

Off-site personalization made better with data

A/B testing - Personalized recommendations on emails



The need for A/B Testing personalized emails

Personalized emails stand out as one of the most effective, impactful and strategic ways of ensuring shoppers remain committed to the journey they started onsite. They—according to various studies—result in as much as 26% increase in open rates and average increase of 20% in sales¹.

The pace of retail transactions today and the nature of the market makes it a necessity to be able to iterate fast and at scale. Experiments, analysis and implementing solutions even over email needs to happen quickly and effortlessly.

A/B tests help you remove the guesswork and put in place solutions that are backed by data and can be used to understand every single aspect of your site and shoppers better.

A/B testing is a type of experiment where two or more variants of a page, module, or recommendation are shown to two different sets of users with the intent of testing a hypothesis. Data derived from the test is used to determine which variation performs better for a particular goal.

A/B testing personalization solutions that can be sent via email ensures eCommerce teams are able to reach out to the shopper with the most relevant recommendations and understand shopper intent and needs. Decisions on the right kind of content are made based on data and not just instinct. Trial and error based learning can be replaced with experiments that are designed well and measured. With A/B testing, data-driven, informed decision making can become one of the central tenants around which any personalization solution for your site is being built.

1. The power of personalization to reach humans and not just inboxes - [Campaign monitor](#)

A/B Testing with Vue.ai

Crafting winning journeys

At Vue.ai we understand how crucial A/B testing is for building high-performing shopper journeys, which is why we made this a core part of our offerings.

The goals for the A/B testing feature are:

- **For any kind of a retailer, with any background, to be able to A/B test.** No expertise required to test and create winning journeys every time.
- **For it to be easy and fast to iterate and implement positive solutions** - to ensure shopper journeys deliver value every time.

Vue.ai allows for extensive A/B testing of its personalization solution. It is designed to ensure retail teams are easily able to conduct and control A/B tests across their shopper touchpoints and gain insights easily.



What you can do with **Vue.ai's A/B Testing Tool**

eCommerce and marketing managers face quite a few challenges to consider while determining ideal shopper journeys. Shoppers not engaging with content, dropping off mid-way in their journey, and cart abandonment are just some of the hurdles. Engaging them post purchase is also a challenge. All of these can be addressed by understanding what works to re-engage shoppers

A/B tests for Vue.ai's personalization solution can be used for:

- Understanding shopper behaviour and implementing strategies that increase engagement.
- Testing the impact of personalization on recommendations.
- Testing for how the recommendation appears on the site.

A/B Testing in Email Marketing

Vue.ai provides personalized recommendations in emails - different aspects of which can be A/B tested. Studies show 91% of people are more likely to buy from companies that send personalized email¹ - and teams can figure out what works best for them with A/B tests.

1. What is personalized email - [Sendpulse](#)

Customer Story 1:

Resale marketplace

About The Retailer

The customer is one of the biggest resale marketplaces globally. Their business revolves around creating unique, and stellar shopper journeys for every customer across channels. Their mission is to drive forward the idea of circular fashion with the help of A.I.

Relationship with Vue.ai and Goals

Vue.ai powers the customer's website with personalized recommendations. The customer was keen to understand how personalized emails can help their shoppers continue their journey off-site via email.

Given the nature of the resale industry and the shopping experiences that it delivers, the customer was looking for a solutions that would

1. ensure the customer always found what they are looking for even when their first choice is not available
2. Deliver real-time personalization via email

The A/B Test

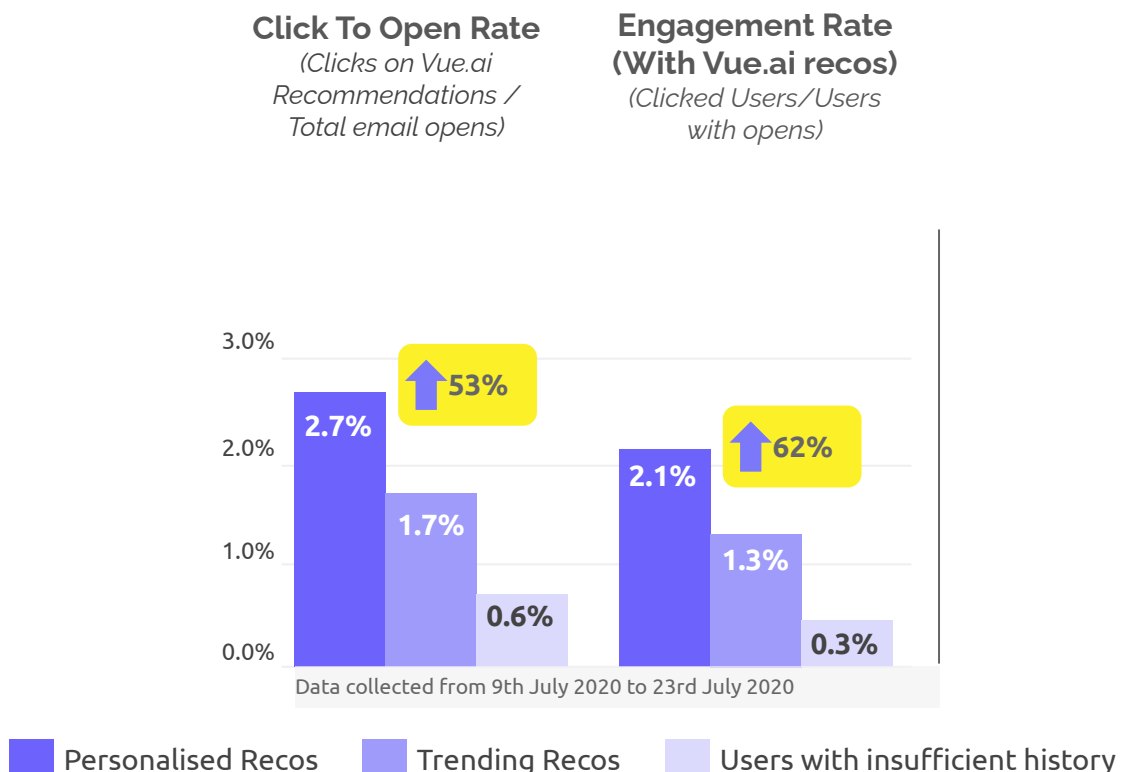
The customer and the Vue.ai team wanted to understand the difference in conversion and engagement that 1:1 personalization on email can deliver. Trending products was one of the modules that was was being powered by Vue.ai in the email the team sent out. Two sets of emails were sent out.

- One test group received emails with personalized recommendations and
- Another test group received emails with non-personalized recommendations

A/B test: Personalized recommendations

A set of shoppers received emails with personalized recommendations, while another set received emails with trending products that were not personalized. The results show a significant improvement in engagement rate and uplift in click to open rate

The customer saw a 53% uplift in CTOR on mails with Vue.ai recommendations and a 62% improvement in engagement rate on emails with personalized recommendations.



Customer story 2:

Diversified global retailer

About The Retailer

The customer is one of the oldest, and biggest diversified global retailer. They operate retail stores across North America. Their portfolio includes retail stores ranging from luxury to premium department stores to off price fashion shopping destinations. They have over 350 stores across the continent. Their focus is on driving performance of their omni channel platform with A.I.

Relationship with Vue.ai and Goals

Vue.ai powers the customer's website with personalized recommendations. The customer was keen to understand the impact of personalized recommendations that are delivered through email.

Given the nature of the industry and the kind of shopping experiences that shoppers look for on and offsite, the customer wanted to understand how to improve engagement, conversion and AOV by showing customers:

- products across categories personalized to their style and intent via email.
- styling recommendations sent via post-purchase emails

The A/B Tests

Vue.ai conducted two A/B test for the customer.

As part of the first test,

- a section of customers were sent emails with Vue.ai's Style It With recommendations and
- another section was sent the inhouse cross product recommendations.

For the post purchase emails, the two test groups were sent emails with

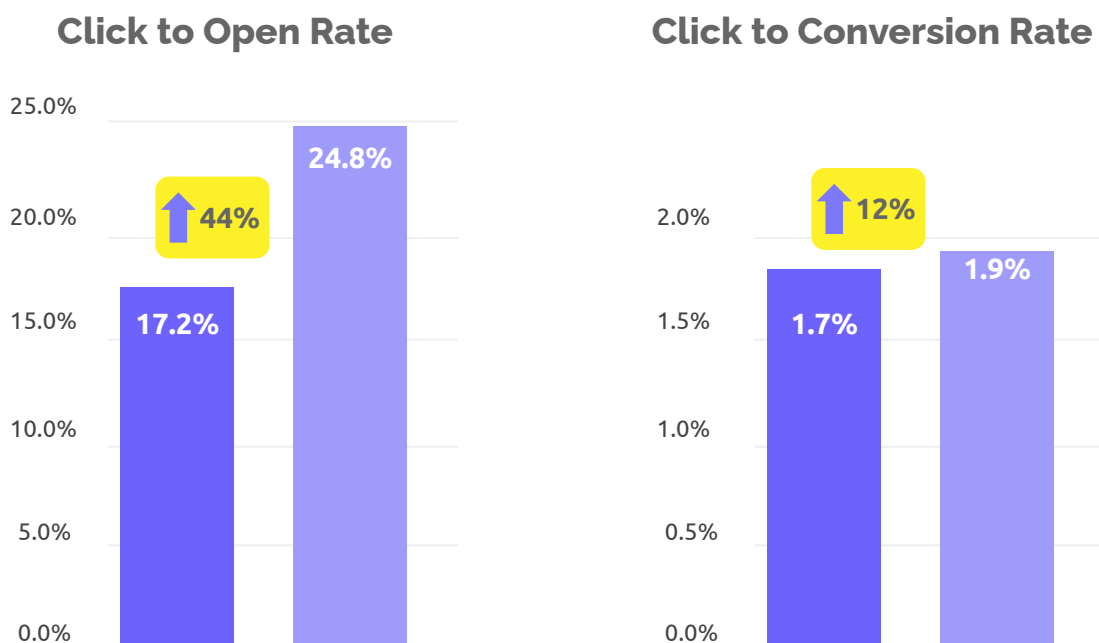
- Vue.ai's styling recommendations and
- Competitor's styling recommendations

A/B test 1: Style It With

Vue.ai's Style It With recommendation is an AI-powered tool that helps shoppers see entire ensembles for the product that they are interested in purchasing across themes and occasions.

The tool is personalized and powers recommendations across product categories to show shoppers a complete outfit. Powering emails with the recommendation module helps shoppers receive personal styling recommendations right in their mailbox increasing the chance of them returning to site and converting.

Users engaged (44%) and converted (12%) better with Vue.ai's recommendations

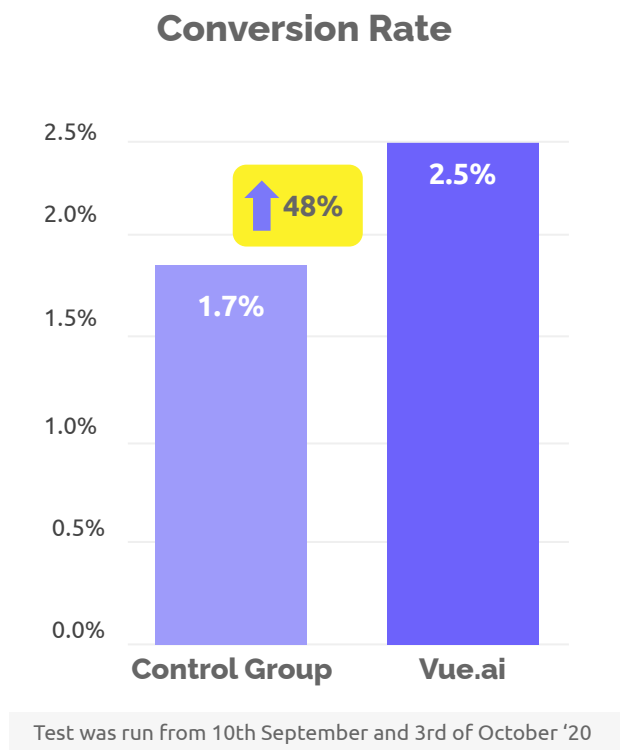


Test was run from 10th September and 3rd of October '20

A/B test 2: Style it with in post purchase emails



- Test was conducted between Vue.ai's **Style It With** recommendations & a competitor's **Similar Product recommendations** (Control Group)
- Users converted better (**48%**) with Vue.ai's **Style it With** recommendations



Key takeaways

Email marketing is big business and it is a business that is increasingly more profitable than any other marketing strategy for a retailer.

Consider this - For every \$1 you spend on email, you can expect a return of \$51 and this number has been consistently increasing in the last few years.

Email marketing needs to be an intrinsic part of a business strategy for better shopper experience, improved engagement, and shopper retention. One of the assured ways of doing that is through data-backed personalization strategies that are scalable.

Our customers have used A/B testing extensively to understand, implement, and adopt strategies that would enable 1:1 dynamic personalization to be carried off-site and into emails. And the results have helped them see improved CTR and conversion rates. Customer retention is paramount in a world dominated by eCommerce retail and A/B testing is one of the assured ways to do that. The numbers proves it works.



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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