

CASE STUDY

American global e-commerce marketplace

SEGMENT | Marketplace

PRODUCT | Recommend, Engage

CHALLENGE | Improve relevancy of recommendations and content to drive conversion and revenue up

RESULTS

- \$ 88 million attributable sales
- 250% increase in revenue per thousand impressions

The client is an American global e-commerce marketplace connecting subscribers with local merchants by offering activities, travel, goods, and services in 15 countries. They enable real-time commerce across a range of categories including local businesses, travel destinations, consumer products, and live events. Their mainstay is promotional discounts and coupons across segments and products. By nature of the business and growing competition, the company's growth strategy is tightly coupled with providing recommendations that are relevant to the location as well as the individual affinities.

This meant that the retailer needed to provide its customers with highly relevant product or service recommendations that not only aligned with their needs but also proximity requirements. For e.g., recommending the right spa because the customer regularly purchases spa treatments is not good enough. Proximity to the spa is equally important for the customer to show interest and redeem the offer.

In order to drive personalized experiences across commerce site, web and mobile app, the client deployed Recommend and Engage – Algonomy's personalized recommendations and content products, respectively. The client leverages Algonomy's profile service for segmentation and to understand user preferences & attributes in real-time. Merchandising rules are applied to support business needs while not compromising on relevancy of recommendations.

With localization being a key requirement to drive individualized engagement, Algonomy provides the geo-proximity feature for hyper localization of recommendation assets.

Geo-proximity re-sorting

The screenshot displays the 'Configurable Strategies' interface, which is divided into two main sections: 'Configurable Strategies' and 'Personalization Seed'. The 'Configurable Strategies' section includes a 'Strategy Composition | View Results' header and an 'EDIT Strategy' sub-section. Below this, there are several strategy options, each with a 'Strategy Description' and a 'View Results' link. The 'Strategy Description' for 'Attribute Top Sellers' is highlighted. The 'Personalization Seed' section is also visible, showing options for 'Based on User's History' and 'Product Attribute'.

Strategy Name	Strategy Description
Viewed Together	Viewed Together by User
DSW Strategy	Top Sellers
New Arrivals	New Arrivals (Recency)
Complete The Look	Image Similarity
Replenishment	Category-based Replenishment
Top Views Last Hour	Top Views Last Hour
Bought Together by User	Bought Together by Order
Top Sellers Offline	Top Sellers Offline
Attribute Top Sellers	Attribute Top Sellers
Best Offers	Best Offers
User Purchase History	User Purchase History

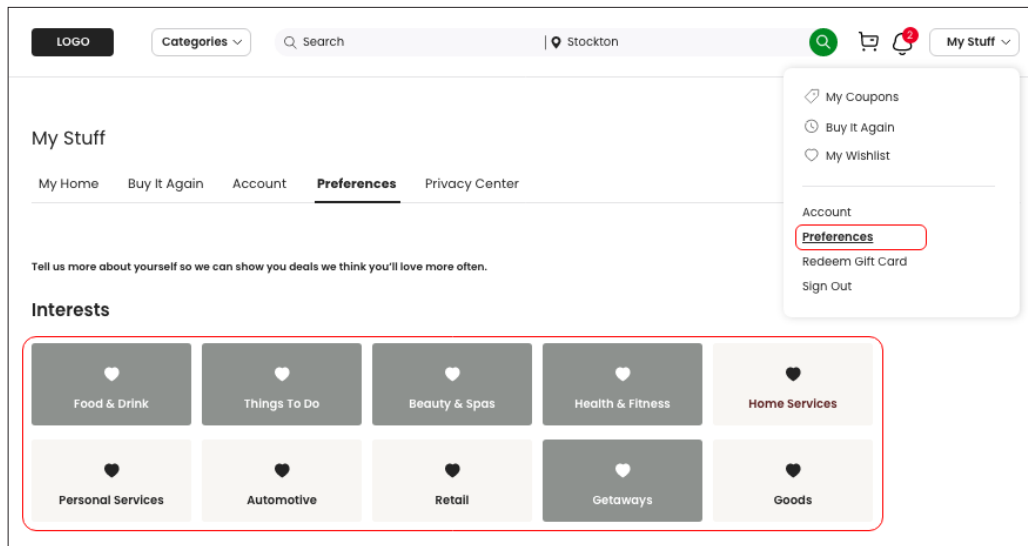
Shopper's latitude-longitude information is juxtaposed with the latitude-longitude of the deals which is determined by using geo distribution of deals in a particular geographic location. This data is then leveraged to calculate the proximity of deals to the shopper in real-time and recommendations are re-sorted so the most relevant deals closest to the shopper are presented on the top. In other words, region-aware algorithms help in localization i.e., popular products in my region or area and factors in proximity scoring to make relevant recommendations – products available near me. This is especially useful for deals from local service vendors.

Configurable strategies

The client was looking to compare the outcome of Algomomy's configurable strategies with that of their generic strategies. To this end, Algomomy provided over 30 configurable strategies by leveraging different category seeds and user affinities. These configurable strategies provide an easy way to generate relevant recommendations as backfills for Personalized recommendations on the Home page. Using Top Selling strategy as a basis, recommendations were filtered based on an individual's purchase history and affinity towards a specific merchant. This resulted in a 250% increase in revenue per thousand impressions and over 50% of attributable revenue on mobile app, mainly from Home Page. Also, use of targeted Configurable Strategies on Commerce site and Mobile Web's Deal Page, along with 'Similar Items' strategies, has driven over 80% of the attributable sales.

User affinities for segments

The retailer explicitly asked their shoppers what their preferences were after they created an account and wanted to market to those preferences on the site. Retailers put Algomomy tags on the preference page to send the shoppers selections thereby capturing preferences as user attributes in the User Profile Service. With this, the retailer was able to set up specific segments to target certain shoppers



Algomomy drives strategic engagement through the Personalization consulting program and offers Personalization assessment which covers an audit and optimization recommendations for Personalization.

Algomomy's engagement with the client continues to expand with planned investments to improve user experience and engagement. This includes application of personalization across 12 international sites, additional placements on Browse, Search & Cart pages, personalization based on IP location and introducing replenishment algorithms.

ALGONOMY

Algomomy (previously Manthan-RichRelevance) empowers leading brands to become digital-first with the industry's only real-time Algorithmic Decisioning Platform that unifies data, decisioning, and orchestration across marketing, digital commerce, and merchandising for the retail industry. With industry-leading retail AI connecting demand to supply with a real-time customer data platform as the foundation, Algomomy enables 1:1 omnichannel personalization, customer journey orchestration, merchandise analytics, and supplier collaboration. Algomomy is a trusted partner to more than 400 leading retailers and brands, QSRs, convenience stores, and more; with a global presence spanning over 20 countries. More at algomomy.com.