its features, performance, durability, reliability and more. Though it can be a major competitive advantage, a product differentiation is rather short-lived. Another way to differentiate is through pricing. But differentiating through a low price is probably the least sustainable differentiation strategy. Aside from being very unpredictable, it can easily be disrupted by a competitor who's willing to go under a zero-margin. To successfully compete on pricing, you need to recognize that the value of goods is really a subjective reality. It varies depending on the customers and operating environment.



**“To be a growth leader in the 2020s and beyond, companies must find innovative ways to tackle the challenges faced. Niche Marketplaces, like Shein, ANT Group, Pinduoduo, Coinbase, OpenSea are disruptive and creating value and thereby challenge Alibaba and Amazon for their dominance.”**

James Henderson  
Enterprise Technology Architect at Accenture, at Spryker Excite 2021





Getting back to differentiating on the ‘how’ instead of the ‘what’. Experience can make the difference. There are unlimited possibilities of how to attract a customer’s attention, create a desire or simplify the purchase itself. Just consider product-as-service offerings such as BlueApron, utilizing Whatsapp as the single interaction channel for recruitment services like Sama or the popular live-shopping events on Alibaba for example.

Again Amazon is a perfect example of how to achieve this: After seeing how their customers reacted to their previous experiments “Super Saver Shipping”, Amazon identified fast and reliable shipping as a competitive advantage against in-store retailers. As a result, they launched the Amazon Prime feature in 2005, which enables customers to receive their orders fast and for free[5]. Today, the service has become one of Amazon’s most popular subscription programs with countless satisfied customers. Aside from that, the company also offers 24/7 customer support for problems and inquiries. Prime subscribers will mostly choose Amazon without considering alternatives, because they know that they will receive good value for money, prompt delivery and great service. By serving their customers with a superior experience, Amazon created a lock-in effect that their customers are even paying for.

**According to a study, customers are willing to pay 17% more for a good experience [7].** Rather than switching to a cheaper competitor, many are willing to pay more for a brand they trust. For business leaders, this means that once you’ve earned the trust of your customers, it will be difficult for your competitors to win them over. Either they match your company’s offer or they hope that you drive your customers away with a negative experience.





In addition to that, another study states that customer-centric companies earn 60% more than companies that aren't [7]. Happy customers don't only buy again, they are also more likely to leave good reviews that attract more leads for the company. To earn your customers' trust, you have to be able to deliver what you promise and surprise them with extra care and support. Once you accomplish this, the next stage is the creation of a lock-in effect to unlock customer loyalty.



How do we create great experiences with Spryker? Good question! Spryker's innovative solutions come with several capabilities and features that enhance customer experience. The Spryker GLUE API features enable B2B and B2C companies to connect with their customers via various touchpoints such as wearables, voice devices and even in-store or warehouse smart-shelves. Some of these features include displaying product options, creating wish lists or shopping lists, managing orders, handling payment methods and multiple shipments. With Spryker's countless headless offerings, businesses can expect increased scalability and agility. Now more than ever, there is a need to speedily deploy relevant functionalities which satisfy customers and make business operations run more smoothly. Headless commerce guarantees that user experience remains consistent across the board and the high level customization capabilities it provides create a much stronger brand image for Spryker's customers.





03

## Success Factor 3: Benefit from Smart Data

Go beyond guessing games towards data-informed customer management

Data and analytics have become key drivers of a business' digitization and transformation efforts. And yet, less than 50% of documented corporate strategies mention them as primary constituents for delivering enterprise value. However, this is expected to change very quickly. **By 2022, Gartner predicts that 90% of corporate strategies will regard information as a crucial enterprise asset and analytics as required capability [10].** But how does data help organizations to excite customers and Go Beyond? While leveraging data has proven to enable organizations to make informed decisions, it also helps them improve their customer experience, increase customer satisfaction and lifetime value. **According to McKinsey Global Institute, data-driven businesses are 20x more likely to gain customers, 6x as likely to retain customers, and 19x more likely to be profitable [11].**

When it comes to big data, Amazon is certainly one of the examples that you can look up to. Data collection through their websites and hardware such as Alexa equips them to understand the buying habits of their customers. It builds up a picture of who you are, based on what you're buying, your income, household size and predicts future purchases. Once a "360-degree view" of an individual customer is created, Amazon finds other consumers who fit into the same category [12]. They then give recommendations that fit look-alike-profiles, in order to streamline the buying process. This way, consumers aren't overwhelmed with all the choices that they have on the platform. Aside from their recommendation services, Amazon also utilizes the gathered insights to develop new services.

Regarding the topic of making data-based decisions - here is one more tip that can make a fundamental difference in your process of Going Beyond: There is a major difference between being data-driven and being data-informed:

- Data-driven: You let the data guide your decision-making process
- Data-informed: You let data act as a check on your intuition

When data guides your decision-making, you're always collecting more of it to have the most accurate models and find trends. But, here's the catch—data is never going to tell you the full story, and it's never going to tell you exactly what you need to do next to keep growing.

Too many companies think data should be their only guide and wind up over-optimizing small things rather than developing a bigger product vision. Being data-informed means using both intuition and data to come up with testable hypotheses about your product. The qualitative complements the quantitative, and vice versa. Data is part of a larger context, one which acknowledges the possibility of bias in both its collection and analysis.[16]

Now if your business isn't yet on the level of Amazon's data machinery, don't worry! Knowing exactly which ones to pick can be hard. It involves a lot of experience and expertise that we thankfully were able to gather throughout our past 7 years of working, growing, and testing in the industry. So we at Spryker asked several of our customers and partners which Key Performance Indicators (KPIs) and Metrics helped them on the road to success. Here are a couple of customer-focused KPIs worth understanding if you're on your way to achieving real growth.

**Customer Lifetime Value (CLV)**



**Conversion Rate (CR)**

**Average Order Value (AOV)**



**Customer Satisfaction Score (CSAT)**



**Customer Acquisition Costs (CAC)**

In our complete [checklist](#) we provide even more important KPIs and an explanation of what they are, why they're important, and how to benchmark them properly to improve your performance and get you kicking goals!

04

## Success Factor 4: Innovate or die

### Go beyond legacy towards up-to-date technology

Legacy works, until it doesn't. In Commerce terms, legacy refers to old methods or outdated systems. Unfortunately, staying the same rarely results in success stories - Innovation does. Innovation is the process of developing and applying new ideas, to create value and boost growth. And for innovation you require a test and learn environment. Many organizations are unable to provide such considering their complex but at the same time limited technological infrastructure.

This is a hazard for validating ideas with proofs of concept. If you spend too much time planning and creating complicated work-arounds, you're risking being left behind by your competitors and the fast evolving market. As the project length increases, the probability of your company getting a positive ROI also decreases. To succeed, you need to be able to translate a project idea into a concept that can be tested and put into practice quickly. After that, it has to be implemented in a data-driven, fast and functional way.



**“Great innovation occurs when you jump to the next curve. But be aware that the curve can be long or even never ending. A revolution or innovation isn't just an event. Hence, worrying about perfection when you've just walked the first meters of your curve is just going to narrow your mind.”**

Guy Kawasaki  
Technology Evangelist, at Spryker Excite 2021



At Spryker, we understand our technology as an enabler for cooperation that can fuel innovation and a test and learn culture. We are continually enhancing our solutions, so you can be sure you're always using the latest, most advanced version. Spryker has a clear advantage when you consider the speed with which you can deploy and extend your digital commerce business through our API and Packaged Business Capabilities. Because your business shouldn't have to worry about whether the commerce infrastructure can support new initiatives. With Spryker you can more quickly respond to market opportunities by implementing additional sites for different business models (B2B and B2C), brands and countries, all on the same platform. Spryker is built out of true innovation to create the most flexible and agile commerce software on the market.

But why is this different nowadays compared to the past? The fast evolution of technology leads to shorter innovation cycles. What's new now probably won't exist in a few months or years. As a result, companies who cannot meet the market's demands won't stay relevant and will vanish in the marketplace. In addition to that, innovation isn't for free. You have to allocate resources, time and people to develop new products, services or business processes. Though innovation is necessary, you have to consider all these things. Aside from the shorter innovation cycles and related costs, many companies refuse to innovate because of fear. They fear making mistakes and the unknown that an innovation would bring.



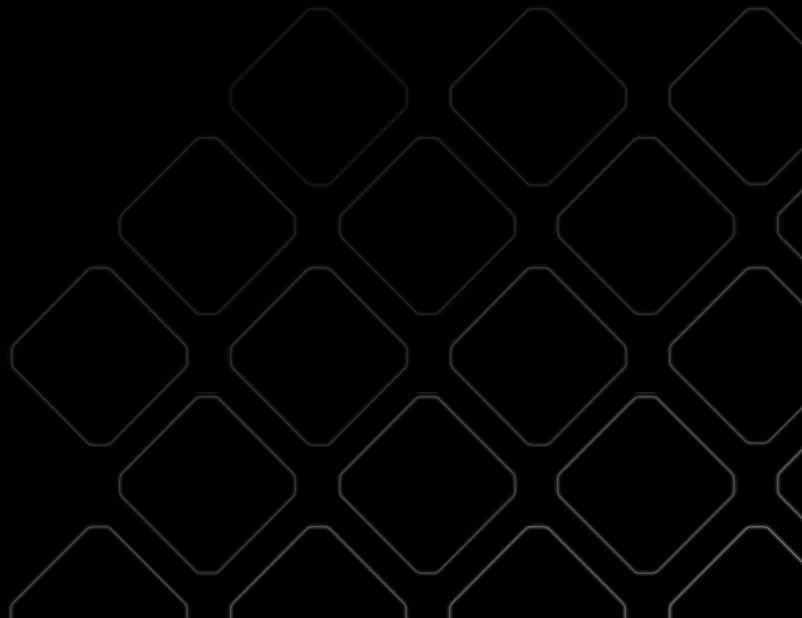
**Great innovators change their minds. Changing your mind is a sign of intelligence and courage."**

Guy Kawasaki  
Technology Evangelist, at Spryker Excite 2021

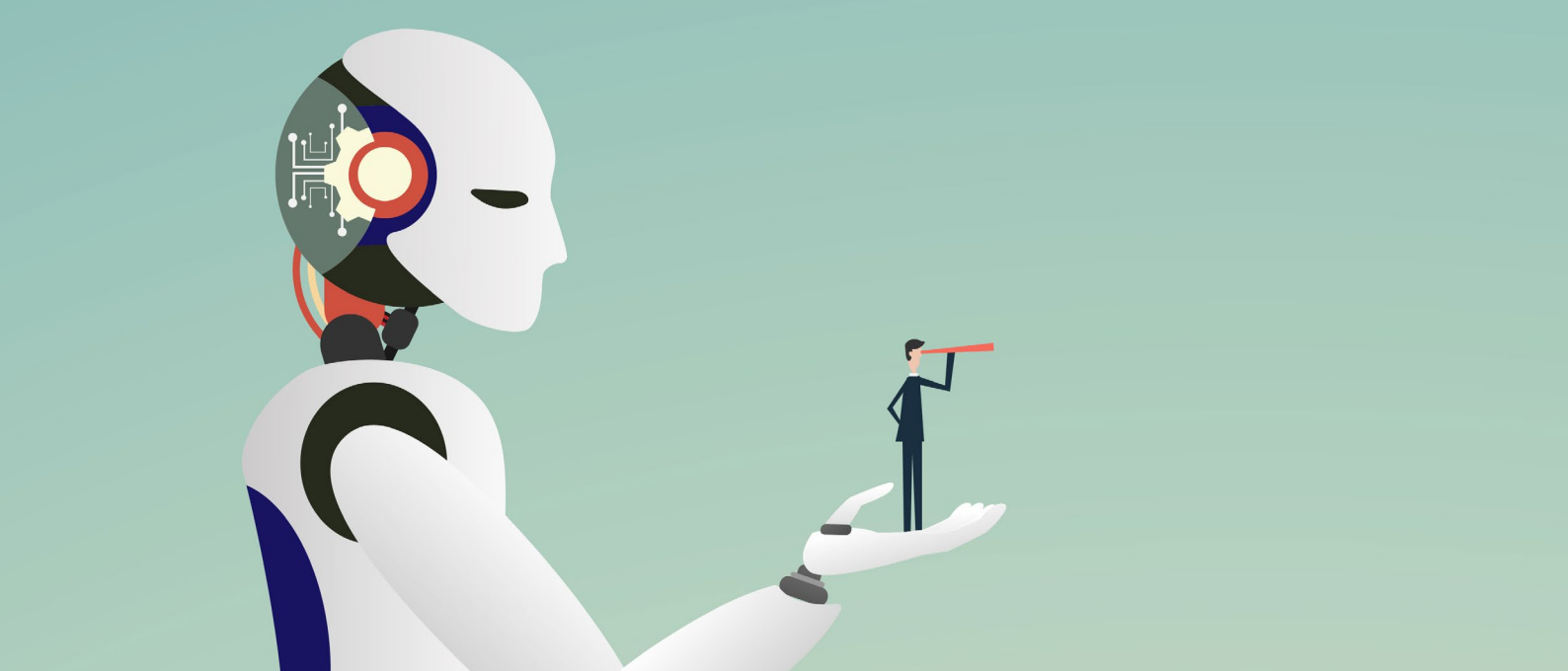




Well, how do successful companies innovate? As a champion of innovation, Amazon released many innovative ways that changed their customers' lives. Amazon's infrastructure is designed to allow tests and their technology stack is constantly evolving. Furthermore, innovations are permitted to be introduced to the live environment faster than elsewhere, because the leadership is convinced that real customer feedback will be helpful to accelerate the development progress. Even though Amazon is already 26 years old, the company treats every day like it's their first day in business. This is what they call the 'Day 1 mentality'. The company starts each day in search of ways to serve their customers. This differentiates them from the majority of their competitors. To remain true to their creed, speed is equally important. As Amazon's CEO Jeff Bezos says, "Day 2 companies make high-quality decisions, but they make high-quality decisions slowly. To keep the energy and dynamism of Day 1, you have to somehow make high-quality, high-velocity decisions." [2]





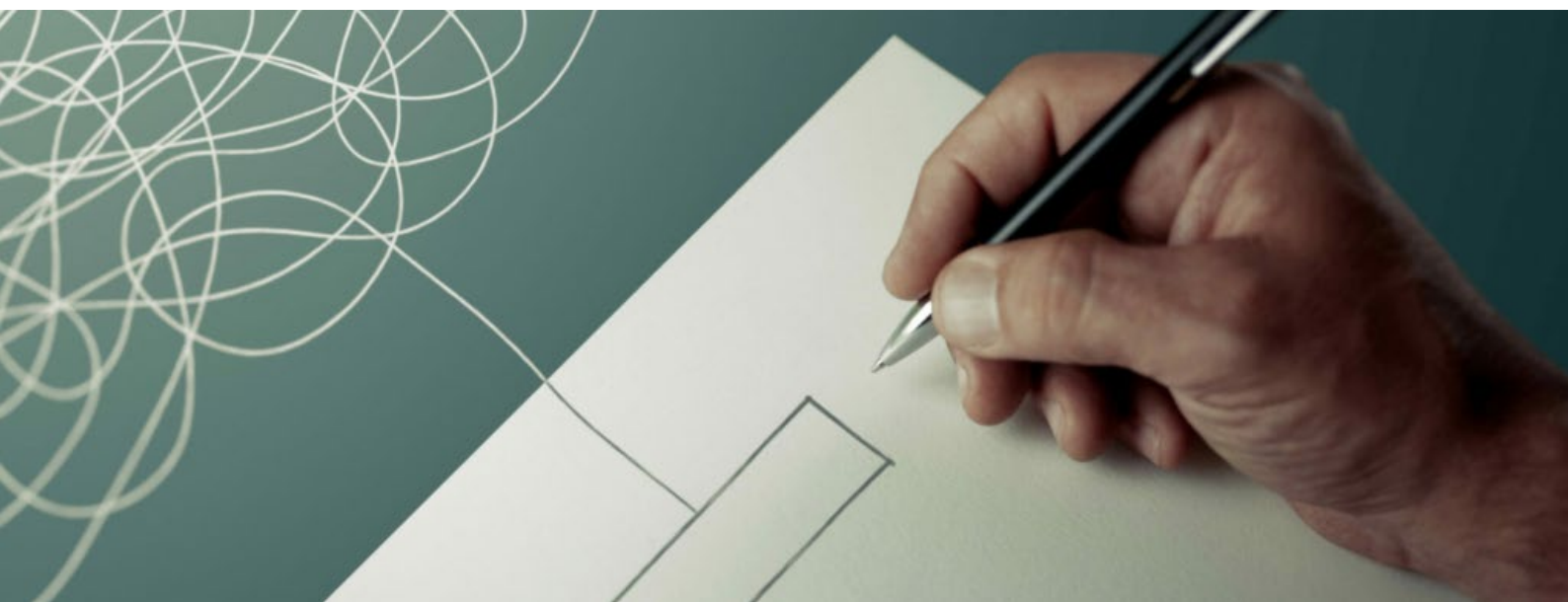


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## Success Factor 5: Speed Up!

### Go beyond manual processing towards automation

Every day, a retailer executes tens and hundreds of small tasks. Individually, they never appear to be time-wasters, but together, they decrease your employees' productivity. Furthermore, manual processes always bear a higher probability of error. To combat this, you have to look for solutions to fundamentally change how your business works. Automation is one of these. Used to simplify tasks when needed, automation can come in many forms. It can for example, tag customers for segmentation and marketing, streamline tracking and reporting and halt high-risk orders. It can also be used for tasks surrounding inventory and order processing.





At Spryker we've come up with a way to facilitate a functional order management process: Sprykers Out-of-the-Box State Machine. A State Machine, originating from mathematics, is a tool that helps you implement complex processes easily and map out different business workflows, allowing you to increase efficiency fast. It also enables developers to work productively and guarantees improvements throughout all departments, as well as the entire customer lifecycle. State Machines can build processes that are powerful enough to meet all the requirements and allow for an automated order flow, which Spryker has done with its Order Management System (OMS). It has mapped out the entire order cycle - from placing your order with your desired items to authorizing payment and sending an email confirming your order. The entire lifecycle of your order is described in states and transitions. In the back-end, the OMS provides a quick overview of all the orders and their current statuses taken directly from the State Machine. This allows you to see how many order items currently exist in each status and for how long they have been there. If orders are stuck in a certain state and are piling up, this is an indication the process needs to be refined. Due to the easy-to-understand overview, every stakeholder involved can vet and improve the process. From this overview, you can easily dive deeper into the details per order and its status. Another clear benefit is that Customer Service is empowered to check orders and intervene by triggering transitions manually when necessary.

When you make business processes easier and faster, you'll benefit from the great advantages of automation:



It saves your employee's time.



It helps you reduce costs.



It increases productivity



It makes business processes more efficient.



It minimizes errors.



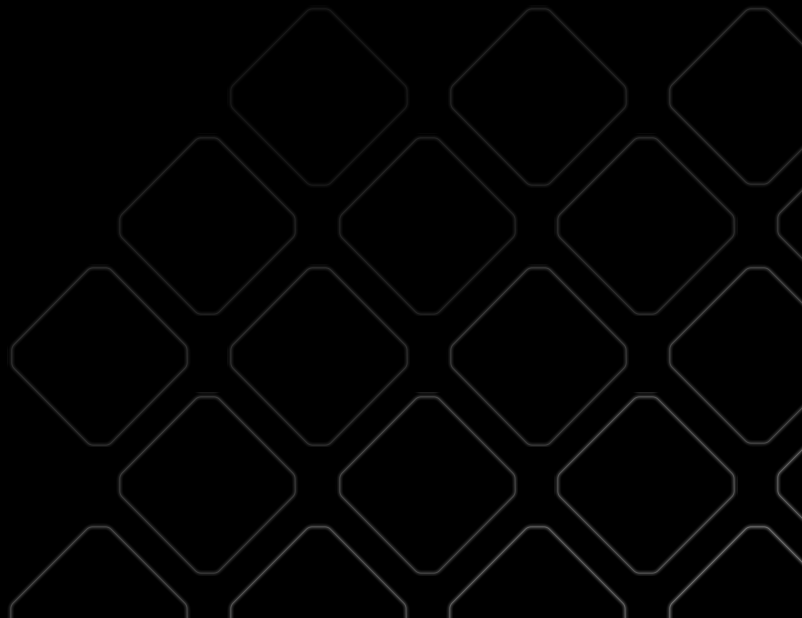
It standardizes processes.



It provides auditable records.



Amazon uses automation in many parts of their organization as well. Aside from using robots to help employees move products in warehouses, Amazon uses automation in their Vendor Management Deal as well. Before, Vendor Managers helped vendors with product set-up from start to finish. They created promotions and changed retail prices as well. However, as Amazon grew, the number of vendors rapidly increased too. The old setup became impossible to maintain. By introducing a high number of self-services, Amazon started to automate processes and programs and outsource tasks to their Vendors [13]. This way, the Vendor Managers can focus, support and interact with the key accounts.





06

## Success Factor 6: The Power of Flexibility

**Go beyond waterfall management towards agile management!**

All of the differentiators above are only possible if they are designed, handled, managed and controlled by excellent employees. So in the end it comes down to an organization's people and the way they work both as an individual and together.

One proven way of achieving fast results in the digital environment is agile management, which is based on aspects like productivity, adaptability, and collaboration. Its structure is not as formal as other management styles. The achievement of critical business goals relies on internal discipline and team coordination. In order to be successful, agile teams need to be empowered. This means they require a high level of self-organization and decision making authorities for their mission. Giving teams the authority and power to do something sounds easier than it usually is. Especially in a digital environment, many departments starting with field sales up to the tax experts want to be included in the operations. This can be beneficial, but it will definitely consume time. Therefore, it is important to weigh the added value against the loss of time.



**“ Turn the Me into We!”**

Arnold Schwarzenegger  
Multi-Talent, at Spryker Excite 2021

Amazon has proven this point to be true as well. With their motto “See Change, Be Change”, Amazon encourages their employees to provide the best solutions that support the e-commerce industry. The company also obligates their employees to respectfully challenge decisions when they disagree. Once a decision is determined, everyone commits to this wholly. By empowering employees, the top executives don’t need to be involved in all the decision-making processes. This prevents stagnation and decreases bureaucracy, which allows for innovation and faster project execution.

Another key element of agile management is the minimum viable product or MVP. An MVP is a product with just enough features to attract customers and test the product idea in the early phase of the development cycle. Using an MVP, you can collect feedback and test the demand, before you invest more resources. The data gathered will then help you implement alterations and launch better products, which gives you a competitive edge.



At Spryker our modular structure and MVP-approach is essential to allow for maximum user-friendliness, scalability and flexibility for our customers. It gives our clients the opportunity to add different features or new interfaces to the existing system very fast. Together with our proven and experienced Solution Partners, we help to apply digital best practices for a quick go-live or a rapid adaptation of existing products to changing market and customer needs. To name one example of our customers implementing a successful MVP-process, we would like to introduce you to [ROSE Bikes](#). ROSE relaunched its e-commerce shop - including the introduction of new functionalities in order to survive and grow in a very dynamic environment. With a clear view of the most relevant features, they kept their e-commerce transformation focused and fast.





# Conclusion

There are many reasons why companies have to go beyond. Constant change and differentiation have to be your organization's priority. With the faster pace of adoption, consumers are always on the search for the next big thing. Therefore, it's important to understand your target group to the core in order to adapt faster and create constantly outstanding experiences and unique memories.

It's not enough to cut costs alone or copy the competition. To succeed, excellence throughout the organization is required. The most important success factors are outlined above: vision, experience, customer centricity, speed, automation and organization. Mastering those will enable your organization to brace any storm with collaboration and a culture of failing forward. At Spryker, we designed our commerce platform to enable companies to succeed in exactly these situations. We live and breathe this approach and always try to enable our customers to exceed their industry standards and conquer competition.

In this fast-evolving world, staying in the same place could mean an end to your business. Or as Buddha put it "the only constant in life is change". Thus, be prepared to create something amazing - anyday, anytime. Dive into the unknown and take a risk. Keep in mind, in this competitive environment, only those that are willing to take the risk can position themselves as leaders and 'go beyond'.

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## About Spryker

Founded in 2014, Spryker enables companies to build sophisticated transactional business models in unified commerce including B2B, B2C, and Enterprise Marketplaces. It is the most modern 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, and 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. Spryker is trusted by brands such as Toyota, Siemens, Hilti, and Ricoh. Spryker was named the most innovative and visionary of all new vendors in the 2020 Gartner Magic Quadrant for Digital Commerce and named a major player in B2B e-Commerce by IDC and is the only commerce platform to provide full B2B, B2C, D2C, and Marketplace capabilities out of one stack.

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