Maturity Model for E-commerce Excellence
Introduction

The global e-commerce juggernaut continues to progress with greater leverage. The market, which had only a peanut-sized capability a decade ago, is awash with incredible opportunities beyond the bottom-line of selling products. Today, it’s a multifaceted industry, spanning across a number of other verticals and an interesting set of entrepreneurs, who are busy breaking molds to reach a competitive zenith. There is always a new starting point, a new transformation to embrace, and a new goal to achieve for a frictionless shopping experience and lubricated growth. It's therefore no longer an option to stand still and exhibit a sluggish attitude.

Given such a surcharged environment where there’s always daunting pressure to keep pace with new innovations and technologies while maneuvering one’s way through the competition, it’s important to determine how much a business has gained and how much is still left unexplored, in a bid to drive comprehensive and strategic growth. There’s an undeniable need to continually make advances into newer capabilities, expand the scope of strategic actions, and build more on the market momentum.

However, the tipping question is -

The answer lies in the **E-commerce Marketing Maturity Model**. This cohesive, growth-centric business model allows online retail marketers to assess the current state of their e-commerce maturity using various performance metrics and growth indicators. Once the current state has been identified, marketers can use the model to strategically plan for their next level of growth as they strive to reach full-blown maturity. It’s basically about envisioning and defining the future growth course while analyzing the status-quo, both qualitatively and quantitatively. To leverage growth plans and cut across various maturity levels in the attempt to reach the ultimate ‘verge’, it’s essential for an e-commerce business to upgrade its capabilities whenever the headwinds change, redo its action plans, compute future possibilities, and map routes to success.

This whitepaper outlines the basic essence, key functioning, and critical characteristics of an E-commerce Marketing Maturity Model while pinning up the common challenges/pain points experienced at each stage during the operational scale-up and next-stage planning. The paper will also help online retail marketers determine their current position on the maturity model and decide where they need to go on the curve ahead for true competitive value.

“**How Can Online Retail Marketers Assess their Current Performance Level and Determine the Road Forward?**
Towards E-commerce Maturity:
Three Ways of Acquiring Capabilities

1. Conceiving an Innovative, Deep-Diving Growth Strategy based on Self-Assessment

After calculating one’s own core competencies and identifying the areas of digital deficits and functional gaps, retailers must get down to the task of creating innovative, revenue-oriented growth plans to accrue new capabilities and prevent stagnation. Since the agenda is to unlock the next-level of growth and surpass their peers, the growth plan should outline the existing levels of infrastructure and technology across value chains, and suggest the potential improvements and strategy for achieving them.

2. Hiring an Experienced Workforce and Leadership for Breakthrough Execution

Most e-commerce companies are restructuring their workforce and inducting skilled professionals to drive maturity. They are proactively looking for the right talent with marketing dexterity and capability to leverage the growth plans and ensure breakthrough execution. Remember that achieving marketing maturity is a lavish goal in its own right and leaving the workforce component out of the strategy is critically ill-advised.

3. Planning Sound Investments in Robust and Scalable Digital Platforms

The disruptive winds in the e-commerce space have picked up quite a velocity already. With this, retailers are increasingly grappled with the challenges to offer a tailored, interactive, and channel-agnostic shopping experience to customers while sustaining attention and driving wallet share. The rise of smartphones and the brownie facility of offline engagement has further upended the connectivity patterns and highlighted the need for building omnichannel capabilities between businesses and customers. Capitalizing on these cues, retailers are constantly striving to deploy high-end, scalable platforms with two purposes: a) personalizing end-to-end shopping journeys irrespective of the end devices; b) boosting targeted cross-selling opportunities.
E-commerce Maturity Model - A Curtain Raiser

The E-commerce Maturity Model facilitates an aspiring online retail business to do a self-assessment, record its own progress at various organizational stages, and chart a roadmap for systematic, next-level growth until the maturity acme is achieved. It’s a compelling performance yardstick that helps online retail marketers gauge their current standing on the maturity model and directs them to the road of full-fledged maturity and performance excellence.

The model will enable the following benefits for a business.

- Provoking a new functional ideology and aggressive thinking within an organization;
- Re-aligning business objectives with the new growth vision;
- Promoting incremental growth and preventing a growth plateau from occurring before a business achieves the highest maturity touchpoints.

The Scope of Application

E-commerce has swayed beyond the tinker idea of product buying and selling across electronic pathways. Over the years, it has experienced unprecedented breakthroughs, coupled with increments in digital technology, which have resulted in a mature, mammoth industry. That said, the single biggest problem with the e-commerce industry is the lack of a coherent benchmarking index to help marketers determine the best industry practices, as well as enable them to do a comparative analysis of processes and functional domains with those of their peers. Without that, marketers cannot identify the level of their e-commerce maturity, nor the areas in which they can improve. As a result, their plans for operational scalability, human capital, technological infrastructure, cost overheads, and industry-specific investments have a very small radius of precision. Their subsequent business model is therefore based on pure conjectures.

The E-commerce Maturity Model sets the ground for a standardized development evaluation for retail companies. It helps online retailers assess their e-commerce maturity and re-envision their growth plans.

The application of the E-commerce Maturity Model can be split into three stages:

- **Exploration**: Analyzing functional areas and determining their level of maturity
- **Goal Setting**: Identifying the level of maturity that a business would like to reach.
- **Infrastructure-Manpower Synthesis**: Underscoring a perfect symphony of infrastructural and manpower elements to accomplish goals and reach the desired maturity level.
To combat the increasingly competitive and crowded e-commerce space, online retailers must gain a valuable insight into their current competencies and the measure of their ultimate growth thresholds. This is where the E-commerce Maturity Model facilitates and delivers tangible results for marketing assessments. The whole thrust is to identify the gaps, reflect on what’s required to achieve absolute maturity, and outline an action plan. For e-commerce companies to drive maturity, it’s important that they focus on doubling down on their digital ambiance, shopping experience, and networking.

Kellton Tech uses the Forrester’s E-commerce Maturity Model to categorize the e-commerce competence and scalability of organizations. It is divided into four stages that retailers must consider in order to break the maturity ceiling.

**Stage One:**
The Greenhorns

At stage one, an e-commerce entity is in its infancy. There’s very little happening in terms of digital adoption, strategic investments, and risk planning. The organizations, also referred to as Greenhorns, are pretty nascent at their performance level in the space of internet commerce. Since they are early entrants into the game, they deal with uncertainties about investments and planning. They are primarily involved in gathering relevant information regarding digital knowledge and market potentiality and are learning crucial lessons from industry leaders. Because decisions are usually made by an internal non-dedicated marketing team who are ignorant on the commercial aspects of the internet, the relevant market fluctuations, and lack of technological readiness, every decision is slow and is painstakingly made after careful deliberation and the weighing of all the pros and cons.

**Stage Two:**
The Apprentices

At stage two, the organization establishes an initial footing in the digital e-commerce space. However, it’s restrained to the static and unvarying functions of information dissemination and unidirectional communication to a few parties that constitute the first-level partner ecosystem. The standard methods of communication are brochures, catalogs, and career information among others. The scale of investments is limited, and the organization is relatively novice in securing a full-scale e-commerce marketing team. As for the digital infrastructure, the systems are of the garden variety, locally manufactured and waiting to be replaced by nimble, high-capacity offerings once the competencies expand. The organizations clocking up the second stage of e-commerce maturity are Apprentices.
Stage Three: The Practitioners

This stage marks the beginning of a dynamic, value-driven, and competitive e-commerce experience for the organization, which has now matured to the stage of a Practitioner. A personalized, end-to-end shopping experience is aimed for and delivered at every phase of the customers’ journeys—be it inquiries or orders-to-payments for a dimensionally rich transacting business. With a strategic vision for high-caliber trading and thoughtful sales planning, the organization eases down the market hostility and appeals successfully to a greater audience. A significant transformation of digital infrastructure is also achieved, which builds on efficiency, speed, and interactivity of business operations. There’s a small, yet sufficient team of SEM experts, sales executives, data analysts, and more to attend to various, day-to-day tasks.

Stage Four: The Role Models

This is the stage where an organization runs a grander e-commerce show. A holistic approach to internet commerce is ticked off with thoroughbred digital capabilities, conscious business strategies, cross-organizational investments, and enhanced risk-taking abilities. There are seamless connectivity channels across value chains for friendly and mutually beneficial company-customer relationships. A complete range of high-performance and technology-agnostic systems are integrated with the workflows in order to accomplish the best metrics of performance, customer service, and wallet share. As role models, the organizations are reaping the benefits of personalized shopping journeys and targeted cross-selling opportunities while promoting omnichannel capabilities to clock a versatile digital presence and achieve a leg-up over the competition.

What Role Models Do and Achieve: A Map of Their Competencies and Outcomes

Forrester, in a market research for e-commerce and channel strategy, mooted a four-pointer plan for qualifying a B2B e-commerce company as a role model. The categorization hinges upon how well the organization fares on the four key areas:

1. People and Culture;
2. Business and Technology Processes;
3. Channel Integration; and
4. Measurement and Metrics

The objective of the research was to uncover organizations that have successfully mastered the art and craft of e-commerce and are the deserving, ‘industry role-models.’ However, they couldn’t identify even a single company that met the desired standards in all four areas. There were a few who excelled in the areas of novel technologies and strong partnerships with sales and customer service.
What Practitioners Do and Achieve: A Map of Their Competencies and Outcomes

B2B e-commerce companies qualified as “practitioners” are rare. They have skilled and stable competencies across every nook and corner within their operational webs. According to Forrester, these companies execute multi-year strategic B2B e-commerce plans and have a seasoned leadership at the helm, who understand the importance of internet commerce and are focused on driving its real value. These enablers set Practitioners apart from the rest:

1. They are early adopters of e-commerce and are the first ones to bob on the e-tail waves.

2. They have robust technology platforms with sustained performance and great deliverability scores.

3. They focus on building a two-tiered partnership quotient while maintaining strong relationships with both corporate managers and end-users.

4. They work in tandem with direct sales and customer service teams to embrace high productivity, coordinate global operations, and facilitate cooperation.

5. They are enthusiastic about raising a tall wall of talent and building specialized, dedicated teams of e-commerce specialists.
Scaling to Superior Maturity:
**Kellton Tech’s Ecosystem of E-commerce Solutions**

Kellton Tech has a hard-wired expertise around the exploding internet e-commerce industry. We adopt an approach of persistent innovation to maximize e-tail ecosystems for our clients, helping them unlock ultimate e-commerce maturity. Embracing agile methodologies and superior adaptive planning, we have delivered evolutionary Business-to-Customer (B2C), Business-to-Business (B2B), and Interactive Marketing business solutions to help our customers personalize their shopping journeys, streamline sales channels, and create a dynamic user experience; thereby, enabling them to carve a niche on the peak of mature development.

Kellton Tech has helped enterprises in retail, wholesale, distribution, manufacturing, and many more industries drive results for their digital e-commerce platforms. Our clients have leveraged our high-performing e-commerce solutions and robust support to achieve mature development and friction-less growth. Our client-centric approach is the power behind our long-standing customer relationships and our record for the delivery of e-commerce platforms that drive unprecedented revenues and growth.
Ravinder Singh Pal has over 20 years of experience in the eCommerce (B2B and B2C) domain. He has played a critical role in several complex eCommerce and Digital Marketing initiatives including omnichannel strategy, digital marketing, social collaboration, and retail supply chain operations for medium to big size retailers. Ravi leads and drives solution development using SAP Hybris suite of products such as SAP Hybris Commerce, C4C, and SAP Hybris Marketing.

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