2023 Frictionless Commerce Guide
Commerce

pivotree

Driving Growth During High-Demand Periods with Composable Commerce

Introduction

The number of tech-savvy digital natives is on the rise. So the fact that global eCommerce sales are estimated to surpass $7 trillion USD in 2024 should come as no surprise. Companies are gradually scaling up to meet this increase, and that's great. But what happens when you face periods of unusually high demand?

If you're not prepared, your customers experience *friction*.

With High Demand and Frenzied Traffic... It's Game On!

Take, for example, the holiday season in 2022 (between November 1 and December 31, 2022) when US citizens alone spent $212 billion USD on online shopping. Other examples include significant day sales such as Black Friday, Single's Day, or Cyber Monday, which drive 30% higher traffic than usual. While companies "prepare" for these events with specific start and end times, it's hard to predict the timing and level of spikes. This is usually when commerce experiences fall apart.

All these scenarios have one thing in common – spikes in demand and traffic. And if your commerce platform is not ready for these spikes, not only do you lose significant opportunities, but you also disappoint customers with friction-full experiences.

How High Traffic Causes FRICTION

Amazon's eCommerce store crashed on Prime Day in 2018.

Spotify crashed on October 21, 2022, when Tailor Swift's album 'Midnights' was released.

The IRS website crashed on April 17, 2018, and then again on April 18, 2022, due to the last-minute tax time rush.

The High Traffic Challenge in Commerce

40+

Retailer websites crashed and slowed down during Cyber 5 in 2021
- Digital Commerce 360

91%

Enterprises report downtime costs exceeding $300,000 per hour
- Queue.it

88%

Users won't return to a website after a poor experience.
- Forbes

High demand and website traffic bring great opportunities but also push commerce systems to their limits.

WEBSITE PERFORMANCE
High website traffic and the need to show dynamic product availability to thousands of customers simultaneously can strain server capacities and lead to slow load times and website crashes.

PAYMENT PROCESSING
High transaction volumes push payment gateways to the brink. This is especially challenging when third-party payment providers have rigid capacity that you can't scale up.

PERFORMANCE-INTENSIVE FEATURES
Features such as advanced search, personalized recommendations, logins, etc., if not optimized, drain the lion's share of computing power.

INVENTORY MANAGEMENT
Predicting and managing inventory during peak seasons is a big challenge. It can be a double-edged sword because while running out of popular products can negatively impact sales, excess inventory can lead to financial losses.

SYNCHRONOUS PROCESSES
Processing payments while simultaneously lodging the order, updating databases, and sending out order confirmations, etc., in one fell swoop, increasing room for error.

CUSTOMER SUPPORT
With higher order volumes, customer inquiries and complaints can go through the roof. Providing timely and satisfactory support is critical but can stretch resources and lead to longer response times.

SECURITY CONCERNS
Cybercriminals often take advantage of the chaos during peak times to launch attacks on eCommerce platforms, attempting to steal customer data or disrupt services.

RETURNS AND REFUNDS
High sales volume during peak times often leads to a corresponding rise in returns and refund requests. Handling returns efficiently while maintaining customer satisfaction is yet another challenge during these periods.

Composable Commerce for the Win!

Composable commerce solutions empower eCommerce systems with scalability, flexibility, and modularity to deal with the challenges we just discussed. It allows companies to select and integrate interchangeable components (e.g., shopping carts, payment gateways, inventory management, automated customer support) rather than relying on rigid monolithic systems. Here's how composable commerce can be a game-changer.

1 SCABILITY AND FLEXIBILITY
Composable commerce lets you scale up and adapt your infrastructure. When traffic spikes, you can easily add or swap out components to handle increased load and customer expectations without overhauling the entire system.

2 BEST-OF-BREED PERFORMANCE
With the flexibility to choose the best components out there without the limitations of being tied down to a single monolithic system, you can fine-tune and optimize your eCommerce performance to give customers the experiences they expect, even during peak traffic.

3 LOAD DISTRIBUTION
Composable commerce gives you the option to select components that are better for load distribution. For example, you can pick a payment gateway specially designed for high volume or a content management system to dole out catalogs with higher efficiency.

4 SEAMLESS INTEGRATION
During peak periods, you might require third-party services for additional support. Composable commerce makes it easier to integrate with external tools such as marketing automation platforms or customer support chatbots to enhance user engagement.

5 DATA-DRIVEN OPTIMIZATION
With A/B testing and robust analytics, you can leverage data to fine-tune your offerings. Composable commerce lets you test tools in varying configurations to determine what works best for your business and customers.

6 MOBILE READINESS
You can also instantly deploy mobile-focused components and technologies to ensure your website performs well on multiple devices. Composable commerce lets you build these functionalities without investing in large-scale overhauls and technologies.
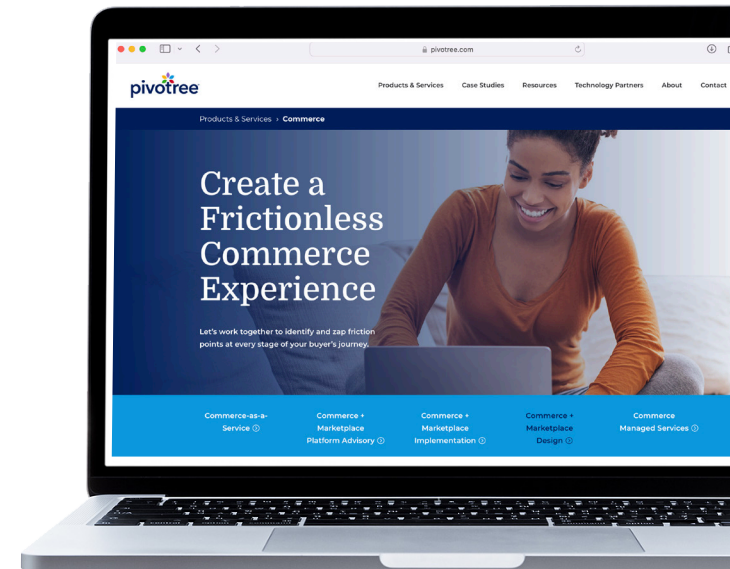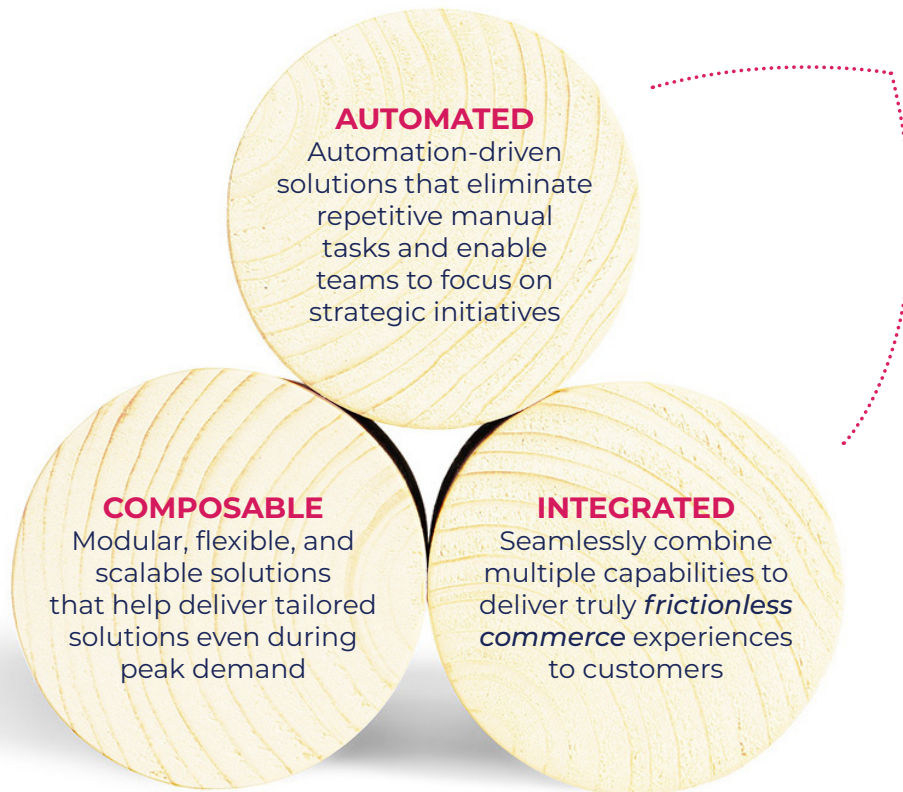
7 COST EFFICACY
Since you pay only for the components you need, modular technologies help you avoid significant costs. This is especially true when you need temporary features only during high-traffic periods.

Up Your Commerce Game with Pivotree

🔺 Extensive experience with some of the leading commerce platforms

🔺 Unbeatable expertise with on-premise and Cloud commerce platforms

🔺 Superior data management and supply chain expertise to complete the picture

🔺 A dream team of partners (SAP, Shopify, Spryker, VTEX) helping businesses create the perfect integrated ecosystem

Pivotree is all about driving *frictionless commerce* experiences for you and your customers. Whether it's high traffic due to the holiday season, the Super Bowl, or anything else, we've got you covered with solutions that are:

AUTOMATED
Automation-driven solutions that eliminate repetitive manual tasks and enable teams to focus on strategic initiatives

COMPOSABLE
Modular, flexible, and scalable solutions that help deliver tailored solutions even during peak demand

INTEGRATED
Seamlessly combine multiple capabilities to deliver truly *frictionless commerce* experiences to customers

pivotree™

member of the **MACH** **ALLIANCE**

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to learn more

ABOUT PIVOTREE

Pivotree, a leader in frictionless commerce, designs, builds, and manages digital platforms in Commerce, Data Management, and Supply Chain for over 250 major retail and branded manufacturers globally. Pivotree's portfolio of digital solutions, organized and professional services help provide retailers with true end-to-end solutions to manage complex digital commerce platforms, along with ongoing support from strategic planning through platform selection, deployment, and hosting, to data and supply chain management. Headquartered in Toronto, Canada with offices and customers in the Americas, EMEA, and APAC, Pivotree is widely recognized as a high-growth company and industry leader. For more information, visit www.pivotree.com