YES CASE STUDY

Read THE YES case assigned for Week 8 and answer the following questions:

1. **Compare and contrast** the approach of **THE YES versus Amazon.com** when it comes to the **retail** of fashion clothing. What are the **similarities** between the approach of **THE YES and Spotify or Netflix**?

**Answer 1)** Amazon had become the largest apparel seller in the US by 2020. Amazon tries to commoditize fashion as it does to all other industries. One of its key strengths is offering a very broad assortment of products of varying quality and price without any kind of curation. This makes shopping on Amazon a huge headache. Amazon also earns a lot from its promoted products which makes people to not trust the search results anymore. Amazon has become the opposite of what we need. Also Amazon does not clamp down on the many copy cat private label brands. Also THE YES started as a mobile app unlike Amazon. THE YES has gone for seamless brand integrations, an adaptive and user centric platform, created a very accurate fashion algorithm with a very extensive taxonomy and a very good interaction between the UX and the algorithm with a balance between personalization and discovery. Their aspiration was to change the way consumers shop online and to encourage them to change their behavior. For example, instead of needing to search multiple websites for the lowest price, THE YES assured its customers that they would always find the lowest price available on the web, by having the app dynamically track and respond to price changes in real time and also tries to make its customers to forego the sorting and filtering options they use on other e-tailers. Also THE YES offers extremely good customer service with a high quality, highly empowered team. Also they have people with good domain knowledge like Pandora for music. Also THE YES looks to give power back to the brands unlike Amazon. Also THE YES looks to zero in on merchandising brands to the relevant users which would lead to higher conversion rates unlike Amazon. Also THE YES was able to quell the fears of high end brands better than Amazon and also preserved a brand’s unique point of view unlike Amazon. THE YES did not charge brands to list their catalog on the app, as some other marketplaces did. Instead, brands were charged 25% of the retail price commission only upon a completed transaction between a consumer and THE YES. Also, THE YES would make available to brands customer and sales data that via its brand dashboard.

On the other hand, THE YES tries to improve user experience by offering tailored recommendations a’la Spotify. THE YES did this by finding a technical co-founder and trying to create a holistic platform which “rethought the business mode, the technology stack” and using cutting-edge AI and innovative UX. Like Spotify, THE YES tries to build a different store for each customer according to their preferences and feedback. THE YES also has an initial onboarding quiz like Spotify or Netflix.

1. Based on their similarities and differences, how would you **further optimize** the app to **Fashionistas**? To **Fashion Followers**?

**Answer 2)** For fashionistas the app could be further optimized by increasing the freshness, interactive experience and by reducing redundancy. Also this could be further narrowed by focusing on comparatively costlier items. Improvements could be made in the brand assortment and the search capabilities and also by improving the fashion algorithm. Also perhaps improvements could be made in clustering the fashion items together to improve the experience of fashionistas.

For fashion followers, the breadth of offerings could be improved. Also perhaps because they worry more about what fashion authorities say, THE YES could focus on bringing the fashion authorities to the customers. The app could also be made better at connecting brands with the customers. Also because they like the social experience, the interactive pop quizzes could be made better and more features could be introduced.

1. How would you assess the **potential impact** of THE YES's unique combination of human and machine intelligence on the future of **retail**? Is this **game changing** or merely evolutionary change for e-commerce? Explain.

**Answer 3)** Right now, the product itself is learning and evolving. The aim still is to find the right users. The physical retail sector has been affected by the covid pandemic so this might be a good opportunity for the sector to pick up. The August 2020 KPIs were encouraging. THE YES app was downloaded by 30,000 users, 75% of whom completed the onboarding quiz, and 85% of whom clicked “yes” and “no” on items, totaling over 2.5 million preference actions. The company received more than 70 press features and over a half of a million earned media impressions, with 62,000 Instagram followers within the first few months. At launch, 145 brands had signed on, representing a mix of iconic fashion houses, up-and-coming designers, premium denim labels, and contemporary and affordable brands. Forbes asserted that THE YES was “poised to dramatically change how consumers shop,” while Refinery told its readers “We’re betting big that you’ll be saying yes to a new way of shopping in no time.” However, Fast Company warned, “THE YES is a fresh approach to shopping, but it does have an uphill battle ahead trying to change consumer behavior. The company will need to convince consumers to download yet another app on their already overcrowded phones. And THE YES does not have control over the quality of the merchandise or the shipping logistics, but customers are likely to hold it responsible for any mishaps that happen if their product shows up damaged or late.”

I believe that THE YES’s unique combination of human and machine learning is the way of the future. I think that THE YES has taken great leaps to bring innovation to the sector of fashion e-commerce but I believe that other players like Amazon and the big brands will try their very best to catch up with their huge resources and I think it is only a matter of time before they succeed. I think THE YES has proven to be a trendsetter and has been able to steal a charge over its less quick moving competitors but I believe that machine learning is going to come to all forms of retail and improve customer experience exponentially and is part of the evolution of e-commerce.