The Forrester Wave™: Omnichannel Order Management, Q3 2014

by Peter Sheldon and Adam Silverman, July 29, 2014

KEY TAKEAWAYS

IBM And Manhattan Associates Lead The Pack

Forrester's research uncovered a market in which IBM and Manhattan Associates lead the pack. eBay Enterprise, Micros, and hybris offer competitive options while Jagged Peak, OrderDynamics, Shopatron, and NetSuite represent effective solutions for midmarket or niche verticals.

The Omnichannel OMS Market Is Growing As eBusiness Leaders Seek To Harness Enterprise Fulfillment

The omnichannel order management space is growing because more eBusiness professionals see order management systems (OMSes) as the cornerstone to their omnichannel initiatives. Enabling enterprise fulfillment has a measurable impact in eCommerce and physical store channels, and the OMS provides the logic and workflow needed to drive this demand.

The Ability To Deploy And Optimize Omnichannel Order Orchestration Scenarios Is A Key Differentiator

Although legacy OMSes are effective at managing replenishment orders to stores or web-only sales, retailers today require an OMS that can leverage fulfillment centers throughout the enterprise and offer this inventory. Access to the full suite of inventory enables retailers to adjust fulfillment logic based on location, margin, or fulfillment time.

Access The Forrester Wave Model For Deeper Insight

Use the detailed Forrester Wave model to view every piece of data used to score participating vendors and create a custom vendor shortlist. Access the report online and download the Excel tool using the link from Figure 5. Alter Forrester's weightings to tailor the Forrester Wave model to your specifications.

The Forrester Wave™: Omnichannel Order Management, Q3 2014

IBM And Manhattan Associates Stand Out In An Increasingly Competitive Landscape Of Solutions

by Peter Sheldon and Adam Silverman
with Zia Daniell Wigder and Rebecca Katz

WHY READ THIS REPORT

In Forrester's 77-criteria evaluation of omnichannel order management vendors, we identified the nine most significant software providers in the category — eBay Enterprise, hybris (an SAP company), IBM, Jagged Peak, Manhattan Associates, Micros, NetSuite, OrderDynamics, and Shopatron — and researched, analyzed, and scored them. This report details our findings about how well each vendor fulfills our criteria and where they stand in relation to each other to help eBusiness professionals select the right partner for their omnichannel order management needs.

Table Of Contents

Notes & Resources

Forrester conducted lab-based evaluations in May 2014 and interviewed nine vendor and user companies: eBay Enterprise, hybris, IBM, Jagged Peak, Manhattan Associates, Micros, NetSuite, OrderDynamics, and Shopatron.

Related Research Documents

Retool Your Operations To Enable Store Fulfillment
July 8, 2014

Why Every Online Retailer Should "Ship-From-Store"
May 1, 2014

Commerce Technology Investment And Platform Trends — 2013
July 25, 2013

ORDER MANAGEMENT PLATFORMS RISE TO THE OCCASION

Order management systems (OMSes) have been around for years and have been heavily adopted by manufacturers to orchestrate complex order processing scenarios from the point of capture through the supply chain to the point of fulfillment. For online retailers, however, historically there has never been an overwhelming business case for investing in a robust OMS: Online sales have lived in a standalone channel with dedicated inventory, distribution capabilities, and eCommerce applications. Only eBusiness teams with multiple web fulfillment centers or complex drop-ship relationships with their suppliers have traditionally invested in commercial OMS solutions.

Fast forward to 2014 and order management solutions have evolved to support a complex set of omnichannel order fulfillment scenarios including ship-from-store and store pickup. In addition, firms are increasingly relying on their OMSes to fill the role of the enterprisewide system of record for order data. This means that not only is the OMS acting as an order capture hub for online web, tablet, and mobile orders, but also for all sales that originate via the contact center, point of service (POS), kiosk, or field sales force. By consolidating all order data from the across the enterprise in one centralized repository, eBusiness professionals, with some help from their customer intelligence colleagues, are now able to view a customer's complete order history and purchase behavior.

Today's Order Management Platforms Provide More Than Just Order Orchestration
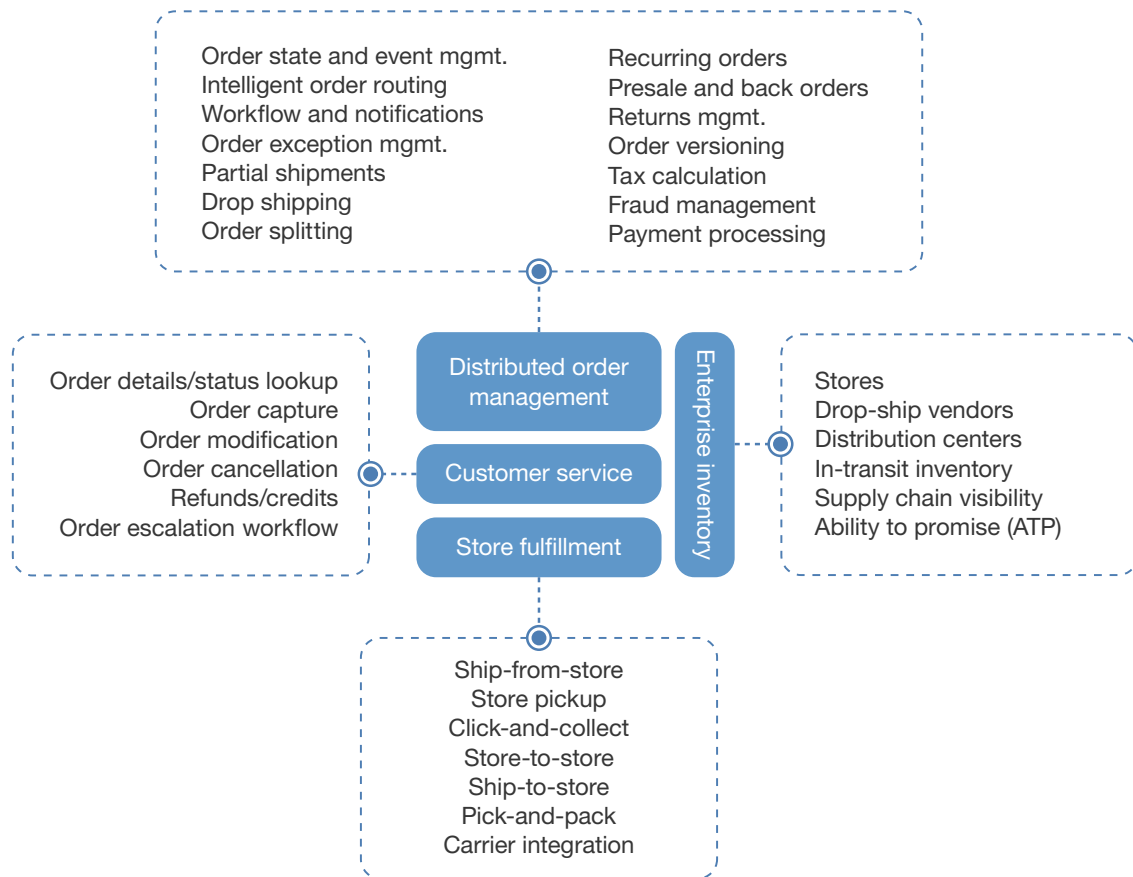
When building the business case for investment in an OMS platform, eBusiness professionals today seek four key capabilities from these solutions (see Figure 1):

- **Distributed order management.** At the heart of any OMS lies a distributed order orchestration engine that provides an interface for the capture of orders, configurable order processing workflows, intelligent order routing algorithms across all fulfillment centers, and inventory allocation logic. Furthermore, distributed order management must support processes to handle a variety of edge-case order scenarios that can include recurring orders, pre-orders and back orders, partial shipments, drop shipments, digital or service items, and order splitting. Of critical importance to eBusiness professionals is that these capabilities can be configured, modified, and optimized via intuitive business-user-focused UX tools that support drag-and-drop workflow modeling, scenario testing, and optimization. There is little appetite today for configuration tasks that require a developer to write code.

- **Customer service.** Modifying an existing order is no easy feat. A complex array of constraints and dependencies determine if orders can, in fact, be cancelled or modified. Doing so requires the de-allocation and re-allocation of inventory, pricing and promotion adjustments, tax recalculation, and the processing of additional payments or refunds. eCommerce platforms have robust capabilities for capturing orders from digital touchpoints, but these solutions often lack any authority to modify an order after creation. Only the OMS has true visibility into the life cycle of an order post submission and thus the OMS is the true authority on if, when, and

how an order can be modified. Most OMS platforms ship with robust customer service tools designed for customer service representatives (CSRs) to both manage order modifications and allow the capture of orders that occur via the phone.

■ **Enterprise inventory.** It is the role of the OMS to function as the broker and trusted source of inventory data across the enterprise. It is important, however, to distinguish that the OMS is rarely the system of record for inventory positions. At most enterprises, inventory on the shelves of the distribution center(s) is the domain of the warehouse management system (WMS), inventory on the shelves of the stores is the domain of the POS or retail merchandising system, and inventory in the supply chain is the domain of the enterprise resource planning (ERP) system. The role of the OMS is to consolidate in as close to real time as possible the available inventory from these disparate systems into a single, enterprise view of inventory that can be used across the selling channels to determine if product should be made available for sale — and if so, when and how it can be fulfilled. In addition, as orders are created in each channel and inventory is reserved, the OMS must consider these transitional states and make available only inventory that can truly be promised to the customer.

■ **Store fulfillment.** Retailers and brands with physical stores seek tools that will enable their store associates to efficiently fulfill online orders from the store inventory. Most retailers find that their existing warehouse management solutions are ill-suited for deployment in a retail store environment, while building custom logic and screens into legacy POS terminals to support store fulfillment is time-consuming, inefficient, and costly. Subsequently, retailers are increasingly turning to use dedicated store fulfillment modules from their OMS vendors. These tools are optimized for the store, which means they are mobile-enabled, are simple for hourly paid associates to use with little to no training, and provide control to store managers to adjust the flow of orders to be fulfilled from their stores.

July 29, 2014

Figure 1 An Omnichannel OMS Provides Four Distinct Pillars Of Functionality

Order state and event mgmt.	Recurring orders
Intelligent order routing	Presale and back orders
Workflow and notifications	Returns mgmt.
Order exception mgmt.	Order versioning
Partial shipments	Tax calculation
Drop shipping	Fraud management
Order splitting	Payment processing

Distributed order management

Enterprise inventory

Order details/status lookup		Stores
Order capture		Drop-ship vendors
Order modification	**Customer service**	Distribution centers
Order cancellation		In-transit inventory
Refunds/credits		Supply chain visibility
Order escalation workflow		Ability to promise (ATP)

Store fulfillment

Ship-from-store
Store pickup
Click-and-collect
Store-to-store
Ship-to-store
Pick-and-pack
Carrier integration

92722   Source: Forrester Research, Inc.

OMS Solves The Omnichannel Deficiencies Of Traditional eCommerce/POS Systems

Traditionally, eCommerce systems and POS systems have served their respective (online and offline) channels with little focus on supporting cross-channel inventory, order, and return processes. eBusiness professionals now consider omnichannel a top-three investment priority and are becoming increasingly vexed with the development of bespoke integrations directly between their eCommerce and POS systems.[1] These tightly coupled integrations often create tension for these two systems as they negotiate for inventory in real time, a function that historically neither system had to consider. In response, the OMS is now becoming the glue that connects the eCommerce and POS systems together. By having a central repository for inventory and orders, the OMS is performing the heavy lifting by orchestrating all orders across the enterprise and providing only the relevant information needed for the eCommerce and POS systems to operate efficiently (see Figure 2).

The decision to invest in an omnichannel OMS is increasingly becoming the domain of the eBusiness leader. The OMS plays a critical role throughout three of the six phases of the customer life cycle (explore, buy, and use), making it a key technology enabler for eBusiness professionals as they focus on customer experience both prior to, during, and after purchase (see Figure 3). Consequently, the role of order management is shifting from an operational capability, designed to shuttle inventory replenishment from the warehouse to the store, to a customer experience capability, where retailers are able to deliver products to customers in the method that the customer chooses. In addition, the OMS is critical in facilitating online orders that are shipped from stores. This omnichannel fulfillment initiative can generate up to 30% of additional revenue for eBusiness teams, making the eBusiness leader a top buyer for omnichannel OMS.[2]

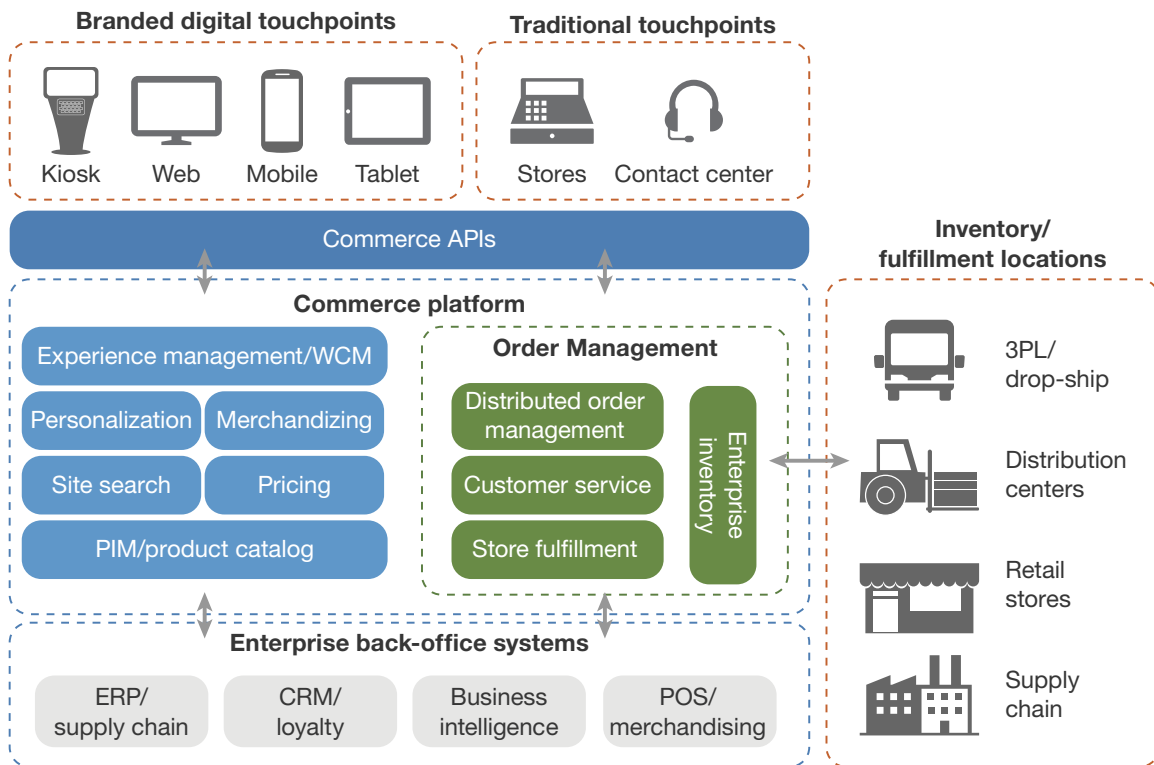*Figure 2* OMS Lies At The Heart Of An Omnichannel Commerce Architecture

July 29, 2014

Figure 3 Understanding The Role Of OMS Through The Customer Life Cycle
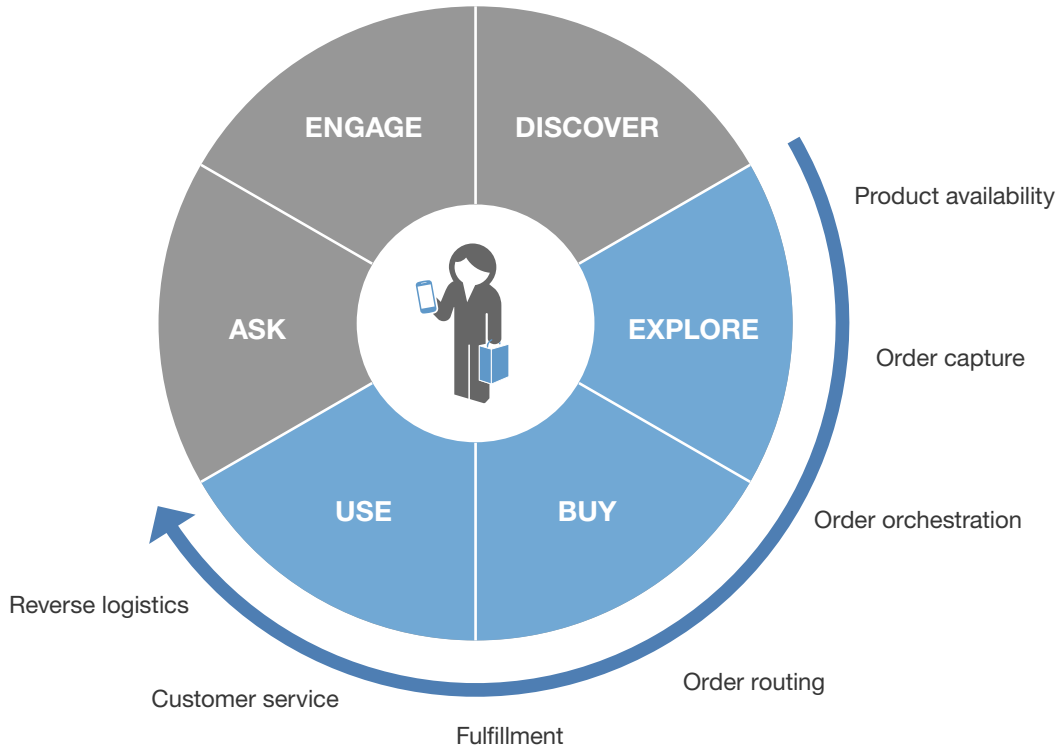

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Source: Forrester Research, Inc.

Figure 3 Understanding The Role Of OMS Through The Customer Life Cycle (Cont.)

Phases in the OMS life cycle	Key capabilities provided by OMS during each phase
Product availability	• Real-time visibility of store inventory • Store pickup and ship-to-store availability rules • Single view of all enterprise inventory • Available to promise (pre-orders, back orders) • Delivery estimates • Order splitting rules
Order capture	• Tax calculation • Fraud screening • Payment authorization
Order orchestration	• Order status workflow • Exception management
Order routing	• Inventory allocation • Order routing optimization (stores, drop shippers, DCs) • Order splitting optimization
Fulfillment	• Store pick/pack • Store pickup • Carrier integration (for store fulfilled orders) • Drop-ship integration
Customer service	• Single view of orders across the enterprise • Order modifications • Order cancelations
Reverse logistics	• Cross-channel returns • Payment refunds • Exchange management • Inventory disposition

92722   Source: Forrester Research, Inc.

OMNICHANNEL ORDER MANAGEMENT EVALUATION OVERVIEW

To assess the state of the omnichannel OMS market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of nine leading OMS vendors.

How The Criteria Are Organized

After examining past research, user needs assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 77 criteria, which we grouped into three high-level buckets:

- **Current offering.** We evaluated each offering against seven core groups of criteria: solution architecture, inbound order channels, inventory management, customer service, distributed order management, store fulfillment, and professional services; however, our criteria are heavily weighted toward the tool sets that enable eBusiness professionals to manage the setup, configuration, and day-to-day operations of distributed order management and store-based fulfillment — requirements that commerce executives have told us are critical for them when investing in a next-generation order management platform.

- **Strategy.** We compared the strategies of each company with the needs of eBusiness executives, industry trends, and Forrester's forward-looking vision of the order management market to assess how well each vendor is positioned for future success. We examined each vendor's road map, planned order managements enhancements, target markets, key technology partners and channel strategies, commerce service providers, typical deployment time frames, and cost of ownership.

- **Market presence.** Many firms today support their current order management processes with home-grown technology or legacy solutions no longer supported by the vendor community. eBusiness executives (along with their supply chain and IT counterparts) must look for vendors that have a strong and stable installed base, demonstrate steady growth, and present a solid network for partners and resellers. To determine the current market presence for our evaluation, we combined information about each vendor's installed base, new customers, revenue, revenue growth, and financial resources to support a stated order management-focused product and market strategy.

Vendor Selection Criteria

In this Forrester Wave, Forrester evaluated vendors that are able to package and sell an OMS as a standalone capability, rather than offering an OMS as an add-on module to an existing eCommerce, POS, or ERP platform. Forrester included nine vendors in the assessment: eBay Enterprise, hybris, IBM, Jagged Peak, Manhattan Associates, Micros, NetSuite, OrderDynamics, and Shopatron. Although many eCommerce, POS, and ERP platform vendors offer support for managing orders after submission, these nine vendors address critical omnichannel order capture and distributed order management scenarios. Specifically, each of these vendors has (see Figure 4):

- **A product that supports complex omnichannel order orchestration scenarios.** These vendors have mature, out-of-the-box capabilities that support complex and configurable end-to-end order life-cycle management across channels and between fulfillment hubs, including (but not limited to) the management of inventory, order capture, order modification, and order orchestration workflow.

- **A focus on retail and wholesale verticals.** Beyond the ability to support order orchestration in a single channel, these vendors have rich support for the needs of retail and wholesale omnichannel retailers— these vendors have capabilities to manage the life cycle of an order between online and offline (brick-and-mortar) locations and vice versa.

■ **A track record in supporting omnichannel order management at enterprise companies.** Vendors in this category have proven deployments at enterprise-class organizations, have the scale to serve large end customer accounts, can support complex order orchestration and fulfillment channels across channels, and possess a deep understanding of the order management needs of their clients.

■ **Mindshare among the Forrester client base.** The vendors we evaluated are frequently mentioned in Forrester client inquiries, shortlists, consulting projects, and case studies.

■ **A minimum of $15 million in annual revenues.** Vendors included in this evaluation have a proven product and generate $15 million or more in annual revenue.

Forrester did not include companies in this assessment with a primary focus on other related market segments, such as:

■ **ERP solutions.** ERP solutions commonly offer sophisticated order management modules with robust support for orchestrating orders from capture through fulfillment. However, these solutions are typically used by manufacturing firms that must manage bills of materials (BOMs), suppliers, manufacturing facility constraints, logistics, and supply chain issues. These ERP platforms are ill-equipped to manage omnichannel orders that must transcend online and offline channels.

■ **Midmarket-focused solutions.** Forrester also identified several smaller vendors that are serving this space, such as Dydacomp, Monsoon Commerce, and ShopVisible; however, these vendors have less mature offerings or smaller installed bases. Today they primarily serve small to midmarket companies or divisions within larger companies.

■ **Standalone eCommerce and POS platforms.** Most eCommerce and POS solutions on the market have basic order management capabilities that support simplistic fulfillment scenarios within a single channel. While these solutions may be adequate for clients with a single pool of inventory serving only a single channel, they are ill-equipped to manage complex fulfillment scenarios involving pooled inventory locations, complex order fulfillment life cycles, drop shipping, and the operational complexities of store-based order fulfillment.

Figure 4 Evaluated Vendors: Product Information And Selection Criteria

Vendor	Product name	Version
eBay Enterprise	Retail Order Management Solution	N/A
hybris (an SAP company)	hybris Commerce Suite	5.1
IBM	IBM Sterling Order Management	9.3
Jagged Peak	Edge	6i.14
Manhattan Associates	Enterprise Order Management, Store Inventory & Fulfillment	2014
Micros	CWSerenade, Locate	4.5, 5.1
NetSuite	NetSuite OMX	5.0
OrderDynamics	Order Management System	N/A
Shopatron	Shopatron Order Management Platform	N/A

Vendor selection criteria

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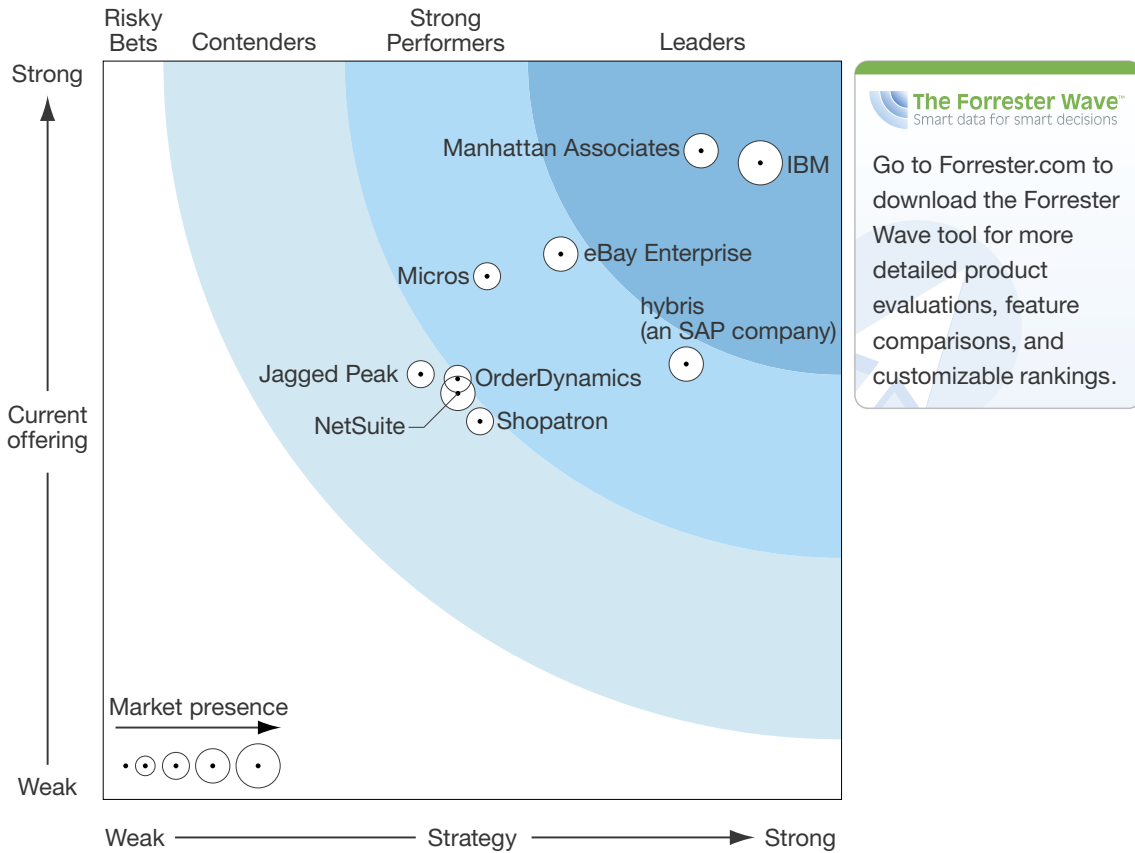
Source: Forrester Research, Inc.

THE RESULTS: IBM AND MANHATTAN ASSOCIATES STAND OUT ABOVE THE REST

The evaluation uncovered a market in which (see Figure 5):

- **IBM and Manhattan Associates lead the pack.** These two solutions are the dominant industry players for larger enterprise organizations. Both have a large, enterprise-focused installed base and are proven in high-scale deployments. IBM's Sterling Commerce has a diversified installed base across industry verticals, whereas Manhattan Associates' solution is primarily targeted at retailers and branded manufacturers. References cited both solutions as being robust, capable, and extensible. Core to the success of both solutions is the ability to configure complex distributed order fulfillment scenarios that meet the needs of many constituents, including business leads, merchant leads, and store operations leads. Finally, these systems provide robust utilities for both store associates to pick and pack orders as well as customer service teams to service orders.

- **eBay Enterprise, Micros, and hybris offer rapidly maturing solutions.** Each of these three solutions offers unique capabilities for their clients. eBay Enterprise provides StoreNet, one of the industry-leading store fulfillment modules based on the VendorNet platform acquired in 2010. Hybris offers a capable standalone OMS built on a modern technology stack with robust integrations to the hybris commerce application. Finally Micros offers a suite of retail technology including deep POS expertise in the retail vertical and a standalone distributed order management application that hooks together the Micros suite of applications. While each of these solutions provides a unique value proposition to retailers, the complete omnichannel order management solution often requires heavy lifting and customization to implement; in the case of eBay Enterprise, it requires retailers to use a licensed version of IBM's Sterling Commerce.

- **NetSuite, OrderDynamics, Shopatron, and Jagged Peak have a strong midmarket focus.** These solutions all have roots in providing niche capabilities to midsized clients. As OMSes become critical to the success of omnichannel retailers, these vendors are making the pivot from midsized specialty tools to fully functional distributed OMSes. All have retained their core uniqueness, such as the ability to manage subscriptions or to distribute orders to third-party retail partners, which makes these solutions appealing to organizations with unique order management needs. However, this group of contenders lacks the maturity, flexibility, and breadth of service that top-tier omnichannel retailers need.

This evaluation of the omnichannel order management market is intended to be a starting point only. We encourage clients to view detailed product evaluations and adapt criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool.

Figure 5 Forrester Wave™: Omnichannel Order Management, Q3 '14

Source: Forrester Research, Inc.

Figure 5 Forrester Wave™: Omnichannel Order Management, Q3 '14

	Forrester's Weighting	eBay Enterprise	hybris	IBM	Jagged Peak	Manhattan Associates	Micros	NetSuite	OrderDynamics	Shopatron
CURRENT OFFERING	50%	3.69	2.95	4.31	2.88	4.39	3.54	2.75	2.85	2.56
Solution architecture	8%	3.25	4.25	4.20	3.10	3.90	2.80	2.85	2.50	2.90
Inbound order channels	8%	3.90	4.45	4.75	4.00	4.15	3.85	3.60	3.35	2.90
Inventory management	12%	3.85	3.10	4.95	2.90	4.60	3.75	2.55	2.65	2.60
Customer service	12%	3.40	3.00	4.40	3.00	5.00	3.30	3.70	3.00	1.70
Distributed order management	30%	3.93	2.49	4.49	2.92	4.41	3.52	3.07	2.96	2.57
Store fulfillment	22%	3.49	2.26	3.48	2.23	4.35	4.03	1.53	2.69	2.72
Reporting and analytics	3%	5.00	3.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Professional services	5%	3.00	3.80	4.80	2.40	3.80	2.60	2.80	2.60	2.40
STRATEGY	50%	3.10	3.95	4.45	2.15	4.05	2.60	2.40	2.40	2.55
Product road map	20%	4.00	4.00	4.00	3.00	5.00	3.00	3.00	3.00	3.00
Planned enhancements (next 24 months)	20%	3.00	3.00	4.00	2.00	5.00	3.00	2.00	3.00	3.00
Target market and focus	25%	3.00	4.00	5.00	3.00	4.00	3.00	2.00	2.00	3.00
Key technology partners and channel strategy	10%	4.00	4.00	5.00	2.00	3.00	3.00	3.00	3.00	2.00
Commerce service providers	20%	2.00	5.00	5.00	0.00	3.00	1.00	2.00	1.00	1.00
Typical deployment time frame	5%	3.00	3.00	2.00	4.00	3.00	3.00	4.00	4.00	4.00
Cost of ownership	0%	3.00	1.00	1.00	3.00	2.00	2.00	4.00	4.00	4.00
MARKET PRESENCE	0%	3.60	3.75	4.05	2.10	3.50	2.65	3.10	2.60	2.70
Installed base for this version of the product	30%	4.00	3.00	5.00	1.00	2.00	2.00	5.00	3.00	3.00
New customers (past 12 months)	20%	3.00	5.00	3.00	2.00	4.00	3.00	2.00	2.00	2.00
Revenue	25%	4.00	3.00	4.00	2.00	4.00	3.00	2.00	1.00	2.00
Revenue growth	15%	2.00	4.00	3.00	4.00	4.00	2.00	2.00	5.00	4.00
Financial resources	10%	5.00	5.00	5.00	3.00	5.00	4.00	4.00	3.00	3.00

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

July 29, 2014

VENDOR PROFILES

Leaders Provide Robust And Flexible Omnichannel Order Management Capabilities

Leaders in our omnichannel order management evaluation include:

- **IBM.** IBM's order management solution originated from the acquisition of Sterling Commerce in August 2010. Today, the IBM Sterling Order Management system powers many Fortune 100 organizations across a wide variety of industries. IBM's solution is a Leader in our evaluation, offering robust tools that drive inventory visibility, order promising, distributed order management, and call center support, as well as store associate applications that enable omnichannel commerce both online and in the store. In partnership with Toshiba, IBM is powering the TCxGravity POS solution, positioning Sterling Order Management as the single order management platform across digital and physical channels and enabling a seamless omnichannel experience. The extensive feature set allows for many configuration scenarios and is designed to scale to support the demands of large enterprises, although midmarket clients may find the solution overly complex. Forrester found that some of the key user interfaces (UIs) are dated and complicated to use; however, IBM has started addressing this in the current version (9.3) by developing refined user interfaces to meet the specific needs of the store associate, the customer service representative, and the commerce business lead. Due to the relatively new nature of the current release, deployments are nascent and consequently Forrester was unable to speak to references to verify the effectiveness and scalability of these new solution interfaces.

- **Manhattan Associates.** Manhattan Associates has 10 years of focused investment in order management to date, and continues to invest in this rapidly growing segment of its technology portfolio. It has integrated core order management capabilities into a seamless interface that clearly addresses the needs of individual business constituents, including store associates who fulfill orders from stores. This key differentiator, along with robust OMS functionality, allows the Manhattan Associates solution to stand out as a Leader in our evaluation. With a heavy retail focus, the solution has proven to scale to meet the needs of top-tier retail clients. Manhattan Associates relies on internal professional services as the primary source for systems integration work, which can become a risk for clients who seek to rapidly deploy an OMS in an environment where market interest for this solution is on the rise. In addition, finding engineers to help maintain and configure the application can be a challenge due to the proprietary code base and limited supply of engineers with Manhattan Associates development experience.

Strong Performers Blend Different Strengths With Some Weaknesses

Strong Performers in our omnichannel order management evaluation include:

- **eBay Enterprise.** eBay Enterprise's order management pedigree heralds back to the days of GSI Commerce. Today, it offers two distinct OMS solutions: the core OMS based on version 9.0 of IBM Sterling Commerce and a modular suite of store fulfillment solutions (ship-from-store, in-store-pickup, ship-to-store) leveraging capabilities from the 2010 acquisition of VendorNet.

From our research, these store fulfillment solutions stand out as a best-of-breed suite. What's unique about these solutions is that along with managing the pick-and-pack functions within the store with ease, they also contain the routing logic that determines the appropriate fulfillment location. eBay Enterprise was one of the first organizations to support ship-from-store, and the company has leveraged its experience to help many top-tier clients deploy and operate robust omnichannel fulfillment initiatives.

■ **Hybris (an SAP company).** The hybris order management solution is a capable standalone OMS built from the ground up with a clean, modern architecture. A key value proposition is the close integration with the hybris commerce application, providing a single technology stack purpose-built to work together. Due to this common platform approach, a growing number of hybris's eCommerce customers are now also purchasing the company's order management solution. The solution has a broad vertical appeal to both B2B and B2C organizations. With the acquisition of hybris by SAP in 2013, hybris gains a global sales force to help accelerate adoption of its commerce and order management solutions. The hybris OMS is still maturing and may require customization in order to enable functionality that comes standard in other solutions. In addition, administration screens and store fulfillment business utilities are not best-in-class. With that said, hybris has an extensive partner network to help deploy and execute any needed capabilities, and the OMS road map will address many of the gaps identified in our evaluation.

■ **Micros.** The Micros OMS consists of two separate products: CWSerenade, the core order management orchestration engine designed to managed direct-to-consumer orders for omnichannel as well as pure-play retailers, and Locate, an omnichannel and distributed order broker. Although most clients buy both products, Locate and CWSerenade can exist independently of each other. Many of the clients that buy OMS from Micros already use one of Micros' POS solutions and other parts of the Micros retail suite; thus choosing Micros for OMS can be attractive as the POS, CRM, eCommerce, and OMS products are all integrated (although it should be noted they are all separate solutions that originated through acquisitions). CWSerenade has robust order distribution and CSR tools; however, the UI of the solution is very dated compared to other competitive solutions. Clients are dependent on Micros for professional services as the firm has no established implementation partner strategy. Customer references report that integration between the solutions is not as robust as it could be, although Micros has made significant strides to improve integration robustness in the most recent product updates. In June 2014, Oracle announced its intention to acquire Micros to bolster its presence in the hospitality and retail verticals. This acquisition muddies the water for the future of the Micros OMS solutions as Oracle already owns an OMS — Fusion DOO (discussed at the end of this report). Oracle will, of course, continue to support existing Micros clients, however, it is now dubious if either CWSerenade or Locate will form part of Oracle's strategic retail solution suite road map.

Contenders Present Unique Opportunities

Contenders in our omnichannel order management evaluation include:

- **Jagged Peak.** With a focus on luxury and branded manufacturers, Jagged Peak offers a capable midmarket full-service commerce solution including a standalone OMS. The Edge OMS is gaining market presence and offers both on-premises, hosted, and SaaS solutions that allow clients to rapidly deploy their order management solutions. Jagged Peak provides a robust call center application that leverages its expertise as a full-service commerce suite. Rich utilities also allow clients to set clienteling appointments as well as continuity programs. However, the Edge OMS is not as configurable as other solutions evaluated, namely in the order routing logic, inventory segmentation, and system message configuration. Store utilities to facilitate store fulfillment are also rudimentary. In addition, the lack of a robust partner network means clients must rely on Jagged Peak to implement, maintain, and customize the application. Overall, the Jagged Peak Edge OMS is a competent solution with a SaaS model that will appeal to retailers and brand manufacturers.

- **NetSuite.** In 2013, NetSuite acquired midmarket OMS provider OrderMotion. As a multitenant SaaS platform, the OrderMotion product (OMX) aligns with NetSuite's target market. At the time of evaluation, NetSuite had yet to develop any productized integrations between OMX and the existing order management capabilities in the NetSuite ERP and eCommerce offerings; however, integration is planned as part of the future road map (Forrester did not consider the broader order management capabilities of NetSuite ERP and SuiteCommerce in this evaluation). Subsequently, for now, NetSuite continues to market and sell OMX as a standalone offering; it is using the resources and domain knowledge gained in the acquisition to bolster its expertise in retail order management. The OMX product has robust functionality for supporting continuity orders — in fact, the focus on this capability shaped much of the OMS road map prior to the acquisition by NetSuite. The tool offers effective contact center capabilities but lacks any effective support for store-based order fulfillment (though NetSuite order fulfillment may be used in concert with OMX to meet certain store fulfillment scenarios). The solution will be a good fit for midmarket clients that have complex online fulfillment scenarios such as drop-ship relationships and multiple web distribution centers, but the solution is not currently aligned for retailers that want to free up store inventory for online fulfillment.

- **OrderDynamics.** Headquartered in London with North American operations in Silicon Valley and Toronto, OrderDynamics provides a SaaS OMS that is targeted primarily at midmarket retailers that wish to perform store-based order fulfillment. The solution is relatively young and thus benefits from a user friendly and modern UI for both administrative call center and store associate functions. In addition, it provides some unique capabilities such as a debugging and forensics tool (to understand why and how orders were routed) and innovative ticketing systems for CSRs to manage the life cycle of customer issues in addition to the core OMS and order routing capabilities. Customer references were primarily from midmarket retailers that report good momentum on the delivery of new features in the road map with a mature product

development process and stable platform. The firm also offers complementary modules for eCommerce as well as a mobile Point-of-Service application for store fulfillment, which may be attractive for midmarket retailers looking for an integrated end-to-end solution. Furthermore, the firm offers prebuilt integrations with popular enterprise eCommerce, POS, and WMS platforms, which can reduce implementation time frames; however, clients are dependent on OrderDynamics professional services for implementation as the firm does not utilize third-party systems integrators. In June 2013, UK-based commerce solution provider eCommera acquired OrderDynamics. Under the eCommera umbrella, the firm is expanding its international reach and is now focusing on upper-midmarket and enterprise accounts.

■ **Shopatron.** Best known for helping midmarket-branded retailers sell online by routing orders to the retail channel for fulfillment, Shopatron has for many years supported some of the components of an OMS, namely payment, tax and fraud management, and a distributed order routing engine. In 2012, the firm launched a new OMS product targeted at omnichannel retailers. The solution is offered exclusively as a multitenant SaaS platform with regular product updates for all clients, although references cited that visibility of the product road map has in the past been unreliable. The platform is especially effective at supporting store fulfillment scenarios, with rapid time-to-market being a key value proposition. The solution can be a good fit for midmarket retailers or enterprise retailers seeking to roll out cost-effective ship-from-store or store-pickup capabilities. The firm offers an option for outsourced contact center operations with multilanguage support. Customers that wish to manage their own contact centers will find the solution lacks a robust contact center module; however, this is being addressed with the phased rollout of a new tool set. Shopatron's implementation partner ecosystem is nascent and as a result, most clients will need to use Shopatron's own professional services for implementation. The firm, however, already has effective experience integrating with popular eCommerce platforms such as Demandware.

Other Vendors Worthy Of Consideration

The order management solutions market is ballooning. Both eCommerce and POS vendors are spreading their wings to support alternative channels while R&D investment is being directed to ensure that omnichannel order fulfillment scenarios can be supported. Subsequently, the landscape of vendors offering viable order management is diversifying — beyond the vendors featured in this research, eBusiness professionals may also wish to consider these emerging solutions:

■ **Oracle.** Oracle released its Fusion Distributed Order Orchestration (DOO) product in 2012. Fusion DOO is an all-new product built from the ground up and offers strong capabilities for complex order processing scenarios. Potential clients should be aware of the risks of committing to this solution. The product lives in Oracle's supply chain organization rather than in the eCommerce or retail business units, which means the road map for robust integration with either the commerce or retail systems product is immature.

Also, the product lacks mature business end user tools — specifically functionality for store associates to perform in-store order fulfillment tasks and functionality for CSRs to either capture or modify orders, although this functionality is currently being developed. With the recently announced Micros acquisition, Oracle has bolstered its commerce and OMS capabilities especially for mid-market retailers. Although there will be some inevitable overlap of capabilities between the Micros suite and existing Oracle Commerce and Oracle Retail suites, Forrester expects to see the commerce and order management product roadmaps rationalized over time.

- **Epicor.** The Epicor Retail Enterprise Selling software provides inventory visibility across all fulfillment locations (including stores) and handles all order brokering logic. Although the solution does not include the ability to complete and authenticate orders directly, the solution can effectively integrate with other enterprise systems that handle order completion. The combination of the company's order management software coupled with Epicor's deep expertise in point of service make the Epicor Retail Enterprise Selling software an effective option for omnichannel retail organizations.

- **Demandware.** Demandware has ambitious plans to support its retail customers beyond the limits of the online channel and key to these plans is the ability to support omnichannel order scenarios. Over the past few years, Demandware has invested in order visibility and editing APIs for buyside transactions; however, the platform has remained devoid of credible order management capabilities. The lack of an embedded OMS has not held back clients, who have opted, in many cases, to integrate with third-party order management solutions. With pressure from prospective clients to support OMS as a core platform capability, Demandware proceeded to acquire Mainstreet Commerce, one of its long-term OMS technology partners, in January 2014. Like Demandware, Mainstreet is a fully multitenant SaaS platform, and as an existing Link marketplace partner, integration architecture between the two solutions already exists. The firms already share a large number of joint customers who leverage Mainstreet to support omnichannel scenarios, including buy online/pick up in-store and store-based fulfillment.

- **ShopVisible.** ShopVisible offers an eCommerce platform with integrated OMS capabilities and a standalone OMS offering (ShopVisibile OMS). The solution is targeted at midmarket B2B and B2C companies and provides distributed order management capabilities for retail, wholesale, brands, manufacturers, consumer products, and B2B clients. In addition, it offers prebuilt integrations to popular marketplaces as well as many of the major comparison shopping engines. The ShopVisible application is available in the cloud as a multitenant or single-tenant SaaS offering. Other functionality such as continuity programs support and product information management round out ShopVisible's offering.

- **Dydacomp.** Dydacomp offers two order management solutions targeted toward small to midsized businesses: Multichannel Order Manager software is offered as an on-premises solution with the ability to add on modules, including POS and warehouse management services,

and Freestyle Commerce offers a cloud solution for midmarket organizations with the need for a flexible but simple OMS. Dydacomp OMSes offer small to midsized businesses good solutions to meet their omnichannel needs; more than two thousand clients currently run this software.

■ **MetaPack.** UK-based MetaPack offers a suite of store fulfillment capabilities, with a strong install base in Europe and an emerging global presence. The solution does not provide the core OMS capabilities described in this research but commonly integrates with a third-party OMS instead; however, for retailers looking to enable store-based fulfillment scenarios, the solution can be a good fit. The firm has specific expertise on optimizing shipping carrier selection, a crucial requirement in Europe, where dozens of shipping providers exist in each market with highly competitive offerings.

SUPPLEMENTAL MATERIAL

Online Resource

The online version of Figure 5 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave

Forrester used a combination of three data sources to assess the strengths and weaknesses of each solution:

■ **Hands-on lab evaluations.** Vendors spent one day with a team of analysts who performed a hands-on evaluation of the product using a scenario-based testing methodology. We evaluated each product using the same scenario(s), creating a level playing field by evaluating every product on the same criteria.

■ **Product demos.** We asked vendors to conduct demonstrations of their product's functionality. We used findings from these product demos to validate details of each vendor's product capabilities.

■ **Customer reference calls.** To validate product and vendor qualifications, Forrester also conducted reference calls with two of each vendor's current customers.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user needs assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve. For more information on the methodology that every Forrester Wave follows, go to http://www.forrester.com/marketing/policies/forrester-wave-methodology.html.

Integrity Policy

All of Forrester's research, including Forrester Waves, is conducted according to our Integrity Policy. For more information, go to http://www.forrester.com/marketing/policies/integrity-policy.html.

ENDNOTES

[1] To read more about commerce technology investment priorities for eBusiness professionals, see the July 25, 2013, "Commerce Technology Investment And Platform Trends — 2013" report.

[2] To learn more about the benefits and business case of fulfilling online orders from physical stores, see the May 1, 2014, "Why Every Online Retailer Should 'Ship-From-Store'" report.

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