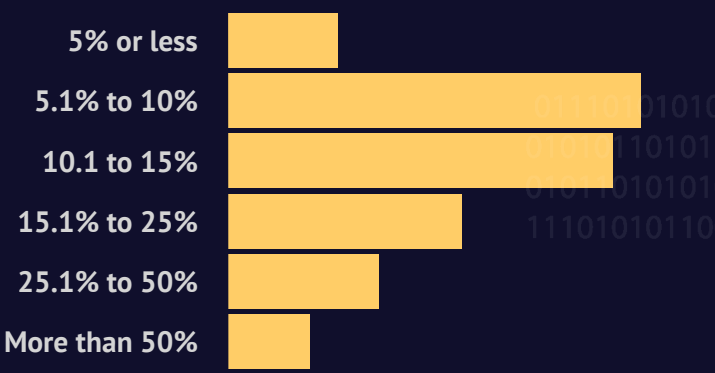**IR** INTERNET RETAILER

E-COMMERCE TECHNOLOGY SPENDING
TO SOAR IN 2018

More than **three-fourths** of online retailers say they're going to increase their investment in e-commerce technology and services in the coming year. That's according to an Internet Retailer survey of 76 Top 1000 online merchants conducted in October 2017. Here is a rundown of the results of that exclusive survey, including a look into what's top of mind for merchants in terms of budget priorities.

WILL YOUR SPENDING ON E-COMMERCE TECHNOLOGY INCREASE, DECREASE OR REMAIN THE SAME IN 2018?
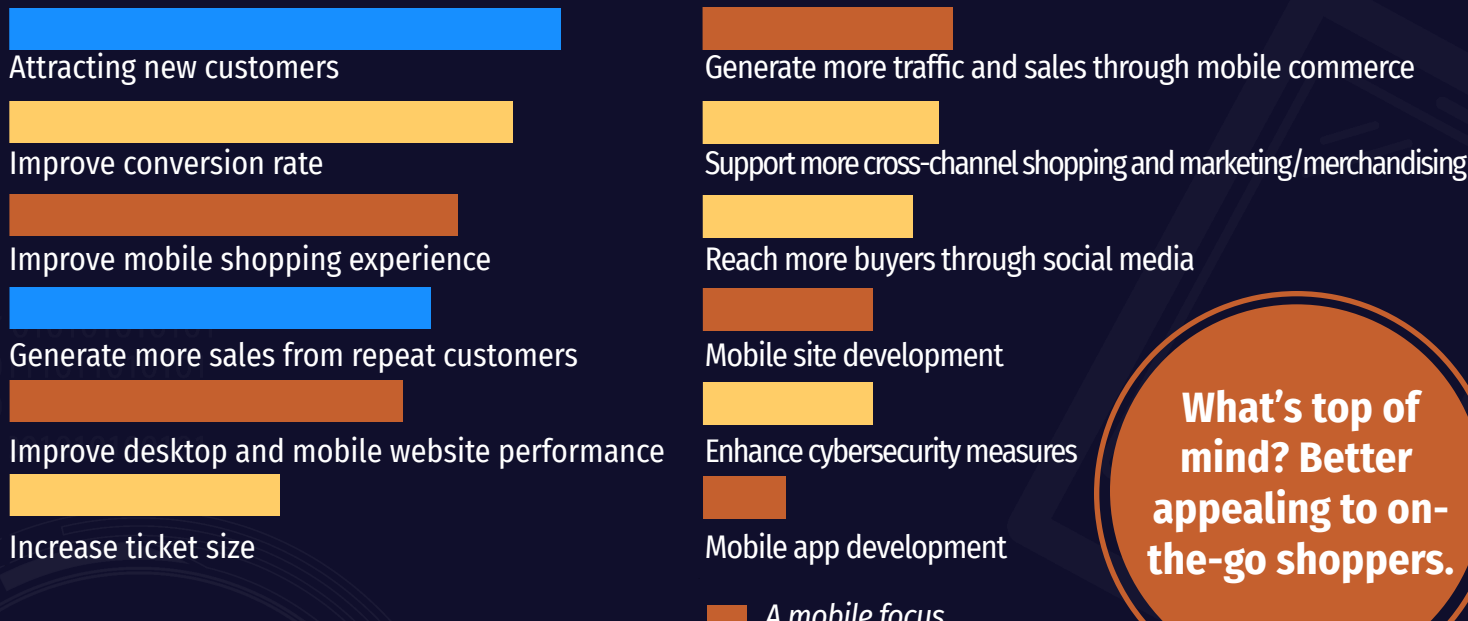
78% Increase

4% Decrease

18% Remain the
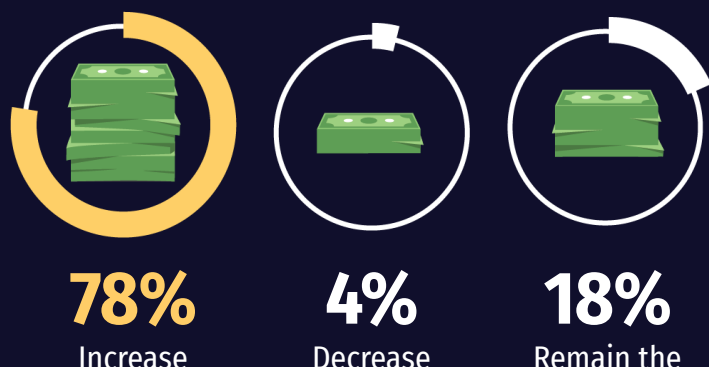
OF THOSE WHO PLAN AN INCREASE: HOW BIG

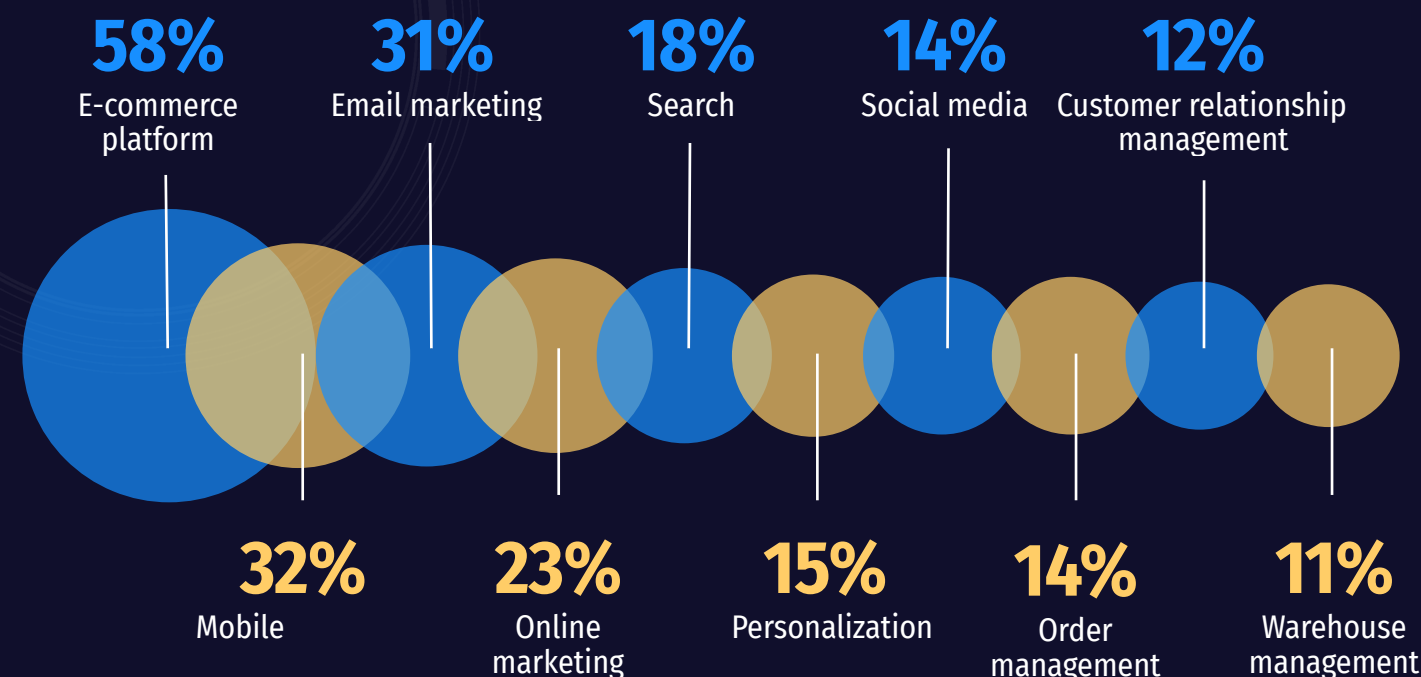|	
5% or less	
5.1% to 10%	
10.1 to 15%	
15.1% to 25%	
25.1% to 50%	
More than 50%	

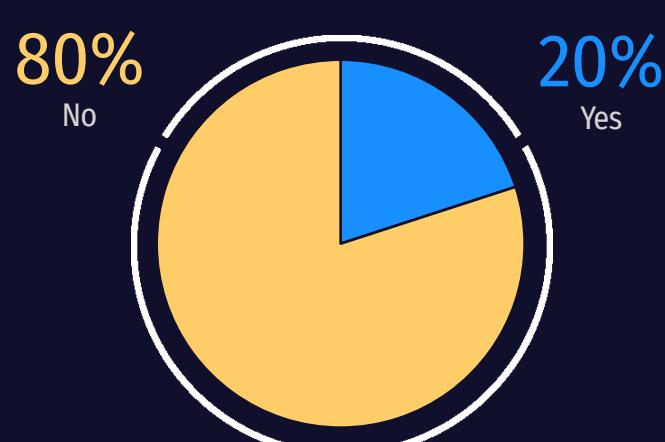## TOP REASONS FOR SPENDING MORE ON E-COMMERCE IN 2018

Merchants are more focused on **customer acquisition (81%)** the **retention (62%)** when thinking about the reasons fro increasing e-commerce investments
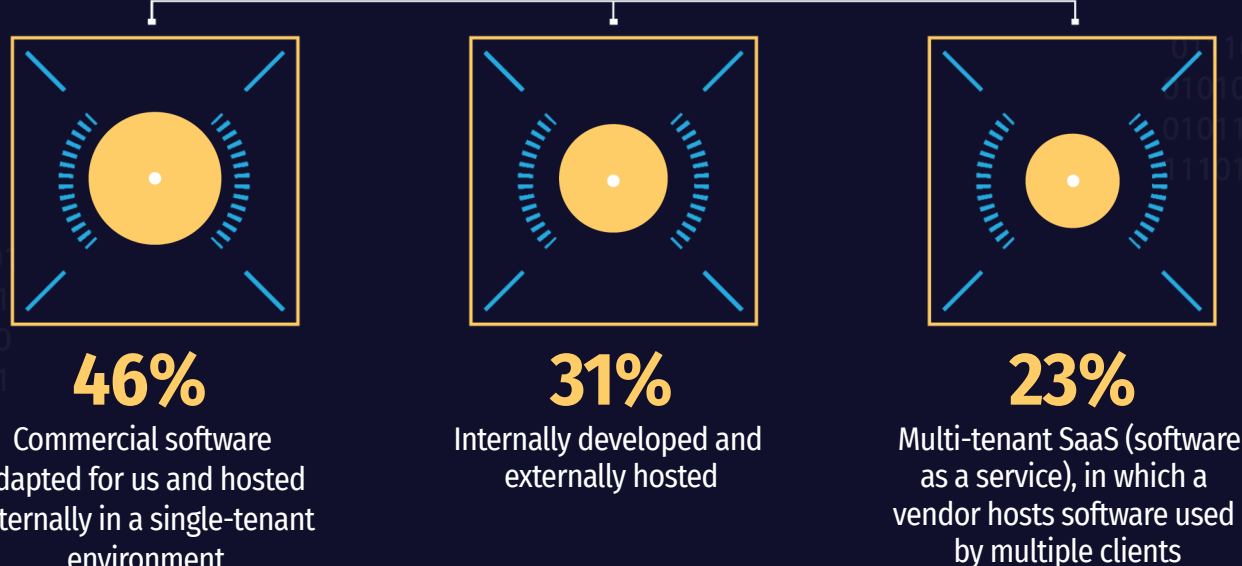
Attracting new customers

Improve conversion rate

Improve mobile shopping experience

Generate more sales from repeat customers

Improve desktop and mobile website performance

Increase ticket size

Generate more traffic and sales through mobile commerce

Support more cross-channel shopping and marketing/merchandising

Reach more buyers through social media

Mobile site development

Enhance cybersecurity measures

Mobile app development

■ *A mobile focus*

What's top of mind? Better appealing to on-the-go shoppers.

TOP BUDGET PRIORITIES IN 2018

58% E-commerce platform

31% Email marketing

18% Search

14% Social media

12% Customer relationship management

32% Mobile

23% Online marketing

15% Personalization

14% Order management

11% Warehouse management

ARE YOU LOOKING TO SWITCH E-COMMERCE PLATFORMS?

80% No

20% Yes
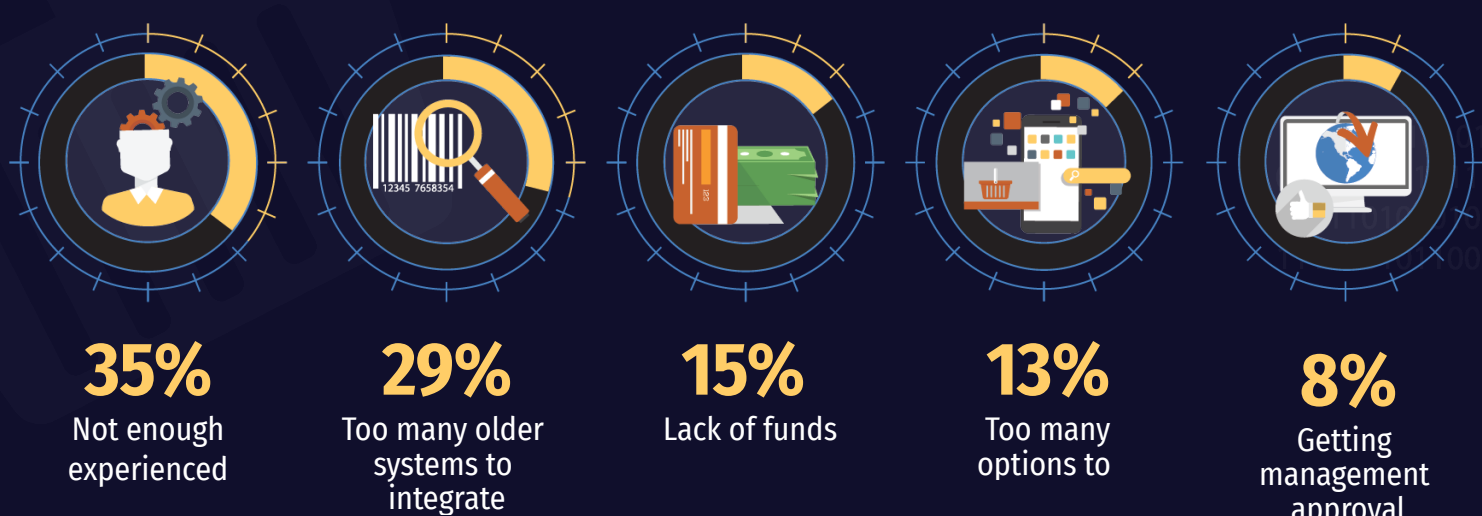
While only 20% of retailers say they are looking to switch e-commerce platforms, more than 58% of retailers say that "e-commerce platform" is a top budget priority for 2018. This suggests that merchants are mostly happy with their existing systems, but are looking to beef them up in 2018, or spend more with their

IF YOU ARE LOOKING TO SWITCH, WHAT TYPE OF PLATFORM WILL YOU CHOOSE?

46% Commercial software adapted for us and hosted externally in a single-tenant environment

31% Internally developed and externally hosted

23% Multi-tenant SaaS (software as a service), in which a vendor hosts software used by multiple clients

WHAT ARE THE MAIN CHALLENGES YOU FACE WHEN IT COMES TO E-COMMERCE TECHNOLOGY?

35% Not enough experienced

29% Too many older systems to integrate

15% Lack of funds

13% Too many options to

8% Getting management approval

HOW MANY DIFFERENT VENDORS OR PRODUCTS DO YOU TYPICALLY EVALUATE BEFORE MAKING A PURCHASE?

68%

13%

16%

3%

| 1-2 | 3-4 | 5-7 | 8 or more |