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How Dressipi Can Help Retailers Transform Their Biggest Asset

Introduction

What if stores can be transformed into a retailer's biggest asset – not their biggest liability?

In this short paper Donna North, co-founder of Dressipi, the world's only Fashion Prediction Platform, argues that contrary to popular opinion, it's the bricks and mortar retailers who have the advantage.

In Defence of Stores

Stores offer many benefits over pure play retailers not least because they can create a better emotional connection with customers. With 80% of shopping still taking place in-store they also have a significant advantage in their ability to collect lots of important data. This data will give retailers insights to help identify the winning experiences of the future as well as to ensure they stock better, differentiated products in the right quantities that meet the needs of their customer.

It's no coincidence that pure play retailers, like Amazon, are experimenting with opening their own stores – they know physical stores will continue to play a significant role in the customer's shopping journey.

Despite the evidence, there are a number of puzzling questions that remain unanswered:

- What is going on today that is masking the potential advantage of store ownership?

- Why is most of the growth in retail taking place online (even if Amazon accounts for a lot of this)?

- Why are stores closing en masse?

While there are multiple economic reasons that are putting pressure on costs and margins – there are also three more controllable reasons stores are failing today:

- The first is that they offer poor customer service and experience – particularly compared to the new online competitors like Amazon and Sephora, who have brought new standards of customer service, price transparency and convenience.

- The second is a lack of product and brand differentiation which encourages the customer to shop for the product at the lowest price and in the most convenient manner.

- The third is that most investment in tech innovation is focused on improving the online experience, yet most shopping still happens in-store.

In all the work we have been doing with 1000's of customers over the past year in preparation for taking personalisation into stores, we know that most people still want to shop in-store sometimes – they just don't want to shop in bad stores.

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The Current Retail Experience can be Frustrating

Let's take a quick look at a typical experience today.

I'm looking to buy something to wear to a party.

Like most shoppers today I start by browsing online. While there is an overwhelming number of products, I persevere and eventually, I find something I think I like. I decide to try it on in a store later in the week.

A couple of days later, I spend 20 minutes of my lunch hour getting to the store. 5 minutes being routed through beauty and men's and eventually I reach the right floor. I spend another 5 minutes searching for 'the dress'.

When I finally find it, my size isn't available – which is frustrating because I checked online that morning. I spend another 10 minutes looking for something else. There is no sales assistant free to help me. I glance at the queue for the changing room – long – and then the checkout – even longer.

I've run out of time, I leave and guess what – I'm not coming back.

There are multiple examples of customer journeys, like the above, that create frustration and friction for customers and which prevent them from purchasing.

Dressipi can Transform the Retail Experience

Now let's take a glimpse at a good experience – this is a Dressipi powered experience.

Once again, I start my browsing online. Only now, I am recognised, greeted personally, and immediately offered some great, tailored recommendations based on what I am looking for. I pop a dress I like into my 'try-on' list.

Later in the week, as I pass close by to a store, I am sent a notification letting me know my dress is currently available in a store 200m away, in my size.

When I walk into the store I am welcomed by name on my smart phone and suggested a couple of other items to take into the changing room to try at the same time. I am also shown the versatility of the dress by being told how I could wear it with other items I have bought previously. This gives me the confidence it's a good purchase. I buy it.

Later in the week, the sun is out and I am sent some summery outfit ideas for my new purchase via email. Next time I am browsing online, I am shown how to style my dress with the new items I am looking at.

By personalising the browsing and shopping experience, offering inspiration and helping at the right times – everything in context to me, specifically – the retailer has made me feel relevant. This high level of prediction has also removed all the pain points that would have stopped me from purchasing.

And because something relevant to our own lives is always more impactful – I am more connected, more loyal and more likely to shop with that retailer again.

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The Future of Retail is Here

This isn't the future. This last experience is what we at Dressipi are delivering today. And we are seeing significant increases in net incremental revenue per visitor for the retailers that are using our Fashion Prediction Platform across all channels, not just online.

The best defence for retailers right now is to do something that Amazon can't do (or can't do quickly). This is focusing on rolling out exceptional in-store customer journeys that complement their online business; using every interaction to collect data to either help the customer or learn from the customer; which in turn will enable retailers to identify and create the best experiences for the future and to develop differentiated products that speak directly to each retailer's target customer base.

Essentially moving from reactive retailing to predictive retailing.

Done right and done quickly, stores could be the key to a retailer's sustainable and competitive advantage.

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About Dressipi

Dressipi is the world's only Fashion Prediction Platform, enabling retailers to predict what their customers will buy and not return, optimising profitability and giving customers the best possible experience. Our data-driven approach helps drive significant new revenues for retailers (a minimum of 8% increase in net incremental revenue per visitor), decrease returns (by 15%) and increase conversion and frequency of purchase (by up to 30%).

Leading retailers use Dressipi's Fashion Prediction Platform for its best in class recommendations and prediction scores, enabling radically improved customer experiences and more informed decisions on demand to supply matching, merchandising and acquisition. Our unique database of over 5 million connectable fashion customers combined with fashion specific AI, expert knowledge and proprietary structured product data means retailers can be more profitable, more customer centric and more efficient.

#bepredictive

Contact Dressipi

To learn more about how Dressipi's data-driven approach accelerates leading retailers to be truly predictive, get in touch today.

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