



shopify

Building a Data Advantage Through AI and Analytics

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Merchant Health Score (MHS)

Value Proposition

The Merchant Health Score platform will deliver a curated, trustworthy, and actionable data product. The integration of AI-driven summaries further enhances actionability.

Target Constituent & Value

Merchant Success / Account Management Team

Constituent Goal:

- Identify, retain, and grow high-value Shopify merchants
- Increase platform Gross Merchandise Volume (GMV), and reduce merchant churn

Problem Statement



Merchant Success Managers:

Currently lack a unified, reliable, and accessible data product to assess merchant health comprehensively. They often rely on manually integrating disparate data points ("ingredients"), leading to reactive measures and missed opportunities

Estimated

- Enhancing platform revenue:** Reduce high-value merchant churn by an estimated 10-15%
- Driving platform growth:** Increase GMV uplift from existing merchants by 5-10%



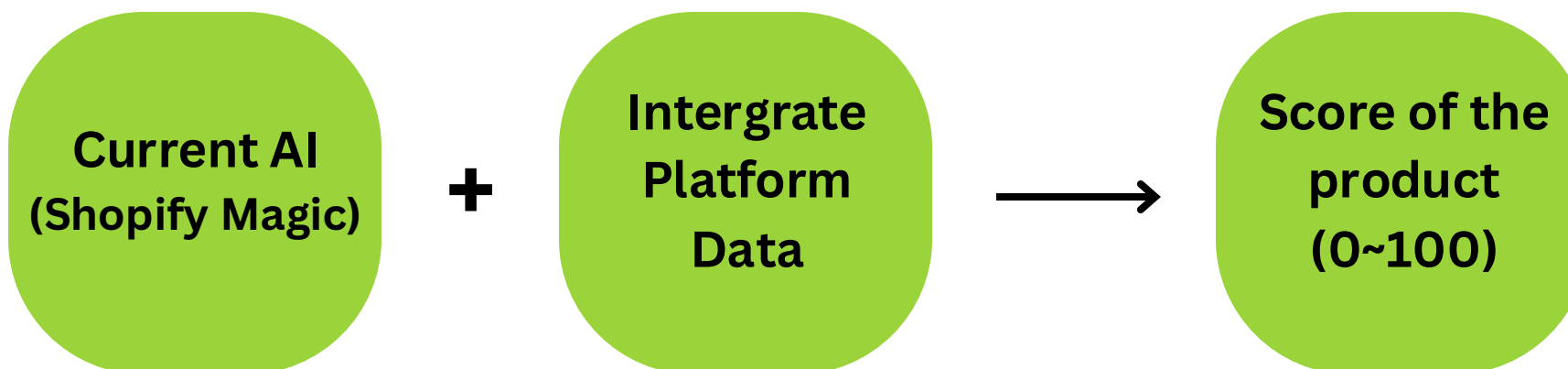
MHS is a data product that is the solution to **merchant management**



Analytics Product Service

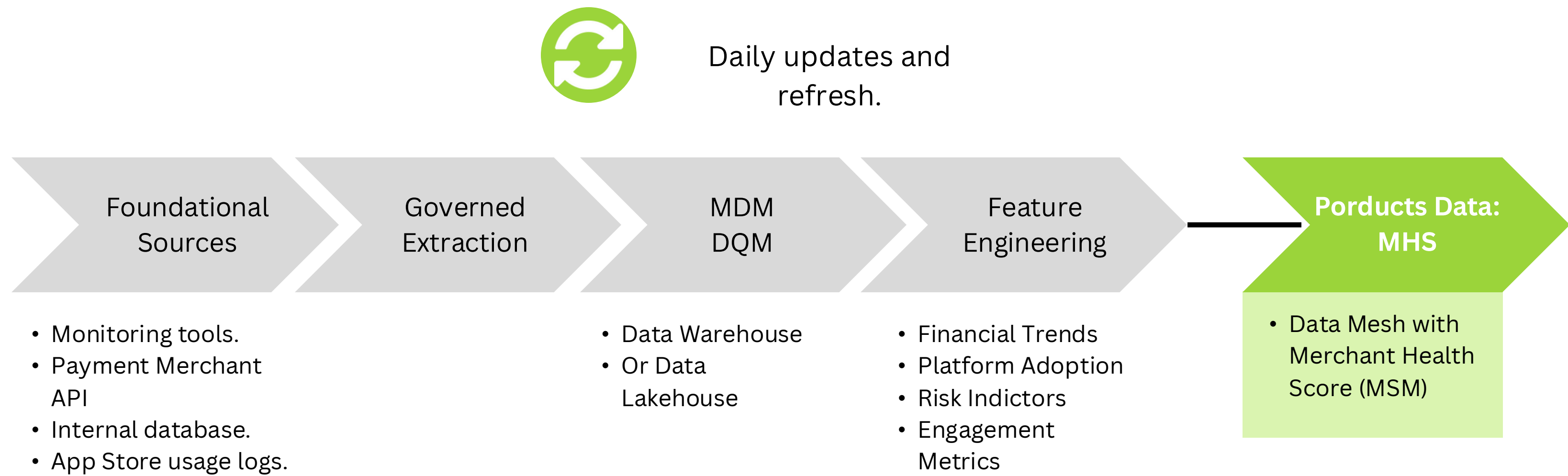
The MHS is defined as a data product, analogous to a well-prepared "dish" rather than raw "ingredients." It aggregates, analyzes, and scores diverse merchant data points from various internal Shopify systems, transforming them into a readily consumable, high-value

Core Functionality

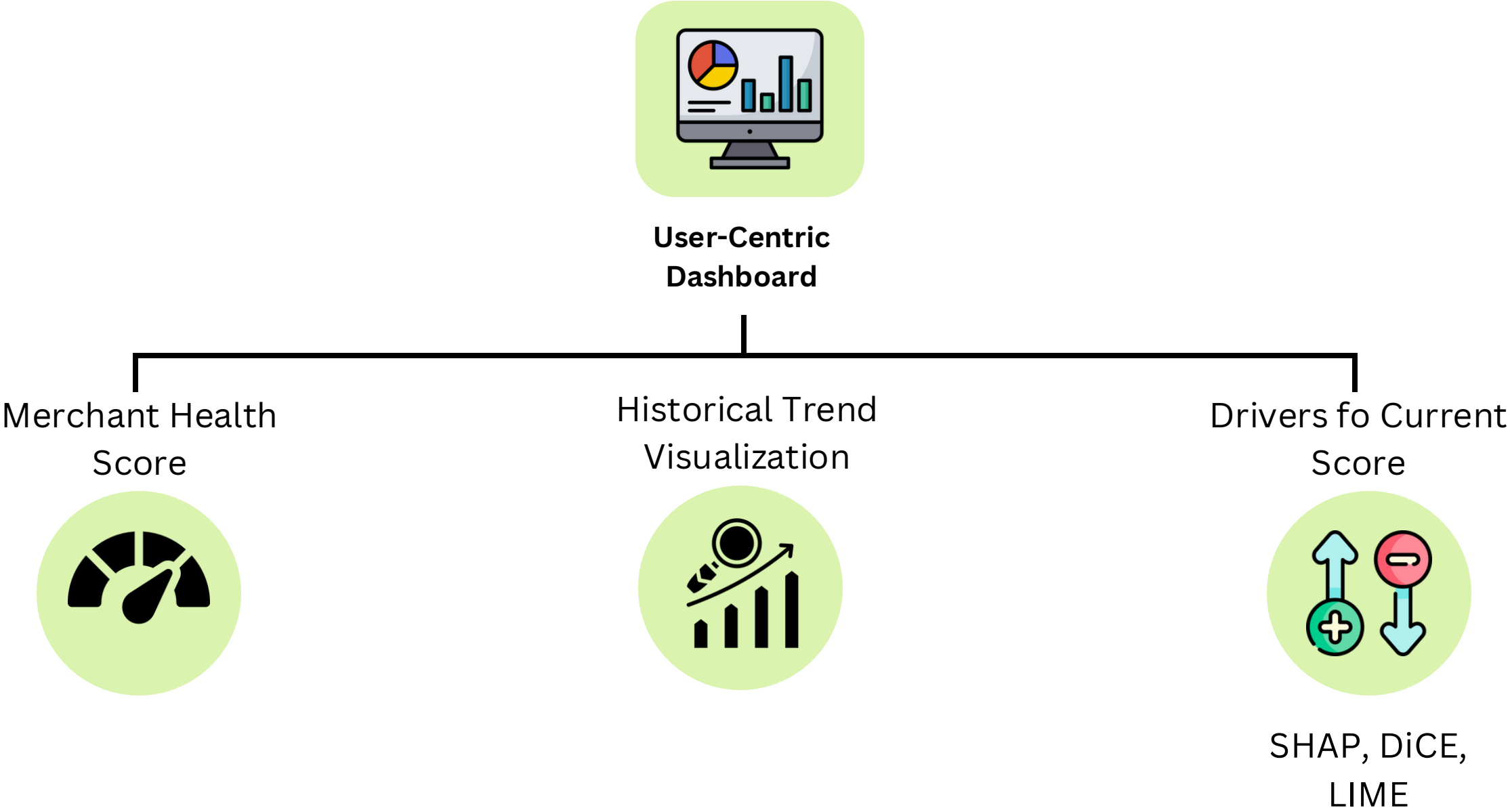




Foundation & Governance Derivation: Governed processes transform foundational data into high-quality, feature-rich inputs for modeling.



Packaging and Distribution: Merchant Health Score Dashboards provide quick, AI-powered insights for assessing merchant status.



Shopify Magic Integration:

AI-Summaries | Score Explanation | Risk Identifiers | Nex-Step Suggestions



Packaging and Distribution: Merchant Health Score drives proactive action and system integration via alerts, segmentation, and API access.

Building Tools for
Actionable Insights

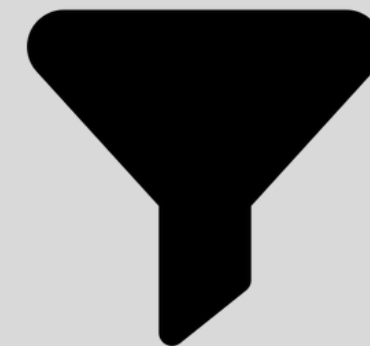


Automated Alerts



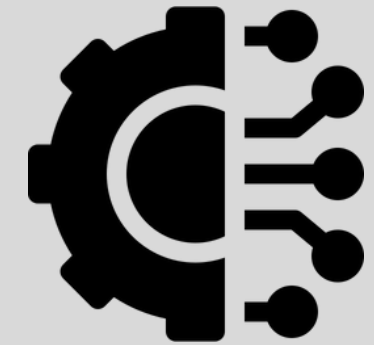
- Email, SMS, Slack, Teams
- Timely Interventions

Segmentation Builder



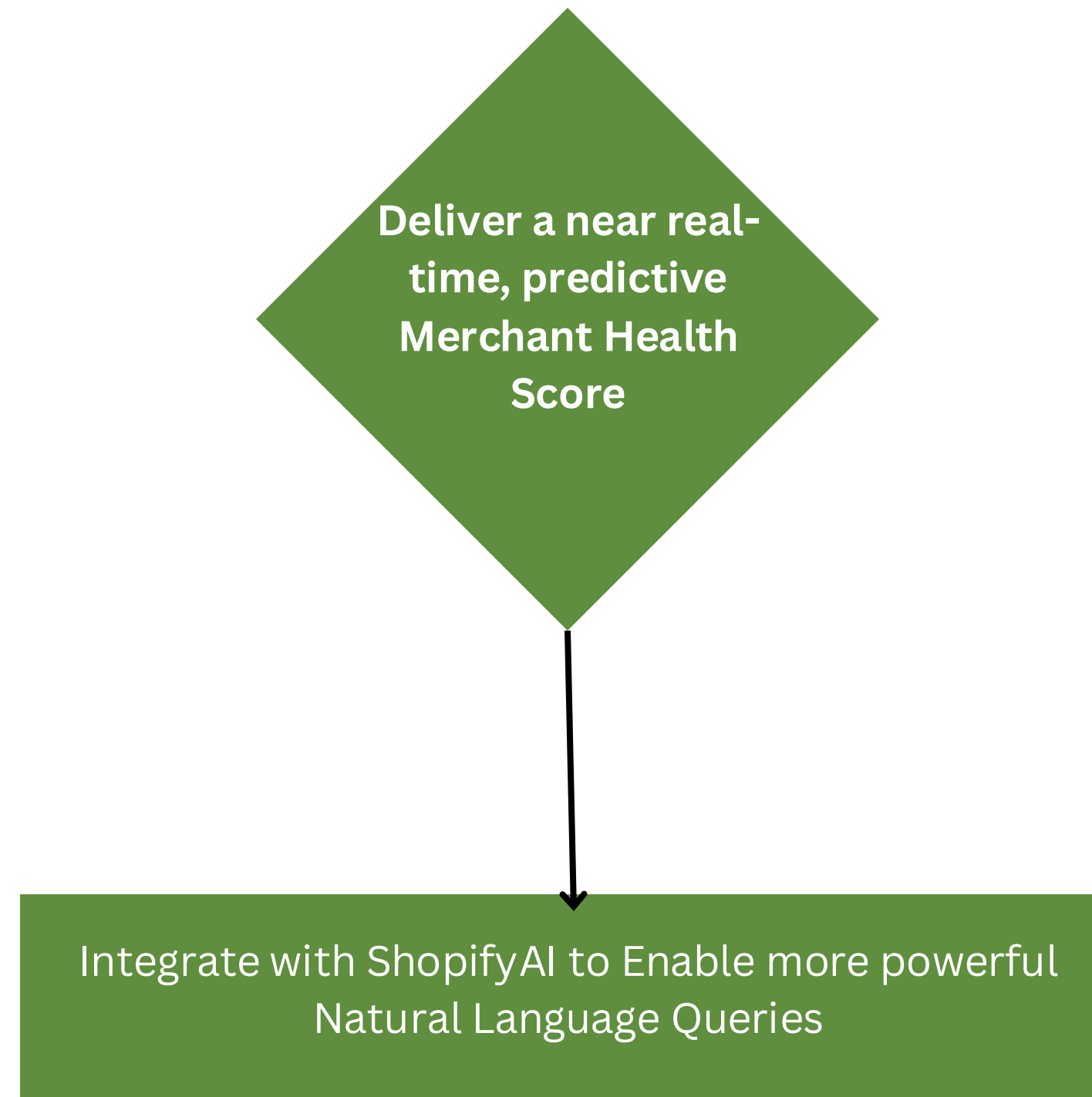
- Filter merchants based on score and attributes
- Focused outreach for specific campaigns.

API Integration

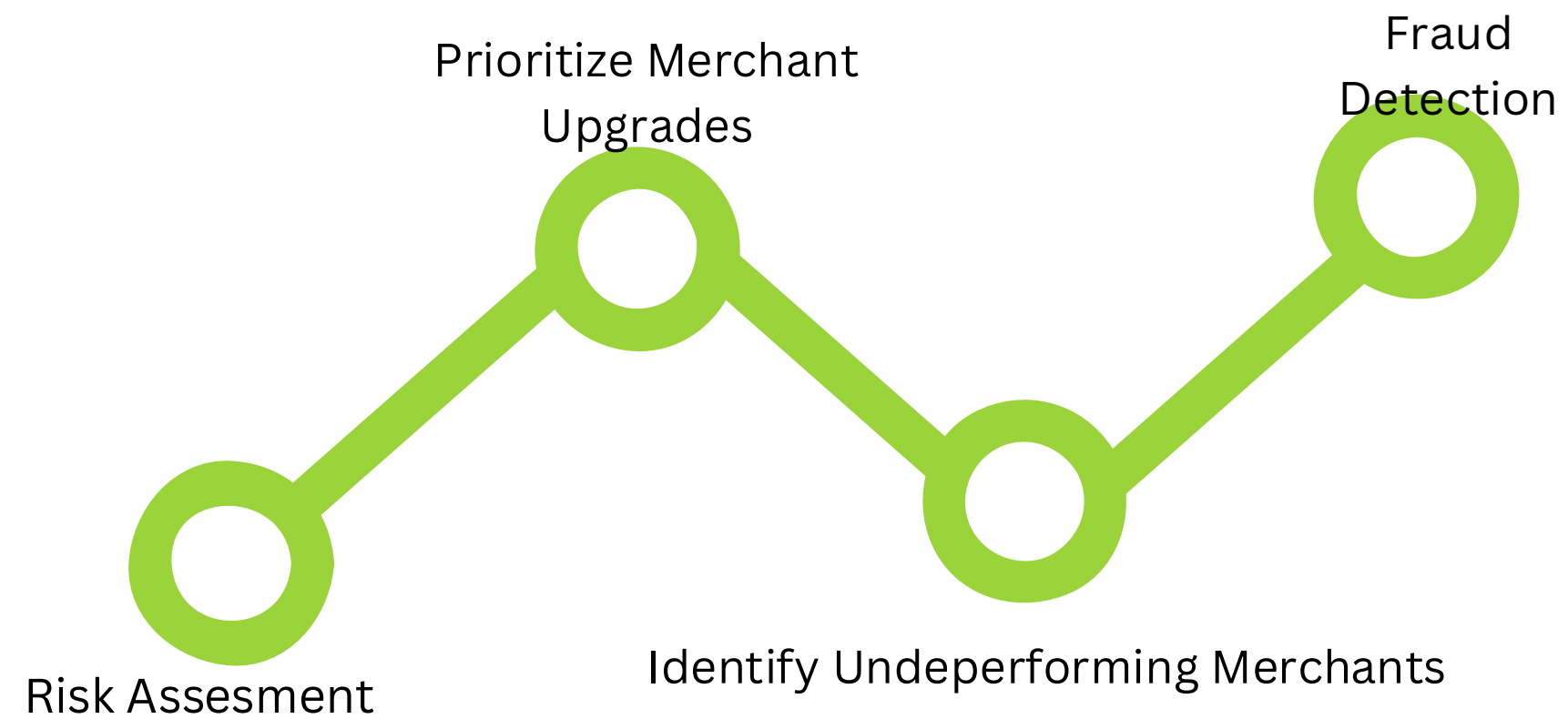


- CRM, Marketing Tools, AI features
- Share information about Merchant Health Score
- Automate

Reuse: MSMs Need a Way to Gauge Success



Reuse: How Else Can We Use the Score?



Key Challenges and potential solutions to establishing **Data as a product** at Shopify

Quality and Integration



**Invest in
Architecture and
Governance (ETL/ELT
and APIs)**

Explainability



XAI (SHAP...)

Adoption



**Sponsorship, User
Centric, AI training
and Support**

Value: The Merchant Health Score Data Product delivers over \$240 Million in annual value to Shopify

- Reduced Churn (10-15%)

\$75M

- Increase Gross Merchandise Revenue

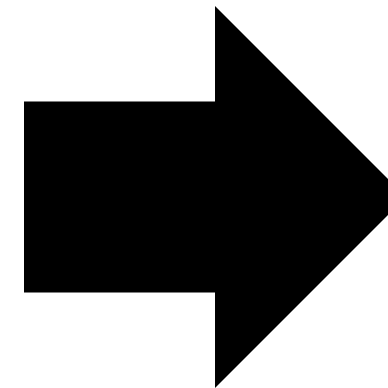
\$150M

- Enhanced Efficiency (faster actionable insights)

\$5M

- Accelerated Reuse (Capital, Sales, Product, Magic)

\$10M



\$5M

\$240M

Q&A
