

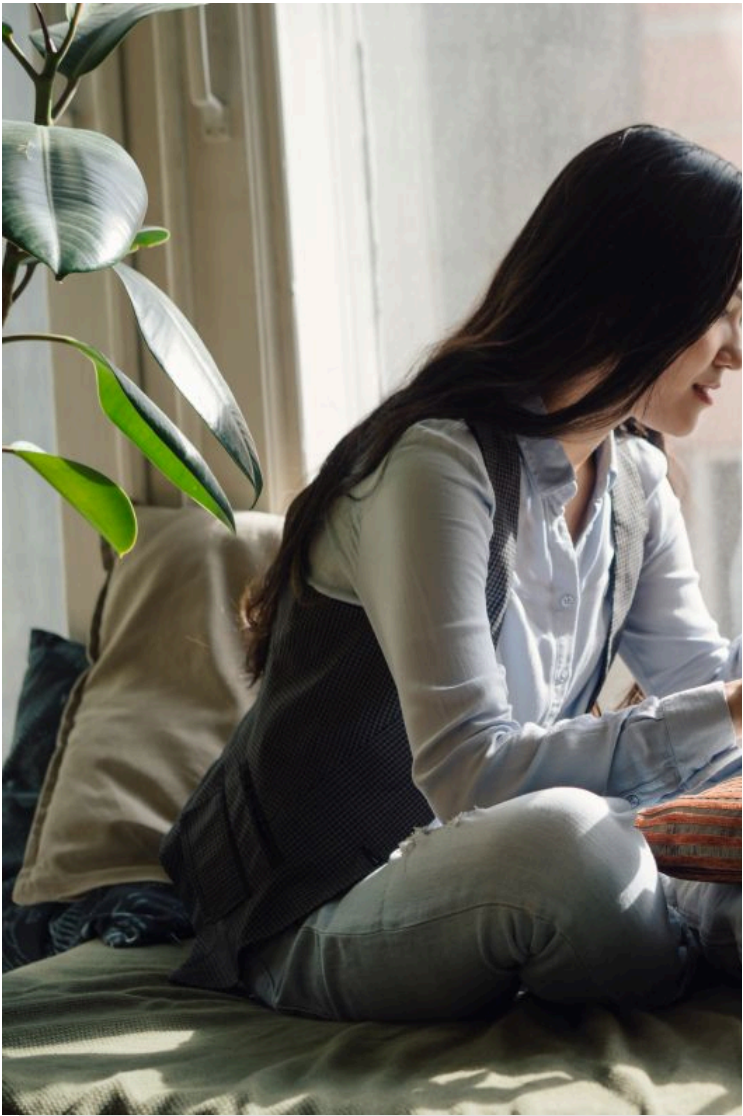
Revolutionizing digital commerce with an intelligent AI assistant

Peter Hattingh, CEO of yappyBuy GmbH talks about partnering with IBM to design an AI assistant solution for e-commerce



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Business challenge Transformation Outcome

Seeking a truly personal experience

I was very privileged to spend one of the most in major global high-service-level electronic compc we managed to successfully move a significant p channels. This was an exciting time, and online s in the B2B environment. It also further kindled n then I have been deeply involved in the evolution

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Fast forward to today, my new startup [yappyBuy](#) amazing possibilities of AI and to make it easier engage with their customers throughout the shop platform—a smart, customized AI assistant solution building our startup was graduating from [Founders](#) largest pre-seed startup accelerator programs. The main aspects of building a successful startup and could scale.

As we started our journey to develop a one-click became clear to us that AI had to play a major role stack. I also realized that with AI it will finally be enables a truly personalized shopping experience which we analyzed over 1 million online commerce online shoppers are frustrating search results, lack These would become the focus points for us in developing out in search of a strong partner to take our idea.

Our first touchpoint with IBM was when my co-founder courses on generative AI (gen AI)¹ and virtual assistant experience, we knew what we wanted to do and our product vision.

¹[IBM AI Academy](#)

[IBM AI Developer Professional Certificate on Coursera](#)

[IBM watsonx Assistant learning](#)

[IBM Foundations of AI Professional Certificate on Coursera](#)

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“As we work closely
feel that the sky is the limit.
partnering with IBM
about technology; it
shared vision and a
drive to succeed together.”

Peter Hattingh
CEO
yappyBuy GmbH

Embracing an inspiring partnership

We reached out to some AI leaders, including IBM. What struck us from our first direct contact with the IBM team was that they showed a real interest in what we wanted to achieve. IBM treated us, a small early-stage startup, as an equal development partner. We quickly understood that working with IBM would supercharge our capabilities and accelerate our progress massively: an essential competitive advantage for any startup.

While other AI companies might make more global headlines, IBM delivers actual business solutions and real results. In contrast to many new AI companies, [IBM has a lot of experience in machine learning and AI](#) that reaches back far beyond the horizon of its competitors. For example, I still remember [when IBM's innovative Deep Blue supercomputer made history in chess](#). IBM, with its enduring legacy, continues to make history today. We are thrilled to be part of this and to collaborate with a powerful company like IBM as a small startup on big things together.

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It's also amazing to be a member of a strong community of AI founders and leaders. Thanks to IBM, we have been able to connect with like-minded innovators. Inspired by presentations, demos and talks at the "Build with watsonx™" event series, I realized that we needed to develop a bigger vision, beyond online shops and e-commerce. There is so much more potential for gen AI assistants. I'm thrilled that, within a short time, I've moved from being a participant to a speaker at two of the IBM events. It is really exciting to share experiences and encourage others to keep going and reach for the stars with such a wonderful partner as IBM by your side.

Building on state-of-the-art technology


Once we decided to work with IBM, progress began to move quickly. IBM invested significant time and resources, helping us launch rapidly. The IBM team organized three workshops with us, each featuring a team of four to six technical experts who brought extensive knowledge and experience in gen AI. Without IBM, we likely wouldn't have had easy access to highly competent senior technical specialists with PhDs to guide us through crucial decisions at the beginning of our AI journey.

IBM also connected us to one of their leading distributors, [TD SYNnex](#) to support the commercial aspects of building our business case and provide in-depth best-practice guidance to empower us in making the next steps as we scale from idea, to pilot, to open beta and beyond.

Several people have asked me why I selected [IBM® watsonx ai™](#) as our enterprise AI studio. There are plenty of reasons, but two of the most important ones are the power of the wide range of AI solutions, as well as data privacy. As a Germany-based company working with businesses across Europe, data protection and full compliance with the European General Data Protection Regulation (GDPR) are crucial for our business model. With our AI products, we maintain full control over data storage and processing locations and comply with EU data and AI regulations.

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Furthermore, the IBM embeddable AI solution provides us with the freedom to choose from a wide range of large language models (LLMs) in the watsonx.ai model library. This means that we can use the LLM that works best for our use case. We started off with the [IBM Granite™](#) models together with Meta Llama 3.1, the next generation of Meta's open LLM, for our conversational tool with agentic flow capabilities. IBM promotes open innovation for AI, and we can easily take advantage of new developments and models in the future.

Currently the primary [IBM watsonx™](#) products of our [Buddy](#)  platform include watsonx.ai, [IBM Watson® Discovery](#), [watsonx.data™](#) and [watsonx.governance™](#). The IBM team made sure that we understood the benefits of implementing these modules and deploying cutting-edge approaches such as retrieval-augmented generation (RAG), an AI framework that enables us to improve the quality of LLM-generated content by feeding our own data into the model. Using the easy-to-use tools for building and refining our e-commerce and website assistant, we can now successfully incorporate documents, such as PDFs, JSON files, CSV files, [Microsoft] Word docs and databases, or dynamic API responses to provide contextual information for more accurate and trustworthy responses.

Launching and scaling a business together

With our eyes now set on launching and scaling our AI assistant in an open beta, the IBM team suggested ways to improve cost-efficiency and reduce latency of responses. Latency is a crucial metric for e-commerce interactions, so parts of our conversational agentic workflows now include extensive use of the IBM Granite models that decrease latency and optimize the user experience.

Aspects that will become increasingly important as we move towards full compliance. It's reassuring to know that all of these are part of the IBM portfolio of AI products.

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We're currently working with clients from different B2B and B2C industries to integrate our AI assistant Buddy with their platforms and e-commerce shops to give them new

opportunities to interactively engage with their customers. Our vision is to provide a bundle of AI tools that make it easier for customers to discover what they want through an intelligent product search, get answers to any product or support questions they may have while browsing or shopping, and enjoy a smooth experience at the checkout.

The impact could be massive for our clients. For instance, our AI assistants will increase interaction with both B2B and B2C customers, leading to new cross-selling and up-selling opportunities. At the same time, our assistant will reduce dropout rates during the checkout process to maximize sales and revenue. Our goal is to deliver a comprehensive, knowledgeable and proactive AI assistant that shifts the dial for our clients. I am convinced that virtual shopping assistants will become a natural part of the digital shopping journey and will in the future make use of visible virtual personas to provide a highly personalized shopping experience.

We're currently developing new modules within the Buddy platform: an AI assistant that gives e-commerce managers actionable recommendations and enables the creation of reports by prompting the assistant in the dashboard. With this tool, they can easily identify challenges and opportunities, as well as benchmark their shop against competitors. Furthermore, they can make use of the AI assistant to understand how to optimize their product selection, content and pricing to boost sales through data-driven insights.

As we work closely with IBM, we feel that the sky is the limit. For us, partnering with IBM is not mainly about technology: it is about a shared vision and an unwavering drive to succeed together. Building a startup business is extremely hard, but the IBM team has continuously supported and motivated us to keep going and rapidly move forward from idea to marketable product.

Key benefits for us of working with IBM watsonx:

- A portfolio of AI products designed with governance and data compliance in mind to meet the requirements of the European Union Artificial Intelligence Act
- A broad selection of cutting-edge, ready-to-use AI models available in the watsonx.ai model library

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About yappyBuy

yappyBuy [↗](#) is a startup based in Germany that develops software-as-a-service (SaaS) checkout solutions for online stores. The company aims to streamline the checkout process and improve the user experience with cutting-edge AI technology while also providing valuable insights for merchants to optimize their platforms in highly competitive environments.

About the author

Peter Hattingh is CEO at yappyBuy GmbH, a Germany-based company specializing in e-commerce optimization with AI solutions. He's a true e-commerce pioneer and has worked with online shops since the beginning of the worldwide web. After a corporate career, he founded his own e-commerce consulting and development business, working with clients around the world, and then decided to leverage his expertise in new ways by launching yappyBuy.

Solution components

IBM® Granite™	→	IBM watsonx™	→
IBM watsonx.ai™	→	IBM Watson® Discovery	→
IBM watsonx.data	→	IBM watsonx.governance™	→

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