# shopify

# Shopify vs. WooCommerce

New research from a leading independent consulting firm found that **costs are 57% higher on WooCommerce** than on Shopify, on average. This, combined with the fact that Shopify's checkout converts 17% better than WooCommerce, paints a clear picture—it not only pays to be on Shopify, it costs you if you're not.

WooCommerce cost

Shopify cost

higher TCO

to Shopify

higher implementation

costs

higher

higher platform costs

% TCO

operating costs

41%

\*According to research commissioned by Shopify from a leading independent consulting firm to study TCO across major platforms in North America and understand Shopify's relative positioning based on objective research methods.

### Platform fees and ecommerce stack costs

Shopify respondents had the lowest platform costs on average, which could be explained by competitive platform fees and lower third-party-application needs. Platforms like WooCommerce tend to require more support to manage and maintain due to version upgrades and security patches required to keep the platform current and improve performance.

32% higher platform costs on WooCommerce compared to Shopify

Annual TCO averaged over five years

\*All information in this document is according to research commissioned by Shopify from a leading independent consulting firm to study TCO across major platforms in North America and understand Shopify's relative positioning based on objective research methods.

#### CASE STUDY CALLOUT

"WordPress... incurs significant additional costs in terms of development and project management, which would have eventually exceeded the price of the Shopify package."

 $\rightarrow$  Read the full case study

## Operational and support costs

Shopify respondents indicated the lowest operating costs due to its operational simplicity and reduced developer support needs. Open-source platforms like WooCommerce incur additional infrastructure costs, such as hosting, especially as they need scalable computing and security infrastructure to handle large amounts of web or store traffic and transactions.

41% higher operating costs on WooCommerce compared to Shopify

#### Implementation and setup costs

Shopify is less costly to implement than WooCommerce due to the simplicity of the platform and its developer-friendly back-end system. Given WooCommerce's limited native enterprise functionality, a significant amount of implementation costs may be incurred from customization and integration of third-party applications and plugins. Platforms like WooCommerce are also complex from an integration standpoint—for instance, requiring API gateways—and can drive up development costs for deploying key applications to meet business requirements.

49%

higher implementation costs on WooCommerce compared to Shopify 41%

faster to set up and launch a new storefront on Shopify than WooCommerce

## Conversion

In some TCO calculations, a difference in conversion rate can be applied as an "additional cost" because it's value that businesses would otherwise be capturing if they were on Shopify instead. Assuming a 10% margin on goods sold, Shopify's average 17% higher conversion rate<sup>\*</sup> than WooCommerce's translates to a roughly 1.7% TCO offset when expressed as a percent of TCO.

17% higher conversion rate on Shopify vs. WooCommerce

\*Checkout conversion data is from a 2023 checkout conversion study

CASE STUDY CALLOUT

"We thought Shopify would be easier to use than our previous ecommerce platform and we've been proven right: it's very intuitive.... It's so easy to use new features."

#### Robert Nadenicsek, CMO, Junglück

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#### CASE STUDY CALLOUT

"In just five days of development, our customized platform was ready."

Vincent Arrouet, CEO and Cofounder, Sunology

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# Shopify has the world's best-converting checkout.

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View the full report and request your custom TCO calculation.