

CASE STUDY

Pompéia

PRODUCTS

RichRelevance Find™ and Recommend™

SEGMENT

Fashion & Apparel

CHALLENGE

Enhance user experience and increase overall online revenue; Leverage AI-driven Advanced Merchandising, eliminate the need for manual curation by a fashion consultant

RESULTS

Lojas Pompeia implemented Find™ and Recommend™ from RichRelevance Experience Personalization platform to create individual experiences throughout the site

- ▶ **+28.3%** Average Ticket Size
- ▶ **+32.4%** Items Per Order
- ▶ **+1.9%** Revenue uplift over manual merchandising
- ▶ **+5.8%** CTR over manual merchandising

“Our team was really surprised when we saw the results from A/B testing, which clearly proved that the Xen AI from RichRelevance Experience Personalization Platform is able to deliver much better results than our previous manual merchandising; and the technology to interact with every consumer at an individual level, considering the context at the moment and their preferences, in a very transparent and open way, not to mention the flexibility and extensibility of its 300+ strategy algorithms.”

Denis Voloski
Operations Manager – Lojas Pompeia

Founded in 1953, Pompeia is one of the largest fashion brands in Brazil and, together with Gang, is part of the Lins Ferrão Group, and is based in Camaquã, Rio Grande do Sul. With over 77 physical stores, they offer a wide mix of products -- womens, mens, kidswear, footwear, accessories and housewares. Pompeia has leveraged e-commerce as a way to expand their services throughout Brazil.

Challenge

Lojas Pompeia was looking to improve their merchandising strategies. They had a team of fashion consultants that were responsible for curating and manually choosing products they would merchandise on their website. While they knew that a personalization platform could deliver a better performance with less resources, but they needed to justify this investment.

Solution

RichRelevance in partnership with Driven.cx came up with a much more effective way to sell products online with cutting-edge AI technology. Using the Experience Personalization Platform, Pompeia has begun to automatically recommend products, decided by Xen AI™, which offers over 300 strategies for detecting and responding to digital signals in real-time using a full spectrum of algorithms and multi-contextual AI to deliver massive personalization at scale, in an individual level.

Results

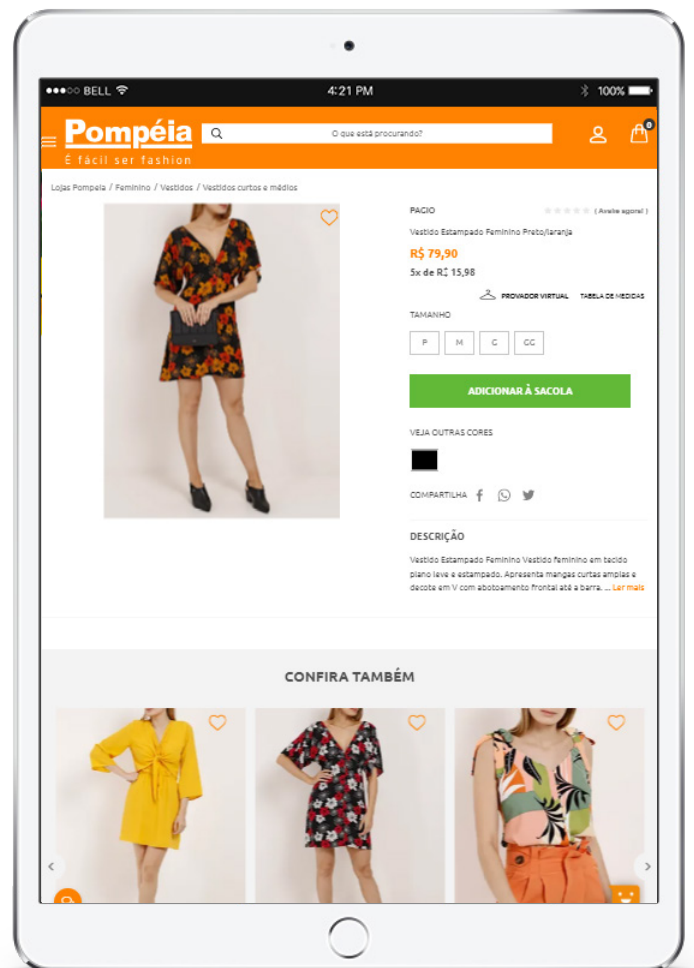
To prove the value of the technology, a split test was performed with users divided into two groups, 50% of users receiving manual recommendations and 50% viewing RR recommended products. As a result, RichRelevance performed better and had a 2% increase in RPV, 1.9% increase in revenue and 5.8% in CTR with a confidence level of 100%. This result was just a sample of the platform's performance, as consumers interacting with RichRelevance personalization experience a 28.3% higher average ticket size, and +32.4% increase in revenue per order.

Lojas Pompeia uses FIND™ and RECOMMEND™, to provide to their users a fully personalized experience both in search and product recommendations. In addition, consumers have a more individualized brand experience, and the Pompeia internal team can now concentrate on strategies to grow their revenues while Richrelevance's artificial intelligence continues to drive results and improve their business performance.

Conclusion

Lojas Pompeia team knew intuitively that AI-driven merchandising will outperform manual selection, but had to prove to themselves via a split test with actual data that their hypothesis was indeed true.

With RichRelevance, they can now select, test and showcase new merchandise, with the flexibility to use Xen AI and integrate their team's knowledge by creating new and/or enriching existing rules in the RichRelevance Experience Personalization Platform.



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