

# Data Science for e-commerce

Images classification & recommender system at Veepee.





# Veepree



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# Summary

01

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Image classification at  
Veepee. A gold mine of 40M  
labelled images

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02

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Real time Recommender  
system using triplet loss  
siamese networks

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03

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Open questions on  
recommender systems

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Part 01

# Image classification

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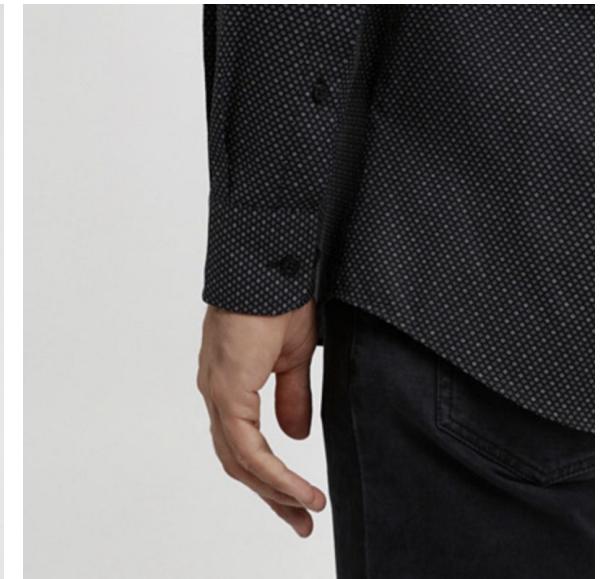
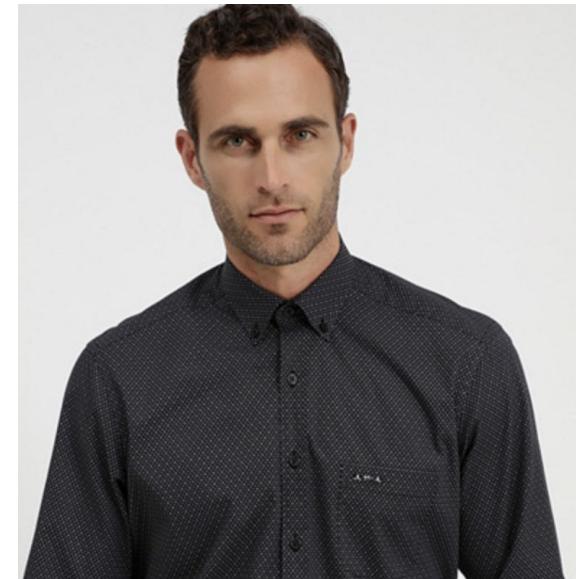
How to automate image classifications?





# Context

At Veepee we sell between 10 000 to 80 000 new products per week.  
Most of them are shoot in Veepee studio (one of the biggest in Europe).  
For each product we takes multiple views.





# Product description

Coloris

Blanc

Composition

76% coton et 24% polyamide

Doublure : 95% coton et 5% élasthanne



## Description

Top

Manches courtes

Col rond

Fermeture boutonnée au dos

Guipure

Volanté sur les manches

Effet de superposition

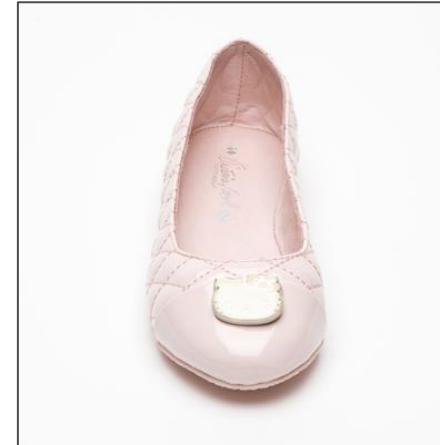
## Conseils d'entretien

Lavage délicat en machine à 30°C



# Data sample

Product images



Text description

*"We definitely fall in love with this pretty pair of women's ballerinas! This model accompanies you in all circumstances with comfort and femininity. We love its polished look with metallic nails for a rock'n roll look! ..."*



# Product description

	Type of product	Lifestage	Gender	Color	Type of collar	Tip type	...
Classes	Tee shirt	Adult	Woman	Pink	Straight collar	Round toe	...
	Pant	Children	Man	Red	Club collar	...	...
	Ballerinas	Both	Unisex	Salmon	...	...	...
	...	...	...	...	...	...	...

103 (number of labels)

Between 3 and 2000



# Losses

Binary Classification

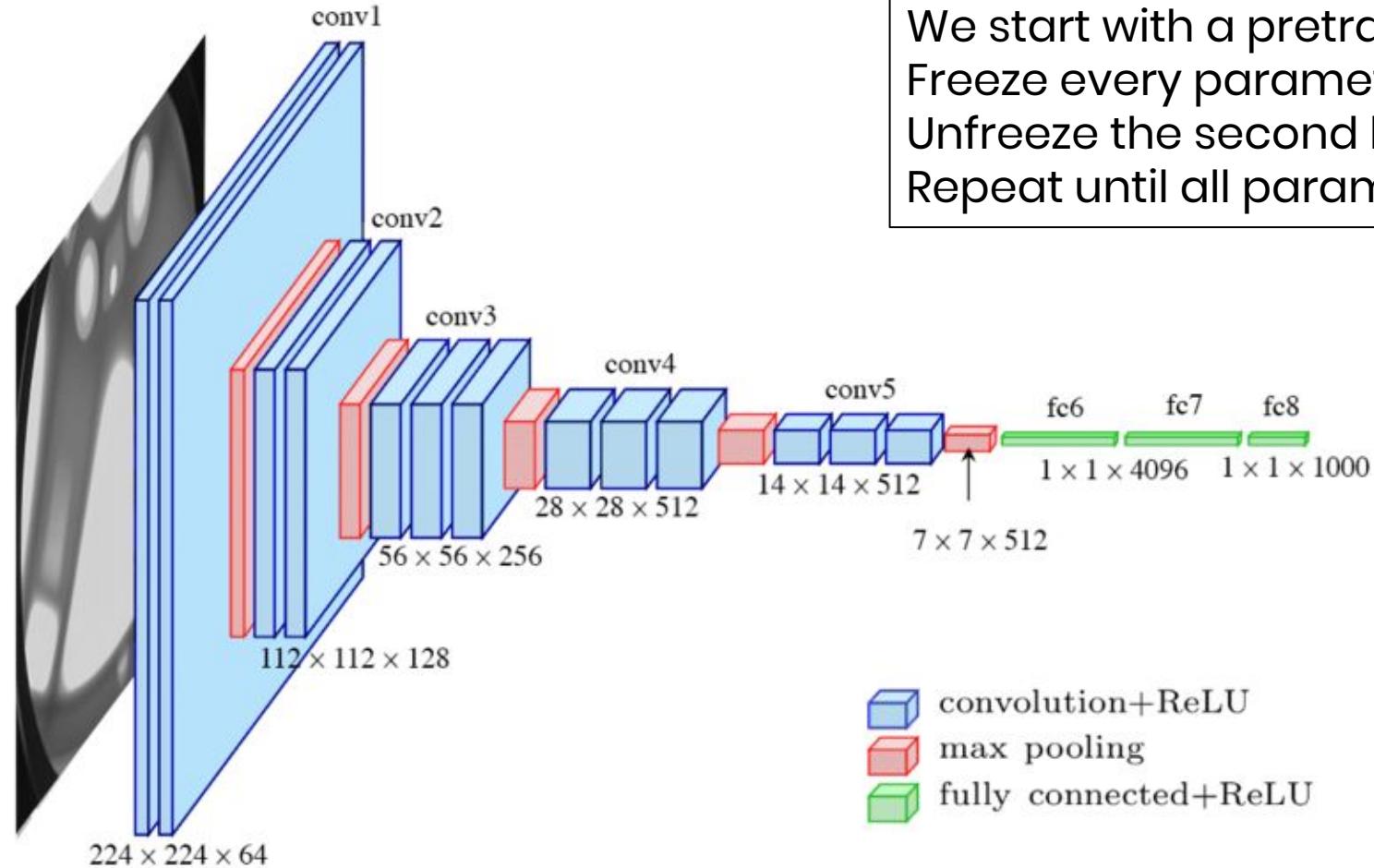
$$-\frac{1}{N} \sum_{i=1}^N y_i \log(\hat{y}_i) + (1 - y_i) \log(1 - \hat{y}_i)$$

Multi-class classification

$$-\frac{1}{N} \sum_{i=1}^N \sum_{c=1}^C y_{c,i} \log(\hat{y}_{c,i})$$



# Training

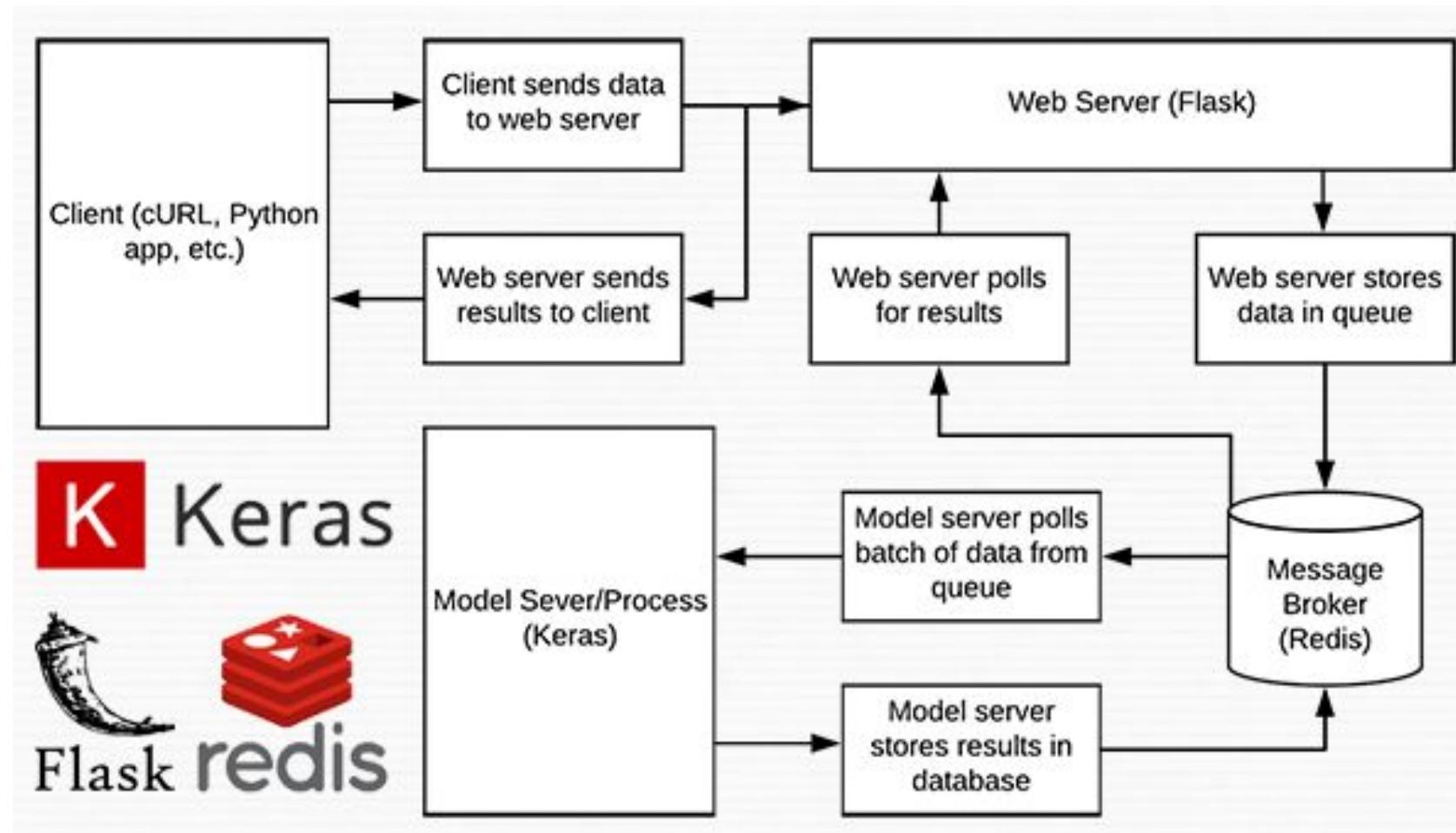


We start with a pretrained network.  
Freeze every parameters except le last layer → Train.  
Unfreeze the second last layer → Train.  
Repeat until all parameters have been trained.

← This is VGG.  
We use ResNet50.



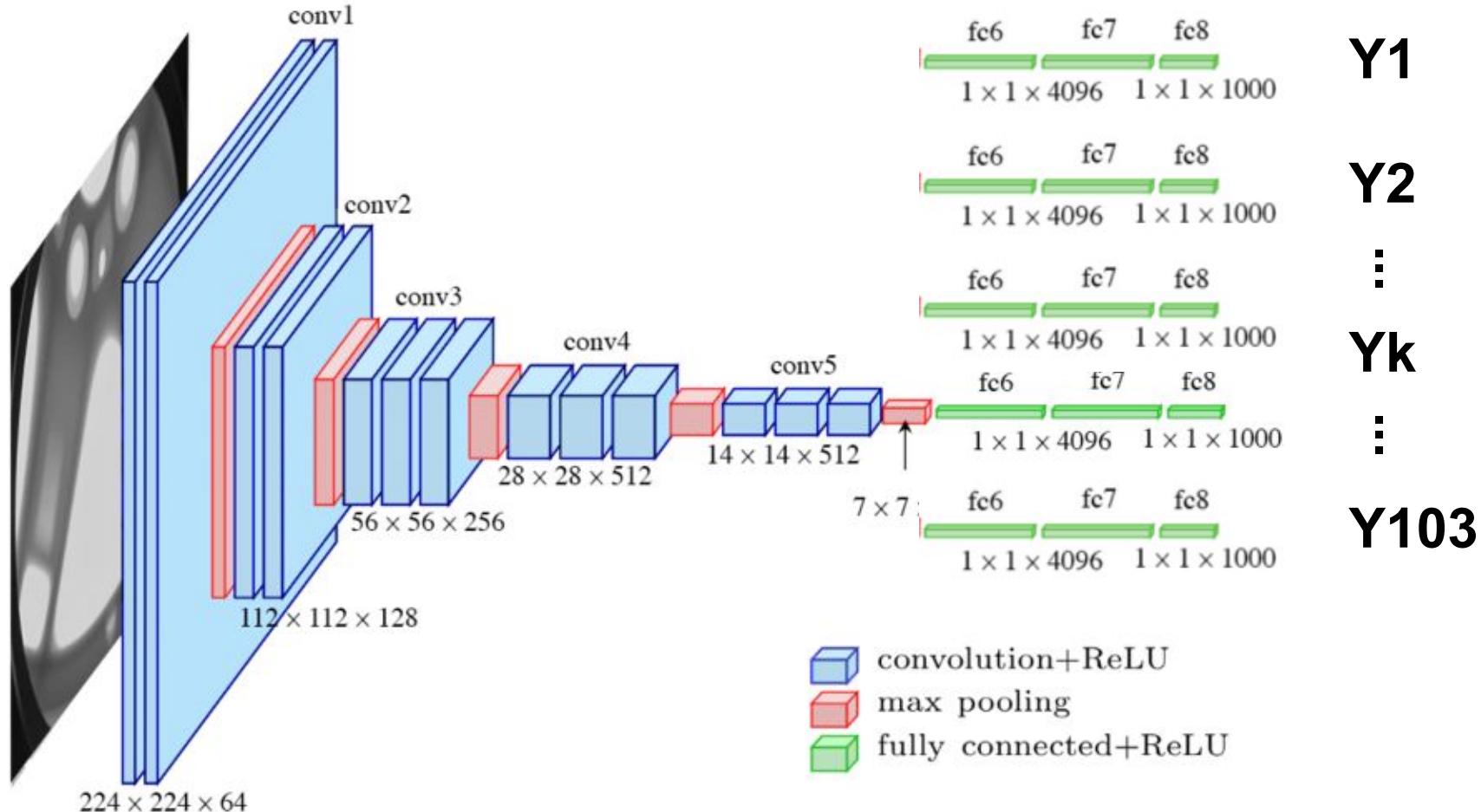
# Serving



We use a kind of similar architecture but on GCP and with some optimizations.



# One model to rule them all





# Multi-task classifier loss

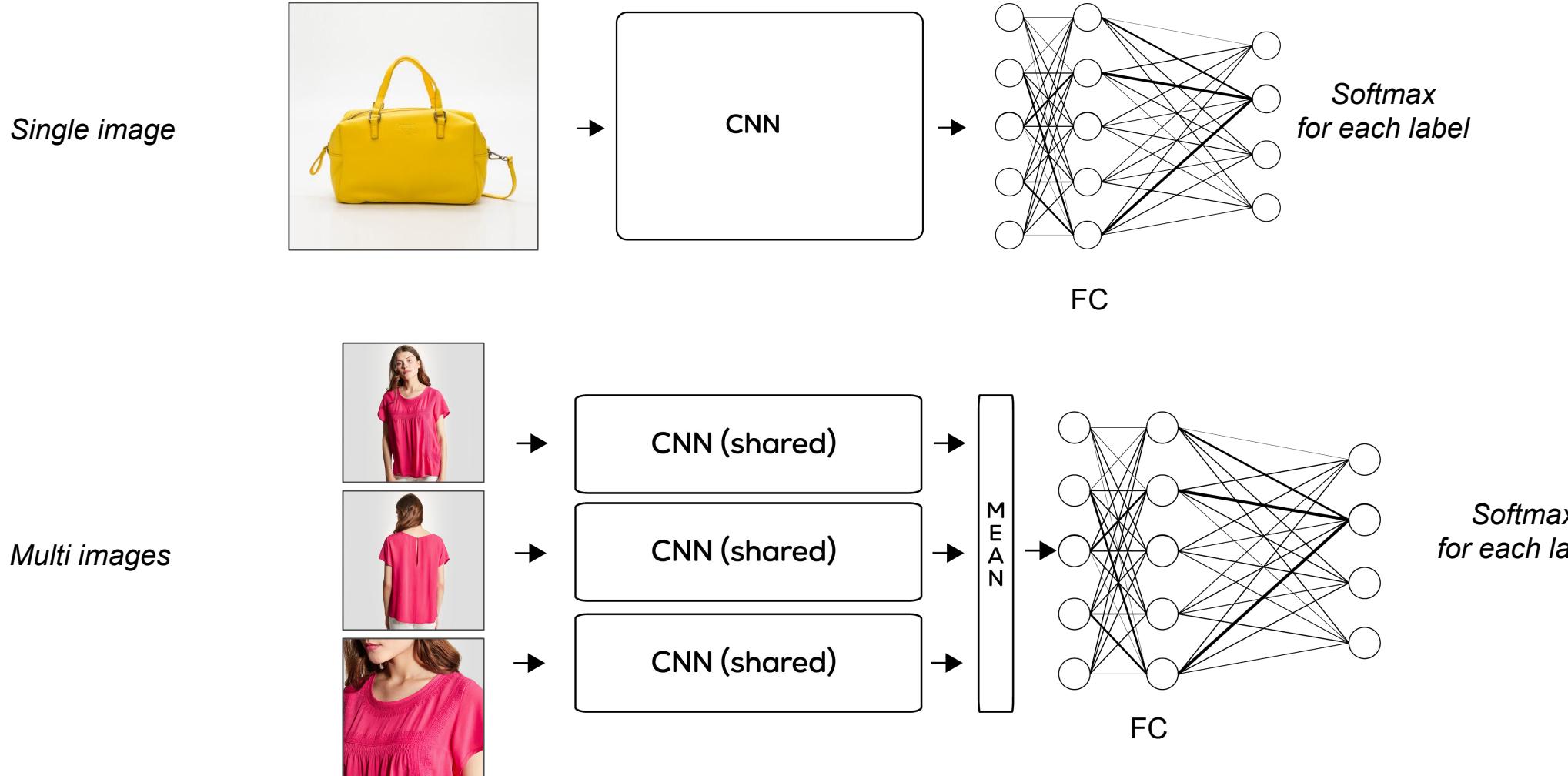
Multi-task and multi-class classification

$$-\frac{1}{N} \sum_{i=1}^N \sum_{k=1}^K \sum_{c=1}^C w_k \cdot y_{k,c,i} \log(\hat{y}_{k,c,i})$$

The weight here allow to deal with task imbalanced number of classes.

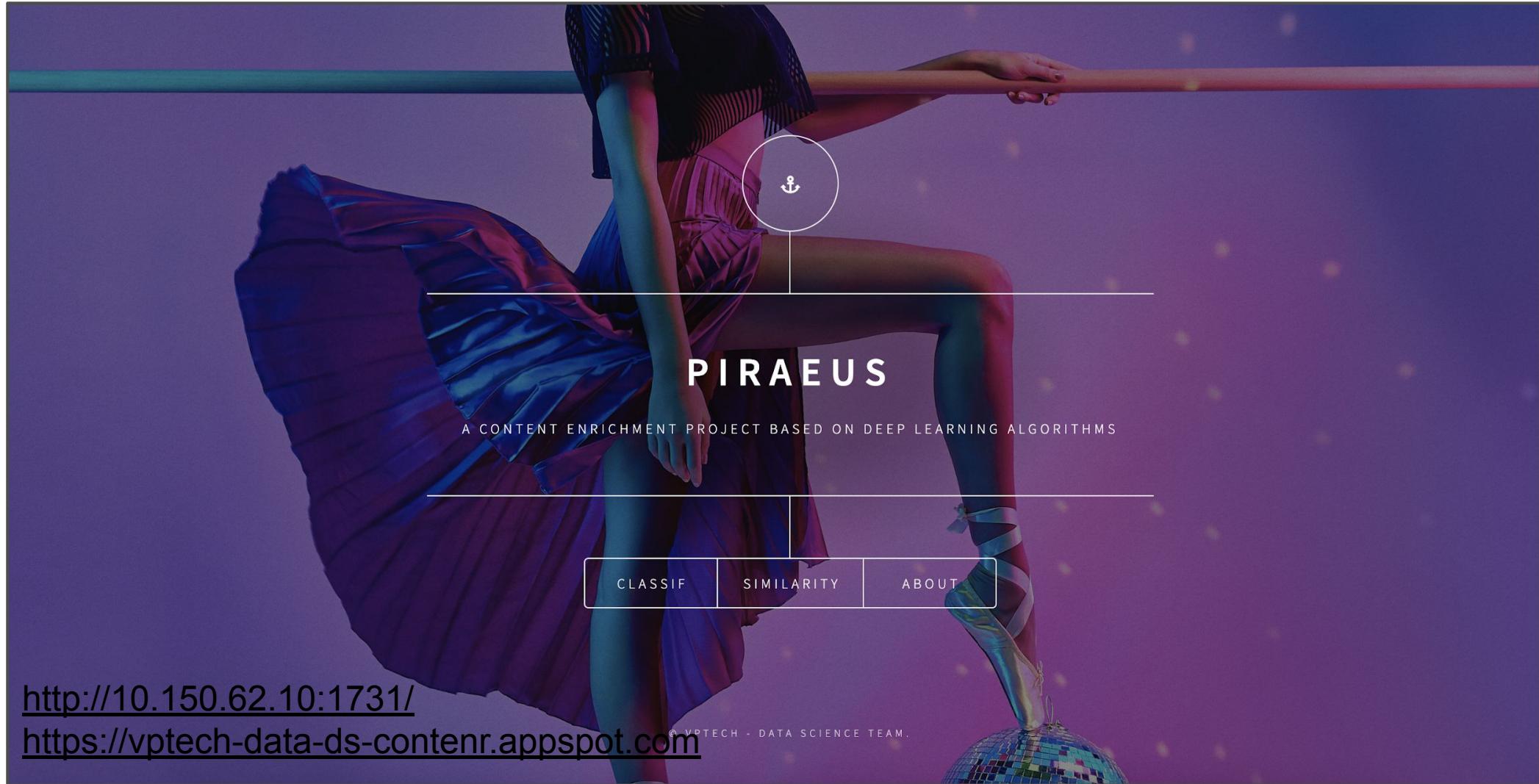


# Multi-input network





# Demo API



<http://10.150.62.10:1731/>

<https://vptech-data-ds-contenr.appspot.com>



Part 02

# Recommender system

Home page

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How to Place the best sales for each user?





# Context

- Revenue 3 billion € per year.

Veepee website has a hierarchical structure.

Brand → Universe → Product

We'll present the home page (brand level) recommender system.

There is around 250 brands at the same time.

Sales last between 24h and 15 days.

The screenshot shows the Veepee website homepage with a navigation bar at the top featuring categories like Accueil, Mode, Maison, Voyage, Enfant, Sport, Vin et Gastronomie, Quotidien Malin, and Loisir. Below the navigation, there are several promotional sections for different brands:

- ONE DAY**: A section titled "1 marque, 1 jour" featuring a blue and white patterned kitchen canister.
- Kitchen move**: A section featuring a blue and white patterned kitchen canister.
- TODAY**: A section featuring a blue and white patterned duvet set.
- Samsonite**: A section featuring a red and black travel bag.
- LACOSTE**: A section featuring two white Lacoste watches with green and orange accents.
- DU PAREIL ... au même**: A section featuring a pair of brown and red children's shoes.
- TOMMY HILFIGER**: A section featuring a man and a woman in casual winter clothing.

# Goal

## Business

*Ease users navigation by showing them brands they are more likely to purchase on top.*

## Data Science

Every time a user connects to the home page, we want to display available brands,  
in a way that **maximizes the conversion rate**



## Service Level Agreement

- 50ms response time
- Peaks up to 150 requests per second





# Formalism

Lets note  $\mathbf{U}$  and  $\mathbf{I} (\subset \mathbb{N})$  the sets of all users and items (past, present and future).

At time  $t$  :

- A user  $u^t$  connect on the website.
- There is  $N^t$  items available for sales denoted by  $\{i_1^t, i_2^t, \dots, i_{N^t}^t\}$ .
- We observe a list of  $p$ -dimensinal features for every (user, item) pairs that possibly depend on time  $t$ , denoted by  $[X_{u,1}^t, X_{u,2}^t, \dots, X_{u,N^t}^t]$ .
- The recommender system returns an ordered set of items  $s^t$  to user  $u^t$  denoted by  $[i_{\phi(1)}^t, i_{\phi(2)}^t, \dots, i_{\phi(N^t)}^t]$  where  $\phi$  is a permutation of  $\llbracket 1, N^t \rrbracket$ .

At time  $t + \delta_t$  we observe a list of rewards  $[r_1, r_2, \dots, r_{N^t}]$ .



# Removing list interaction

First assumption: Item reward is not influenced by side display (but eventually by its position).

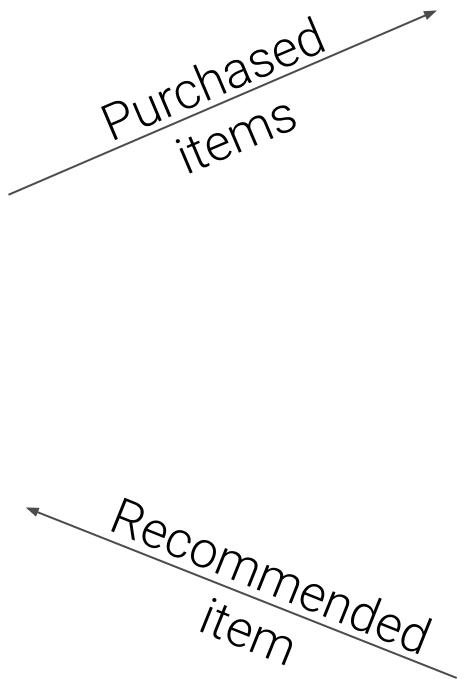
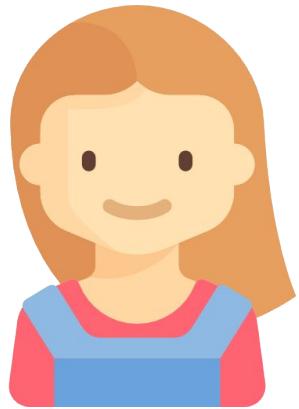
$$p(R_k | [i_1, \dots, i_k, \dots, i_N]) = p(R_k | [i_k], k, N) \quad (1)$$

Considering all permutation in a list of size  $N$  would require  $N!$  cases.

Thanks to this assumption the problem is reduced to estimating  $N$  rewards and rank the items accordingly.

# Classic approaches

## *Content based*



Similar item

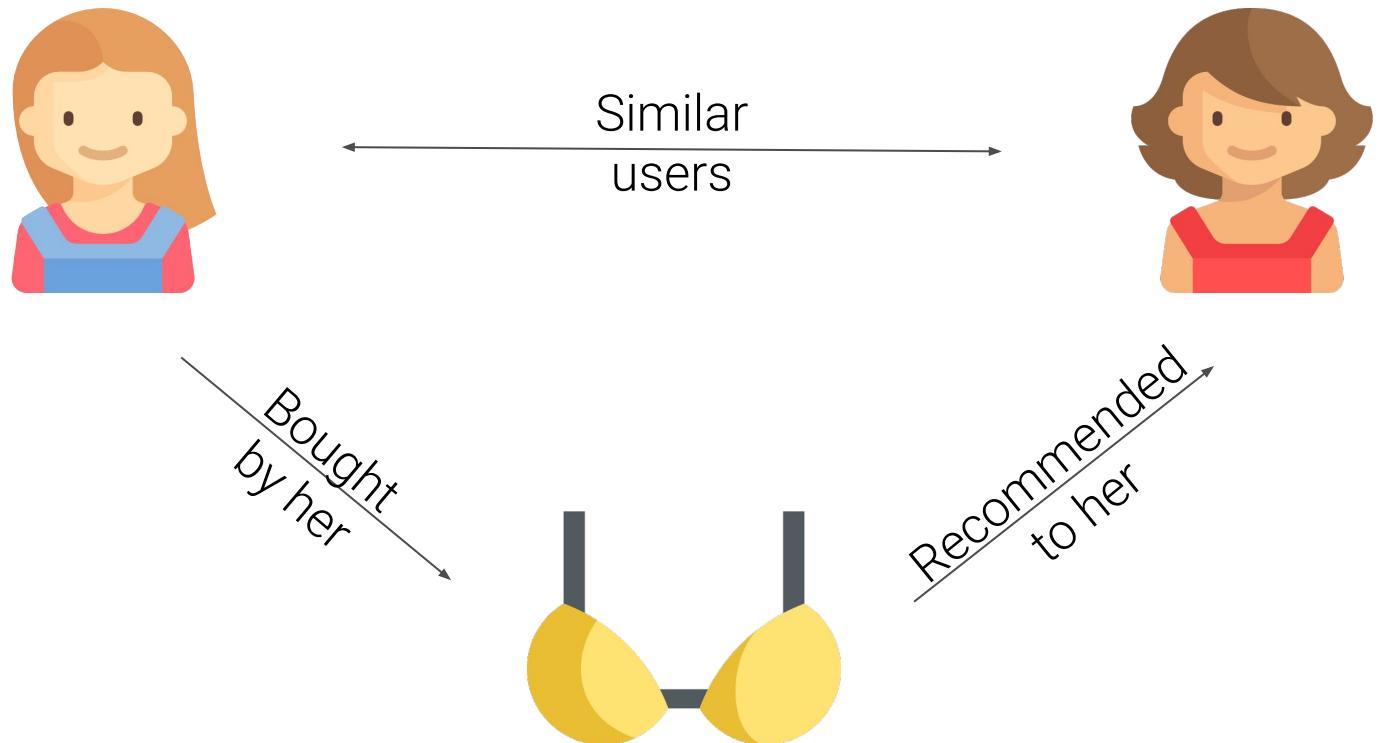
- Bubble effect
- Low diversity

# Classic approaches

## *Collaborative filtering*

- “Cold start”
- Lack of context

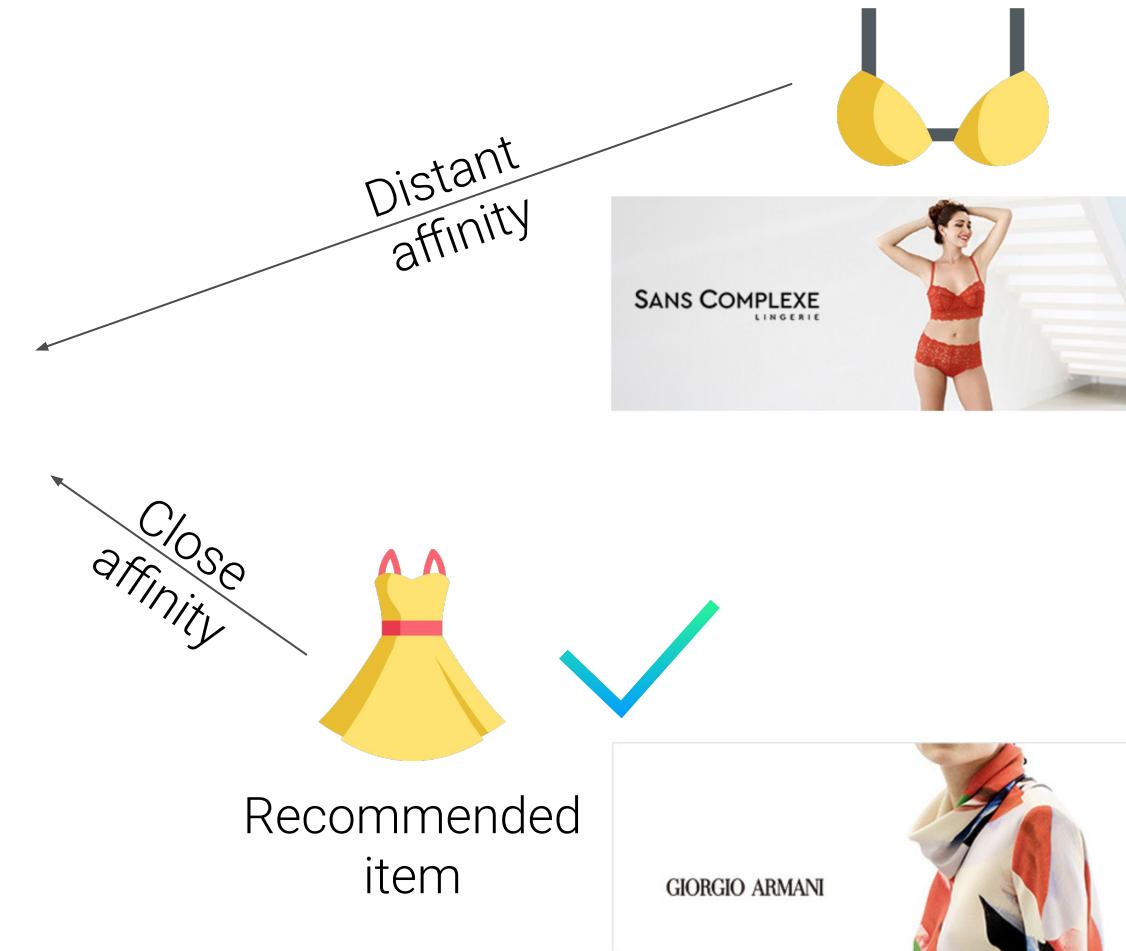
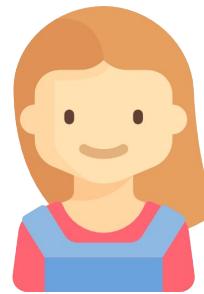
Purchased by both users



# Our approach – Hybrid

Recommendations driven by:

- User description
- User habits
- Item description
- Item performance
- Context



# Our approach



Item +



Item -

User



Buy



Oral-B®  
Gillette®



Context



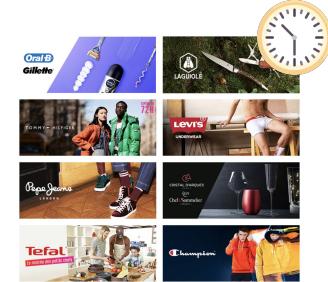
# Our model

Train

- Siamese neural network
- Triplet loss



Item +

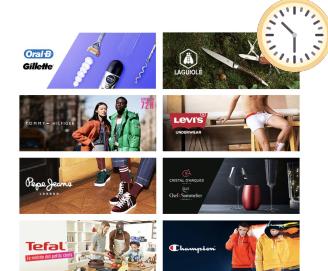


Same context

Same user

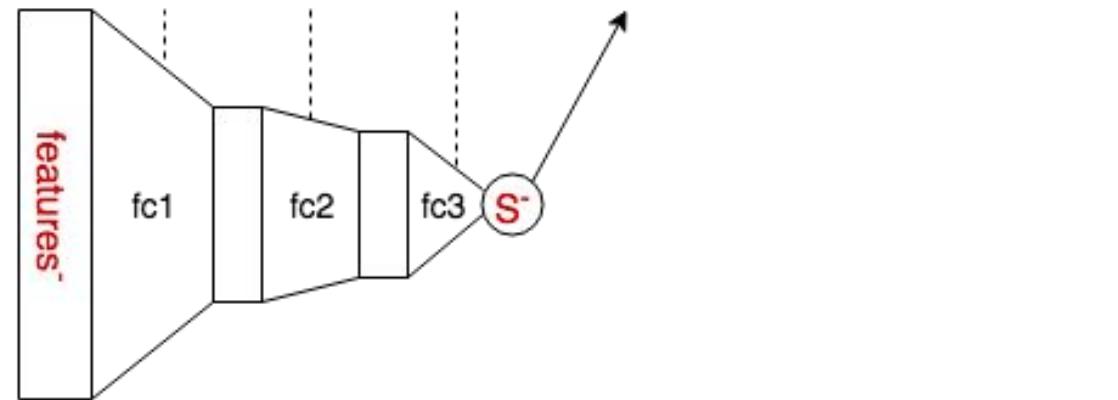
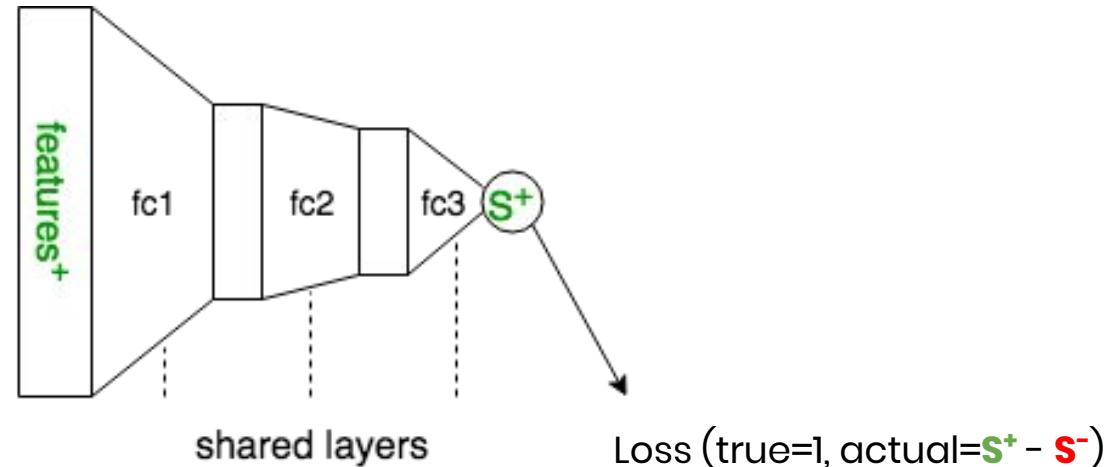


Item -



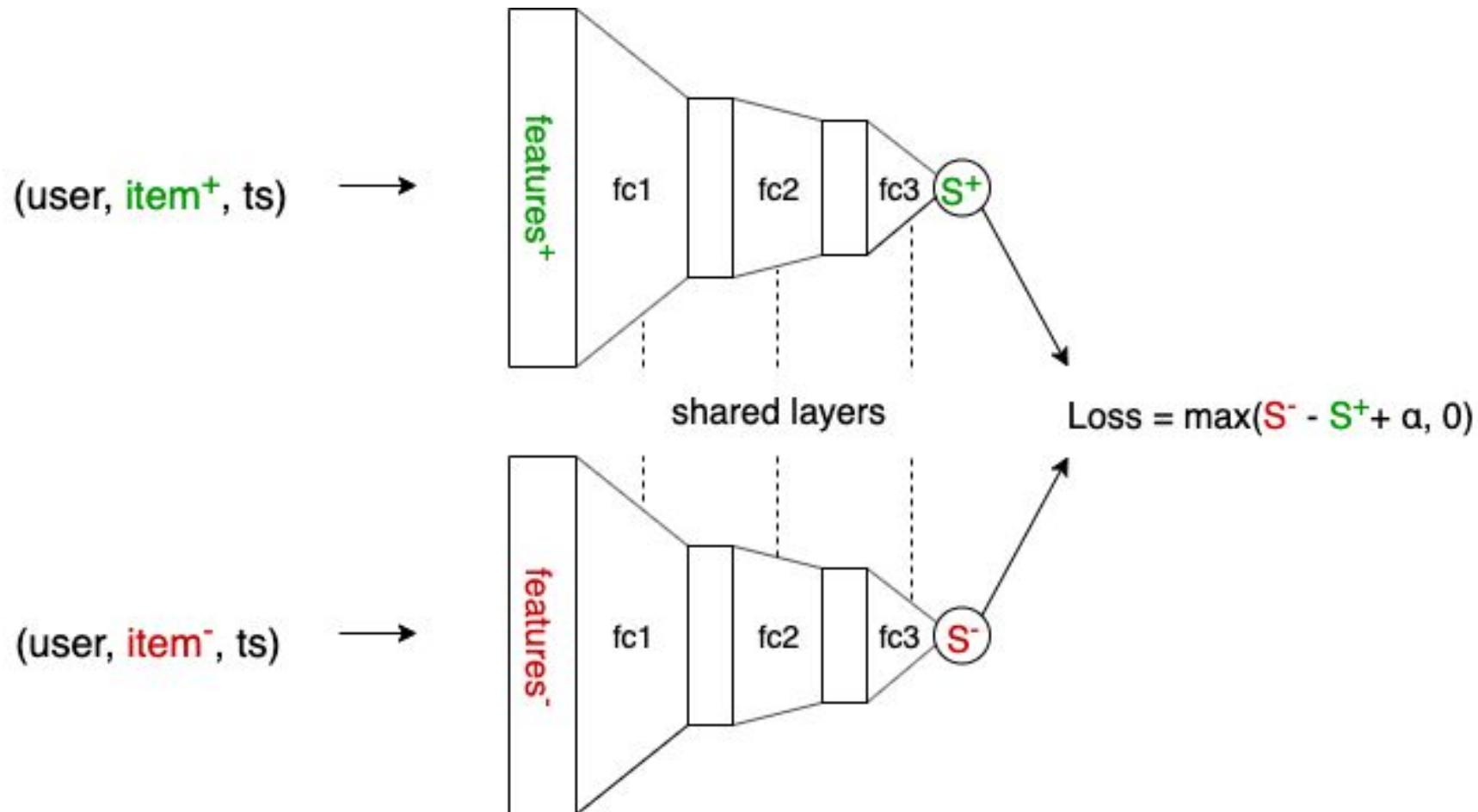
Same context

Same user





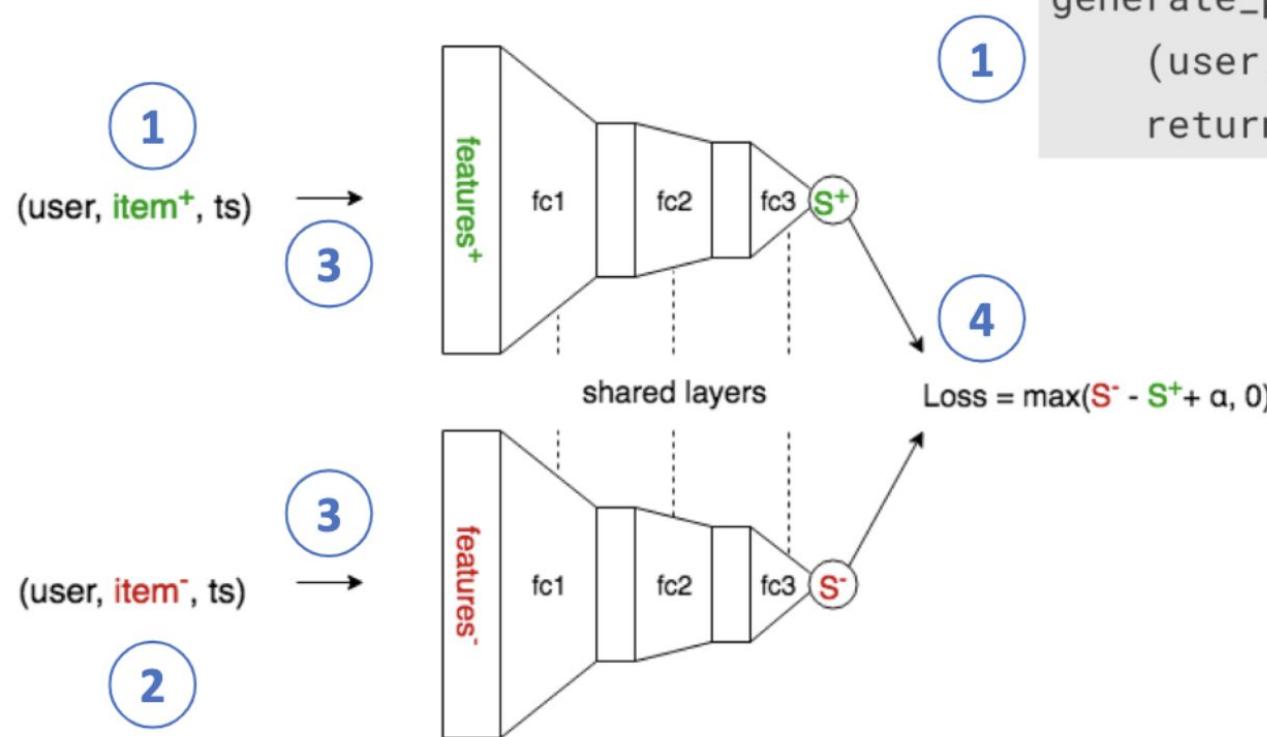
# Model



A good tutorial by Charles Ollion and Olivier Grisel  
<https://github.com/m2dsupsdlclass/lectures-labs>



# Training

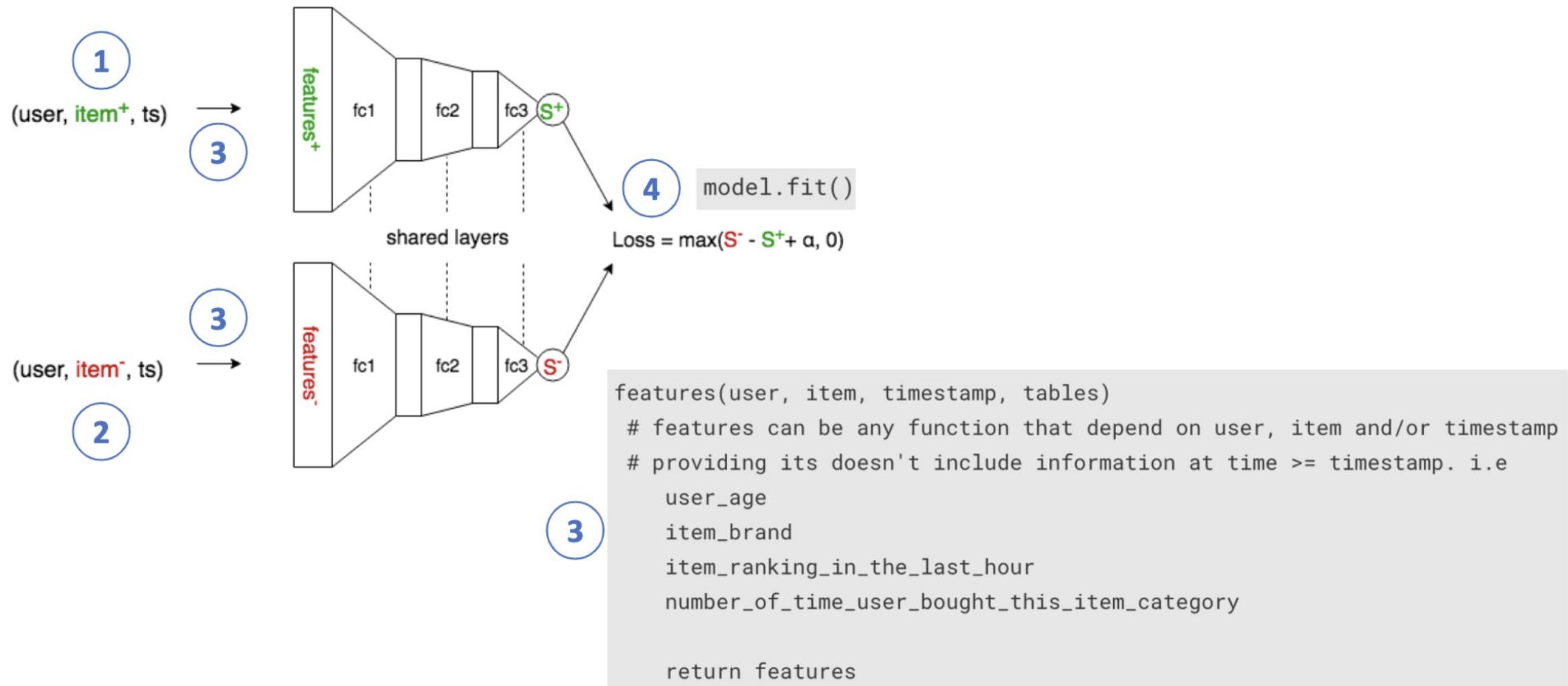


```
generate_positive_sample(purchase_table):  
    (user, item+, timestamp) = select a random purchase  
    return (user, item+, timestamp)
```

```
generate_negative_sample(timestamp, item+, item_table):  
    candidates = items at sales at timestamp remove item+ from candidates  
    item- = select a random candidate return item-
```



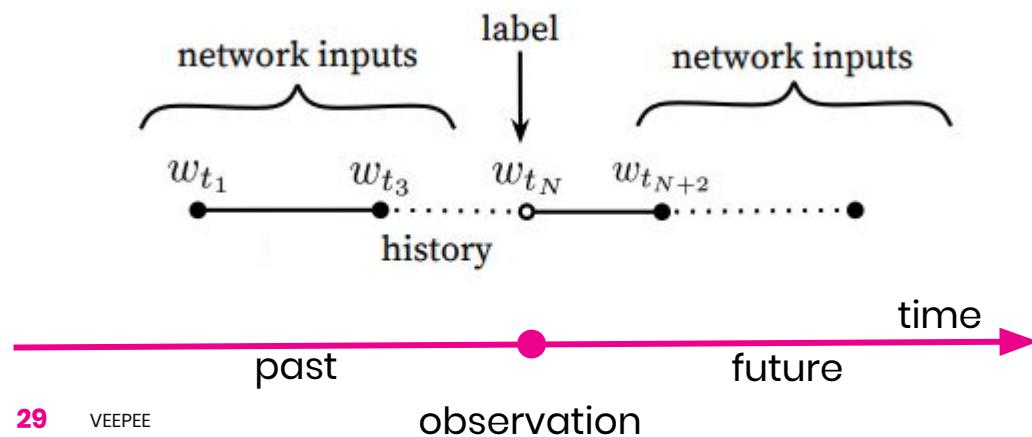
# Training



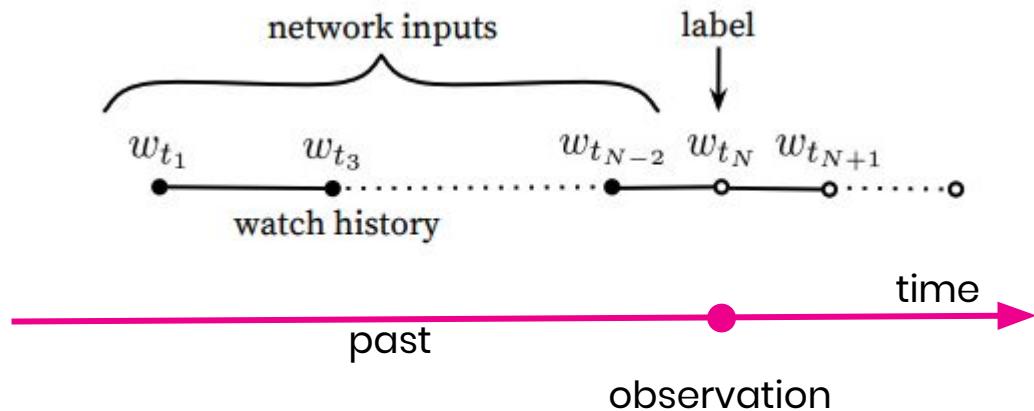


# Time importance

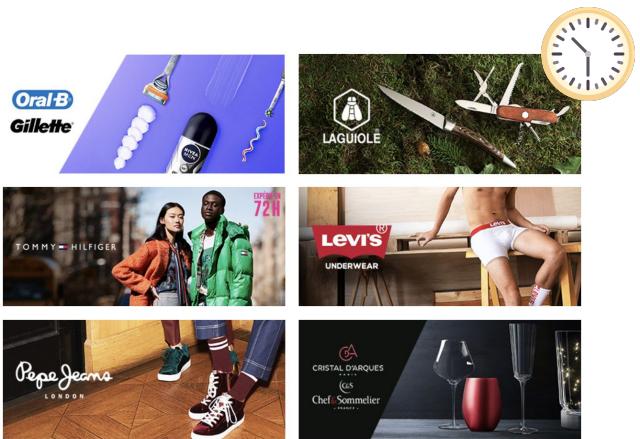
4	3			5	
5		4		4	
4		5	3	4	
	3				5
	4				4
		2	4		5



user_id	item_id	rating	timestamp
196	242	3	881250949
186	302	3	891717742
22	377	1	878887116
244	51	2	880606923
166	346	1	886397596



# The features



## Context

- Hour of the day
- Day of the week
- Day of year
- Section
- Minutes since sales opening
- etc.



## User description

- Socio-professional group
- Age
- Gender
- etc.

## User activity

- Purchased items
- Viewed items
- Days since last purchase
- Turnover by sector
- Purchase power
- etc.

Continuously updated

Updated once a day



## Campaign description

- Brand
- Business type
- Sector
- Sub-sector
- Duration
- Country
- etc.

## Campaign performance

- Turnover - last 15 min.
- Conversion rate - last hour
- % of total purchases - last 4 hours
- Brand past performance
- etc.



## Popularity by clusters

- Turnover - last 15 minutes - per demographic cluster
- % of total purchases - last hour - per demographic cluster
- etc.

# Our model

Predict

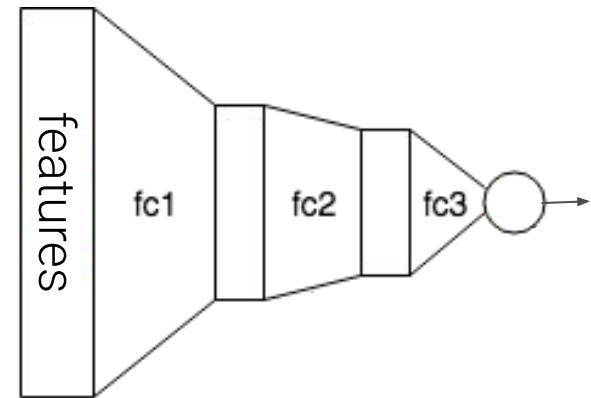
Context = Now



Available sales  
(Not ordered)



User



0.52

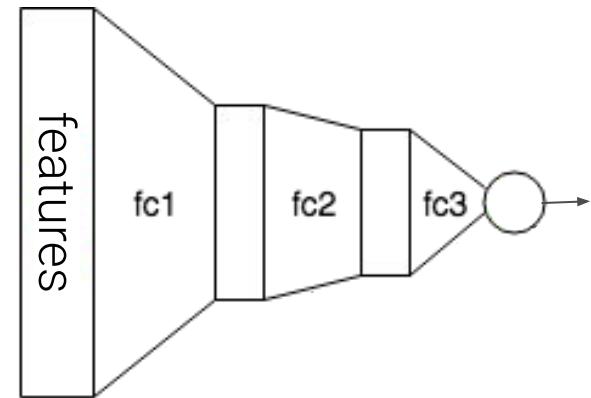
# Our model

Predict

Context = Now



User



0.06

Available sales

# Our model

Predict

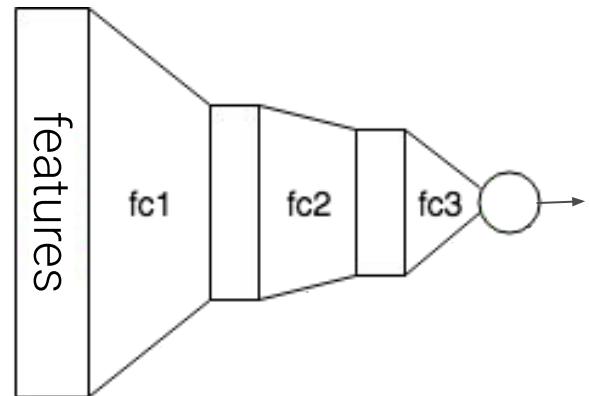
Context = Now



Available sales

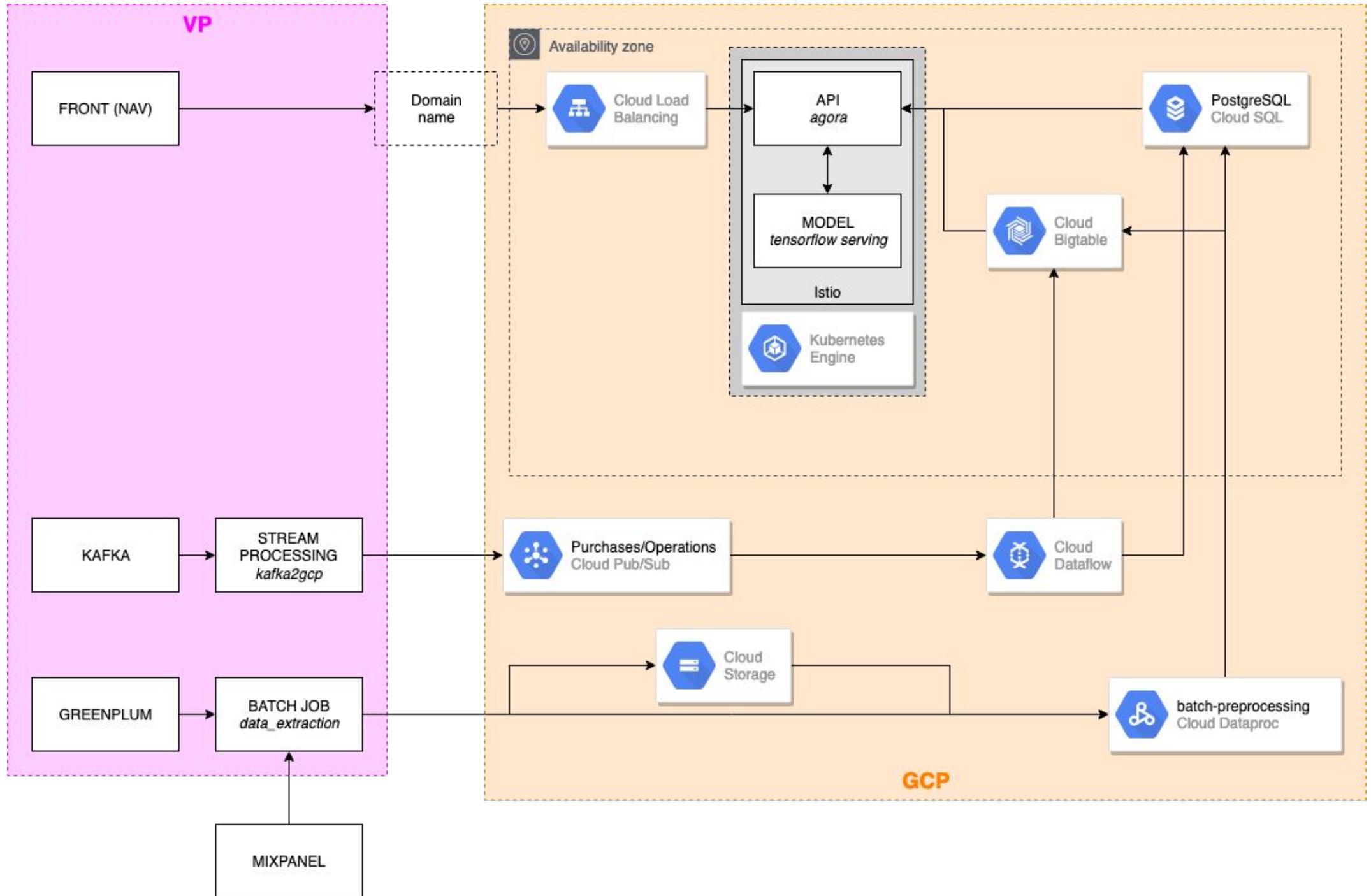


User



Personalized order

# Architecture



# Demo

www.veepee.fr

## EN CE MOMENT

Nos belles marques en vitrine cette semaine.



Betty's home page

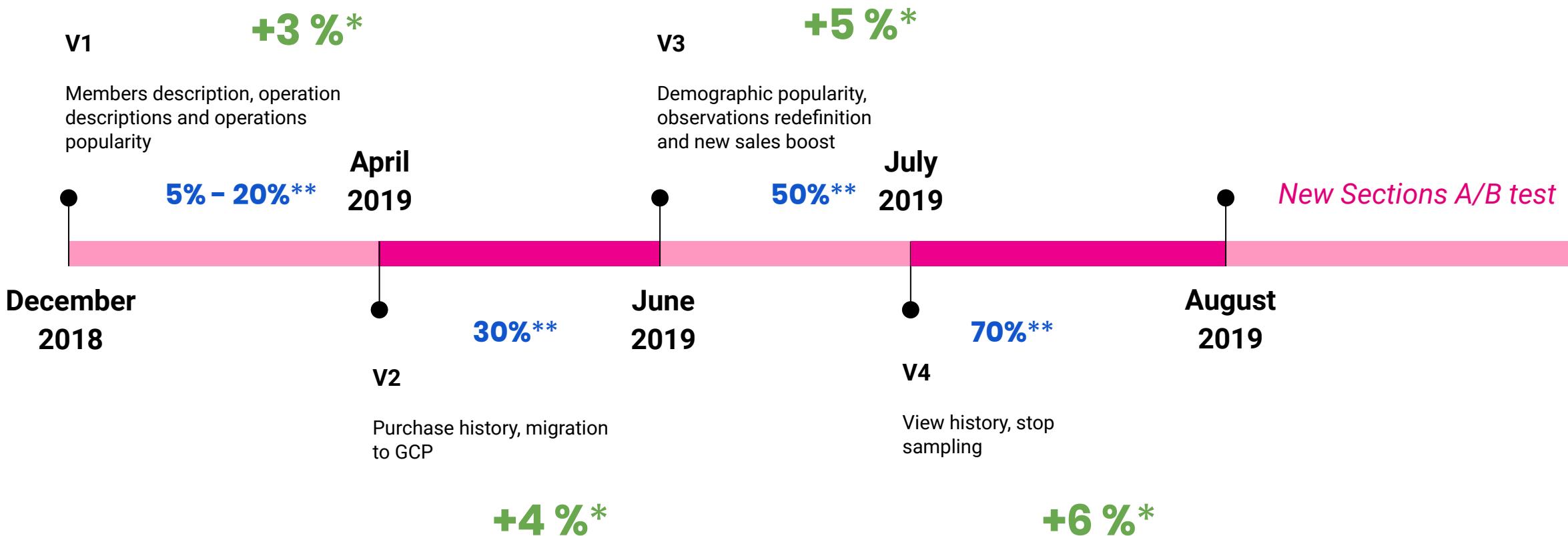
## EN CE MOMENT

Nos belles marques en vitrine cette semaine.



Amine's home page

# Achievements

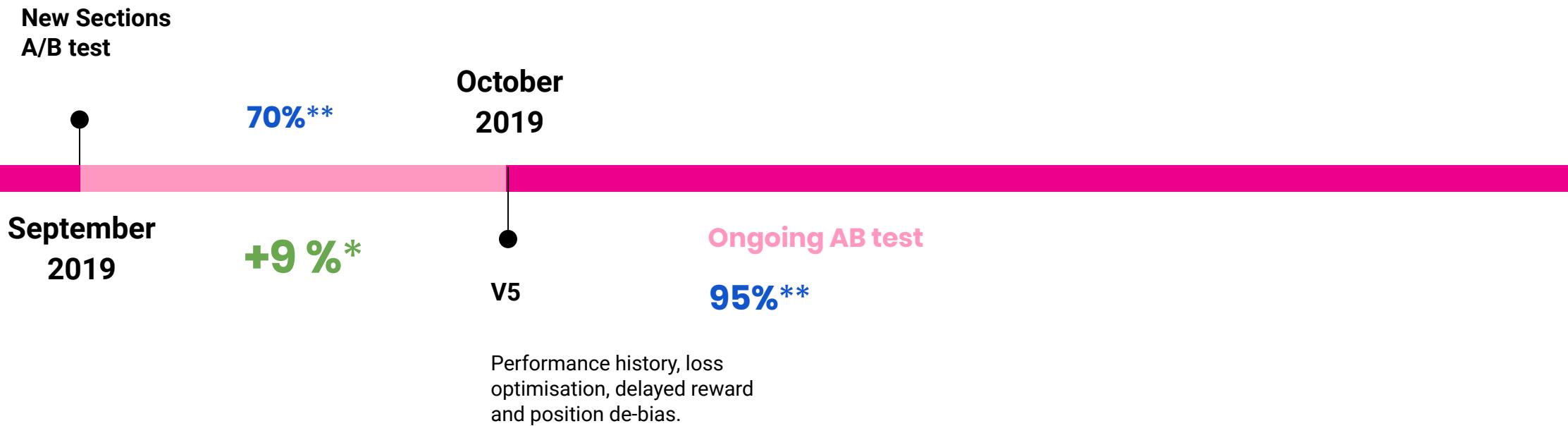


\* Personalization Conversion Rate Vs. Merchandising version

\*\* Traffic allocation for personalization

\*\*\* Personalization turnover Vs. merchandising turnover for the same number of unique visitors over the period

# Achievements



\* Personalization Conversion Rate Vs. Merchandising version

\*\* Traffic allocation for personalization

# Personalization is an essential growth driver

International home page personnalisation



Email personalization



The screenshot shows a personalized homepage for Veepee. At the top right is the Veepee logo with a butterfly icon. Below it, a message reads "36 nouvelles ventes aujourd'hui sur [veepee.fr](#)". The main content area features a grid of nine promotional images for various brands:

- Superdry®**: A woman in a black jacket and a man in a blue jacket standing outdoors.
- Jules**: Three men in athletic wear standing together.
- free**: An advertisement for mobile services featuring a speaker icon.
- DIESEL**: A woman wearing a black leather jacket with a yellow graphic patch.
- InnovaGoods®**: An advertisement for a cereal dispenser.
- ROSSIGNOL**: A skier in red gear descending a snowy slope.
- CMG SPORTS CLUB**: A woman performing a yoga pose.
- CenterParcs**: A family of four playing in a swimming pool.

# Internships @ Veepee



Email personalization

mazghal@vente-privee.com



The grid displays the following items:

- Superdry®**: A woman in a dark jacket and plaid shirt stands next to a brick wall.
- Jules**: Three men in athletic wear standing together.
- free**: A black speaker with the text "FORFAIT MOBILE + 1 SURPRISE!"
- DIESEL**: A person wearing a black leather jacket with a yellow graphic patch.
- InnovaGoods®**: A cereal dispenser machine.
- Rossignol**: A skier in red gear on a snowy slope.
- CMG SPORTS CLUB**: A woman performing a yoga pose.
- Center Parcs**: A family of four in a swimming pool.



# Contextual Bandit approach

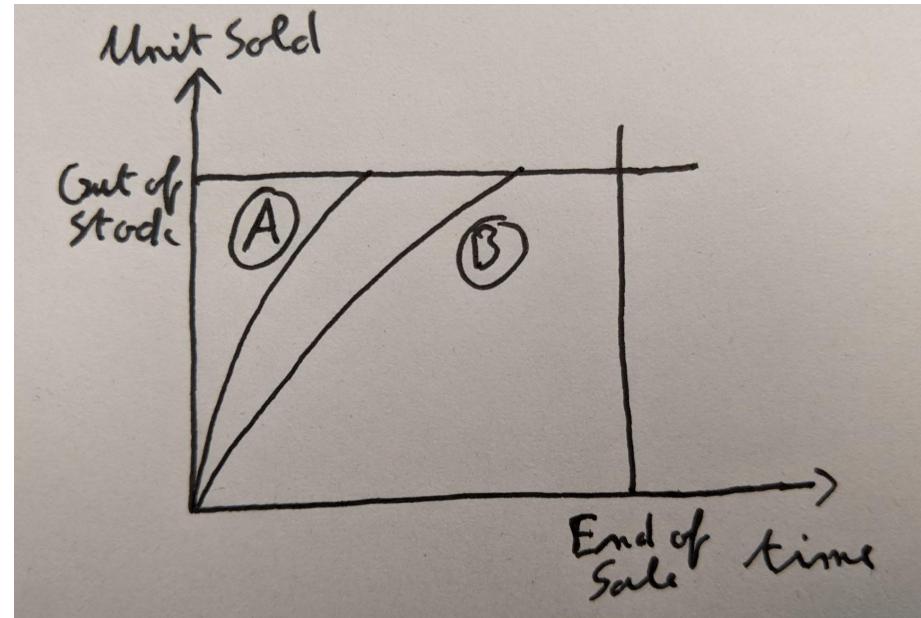


# Limited stock



# Limited stock

Under unlimited stock the optimal strategy is to put the best item on top.  
But with stock constraint it can be the opposite.

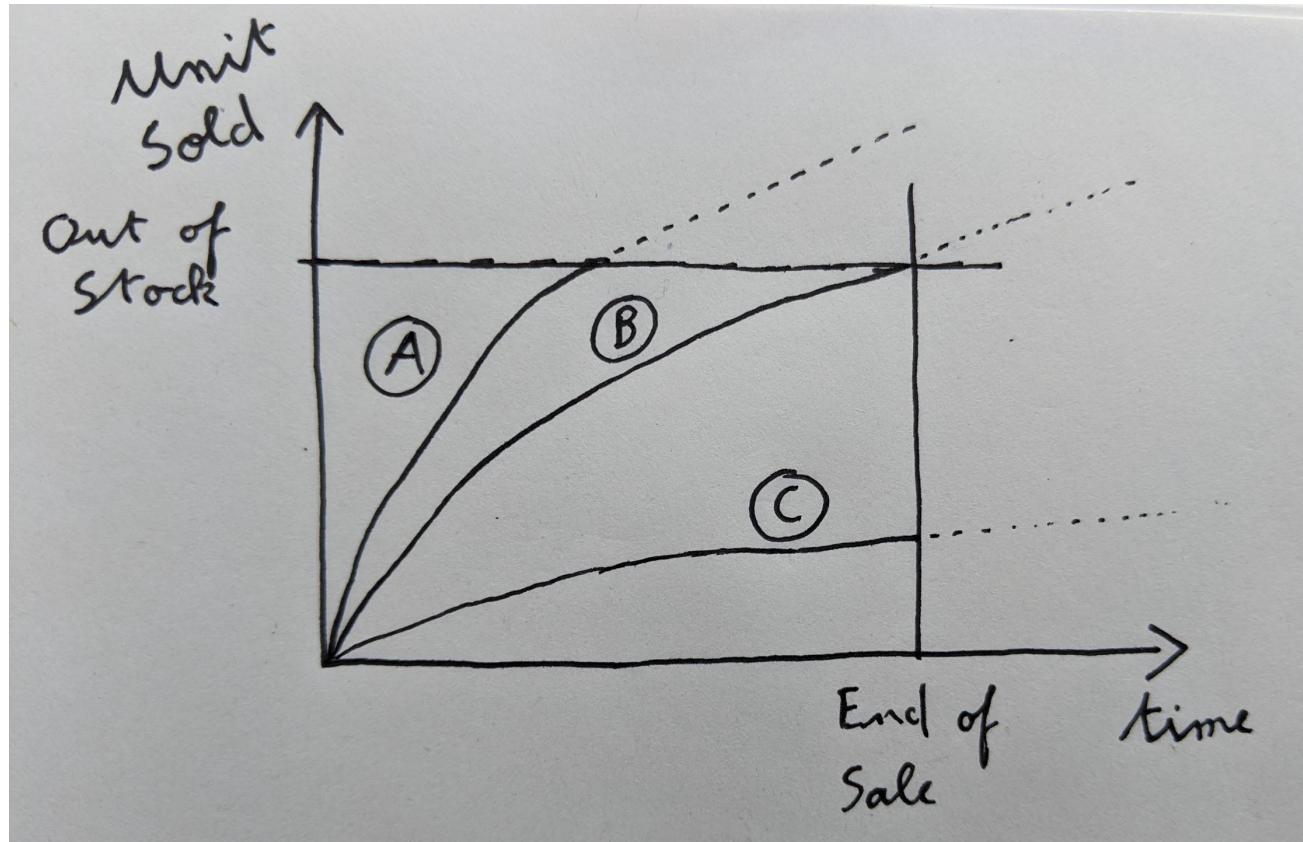


E.g. If the stock is small compared to the demand the item will go out of stock whatever the position. In such case we should not spend our energy on putting this item on top but instead focus on other items.



# Limited stock

Recommender systems doesn't take stock limitation into account leading to a loss of revenue.

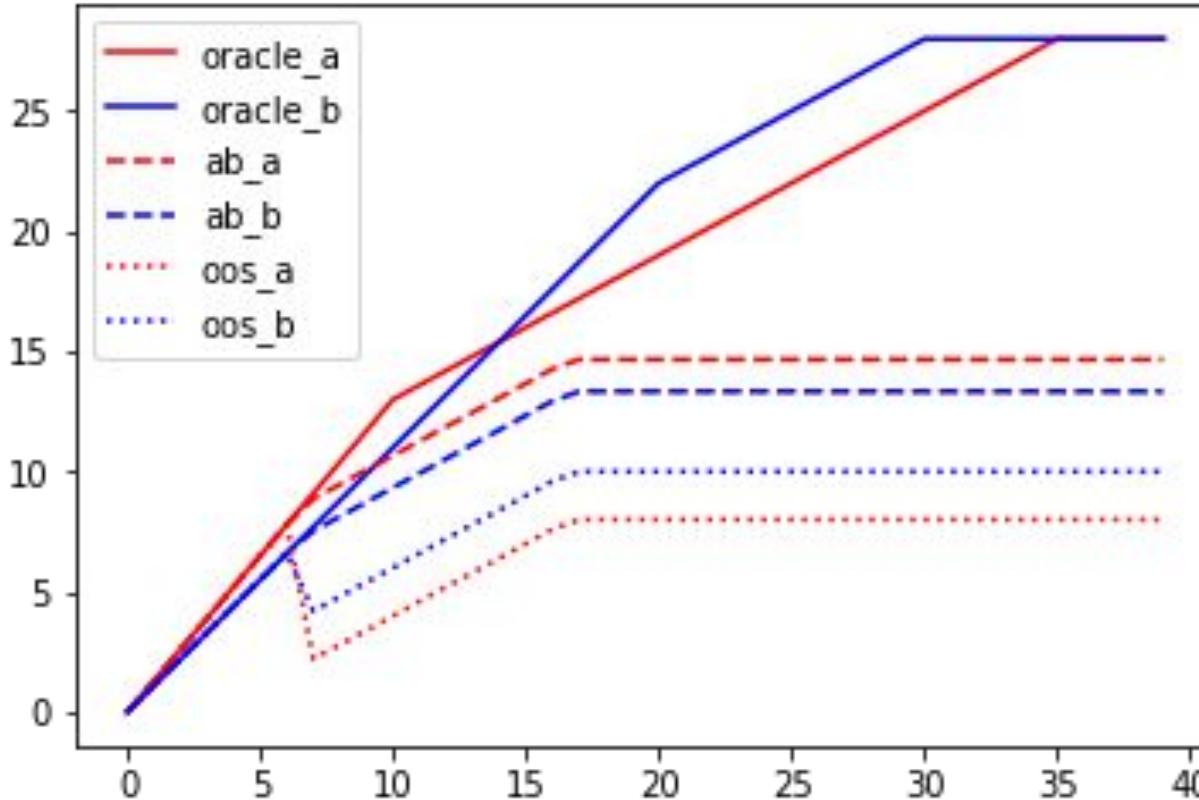


Item display position:

- A. On top
- B. Middle
- C. Bottom



# How to do A/B-test with limited stock ?



- Splitting by users lead to wrong conclusion due to cannibalization.
- Split stocks is hard to implement and no consumer friendly.
- Splitting by sales lack of statistical power.

A photograph of a snow-covered mountain range. In the foreground, a prominent peak has a large, detailed eye with a blue iris and black pupils painted on its surface. To the right of the eye, there is a faint, glowing pink heart shape. The sky above the mountains is a soft orange and yellow, suggesting either sunrise or sunset. The overall scene is surreal and artistic.

Thank you