# TRUITION

# HOSTED ECOMMERCE:

# BUILDING COMPETITIVE ADVANTAGE FOR THE ONLINE RETAILER

*A Truition Whitepaper*

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## INTRODUCTION

In an ever-evolving, intensely competitive online sales environment, eCommerce retailers are constantly in search of ways to increase sales, reduce technology costs and acquire new customers.  The result is a market-wide demand for enhanced eCommerce technology, effectively paving the way for a new breed of hosted eCommerce solution.

By bridging the gap between the control and customization provided by licensed eCommerce solutions, and the cost effectiveness, scalability and rapid market access provided by traditional hosted solutions, next generation hosted eCommerce presents significant value for the online retailer.  These new hosted platforms elevate the eCommerce experience through centralized and customizable inventory management, order management, distribution and branding, all of which can be leveraged across multiple online sales and marketing channels.

The end result is an eCommerce solution that enables enterprise and mid-market online sellers to create new revenue streams, acquire new customers and simplify the online selling process – all through a shared instance, hosted eCommerce provider.

### Key Strategic Business Trends and Issues:

The key business trends and issues addressed in this white paper include:

1. Online Retailing: A Market Overview

2. Trends Influencing Outsourcing

3. Market Analysis: Hosted eCommerce

4. Demand for Hosted Solutions

5. Key Advantages of Hosted eCommerce

6. Limitations of Traditional Hosted Solutions

7. The Evolution of Hosted eCommerce

## EXECUTIVE SUMMARY

Forrester Research estimates that by 2010, online sales in the United States alone will reach $331 billion and account for 13% of total retail sales; up from just 7% in 2004.

eCommerce is here to stay, but it has grown to become a much different industry than it was even a few short years ago. As the eCommerce market matures, and more and more consumers become comfortable with making purchases in cyberspace, online retail will continue to evolve at a rapid pace, resulting in new challenges for retailers.

Faced with a maturing, competitive market, eCommerce retailers are in need of effective tools for decreasing operating costs, acquiring new customers and driving new revenue. By providing unique benefits such as rapid market access, multi-channel integration and new levels of customization capabilities, the new breed of hosted eCommerce provider can provide competitive advantages in this new market reality.

Among the key issues discussed in the enclosed white paper is the importance of multi-channel retailing online, and the emerging trend towards reducing the IT infrastructure costs of the online retailer through customizable, hosted eCommerce.

The typical online shopper is extremely savvy relative to even a few years ago. Modern eCommerce buyers have a myriad of options available to them, and they often move from site to site to compare prices, shipping costs and product features.

This multi-channel buying behavior has resulted in the increased popularity of online shopping destinations such as eBay, Amazon, Overstock.com, and comparison-shopping portals like Froogle and Shopping.com, as these sites have become the first point of entry for millions of online shoppers. Not surprisingly, this trend has also resulted in increased pressure on eCommerce retailers to have a presence on these public marketplaces.

In addition, these same retailers have an increasing need to allocate more time and resources to operational measures that drive new revenue, and less on a costly IT infrastructure. To effectively function in this altered selling environment, many companies have begun to recognize the value of hosted eCommerce solutions that save on capital costs and offer rapid access to new markets.

Market demand aside however, it is clear that not all hosted solutions are created equal. To adapt to the new eCommerce reality, enterprise and mid-market online sellers require a single hosted eCommerce platform that can manage the entire breadth of their online needs. In many instances, this includes enterprise-level management of both front and back office functions by integrating front-end online storefronts and back-end inventory and fulfillment systems. In addition, maintaining brand integrity and a superior online shopping experience across all online sales and marketing channels is equally critical.

The demands of today's online retailer are complex and varied, and as a result, these organizations are driving the quality and flexibility of hosted eCommerce to new and exciting levels.

## ONLINE RETAILING: A MARKET OVERVIEW

From 1997 to 2003, online sales increased at an impressive 96% CAGR (compound annual growth rate), according to Forrester Research Inc. During that same time period, nearly 36 million households in the US alone joined the online shopping ranks.

While consumer eCommerce continues to gather momentum, growth is expected to slow down in 2005 – the effects of a maturing market.  This market maturation has resulted in a sharp increase in competition for the hearts, minds and wallets of the online consumer.

In this new competitive environment, online retailers will spend more time "investing in selling innovations that bring them closer to new and existing customers and serve as points of differentiation," Forrester reports in *Trends 2005: Online Retail Slower Growth And Fierce Competition Drive Carefully Chosen Innovations*.

### Online in the United States

By 2009, 77% of U.S. households will have regular online access and 40% will shop online, according to Forrester. By 2010, online sales will reach $331 billion in the U.S.

 "The growing population of online shopping households combined with retailer innovations and site improvements will drive eCommerce to account for 13% of total retail sales in 2010, up from 7% in 2004. Between 2004 and 2010, online sales will grow at a 15% compound annual growth rate," Forrester forecasts in *U.S. eCommerce Overview: 2004 To 2010 A Six-Year Forecast of US Online Retail Sales*.

In addition, by 2009, half of all U.S. households will have broadband at home, bringing new spending power to the Web.

### Online in Europe

It is no co-incidence that many North American online retailers are turning to faster-growing European online markets for new customers and revenue opportunities. In 2004, Europe's online retail market was valued at €40 billion.  By the end of the decade however, the European market is expected to quadruple to an impressive €167 billion.  This represents a 33% CAGR, which is more than double that of the U.S.

The UK will dominate Europe's eCommerce market for the next four years, according to Forrester, with Germany expected to catch up by 2009. Germany is already eBay's second largest market, after the U.S.

## TRENDS INFLUENCING OUTSOURCING

The effects of the new eCommerce market reality, coupled with growing pressure to thrive in a competitive market have created a need among online retailers to upgrade their eCommerce infrastructures.
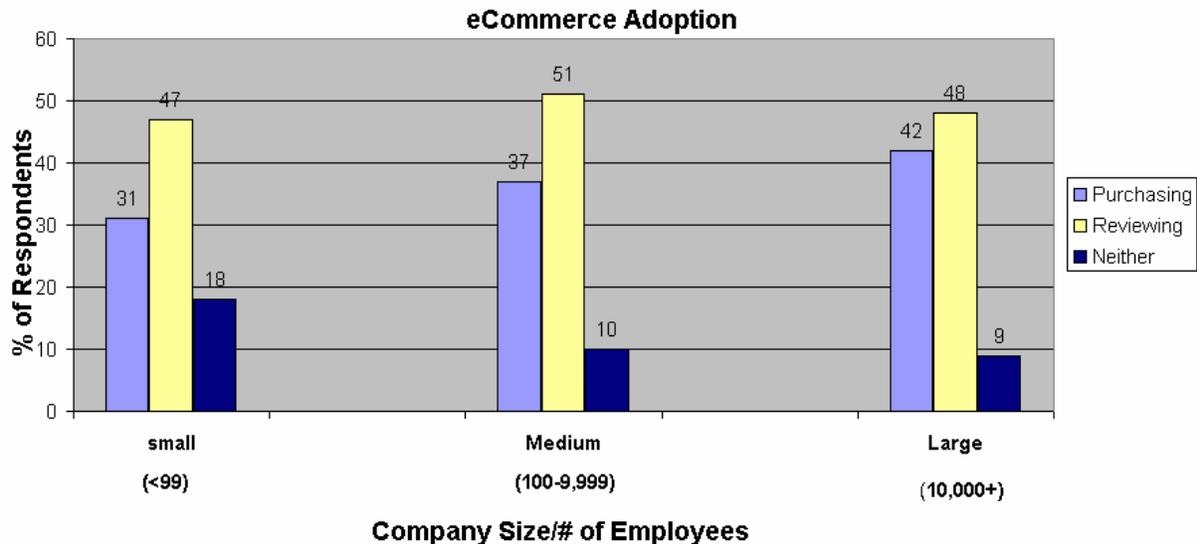


Source:  IDC Software as a Service Adoption Study, 2005

At one time, the only option for such retailers was to purchase a software license and the applicable hardware, and then allocate an overburdened IT staff to complete the installation. Today, there are faster, more cost-effective ways to go to market with an innovative, customized eCommerce platform.  In fact, many companies no longer see the strategic benefit of actually owning software applications or the hardware required to support them.

Increasingly, enterprise and mid-market online sellers are test-driving the Application Service Provider (ASP) delivery model. They are replacing proprietary systems with hosted solutions that offer speed to market, save on capital costs and offer integration between front-end online storefronts and back-end inventory and fulfillment systems.

Under the ASP delivery model, applications, content and services are remotely hosted and managed outside of the corporate firewall by third-party providers. Users pay ongoing subscription or usage fees rather than purchasing licenses.

The following is an overview of the key factors influencing the trend towards outsourcing of eCommerce platforms:

### Industry Profitability

In 2002, online retailers reached aggregate profitability in the United States. This milestone was surpassed in 2003. As the industry has matured and achieved economies of scale, long-term sustainable operating margins have become a reality (aggregate industry operating margins in 2003 were 21%).

With long-term sustainable operating margins, online retailers can capitalize on past successes by investing in site and multi-channel strategies to help acquire new customers and grow future sales.

### Altered Selling Environment

Online retailers now face a dramatically different selling environment than the one they experienced from 1998 to 2000. The modern online economy is characterized by increased competition, a well-informed customer base, and multi-channel buying behavior on the part of online consumers. As a result, online retailers must invest in technology and solutions that can:

1. Bring them closer to a fractured population of new and existing customers
2. Serve as points of differentiation in a highly competitive market
3. Increase sales and customer loyalty

Many organizations are finding that they can compete more effectively by offering multi-channel purchasing options. For these organizations, the Internet has emerged as the foundation of a successful sales and service model, according to the Aberdeen Group. Integration and customization, resulting in superior customer buying experiences, are the keys required to compete successfully in this altered selling environment.

### International Expansion

International expansion is compounding the move to outsourcing. Recognizing that U.S. eCommerce growth will begin to slow down over the next two or three years, online retailers are looking to include hyper-growth markets like Europe (33% CAGR between 2004 and 2009 – double that of the U.S.) in their expansion plans.

While international expansion has become a strategic imperative for many online retailers, it is not without its challenges. Compliance with country-specific regulations and payment processes, as well as adaptation to the unique needs of local consumers is critical to success in international markets. Many online retailers can overcome these challenges by outsourcing key elements of their international distribution to solution providers. These organizations can provide speed to market benefits, but for effective international expansion they must also provide customization and order fulfillment across multiple sales channels and multiple payment process, while supporting multiple currencies and languages.

## Multi-Channel Buying Behavior

Multiple channel buying (MCB) is not new. Many companies have used, and continue to use, multiple channels of distribution in the brick and mortar world. However, with the advent of the Internet, MCB has taken on a new and interesting turn.

Initially, there were the pure-play dot-coms that sold goods exclusively through a single channel (their Web sites). However, as the Internet matured and more shoppers became engaged, many bricks and mortar companies expanded their channels of operation by launching eCommerce sites. Today, as Web-savvy and price-conscious buyers move effortlessly between e-tail outlets, price comparison sites, auction sites, overstock clear-out sites and sites from which a variety of retailers can sell goods (i.e. Amazon), the Internet itself has become a multi-channel universe.

"It is no secret that the Internet is emerging as the foundation of a bidirectional, customer-centric multi-channel selling model," the Aberdeen Group reported in a June 2004 study, *The Integrated Multi-channel Benchmark Study: Gaining Competitive Advantage by Fulfilling Multi-channel Demand.* The Information Age has changed the purchase behavior and delivery expectations of all buyers. Businesses and consumers routinely use the Internet to explore product features, benefits and prices. They also expect tightly integrated purchasing, fulfillment, and customer service options across all channels. They want convenience, choice and control, not just variety or preconfigured options. This can often only be achieved through strategic outsourcing.

The Business-to-Consumer (B2C) eCommerce market continues to be dominated by eBay and Amazon, with each site dwarfing the online market share of the Web's largest retailers. By owning approximately 30% of the global B2C eCommerce market, eBay has become an increasingly important channel for online retailers of all types. Again, these 3rd party marketplaces are best utilized through an experienced technology and services provider.

While some organizations view the need to provide multi-channel sales as another burden to shoulder, this vision is shortsighted, as online consumers, by their shopping behavior, have voted overwhelmingly in favor of multiple channels. In addition to shopping at different channels, Web-savvy consumers are using major comparison-shopping engines like Froogle and Shopping.com to compare prices before they buy.

## Resource Allocation

Enterprise and mid-market retailers that strategically pursue innovative sales and marketing options spend less on proprietary licenses and try to accomplish less in-house. They look to alleviate workload, maintain consistent brand imaging and deliver stellar customer service through strategic outsourcing.

This trend to outsourcing is exemplified by year-over-year decreases in the percentage of in-house eCommerce software developed by online retailers. Software budgets in 2003 included a 29% allocation to in-house projects; 2004 budgets saw a reduction to 23%, according to Forrester.

## MARKET ANALYSIS: HOSTED ECOMMERCE
### History

The Dot-com boom of the 1990's saw many companies invest in expensive eCommerce systems and licenses. Many of these early adopters were saddled with proprietary systems that were expensive to manage and quickly became antiquated in a rapidly evolving market. Eventually, these online retailers looked to cut IT costs and simplify their eCommerce systems. Some selected hosted eCommerce solutions as a remedy. While hosted solutions were less expensive and more versatile than proprietary licenses, they were also difficult to customize and did not always integrate with back-end inventory management systems.

By 2004, eCommerce retailers had a new focus on profitability and a strong desire for differentiation and customization capabilities from their eCommerce platforms. Many of these modern online retailers had little desire to build and support a new IT infrastructure, particularly in such a rapidly evolving, competitive market. Vendors have responded by offering more mature hosted solutions, including full outsourcing of front-end online storefronts and back-end fulfillment systems, partial outsourcing of back-end fulfillment or partial outsourcing of front-end stores.

Forrester has identified hosted eCommerce offerings as a key growth sector in the eCommerce arena, citing strong retail demand. In early 2005, the research firm pointed out that vendors were striving to break the dichotomy between hosted but non-customizable services and customizable but licensed software; in other words, to offer enterprise and mid-market retailers a fully customizable but hosted eCommerce solution.

### Customer Segment

The new breed of hosted eCommerce solutions, whether implemented to augment existing e-channels or to completely supplant an existing eCommerce platform, are drawing interest from a wide array of online retailers. Small and mid-size retail organizations that cannot afford, and do not need, complex eCommerce solutions, are relying more and more on outsourcing to hosted providers. Enterprise providers as well, are recognizing the value of hosted eCommerce as a means of providing new sales channels and facilitating cost-effective international market entry, among other things.

Beyond retailers, manufacturers that have not traditionally sold direct to the public are joining the small multi-channel retailers embracing hosted online commerce solutions and on-ramps to consumer e-marketplaces such as eBay, Yahoo, and Amazon. Consumer e-marketplaces offer these manufacturers cost-effective opportunities to sell parts, refurbished goods and surplus inventory and to liquidate obsolete products, all while tapping into customers they would not be able to reach through existing channels.

## Purchase Criteria

Pre-purchase consideration for the online retailer interested in exploring a move to hosted eCommerce should include:

- An analysis of internal resources, including financial, technical and human capital

- The extent to which these resources can support eCommerce goals

- Consideration of the benefits of allocating funds away from infrastructure and towards demand generation and customer acquisition/experience

- The degree of day to day control they require over their eCommerce platform's functionality and front end operations

- The importance of multi-channel distribution and international market entry in their eCommerce strategy

## Alternatives

Companies that want to add eCommerce sales and marketing or expand existing eCommerce initiatives across multiple channels, have many options. Including:

- Developing a "home grown" or proprietary system

- Purchasing proprietary licenses and install solutions or having system integrators provide the installation

- Outsourcing their front-end online storefront and associated services

- Outsourcing their back-end order fulfillment and associated operational processes

- Outsourcing their entire eCommerce business, including all branding, merchandising, demand generation, front-end and back-end processes, and fulfillment

In short, companies can choose what they want to outsource and what they want to keep internal. As previously stated, the choice should be based on a business plan that keeps in mind the current and projected state of IT infrastructure and IT staff, required speed to market, project budget and overall corporate goals and objectives.

## Cost of Ownership

According to Forrester, companies that do more than $200 million a year in online sales are best served by buying, owning, and operating eCommerce solutions. These solutions have a high, but relatively fixed, cost of deployment and provide economies of scale at extremely high sales volumes.

While this may be an appropriate suggestion, there are less than 100 B2C retailers in the entire global eCommerce market that fall into this revenue category. For the remaining tens of thousands of retailers, outsourcing to a hosted provider becomes an attractive opportunity. In fact, companies below the $200 million a year level of online sales should find the new range of ASP options increasingly attractive from a total cost of ownership perspective.

## DEMAND FOR HOSTED SOLUTIONS: THE RISE OF THE ASP

Demand for eCommerce solutions will continue to grow, bouncing back from a slump in the early part of the decade, as businesses and governments expand their online presence to keep up with growing consumer interest in online shopping. However, demand for licensed software solutions will be flat as most enterprises seek less expensive, faster and easier ways to support online sales channels.

While demand for licensed solutions is expected to remain flat, the market for outsourced, hosted or ASP eCommerce solutions, is experiencing strong growth.

As e-tailers cut back internal IT departments and look to offload software acquisitions, fully-hosted and customizable ASP solutions offer enterprise and mid-market retailers all they need to flourish in the modern age of eCommerce. Therefore, the desire for rapid, affordable, efficient and easier ways to do eCommerce – embodied largely by the ASP model – will drive growing demand for hosted eCommerce solutions over the next few years.

## KEY ADVANTAGES OF HOSTED ECOMMERCE

Given the velocity at which small and mid-size online retailers have morphed into successful multi-channel sellers, it is no wonder that many companies are looking for a quick but effective eCommerce on-ramp.

That is why many companies are turning to technology suppliers that offer hosted multi-channel eCommerce solutions, demonstrated e-tail expertise and a vault of best practices that span order capture and order fulfillment, reports the Aberdeen Group.

In short, comprehensive hosted solutions enable retailers of all sizes to quickly compete in an international multi-channel selling environment, deliver superior customer service and fulfill orders cost-effectively.

### Innovation

The pace of change in the online retailing world has been rapid. As consumer demands and expectations rise, many sellers have been unable to compete on their own, particularly if eCommerce retailing, direct selling and/or order fulfillment are not among their core competencies.

Outsourcing core elements of an eCommerce strategy can provide these organizations with best of breed solutions and scalable technology and features, ensuring that they remain on the cutting edge of online retailing as their businesses grow.

## Rapid Deployment

For many online retailers, the time required to implement a licensed or owned eCommerce solution can be prohibitive. Hardware and software integration, system upgrades and staff training can result in a lengthy pre-launch process. Many hosted solutions offer rapid deployment times that are measured in weeks, not months. In addition, top tier hosted providers can provide their solutions in a rapid time frame, without sacrificing quality or functionality.

In addition, best-in-class ASPs often have clients up and running in less than three months, a fraction of the typical implementation cycle for installed software solutions, according to Aberdeen. Implementation can be accomplished quickly because software already installed at the host's site can quickly be configured to create a new instance for the next customer; provided that the hosted platform allows for customization, or the retailer is willing to accept standardization.

## Flexibility

With the proliferation of multi-channel buying behavior and the pervasiveness of search marketing and other third-party lead generation sources, online retailing has become a complex endeavor, complete with a multitude of stakeholders and external partners. Hosted solutions provide the online retailer with rapid deployment and flexibility that provides access to multiple online sales channels and marketing tools.

In addition, flexible hosted solutions can address existing resource constraints that often stand in the way of creating or enhancing an online selling presence.

## Cost-Effectiveness

In the post dot-com era, many companies have eCommerce budgets that are measured in hundreds of thousands of dollars. Consequently, many of these enterprises are not willing to build an expensive IT and business foundation to support Internet channels. Large firms looking to test the Internet waters are in search of a low-cost, low maintenance option. Smaller companies cannot afford, and do not need, complex eCommerce solutions.

Most hosted models often operating under a pay for performance or transaction model, do not require large upfront investments. Subscribers can also offload technical support on their host so they do not have to keep technical resources dedicated to the Web site on staff.

With both *cost* and *effectiveness* in mind, many enterprise and mid-market e-tailers no longer see the strategic benefit of owning eCommerce software applications or the hardware to support them. Rather than purchasing a license, they are turning to the subscription or ASP model for remotely and securely hosted and managed eCommerce solutions.

## Multi-Channel Access

Many retailers see multi-channel selling as a marketing opportunity, which it is. However, too many e-tailers operate all channels as if they were separate business entities. The result is a fractured, confusing online brand image, separate checkouts and separate fulfillment processes for each channel.

To be effective and productive, the first step companies have to take in a multi-channel online universe is to ensure that brand imaging has the same look and feel across all channels; including a centralized checkout. While customers shopping experiences may be different at an auction site, an overstock site or the e-tailer's Web site, whenever possible, the checkout experience should be identical across all channels, giving the customer access to all shipping options and applicable promotional opportunities.

The e-tailer can also then engage in cross-sell and up-sell activities, sell add-ons and offer newsletter subscriptions, coupons and other marketing initiatives to all customers, no matter which channel brought them to the centralized check-out.

## Centralized Inventory/Order Management

One of the most significant back office challenges facing multi-channel retailers is the need to integrate order, inventory and fulfillment processes. However, most enterprises that attempt to deliver multi-channel services operate behind walls of channel-specific fulfillment processes, often running on two or more technology platforms.

Using multiple systems to apportion inventory often leads to the loss of channel-specific sales opportunities, as surplus inventory cannot be shifted from channel to channel in real time.

In addition, rapidly growing companies will experience inherent business difficulties in managing disparate technology platforms, inventories, checkout systems and order fulfillment processes. Staff members may be hard pressed to learn multiple systems well, and those who know only one system will not be able to cover for absent employees who know the other system.

Managers operating in disconnected multi-channel universes are not able to pull one report based on all product sales across all channels and make informed strategic purchasing and pricing decisions.

The move from multiple technology platforms to a one-platform eCommerce solution that consolidates inventory, order management, distribution and branding across multiple channels can be seamless to shoppers.

Centrally managing inventory for a Web-based storefront, eBay auction site, shopping comparison feeds and other channels leads to improved customer service and branding consistency, improved inventory control as well as greater operational and staffing efficiencies.

## LIMITATIONS OF TRADITIONAL HOSTED SOLUTIONS

The landscape of B2C eCommerce options has been slowly shifting from licensed software products to hosted and subscription-based software services. However, until recently, the limited ability to customize ASP solutions has been a barrier to adoption, particularly for the enterprise and mid-market online retailer.

The graph below (Source: IDC) illustrates the key concerns posed by online retailers considering hosted solution providers as a means of augmenting or replacing existing eCommerce technology.  Note that customization concerns are highest, being expressed by 70% of the respondents.
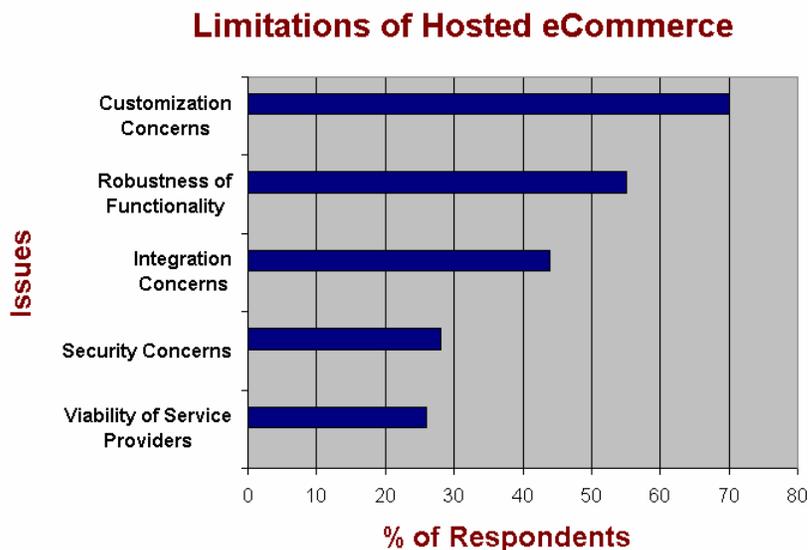


Source:  IDC Software as a Service Adoption Survey, 2005

Other top concerns include "robustness of functionality".  Historically, hosted eCommerce solutions have been tailored to a mass market audience, resulting in a uniformed set of functional capabilities, with new features being added only once or twice a year, and certainly not on a client by client basis.

In addition, many first wave hosted solutions (due in large part again to their focus on the mass market) are unable to provide retailers with real-time integration into existing account, resource planning or inventory platforms, effectively creating yet another barrier for adoption of hosted solutions by the enterprise and mid-market retailer.

However, as certain ASPs began to evolve and develop their platforms specifically for high brand, high volume retailers, the shift from licensed software products to hosted and subscription-based software services has gathered momentum.

## "BRIDGING THE GAP" – CHOOSING THE RIGHT HOSTED PROVIDER

The next generation of hosted eCommerce providers are differentiating themselves from the competition by bridging the gap between a hosted products' cost effectiveness and scalability, and a licensed products' control and custom configuration.

Top tier hosted providers are going to market with platforms and professional services groups that allow online retailers to optimize their eCommerce strategies quickly, and make customization and evolution the standard, instead of the exception.

By developing platforms that are tailored to the unique needs of larger online retailers, these vendors are providing their retail client base with a key competitive advantage in the battle for eCommerce dominance: namely a cost-effective, multi-channel and customizable eCommerce platform, designed specifically for the modern age of online retailing.

When evaluating hosted providers, online retailers should look for a number of key capabilities including:

### A Flexible, Customizable Solution

Many companies that have outsourced their eCommerce storefront on a shared-instance hosting model have become frustrated with an inability to make the changes to the features and functions of their site, improvements that they feel are necessary in order to improve customer experience.

Most online retailers will require a hosted solution that can easily be customized and updated, ideally without incurring engineering time and expense.  Top tier hosted providers can provide front-end architectures that allow changes to be made at the web development, or even administrative/marketing level, allowing for quick, cost-effective front-end changes to be made as eCommerce needs evolve.

An ideal hosted solution should also provide a wide variety of features and functions that can be custom-assembled for each new client, including customizable, rules-driven merchandising and reporting structures.

### One Platform, Multiple Online Channels

The evolving online sales environment requires hosted eCommerce solutions that consolidate inventory, order management, distribution and branding across multiple e-channels.

Online retailers can realize significant benefits from being able to utilize a single platform to distribute products across the world's leading online markets and geographies. This capability must be complimented by industry-leading business analytics that provide insight into channel performance and untapped market opportunities.

"Multi-channel enterprises view sophisticated and *unified* management of customer, inventory, and order data as the best path to multi-channel selling success," reports the Aberdeen Group in *The Integrated Multi-channel Benchmark Study: Gaining Competitive Advantage by Fulfilling Multi-channel Demand* (June 2004). "The bottom line is that multi-channel commerce is about a single customer, experiencing a single brand, whether or not he or she does so through multiple channels."

Such solutions offer online retailers full customization so they can present a consistent brand image across multiple channels as well as a centralized multi-channel checkout system with merchandising capabilities.

## A Strong International Footprint

International distribution is quickly becoming a strategic imperative for the online retailer. Many eCommerce sellers are looking for rapid, cost-effective expansion into faster growing markets such as Europe.

Successful international market entry requires the ability to comply with country specific regulations, adopt localized payment methods, and above all, adaptation to the unique needs of local online consumers.

When evaluating hosted solution providers, look for those who:

1. Have high quality, localized sales and services teams in core markets such as Germany and the United Kingdom
2. Have a product that provides efficient distribution to foreign markets.

Also ensure that your hosted solution provider has established partnerships with leading international businesses, technology providers and online marketplaces.

## World Class Service Teams

Online retailers must demand superior services to support their technical investments and ensure successful eCommerce initiatives.  When evaluating a potential hosted eCommerce provider, be sure to request a copy of their implementation methodology, at least three current client references, as well as a list of the individuals who will be working on your business.  Be aware that if a prospective provider operates under either a mass market or "on demand" model, ongoing professional service may be either unavailable, or outsourced to another firm.

Look for hosted solution providers that employ experts from an array of eCommerce disciplines, including fixed price storefront development, online merchandising, online marketplace strategy, project management, Web development and graphic design, as well as Web-based customer service and engineering.

## TRUITION: CORPORATE OVERVIEW

Founded in 1998, Truition is a leading provider of hosted and customizable eCommerce solutions for online sellers. Truition provides its enterprise and mid-market client base with a unique combination of technology and professional services, allowing these organizations to effectively outsource core elements of their eCommerce operations.

Truition's enterprise-level eCommerce technology delivers the performance and scalability needed to manage a high brand, high volume online business, without the significant cost and IT resource requirements of a licensed or owned eCommerce platform. Truition's hosted technology is supported by a world class professional services team, experienced in all facets of eCommerce development, implementation and management.

Truition's enterprise-level suite of eCommerce solutions includes:

- Online Storefronts
- Online Auction Sites
- Online Marketplaces
- Sales-channel automation for leading 3$^{rd}$ party marketplaces such as eBay and Overstock
- Lead generation management via online comparison shopping portals, including BizRate and Froogle

Truition's diverse client base includes mid-market and enterprise retailers and manufacturers, travel and hospitality providers, as well as some of the world's most recognized sporting leagues and memorabilia sellers.

Organizations like **Dell Financial Services, CompUSA, Major League Baseball (MLB), the National Basketball Association (NBA), ShopNBC, Revlon** and **Toshiba** trust Truition to manage key elements of their eCommerce operations.

*Truition is headquartered in Toronto, Canada, with localized sales and services offices throughout the United States and Europe.*

*More information about Truition can be found at www.truition.com.*