

# The 2025 *Digital Commerce* Landscape Report

93% of organizations' digital commerce operations are impacted by technology limitations. Here's what's holding teams back — and your playbook for change.



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# Introduction:

## From monolith to modern composable commerce

Is your digital commerce technology holding you back from achieving your business goals? If so, you aren't alone: 93% of organizations' digital commerce operations are impacted by technology limitations.

In partnership with research firm Vanson Bourne, we surveyed IT leaders and business decision-makers at 200 manufacturers, retailers, and wholesalers for the **2025 Digital Commerce Landscape Report**. The goals of this research were to discover more about organizations' digital commerce strategy, and the impact technology has on their success. Key findings showed:

- **Digital commerce is a key priority across the board.** All organizations reported they have a digital commerce strategy, and nearly half of respondents ranked digital commerce strategy as a top three strategic priority.
- **Technological limitations hold organizations back.** Organizations point to legacy technology as a barrier to innovation. Integration with third-party technologies is a major challenge. The business impacts of these issues include struggling to scale, lost revenue opportunities, and falling behind competitors.
- **Loyalty takes center stage.** As customer acquisition costs rise, organizations are prioritizing existing customer loyalty and retention. Yet, the limitations of their existing technology is leading to customer dissatisfaction, eroding trust and loyalty.
- **AI adoption is critical to remaining competitive.** Organizations agree that AI is essential to remaining competitive and plan to use AI to personalize their customer journeys. Respondents said the top use case for AI is SEO and creating web content. Personalization also ranked highly among business challenges and use cases for AI.

Let's explore these findings in detail, and take a look at each sector's greatest digital commerce challenges and priorities for 2025 and beyond. In the context of these survey results, we'll provide a playbook that will help your organization embrace a culture of experimentation and innovation — driving up revenue and delighting valuable customers in the process.

## Chapter 1:

### Commerce technology remains a barrier to reaching business goals

All organizations surveyed indicated their digital commerce strategy is a priority, with 45% indicating it was a top-three strategic priority for the organization. Even so, many still struggle with the limitations of their commerce platforms: **72% of organizations agree their legacy technology is holding them back from being competitive.**

As a whole, **93% of organizations' digital commerce operations are impacted by technology limitations.** The business implications of these technological limitations are striking, ranging from struggles to scale when demand strikes, to cybersecurity risk exposure, to lost revenue opportunities.



### Integration struggles plague teams trying to modernize their commerce stacks

Overall, legacy technology is impeding organizations' ability to execute. For organizations that did not list digital commerce strategy as their top priority, **37% have an outdated infrastructure or technology platforms which prevents them prioritizing their digital commerce strategies.**

When it comes to modernizing their commerce technology stack, **nearly half (48%) of organizations are prioritizing digital commerce replatforming and technology changes.** Yet, big-bang transformations may not be the best solution: While 40% have struggled to find a commerce platform that completely meets their needs, another 41% lack the budget to invest in a new platform — even if they could find one.

To contrast with a complete replatform, a gradual transformation approach may be more appealing. When asked what they'd replace or upgrade about their commerce technology first, respondents cite front-end user experience (52%) and third party systems integration (51%) as top priorities. The emphasis on integrations indicates that organizations may be stepping away from traditionally monolithic, platform-based approaches in favor of composable commerce systems — made up of best-of-breed technologies they hand-select.

However, today, **43% face difficulties in integrating their existing commerce platform with third-party technology**. Existing platforms seem to be causing IT teams an outsized amount of pain: 35% of IT decision-makers say that rigid/outdated legacy systems require time-consuming custom development work.

#### Organizations are not entirely satisfied with integration capabilities



**51%**

are NOT completely satisfied with the ease of creating and managing integrations with other systems, tools, and third-party applications



**52%**

are NOT completely satisfied with the availability of APIs throughout the platform/ the ability to create new APIs.

#### Outdated software is holding organizations back from doing more with digital commerce...



**72%**

agree their organization's legacy software is holding them back from being competitive



**37%**

have an outdated infrastructure or technology platforms which prevents them prioritizing their digital commerce strategies

#### ... and creating challenges when executing digital strategies



**43%**

difficulties in integrating existing commerce platform with third-party technology



**32%**

rigid/ outdated legacy systems requiring time consuming custom IT/ development work

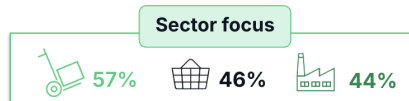
## Technology limitations disrupt customer experience and loyalty

More than half (56%) of organizations are not completely satisfied with the repeat customer experience. What's worse, 32% feel the limitations of their digital commerce technology is creating customer dissatisfaction and eroding trust and loyalty. This comes at a time when customer acquisition costs are mounting and almost half of organizations surveyed said they are struggling to keep customers loyal.



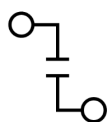
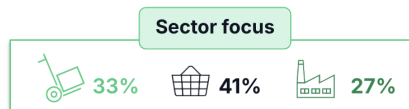
**49%**

of organizations are struggling to keep customers loyal in an ever-competitive landscape



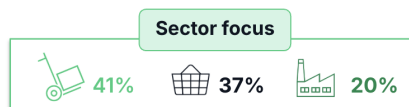
**34%**

are battling skyrocketing customer acquisition costs



**32%**

have disconnected customer experiences across channels leaving customers frustrated

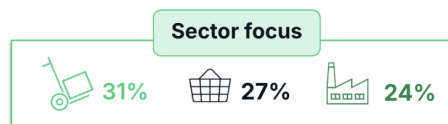


At the same time, organizations are trying to remain agile and creative when it comes to how their loyalty programs are structured. Some organizations are considering loyalty and VIP experiences (think: exclusive product drops) and subscriptions as ways to earn customer loyalty and increase average order value (AOV). Research shows that millennials and Gen Z consumers in particular respond well to exclusivity, which might take the form of early access, private sales, and flash sales.



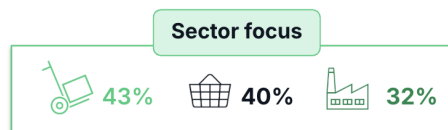
**31%**

of organizations are struggling to keep customers loyal in an ever-competitive landscape



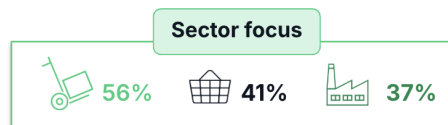
**38%**

are battling skyrocketing customer acquisition costs



**44%**

have disconnected customer experiences across channels leaving customers frustrated



## Chapter 2:

### AI and personalization priorities grow as organizations face FOMO

Many organizations are feeling pressure to adopt AI in their commerce experience to stay competitive — and fast. **The fear of missing out (FOMO) is real: 86% believe that without AI integration within their online store experience, they will be left behind.**

More than two in five organizations (45%) believe the race to adopt AI and other emerging technologies is impacting their organization's digital commerce strategy. That is likely why 49% are planning to add or improve the integration of emerging technologies like AI into their digital commerce experience in 2025. **When it comes to how they'll use AI, the top use case (for 50% of respondents) was SEO and creating web content (e.g. product landing pages or product detail pages).**

Personalization also featured highly among organizations' technology challenges and plans for using AI. Personalization has been both a buzzword and an elusive goal for commerce storefronts for years, yet many feel AI will help them finally personalize the customer journey. **Wholesalers, in particular, are optimistic about the potential for AI to help them personalize the digital customer journey — with 61% planning to implement it.**



**59%**

are NOT completely satisfied with the personalization capabilities on their digital commerce store



**42%**

find delivering true personalization at scale a challenge when executing its digital commerce strategy



**45%**

would prioritize the ability to tailor customer experiences when selecting a new digital commerce platform



**44%**

plan to use AI to personalize each digital customer journey

#### Sector focus



**59%**



**61%**



**56%**



**44%**



**38%**



**43%**



**51%**



**39%**



**44%**



**61%**



**32%**



**41%**

## Chapter 3:

### Commerce technology needs improvement: A 2025 playbook

Overall, 95% of organizations surveyed agree their organization's digital commerce strategy requires improvement to support modern ecommerce.

The good news? Making a change to your legacy digital commerce stack doesn't have to involve a massive replatforming or big bang transformation. Smaller changes can make a big impact on AOV, loyalty, and overall business agility.

**Here's our playbook for where to start, based on the  
2025 Digital Commerce Landscape Report**

#### Integrations

**Why:** More than half of organizations (51%) are not completely satisfied with the ease of creating and managing integrations with other systems, tools, and third-party applications. Rigid and inflexible legacy systems cause IT and development teams to invest in time-consuming workarounds and/or custom development hours from systems integrators.

**What to look for:** Find a solution that gives you a central location to build, deploy, manage, host, and monitor your integrations. Ideally, you should have the flexibility to:

- ☐ Choose from a selection of out-of-the-box integrations
- ☐ Build custom components with low/no code tools
- ☐ Take actions on connections to build integrations  
(e.g. via managing specific API calls, functions, and data inputs)
- ☐ Monitor every component via a single pane of glass

With these capabilities, your IT team will be more empowered to gradually integrate new technology as opposed to completely ripping and replacing your existing commerce platform.



## Merchandiser tools

**Why:** Nearly three-quarters (73%) of teams agree that their organization's growth is limited by being unable to accurately showcase their product catalog. For example, 52% are not completely satisfied by their ability to add dynamic pricing and promotions. IT teams want it to be easy for merchandisers to remain agile, make changes, and adopt the latest technologies like AI to personalize their storefronts.

**What to look for:** Legacy monolithic ERP systems treat the commerce catalog as a tightly coupled, rigid and structured way to display information based on internal business processes. This prevents companies from adapting to customer demands or merchandising needs.

A flexible, composable product catalog can go a long way when it comes to providing the personalization and promotions you need to showcase your product effectively to customers. Look for a solution that separates products, price books, and catalogs into distinct microservices.

Your catalog infrastructure should allow your merchandisers to easily execute on:

- ☐ **Dynamic Bundling:** Combine multiple products and sell bundles at different price points.
- ☐ **Subscriptions:** Deploy paid memberships, subscribe-and-save, and other subscription variations.
- ☐ **Promotions:** Craft tailored promotions including multi-tiered promotions, granular exclusions, and custom attributes.
- ☐ **Loyalty and Entitlements:** Set up early access for products to pre-order, provide speciality products and pricing for loyalty members, limit access to loyalty customers via rules, and more.

## Experimentation with new technology, including AI

**Why:** To support a culture of innovation, 97% of organizations say they need a digital commerce platform that is more flexible and adaptable to technology changes. The top use-case for AI among 50% of survey respondents was SEO and creating web content. Nearly half (49%) plan to use AI for website chatbots or AI agents.

**What to look for:** API-first commerce technology helps you embrace a culture of experimentation with new technology. Many composable, API-first commerce technologies provide capabilities to plug generative AI (GenAI) workflows and AI agents into your existing storefront. For example, here are a few places you should start:

- **SEO and content:** Find commerce technology that enables you to use GenAI to create branded content for a shoppable landing page. Using GenAI, you could create hundreds of shoppable landing pages based on frequently searched keywords in a matter of hours, increasing the likelihood of your content ranking for high intent shoppers.

Product detail pages will become even more critical data to feed “AI Overview” search results, as 58% of search queries get zero clicks. Work with a technology that allows you to extend product data from the catalog to the frontend, so you can connect your product attributes to search keywords.

- **AI agents and storefront search:** Look for a GenAI product assistant that uses your product catalog as a data source. These types of product assistants use natural language processing (NLP) to automatically generate a list of questions for every product, based on the product information in your catalog. Shoppers can either choose from these questions, or create their own prompts to ask other questions they may have about your products.

## The bottom line?

**Focus on what differentiates your business.** Combine these business-differentiating starting points above with a streamlined cart and checkout process to reduce cart abandonment and improve AOV.

**Try a gradual transformation.** Choose either one component of your legacy platform to replace at a time, or start a composable commerce proof-of-concept using a single brand in your portfolio or geography to test and learn.

**Future-proof.** Composable, API-first commerce technology helps your team embrace a culture of innovation, adding the technology you need to compete or changing it quickly if it doesn't work. Don't allow yourself to be stuck within your existing commerce platform's constraints.