



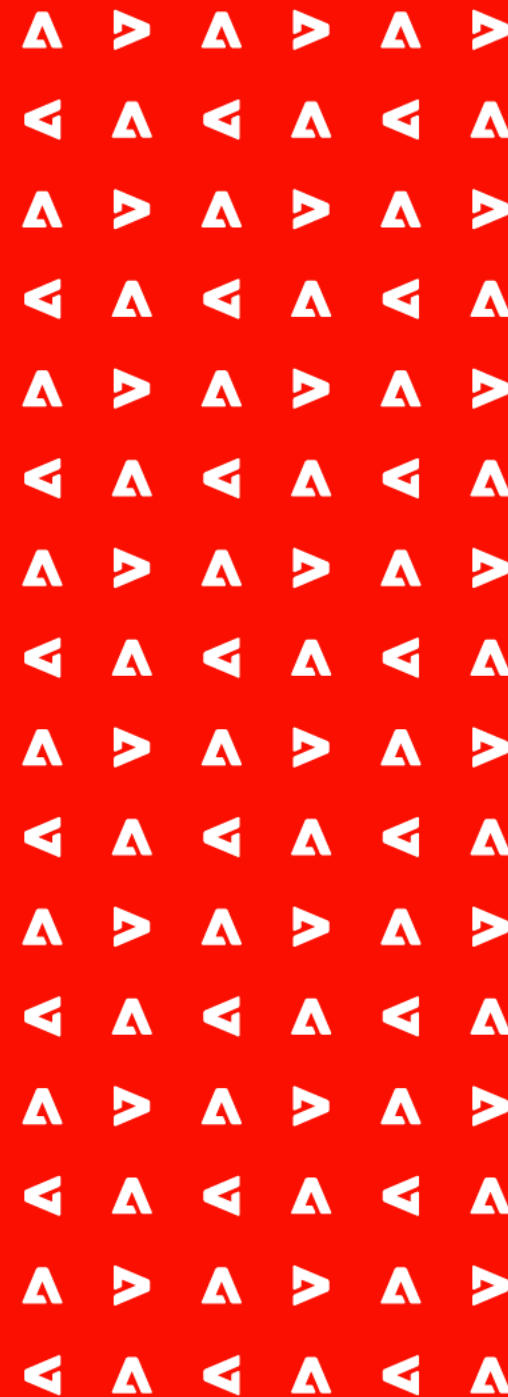
Understanding The Value of Magento Commerce

Over Magento Open Source





Magento Commerce Vision



People buy Experiences



65%+
Consumer Demand
Personalization



1.4x+
More LTV & Revenue



CONVENIENCE

- ..loads less than 1 second
- ..easy to no checkout
- ..always shopping



CONTEXT

- ..knows my situation
- ..sees between the data
- ..always evaluating



CONTROL

- ..can buy/return anywhere
- ..can control data
- ..always weary



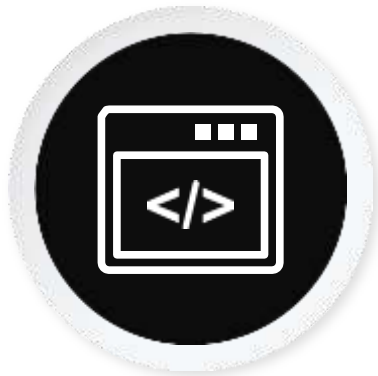
Changing the World Through Digital Experiences

Our commerce vision

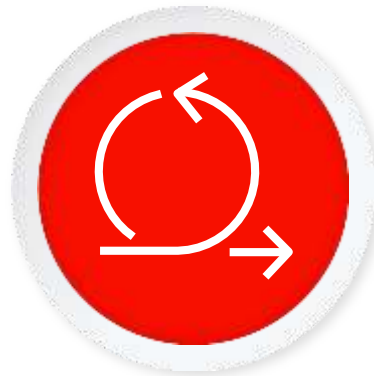
In a future where customer experience is paramount, and all commerce is digital commerce, Adobe enables the world's best brands to deliver the world's best commerce experiences

Magento Founding Principles

In a future where customer experience is paramount, and all commerce is digital commerce, Adobe enables the world's best brands to deliver the world's best commerce experiences



OPEN

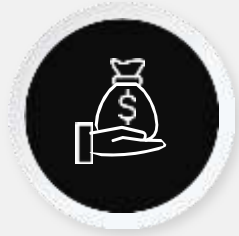


AGILE



INNOVATIVE

A Global Force in Commerce



\$155B In GMV

Gartner

Leader Gartner
Magic
Quadrant for
Digital
Commerce

internet
RETAILER # **Top** Platform



Largest
eCommerc
e
Ecosystem

Magento's leadership position is because of an open platform

Open software fosters...



a strong, global
developer
ecosystem



a lucrative
economy for
businesses



external
contribution to
the product

Which leads to...



lower total cost
of ownership



Faster time to
market



rapid
innovation to
support growth

One Platform Two Versions

Unlicensed & unsupported

Foundational building blocks for
small commerce operations



Licensed & supported

Enterprise-grade application and infrastructure

Built on top of the foundational code base of
Open Source to deliver premium capabilities
that support growth



Misconceptions about Magento Open Source



Many believe that Magento Open Source and Magento Commerce provide the same level of features and functionality



Many merchants can and do run commerce sites using open source

HOWEVER...



Open Source is not always lower cost



Merchants shoulder more operational burdens compared to Magento Commerce



Key Open Source Pain Points



Limited Growth

- Lacks native features for growth like content and promotion personalization and B2B commerce capabilities
- Performance challenges as traffic and transaction volume grows



Long Term Cost

- Needs more customization and extensions
- Replication of Commerce capabilities and ongoing maintenance increases TTM and TCO



Operational Inefficiency

- Significant developer / IT dependencies for daily operations
- Manual processes when implementing content, campaigns, and price changes
- Lacks Adobe Sensei powered capabilities



Business Risk

- Lack of technical support to resolve critical issues
- Must DIY cloud infrastructure with DDoS protection, WAF, and PCI compliance
- Managing relationships across application and infrastructure providers
- Lacks Business Intelligence

What is Magento Commerce?

Superior Shopping Experiences



Deliver best in class B2C and B2B shopping experiences that accelerate sales in every channel

Intelligent Commerce



Optimize business outcomes with intelligent experiences, processes, and insights

Business Agility







Agile omnichannel commerce capabilities provide the flexibility to sell everywhere, deliver anywhere, and support the widest range of digital business models

Open & Scalable



Rapidly innovate and grow at a lower TCO with a highly scalable, reliable, and secure platform enhanced by the industry's most robust ecosystem

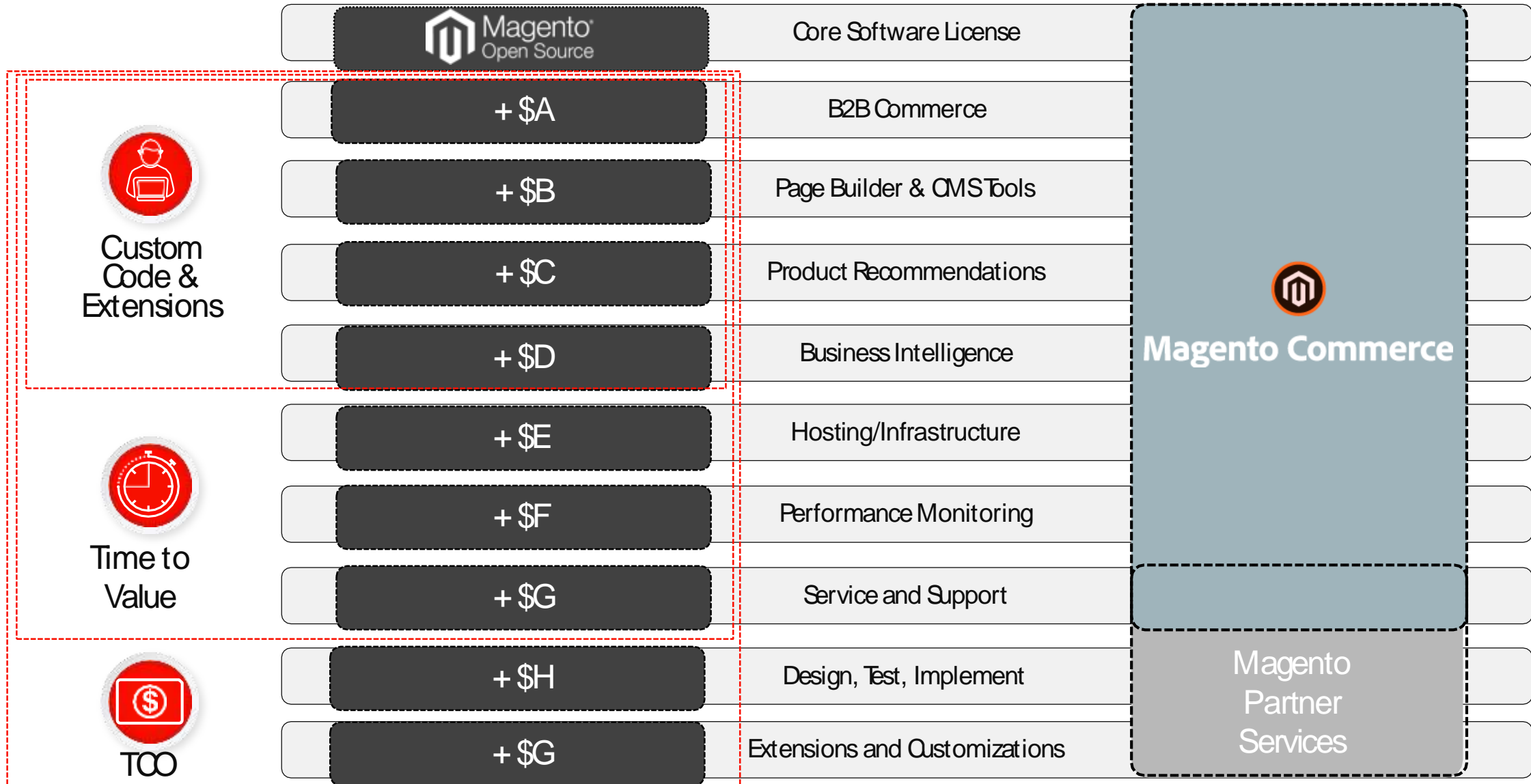
Magento Commerce Accelerates Growth

Capabilities	 Magento Open Source	 Magento Commerce	Support	 Magento Open Source	 Magento Commerce
Product Recommendations		✓	Technical Support		✓
Page Builder		✓	Account Manager		✓
Content Staging & Preview		✓	Cloud Onboarding		✓
B2B Commerce		✓	Magento Services		✓ (Paid)
Business Intelligence		✓	Cloud Platform		
Loyalty		✓			
Visual Merchandising		✓			
Customer Segmentation		✓			
Mobile Optimized	✓	✓			
Global Selling	✓	✓	Infrastructure		✓
Instant Purchase	✓	✓	Availability SLA		✓
PWA Studio	✓	✓	Content Delivery Network		✓
Inventory Management	✓	✓	Image Optimization		✓
			Security Tools (Ex: WAF, DDoS)		✓
			Performance Monitoring		✓
			Frequent Updates		✓

The Value Magento Commerce Adds on top of Open Source

Superior Shopping Experiences	Growth Driving Capabilities	Superior Shopping Experiences	Superior Shopping Experiences
Customer Engineering tech support	Product Recommendations powered by Adobe Sensei	Magento-optimized cloud infrastructure	PCI compliant cloud infrastructure
Customer Success Manager	PageBuilder drag-and-drop content management	AWS or Azure-based hosting	DDoS protection
Cloud onboarding specialists	Content Staging, Preview & Scheduling	Added database scalability and split architecture	Web Application Firewall
Protection against 3rd party claims for patent or copyright infringement on Magento's core code (indemnification)	Native B2B & B2E commerce capabilities	Fastly Content Delivery Network	Auto-Application of security patches via ECE-Tools
	Drag & Drop Visual Merchandising	New Relic performance monitoring tools	
	Automated Upsell/Cross-sell, Advanced Segmentation		
	Magento Business Intelligence		

Comparing Total Cost of Ownership



Open Source Customers that have migrated to Magento Commerce

Cabinets.com

How Cabinets.com Creates Dream Kitchens with Magento Commerce

With Magento, Cabinets.com feel they're still out in front in a competitive marketplace, offering customers what they can't get elsewhere.



\$1M Sales on Cyber Monday
363K SKUs + Custom Options
-8s Avg. Time on Checkout

DEVLYN

System Reseller Devlyn Achieved their Omnichannel Vision

Learn how Devlyn used Magento to sell glasses online through multiple channels and increased their mobile conversion by over 271%.



+163% Conversions (YoY)
+271% Mobile Conversions
+25% Session Duration

DC Thomson

DC Thomson Launches on Magento Commerce 2

When DC Thomson, one of the oldest media creators in the UK, upgraded to Magento, they reduced 84 extensions to just 18, introduced personalization, and increased their Average Order Value by 23%.



+30% Online Sales (YoY)
+23% Average Order Value (YoY)
+13% Average Page Views (YoY)

sugarfina

The Sweet Success of Sugarfina's Rapid Online Growth

Discover how Magento created an irresistible Valentine's Day shopping experience for LA's favorite candy boutique, Sugarfina.



3 Global Websites Run on 1 Platform
\$25M Revenue
+15% Black Friday Sales (YoY)

Click Links Below for more details

[Cabinets.com](https://cabinets.com)

[Devlyn](https://devlyn.com)

[DC Thomson](https://dcthompson.com)

[Sugarfina](https://sugarfina.com)

More Customer Stories at
magento.com/customers

Industry West

Furniture Retailer



Challenges:

- Needed capabilities to enable tradespeople to manage projects
- Managing custom catalogs and pricing for preferred partners
- Building advanced customer journeys



Solution:

- Upgraded from Open Source to Commerce
- B2C and B2B online sales channels with personalized B2B as part of their growth strategy
- Built a platform where customers can select a color palette and add project timelines, then add pieces to their project and seamlessly fill up their cart.
- Set up accounts for preferred partners, who receive custom discounts and can invite colleagues to the furniture site



Results

+40%

Increase in web revenue

+30%

Customer phone calls

+35%

Increase in AOV (YoY)

Resources



Comparing Magento Commerce and Open Source



Detailed account of Commerce-exclusive functionality



Magento Commerce 2.3.5 Open Source Upgrade



Info Sheet on the value of Magento Commerce



eBook_Open Source Myths_021919



eBook on the real cost of Open Source



Magento Americas Lunch & Learn June4 - Magento 2

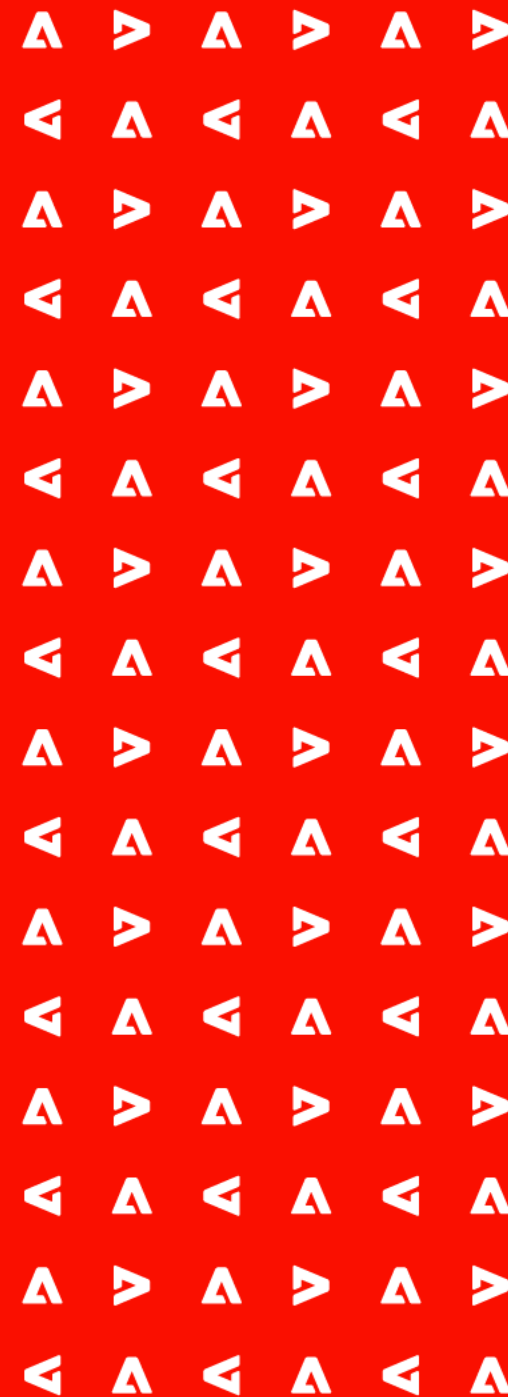


Capabilities slides for Commerce-exclusive functionality

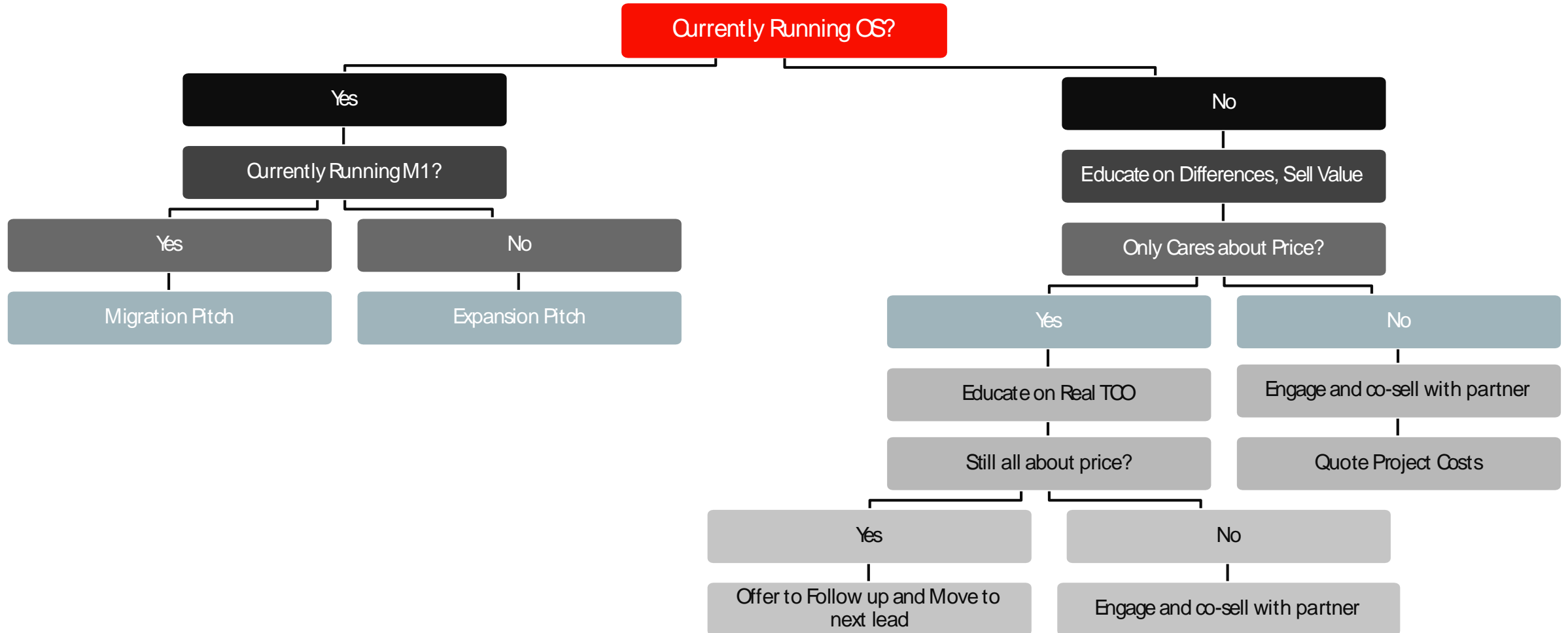
<https://fieldreadiness-adobe.highspot.com/spots/5dc1b462b7b73979a3ef154f?list=5de56ad6c7143351030254ba>



Sales Guidance (REMOVE PRIOR TO
PRESENTING TO CUSTOMER)



Sales Guidance



Discovery Questions

What to ask:

Are you currently using OS and if so what version?

Are you currently working with a partner, or do you handle all development and implementation in-house?

Why?

If M1: Talk about migration to M2. Security, PCI Compliance, modern technologies

If M2: Focus on business growth and long-term goals

If not on OS: Steer conversation towards goals, strategic vision, and what they are trying to accomplish in their business. Get to agreement on the importance of realizing their vision before discussing costs.

The agency's recommendation will influence the merchant's decision and Open Source merchants working with non-certified developers who prefer OS will be a challenging opportunity.

Discovery Questions

What to ask:

How does your business operate?

What goals do you have for your business over the next 3-5 years?

Why?

Open ended question that helps identify if their business aligns with any of the strengths of Commerce. Look for:

- What channels do they sell through?
- In what countries/regions do they operate?
- What type of buyers do they serve (B2C/B2B/Hybrid)?
- Is their traffic peaky from frequent product launches, promotions, or flash sales?

Magento Commerce is not a short-term solution. You're looking for strategic, long-term plans where Commerce can help. Look for:

- Are they prioritizing growth?
- Do they want to expand into new markets?
- Are they developing new product lines/categories?
- Are they trying to sell through new channels (marketplaces, manufacturers going DTC, retailers getting into wholesale)

Discovery Questions

What to ask:

What roadblocks do you need to clear to reach these goals? Are you experiencing any bottlenecks in operating your business?

Why?

Why are they looking for a new solution? What are they concerned about?

- Not enough support for high or peaky traffic
- Too much time spent operating business (content creation, merchandising)
- No visibility into the health of my business (data siloed, inconsistent, disconnected)
- No support for B2B capabilities
- Maintenance of custom capabilities and extensions getting expensive
- Security & risk of unsupported software

Objection Handling

You may hear:

Why should I pay for Magento Commerce?

My partner says I can accomplish everything on Open Sources

In internal dev team is experienced enough to implement

I don't need advanced features

Response:

- Tradeoffs when opting for open source
 - No tech support from Adobe for technical issues, no dedicated Customers Success Manager or onboarding specialist
 - Self-hosting – must allocate and manage hosting infrastructure
 - Lacks advanced commerce features
 - Limited database scalability
- Will you feel the same way in a year? Magento isn't a one-year decision. It will scale and grow with your business for 5+ years.

Objection

You may hear:

Magento Commerce Cloud is not a true SaaS/cloud service. It is a legacy on-premise software that is run in a cloud environment

Upgrades with Magento are costly and painful And are made worse by poor quality and poorly supported extensions.

With SFDC you will always be on the latest version
SFDC is constantly innovating, with up to 8 updates per year

Response:

- Magento fully supports cloud deployment (and all of the business benefits of the cloud) while still allowing customers to retain control over their customer experience and site performance
- Adobe Commerce Cloud offers a managed, hosted platform with optimized, pre-provisioned infrastructure. We fully support CI/CD initiatives and leverage AWS for a scalable and secure environment for online sales and retailing
- Magento's modular approach allows merchants to quickly add feature functionality without having to wait for changes to a multi-tenant system
- Unlike SFDC that forces upgrades on you, Magento merchants can choose the timing of their upgrades, to ensure all components work properly
- Magento Marketplace extensions have gone through a rigorous quality program to ensure compatibility and security standards



Magento Open Source vs. Magento Commerce

Area of Sacrifice	MAGENTO OPEN SOURCE: How it differs from native Magento	Why is that important?
Support	NO direct tech support, Customer Success Manager, or cloud onboarding specialist	<ul style="list-style-type: none"> For questions or issues, merchants (or their partner) only have access to Magento community forums for answers and solutions No Magento assistance with navigating Magento resources, product roadmaps, new developments
	NO protection against 3rd party claims for patent or copyright infringement on Magento's core code (indemnification)	<ul style="list-style-type: none"> As a Magento Commerce customer, Magento provides protection for the merchant against 3rd party claims of patent or copyright infringement related to the use of the core Magento software Magento Open Source merchants are on their own for defending themselves against such claims
Capabilities	MISSING many out-of-the-box capabilities overall	<ul style="list-style-type: none"> Bridging the feature gaps requires customization and/or use of extensions, which increase implementation and maintenance costs while lengthening time-to-market. Site performance might suffer as well compared to Magento Commerce Cloud
	NO Page Builder	<ul style="list-style-type: none"> Merchants are reliant on IT / HTML coding resources to change/edit and maintain site content, which: Makes it difficult to react quickly to changing market or business conditions Creates bottlenecks for marketing and operations (Over)taxes your often-limited IT resources
	NO Content Staging, Preview & Scheduling	<ul style="list-style-type: none"> Dependent on IT manual site pushes and QA with no advance scheduling (often at early morning hours) Slows approval process because stakeholders are unable to easily view, edit, and approve proposed changes before push into production
	NO native B2B capabilities	<ul style="list-style-type: none"> Increases effort and resources needed to run Flash Sales or manage sites with constantly changing offerings Enabling any B2B feature requires customization and/or use of extensions, which increase implementation and maintenance costs while lengthening time-to-market. Site performance might suffer as well compared to Magento Commerce 2

Magento Open Source vs. Magento Commerce

Area of Sacrifice

MAGENTO OPEN SOURCE

How it differs from
native Magento

Why is that important?

Capabilities (cont.)

NO Drag & Drop
Visual Merchandising

Open Source merchandising is much less intuitive, reducing a merchant's ability to optimize while increasing the chance for errors
Requires IT/developer to make merchandising changes instead of empowering your marketing/merchandising teams

NO Automated Upsell/Cross-
sell, Advanced Segmentation

Open Source requires merchants to customize their site or use extensions to obtain proven methods for driving increased conversion

NO Magento Business
Intelligence

Business intelligence capability requires adding 3rd party integrations and services at an extra cost
Google Analytics is only a traffic analytics tool and NOT a substitute for a true business intelligence tool such as Magento BI

Future roadmap features

**Open Source may not
receive** future
features included
with Magento
Commerce

Future features in Magento Commerce may not be included in Magento Open Source, limiting what merchants can do

Core code and cloud
infrastructure

NO certified Magento-
optimized
cloud
infrastructure

Open Source merchants must source, integrate, and manage several vendor offerings to match the capabilities offered in Magento Commerce Cloud (infrastructure, CDN, fraud protection, etc)
If problems arise, merchants may need to troubleshoot across multiple failure points, each with separate support relationships

LIMITED database scalability

As product catalogs grow and/or become more complex, Open Source's limited database scalability may start to impact site performance thereby hindering a merchant's ability to quickly grow

NO PCI compliant
infrastructure

Open Source users must separately certify their infrastructure is PCI compliant
Magento Commerce Cloud includes PCI compliant infrastructure



Commerce Capabilities



Page Builder

Quickly launch richer, more compelling shopping experiences

MAGENTO COMMERCE
EXCLUSIVE



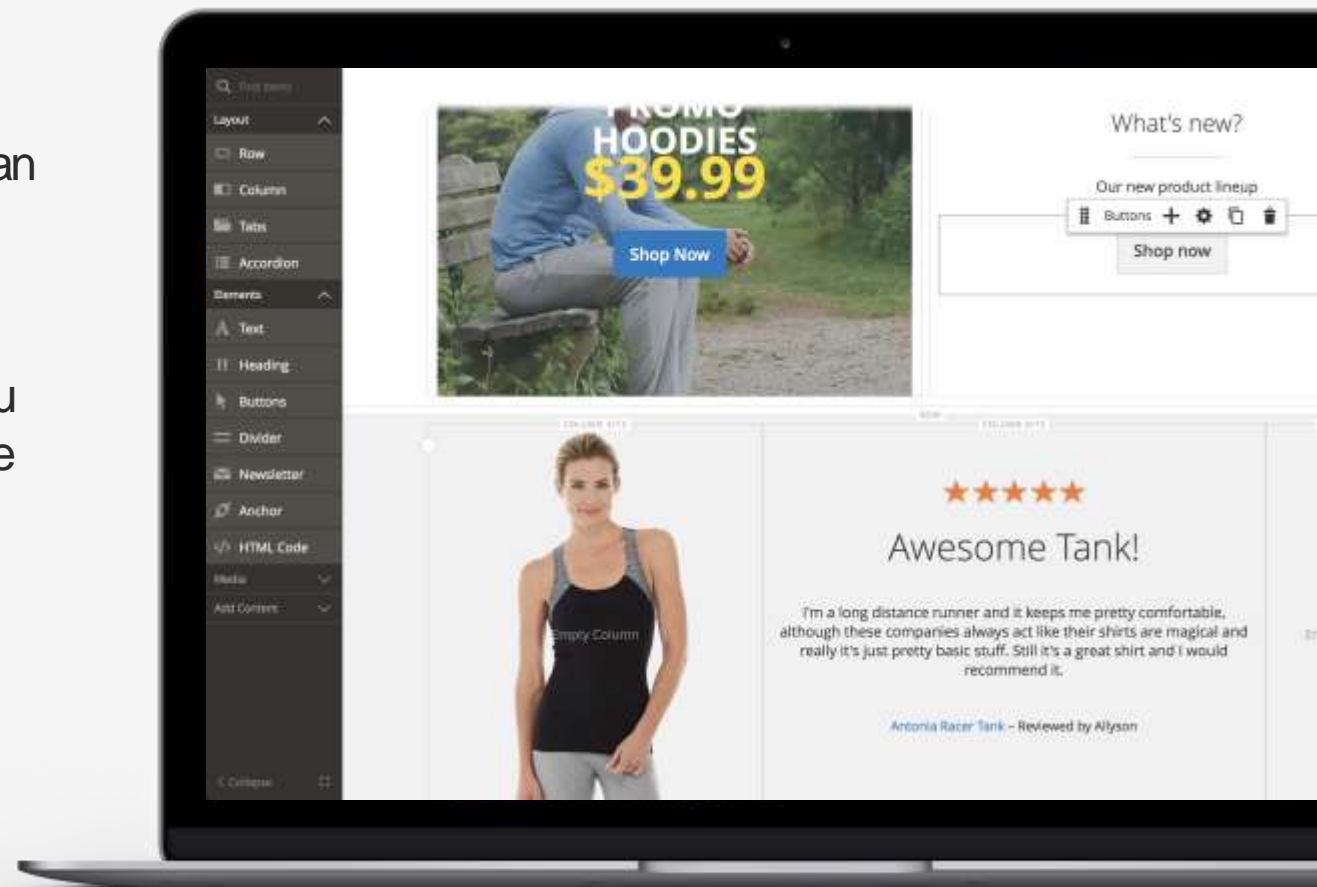
Create engaging websites with rich content that can easily be edited to keep the experience fresh and interesting for shoppers



Take control over your brand and tell the story you want with customizable page layouts and intuitive drag-and-drop content management



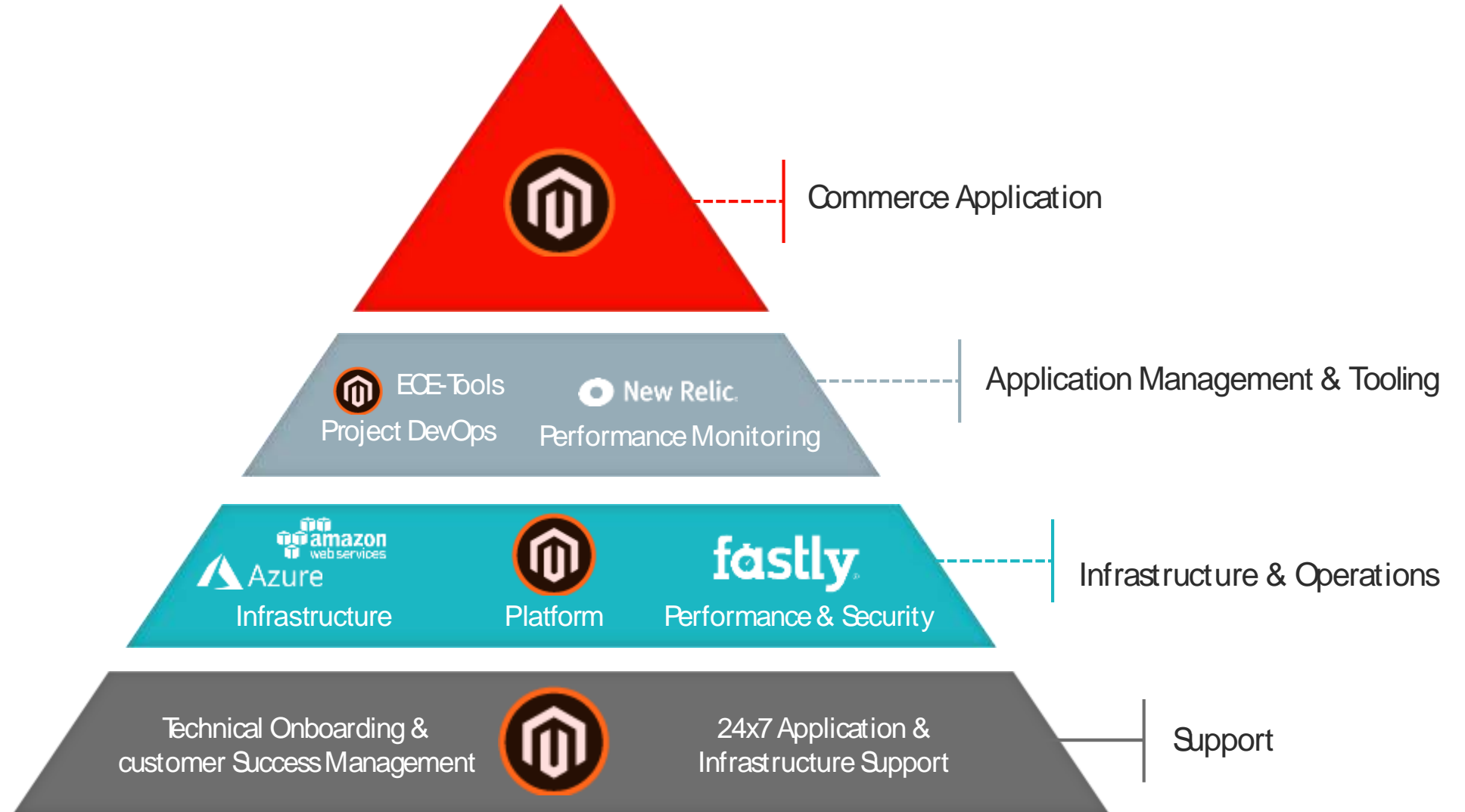
Save time and resources with easier day-to-day operation and by removing dependencies on designers and developers



10x Create new pages and edit content
ten times faster than before

Magento Commerce

Best of breed and pre-integrated services



Content Staging & Preview

MAGENTO COMMERCE
EXCLUSIVE



Easily create, preview and schedule any site/content update



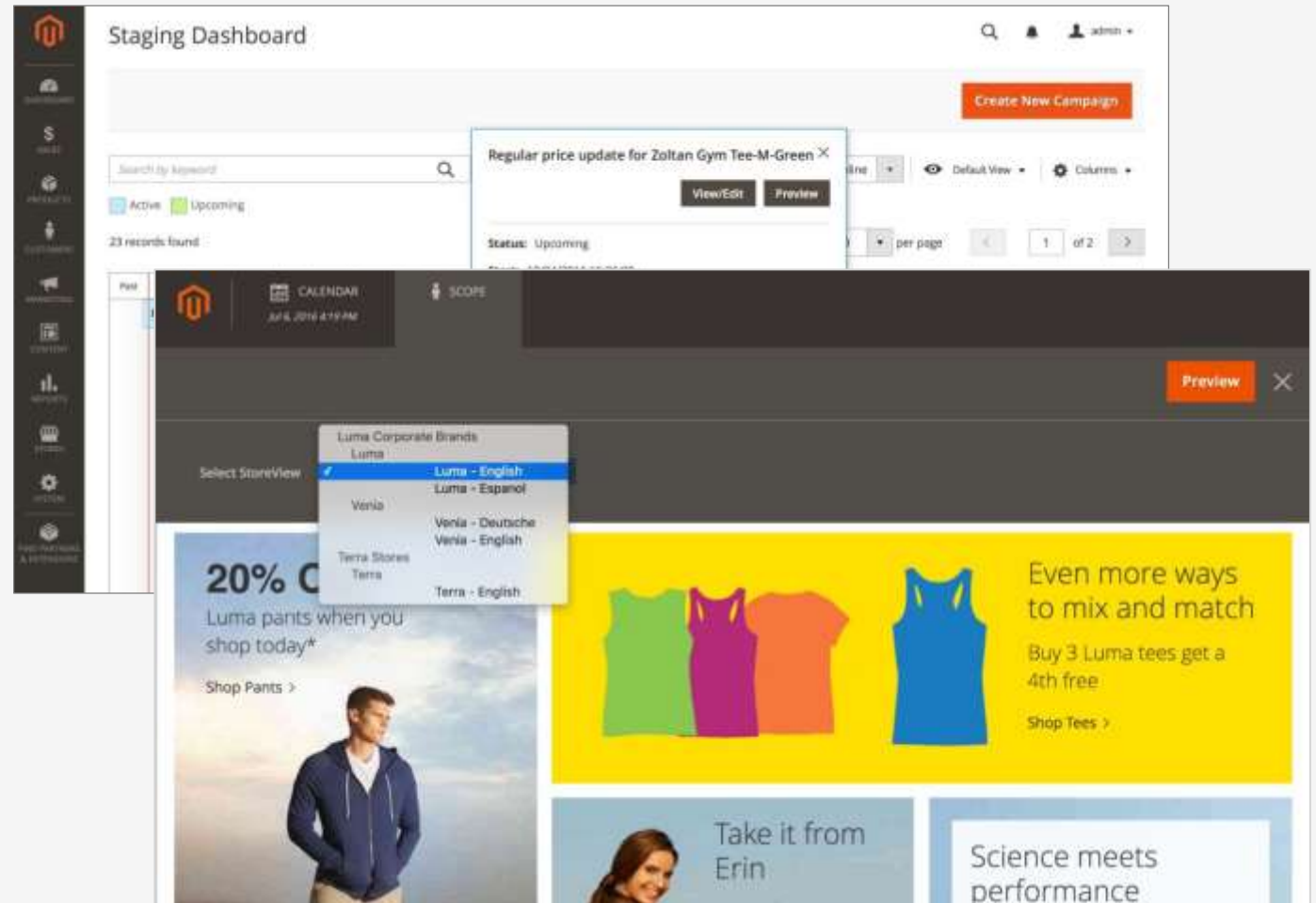
Manage changes through a timeline dashboard



Preview and verify all changes by date and store view



Share links to preview pages for easy approvals



Research Shows Product Recommendations are Impactful

They can either...

Drive Growth



40%

consumers spent more than planned



Online shoppers who engaged with a recommendation have a 70% higher conversion rate

Frustrate Customers



38%

Of consumers would stop shopping due to poor recommendations



74%

Of consumers feel frustrated when website content is not personalized

<https://www.emarketer.com/content/the-impact-of-product-recommendations>

<https://econsultancy.com/reports/harnessing-the-power-of-personalisation/>

Deliver Product Recommendations to Every Shopper

MAGENTO COMMERCE
EXCLUSIVE

An A.I. driven feature embedded into Magento Commerce that helps our merchants deliver more relevant product recommendations to every shopper

DRIVE GROWTH



Create
Engagement



Influence
Conversion



Increase
Revenue

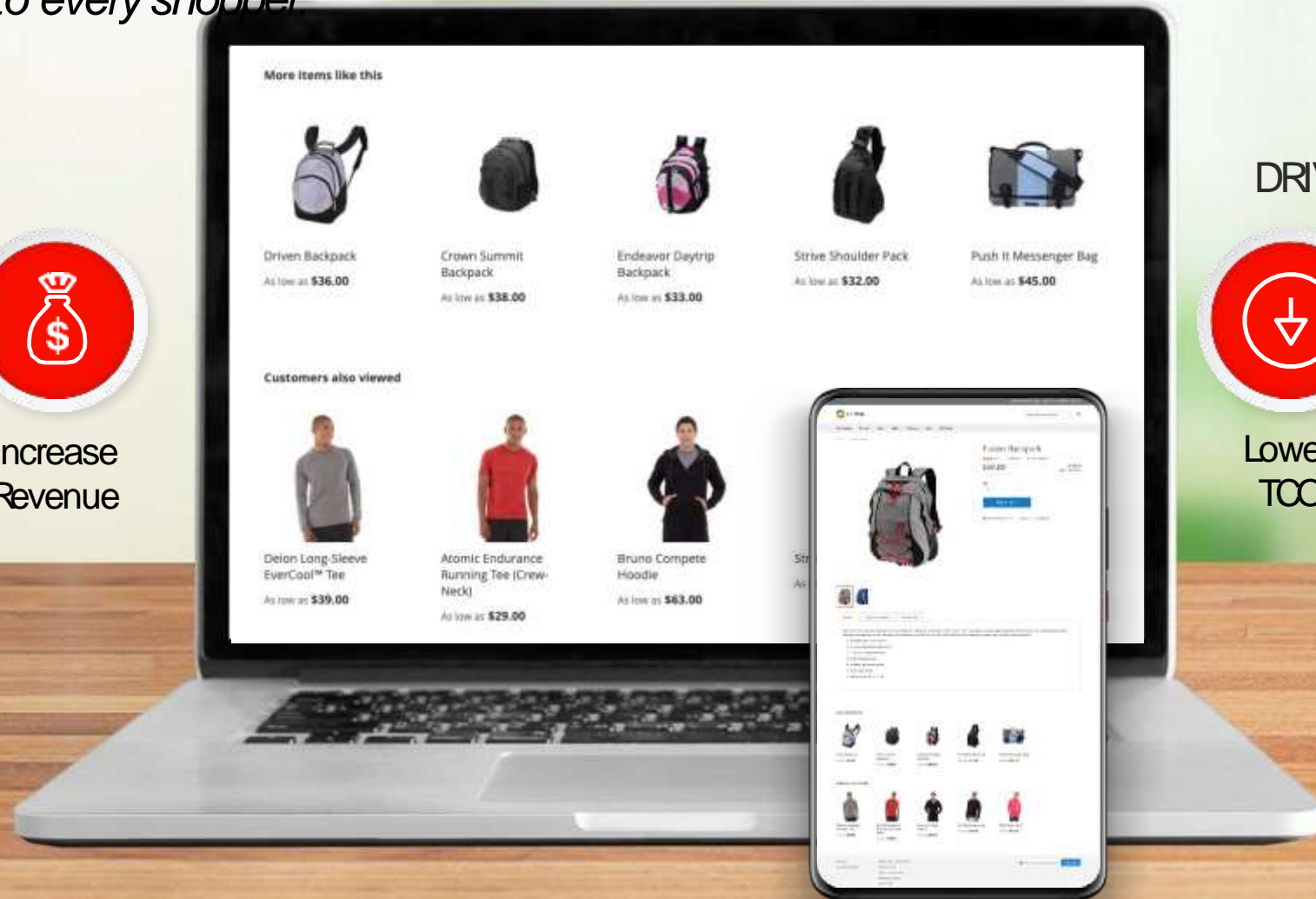
DRIVE EFFICIENCY



Lower
TCO



Save
Time



Key Differentiators and Benefits

MAGENTO COMMERCE
EXCLUSIVE

Auto-Deployed Page Tagging & Event Collection

Storefront pages are instantly tagged, and product catalog syncs automatically – no coding required.

Embedded Merchant Experience

UI allows merchants to easily create, manage and deploy product recommendations directly from admin

*Powered by
Adobe Sensei
Battle tested A.I.*

Streamlined Workflow

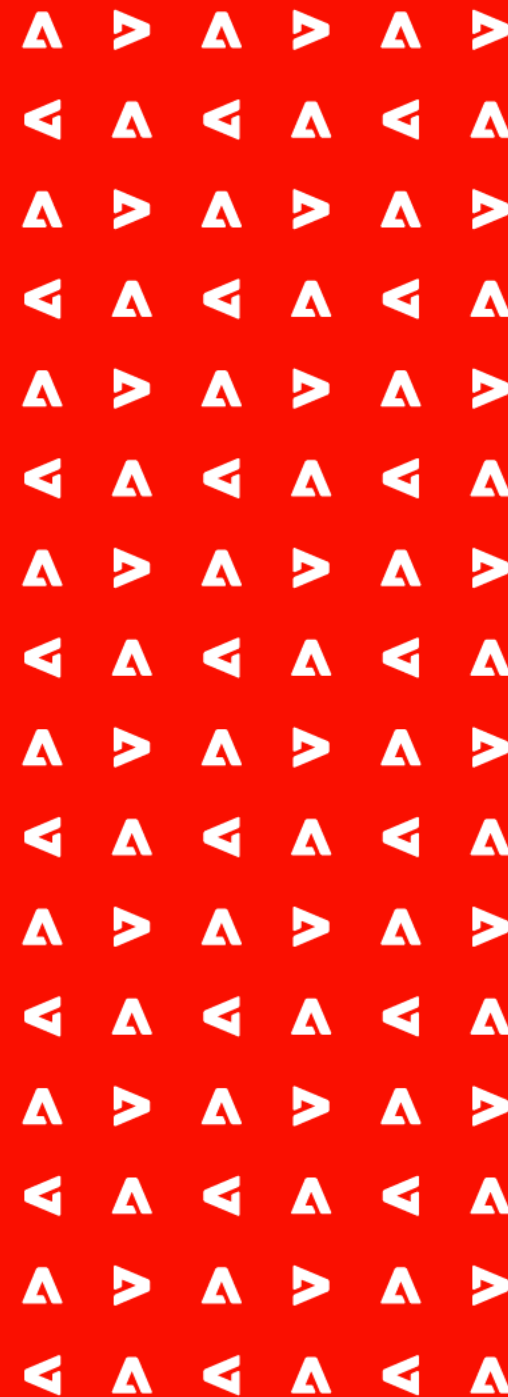
Simplifies creating product recommendations into clear, well-defined steps that are user-friendly

Dedicated Reporting

Transparent metrics dedicated to product recommendations have clear definitions and help monitor performance



Magento Commerce B2B features



Serve business customers with native B2B functionality

Personalized experiences

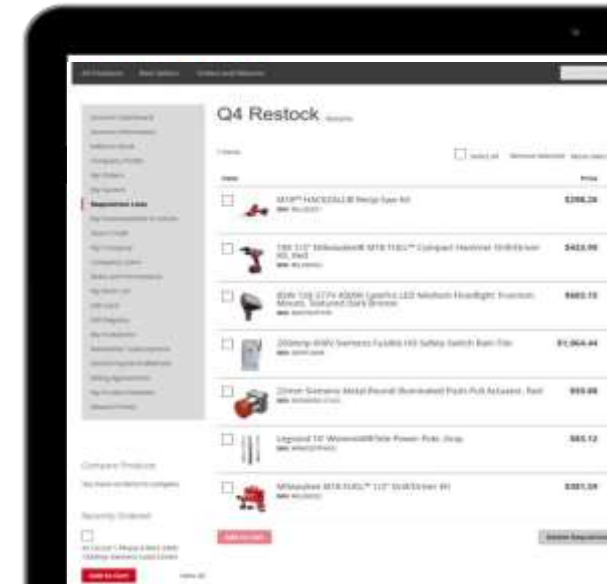
- Company-specific catalogs
- Customized price lists
- Targeted content and promos

B2B self-service tools

- Company accounts
- Buyer roles and permissions
- Workflow approvals
- Company credit
- Order and quote tracking
- Account history

Streamlined purchasing

- Order by SKU/CSV uploads
- Requisition lists
- Fast reordering
- Assisted selling
- Request for quote workflow
- Large order support



Personalize buying with customer-specific catalogs and price lists



Custom products and categories



Fixed, dynamic, and tiered pricing



Catalog controls site experience



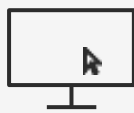
Purchasing



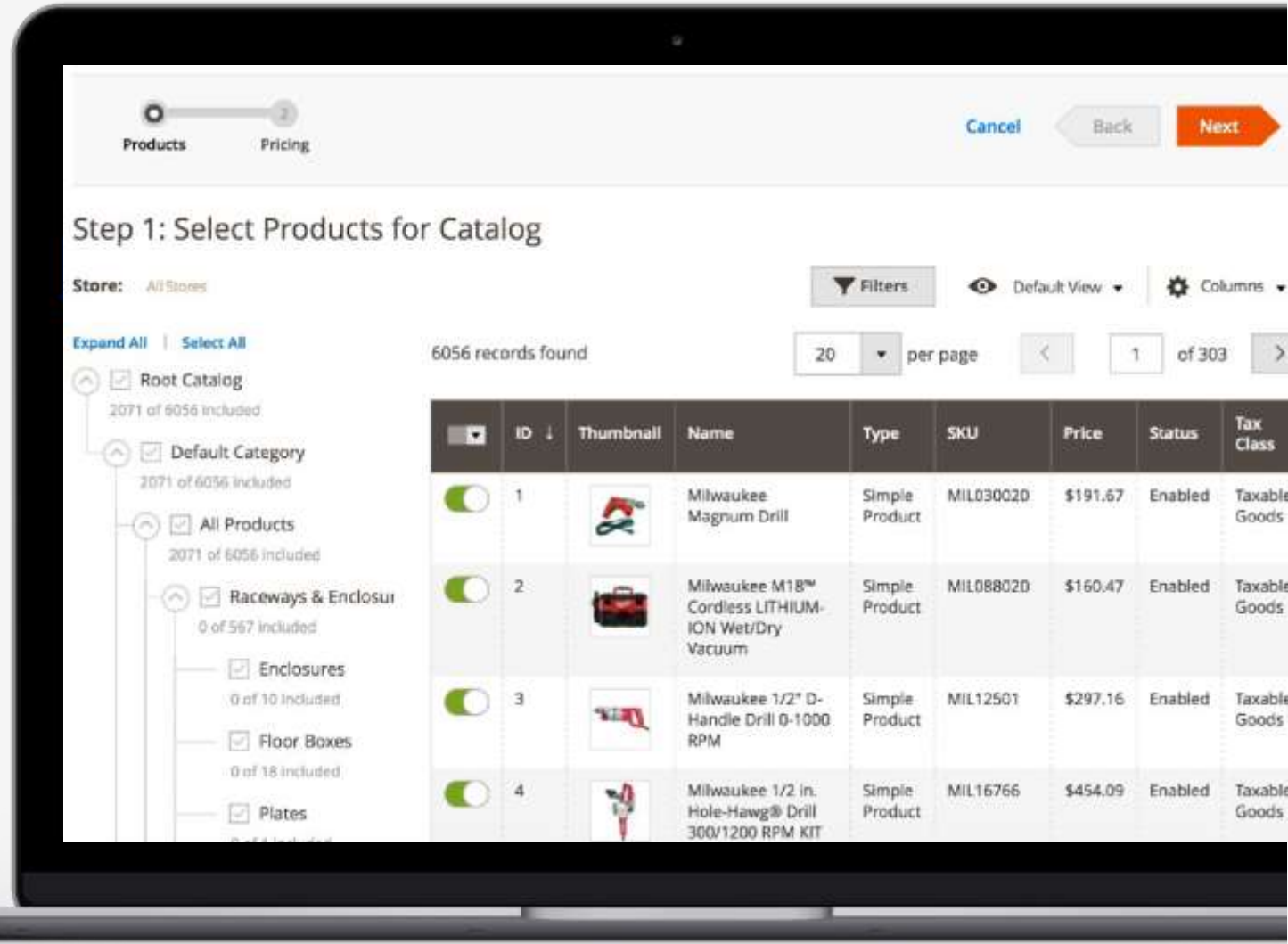
Search results



Site navigation



Browsing



Empower customers with self-service account management tools



Company accounts



Buyer roles and permissions



Payments on account



Order and quote tracking



Full account history – across all buyers



BRENTMILL

All Products | Best Sellers | Orders and Returns | Search for items you want...

My Account

- My Quotes
- My Orders
- My Requisition Lists
- Address Book
- Account Information
- Stored Payment Methods
- Billing Agreements
- Company Profile
- Company Credit
- Company Structure
- Company Users
- Roles and Permissions
- Gift Registry
- My Product Reviews
- Newsletter Subscriptions

My Account

Account Information

Contact Information

Art Vandelay
avandelay@thelumastory.com
Edit | Change Password

Newsletters

You aren't subscribed to our newsletter.
Edit

Address Book | Manage Addresses

Default Billing Address

You have not set a default billing address.
Edit Address

Default Shipping Address

You have not set a default shipping address.
Edit Address

Recent Orders | View All

Order #	Date	Ship To	Order Total	Status	Action
000000042	9/11/19	Art Vandelay	\$1,502.37	Pending	View Order Reorder
000000041	9/11/19	Art Vandelay	\$7,579.40	Complete	View Order Reorder
000000030	9/3/19	Art Vandelay	\$2,482.04	Processing	View Order Reorder
000000014	8/25/19	Art Vandelay	\$152.95	Complete	View Order Reorder
000000007	8/20/19	Art Vandelay	\$3,428.52	Complete	View Order Reorder

Compare Products

You have no items to compare.

Streamline purchasing with multiple quick ordering options


Quick Order

Enter SKU or Product Name *

Qty *

W-L256120

1

 LED MR16 1/2 in Flood Light
\$123.99

Enter Multiple SKUs

Use comma as a separator to separate SKUs

Add to List

Add from File

File must be in .csv format & include "SKU" and "QTY" columns [Download Sample](#)

Choose File

Quick Order Form & CSV Upload

Q4 Restock

7 Items


Item

Price

Qty

Units


☐

 MILITARY HACKSAW B Body Saw Kit
\$1,491.00

1

\$1,491.00


☐

 10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver
\$423.99

5

\$2,119.95

☐

 85W 120-277V A8004 LytePro LED Medium Floodlight
\$663.15

15

\$9,947.25

Requisition Lists

Add to Order by SKU

SKU Number

Qty

Add to Order

100-100000

1

Add to Order

Estimated Price

Item added to order successfully. Item will be added to your cart.

Cancel

Go to Cart

Items Ordered

Add Products

Product	Price	Qty	Subtotal	Unit Price	Item	Action
10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver	\$423.99	5	\$2,119.95	\$423.99	10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver	<div>Remove</div>
85W 120-277V A8004 LytePro LED Medium Floodlight	\$663.15	15	\$9,947.25	\$663.15	85W 120-277V A8004 LytePro LED Medium Floodlight	<div>Remove</div>

Assisted Selling

Shopping Cart

 LED MR16 1/2 in Flood Light
\$123.99

 MILITARY HACKSAW B Body Saw Kit
\$1,491.00

 10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver
\$423.99

 85W 120-277V A8004 LytePro LED Medium Floodlight
\$663.15

Request a Quote

Add your comments *

Request a quote for the following items:
LED MR16 1/2 in Flood Light
MILITARY HACKSAW B Body Saw Kit
10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver
85W 120-277V A8004 LytePro LED Medium Floodlight

Quote number *

AT202106

Send Request

Shopping Cart

Item

Price

Qty

Subtotal

Unit Price

Item

Action

 LED MR16 1/2 in Flood Light
\$123.99

1

\$123.99

\$123.99

LED MR16 1/2 in Flood Light

Remove

 MILITARY HACKSAW B Body Saw Kit
\$1,491.00

1

\$1,491.00

\$1,491.00

MILITARY HACKSAW B Body Saw Kit

Remove

 10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver
\$423.99

5

\$2,119.95

\$423.99

10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver

Remove

 85W 120-277V A8004 LytePro LED Medium Floodlight
\$663.15

15

\$9,947.25

\$663.15

85W 120-277V A8004 LytePro LED Medium Floodlight

Remove

Request a Quote

Quote number *

AT202106

Send Request

Shopping Cart

Item

Price

Qty

Subtotal

Unit Price

Item

Action

 LED MR16 1/2 in Flood Light
\$123.99

1

\$123.99

\$123.99

LED MR16 1/2 in Flood Light

Remove

 MILITARY HACKSAW B Body Saw Kit
\$1,491.00

1

\$1,491.00

\$1,491.00

MILITARY HACKSAW B Body Saw Kit

Remove

 10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver
\$423.99

5

\$2,119.95

\$423.99

10V 1/2 in Milwaukee M18 FUEL Compact Hammer Drill/Driver

Remove

 85W 120-277V A8004 LytePro LED Medium Floodlight
\$663.15

15

\$9,947.25

\$663.15

85W 120-277V A8004 LytePro LED Medium Floodlight

Remove

Quote Workflow

Adobe

42

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Streamline purchasing authorization with approval workflows

Coming in 2020



Flexible rules for when purchase approvals are required

- Cart total
- Number of line items
- Shipping costs



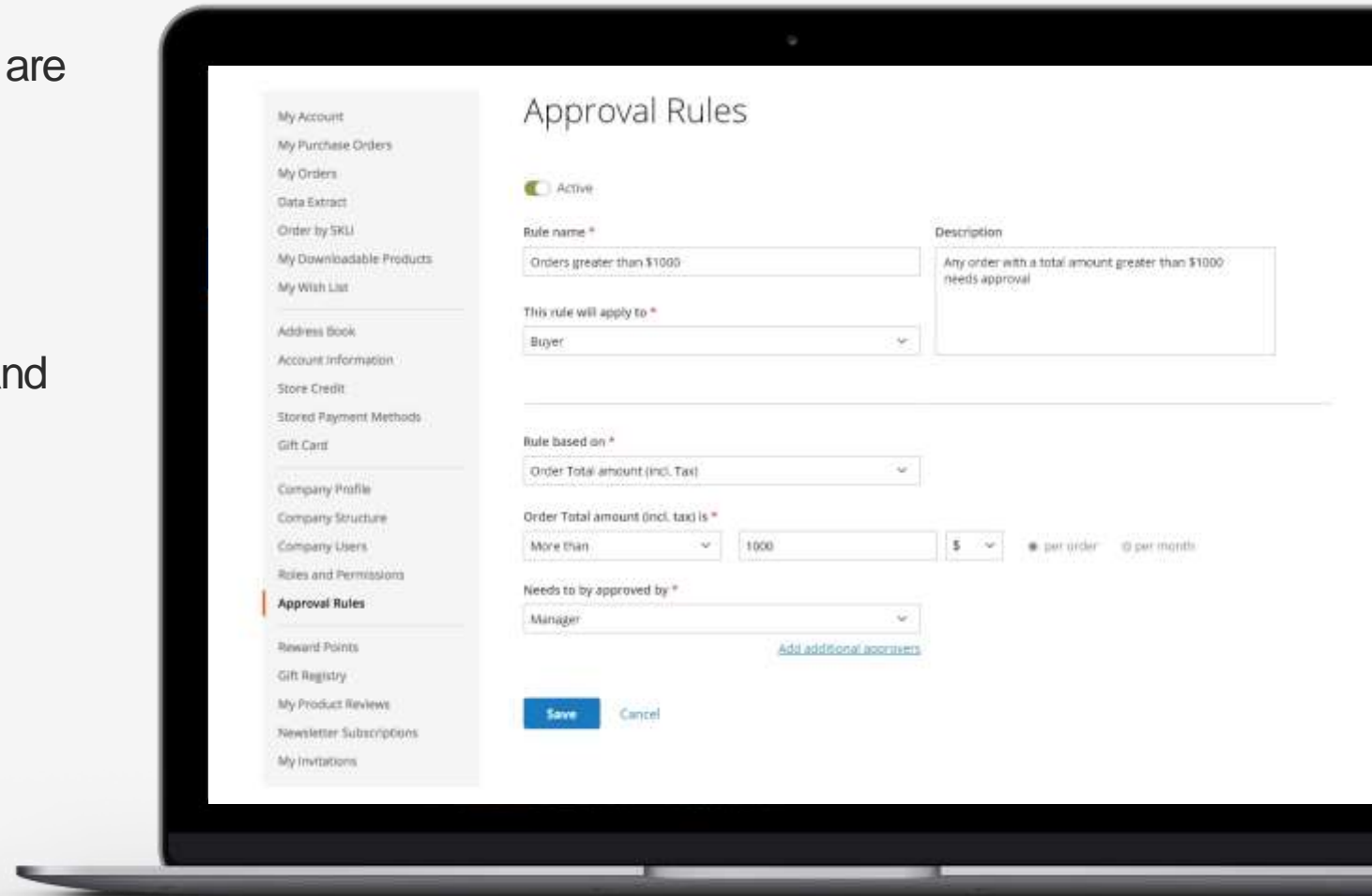
Automatic routing of orders to approvers and support for multiple approval tiers



APIs for business system integration



Full status tracking and approval history

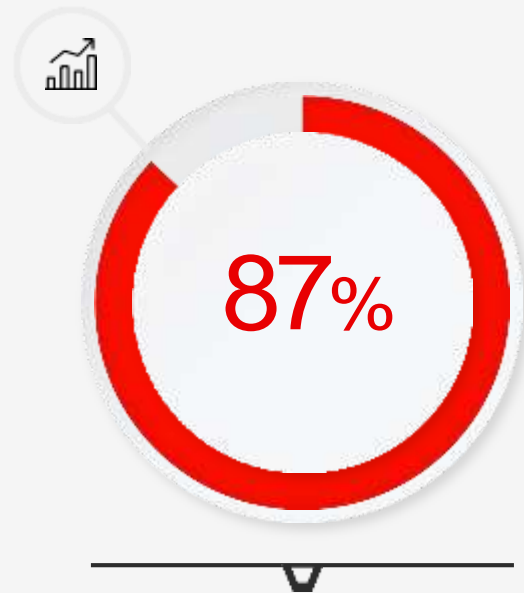




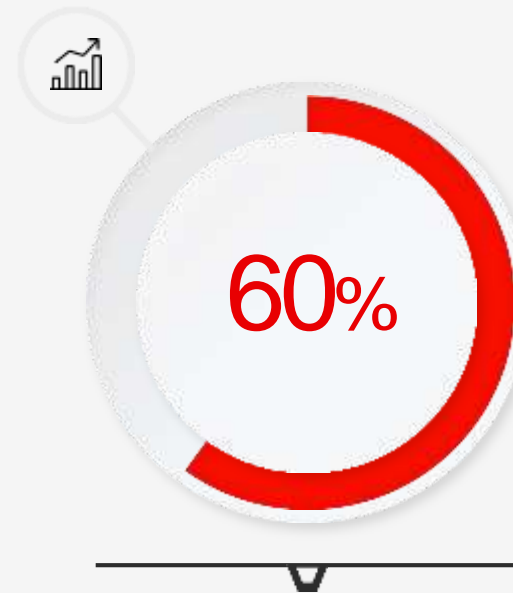
Magento Business Intelligence



Why data and reporting matters to our customers...



of marketers consider data their most underutilized asset and nearly



of them cited the ability to make faster decisions as the key benefit.

Using data to drive business growth is on every merchant's mind and more important than ever

Challenges with data break our merchant's hearts

“ My data is in so many places, it's such a daunting task to even think about starting to pull it together – forget analyzing it! ”

-CMO

Sloed Data

“ Different teams have different definitions of metrics or KPIs—we don't have a single-source-of-truth as a basis to begin to define what success means for our business. ”

-CEO

Inconsistencies across teams

“ I spend more time extracting, validating and crunching numbers, than I do actually analyzing the data and making decisions based off of it. ”

-ANALYST

Manual and time consuming

Business Intelligence

Transform data into insights that drive action, all with Magento Commerce.



Consolidate and store all vital data

- Prebuilt integrations and REST API
- Integrated data pipeline
- Hosted data warehouse



Analyze and transform data into insights

- Uncover correlations across data sets
- Create and define custom KPIs
- Schedule & send reports directly to inbox



Make everything compellingly visual

- Up to 100 best practice commerce reports included
- Build and save unlimited new dashboards
- Multiple toolsets to customize visualizations

