

R-VUE

LONDON 2019

Highlights & Insights





What is R-Vue?

R-Vue is Vue.ai's signature event that facilitates **intimate, meaningful conversations** about everything that's **changing** and **transforming in retail** with the very **people who are changing it**.

At Vue.ai, we learned that **the best way** to serve our **customers and stakeholders** better, was by **listening** to them, their stories, their struggles and their successes – and that's how R-Vue was born, **as a platform for healthy dialogue** between the entire retail ecosystem.

R-Vue is an **international event** – it was at **San Francisco** in November 2018, **Mumbai** in August 2019 and now, **London** in November 2019.

R-Vue London was our first edition in the UK & Europe.

The Changing Face Of Retail & Why AI is Crucial

Are You Ready For Retail in 2020?

In the last decade, **retail thrived**, retail *nearly died* and then **retail was resurrected** in the most unexpected ways. **2020** will be the year that **redefines the retail industry** as legacy brands double down on **e-commerce**, online-only **DTC brands open bricks-and-mortar stores** and **Gen-Z** and **Millennials** become even more **difficult to please**.

And that's where AI comes in.

AI & Automation in **retail** will be a **gamechanger** for the industry as the **new decade rolls in**, which is why our panel discussion was around **"The Changing Face of Retail and Why AI is Crucial."**

Our star-studded panel featured the likes of **Remo Gettini**, the CTO of **Depop**, **Susan Young**, Partner and Head of Trading and Operational Development at **John Lewis**, **Katie Baron**, the Head of Retail at **Stylus** and **Julia Dietmar**, the CPO of **Vue.ai**. The panel was **moderated** by **Brooke Roberts-Islam**, the Founder of **Techstyler**.

Read on to know all the key insights!

Our Panel At R-Vue London



Susan Young

Partner & Head of Trading
Operational Development
John Lewis & Partners



Remo Gettini

Chief Technology Officer
Depop



Julia Dietmar

Chief Product Officer
Vue.ai®



**Brooke
Roberts-Islam**

Founder
Techstyler



Katie Baron

Head of Retail
Stylus

Snapshots From R-Vue London



L-R: Brooke Roberts-Islam, Katie Baron, Remo Gettini, Julia Dietmar & Susan Young



Our panel in action!



A Full House at R-Vue London

R-Vue London: Highlights



“Data usage has to manifest into reaching the lifestyle of the customer”

“With automation, we’ve not removed jobs - we’ve actually freed up time”



“We want AI to be democratized and for every retailer to have access to it”

“The best use of AI is to join the dots and add context”



“AI is understanding the nuance of data, which is a very humane thing”

Key Insights

“Depop’s North Star is our community”



Remo Gettini
CTO - Depop

The Power Of Community

As far as Depop is concerned, the reason we exist, our north star or what we work towards is our **community**. When you look at **sellers and buyers** and their **vocabulary**, they don't talk about one click to shop or a great browsing experience, they talk about **elements more connected** with who we are as **human beings** - it's me, I see myself here, it's my **community** - so it's not a place that lets you sell used shoes, but it's about resonating with them and becoming a part of their **lifestyle**.

“The usage and the manipulation of data has to manifest in a creative way that touches the lifestyle of the individual.”

How Should Brands Connect With Gen-Z?

The **old way of defining a lifestyle** in the top-down fashion **does not work** with the new generation anymore. So when you go out and say this is my vision of what the new generation ought to be, like in the '60s, '70s and '80s - that doesn't work. Today it's the other way around. **You have to listen.** At Depop, we ask, **how can we help you be yourself** and manifest your style and uniqueness to everybody else, rather **than say**, hey, this is **what is cool**. We want to create **an environment and an experience** which **helps consumers explore their own identities** and find out what's cool instead of saying, this is the style that you can find in shirts and that's yesterday's style - because that's not how they think. They don't want to be told what it's about. It's also about having a **virtual meeting point** - A place where you come, you have a conversation, you **exchange ideas**, you exchange your **mind**, you **discover** things you didn't know you liked and have that kind of experience where you walk in feeling like one person and walk out feeling like another. And **that's what makes Depop different**.

Key Insights

“Finding the fun in the first 30 seconds of engagement is critical”

Why Does Depop Hire Anthropologists?

I used to work as a CTO in the **gaming industry** where we were all about **engaging our audience**. Today at Depop, we are experimenting and mashing things up by having **anthropologists with analytics**. I want to look at the **soul of the individual** through the numbers and the only way to do that is by having an anthropologist in the team. It's **fascinating** to see the **conversations** that go on in the room between the creative, the program manager, the data scientist and the anthropologist as they find **the meaning** of the data. **That's the next level.**



Remo Gettini
CTO - Depop

“If I don't find that the meaning of the human being within the data, I'm just crunching numbers.”

Why Is Digitization Crucial For Retailers?

To **really make a leap and transform** this industry and **make the most of data**, there has to be an **understanding and a conscious decision to digitize the supply chain**. Unless you do that, you will always be using **data** to inform a process which is manual and **offline**. So your ability to react fast is limited. And at the moment, you're only looking at data **inwards** - understanding what your client wants, making a better presentation, with the hope that they will buy it. But when it becomes **digital** the game turns on its head because you can **influence the product**. As a user, I can decide what type of wool, what colour and it goes all the way back to the source. **Currently it's a challenge** because the **fashion industry is still behind** when compared to other industries, where either the products are digital or the revolution has been significant. So many of the **mills are still mom-and-pop** and digitization is still years away for them. But that is also the reason why the **fashion industry should digitize** - to **leverage data efficiently**.

Key Insights

“50% of Our Business Is Online”



Susan Young
Partner & Head of Trading and
Operational Development,
John Lewis & Partners

Why Product Data Matters

Product Data is an area that **we've really gotten into** the last 2 years at **John Lewis** - it was born out of implementing an **ERP system**. We really needed to have our **product data** correct so we did a big **cleansing exercise**, a data dictionary etc. But what we didn't realize at that time was **how much product data would be worth from an SEO perspective**. When you're online it's absolutely crucial for customers to find exactly what they're looking for rather than going into dead-ends. Product data is **absolutely crucial** in the customer's **online journey**.

“We've automated processes and we've not taken people away, but we've actually given them the time back for more value-added services”

Here's Why John Lewis Is Looking At 3-D Sampling

We're looking at how our shoppers are going to be **shopping in the future** and trying to get ahead of the game. And one of the things we're doing there is **3-D or CGI sampling** with our suppliers. From a **sustainability angle**, you haven't got samples flying around from all parts of the world, so it's **better for the environment**. it helps us stay on top of trends much faster but more importantly, we think the market is going to a place where **soon everyone will have their own avatar** and you can **take the 3-D sample and put it on your own avatar** and actually see, does it fit, does it cling or **does it fit like it needs to**. And you can **shift your avatar** based on you know, how big a christmas you had or etc. You can see that it **saves time**, it's more **personalized** and you can **see how it fits** you and I don't think we're very far away from things like that and it's actually going to become a **reality**. So from **John Lewis** what we're doing is we're **looking at the technology** and the **advances** we need to do to be ready.

Key Insights

"If you don't innovate, you won't attract talent"

How John Lewis is Experimenting

We've started taking an **experimental approach** working with data. So in the **past** we have done **big surveys** of different vendors, of different ages, all the negotiation etc. **We are just fire now**, with experiments and **experiment mentality**. So rather than going bang on things, we are doing **small testing**. And that's **engaging** from the people in the organization, who trying to get involved. And it's us **learning our way around**, thinking about where we need to get to and that's been the **big change** that we've had in the last 18 months within the business.



Susan Young
Partner & Head of Trading and
Operational Development,
John Lewis & Partners

"It will be the best data, not algorithm, that makes a difference to a company in the future."

How John Lewis Is Engaging Customers With Gamification

It's about **having the conversation** with the customer. We're using technology at the moment where we're actually having conversations with customers **about the products** that we are developing **before we buy them**. This is done in a **gamification way** by actually sending images out to customers before we buy them and **asking them what they think about it** and what they think about the price & the product. **Our customers and our target audience talk to us** through comments on the products - Oh I like this, but I wouldn't have this with that and **we're really engaging with the customer**. They are appreciative of it and that they're helping us design the products in a way that they want. And it's helping us decide - **an example is our cashmere jumper range**. We bought it in a number of colours, a number of cuts, etc. But we actually need to place all our repeats because of the lead times before we actually get the first sales of garments. So once we got the style up **we sent these out to customers** digitally asking them to **rank them** right then & we've actually **placed all that repeat orders based on customer feedback** on the garments that are not even in the shops yet. **That's really powerful.**

Key Insights

“There Is No Such Thing As Brand Loyalty Anymore”



Julia Dietmar
CPO - Vue.ai

What Are Retailers Driving Towards?

Experience and this **connection towards customers**, especially Gen-Z and Millennials, is something we are hearing from all our customers - How do we create this experience? **How do we touch every customer individually?** How do we become and provide this really **hyper personalized and hyper-individualized experience?** So this is definitely something that all **retailers are talking about and driving to**. I'm really interested in how **community and technology** are going to play a part in shaping them.

“We want AI to be democratized and for every retailer to have access to it”

How Vue.ai Enables Retailers To Create Inclusive Experiences

We help retailers with **product visuals and creating content**. So what it means is that when we get an image of a garment, **we create an image** of our model wearing a garment, in some cases with different lighting, different poses and different skin tones on the model. We came across **several studies** that showed that if the **product** is shown on a **model** whose age, size and fit preferences match the customers', the **intent to purchase** goes up exponentially. So we've been doing that. What are doing is giving retailers **the ability to visualize sizes**. So, if you're a **retailer** and you're **size inclusive** and you're selling many different size ranges - **How does that dress look on different sized bodies?** That's something we are offering. In terms of **fully digital products**, one of the customers that we are working with, they are trying to get away from **creating samples** and producing samples and **photographing samples**. And they're trying to do **everything digitally**. So, **digitally rendered garment** putting on a **digitally rendered model** and bringing that to life. .

Key Insights

“AI can free up the workforce for meaningful tasks”

How AI Gives Choice To Consumers

We are **working with many brands and retailers**, specifically on that to **enrich and standardize** their data, but it's really more about enrichment than standardization. And we have **tools for merchants** where they can sort of **train the AI**, how to put **looks together, personas together, outfits together**. We also have **internal teams** that are watching trends, that are watching **runway shows** and understand seasonal flavour. And really being able to give **retailers nuance and consumers choices** is where we're going.



Julia Dietmar
CPO - Vue.ai

“People are willing to give their data in exchange for more personalized service”

How AI Serves Hyper-Personalization

As a retailer, **you will always want to be fresh** and you always want to show products in context. So being able to say, okay **here's this blouse** that you're looking at and if you are boho chic, this is how you will style to become **boho chic** and if you are **classic**, this is your classic persona with the same blouse right? Or it could even be an **occasion**, this is how you **wear it to work**, this is how you **wear it to a party**, this is how you style it for **a casual coffee date**. So, being able to do that for **every customer** is something **Artificial Intelligence enables**. And going back to **sustainability**, it shows you **how you can wear the same garment** over and over again for **multiple occasions**, for multiple **themes**, for multiple **styles**. So that's kind of your **different personas showing at different points of time**. So, for us, what we are doing, we are creating this **advanced merchandising tools**, to really kind of help **assist the site merchants** to create those experiences for customers. And we are basically **training our neural networks** to put those personas as you call them, together, based on a customer's **individual preferences** and the garments that they are looking at.

Key Insights

“AI is infinitely important in retail”



Katie Baron
Head of Retail - Stylus

How AI Can Serve Brick-And-Mortar

AI can be **absolutely superb** in terms of fuelling **human interaction** and customer service. Having AI to enable someone on the shop floor to say that this is actually something you came in for **six months ago**, we can see that you still want it and give the information to **nudge the consumer**. We've found that people are willing to share information if they get something out of it. AI can bring back that art of selling and the subtle art of being a sales person and that is actually very satisfying for the salespeople.

“The best use of Artificial Intelligence is to join the dots and add context”

Why AI Will Transform The Resale Market

With reselling, it's going to be interesting because we're going to start seeing **AI being used to surface information about products**. They really **validate** products and whether it's with jewellery or fashion or furniture or golf clubs or anything, we're going to be wanting some kind of system that comes together to **aggregate information** from many sources. Say for instance, if I'm buying an Alexander McQueen bag, maybe I'll want to know what the **price** was originally and what is the **market price now** or maybe I even want to know what show it was first shown in or what **collection** it was first in - maybe it has an **interesting background story** and all these kind of elements are very compelling if we are talking about the **story and the context**. We're shifting into a space where **reselling and rentals** and a different form of ownership is going to be **important**, so having that **technology to bolster** those sort of services will be really important.

Key Insights

“AI is more about Augmented Intelligence than Artificial Intelligence”

Why Personalization Matters

We've just completed some **research** at Stylus which combines different landscapes where we're looking at the future of technology and how **technology could be a lot more perceptive**. I was seeing a lot of technology that just looks at behaviours but isn't really giving anything back to **consumer interaction** so it's those kinds of things. We're moving into a space where **consumers are expecting** a more **perceptive**, more **personalized** experience **because of AI** - whether it's offers to users, **understanding what they want**, what they're looking for and pricing.



Katie Baron
Head of Retail - Stylus

“Data that is mined and analysed needs to feed into customer experience”

What Does The Future of Retail Look Like?

We're seeing people **renting items** and going on to purchase them. I think we're going to see the exact same shift with people buying **digital garments** and wearing them in game or in messaging apps. **Gucci recently did it** with the Genie app where they launched a 200 piece collection that your avatar on the app could wear and they'll be releasing a physical collection next year. I think they're very shrewdly **seeing the connection between our physical selves and our digital selves**. And that's something with young consumers that may seem inconceivable to at least 50% of us when it becomes a real thing - where you try something on your **digital self** and then you're like okay this one's a keeper and **buy the physical version**. There's also something very interesting in talking about **data** in a way that **can forge connections and communities**. We've done a lot of work on **Gen-Z**, particularly and we talk to **psychologists** about this idea of wanting to **find your tribe**. I recently spoke to someone from Depop and they were talking about who these **tiny micro-communities** were **forming offline** based on and **powered by the data**. I think that's where we're headed.

R-VUE