Japanese e-commerce marketplace gets ahead of the curve with Vue.ai -An impact study



One of Japan's leading e-commerce marketplaces saw **5x higher revenue per visitor** with the Vue.ai personalization solution implemented across the site.

"With Vue.ai's Personalization Suite, we saw 8x the engagement from users who had interacted with Vue.ai, compared to users who hadn't interacted with them. The average basket size per order via recommendations was 40% larger than that of non-engaged users. The Vue.ai team has also been really prompt with suggestions for optimizing the placement of widgets, for constantly improving results."

Shoji Kimura CFO, Flava

## **Summary**

The customer is a Japanese e-commerce marketplace & multi brand retailer, part of one of Japan's leading retail enterprises, specializing in men's apparel. It is one of the leading sellers of high-end clothing and accessories in Japan at a very affordable price. With 51.7% of Japanese shoppers going online, it was critical for the customer to use strategies that would help them stand out, and encourage repeat visits.

**Vue.ai's personalization suite** offered the ideal combination of **real-time personalization for every single shopper** by marrying product intelligence and shopper intelligence in a meaningful way.

## Results

Within three weeks of integrating with **Vue.ai's Personalization Suite**, the customer saw **8x the engagement** when compared to users who hadn't interacted with Vue.ai. Additionally, the average basket size per order via recommendations from Vue.ai was larger than non-engaged users." The Vue.ai team also continuously optimized placement of the features, and helped improve results.

## **Impact**

- 5x higher revenue per visitor
- 4x higher conversion rate
- 40% increase in AOV
- 8x more page views per visit





## **CHALLENGE:**

The Japanese multi-brand online retailer offers menswear products on their site. They were challenged with catering to individual styles and choices for their shoppers. The customer was looking to deliver a unique retail experience with 1:1 personalization for each shopper.

#### The customer wanted:

- A home page that will act as a starting point to guide their customers down a focused discovery process.
- To surface product recommendations that will be unique to every individual shopper's intent at that moment in a session, while reflecting their overall behavior and preferences.
- To ensure the shopper viewed the most relevant and newest products on product pages, and on the cart page.
- To ensure better conversion and a highly personalized journey for every shopper, at every touch point on the site.

## **EXECUTION:**

 Vue.ai's personalization solutions have been implemented across the site. Shoppers come in contact with personalized product recommendations throughout their shopping journey. These recommendations are based on every shopper's individual Style Profile, that consists of their visual affinities—color, pattern, shape, etc—and non-visual affinities like brands, categories.

## The Vue.ai Effect

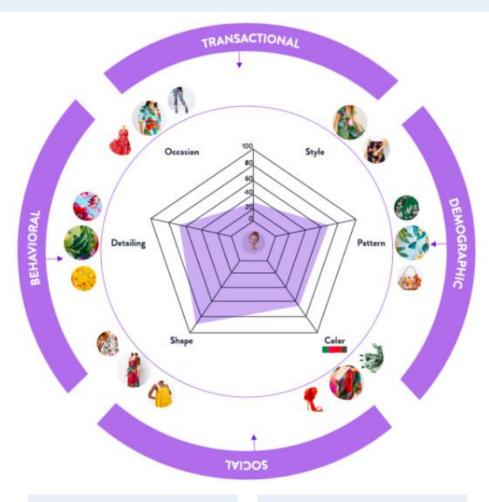
Vue.ai marries **Product Intelligence** with **Customer Intelligence** to build Style Profiles which is unique to every shopper. Shoppers continually leave behind clues that reveal who they are with each click, and interaction they have with an ecommerce site. Vue.ai generates elaborate customer profiles based on such interactions. Style Profiles are generated by mapping each shoppers affinities to

- visual attributes like color, pattern, shape, style of the products they like, and
- non-visual attributes like price and brand.

Affinities are based on data derived from cues:

- **Behavioral data**—what the shopper is clicking on, what products they're adding to the cart, the pages they're looking at and the pages they're bouncing off of.
- Transactional data—what the shopper has bought in the past, what they've returned and
- Demographic data

#### **CUSTOMER INTELLIGENCE** (a.k.a Style Profiles)



VISUAL STYLE PREFERENCES Color | Shape | Pattern | Style

AFFINITIES
Price | Brand | Category

INTENT IN THE CURRENT SESSION

LONG-TERM BUYING BEHAVIOUR

## The Vue.ai Effect

No two shoppers have the same journey. Vue.ai's **Dynamic Personalization engine** understands this. The **image recognition based behavioral targeting engine**, works across different pages on the site. It understands shopper intent with each product the shopper sees, and serves personalized product recommendations with the highest likelihood of engagement. Intent interpretation happens in real-time, and is reflected in the product shown to the shopper with each click. This ensures your shoppers are hooked to the site across their journey. Dynamic personalization helps with

- real-time personalization, i.e. product recommendations that adapts to
  every click that the shopper made. Every product attribute is taken into
  considerations, and the products the shopper views is recommended based
  on specific attributes the shopper shows affinity towards. For eg, a color over
  a pattern, or a length over neckline.
- product recommendations, based on shopper's current journey as well as their historical data.

### SHOPPER JOURNEY BEGINS



Shopper's pick: Black Printed Dress

Image Recognition-based Behavioral Targeting Engine

engagement when compared hadn't interacted

8x the

to users who

with Vue.ai

## The Vue.ai Effect

Vue.ai's personalization engine helps individualize **every shopper's journey,** in real time.

The **algorithms** powering the recommendations are constantly being **improved**, as our networks continually learn from the picture being painted of the shopper. Each and every click shopper makes, the qualities, and styles of the merchandize they are interacting with, specific attributes that they show affinity towards, intent of shopper in any given session are all combined to provide a 360 degree view of the shopper. Intelligence at this scale for shopper preferences ensures that the on-site shopper journey is personalized in real-time across channels, while giving retailers the flexibility to apply specific business rules for their site.

#### PRODUCT INTELLIGENCE



## Features implemented

## for customer



Where



What feature



What it does



- Inspired by browsing history
- Top picks for you
- Recommendations based on shopper's immediate browsing history. Allows continuing journey from recent last browsing session.
- Recommendations based on shoppers long term personal & style preferences.



• Trending products

 The top selling / top viewed across the site or in a particular category, chosen based on the shoppers Style Profile.



Recently viewed

• A list of most recently viewed products.

## Features implemented

## for customer



- Trending products
- Recommendations based on what is the top selling / top viewed across the site or in a particular category



- Similar products
- Complete the look
- Recommendations of products that are visually similar to the product that the user is looking at
- Recommendation of products complementary to the product that is being looked



- Top picks for you
- Recommendations based on user's long term persona & style preferences.



- Trending products
- Recommendations based on what is the top selling / top viewed across the site or in a particular category



## Vue.ai personalization recommendation modules

## Home page personalization

The homepage functions as the first touchpoint for shoppers who are looking to

- (a) Discover products within one specific brand,
- (b) Discover products and are brand-agnostic.

Personalizing for both these sets of shoppers from the same home page requires solutions that effectively maps shopper intent to visual and non visual product attributes. This helps surface the most relevant products to the shoppers.

Two features of Vue.ai's personalization suite are implemented on this page

#### Inspired by browsing history

- a. Products are recommended based on the last 10 viewed products.
- b. Recommended products are sorted according to a logic determined by user history. For eg, if a shopper has traditionally bought more black sleeveless tops, over colored, sleeved tops then the sorting reflects these choices.

#### RECOMMENDED FROM BROWSING HISTORY



◆ NYLON COACH JACKET ◆



◆ ROSHELL (ROSHELL) TR STR···· ¥ 5.495



◆ TELECO 7 MINUTE SLEEVE S···



♦ KANGOL (KANGOR) EMBROI…



♦ STRIPED CARDIGAN ♦

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### 2. Top picks for you

 The entire user history is taken into consideration (including all buys / adds to cart / page views etc.)

- b. Style profiles for every shopper is created with user data mapped to multiple dimensions including category, brand, and affinity towards visual attributes. For eg, A shoppers history might include a higher number of colored, floral patterns, half-sleeved, v-neck tops. The shopper will be able to see products similar to these past choices on the home page, (color / patterns / sleeve lengths / neck types etc.
- Based on this user profile, products from the catalog are surfaced that are relevant to a given user with more weightage given to newer products.

#### ITEMS YOU WANT TO SEE









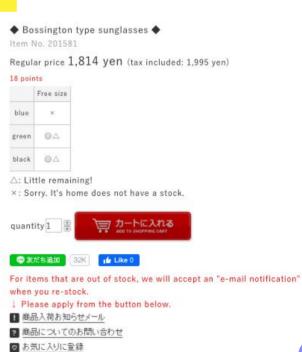


¥ 2,495

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## **Product page personalization**





Personalization of the product page is essential to ensure that shoppers landing directly on this page from search engines or other channels are still served relevant recommendations. Shoppers are shown styles that are similar to the styles they have expressed an interest, and recommendations across categories that can help them in visualizing an ensemble.

Vue.ai's Style Profile and Dynamic Personalization solutions takes into account visual clues left behind by the shoppers such as preference for a pattern, color, style, etc. Recommendations are adjusted dynamically in real-time to show shoppers preference as they browse and move through the site.

#### Visually similar recommendations:

Recommendations of products that are visually similar to the product that the user is looking at. The results are based on colors, patterns, and other attributes like sleeve lengths, neck types etc.

### PRODUCTS SIMILAR TO THIS PRODUCT



♦ ROSHELL (ROCHELLE)… ¥ 1,995



◆ ROSHELL (ROSHELL) ··· ¥ 2.995



♦ TIES MADE IN JAPAN ♦
¥ 2,195



◆ COWHIDE BUSINESS B··· ¥ 1,995



¥ 1,995

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#### Complete the look:

Vue.ai's solution creates category compatibility maps from visual attributes like color, pattern, etc, while processing the catalog. Recommendations for a shopper chosen product are generated based on these categories and their compatibility to the chosen product. This ensures shoppers can look at more products, across categories and take into consideration possible ensemble options.

#### ITEMS YOU WANT TO USE FOR YOUR OUTFIT











◆ ROSHELL (ROCHELLE)…



◆ COWHIDE BUSINESS B--¥ 1,995

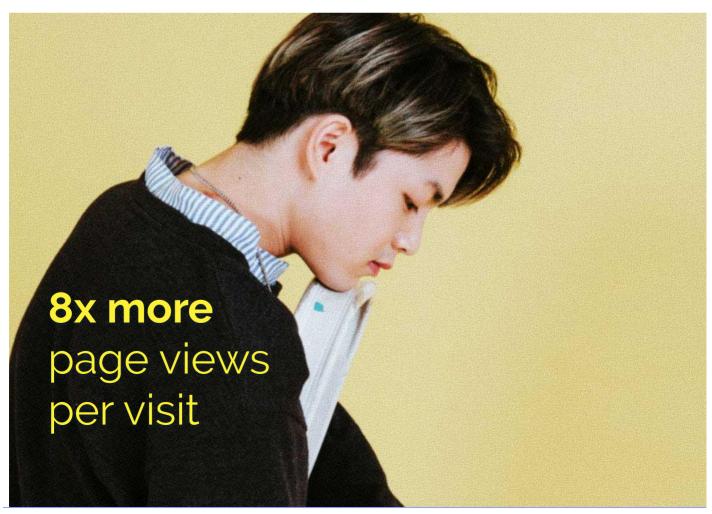
## Personalization across the shopper journey

Personalizing shopper experience at single touch points where individual transactions are carried out is not sufficient. A personalization suite that the shopper engages with, and is show relevant recommendations is a central feature for any ecommerce site.

For the customer, personalized recommendations are implemented strategically across pages that generated the most views and where shoppers are likely to look for inspiration, new products, and discover other categories.

Shoppers were given personalized product recommendations to consider across the following pages:

- Member registration completion page
- New Items page
- Ranking page
- Wishlist page
- Cart page



# Personalization across the shopper journey



The following strategies were implemented for these pages:

#### Trending products:

Product recommendations based on what is the top selling / top viewed across the site. The recommendation adds a layer to this by also looking at specific attributes that are part of the top sellers. For eg, Little black dresses with sequins or studded jackets; balloon sleeves which are more current, or necklines on specific clothes.

This level of recommendation goes beyond the averaging of trends that most other legacy recommendation engines use.

The module filters products dynamically, and contextually, i.e. based on where it is placed on the site. For eg: if placed on the home page, the recommendations will be from across categories; if on a category listing page, the recommendations will be from that particular category.

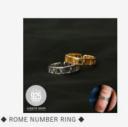
#### **Recently viewed:**

Recommendations are adjusted dynamically and served in real-time to display what shoppers have been looking at and items they have expressed interest in over their journey on the site.

#### ITEMS CHECKED SO FAR











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### **Intelligent Retail Automation**

Process Automation & AI solutions for the Retail Industry

Vue.ai is an end-to-end retail automation platform that is redesigning the future of retail with Artificial Intelligence. Using Image Recognition and Data Science - we extract catalog data, analyze it with user behavior and help your marketing, product and cataloging teams get actionable insights that improve customer experiences, drive conversions and reduce costs. We help you digitally map your products' DNA to create one-of-a-kind retail experiences for your customers and translate product information into the language that your teams can understand and make business decisions with.

## **Making Retail Teams AI-Ready**

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