Ecommerce Maturity Model Workbook
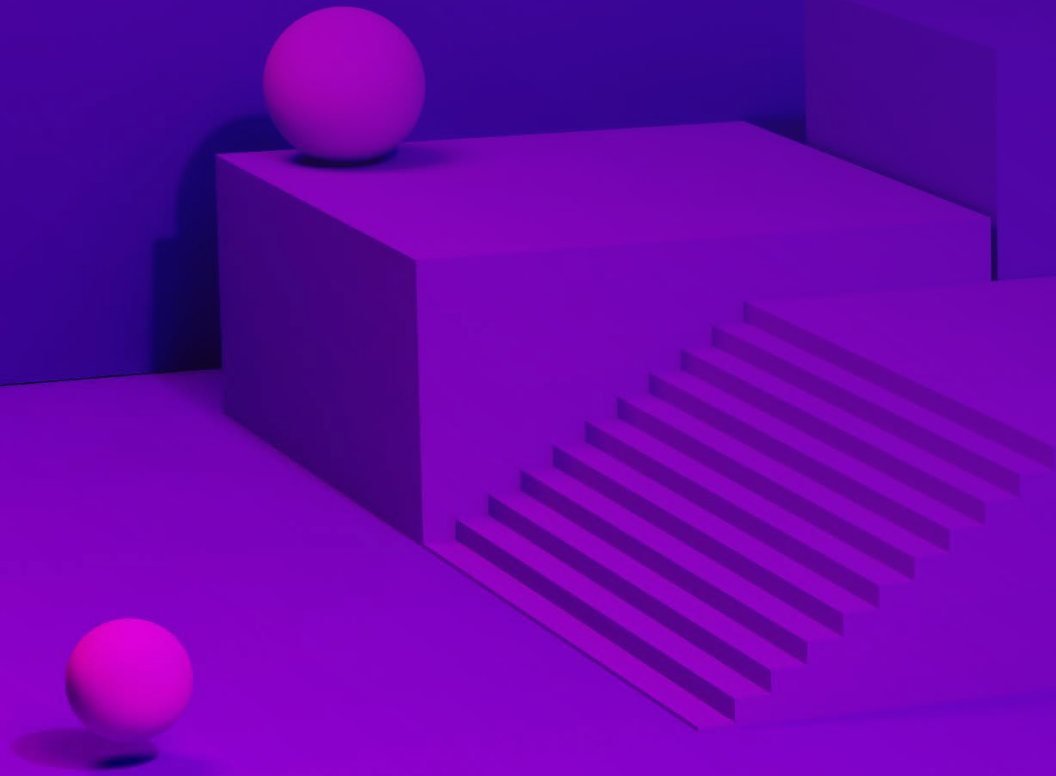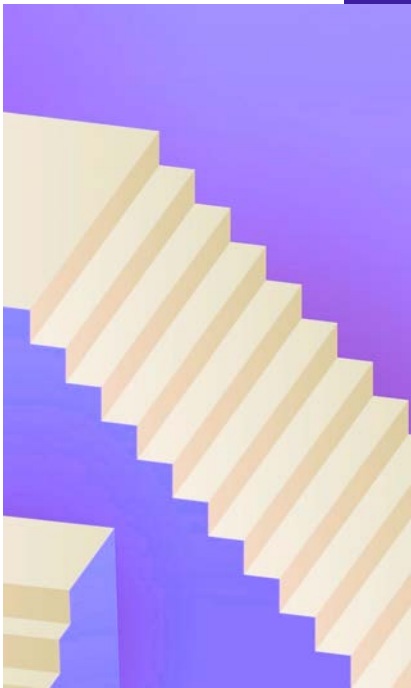
Content

Ecommerce Maturity Model

WHAT IS IT?

Most businesses are looking for new ways to grow sustainably. As the economy evolves around us, businesses are looking for reference points as they focus on ways to grow their ecommerce business. However, in the words of Sir Terry Pratchet, "If you don't know where you are, then you don't know where you're going. And if you don't know where you're going, you're probably going wrong." The Ecommerce Maturity Model, built by Above The Fray, is designed to help you establish a baseline of where you are at and to make you more effective on your path to where you are going.

The purpose of this in-depth guide is to help you learn more about each stage of the Ecommerce Maturity Model and how you can level up.

The six levels of ecommerce maturity

LEVEL 0

Ambitious

Strictly informational site without commerce enabled. B2B: basic materials & contact info.

LEVEL 1

Embarking

Commerce-enabled, narrow focus on products. Template or legacy site with manual updating and scaling issues.

LEVEL 2

Evolving

Single channel utilizing third parties to increase sales. Basic B2B behind a login.

LEVEL 3

Proactive

Unified selling across multiple siloed channels. Matured processes, robust B2B portal.

LEVEL 4

Optimized

Selling through multiple, connected channels. Personalization & integration of 3rd party systems & tools.

LEVEL 5

Innovative

Part of a global, connected ecosystem that helps redefine the state of the industry.

Areas of assessment

Operations

Review your current sales channels, as well as how you manage inventory and fulfillment.

Data

Analyze what data you are currently collecting and how it's being used to make decisions for your business.

Technology

Address what business systems you are currently using and how well they are integrated.

Organization

Investigate who makes up your organization and who is responsible for propelling the maturity of your ecommercer initiatives forward.

Engagement

Determine what marketing activities are being used currently to drive traffic to your website and enhance customer experience.

Determine your status

Take the Ecommerce Maturity Assessment to discover where you are on the path to ecommerce maturity. Then, use this guide to learn more about each stage and how to level up.

START

Ready, set, grow

If you've taken the assessment, skip ahead to your current level and review the details about where your business stands currently and what's ahead. Remember that not every criterion will match where your business is at. The algorithm formulates where your business is based on the entirety of your responses.

Select Your Level:

| Level 0	Level 1	Level 2	Level 3	Level 4	Level 5

Level 0

Businesses at Level 0 are not yet offering direct-to-consumer (DTC) ecommerce. They are entirely reliant on brick and mortar sales or distributors and marketplaces to sell their products. They may or may not have a website to drive foot traffic to their business or to link out to their retailers.

There are tremendous opportunities for businesses at this level, but real challenges too. By leveling up in their ecommerce maturity, businesses at level 0 can break ground and create a greater awareness of their brand and product offerings. Inertia and inadequate resources can be some of the barriers at this stage.

Level 0 Example

Snowy Mountain Rifles

- Has products, but no ability to purchase
- Informational site only
- Order management via pen / pencil
- Only CTAs for users is to contact sales outside of the web experience (email or phone)
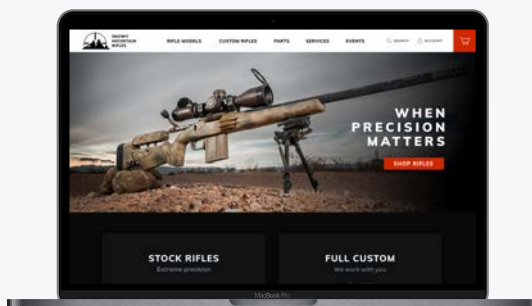
Digital Mindset

We are online because we know we need to be.

Operations

Channels: In-person only
Inventory: Offline
Internal Team: Owner-operated
External Team: None, self managed
Employee Experience: Heroic owner-operated
Fulfilment: Offline

Technology

Business Systems: Spreadsheet
Payment Methods: Offline
Ecommerce Platform: None

Data

Analytics: Not utilized
Analytics Examples: None
Data: None or unmonitored
Privacy: None

Engagement

Customer Experience: Offline
Outbound Marketing: Word of mouth
Brand: Logo
Dealer Enablement: Offline, non-digital

Level up!

How to advance to Level 1

- Choose an ecommerce platform that can scale with you as you grow
- Select accounting software
- Pick a payment processor for credit/debit card payments
- Upload your inventory

Embarking
Level 1

At level 1, businesses are typically relying on a templated, homegrown, or legacy site with manual updating and scaling issues. They may be offering just a small segment of their available products for sale online due to the limitations they face updating their site.

By leveling up from here, businesses are able to scale their business with new tools, get their entire catalog online, and reach new customers. With any growth stage comes challenges, business owners can expect to face some uncharted territory and strain on their team's internal bandwidth. They may need to expand their team internally or leverage an experienced agency to assist.

Level 1 Example
Malka Diamonds

- Single channel
- Templated approach
- Fast time to market
- Commerce enabled but not optimized
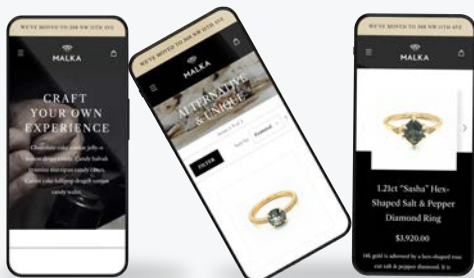
Digital Mindset
Digital commerce is a new channel with minimal budget.

Operations
Channels: Single-channel

Inventory: Manual inventory management

Internal Team: Administrative Assistant

External Team: Independent contractor

Employee Experience: Tight-knit, lots of manual work, sharp learning curve

Fulfilment: Single origin, manual pick n' pack

Technology
Business Systems: Accounting

Payment Methods: Credit Cards, 3rd Party Services

Ecommerce Platform: Bolt-On (WooCommerce, Drupal Commerce), Magento Open Source, Shopify

Data
Analytics: Descriptive analytics: what happened?

Analytics Examples: Using basic analytics to track website traffic, such as page views and number of visitors

Data: Web analytics (monitored)

Privacy: SSL

Engagement
Customer Experience: Disparate

Outbound Marketing: One-to-all (newsletters, catalogs)

Brand: Color scheme

Dealer Enablement: Largely informational, likely public facing, dealer portal, potentially basic commerce functions, request a quote function

Level up!

How to advance to Level 2

- Integrate an inventory management system
- Integrate CRM software
- Add alternative payment options like Buy with Prime, ACH, pay-over-time, and subscriptions
- Invest in SEO and high quality content for your website

Evolving
Level 2

Businesses at Level 2 are maturing in their ecommerce capabilities. They often have deeper inventory needs than businesses at previous levels and are starting to focus on adding in website functionalities that empower the buyer throughout the purchase journey.

When it comes to opportunities and challenges for businesses at Level 2, we see tremendous conversion rate optimization potential as personalizing consumer's web experiences becomes more of a focus. As businesses with greater ecommerce functionalities grow, the maintenance and evolution needs become greater as well. Businesses at this stage often struggle with finding the budget and the know-how to fulfill those needs.

Level 2 Example
Bridge & Burn

- Maturing business
- Multiple store locations
- Multichannel (in-store & online)
- Single inventory management, lightly integrated with commerce
- Beginning to scale into personalization
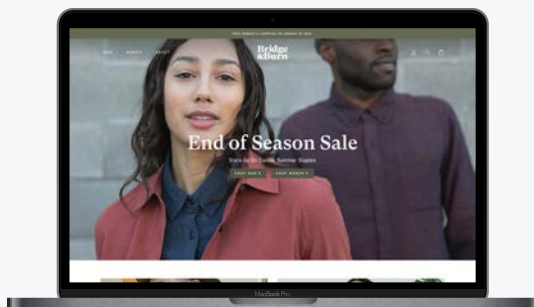
Digital Mindset

Digital commerce is recognized as the long term growth strategy but we are unclear on how to best organize or align cross-company goals.

Operations

Channels: Multi-channel

Inventory: Integrated inventory management

Internal Team: Marketing Manager, Developer

External Team: Boutique agency

Employee Experience: Multiple hats, spread thin

Fulfilment: Dropship, end-to-end visibility

Technology

Business Systems: IMS, CRM

Payment Methods: Subscriptions, ACH, pay-over-time

Ecommerce Platform: Starter (Magento Commerce, Magento Open Source, Shopify Plus, BigCommerce, SuiteCommerce, Sitecore)

Data

Analytics: Diagnostic analytics: why did it happen?

Analytics Examples: Mining data to determine what caused a spike in web traffic over the past month

Data: Dynamic heat mapping

Privacy: Opt-in, privacy policy

Engagement

Customer Experience: Organized

Outbound Marketing: One-to-many (segmented newsletters, social, UGC)

Brand: Style guide

Dealer Enablement: Commerce enabled dealer portal behind a login, ability to order parts & track orders, personalized pricing terms

Level up!

How to advance to Level 3

- Begin to explore automation
- Enlist the help of an experienced full-service ecommerce agency
- Integrate your ERP system and Helpdesk or chatbot solution
- Run targeted advertising campaigns and set up email marketing automation flows

Proactive
Level 3

Businesses who fall into this level are selling through multiple storefronts and channels with an intentional and proactive approach to online sales. They are beginning to test the waters with automation and their processes are becoming more mature, defined, and most importantly integrated.

Leveling up from Proactive to Optimized is one of the more complex steps and it comes with big challenges and opportunities. Managing multiple disparate systems, complex business operations, and understanding how to properly allocate limited resources are just some of the difficulties that businesses can face at this stage. But, by advancing to level 4, these businesses will grow new revenue streams and simplify operations and marketing processing with advanced automation.

Level 3 Example
Benchmade

- Intentional approach to ecommerce
- Process automation & integrations
- Using data to forecast user behaviors
- Brand bible
- DTC & B2B
- Multiple disparate systems
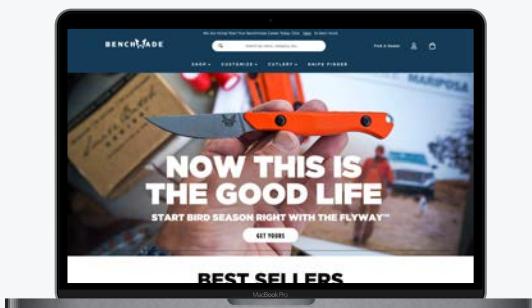
Digital Mindset
Digital commerce is a key component of the overall business strategy.

Operations
Channels: Multiple storefronts & channels

Inventory: Auto replenished

Internal Team: Multiple developers, designers, marketing, and digital managers

External Team: Full service agency

Employee Experience: Team building, specialized

Fulfilment: 3PL, automated RMA

Technology
Business Systems: ERP, help desk

Payment Methods: Terms (Net30, etc), loyalty & rewards, international wires

Ecommerce Platform: Mid-Market (Magento Commerce)

Data
Analytics: Predictive analytics: what will happen?

Analytics Examples: Using algorithms and data to predict which most customers are most likely to use a particular marketing offer

Data: Advertising insights

Privacy: Customers have control over their data

Engagement
Customer Experience: Unified

Outbound Marketing: One-to-some (targeted ads), automated

Brand: Brand book

Dealer Enablement: Robust and interactive support and marketing portal, ability to purchase full range of products and services, multichannel sales, potentially D2C

Level up!

How to advance to Level 4

- Incorporate personalization to enhance the user journey and conversion rates
- Enable a cohesive cross-channel marketing strategy
- Use AI and automation to manage revenue optimization, pricing optimization, routing and utilization optimization

Optimized
Level 4

At Level 4, businesses are implementing a cross-channel marketing strategy that integrates all of their ecommerce channels to improve the user's purchasing experience. They are forward thinking, data-driven, and progressive in their approach to optimizing digital sales. Using automation, Businesses in Level 4 personalize messaging, promotions, and offers for the individual user to increase conversions.

Opportunities for improvement include consolidating touchpoints, remembering interactions, and crafting custom journeys based on what you know about the user and your target audience as a whole. At this growth stage, businesses will be challenged with building the right internal and external teams, rethinking core business models, and selecting and embracing larger-scale tech & tools to further their business goals.

Level 4 Example
GloryBee

- First party data collection & utilization
- Personalized web experience across channels / devices
- Multiple Express Checkout & Payment Options
- Deeply integrated 3rd-party systems and tools
- Automation driven messaging
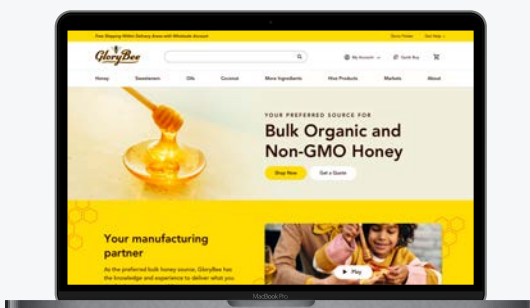
Digital Mindset
Digital commerce is a primary focus company-wide.

Operations
Channels: Cross-channel

Inventory: Planned and forecasted

Internal Team: Dev team, Creative team, Marketing team, Data analyst

External Team: Fully integrated agency

Employee Experience: Connected teams

Fulfilment: Multiple warehouses, in-store pickup

Technology
Business Systems: POS, DAM

Payment Methods: Point of Sale, mobile payments

Ecommerce Platform: Enterprise (Adobe Commerce Cloud, Magento Commerce, Salesforce/Demandware, SAP/Hybris)

Data
Analytics: Prescriptive analytics: how can we make it happen?

Analytics Examples: Using algorithms to optimize such things as revenue optimization, pricing optimization, routing, utilization

Data: Business intelligence, dynamic pricing

Privacy: Data security/protection department

Engagement
Customer Experience: Personalized

Outbound Marketing: One-to-few (small segments), automated

Brand: Brand team

Dealer Enablement: Dealer sales enablement mobile applications, BOM producing product configurators integrated with ERP & CRM, Sales calculators, order online & pick up in dealership Brandable marketing material housed in DAM

Level up!

How to advance to Level 5

- Expand to all available sales channels with a holistic approach
- Grow use of AI and automation to engage customers in new ways, streamline business operations, and grow revenue
- Continue pushing the boundaries of what's being done in the world of ecommerce to truly innovate and dominate.

Innovative
Level 5

Businesses at Level 5 have implemented a holistic, customer-centric omnichannel approach. They are industry leaders and innovators continually testing and pushing their digital storefronts to the next level. Actively using all available sales channels and proactively enabling their distribution channels, these companies don't just do, they help define Globalization Omnichannel Automation.

Level 5 is the pinnacle of ecommerce maturity but that doesn't mean brands at this level get to sit back and relax. Maintaining market share and a reputation for true leadership and innovation in the ecommerce space requires ongoing effort.

Level 5 Example
REI

- Omni channel & globally integrated
- Fully automated business processes
- Customer centric approach
- Personalization
- Using data feeds and AI learning tools to ensure consistent messaging

Digital Mindset
Pushing the curve and breaking new industry ground.

Operations
Channels: Omni-channel

Inventory: Actionable, insights-driven

Internal Team: Multiple, fully staffed teams for different business units

External Team: Global firm

Employee Experience: Automated, global engagements

Fulfilment: Own portions of supply chain, marketplaces

Technology
Business Systems: Globally integrated custom enterprise infrastructure

Payment Methods: Internal corporate finance & credit lending

Ecommerce Platform: Global Enterprise (Adobe Commerce Cloud, Wholly Custom Built, Oracle)

Data
Analytics: AI analytics: how can it happen automagically?

Analytics Examples: Using AI applications, bots and services

Data: Dynamic AI, telematics

**Privacy:** Proactively analyze potential risk trends and influence progress of global protection

Engagement
Customer Experience: Bespoke

Outbound Marketing: One-to-one (individualized content), automated

Brand: Multiple brands

Dealer Enablement: Holistic support & service, personalized storefronts providing dealer-specific end-customer transaction, inventory, branding for each dealer, business systems provided & integrated, integrated service & RMA processes, including field support

What steps do I take to level up?
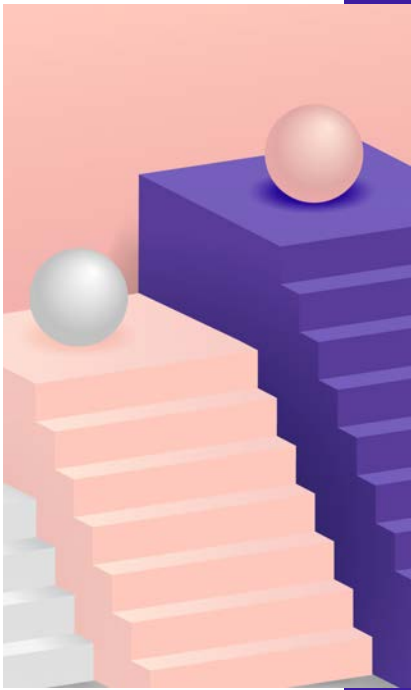
Now that you know where you currently stand and what the different ecommerce maturity levels entail, how do you advance your business? There are prescribed steps for each criterion to elevate to the next tier. These steps, while vetted over years in the real world of digital commerce, may apply differently for different businesses. Certified Solutions Partners such as ATF can discuss how these steps might apply to your specific situation.

Give us a shout if we can be of assistance.

ABOVE THE FRAY

Learn More about Above The Fray at www.abovethefray.io

Created by:

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About

Above The Fray is an end-to-end global ecommerce agency specializing in consulting, designing, building, integrating, and evolving digital commerce for B2B and DTC sellers. We're passionate about ecommerce solutions that not only increase online sales but transform businesses. We help our clients achieve process efficiency and bottom-line growth through analysis, architecture, and engineering.

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