Getting Personal

At WWD’s Digital Forum in New York, retailers talked strategy. From revamping rewards programs to storytelling, from localized content to tech fusion, companies looked to chart the best course forward, taking their customers with them.

PHOTOGRAPHS BY PATRICK McLEOD

Inside Walmart’s Dot-com Transformation

- Walmart.com has added approximately 1,100 brands since last April.

There’s a “major transformation” occurring at Walmart’s e-commerce platforms and it’s all about adding brands, editorial content, bigger and cleaner visuals, and strategic partnerships with celebrities and retailers.

“We’re establishing ourselves as a fashion destination across all our platforms,” Denise Incandela, senior vice president of fashion of Walmart’s U.S. e-commerce sites walmart.com, Jet.com, and Shoes.com, since October 2017, said in a conversation at the forum with WWD deputy managing editor Evan Clark.

“We are very focused on broadening the assortment… I think we have brought on 1,100 brands just since April.”

Incandela suggested that spirits are running high at Walmart, in the aftermath of the relaunch of walmart.com last May and the relaunch of Jet.com two weeks ago. “This is really an exciting time for us. Historically, we have been known as a consumable platform, and now we feel very passionate about servicing our customer with apparel, accessories, footwear and beauty that we know she is looking for.

“We are very focused on these big strategic initiatives,” Incandela said, highlighting EV1, the just-introduced collection in collaboration with Ellen DeGeneres, and the Lord & Taylor store on walmart.com introduced last summer. EV1 has an extensive assortment including jeans, jackets, T-shirts, footware, sweats, socks and totes.

More strategic partnerships are coming up, Incandela said, and so are possible additions to Walmart’s web portfolio.

“We are always in the acquisition mode,” she said. There has been a string of acquisitions by Walmart in recent years, including Jet.com, Bonobos, Shoes.com, Flipkart, Moddloch and Moosejaw.

As part of its relaunch, Jet.com created a localized site for New York and will be creating local sites for Boston, Washington, D.C., and Philadelphia. “That platform is focused on hyper-localization of the big urban markets. If you live in New York, it will be hard to get through the city without seeing some kind of Jet advertising, whether it’s television, billboards or social media. That’s how big it will be.

“Walmart.com and Jet.com are very different platforms,” she added. “Walmart.com has [more than] 100 million unique monthly visitors. Essentially, a third of the country is visiting walmart.com every month. It has a wide array of product from fashion to home to consumables, etc., and it’s appealing to a third of the country. It’s very much focused on that busy family.

“The Jet platform is focused on a very different customer – the urban, Millennial, super cool, high household income, looking for something very different. It’s very curated assortment – a very personalized assortment… We have lots of great brands on all of our platforms. With Jet, it’s Nike, Birkenstock, and it goes on and on. We are creating a specialized experience for [Nike].”

With walmart.com and its relaunch, “We’ve been focused on bigger images, cleaning up the site, creating a beautiful shopping experience, because whether the dress is $15 at Walmart or $200 at Jet, or $2,000 at Saks, it should look beautiful.”

Additionally, the walmart.com team has been working on editorial content. “We built an editorial team over the last six months and we’re really excited to provide what historically the luxury players have owned,” Incandela said.

“Everybody needs styling advice and direction, whether you are buying a $35 dress or whether you are buying a $200 dress. That was missing,” from walmart.com. “If you go to our fashion landing page now, we would be talking about the ‘It list for fall, seasonal styles and how to outfit pieces more ways,’ the kind of online discussions that normally would just be found on upscale web sites such as neimanmarcus.com and Net-a-porter.

Incandela said. “Historically, you haven’t seen it on accessible price points.”

To get the word out on walmart.com’s fashion initiatives, “We are disproportionately putting fashion on the homepage, e-mailing millions and millions. We know that while we service her really well in consumables, we haven’t had that offering on the fashion side. Customers are asking for it. They are searching for it and so now we are building out those capabilities. “Our mission is to save people money so they can live better lives,” Incandela said, echoing the slogan that appears on the Walmart web site.

Incandela said consumers shopping online are gravitating to “big platforms” such as Alibaba’s Tmall, Amazon and walmart.com. “That is where the traffic is going. That’s where they are starting their searches. But we feel we are uniquely positioned. We are not just online. We have a big store presence as well. The Ellen [DeGeneres] line is being launched in both channels.” Of the 1,100 brands added since April, “most are online only, but some may be overlapping with the stores,” Incandela added.

“We are in the midst of a transformation in so many different ways. That’s the thing that energizes me so much,” she said. “We’re doing 16 different things at once – fixing the plane while we are flying it.”

— David Moon
Chief Marketer Scott Meden On Nordstrom's New Way

- The retailer will soon launch a revamped loyalty program called Nordy Club.

For Nordstrom Inc., there's a bigger future in localization and personalization. The vision was spelled out by Scott Meden, Nordstrom's executive vice president and chief marketing officer, at the forum, where he revealed that Nordstrom overhauled its loyalty program, renamed it the Nordy Club, and emphasized that personalized services like digital to physical and back. We have been trying to get across this experiential and personalized program that hopefully, in a compelling way, brings the best of Nordstrom to our most loyal customers,” he said.

Nordy Club's benefits include three points per dollar for purchases at Nordstrom, a 50 percent increase in earn rate, and members with cash or a non-Nordstrom card will receive one point for every dollar spent. There's also early access to sales such as the “Clear the Rack” off price clearance or possibly to “pop-ins,” which is Nordstrom's innovative pop-up format housed inside eight full-line stores, as well as invitations to events such as beauty and style workshops. There is also the “Nordy Club Lounge,” where members can get illustrated portraits of themselves and an integrated dashboard so customers can easily see their status and point balance. The idea is to extend offers and invitations in a discriminating, personalized manner so customers are notified of what's most relevant to them.

“The real key is not everybody wants to be inundated with every last thing that we are doing. So how do we personalize it?” Meden said.

In outlining Nordstrom's priorities, Meden said, “We have spent time, energy and dollars around our site experience, our data capabilities, our technology, and that's all coming to light. But probably the best way to describe it is our local strategy. We are really looking at it through the customer lens and how the customer shops today... We don't think about shopping in channels. We are moving pretty seamlessly from digital to physical and back. We have been building on a number of things – service elements, experiential elements. If you pull it all together in a market, we really think we can have a differentiated offer that no one can duplicate.”

Nordstrom's local market strategy includes Nordstrom Local service stations or “neighborhood hubs.” The first Nordstrom Local opened on Melrose Avenue in Los Angeles; two others are set, for Brentwood and downtown Los Angeles. Nordstrom Local offers curbside pickups, online ordering, returns, alterations, consultations with stylists, and even a glass of wine.

Nordstrom Local could open in Manhattan, after Nordstrom's women's flagship opens on 57th Street and Broadway next year. “There's nothing to announce,” Meden said, though he added, “If you think about the idea of Nordstrom Local being a convenience location, absolutely Manhattan makes sense for that.”

During the session, Meden responded to several questions, including the below:

- On the average age of Nordstrom shoppers: “The average age has gone down and it’s been intentional. The average age is 42, it’s younger in the Rack, and the average age of our shoppers is lower than any of our competitors.”
- On building brand partnerships for greater exclusivity: “We are focused on what we do to have a differentiated product mix that's really compelling to customers. Customers are looking for a journey of discovery. They’re looking for something new. We need to have a group of brands that are strategic partners,” such as Madewell and Allbirds, which Nordstrom has established partnerships with. “Some are emerging brands, a lot are brands born on the web. Designer brands are also key strategic partners and we have our own private brands. You mix all that together and we have our strategic brands. It’s 40 percent of the business, and we expect it to go to over 50 percent by 2020.”
- On Nordstrom’s Anniversary Sale: “You have a limited offer, new product, current season. It’s not a clearance end-of-season sale. That’s why the event is so strong. When you have a limited quantity in a limited time, customers want to make sure they get that product.”
- On HauteLook's flash-sale format: “The flash sale is still a relevant part of our business. Customers like the whole idea of private sale and limited-time offering is still really compelling.”

The Nordy Club is owned by Nordstrom.

- On the women's flagship in Manhattan, scheduled to open in the fall of 2019: “Literally, when I started at Nordstrom in 1985, within a year we started talking about whether we could be in Manhattan, what location, could we find the right spot. It’s been 20 years of considering Manhattan, and knowing that at some point, we really wanted to be here. It’s not easy to find the right location. We think we have a fantastic location, 57th Street and Broadway. Manhattan has fantastic retail, you can say the same thing about London needs is another store, but we hope we are bringing something, from the range of product that we carry to the service experience that we offer, we feel is differentiated. We know the bar is high.” — David Meinert

The Future of Storytelling At Estée Lauder


“Marketing is not about the stuff you make, it's about the stories you tell,” said Alicianne Rand, executive director of global content and influencer marketing at Estee Lauder Cos. Inc.

Storytelling is an increased focus for Estee Lauder, which has a daily reach of more than 77 million people on Facebook and Instagram. In her talk, Rand outlined four questions the company considers when it comes to storytelling process: “what drives us... “who inspires us,” “how do we execute” and “where are we going.”

The first of these is “creativity-driven, consumer-inspired storytelling,” which has proven to drive sales, particularly in the case of luxury products. A video advertising a brand's Fresh Pressed Daily Booster racked up 16.3 million views on YouTube and an increased sales in social media, which ultimately led to the product selling out globally within its first month on the market.

Patrick Starr, a Filipino-American YouTube known for challenging beauty industry norms, is an example of someone who inspires the storytelling. Starr partnered with MAC on three collections, the first of which sold out within a month.

“When a brand has a stance and shares its point of view, even if it challenges conventional norms of what society thinks is right or wrong, those are the brands that win,” Rand said.

For execution, Estee Lauder focuses on video content fit for social media platforms like YouTube.

“Every single day, we spend over a billion hours watching YouTube content,” she said, “That's more than Netflix and Facebook video combined. By the year 2020, 75 percent of content we consume will be video.”

Estee Lauder has worked with Google on Home on Liv, a voice-activated assistant platform that is particularly compelling to nighttime skincare use. First-time users typically spend more than six minutes interacting with Liv, while engaging users spend more than double that.

— Alexa Tietjen

SEPTEMBER 24, 2018

PARIS SPECIAL EDITION
Levi Strauss Gains Artificial Intelligence With Ask Indigo

Ask Indigo — Levi Strauss & Co.’s chatty venture into artificial intelligence — is helping to lead the denim company into the future. But it hasn’t been a straight path.

Levi’s chatbot launched in August 2017 and, while the company worked to carefully root the high-tech experience in its heritage, the digital feature still needed a few course corrections along the way. Brady Stewart, senior vice president, Americas digital, said the trick — for the chatbot and tech innovation in general — is to move quickly, avoid spending lots of money and be ready to switch up the approach.

Consumers are moving fast and are more digitally obsessed, and companies need to be the same.

Stewart noted that people check their smartphones 86 times a day — every 11 minutes, assuming an eight-hour break to sleep. Four out of five shoppers also use their phones while they’re shopping in Levi’s stores.

“Consumers are bringing omnichannel to us — it is up to us to deliver them a great experience around it,” she said, referring to the long-touted convergence of clicks and bricks.

That need to answer the consumer demand and a belief that conversational commerce, or shopping via messaging platforms, is going to become more important led Levi’s to build the chatbot. The feature is available across devices and acts as a kind of automated sales associate that can recommend styles and answer typical questions shoppers have in stores.

“What makes conversational commerce most impactful is when you’re actually able to replicate authentic conversations that happen in real life between store employees and consumers,” Stewart said.

Shoppers on the Levi’s web site also need some guidance.

“We have over 20,000 denim stockkeeping units on our site, so we need to give our consumer some guidance so they don’t get lost in that sea of denim,” Stewart said.

To get the voice of the chatbot right — it had to carry denim authority and be true to the brand — Stewart said she and her team spoke with the company’s stylists and designers and customer service reps.

The result is a chatbot that, when asked for light-blue jeans under $50, comes back with “Sure, let’s try these out.”

“We’re actually seeing some really great results,” Stewart said. “Users who interact with Ask Indigo are 50 to 80 percent more likely to convert. That’s a direct sales driver and very powerful result for us.”

Additionally, she said returns were being reduced as shoppers get better fit data and are less inclined to buy two styles intending to send one back.

Along the way, Levi’s found some things about its own approach that didn’t fit so well.

Ask Indigo was first called a Virtual Stylist, but users thought they were going to get a live chat and were disappointed to connect with a machine. The name was changed to Stylebot, but that didn’t sync with the brand’s voice and the name was finally changed to Ask Indigo.

That kind of flexibility is central to Stewart’s approach to tech innovation in general.

“Get your concept out quickly and don’t ever invest in it,” she said. “You can spend infinity money and infinity time building out the perfect consumer experience during which time the consumer and the market will have leapfrogged you. The best thing to do is to get out quickly, learn and iterate from there... Celebrate your failures. You will learn as much and as profoundly with what doesn’t work as with what does and it will help you challenge your assumptions about what you think about your consumers and it will help you to learn more.”

— Evan Clark

Whether it’s a five-second video, a morning e-mail or the five-story London townhouse at 5 Carlos Place that serves up private shopping, supper clubs and more — everything is part of the narrative at Matchesfashion.com.

And that story, with many different entry points, connects consumers with brands, informing, entertaining and ultimately selling.

Kate Blythe, chief content officer, said:

“Storytelling is embedded in absolutely everything that we do and part of our mission is to build the most personal online luxury shopping experience in the world, a thread that runs through everything, adding strength and authenticity.”

Blythe described “content” created by the brand as centered on three Cs: culture, community and commerce.

Culture speaks to the customer’s life and style, while community connects customers, influencers and designers, and commerce brings people back to shop.

All of this is intended to encapsulate the product, bringing it and the experience of buying to life.

“How do we get customers excited about a new label that no one else is stocking yet and how do we educate them on an avant-garde trend and how do we show them these labels and trends can become apart of... their lives?” Blythe asked, describing the thought process that goes into building that narrative.

“Content is the reason that people come back time and time again, it’s storytelling through the Matchesfashion lens and it takes the form of multiple platforms,” she said.

Among them are a digital weekly magazine, e-mails (which saw an average open rate of 49 percent last year), social media and 5 Carlos Place, which just opened this month.

At the town house, Matchesfashion is seeking to create personalized, intimate moments with consumers.

The 7,000-square-foot location has shopping floors, a kitchen with a chef’s table, a courtyard and a new broadcasting hub, creating content from the experiences onsite, feeding back into the commerce loop.

Shoppers at the space can scan a bar code at reception and sign in and get a tour of the space before heading to one of the suites, which feature items they have picked out and others selected with the help of data gathered from their wish lists, online baskets and purchase history.

Looks that aren’t available on-site can be ordered via the app and delivered within 90 minutes.

“We saw the future of retail was experiential, so we launched the ultimate experience,” Blythe said. “Content is a tool in whatever form it may take now or in the future and we are using it to amplify our fashion point of view. In 2018, the customer is open to hearing that fashion point of view and, as always, interpreting it in their own unique way.”

— Evan Clark

Everything’s a Story at Matchesfashion.com

Chief content officer Kate Blythe explains how the merchant connects with consumers.
Neely & Chloe Eyes Maintaining Customer Relations During Growth

The brand is using digital channels to create a personal connection with consumers.

Millenial-targeted accessories brand Neely & Chloe is leveraging the Internet to establish a personal connection with consumers.

Founded two years ago by sisters Chloe and Neely Burch, the handbag, shoe and small leather goods line operates via e-commerce, trunk shows and limited wholesale partnerships.

“A lot of our brand is built around the holes we felt as consumers ourselves. We were young, just out of college, moved to New York and tried to keep up with all the chic girls running around but couldn’t figure it out on an entry-level salary—all of the bags we wanted were in the four-figure range,” Neely said of the brand’s premise.

Most of Neely & Chloe’s products are priced at under $300.

“The sisters grew up surrounded by retail and fashion— their uncle is Chris, and their aunt is Tory. For them, fashion was a typical dinner table conversation.

The company was hatched from ‘five pain points,’ that Neely and Chloe identified in talking to consumers their own age.

“Quality at a certain pricepoint that didn’t break the bank, product that felt targeted and special, a curated assortment, and a sophisticated, the app experience that feels elevated,” Chloe explained of the brand’s founding principles.

“We look at consumer base largely hailing from the selfie generation, the sisters have noticed a higher engagement on products that are promoted with their own images.

The program is called “Suggested products can also be loaded into the phone sends the consumer various looks and gives advice through the phone.”

“Advice, Liu said, which combines live-streaming with augmented reality. Users would call a beauty adviser from the app, and a real person on the other end of the phone sends the consumer various looks and gives advice through the phone. Suggested products can also be loaded into a consumer’s shopping cart.

The final combined offering links face recognition, machine learning and data analysis to better allow retailers to understand what a consumer is thinking when he or she walks into their store. “When customers go into your store, you can recognize what he or she is thinking,” Liu said. – Allison Collins

“Technology Fusion Is Coming to Beauty, Fashion

Companies should start to use combinations of AI, AR, live-streaming and machine learning, according to YouCam’s Wayne Liu.

The days of using just augmented reality are over, according to YouCam’s Wayne Liu, general manager and vice president of business development. Today, both beauty and fashion companies would benefit from fixing different types of technology together—something YouCam offers as a service—in order to connect with their shoppers. The app has been downloaded more than 650 million times, and the company’s technology is used by more than 150 brands globally. Liu noted. YouCam has more than 100 million active users, he added.

Using just one of the slew of tech “dishes” — that YouCam is serving up. “It’s just like social media,” he continued. “If your parents are on that, if your grandma is on that sharing some fake news or something...you’re going to another social media [platform], which your parents don’t even know how to use.”

Companies’ tech advancements should mirror individuals’ social media evolutions, Liu said.

“Right now, if you use just one technology, AR, or you’re using AI, or blockchain, it’s not sexy anymore. You have to perfectly mix everything together, just like a chef,” he said.

He outlined three new offerings — “dishes” — that YouCam is serving up.

The first, AI Look Transfer, allows users of YouCam’s app to take a picture of something and virtually try it on using a mix of augmented reality, object recognition computer vision and machine learning, according to YouCam’s Wayne Liu.

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How Chatbots Are Transforming Beauty

Andy Mauro, CEO and co-founder of Automat, talks artificial intelligence and chatbots at Digital Forum.

"Our customers thought that, using Facebook, they could achieve a way for them, and not just selling, but to learn about them in their own words," said Mauro.

Chatbots, he said, allow the customer to be more vocal about what they're looking for. This in turn provides more insight to companies on their customers in a way that is personal and less creepy—an increasingly important distinction in a post-Cambridge Analytica world—than other modes of voice marketing.

Most current systems offer product recommendations, which Mauro called "pigeons and storks.

According to a study Automat conducted with Sleepwalker, two-thirds of women felt overwhelmed by the amount of products in stores, and nearly the same amount said they didn't want in-person help. About 71 percent of respondents said they were on their phones—on Amazon, Google, and Sephora—while in store, and 49 percent said they would speak to a virtual beauty adviser if one were available.

"In a post-Siri, post-Alexa world, people are willing to give us a shot because they need help," said Mauro. He said it's most beneficial for companies to use separate vendors for chatbots and voice channels, since chatbots can be a great data source for doing voice in the future.

"L'Oreal, who we've been working with for a long time, are seeing that benefit," he said. "A bot, Mauro said, is a great way to get people to do something, whether it's buying a product, completing a form, or giving you data, which you own."

"It's first-party data," he said. "You don't have to license it from somebody else like Google or Facebook. You own the data."

Snapchat's Millennial Picture

The social media platform is helping brands court younger consumers with pictures.

When it comes to courting the go-Millennials, pictures are key.

And Mari Schapiro, director, retail at Snap Inc., said the company's Snapchat social commerce platform has revolutionized the industry and its growing spending power.

"They have a tremendous amount of money that they're keeping growing," said Schapiro, putting the current Millennial spending power at $2 trillion. "And beyond that raw ability to spend, Millennials also consume media differently than other generations and are very quick to understand what they want to buy.

Snapchat lives in a Millennial world. Schapiro said the platform was one of five apps that reaches more than half of the cohort globally, covering people from somewhere in the college years to their mid-30s.

"In the U.S., we reach 72 percent of them every day...and the average users is on the app 25 times a day," she said. "It's an age group that is moving through a series of milestones, from college graduation to having their first baby to buying a home. (That is if they don't have too much college debt to do so.)"

As digital natives, they are quick to see what they want and savvy enough to know when they're being sold something.

"The way that Millennials [and the even younger] Gen Z come, the way that they engage in content is just very different," Schapiro said. "They do not need 30 seconds of content to understand what the brand message is. They don't need to understand what you're trying to sell them, they know." She pointed to a lens with Nike that let users view a 3-D image of Michael Jordan as he flew through the air on his way to the basket, ready to dunk.

"Everything we're moving into the future should start with a camera," Schapiro said. "These things used to be very big ticket items, they are not anymore.

And playing with a Snapchat lens makes for a branded experience in a world where engagement seems to be the holy grail.

"Seventy million people play with lenses every day for an average of three minutes," said Schapiro. "As a marketer, if I could have three minutes of engagement with one users, that is important."

"They have a tremendous amount of content to understand what the brand is saying and are connecting. It's a time where all this mashing up and opportunity can happen," she said.

"We're seeing a drop phenomenon from Balenciaga. 'Try to get what you're trying on the confidence online is rising. Not a surprise.' If you rewind three to four years, online was still being wrestled with the major luxury brands and that is very much changing," said Schapiro.

"This is no longer for the really big guys in the marketing world. AR is democra-

ized now," Schapiro said. "These things used to be very big ticket items, they are not anymore."

"And playing with a Snapchat lens makes for a branded experience in a world where engagement seems to be the holy grail."

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If you build it, they will come” no longer applies to retail. Stadium Goods partnered with Tmall’s applied it to the expansion strategy when natural as possible. As if they were a part of market and it was set up to feel as local and American coming through and selling France that competes with Sam’s Club. and a bustling Carrefour, a retailer based in Sam’s Club in Shanghai, which was empty, remembers walking into a newly opened ago when he was in grad school. McPheters remembered taking a trip to China years and a list of people. “Some had 11,000 followers, some had 800,” Woodhouse said. “I said DM [direct message] them all and ask them if they’d like to be an influencer for us. He did it and got a resounding response. They were astonished that the estate of Marilyn Monroe had contacted them. They’re gratified that we have reached out, they feel special, and they’re helping me promote my Marilyn Monroe brand.” This led to the creation of Winston, which Woodhouse described as “a platform of influencers and creators driving sales at scale. We operate through Instagram’s API [application program interface], requiring all members to opt in through their personal Instagram accounts. We go on, punch in what your interests are and we can parse out which campaign you would organically like to talk about.” Although the term “influencer,” is relatively new, the social relationship it describes is ancient. Woodhouse joked that Jesus was probably the original influencer but everyone from Vladimir Putin to Barack Obama can be considered one. “Kris Jenner and the Kardashians, God bless them, they helped to invent this business and love them or hate them, certainly respect them because we use them all the time and they move mountains. And they moved a mountain of juicy Couture velour for me,” he said. While traditional celebrity endorsements still have their place – Woodhouse said Jennifer Aniston still has credibility talking about hair products, for example – those are few and far between. “That’s what we’re always struggling with, when we hire or use influencers,” he said. So instead, ABG opted to use Winston to winnow down the list of people it would work with. “If we want to shoot the new Snyder campaign and we want some influencers, we say, we want 10 shots on the mountain with a Snyder jacket and then our team would decide which shots are the best and we would go ahead and use those on social and we would compensate that individual either through product or through funds,” he said. Today, ABG works with over 1,800 influencers who have more than 150 million combined followers. “Every single one of our influencer campaigns now is based out of Winston,” he said. “We are, in effect, the agency.” The company is using the same strategy for searching out people to model for its brands. “I can’t stand writing checks to models anymore,” he said. And realizing that “there are a million young women who would like to model for Juicy Couture,” ABG now uses the women it found through Winston to be the face of the brand. “We’re crowdsourcing and insourcing all the services we used to outsource,” he said. “But it’s organic. I don’t have an agency telling me this person likes Juicy Couture. My head of Juicy Couture can speak to them and we can decide if they’re going to promote our brand.” One key component of this software, he stressed, is that everyone involved in the program has opted in and ABG is “maniacal” about vetting them to ensure that they’re legitimate. And while Woodhouse said that ABG hasn’t seen the response it expected from some influencers, it has been pleasantly surprised by others. “We haven’t gotten the ROI on some of the influencers with large numbers of followers that we thought we would, but we’ve gotten more way more engagement from people with fewer followers because it was way more organic,” he said. Looking ahead, Woodhouse said ABG is intrigued by the idea of synthetic CGIs or computer-generated imagery of humans. “I would love to do it with Marilyn Monroe and Elvis Presley,” he said. “They always show up on time for their photo shoots and I never have to read about them in Page Six. That’s why we don’t purchase a lot of other celebrity brands because I’m always worried about what’s going to happen. With a synthetic influencer you can dictate what they’re going to do and it makes a lot more sense. We haven’t done it yet but I’m excited to learn a lot more about it.” – Jean E. Palmieri
Marketers Should Focus on the Overall Customer Journey

Testing and isolating customer data allows one to learn what's working and why.

A brand really does need to “manage every customer’s unique journey.”

That was the conclusion of Yoav Susz, vice president, North America, for Optimove, who spoke on “Managing Every Customer’s Unique Journey.” Optimove combines marketing with data science to autonomously generate marketing for personalized campaigns across multiple shopping channels.

Susz noted the advantages of using a flow chart, mostly due to the “ease of presentation and ease of measurement.” One would start by planning out a series of interactions with a customer over a single journey beginning with Day One. Each change would result in an alteration of the chart. The presumption is that the marketer knows what to say a few days down the road even on the day the chart is created. Because of that, the flow chart does have limitations due to its inflexibility, Susz said.

He pointed to “micro-segmentation” as a better option, one that he describes as involving an “infinite journey.” But the reason why it isn’t used is because the process requires access to data, a problem for many firms because they have data spread across multiple platforms, Susz said.

So what does one do about that? According to Susz, “Think about what is your reason to start a conversation. What is the intervention point? What do you want to say to your customer?”

He emphasized that marketers shouldn’t be thinking about the entire sequence of the journey that a customer might have, but instead focus more on “what you want to say to the customer right now.”

He also spoke about two e-mails he received on his birthday, both from the same retailer. One was a “we miss you” e-mail that offered as an incentive a 30 percent discount to return to the site and buy something, while the other came later in the day offering 10 percent off for his birthday.

“It was more important that I’m a churned customer and you’re willing to pay more for that than because it’s my birthday,” Susz said, explaining that the example showed a problem with both prioritization and exclusion.

Another example was an active skin-care customer who hadn’t purchase in 90 days, even though most on average buy every 50 to 60 days. That’s an example of when a company might want to reach out to try to convert them back to being active customers.

One final example involved four different customer profiles, such as one group always buying on sale. Susz explained that if each group had four options each day, each road becomes prioritized and every “permutation would exponentially create large numbers of journeys that no human mind can try to fathom.”

And companies can do tests by layering in moments of outreach to understand individual customer behavior. An example he gave was replenishment in the pet food category, where how regularly one reorder often depends on the size of the animal, which in turn impacts the cadence of how soon they finish the food. Testing and isolating data allows one to find out what’s working and not working, and why.

Susz cautioned marketers not to get frustrated just because one step in the overall journey isn’t great, even if the overall path looks good. Looking at just the click-through rate or number of impressions doesn’t give the whole picture.

“The better approach is looking at the overall journey, and then you can ‘double-down on what’s working,’” he advised.

— Vicki M. Young

ThirdLove Relies On Data for Its Decision-Making

Sometimes the most useful information is from consumers who elect to do “returns and exchanges.”

For ThirdLove, it’s about data, data and more data.

The bra firm’s cofounder and co-chief executive officer Heidi Zak, told attendees, “Data is in every part of our business.”

According to Zak, who spoke on “To Each, Her Own,” the company has data on 10 million women and 600 million data points. The firm garners much of its data from its online proprietary fit finder, which was created to replicate the styling and fit a woman would have received were she created to replicate the styling and fit a woman would have received were she visiting a boutique store. Data from the fit finder also provides the company with intel on fine-tuning its inventory levels from style of bra to how many in each size, a must for a brand that now boasts 70 size options.

Zak noted that sometimes the data that’s most useful “comes from people who don’t keep the product.” She explained that “returns and exchanges” can provide useful product information, while queries and responses about the customer experience can inform one on how to improve customer service.

Zak got the idea for the company from her own attempt at trying to find a bra that fits, and hating the experience. “I want a brand that relates to me as a modern woman,” she said. Her goal was an experience that helps women everywhere gain confidence. “The best thing I can hear from a ThirdLove customer is when they say to me ‘I wear your bra and I don’t even think about it,’” she said. That means she can go about through her day and do other things, instead of pulling up her bra straps or feeling uncomfortable, Zak explained.

The company, which has sold more than 3 million bras and has 1 million active customers, employs 300, including 30 on the data science team. The key focus is on personalizing the experience through understanding the customer, both on who they are and what they want, she said.

“We’re the only brand in the world that has half-cup bras,” Zak noted. She also explained her mission to create a bra that’s both “beautiful and comfortable.” One example is that there are no tags used on the bras. Printing of information on the material adds 30 cents to each bra, which has an average price point of $60 to $70. “It’s about creating something better that makes a difference in women’s lives,” Zak said.

In addition to data driving the company’s decision-making, in part because it doesn’t have any stores or pop-up shops, the co-ceo said listening to customers also helped the company determine the best “Seven Shades of Naked,” a group of skin-tone color options.

Zak said listening to customers – in particular, a woman named Hope, aged 50 – helped inspire and change the look. Hope sent a photo of her wearing a ThirdLove bra, which included more mature women as models. Zak, who said the brand always was meant to be inclusive for all women, invited Hope – and the other in Brooklyn, along with a national television commercial ranging from 30 seconds to one minute. The campaign includes women of various ages, who are at different stages in their lives.

— Vicki M. Young

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