AI-POWERED PERSONALIZATION IN E-COMMERCE

Driving Revenue & Retention For Retailers Across Segments

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What is R-Vue Connect?

R-Vue Connect is Vue.ai's exclusive educational digital summit for retailers across the globe! We at Vue.ai realised **retailers needed a platform to talk about how they were coping with the crisis** and the steps they are taking to to grow despite it.

Our first edition of R-Vue Connect turned out to be a roaring success— we had panelists from Depop, Milaner, Hyphen-Group, Zilingo, Sequoia Capital, speak to over 800+ retail professionals joining us from across the globe!

In the second edition of R-Vue Connect— as the global economy moves towards normalcy, we want t**o help retailers understand the post-pandemic retail narrative,** and everything they can do to survive and thrive in the post corona economy.

In the wake of the pandemic, retailers are beginning to understand **the impact AI-powered personalization has on businesses and how it enables retailers to create bespoke, online experiences at an individualized level**. With personalization, every user gets a site experience that is tailored to their preferences. This report will focus on the importance of personalization in today's e-commerce context and how it can drive revenues for every retail business.

Expert Panelists

Pratik Khandagale
Product Manager (MarTech and Analytics), TATACLiQ

Selvin Kumar
Growth Hacker, Namshi.com

Gitanjali Dinesh,
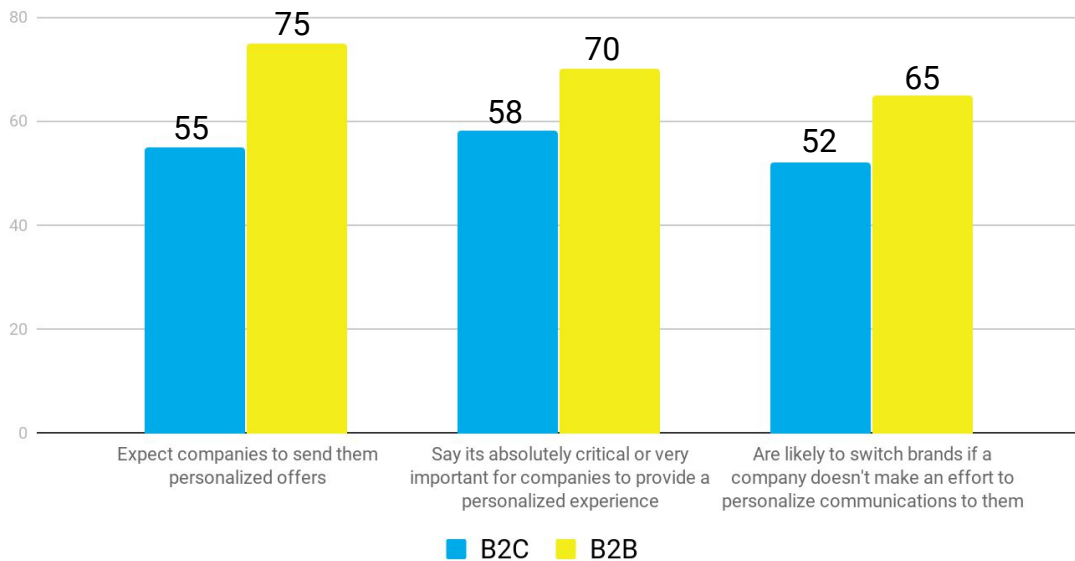Manager, Analytics, Vue.ai

Swarna Rethas
Head - Solutions Engineering, Vue.ai

AI-Powered Personalization In 2020

In 2006, retailers were introduced to personalization when Time magazine introduced *you* (the consumer) as *the person of the year.* In 2010, Amazon, in a revolutionary move, brought in product recommendations. In 2014, Infosys published a report stating a whopping 86% of consumers agreed personalization influenced their purchase decision. Over the years, personalization began making its way to the top of the priority list of leading retailers, and 2018 came to be touted as *the year of AI & personalization*.

At present, as retailers across segments climb on the digital bandwagon, **personalization, which was earlier a good-to-have, has become a firm must-have.** And 2020 is officially *the year of digital transformation.*

	Expect companies to send them personalized offers	Say its absolutely critical or very important for companies to provide a personalized experience	Are likely to switch brands if a company doesn't make an effort to personalize communications to them
B2C	55	58	52
B2B	75	70	65

Source: State of the Connected Consumer, published by Salesforce

> TATACLiQ is a leading luxury player in India and we are a brand-forward platform. We've noticed that our users have become very loyal to their preferred brands during the lockdown and brands specifically ask us about our personalization capabilities. As a consequence, personalization has becoming hugely relevant during the pandemic.

Pratik Khandagale
Product Manager (MarTech and Analytics), TATACLiQ

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Personalization At Every Touchpoint

Retail brands or marketplaces with thousands of products in their inventory face 2 common problems:

1 An increasing number of products views ~ customers are eyeing a lot of options but not buying them

2 Analytics reveal that 70% of consumers don't flip past 3 pages ~ endless pages as a result of large inventory become irrelevant

The greater the number of options, the more friction a shopper has when making a purchase. To address this issue, successful retailers are using AI-powered personalization to narrow down options for consumers.

Namshi.com, UAE's largest online shopping destination with a massive scale of operations— which has 1,50,000 products on the site. As the number of products added to the catalog increased, the percentage of products getting visibility decreased.

AI-powered personalization narrowed down thousands of options in each category to just a few hundreds for each consumer, based on their individual style preferences, intent and shopping history. Additionally, by introducing widgets like *Similar Products* and *Recently Viewed*, Namshi.com observed that nearly every shopper had at least one touchpoint on these widgets!

TATA CLiQ, uses AI-powered personalization at every touchpoint for new and returning shoppers - from the home page to post-checkout. Every recommendation is optimized on the page, and across the site for providing shoppers with the perfect omnichannel shopping experience. **AI-powered personalization tracks consumer behaviour, shopping history, etc, and delivered maximum value with product recommendations.**

> Tweaking recommendations using Vue.ai's AI-powered personalization has caused a spike in our conversion rates, and user experience has benefitted incredibly.

Pratik Khandagale
Product Manager (MarTech and Analytics), TATACLiQ

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Cross Selling & Customer Retention

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> **The job of an e-commerce company is to make shopping easy for the consumer,** in terms of any product innovation, process, and development.
>
> **Selvin Kumar**
> Growth hacker, Namshi.com

Cross-selling is the key to customer retention. When retailers or marketplaces sell the same products or brands to consumers, they risk losing the consumer to a competitor.

A clever use of AI-powered personalization to cross sell happens in two intervals. Initially, by obtaining data of the shopper's preferences when a purchase is made and then, by marrying the customer data with relevant product data to power recommendations at various touchpoints

For example, A-powered personalized emails can send shoppers recommendations based on their style profiles, individual preference and browsing history. If they just bought a pair of jeans, sending a selection of complementary products like shirts, shoes and hats that go with the pair of jeans would be a smart way to get the customer to return to the website.

Cross selling shows the shopper that the brand values them and their choices.

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A.I. Based Personalization

Shoppers are increasingly looking for personalization that is relevant to them as individuals. The typical "people who bought this, also bought" kind of recommendation does not cut it anymore!

True personalization needs to be 1:1. It needs to understand every individual shopper's style preferences, understand their intent, and use the two to offer highly relevant and individualized content, at scale.

At Vue.ai we understand that there is no "average" shopper. Therefore, Vue.ai helps create, optimize and deliver experiences to different segments of audiences across touchpoints along the shopper journey. As a result, no two buyer journeys are alike - Vue.ai enables consistent, unified personalized experiences at scale with every shopper's journey optimised for greater engagement and higher conversion.

Understand Individual Shopper Preferences - Vue.ai allows retailers to build individual experiences for each and every shoppers, based on an understanding of their unique preferences. Style profiles capture visual affinities (Eg-color, pattern, shape), and non-visual affinities (Eg- brands, categories, price) to build a comprehensive understanding of every individual shopper.

Understand Shopper Intent With Every Click - Vue.ai uses real-time and historical data, to deliver the right product, to the right shopper at the right time-even when a shopper is looking to make an unusual purchase, for a gift or a special occasion.

Match Content to Shopper Behaviour, Real-Time - Legacy personalization systems, based on segmentation offer a segment of shoppers a pre-decided buyer journey. Vue.ai provides a dynamic shopping experience that is adapting real-time, with every click, to offer the shopper exactly what they are looking for.

Watch out for our next R-Vue Connect Sessions on:

1. How A.I. can Boost Customer Loyalty Through Customer Experiences
2. Why Should Retailers Invest in AI?

Questions?
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