

Reducing Returns on FirstCry.com App



THE PRODUCT POWERPLAY

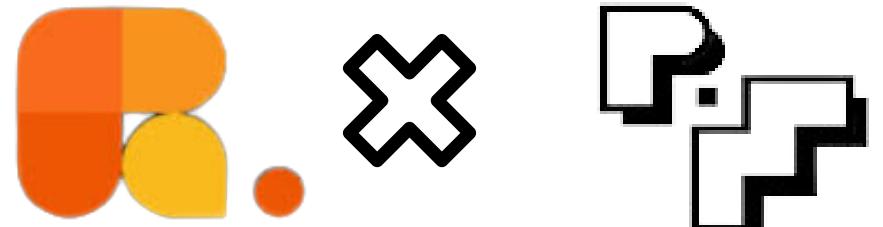
Sairam Nayak Kunsoth



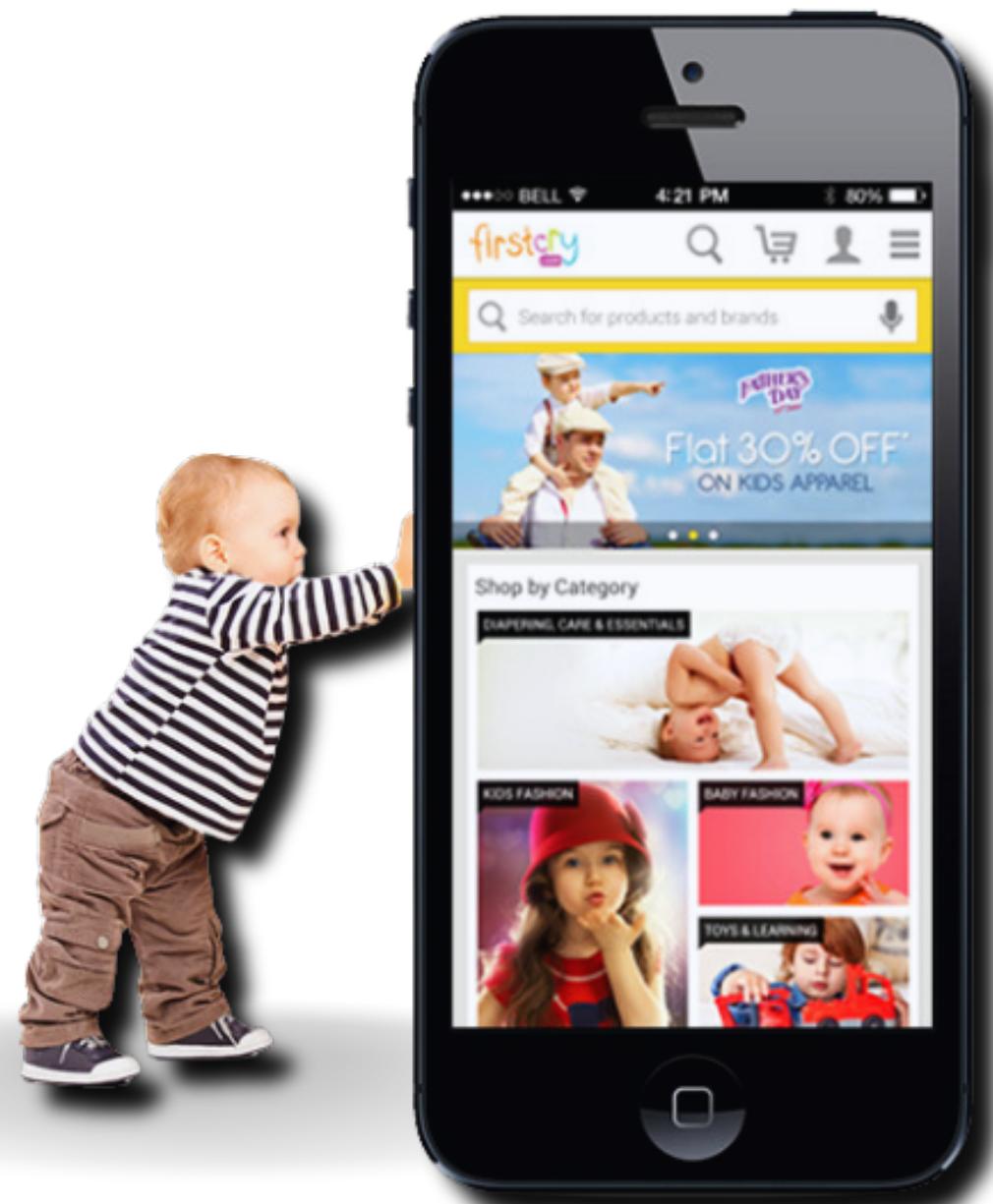
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firstcry
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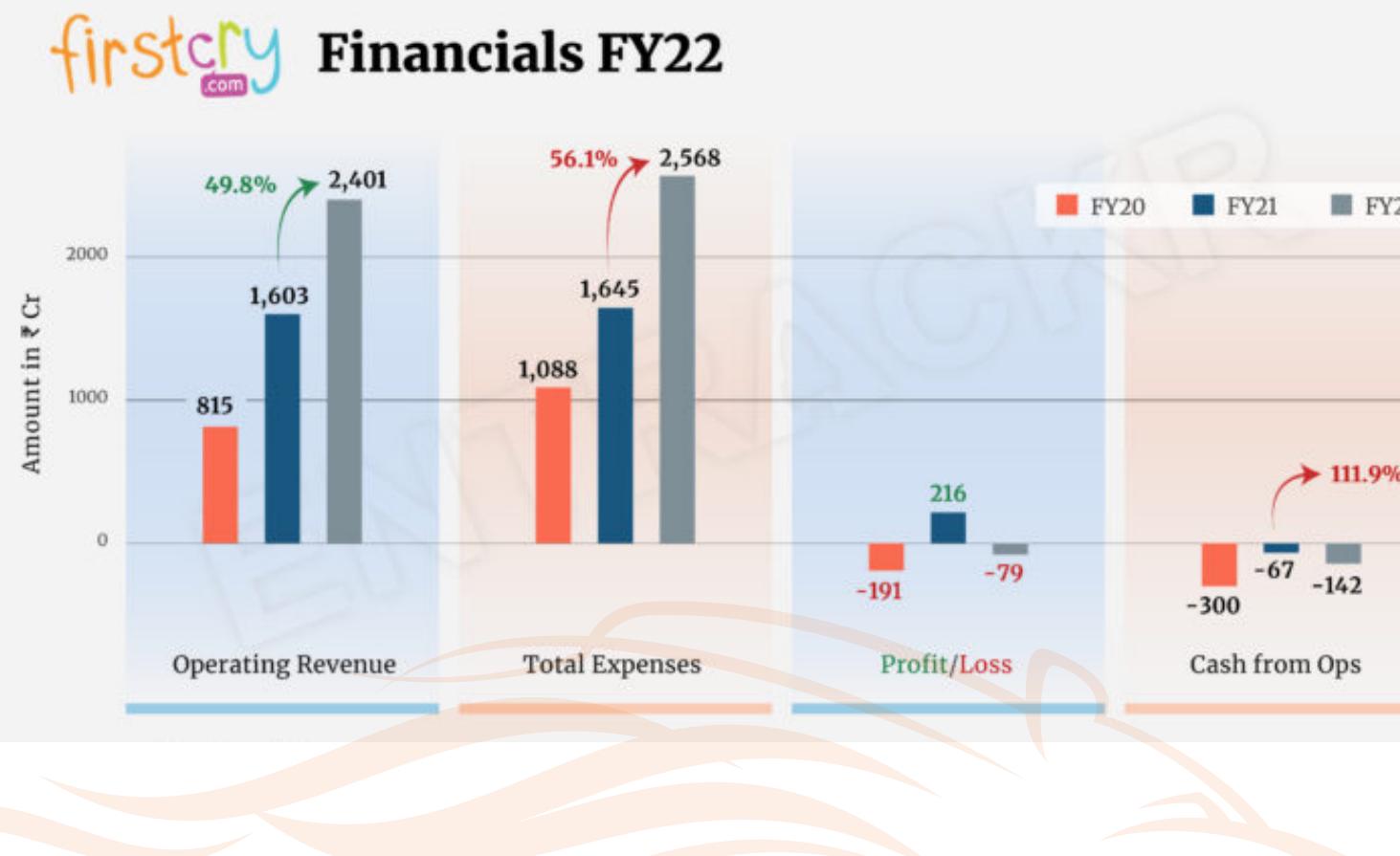


Problem Statement

- FirstCry.com, an e-commerce platform specializing in baby and kids products, is experiencing a steady increase in returns.
- The returns are primarily attributed to sizing and fit issues of baby and infant products, as well as the finickiness of children aged 3-5 years old.
- Exhaustive user research has revealed that parents often buy products online but end up returning them due to the aforementioned issues.
- There is a possibility that parents may opt to purchase the same products from offline stores instead of repurchasing them online.
- The main challenge is to address the sizing issues and minimize returns, while also building trust among users.
- The goal is to find a solution that enhances the overall user experience and effectively resolves the sizing problems faced by customers.

Chart

[Source](#)



About the Site:

- FirstCry is an Indian e-commerce company headquartered in Pune.
- The company was launched in 2010 with a primary focus on retailing baby products.
- As of January 2020, FirstCry operated over 380 stores across India.
- FirstCry is recognized as Asia's Largest Online Baby and Kids Store.
- It is also India's largest online shop for new mom and baby products.
- In 2016, FirstCry acquired BabyOye, a company owned by the Mahindra Group, for ₹362 crore.

Goals

- To solve sizing issues
- To ensure returns decreases to minimum.
- To Enable the trust of the user on the platform

Stats

- Number of Happy customers: 2M+
- EBITDA Margin: * FY21 -> 9.47% * FY22 -> 3.89% ↓
- ROCE: * FY21 -> 2.57% * FY22 -> -0.25% ↓

[Source](#)

Insights



4.4 ★
50M+ ↓



4.5 ★
9.6M ↓

Top Competitors



Competitor Analysis



Competitor	Solutions to Address Fitting Issue and Reduce Returns	Additional Measures	What Works for Them
Pinkblue a kids boutique India.com	Collecting data on common reasons for returns, improving product descriptions and sizing charts, providing a wider range of sizes and styles, offering free returns and a 30-day return window, creating a virtual fitting room, collaborating with brands to ensure diverse range of size options	Partnering with retailers for in-store try-on services, offering virtual fitting room	Detailed product descriptions and accurate sizing charts improve customer understanding, free returns and extended return window provide convenience and flexibility to customers, virtual fitting room allows customers to visualize products and make more informed decisions
BabyCOUTURE.in	AI-powered size recommendations, offering free shipping and returns, human-powered fit checks, providing a 30-day satisfaction guarantee, offering a wider range of styles and colors, improving product descriptions and photos	Utilizing previous data to enhance recommendations leads to better size selection, continuous improvement of product descriptions and size recommendations	AI-powered recommendations leverage data for personalized sizing advice, human fit checks provide an extra layer of assurance for customers, variety in styles and colors helps cater to different preferences and reduces returns, clear product descriptions and accurate photos improve customer understanding
hopscotch	Enhanced product descriptions with size recommendations using previous data, virtual try-on, free returns within a certain period	Continuous improvement of product descriptions and size recommendations	Utilizing previous data to enhance recommendations leads to better size selection, virtual try-on enables customers to visualize products and assess fit before purchasing, offering free returns during a specified period enhances customer confidence
mumzworld	Improved product descriptions, accurate sizing charts, wider size range, free returns, extended return window, and virtual fitting room collectively enhance the fit experience, reduce returns, and cater to diverse customer preferences.	Collaboration with brands for diverse offerings and analysis return data to improve sizing information and product descriptions.	Emphasis on accurate product information, wide size and style selection, free returns with a virtual fitting room, and brand collaborations have significantly improved the customer experience, boosted confidence in size selection, and effectively minimized returns.

User Personas



Source

- **Name:** Kavitha Ravi
- **Age:** 26
- **Background:** Housewife
- **Location:** Porayar
- **Pain Point:** Products are not of good fit
- **Needs:**
 - Utilizing previous data to enhance recommendations leads to better size selection,
 - Virtual try-on would enable customers to visualize products and assess fit before purchasing,
 - Offering free returns during a specified period enhances customer confidence

Source

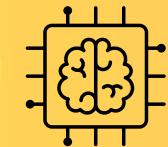
- **Name:** Maddy
- **Age:** 36
- **Background:** Doctor
- **Place:** Kerala
- **Pain Points:** Had to return the product because the size was too small despite ordering a size bigger than the baby's size.
- **Needs:**
 - AI-powered recommendations leverage data for personalized sizing advice.
 - Human fit checks provide an extra layer of assurance for customers, variety in styles and colors would help with different preferences and reduces returns.
 - Clear product descriptions and accurate photos would improve customer understanding

Source

- **Name:** Albin Jose
- **Age:** 28
- **Background:** Teacher
- **Place:** Kolkata
- **Pain Points:** The product runs a size smaller. Maybe, the next size would have been a better fit. Normally purchase a particular size but the product of that size was too tight.
- **Needs:**
 - Detailed product descriptions and accurate sizing charts of different brands, would improve customer understanding,
 - Extended return window would provide convenience and flexibility to customers,
 - virtual fitting room would allow customers to visualize products and make more informed decisions

Rice Score Framework for feature prioritization

Feature	Reach (%)	Impact (1-10)	Effort (1-10)	Confidence (%)	RICE Score	Priority
Improvising Review Section	70%	8	5	70%	78.4	2
Size Comparison Tool	70%	5	4	40%	35	5
AR Try On	80%	9	7	90%	92.57	1
CustomFit Profile	80%	7	5	50%	56	3
Fit Guarantee Program	60%	5	4	60%	45	4

Feature 1

AR Try-on:

AR try-on technology enables customers to virtually try on clothes, visualizing how they would look before making a purchase.

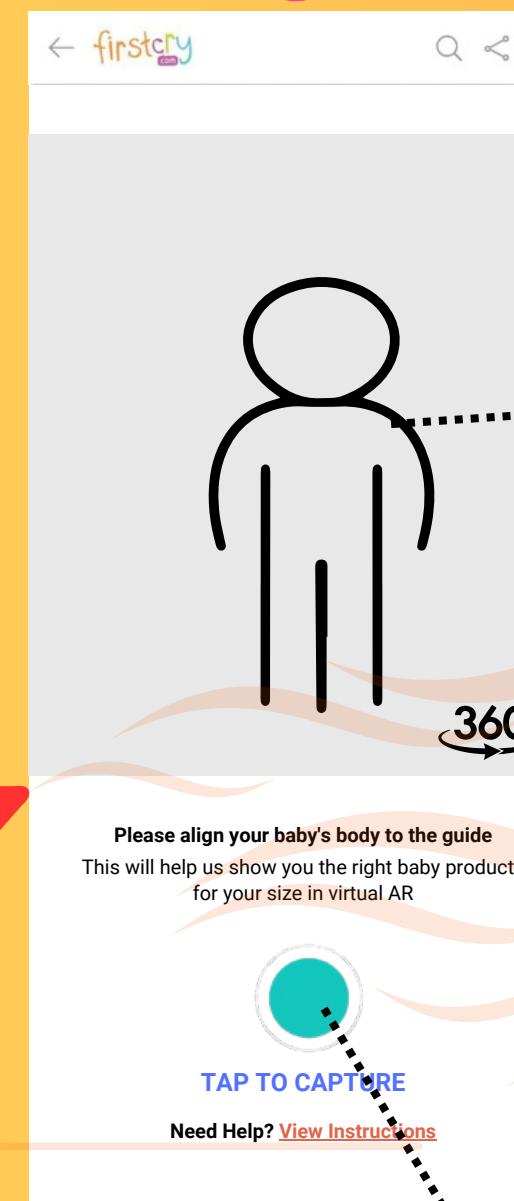

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TRY-ON:
"Try-on" feature seamlessly integrates into existing interface, users now have the ability to access a virtual fitting room using their device's camera. By navigating to the dedicated interface, users can interact with a body outlier and experience the convenience of trying on clothes virtually. This immersive feature empowers users to make informed decisions by visualizing how the clothes will look on them.

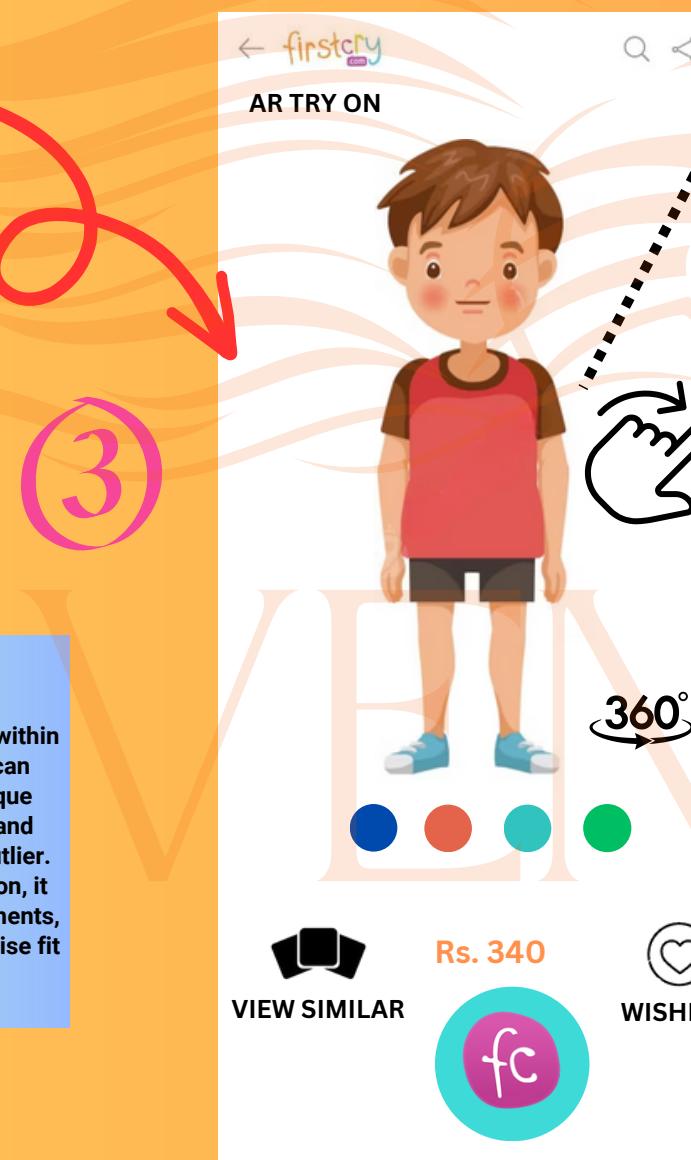
Please align your baby's body to the guide
This will help us show you the right baby products for your size in virtual AR

TAP TO CAPTURE
Need Help? [View Instructions](#)

360°

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BODY OUTLIER:

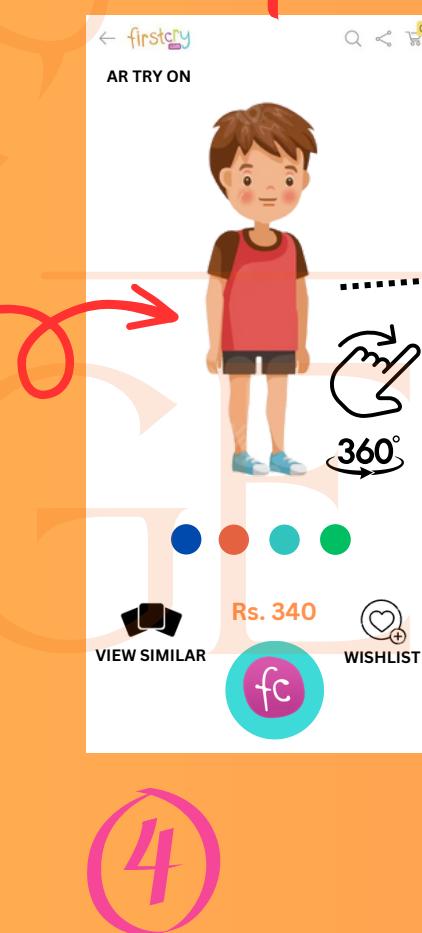
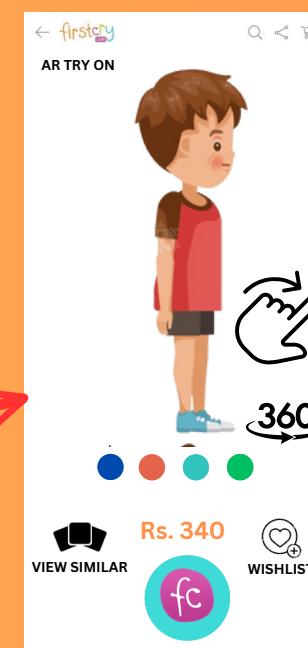
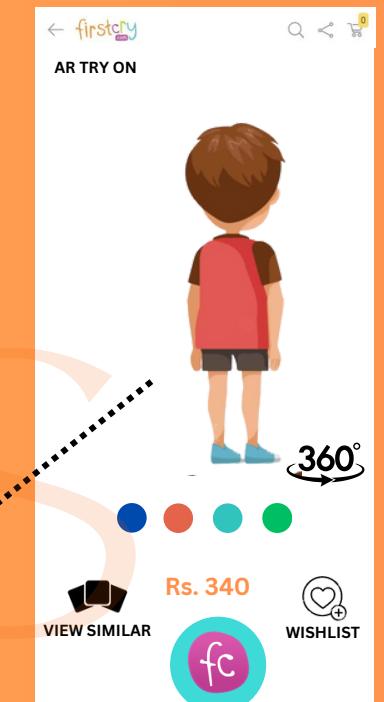
The enhanced interface showcases a body outlier within the virtual fitting room, providing users with a designated space to stand, rotate 360° and try on clothes before making a purchase.


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TAP TO CAPTURE:

With the "Tap to Capture" option within the virtual fitting room, users can measure and capture their unique body structure while standing and rotating 360°, within the body outlier. After simply tapping on the option, it accurately captures key measurements, ensuring a personalized and precise fit assessment.

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This interface provides an immersive view of the selected product on the user's body from the front view, with color options displayed below. The "VIEW SIMILAR" option offers related products, while the "WISHLIST" feature allows users to save their preferred items. The "FirstCry" logo leads users to a secure payment process. This user-centric design enhances engagement and streamlines the shopping experience.

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This allows users to rotate the figure horizontally, resulting in a corresponding rotation of the displayed figure. As users rotate the figure, they gain access to side and back views, enabling a comprehensive evaluation of the cloth's fit and appearance from multiple angles. This feature adds depth and realism to the virtual try-on experience.

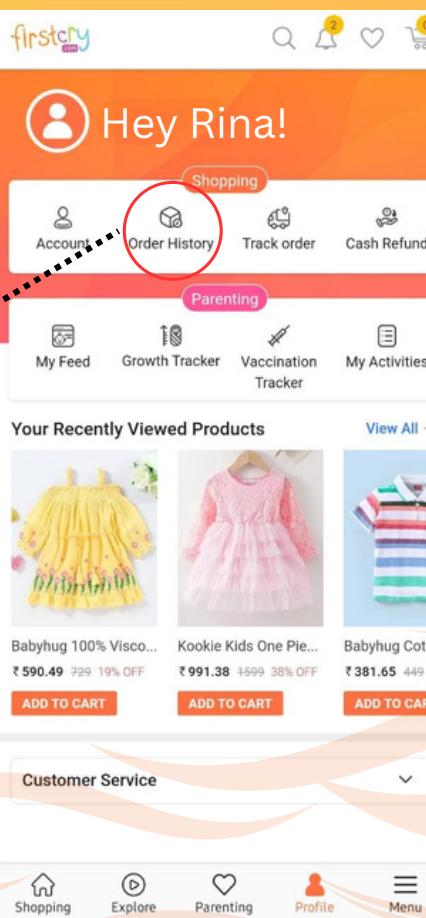
Feature 2



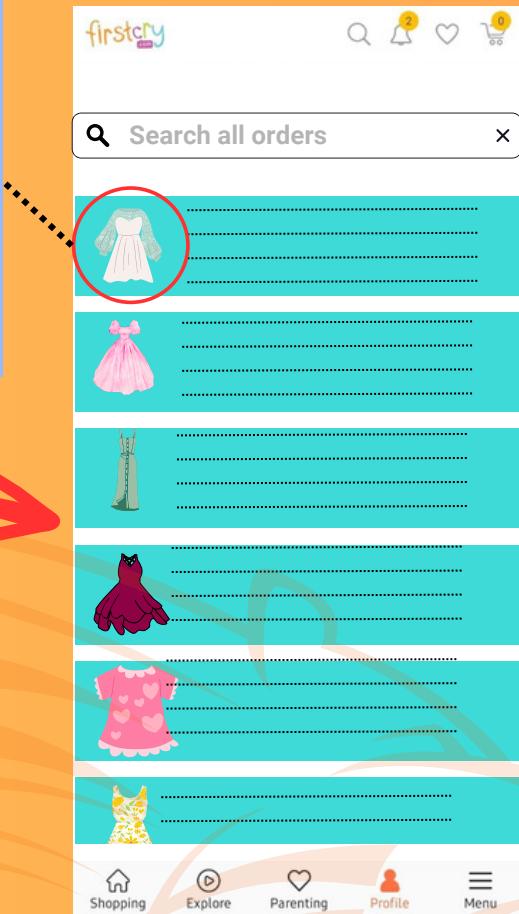
Improvising the Review section:

The review section is enhanced with discount value been shown on the right side of each reviewing question. This approach not only encourages users to share their experiences and insights but also instills a sense of satisfaction and trust among potential customers. By incorporating this feature, users can make more informed decisions based on authentic feedback

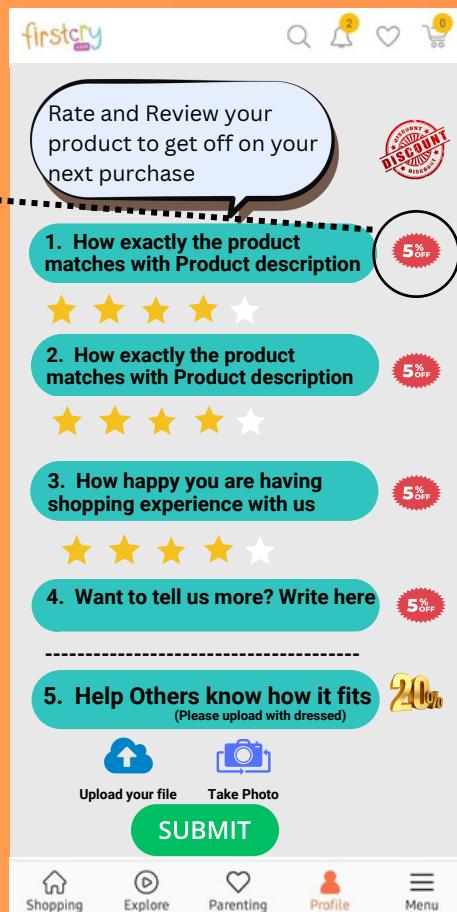
Upon selecting the "Order History" option, users are seamlessly directed to a new interface that presents a comprehensive overview of their previous orders and its details.



Users can see their order history in this new interface. After selecting an order, users can rate, review, and post a photo of their child wearing the products for feedback.

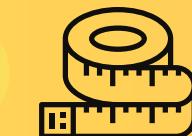


The enhanced interface lets users to engage in the review process by rating, reviewing, and uploading images of their children wearing the purchased products. By offering increasing discounts for each step of the feedback, displayed on the right side, users are incentivized to provide authentic reviews. This approach replaces the previous flat discounts, providing users with a sense of added value for their input.

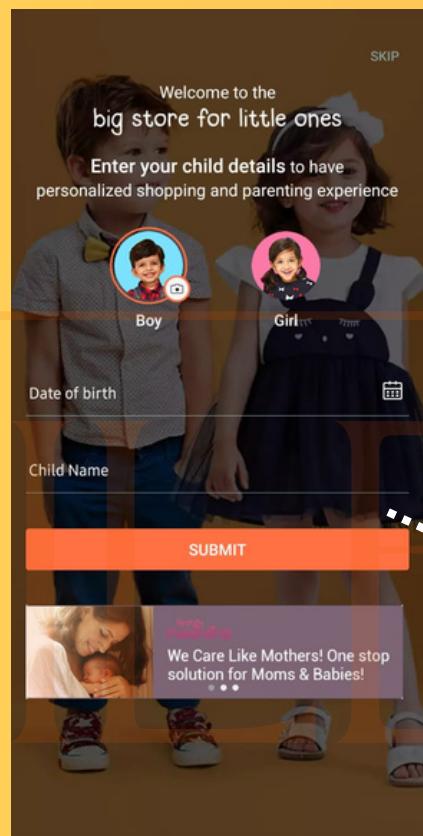


Customers benefit from accurate and informative evaluations. New users can make better judgements by reading other parents' reviews underneath each product. Transparency improves product selection, reduces returns, and boosts consumer satisfaction.

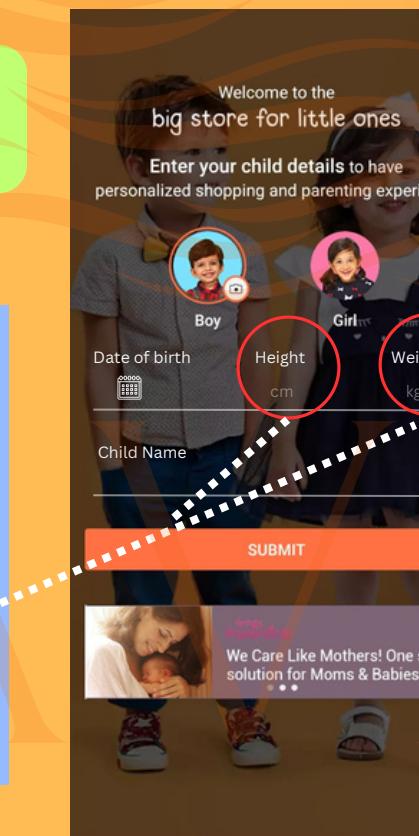
Feature 3



CustomFit Profile: In addition to the user's date of birth, gender, and name, the app now offers the option for users to input their child's height and weight. This comprehensive profile captures the child's body structure, enabling the app to present product recommendations that align with their specific size requirements. By leveraging these precise measurements, users are provided with tailored suggestions, ensuring a more personalized and accurate shopping experience while minimizing the need for returns.



The Profile page has been enhanced with the inclusion of new options, namely "Height" and "Weight," in addition to the existing fields of "Date of Birth" and "Child Name." By incorporating these additional parameters, the app is now able to capture the precise body structure of the child, enabling a more personalized and accurate clothing recommendation system.

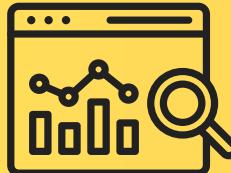
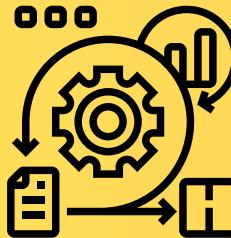
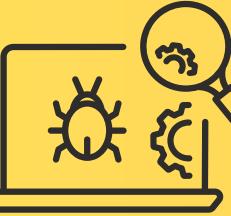
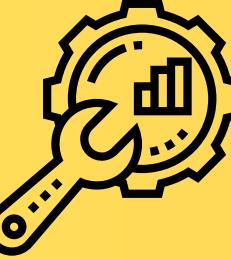


Impact

The implementation of AR Try-on: By allowing users to virtually try on baby products, it reduces size and fitting issues, resulting in fewer returns and increased customer satisfaction.

The improvisation of the Review section: It can have a positive impact on the company by fostering a culture of customer feedback and trust. By displaying discounts alongside reviews, it incentivizes users to share their experiences, leading to increased customer engagement and informed purchasing decisions.

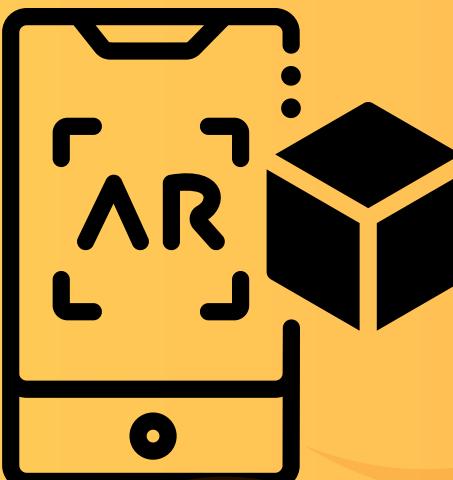
The implementation of CustomFit Profile: By eliminating the need for manual size search, it streamlines the product selection process and enhances user convenience, resulting in reduced returns and increased customer satisfaction.

	AR Try-on	CustomFit Profile	Improving the Review section
	<h3>Market Research</h3> <ul style="list-style-type: none">- Conduct thorough market research to understand the current demand for Augmented Reality (AR) try-on technology in the baby products industry.- Identify the target audience, assess competitors' offerings, and gather insights on user preferences, expectations if any, and potential challenges.	<h3>CustomFit Profile</h3> <ul style="list-style-type: none">- Perform comprehensive market research to identify user needs, preferences, and challenges regarding sizing issues in the baby products industry.- Collect insights on data collection, privacy, and user expectations to inform the development of the CustomFit Profile feature.	<h3>Improving the Review section</h3> <ul style="list-style-type: none">- Conduct market research to understand user preferences and pain points related to the review section.- Analyze competitor's approaches to reviews and identify best practices in the industry.
	<h3>Feature Development</h3> <ul style="list-style-type: none">- Integrate the necessary technologies, such as computer vision and AR rendering, to enable users to virtually try on baby products.- Ensure compatibility with a wide range of devices and optimize the feature for a seamless user experience.	<ul style="list-style-type: none">- Collaborate with cross-functional experts to develop the CustomFit Profile feature, defining data points, ensuring privacy.- Develop algorithms to provide accurate size recommendations based on the profile data.	<ul style="list-style-type: none">- Create a user-friendly interface that encourages users to provide detailed and valuable feedback.- Implement mechanisms to verify the authenticity of reviews and prevent misuse.
	<h3>Beta Testing/Pilot Launch</h3> <ul style="list-style-type: none">- Recruit a group of users to participate in the beta testing phase for AR Try-on feature within the app and gather their feedback.- Use the insights gained from beta testing to make necessary improvements.	<ul style="list-style-type: none">- Gather input from a set of users that participated in the beta testing phase of the CustomFit Profile feature.- Identify any problems and make any necessary changes based on user feedback.	<ul style="list-style-type: none">- Recruit a group of users to partake in the enhanced review section's beta testing phase and collect their usability feedback.- During this testing phase, identify any bugs, issues, or suggestions for enhancement.
	<h3>Optimisation</h3> <ul style="list-style-type: none">- Analyze the feedback from the beta testing phase and identify areas for optimization, address any technical glitches or compatibility issues that arise.- Continuously test and iterate on the feature to ensure optimal performance and user engagement.	<ul style="list-style-type: none">- Optimise the CustomFit Profile feature based on the feedback received during beta testing.- Enhance the accuracy and relevance of size recommendations by fine-tuning the algorithms.- Continuously test and iterate on the feature to improve its performance and user satisfaction.	<ul style="list-style-type: none">- Analyze the feedback received during beta testing and make necessary improvements to enhance the review section.- Implement measures to address fraudulent or biased reviews. Fine-tune the rating system, and address any usability issues.
	<h3>Final Release</h3> <ul style="list-style-type: none">- After thorough testing, refinements, and optimization, prepare the AR Try-on feature for its final release.- Communicate the benefits of the feature through targeted marketing campaigns. Monitor user feedback and performance metrics to make ongoing improvements and updates.	<ul style="list-style-type: none">- Prepare the CustomFit Profile for its ultimate release after extensive testing, modifications.- Ensure that users are informed of the functionality and benefits of the feature.- Maintain a commitment to data privacy and security in the handling of user profile information.	<ul style="list-style-type: none">- After thorough testing and refinements, prepare the enhanced review section for final release.- Communicate the new features and improvements to users, highlighting the benefits of the updated review experience.

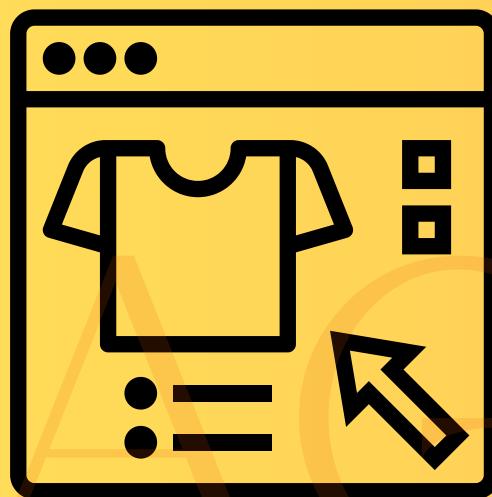
Key Metrics

AR Try-on

- **Conversion Rate:** Measure the percentage of users who successfully complete a purchase after using the AR Try-on feature.
- **Return Rate:** Track the percentage of products that are returned by users who utilized the AR Try-on feature.
- **User Engagement:** Monitor the frequency and duration of user engagement with the AR Try-on feature.
- **Product Adoption:** Measure the percentage of users who actively use the AR Try-on feature compared to the total user base.
- **Customer Satisfaction:** Gather user feedback and ratings related to the AR Try-on feature.



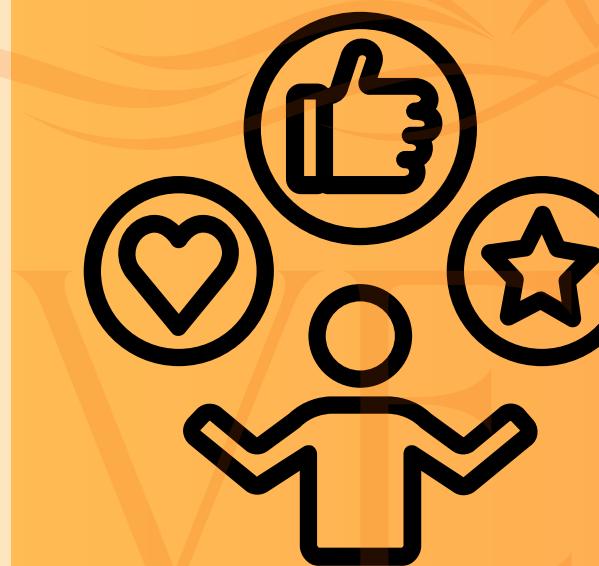
CustomFit Profile



- **User Adoption:** Measure the percentage of users who complete their CustomFit profile by inputting their child's height and weight.
- **Personalization Effectiveness:** Assess the impact of the CustomFit profile on product recommendations. Measure the percentage of recommended products that align with the child's specific size requirements.
- **Conversion Rate:** Track the percentage of users who make a purchase after receiving product recommendations based on their CustomFit profile.
- **Product Discovery:** Measure the percentage of users who discover new products through the CustomFit profile feature.
- **Customer Satisfaction:** Gather user feedback and ratings related to the CustomFit profile feature.

Improvising the Review section

- **Review Engagement:** Measure the number of reviews submitted by users of baby products.
- **Review Quality:** Assess the overall quality of reviews based on various criteria such as helpfulness, authenticity, and descriptive nature.
- **Conversion Rate:** Monitor the percentage of users who make a purchase after receiving a discount for providing reviews.
- **Return Rate:** Monitor the percentage of products that are returned by users who relied on reviews.
- **New User Conversion:** Measure the percentage of new users who convert into customers after accessing and interacting with the review section.



North Star Metric

(for new features)*



Return Rate Reduction

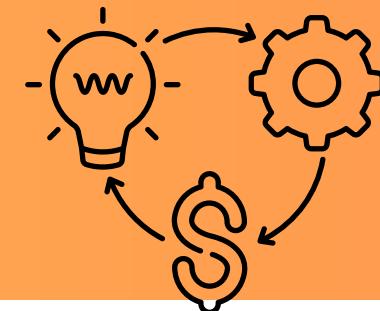
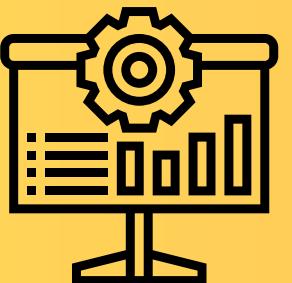
Return Rate: This metric measures the percentage of products that are returned by customers. By tracking the return rate specifically for baby products in the target age group, FirstCry can monitor the effectiveness of the new features in reducing returns.

Return Reasons: Analyzing the reasons behind product returns can provide valuable insights. By categorizing returns based on size and fitting issues, FirstCry can identify areas where the new features are having the greatest impact and where further improvements may be needed.

Average Return Processing Time: This metric measures the time it takes to process returns. By striving to reduce the average return processing time, the company can improve customer satisfaction and mitigate any potential negative impact on the overall shopping experience.



Market sizing, Business Opportunity & Monetization strategy of the new features



The market size for baby products: The market size for baby products in India is estimated to be around USD 10.95 billion. The age group 3 to 5 is a key segment within this market, with a growing demand for clothing, footwear, and other accessories.

Adoption Rate: Assess target market segment uptake of new features. To estimate how many customers will use and profit from features, considering awareness, simplicity of use, and possible rewards(in case of feature #2).

Customer Demographics: Determine the demographic characteristics of the target market segment, including factors such as geographic location, income levels, and online shopping behavior. This information helps in estimating the size and reach of the potential customer base.

Market Differentiation: AR Try-on, CustomFit Profile, and an enhanced Review section differentiate the platform by offering innovative solutions to fitting concerns. Differentiation may boost consumer acquisition, engagement, and brand loyalty.

Enhanced Customer Experience: The CustomFit Profile reduces returns and provides correct fitting suggestions, improving parents' shopping experience. Customer satisfaction, word-of-mouth, and repeat purchases increase.

Increased Conversion Rates: AR Try-on lets buyers see how things will look on their kids, boosting confidence. Customers feel more confident about product fit and style, which can boost conversion rates.

Upselling and Cross-selling Opportunities: With the CustomFit Profile, the platform can recommend complementary products based on the child's size and preferences. This presents opportunities for upselling and cross-selling, driving additional revenue by encouraging users to purchase related items.

Advertising and Sponsored Content: As the platform gains popularity and user engagement increases, it can monetize through targeted advertising and sponsored content placements, leveraging the CustomFit Profile data to deliver highly relevant and effective advertisements.

Targeted Advertisements: Target ads using CustomFit Profile data. Sponsored product placements can generate advertising revenue for brands that market to children's size and preferences.

Data Analytics Services: Brands and retailers can benefit from CustomFit Profile and user review data. Provide trends research, consumer behaviour patterns, and product performance reports for a fee to help brands optimise their offers and reduce return rates.