

A VueCommerce Case Study: Personalization solutions for the rental & resale industry



The story of the resale market

The retail industry has spent a significant portion of the last decade recalibrating itself. It has been keeping pace with the many changes that were upending established practices within the industry—from the rise of e-commerce to the resurgence of brick-and-mortar stores; from traditional forms of shopping to more experiential retail.

But a more significant macro shift is also happening that is shaping the state of the retail industry—the growth of the secondhand resale market.

The story of the resale market is at its core a narrative of how Millennials and Gen Z will be shaping the retail industry in the coming decade.

McKinsey pegs the spending power of these two groups at

\$350B in the US alone. Gen Z will be representing 40% of the global consumers by 2020.¹

GlobalData research points out that in the past three years, fashion resale markets have expanded over

21 times faster than traditional retail. The total secondhand apparel market is expected to double in the next five years to \$51B.²

And this is being driven by Millennials and Gen Z.

In the last two years alone the resale market has seen an increase of

37% and 46% driven by millennials and Gen Z respectively.³

1. The influence of woke consumers on Fashion - [McKinsey](#)
2. Ibid.
3. 2019 resale report - [thredUP](#)

The Covid-19 impact

On sustainability & community

Conversations around omnichannel shopping and sustainability have been doing the rounds for the past few years. The current crisis has just added a sense of urgency to this, and has aided in accelerating the move from offline to online and towards greater conspicuous consumption.

As shoppers move towards more deliberate, accessible shopping patterns, there are two **challenges** the resale industry faces:

1. The resale market revolves around a shopper centric supply chain. Shoppers are right now finding it difficult to ship products to the retailer and secondhand marketplaces are finding it challenging to send orders back.
2. The rental/resale market is still relatively young. Shoppers have only recently started to move towards a purchase from these marketplaces. How this pandemic will impact shopper choices and behaviour is still relatively unknown.

The industry however has laid down the **right kind of roots** these past few years. The biggest advantage it has is that it represents values that the post-covid shopper is likely to invest in—**sustainability, e-commerce, affordability**. This is likely to hold true even when discretionary spending comes down.

Resale giants like thredUP, pre-owned luxury marketplaces like Vestiaire Collective, Rebag, etc. have also **established** themselves in the **online space**. A strong e-commerce presence, coupled with partnerships with luxury brands, and big box retailers will work in their favor. Inventory will need to reach the shoppers and these tie-ups will ensure it does.

The **community** that this industry has invested in is one of the the strongest, loyal, and most dedicated to the cause. Sustainability champions ranging from influencers, to celebrities, to everyday people, especially Millennials and Gen-Z are the resale industry's biggest asset. Their voices and actions will propel the resale industry forward in a post-Covid world.



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."¹

- Remo Gettini, CTO, Depop

1. The changing face of retail and why AI is crucial - [R-Vue London](#)

Shifting shopping patterns

The shift in shopping patterns among the **Millennial and Gen-Z** group is driven from a desire to consume more ethically and sustainably, and as a way of owning without long term commitment.

For the shoppers who are at the forefront of this movement, what makes the entire idea doubly attractive is the idea of owning brands that would have otherwise been out of bounds.

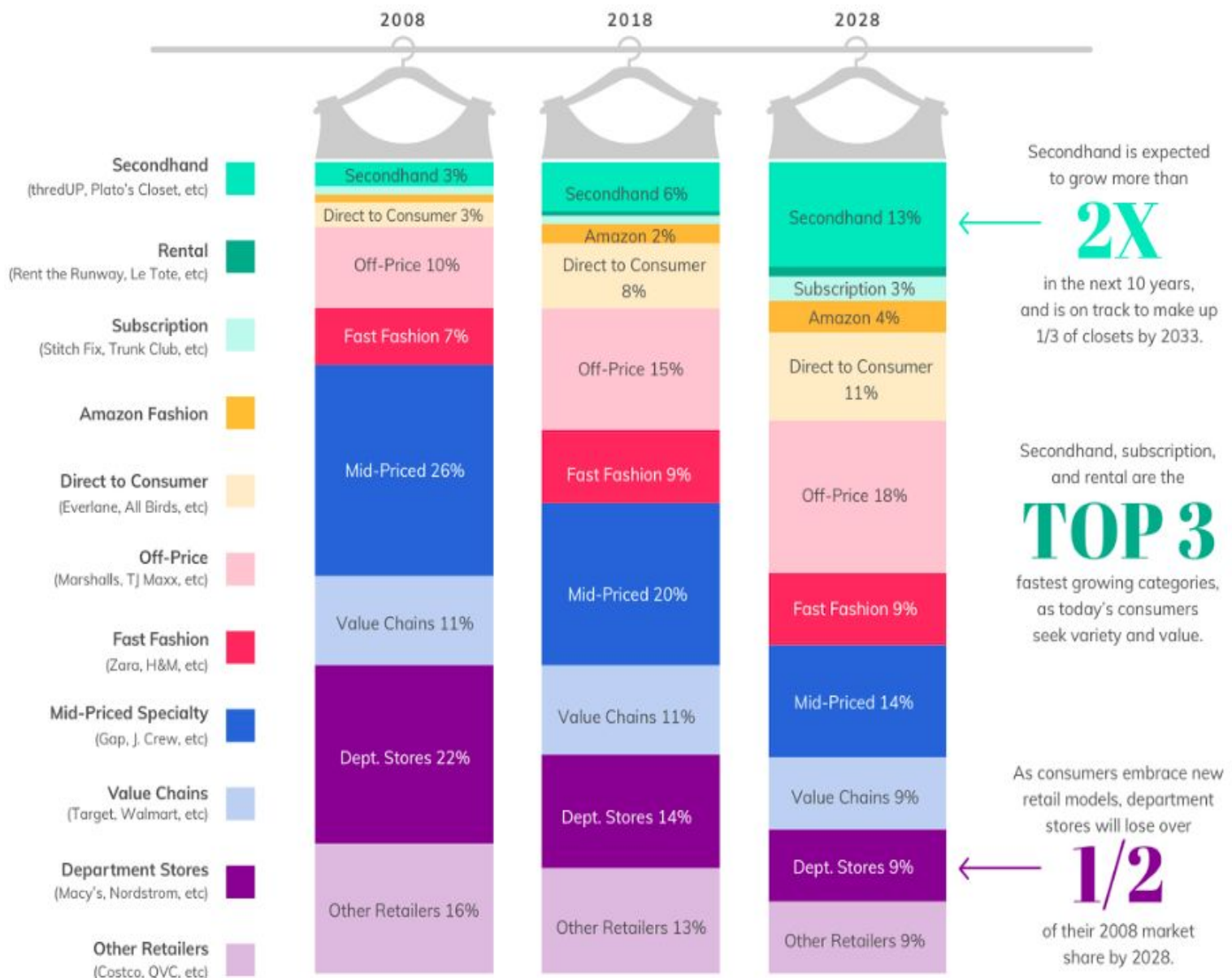


Image source: thredUp 2019 resale report

Insta Shopping

Where people shop has also dramatically changed over the past decade. Shoppers are comfortable accessing sites on their mobiles, through social media channels and across multiple devices.

For instance, in the Latin American region, it is estimated that online buyers will increase from **56 million in 2018 to 87 million in 2023** — well over one-third of the total population. And 71% of all online sales will happen via mobile.*¹

It is easy to spot an item of interest on a platform, get recommendations, and opinions from friends and family, purchase the item of choice all within the **same app**, and have the **entire experience be tailored to the individual**.

Social media platforms like Netflix, Instagram, Snapchat, etc have incorporated the levels of personalization and experiential content needed for a platform to become habit-forming—something that **retail is now actively adapting**.

These patterns are being observed across countries—developed, and emerging economies.

83% of US shoppers have pointed out in a recent survey that they discover new products or services through Instagram.²

After seeing a product or service on Instagram,³

- *79% of browsers searched for more information,*
- *37% visited the retail store and*
- *46% made a purchase.*

Retail industries across the globe are adapting to the idea that social is THE tool to reach these shoppers, and adopting mechanisms that will appeal the most to this demographic.

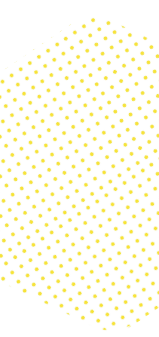
1. eCommerce In Latin America: The Six Growing Markets Retailers Must Know - [Forrester](#)
2. Important instagram stats you need to know for 2020 - [Sprouts social](#)



Retail mantras for today:

What was old yesterday is new today

13.5% of US consumers have already been compelled to change shopping habits in these last 2 - 3 years because of greater awareness around sustainability.¹



The secondhand market has been moving from pure e-commerce marketplace ventures to presence in brick and mortar stores, subscription boxes, and tie ups with brands. This is one way to appeal to their shoppers in as many ways and through as many avenues as possible. And this expansion is necessary.

“



We are seeing people renting items and going on to purchase them.....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 are headed.

Katie Baron,
Head of Retail, Stylus

info@madstreetden.com

1. Consumer purchase habits change to favor environmentally conscious brands - [Business Wire](#)
2. The influence of woke consumers on fashion - [McKinsey](#)

info@madstreetden.com



*Studies have also shown that having a resale option in traditional retail settings pushes customers to spend **21%** more and visit **70%** more frequently.¹*

The necessity comes from shoppers who demand and are drawn towards uplifting experiences, over rampant consumption. Shoppers are increasingly looking at access and experience over long-term ownership.

*McKinsey in a report on Gen Z and Millennials pointed out that “**the core of Gen Z is the idea of manifesting individual identity²**”.*

1. 2019 resale report - [thredUP](#)
2. Generation Z and its implications for companies - [McKinsey](#)

Retail mantras for today:

Experience trumps ownership

Expansion across verticals and that provides access is one part of the equation. Personalization is another.

64% of Gen Z shoppers and 72% of millennial shoppers think brands should provide a personalized experience.¹

It is no longer sufficient to show shoppers products. It is absolutely essential to show shoppers products that are relevant to them and only them.


*Consider this - **44 percent** of Gen Z would stop visiting a website if it did not anticipate what they needed, liked, or wanted.²*



“While no one wants to pay more to do good, if you can do good in the normal course of your shopping and spending and living your life, that is powerful, you know, so those trends, how young shoppers and millennials and Gen-Z shoppers are adopting secondhand at twice the rate of some of their older groups really just shows that the market really is shifting, consumer behaviour is shifting.”³

Anthony Marino
President, thredUP

1. 15 mind blowing stats about generation z - [Adobe](#)
2. Gen Z willing to provide their personal data for more personalized experience - [ZDnet](#)
3. The Vue Podcast: Leaders in retail | [Anthony Marino, President, thredUP](#)



Anna Wintour, the artistic director of Condé Nast and editor of Vogue recently pointed out

“At a time of crisis, we have to think of a radical reset”. The resale industry is the first level of reset for an industry that sees sustainability as one of its biggest challenge.

So how can fashion and the resale industry reinvent the retail experience.

Personalize aggressively, and in a way that brings together its data in an intelligent way. Secondhand markets need to actively adopt strategies using AI powered solutions to attract, convert and retain their shoppers.



Personalization strategies retailers use today

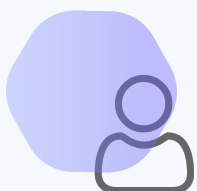
Technology has made it easier for businesses to adjust their strategy to satiate customer needs. Retailers have adopted AI-based technology at various touch-points for better customer engagement and retention, and to increase average order values.

This has included **use of chatbots, segment focused recommendations on product pages, email recommendations and notifications.**

Retailers however frequently mistake segmentation for personalization. **Segmentation** by way of demographics, customer lifetime value, or clustering of shoppers based on various attributes are **static, shallow and will not deliver the kind of retail experiences that has become table stakes today.**

More than half of about **250 retailers** interviewed boast a digital personal shopper or robust search or recommendation engine, and **34.5%** offered personalized homepages to logged-in customers.¹

Segmentation is also a severely overused, misunderstood way of delivering personalization for shoppers.



There is a significant lag in what retailers are trying to do, and what customers have come to expect when it comes to 1:1 personalization.

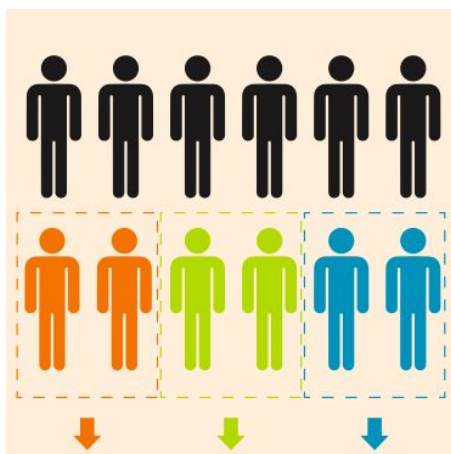
1. Looking past product recommendations - [emarketers](#)

What is personalization

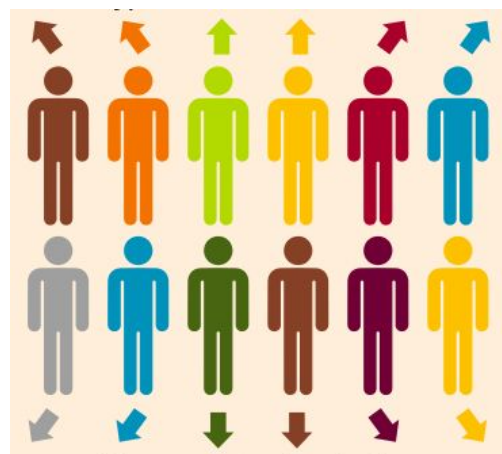
Personalization or Individualization in the e-commerce and retail industry is the ability to

- understand the needs and choices of individual customers
- communicate with them one on one, and not visualize them as parts of a larger segment

Segmentation



Individualization



According to a study by Brightedge, AI powered Individualization is the next big e-commerce trend.

Gartner studies indicate that by 2020, smart personalization engines used to recognize customer intent will enable digital businesses to increase their profits by up to 15 percent.

Are you segmenting or personalizing?

The technology retailers currently use focuses on shopper segmentation and not personalization.

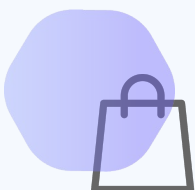
Here's how to find out if you are segmenting or personalizing for your shoppers:

- Is your site able to understand each shoppers intent with every click they make on your site?
- Is more than 80% of your catalog getting discovered?
- Are you able to track your shopper across their journey on your channel?
- Are you shoppers able to discover brands they like and have showed preference for on your site?
- Are your shoppers able to get recommendations tailored in real time to their profile and intent?
- Are these recommendations available across the channels that they choose to shop on?

71% of consumers express frustration when their experience is impersonal.¹

61% have stopped doing business with a brand because of poor customer experiences.²

If you have answered no to even one of the questions, your e-commerce site is segmenting your shoppers and not personalizing.



Shoppers are increasingly looking for personalization where N=1, and not segmentation. Which means, the typical “people who bought this, also bought” kind of recommendation does not cut it anymore!

1. The 2017 state of personalization report- [Link](#)
2. Ibid

Why personalization?

Personalized recommendations using AI that is unique for each user can go a long way in improving customer engagement.

91%

are more likely to shop with brands that offer personalized offers and recommendations.¹

56%

of online shoppers are more likely to return to a website that provides personalized recommendations.

90%

of US consumers find automated shopping suggestions appealing.

Advances in Artificial Intelligence can help retailers create customer identities and build one-to-one customer relationships.

Individualization according to reports help retailers with

25% - 50%

Increased click rates

10% - 50%

Increase in conversion rates

5x - 10x

Customers returning to site

“

“Where online is the go-to-market channel for the rental service, speed-to-market is especially crucial — even more so important where products are unique (ThredUp, which has more than two million unique items in inventory — automation helps uncover the “needle-in-a-haystack” item in its boxes). Automation is the answer”

Ashwini Asokan
CEO, Vue.ai

1. 50 stats showing the power of personalization - [Forbes](#)
2. Ibid
3. Ibid



LONG-TERM BUYING BEHAVIOUR

It is time for an upgrade:

Dynamic Personalization by Vue.ai

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 and product recommendations based on shoppers current journey as well as their historical data.

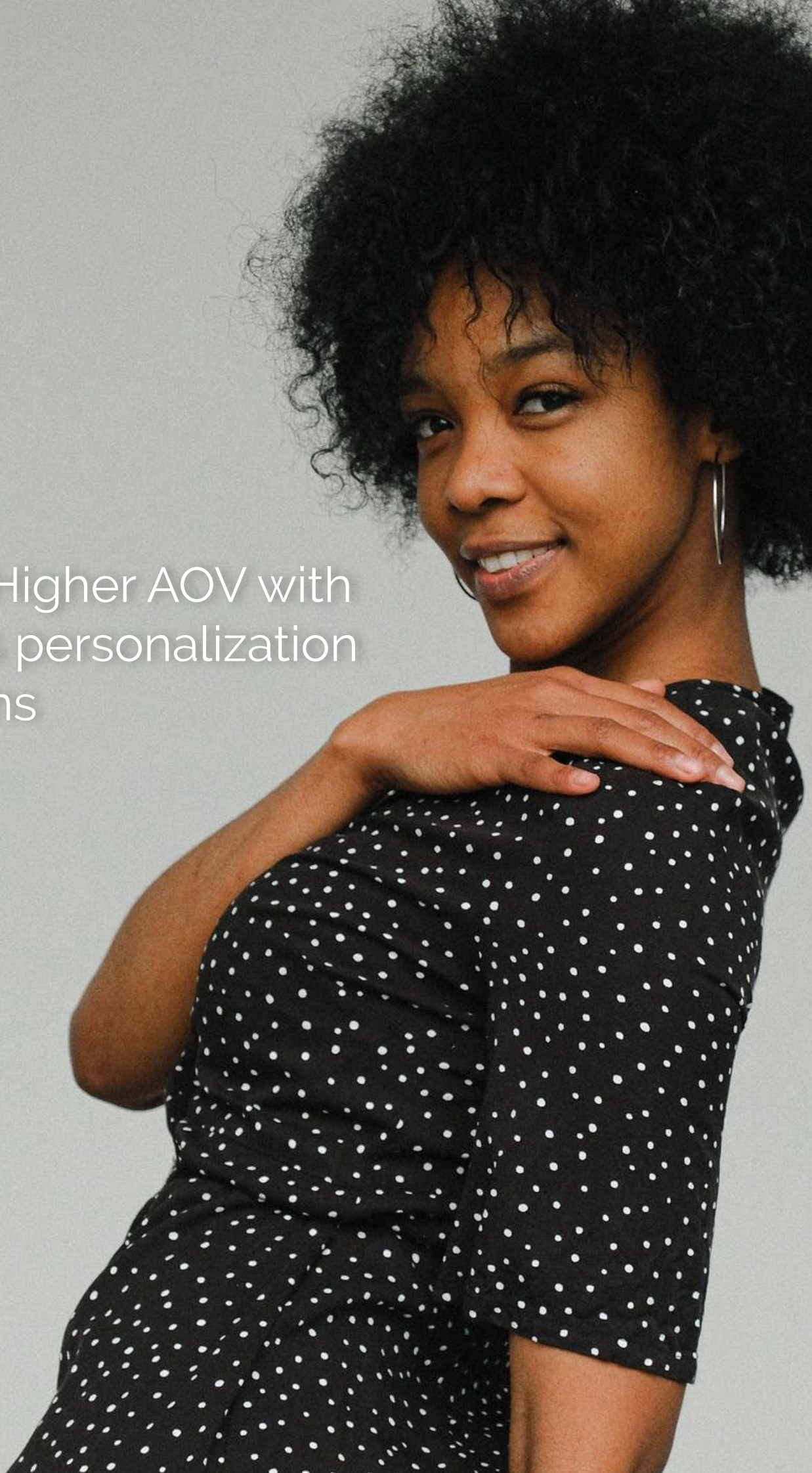
DYNAMIC REAL-TIME PERSONALIZATION

SHOPPER JOURNEY BEGINS



Shopper's pick:
Black Printed Dress



10.2% Higher AOV with
Vue.ai's personalization
solutions



What makes Vue.ai's personalization suite different from Dynamic Yield?

The promise of the Vue.ai Personalization suite is to shape shopper journeys taking into account every shopper's visual style preferences.

Here's how Vue.ai's personalization suite differs from Dynamic Yield

	 Vue.ai	 dynamic yield
Enabling Product Discovery for Shoppers		
Automated Product Tagging	✓	✗
Attribute, Style, Occasion based metadata creation	✓	✗
On-model Fashion Imagery Generation	✓	✗
Personalized Category page, Text & Image Search (based on style profile)	✓	✗
Content recommendation engine for News and Media sites	✗	✓
Understanding Shopper Intent		
Similar and Cross Product / Complete the look Recommendations	✓	✓
Visual Style & Style Profile based personalization	✓	✗
Dynamic personalization - different customer journeys real time	✓	✗
A Personalized Stylist for every Shopper		
Personalized styling & Outfitting widgets with AI stylist	✓	✗
Personalized Style Profiles	✓	✗
Curating Personalized Closets	✓	✗
Subscription Box Automation	✓	✗
Shopper Retention		
Exit intent popup	✗	✓
Powering Personalized Cart Abandonment Emails	✓	✓
Style and History based complete the look and styling content in email	✓	✗
Powering personalized App Notifications	✓	✓
Video Marketing	✓	✗
Marketing Automation		
Website Overlays	✗	✓
Location-based view counters	✗	✓
Banner Creation Templates	✗	✓
A/B Testing Capabilities	✗	✓

What makes Vue.ai's personalization suite different from Certona?

The promise of the Vue.ai Personalization suite is to shape shopper journeys taking into account every shopper's visual style preferences.


Here's how Vue.ai's personalization suite differs from Certona

	 Vue.ai®	Certona™
Enabling Product Discovery for Shoppers		
Automated Product Tagging	✓	✗
Attribute, Style, Occasion based metadata creation	✓	✗
On-model Fashion Imagery Generation	✓	✗
Personalized Category page, Text & Image Search (based on style profile)	✓	✗
Personalized Search : Visual Search	✓	✓
Graphics and Hero Images	✗	✓
Understanding Shopper Intent		
Similar and Cross Product Recommendations	✓	✓
Complete the Look' Recommendations	✓	✗
Visual Style Profile based Personalization	✓	✗
Dynamic Personalization(different customer journeys in realtime)	✓	✓
Connecting offline consumer data	✗	✓
Personalized Styling for Every Shopper		
Personalized Styling & Outfitting Widgets	✓	✗
Personalized Style Profiles	✓	✗
Curating Personalized Closets	✓	✗
Subscription Box Automation	✓	✗
Shopper Retention		
Powering personalized Cart Abandonment Emails	✓	✓
Style and history based 'Complete the Look' and styling content in email	✓	✗
Powering personalized app notifications	✓	✓
Video Marketing	✗	✗
Powering Contact Centre	✗	✓
Marketing Automation		
Personalization as a Service	✓	✓
Personalized Banner Templates	✗	✓
Omnichannel Personalization	✓	✓
Categories		
Digital Grocery	✗	✓

What makes Vue.ai's personalization suite different from Monetate?

The promise of the Vue.ai Personalization suite is to shape shopper journeys taking into account every shopper's visual style preferences.

Here's how Vue.ai's personalization suite differs from Monetate

	 Vue.ai®	Monetate™
Enabling Product Discovery for Shoppers		
Automated Product Tagging	✓	✗
Attribute, Style, Occasion based Metadata Collection	✓	✓
On-model Fashion Imagery Generation	✓	✗
Personalized Category page, Text & Image Search (based on style profile)	✓	✗
Personalized Search : Visual Search	✓	✗
Thematic Collections	✓	✗
Understanding shopper intent		
Shop the Look' Recommendations	✓	✗
Style It' Recommendations(occasion-based outfit recommendations)	✓	✗
Dynamic Personalization(different customer journeys in realtime)	✓	✗
Badges	✗	✓
Personalized Styling for Every Shopper		
Personalized Styling & Outfitting Widgets	✓	✗
Personalized Style Profiles	✓	✗
Curating Personalized Closets	✓	✗
Subscription Box Automation	✓	✗
Shopper Retention		
Powering personalized Cart Abandonment Emails	✓	✗
Style and history based 'Complete the Look' and styling content in email	✓	✗
Powering personalized app notifications	✓	✓
Marketing Automation		
Perform image analysis and sort them	✓	✗
A/B Testing Capabilities	✗	✓
Omnichannel Personalization	✓	✓

Why AI will transform the resale market

*"With reselling, it's going to be interesting because we are 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...We are 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."*¹

- Katie Baron, Head of Retail, Stylus

1. The changing face of retail and why AI is crucial - [R-Vue London](#)

The retail customers:

Resale marketplace

The customers are the biggest resale marketplaces in the Americas.

They are at the forefront of a **\$24B secondhand market**.

One of them has

- ~ 35000 brands online.
- 100M unique items on their database.

They also focus on providing online, and in-store services for buying and selling second hand apparel for retailers and brands.

“

“Our mission as a company is to inspire a new generation of shoppers to think secondhand first and it’s not because we believe that a 100 percent of anyone’s closet at any time will be all secondhand clothing. But we’re really confident that it’s equally unlikely that people’s closets will be 100 percent new. So if we can play a part in making that happen and making it easy for consumers in up-cycling more items of clothing so they’re in use rather than sitting idle, we think that’s a win for the consumer; we think it’s a win for us as a business; it’s a win for the environment. And that’s just that’s the kind of difference that we all wanted to make.”¹

Anthony Marino
President, thredUP

1. The Vue Podcast: Leaders in retail | [Anthony Marino, President, thredUP](#)

Customer challenges

The resale industry's exercise with personalization is pairing customer data with content with an added challenge **personalizing when inventory = 1**. Surfacing recommendations through the shoppers journey with products similar to the shoppers visual style preferences and intent was a challenge.



In serving our customers, the big challenge that comes with that is just the scale of the number of items that are there to be shopped. As you are browsing the site, you can filter down, and do searches, but there are still thousands and thousands of items. You can receive emails from us, but there are thousands and thousands of items. Having to sift through that, it does not make sense for everybody. Some people love the hunt, but very few people love hundreds of thousands of items hunt. And so, even if you love the hunt and want to see a lot, there is still some tailoring that technology can bring us, that personalization can bring. And if you don't love the hunt and you want to be shown exactly what you want, we can offer that with the technology as well.¹

Chris Homer
CTO, thredUP

Shoppers had to be kept engaged

1. With relevant recommendations across various pages on the site,
2. By showing them items that were similar to their Style Profiles and intent.
3. With recommendations similar to items that are out-of-stock or unavailable.

1. Vue.ai at WWD Style Dimension: AI gets personal- [WWD Style Dimension](#)

Customer solutions

Solutions:

1. Vue.ai's 'Recommended for You' solution uses shopper browsing history—short-term and long-term intent—to surface recommendations that are the most relevant for that shopper in that particular moment. These strategies are implemented across pages that saw the highest traffic: the Home Page, Shoppers personal page, and the Cart Page.
2. Visually similar product recommendations are deployed on the product page. The solution works at both the brand and attribute level - colors, patterns, styles, etc. This ensures that shoppers are always shown the most relevant products in spite of the limitations of inventory.
3. Emails with compelling content helps improve click rates, increase engagement and conversion. Personalized content that understands user behavior through data signals ensures email content that is most relevant to each shopper is surfaced. Email also contains dynamic content that is individualized for each user at the moment when the email is opened..



“It happens seamlessly when the machine is trained. We train our neural networks to understand what the outfit even means. And how outfits are put together. We are understanding customers behavior and from that we are creating style profiles which is individualized. Recommendations are not based on what a thousand people have done, it is all about you the individual shopper. And then we create recommendations of individual products and outfits because we know that...the more a shopper interacts with the system and the more feedback we get, the more we learn”¹

Julia Dietmar
CPO, Vue.ai

1. Vue.ai at WWD Style Dimension: AI gets personal- [WWD Style Dimension](#)

Solutions implemented for our resale customers



Home Page

- Inspired by browsing history
- Recommended for you
- Recently viewed
- Trending products



Category Page

- Top picks for you



Product Page

- Similar Products
- Recently viewed



Wishlist

- Recently viewed
- Top picks for you



'My Account' Page

- Recommended for you



Cart Page

- Cross product recommendation,
- Recommended for you
- Inspired by browsing history
- Top picks for you

Trending Products

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

CP

Recommendation of products complementary to the product that is being looked at. Based on visual cues and category compatibility, products are suggested that complete the look.

Recently Viewed Products

Recently Viewed Products
Given a user, a list of all the most recently viewed products

Inspired By Browsing History

The last 10 viewed products are taken into consideration; based on these products, products that are visually similar in color, pattern, style are recommended. Weightage given to newer products with specific attributes that match the Style Profile of shopper

Top Picks

Based on the user's browsing history, his/her affinity to visual attributes such as color, pattern, and affinity towards facets of products including price, brand, and category are determined, and based on this, products are recommended

The Vue.ai Advantage

For the Retailers

Curated individual wardrobes based on user browsing history



Enabled retailers to establish one-to-one relationship and a competitive advantage

Cross-selling and up-selling products through recommendations



Recommendations based on shopper preferences and past purchase data helped better engagement

For the Shoppers

Product recommendations generated from visual & non-visual cues



Provides users with a seamless shopping journey

Navigation paths leading to better catalog visibility



Informed shopping decisions

While many companies can and do leverage AI for personalized user experiences based on previous shopping and browsing behavior - the sheer volume of unique items thredUP processes daily magnifies the challenge, because it is all about finding the perfect needle in a haystack item for that consumer at that time. The AI can also create different service levels based on customer loyalty, historical spend and inclination to participate in other service offerings such as its box services, or special retail partnerships. - Forbes - How thredUP is driving the circular fashion movement with AI.¹

1. How thredUP is driving the circular fashion movement with AI - [Forbes](#)

Vue.ai Impact

10.2%

Higher AOV

2x

More revisits to site

16.5%

Uplift in average order value with Dynamic Personalization

3x

Conversion rate

“

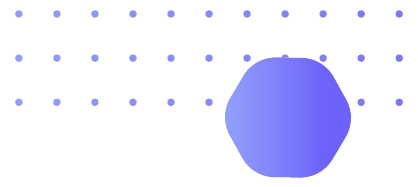
“How to style that is also one of those things that technology can really help out with. For large catalogs, brands have creative directors to put together looks, for larger catalogs and larger retailers it literally takes an army of people to do that manually. And given that on an average a garment gets worn several times, don't you want customers to be more inspired, figure out how to wear that garment more often, and how to be more sustainable. One of the products that Vue.ai has is how to style for different occasions”¹

Julia Dietmar
CPO, Vue.ai

1. Vue.ai at WWD Style Dimension: AI gets personal- [WWD Style Dimension](#)

Resale customers saw a
7.7% lift in user engagement rate
and **16.5%** uplift in AOV with
Dynamic Personalization





Personalization on the Home Page

Solution

Vue.ai's Personalization Suite used shopper data to gain insights into shopper preferences. This included visual style-based attributes like color, pattern, shape, for fashion retail, and brand, category, etc. These insights powered various recommendation strategies across the site including

- the ability to discover more products within a brand,
- see products that are inspired by shopper browsing history, and
- the ability to discover more brands.

This ensured

- **Every shopper** have their journey **tailored for them** from the minute they come into the site.
- **User attributes are mapped meticulously to product preferences** based on various signals.
- Every shopper has access to products and styles that were unique to their **on-site journey** and their **preferences**.



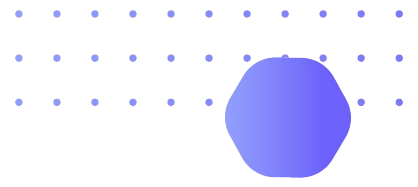
Users Engaging with Home Page modules convert 16x better

Personalization on the Home Page

"We show a variety of similar options and how to wear (an outfit). One of the things that we have also found that's important for discovery and inspiration is introducing some diversity of those items. You might show a blazer, and show some different pants that might work well with that blazer, or you might show other blazers that people who liked those types of blazers also liked these ones. The plethora of options really sprawls out. But depending on the mode the shopper is in she may want a specific item, or she may be looking to be inspired and upgrade the entire wardrobe, or a large section of the wardrobe, so depending on that mode you might want to show more to less diversity"¹

- Chris Homer, CTO, thredUP

1. Vue.ai at WWD Style Dimension: AI gets personal- [WWD Style Dimension](#)



Personalization on the Category Page

Solution

Shoppers often turn to category listing pages to discover products. Listing pages are said to generate as much as 60% of a site's traffic. The process of clicking through filters, product, and pages can be time-consuming and frustrating. By personalizing this page, retailers decreased the time it takes for the shopper to find products of interest, and decrease the time to purchase. Product recommendations were based on shoppers' browsing history, which helped determine their affinities to visual attributes such as color, patterns, and non-visual affinities including price, brand, and category.

This ensured

- **User attributes are mapped meticulously to product preferences** based on various signals.
- Shoppers are better able to locate products that matched their intent and had a seamless journey on the site.
- Every shopper has access to products and styles that were **unique** to their **on-site journey** and their **preferences**.

1.3%

Top Picks carousel on Category Page directly attributes to 1.3% of total revenue for one of our customers in the resale industry.

Top Picks carousel on Category Page directly attributes to **1.3%** of total revenue for one of our customers in the resale industry.



Personalization on the Product Page

PROBLEM:

Shoppers were unable to find products because of lack of relevance, and poor product discovery on the site. There was also a lack of clarity on product availability.

SOLUTION:

Vue.ai's Visually Similar Product Recommendations: **visually relevant styles** for each shopper, taking into account attributes such as color, pattern, shape and more.

1. Products with Increased relevance are served to the shoppers. When shoppers reflect affinity to certain attributes, Vue.ai algorithms recognizes these affinities and displays products based on these. Eg: Preference for a black skirt with lace detailing, or balloon sleeves on a scoop neck top
2. These recommendations are used to manage out-of-stock products on pages, so shoppers can continue their journey even if a product they like is unavailable.

OUTCOME:



Shoppers are able to explore a variety of products in line with their style preferences.



Potential increase in cart size is observed because of greater product visibility and ability to visualize ensembles.

Personalization on the Cart Page

PROBLEM:

The customer wanted to ensure that the shopper was given enough visibility into as many products as possible, across brands.

SOLUTION:

Once a shopper is well into the purchase funnel, there is limited opportunity to surface additional products. Recommendations on this page are useful in driving upsell. Cross product recommendations ensure the shopper is given insight into as many products, across as many brands as possible.

The Complete the Look solution is implemented for the customer on the cart page to provide greater product visibility for shoppers. Shoppers are shown product recommendations that complements what they had added to their cart, based on their Style Profiles as well as fashion rules.

OUTCOME:



Shoppers are able to explore a variety of products in line with their style preferences increasing average cart size.



Boost in average order value was achieved because of greater product visibility and complementary product recommendations.

Personalization in the resale industry - Customer focus

Chris Homer, CTO of **thredUP**, one of the world's largest online consignment and thrift store was in conversation with Kaley Roshitsh, Eileen Rizzo, CIO of Ashley Stewart and Julia Dietmar, CPO of Vue.ai at [WWD Style Dimension](#). He talked about the many ways resale was adapting to recent tech innovations, and adopting tech at various points in thredUP's resale business.

"Retailers can partner with thredUP to be a part of the circular fashion movement"

How is thredUP investing in technology?

There are certain areas where we do want to be cutting edge, and at the core what we're trying to do is solve problems for our customer, fill gaps in the market, where it's like "oh yeah, she is obviously going to have a way better experience using that."



Chris Homer, CTO - thredUP
WWD Style Dimension - 2019



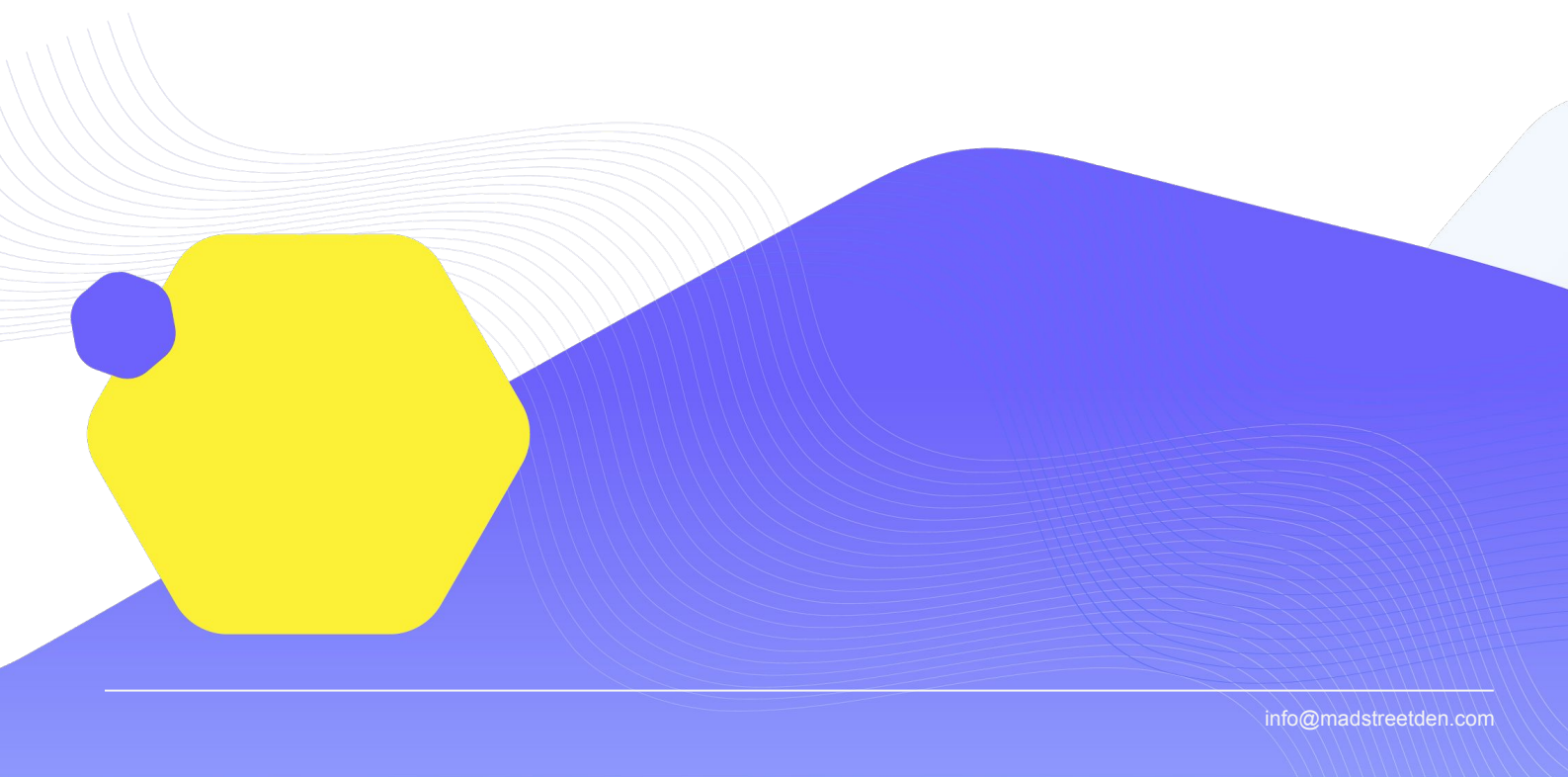
How can retailers be a part of the circular economy?

There's a lot of different ways retailers in the physical world and online can partner with us and be a part of that movement.

Supply side: Retailers can **partner with thredUP** to help their customers **clean out their closet** and **earn credits** to spend back on their own sites - Reformation, Cuyana are really good examples of this right now.

Physical Stores: You can have the products that comes through our engine, go back into your physical retail stores, and there you can increase the foot traffic, and provide a reason for people to come back day after day, because the assortment is refreshed continuously.

e-Commerce Platforms: If you have an **online property** and you want resale to be a part of it, we can either **white label it or jointly label** a feed to go into your e-commerce site such that you can have **resale items side by side** with your catalog and be a part of the circular economy.





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

sales@madstreetden.com
www.vue.ai | www.madstreetden.com