

EVALUATING BETTERCOMMERCE VS. MAGENTO: WHICH FITS YOUR BUSINESS BEST?

A Detailed Comparison of Features
and Cost for Choosing the Right
Platform



BETTERCOMMERCE

Better for Customers. Better for Team. Better for You.

BetterCommerce is a unified & modular commerce platform for B2B & B2C Commerce. Its API-first approach helps faster go-to-market with reduced operational cost.

Table Of Content

01	
Executive Summary	Page 1
<hr/>	
02	
Introduction	Page 2
<hr/>	
03	
Magento	Page 3
<hr/>	
04	
BetterCommerce	Page 4
<hr/>	
05	
Detailed Comparison: BetterCommerce Vs Magento	Page 5
<hr/>	
06	
Cost Comparison	Page 10
<hr/>	
07	
Conclusion	Page 11
<hr/>	

Executive Summary

This whitepaper examines the architectural and operational differences between BetterCommerce and Magento, focusing on how these impact scalability, customization, and efficiency in digital commerce. Magento's traditional monolithic architecture, despite its evolution towards a SaaS model, often requires extensive customization that increases complexity and costs. This has posed challenges in scalability and integration stability, impacting community acceptance and innovation.

On the other hand, BetterCommerce offers a modern alternative with its microservices-based architecture and headless, API-first approach. This structure supports independent scaling, seamless integrations, and rapid deployment, significantly reducing time-to-market for new features and maintaining a competitive edge in dynamic markets.

Our analysis demonstrates that flexible, cost-effective framework of BetterCommerce makes it a superior choice for businesses looking to enhance their digital commerce operations.



V/S



INTRODUCTION

The architectural choices that underpin an ecommerce platform can significantly influence a business's agility, scalability, and operational efficiency.

The decision to adopt a platform that aligns with future-proofing business operations is crucial. This whitepaper presents a detailed comparison between BetterCommerce and Magento, focusing on their fundamental architectural differences and the strategic advantages these can offer to your organization.

Magento, a widely recognized ecommerce solution, operates on a monolithic architecture. This traditional structure, while robust, often leads to complexities in scaling, customization, and integration with other technologies. As businesses expand, the rigidity of a monolithic system can hinder adaptation to market changes and customer demands, making iterations slower and more costly.

On the other hand, BetterCommerce is built on a modern, modular structure that leverages microservices architecture. This approach allows for greater flexibility and agility, enabling businesses to deploy, update, or scale individual aspects of their ecommerce operations independently without affecting the entire system. The microservices-driven model of BetterCommerce not only enhances operational resilience but also reduces time-to-market for new features, a critical factor in maintaining competitive advantage.

This whitepaper aims to provide you with a comprehensive understanding of how modular architecture of BetterCommerce can drive digital transformation effectively compared to Magento's monolithic framework. By the end of this document, you will be equipped with the insights needed to make an informed decision that aligns with your strategic business objectives and technological innovation.

MAGENTO

Magento is an open-source platform that has gradually evolved to resemble a Software as a Service (SaaS) platform, particularly with the introduction of a cloud offering.



While this addition doesn't alter the fundamental workings of Magento, it does appeal to some merchants who prefer the simplicity of a single vendor, despite potential limitations compared to third-party or self-hosting options. The transition from Magento 1 to Magento 2 faced significant resistance within the Magento community, prompting many partners and merchants to explore SaaS alternatives.

Diferentiators

01

HAS AN OPEN SOURCE VERSION

02

LARGE COMMUNITY

03

CUSTOMIZATIONS

04

LOW BARRIER TO ENTRY

05

B2B CAPABILITIES

06

SEO CAPABILITIES

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BetterCommerce offers a headless, API-first SaaS suite comprised of packaged business capabilities (PBC) designed for seamless integration with any existing tech stack.



Alternatively, it can serve as a comprehensive, end-to-end commerce solution when used in totality. This platform provides a flexible framework and open APIs, facilitating easy customization and integrations, while retaining the advantages of a SaaS platform.

Diferentiators

01

FASTER TIME TO LAUNCH

02

LESSER DEVELOPMENT COST

03

ZERO IN-HOUSE ENGINEERING

04

HEADLESS ARCHITECTURE

05

PIM, OMS, CMS, B2B & B2C
COMMERCE MODULES

06

INNOVATE WITH OPEN APIs

07

API FIRST APPROACH

08

INTEGRATE WITH ANYTHING

Detailed Comparison: BetterCommerce Vs Magento

	BETTERCOMMERCE	MAGENTO
Configurability	<p>BetterCommerce has a headless architecture, while the backend is based on APIs which makes the configuration of microservices and third-party integrations easy.</p>	<p>Magento's suite presents a challenging configuration due to its lack of API and frontend separation. Its software stack is complex and multi-layered, complicating customization.</p>
Compatibility	<p>BetterCommerce follows API-first approach, allowing any technology to be used with it. This makes it more compatible with any development language or existing stack of tools.</p> <p>Also, BetterCommerce adds features at the core and is always tested for backward and future compatibility and performance which removes the reliance for core capabilities on extensions or plugins.</p>	<p>Community extensions often have variable performance and security outcomes, leading to a reliance on prebuilt certified extensions. The compatibility of these extensions with future updates is not assured, and Magento 2's marketplace has yet to match the integration levels of Magento 1. Not all applications ensure backward compatibility.</p> <p>Magento works on PHP based framework which allows only the same tech to be used to build extension. It requires expertise and gets costly over time.</p>
Maintenance (Updates & Upgrades)	<p>BetterCommerce has a cycle of monthly releases.</p> <p>It's based on Canary deployment thus zero downtime.</p>	<p>Maintenance is complicated by the incompatibility between Magento 1 and Magento 2 / Adobe Commerce, each using distinct software stacks. The platform varies across on-premises, open source, and cloud versions, further increasing complexity.</p>
Onboarding	<p>BetterCommerce owns the onboarding and hence most of the complex onboarding cases are achievable within 100 days of signing the contract.</p>	<p>Costly and complex onboarding process, often requiring Adobe-certified developers familiar with its multifaceted nature. The dependence on PHP and MySQL/MariaDB restricts flexibility in choosing a tech stack.</p>

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Long Term Contracts

Success for BetterCommerce lies in retailer's success and hence there are no long term lock-in contracts. Should a merchant wish to switch from BetterCommerce, they can do so with a 30 days notice.

Magento's comprehensive suite nudges customers towards exclusively using Adobe products, and long term lock-in contracts.

Time-to-market

Leverages its headless architecture for quick storefront customization, independent of backend operations. The setup allows for rapid A/B testing and customer experience optimization.

Pre-built features for product management, inventory, and merchandising significantly lower launch times compared to Magento, where functionalities often need to be built from scratch or third-party extensions are introduced.

Seamless integration with existing tools due to API-first architecture further streamlines the process, accelerating time to market.

Launching a Magento project typically faces delays due to the extensive time required for catalogs setup, server configuration, data imports, and theme development.

The need for custom modules and integrations further extends the timeline, adds to the cost, and increases the risk of complications.

Plus, right talent for Magento for fewer in market making it difficult to go live on time for many retailers.

Licensing

Licensing model is based on tier approach to suit retailers, based on order volume.

Initial onboarding expenses are at least half the cost of Magento or even lesser.

Magento licensing model varies based on version you choose. Magento cloud version starts from \$40,000 per year for just 1M in GMV revenue and it goes up to \$120k for up to \$25M GMV. This is excluding extension cost, and maintenance cost.

Infrastructure flexibility

High availability, very scalable cloud-native infrastructure that works within Azure and 99.9% uptime SLA.

While Adobe Commerce is supported on AWS and Azure, it lacks auto-scaling capabilities when hosted by Adobe and does not fully leverage cloud-native tools.

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Technical barriers

Offers a user-friendly interface that simplifies online store management.

Ready-to-go features and API-first architecture allows to introduce any technology. This reduces the technical barriers to innovate with the latest trends. Dedicated support team to further help retailers to further lower technical barriers.

High technical demands pose a significant barrier for beginners, requiring substantial coding knowledge and expertise.

Even well-established brands face challenges and increased costs in recruiting experienced Magento developers due to a competitive marketplace for developer talent.

Maintenance costs

Platform includes no hassle automatic updates, so you always have the latest features.

There is no maintenance cost.

- Incurs substantial costs from bug fixes, security patches, and platform upgrades, with monthly retainers starting around \$1,500.
- Unpredictable expenses with introduction of frequent upgrades. Variable third-party plugin costs, with some integrations, like SAP, costing up to \$15,000.
- Variable transaction fees for payment gateways.
- Over five years, factoring in 7% inflation, the TCO for Magento, including basic hosting, can reach approximately \$250k. Upgrading hosting increases this by an additional 28,000 EUR/USD.

TCO

- Transparent subscription approach starting from \$36k .
- No hidden or multiple variables for licensing fee.
- No maintenance fee and no support fee. License fee includes both.
- Comprehensive feature set, reducing the need for custom development and costly third-party add-ons
- No requirement of agency or in-house team to manage the setup.

- Robust functionality and customization capabilities, requires higher TCO going above \$150k
- Even straightforward setups with basic needs start with significant investments, often around \$75k / \$100k.
- Additional costs include rising licensing fees and expenses for third-party extensions required to meet specific needs. (\$5k - \$15k per year)
- In-house resource/agency fee for maintenance cost anywhere between \$100k - \$150k per year

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Lack of Capability to Edit Complex Orders

BetterCommerce enhances order management with a dedicated OMS module that allows for direct edits within orders up to certain stages. Changes can be made by adding a new order line and automatically cancelling the original line, avoiding the need to recreate the entire order.

Magento does not allow direct editing of placed orders; any modifications require cancelling and recreating the order. This limitation can complicate customer service, especially for businesses with complex order processes, and is not recommended for use as a standalone Order Management System (OMS).

Admin Panel Not Adapted for Mass Product Operations

BetterCommerce addresses the challenges of large-scale product management with a dedicated PIM module. This module supports bulk editing and efficient management of product data across multiple channels and attributes, streamlining processes and ensuring consistent product information across platforms.

While capable of handling large SKU databases, Magento's admin panel is not optimized for mass product operations, making it challenging to manage extensive product databases efficiently.

Low-Quality Third-Party Modules

BetterCommerce eliminates the reliance on third-party modules with a robust suite of integrated features including PIM, OMS, CMS, Analytics, and AI Recommendations.

This integrated approach not only simplifies the tech stack but also ensures compatibility and streamlines customization, reducing the need for extensive modifications. Regular updates and expert support maintain system integrity and adaptability.

Third-party modules may offer quick feature additions but often lead to long-term issues such as incompatibility with custom setups, performance slowdowns, and increased "technological debt." These modules usually lack robust support and documentation, complicating maintenance and customization.

Checkout Edits

Is not complex as the frontend is built on Next JS and the checkout journey can be fully customised as needed.

Customizing Magento's checkout, particularly significant modifications to the checkout flow or functionalities, involves heavy use of Knockout JS and can lead to substantial maintenance and integration costs. Adjustments often require custom code, further escalating development expenses.

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Transferring Projects Between Software Houses

BetterCommerce is involved with all the onboardings either through partners or directly and hence no such issues are faced by our customers.

Transferring a Magento project to a new development team often proves challenging due to extensive customizations and low-quality modules that compromise the core code. These issues lead to significant "technical debt," requiring costly and time-consuming efforts for any new team to address before they can effectively enhance the store. Consequently, even though Magento is designed to be portable, the reality of moving a poorly implemented project can trap you with your initial developer, complicating provider transitions.

Cost of Development

BetterCommerce provides a transparent, all-inclusive subscription model. Our straightforward pricing covers development, support, integrations, and hosting, ensuring no hidden fees or revenue-based licensing costs. We offer scalable plans that evolve with your business, streamlining budget management and allowing you to focus on growth without financial surprises.

While Magento Open Source is free to download, operational costs quickly accumulate due to development, support, extensions, and integrations. Moreover, Magento Commerce and Commerce Cloud license fees, which escalate with your store's revenue, range from \$40,000 to over \$190,000 annually.

Updates and Patches

Patches and updates take place automatically.

Updates and patches need to be updated manually.

Security

BetterCommerce has different measures to ensure security at various levels including regular pen testing, vulnerability assessments by 3rd party and monitoring systems. We also use Azure security protocols extensively for security. We are ISO/IEC 27001:2022 Certified

Magento Cloud involves entrusting their data to a third-party server. Since users globally access the same server, it raises security concerns about potential viruses and malware attacks.

COST COMPARISION

Key Features	BETTERCOMMERCE	MAGENTO
LICENSE COST	Starts at \$36,000 with a tier-based approach that can support revenue of 2.5M orders per year which includes PIM, eCommerce, CMS and Analytics. Overages are at a reduced rate.	\$40,000 (1M GMV) –\$190,000 (25M GMV) year
THEME SETUP & DEVELOPMENT	\$50k - \$150k (Depends on the scope)	\$100k - \$200k
EXTENSIONS	Most requirements are part of core features.	\$60–\$600 / Extension
YEARLY MAINTENANCE FEE	Included	\$75k - \$150k

CONCLUSIONS

Choosing the right ecommerce platform is crucial for scaling business today as we are in a highly digital first landscape. Our comparison of BetterCommerce and Magento highlights key differences in architecture, efficiency, and cost.

Headless, micro services-based architecture of BetterCommerce offers superior flexibility, scalability, and rapid deployment. Its API-first design ensures seamless integration with existing tech stacks, reducing customisation and integration costs. While Magento, even after having customisation capabilities, makes the tech stack clunky and complex with a lot of third party integrations as the businesses scale. Monolithic architecture of Magento makes it complex to innovate and increase time-to-market significantly.

Transparent pricing, built-in features, and user-friendly interface of BetterCommerce make it an attractive choice for businesses of all sizes. Its emphasis on reducing time-to-market and operational costs, combined with strong support, ensures efficient achievement of digital commerce goals.

For businesses seeking a modern, cost-effective, and scalable ecommerce solution, BetterCommerce is the superior choice, offering the agility and efficiency needed for long-term success.

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