11.31% conversion rate uplift with personalized recommendations

One of the biggest retailers in Europe, LC Waikiki has 589 stores in 28 countries and offers affordable fashion to its customers with the motto of "everybody deserves to dress well". In LC Waikiki stores customers are presented with a wide range of products for the whole family. From regular wear to pajamas and underwear, sportswear, shoes and accessories, product inventory of LC Waikiki includes all the items to meet their customers' casual wear needs.

"Since we were already integrated with Insider's personalization platform, we started using Smart Recommender without any further integration and with a little investment. The results were amazing and it is the first time we were able to test the performance of recommendations the way we wanted them to be tested. Insider is a true business partner that acts with our interests in mind, helping us to grow our key metrics and increase our bottom-line."

Salih Yılmaz
E-commerce Director, LC Waikiki

Challenges

LC Waikiki had implemented and tested recommendation engines of various blue chip vendors but the results were not satisfactory enough.

Furthermore recommendations were far away from personal approach and solely based on "people who bought this also bought this" strategy.

Being the best performing sales channel of the company, lcwaikiki.com generates huge visitor traffic, which translates into very large and complex data sets to traverse, together with the excessive product inventory information.

LC Waikiki wasn't content with the testing methods, used to measure the performance of recommendations which were not competent to reveal clear results.

Solution

Insider's personalized recommendation engine Smart Recommender analyzes users' on-site behaviors and makes recommendations, predicting the products visitors are most likely to engage with. Machine learning technology streamlines unstructured user data to create meaningful patterns and identifies the true intent of customers, which enables making personalized recommendations to each customer based on their relationships with products and resemblance with other users. The intelligent algorithms constantly learn and adapt to changing user behavior, increasing the relevancy of recommendations over time. Even with massive product inventories, Smart Recommender is able to consolidate such data and make sense out of it, creating customer profiles in order to provide compelling and relevant content to consumers.

The built-in A/B/n testing capability of Insider personalization platform was what LC Waikiki was exactly looking for to be able to test their recommendations on a grounded base. With it's A/B/n testing module Insider helped LC Waikiki determine the actual monetary uplift generated, measuring the effectiveness of recommendations against a control group.

Results
Upon implementation of Smart Recommender, LC Waikiki started to deliver more personalized shopping experiences to its individual customers which resonates in higher conversion rates. With Smart Recommender, LC Waikiki has been able to achieve 11,31% conversion rate uplift.