

TAILORED BY AI:

Personalizing the Customer Shopping Journey



Complete the look...

TABLE OF CONTENTS

- 1 Introduction
- 2 The Fundamentals of Upselling
- 3 The Shift to AI-powered Recommendations
- 4 Benefits of AI-powered Recommendations
- 5 ViSenze: Powering Next-gen Recommendations
- 6 Tips and Best Practices for Upselling
- 7 Measuring the Success of Your Upselling Strategy
- 8 The Future of AI-powered Product Recommendations
- 9 Conclusion

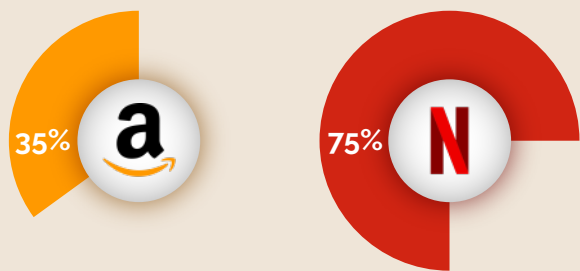
INTRODUCTION

What is the importance of product recommendations in E-commerce?

Today's digital customers expect their online shopping experience to be personalized to get products of their choice easily and quickly. Personalized product recommendations pave the way for a more engaging shopping experience for customers. These recommendations help customers discover products that match their interests and preferences and help simplify decision-making.

E-commerce businesses can personalize customers' buying experience with seamless product recommendations. These recommendations largely inspire your customers to make additional purchases and thus improve your overall sales and average order value (AOV). Most of these recommendations are based on AI and ML algorithms that analyze various customer purchasing and other factors to deliver seamless recommendations.

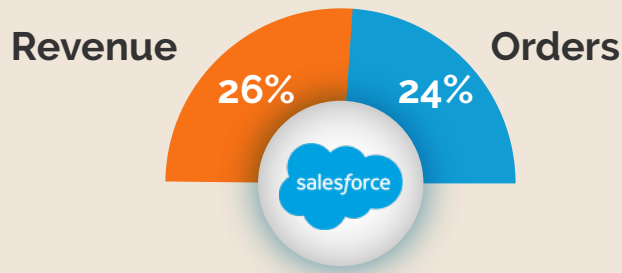
Personalized product recommendations widely impact the consumer base in a great way as stated by various research analysts.



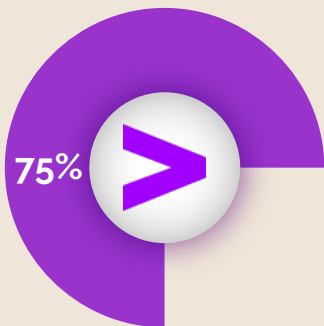
McKinsey estimated that 35% of what consumers purchase on Amazon and 75% of what they watch on Netflix comes from personalized product recommendations.



A Forbes article states that many customers expect brands to know who they are and what they want.



A Salesforce study of product recommendations concluded that visits, where the shopper clicked a recommendation, comprise just 7 percent of total site traffic, but make up 24% of orders and 26% of revenue.



An Accenture report says personalization increases the likelihood of a prospect purchasing from you by 75 percent.

Undoubtedly, these product recommendations deliver a host of benefits for both shoppers and retailers alike.



Help increase your AOV as shoppers are more likely to add additional items to the cart



Improves sales with AI algorithms that make customized recommendations



Improves cross-selling and upselling opportunities with relevant product recommendation strategies



Improves customer satisfaction with a personalized shopping experience



Builds trust and loyalty as happy customers are likely to promote your business

E-commerce personalization is the way forward for online businesses as adding relevant products to each shopper helps increase customer retention and satisfaction.

THE FUNDAMENTALS OF UPSELLING

Definition and Significance of Upselling

Upselling involves enticing your customers to consider and purchase high-end products and services rather than what they initially tend to purchase. Upselling activities are powerful sales techniques showcased by enabling additional features, displaying premium options and some complementary benefits that attract shoppers and make them buy high-priced products.

Differentiating Between Upselling and Cross-selling

In today's hyper-competitive marketplace, acquiring customers is a challenging task and can be costly too. However, upselling and cross-selling methods help uncover various benefits in terms of sales and revenue growth for e-commerce.

Upselling is a sales method where the seller encourages a customer to make a high-valued purchase or makes them buy a higher-end version of the product. In comparison, cross-selling is a sales technique that involves recommending complementary or related products to shoppers during the purchasing process. For example, showcasing accessories that match the dress customers are viewing could improve cross-selling opportunities. Typically, both upselling and cross-selling methods help e-commerce achieve a higher AOV and improve sales and revenues.

An Overview of How AI is Revolutionizing Upselling Strategies

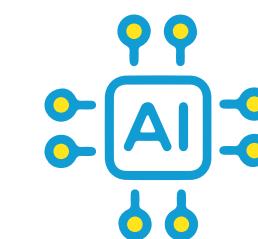
Undoubtedly, AI is revolutionizing upselling strategies in several ways for e-commerce.



AI algorithms help to identify upselling opportunities as they analyze customer data to identify customers who are more likely to be interested in upselling



AI and ML algorithms are helping to personalize upselling opportunities by recommending complementary products to customers



Today, many other leading e-commerce companies are using AI as a powerful tool to help improve their upselling strategies.

THE SHIFT TO AI-POWERED RECOMMENDATIONS

How do traditional recommendation systems work?

Even a decade ago, product recommendations were :



Rule-based systems were used that had predefined business rules to recommend products



User-based and item-based collaborative filtering was used to recommend products



Content-based and demographic filtering were also used to suggest products

However, these traditional systems had many limitations and were not effectively reaching the target customers. These methods had difficulty adapting to changing customer preferences and were not very successful.

The rise and relevance of AI in modern e-commerce recommendation systems

Today, many modern recommendation systems effectively use AI, ML, Natural Language Processing (NLP) and Deep Learning (DL) to enable product recommendations. The rise of AI-powered algorithms offers a range of benefits to online retailers.



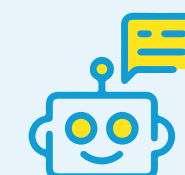
Delivering truly personalized and real-time product recommendations to the modern digital customer and improving sales via increased AOV



Enhancing the user experience by making the websites more responsive, offering personalized content and easing the checkout process



AI visual search allows customers to search for products by uploading images or using their device's camera to click images of their choice and is best used for fashion and home decor e-commerce platforms



AI-driven chatbots actively engage with customers solving their queries seamlessly in real time

MAJOR BENEFITS OF AI-POWERED RECOMMENDATIONS

AI technologies can adapt to changing customer preferences and enable effective product recommendations. There are many benefits for e-commerce businesses leveraging AI and ML technologies as given below.



Personalizes user experience: Seamless personalization is achieved with AI recommendations that consider individual preferences, behavior, and historical interactions, enhancing the user experience.



Increases AOV: AI-powered recommendations suggesting relevant products and content in alignment with consumers' interests significantly improve the AOV and boost sales and revenue.



Enhances customer retention: By improving the user experience and moving customers towards personalized content and products, these AI recommendations contribute to more customer retention.



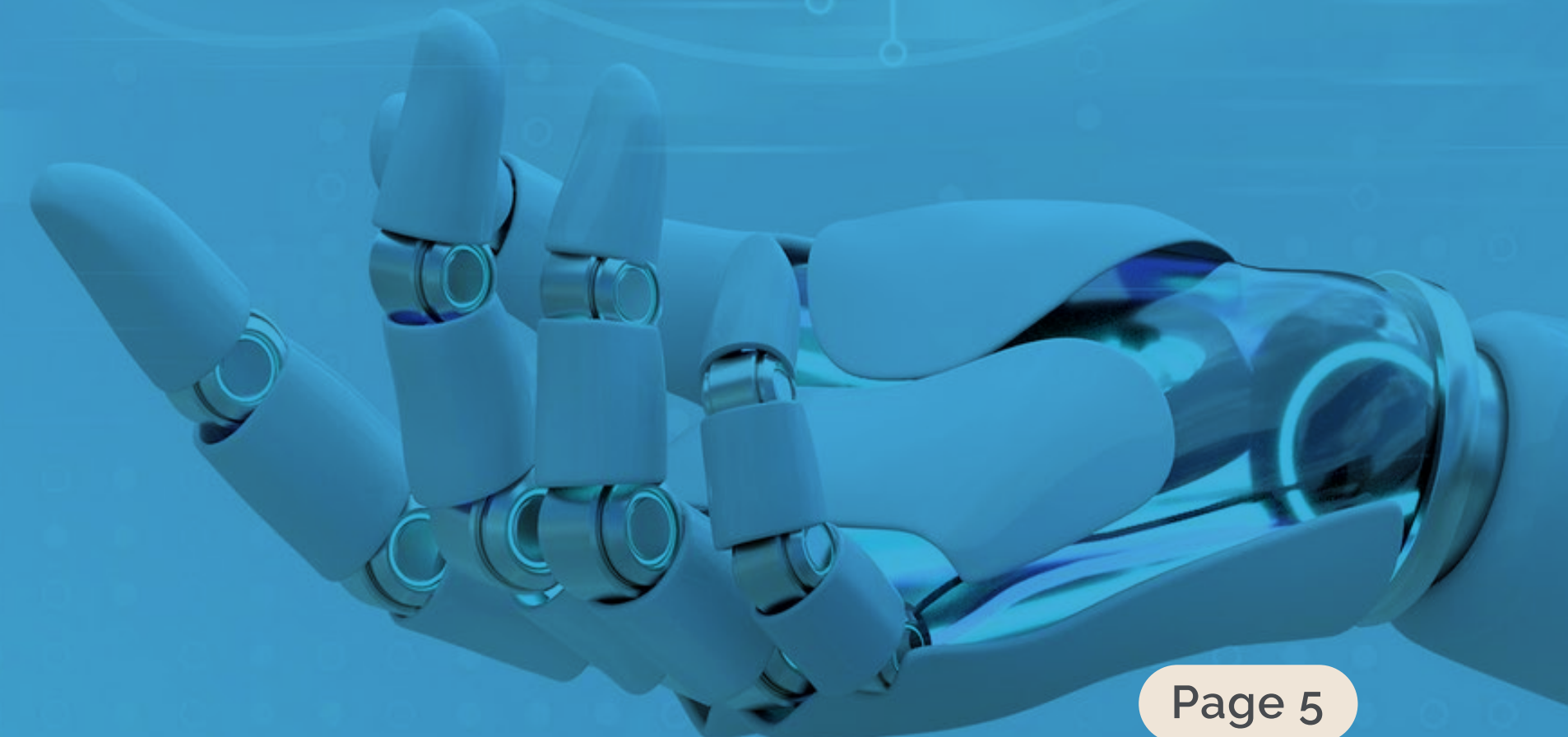
Ensures efficient inventory management: AI-powered recommendations can help businesses optimize inventory management by showcasing new products, surplus stock, or even help with assortment given the search intent.



Improves cross-selling and upselling opportunities: AI-based algorithms can identify cross-selling and upselling opportunities and help to maximize the value of each transaction.

Major Benefits of AI-powered Recommendations

- Personalizes user experience
- Increases AOV
- Enhances customer retention
- Ensures efficient inventory management
- Improves cross-selling and upselling opportunities



TIPS AND BEST PRACTICES FOR EFFECTIVE RECOMMENDATIONS



Deliver targeted product recommendations by analyzing customer behavior & understanding their preferences



Curate product groupings and personalize upsell recommendations based on individual customer segments



Make strategic timing and positioning of your recommendations for optimal user engagement which is the key to the success of upselling



Adjust strategies by continuous learning based on AI insights and feedback loops



Continuously test and optimize the performance of upselling campaigns by closely tracking the metrics and adjusting strategies accordingly to maximize conversions and revenue

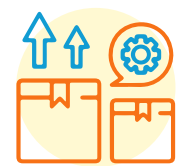
MEASURING THE SUCCESS OF YOUR UPSELLING STRATEGY

4 Key performance indicators to track Upselling Strategies

According to [Investopedia](#), a KPI is a set of quantifiable measures that a company uses to gauge its performance over time.



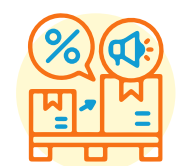
Upsell Conversion Rate: This KPI measures the percentage of customers who have accepted an upsell purchase compared to the total number of offers made to customers. A high upsell rate indicates that your upselling strategies are working well.



Average Upsell Value: The average upsell value metric measures the average value of upsell purchases. A higher average upsell value indicates that upselling is more effective and customers are buying expensive products or services.



Customer Lifetime Value (CLV): This metric measures the total revenue a customer is expected to generate over the entire relationship with your brand. An effective upselling can increase CLV by encouraging customers to repurchase or make them invest in higher-priced products.



Upsell revenue: This metric measures the revenue generated from various upsell opportunities. Increasing upsell revenue showcases the effectiveness of your upselling strategies.

Complete the look



ViSENZE: POWERING NEXT-GEN RECOMMENDATIONS

ViSenze's cutting-edge product discovery platform is trusted by many leading retailers to power their recommendations and visual search. Its automated AI platform empowers retailers to increase revenue by delivering exceptional experiences making it easier for shoppers to discover products of their choice.

ViSenze AI-powered Solutions:

These AI solutions help make deeply personalized recommendations based on the shoppers journey. It instantly curates a collection of items to keep your customers engaged and get them buying even if their desired item is out of stock.

These AI-powered solutions are listed below:

- AI-powered Recommendations with Six Recommendation Engines
- AI-powered Visual Search
- Smart Tagging
- Discovery Suite, a combination of AI-powered visual search and recommendations

What is the ROI Delivered to E-commerce Businesses with ViSenze AI solutions?

30%

Increase in CTR

35%

Increase in Conversions

20%

Uplift in Revenue Per Session

40x

ROI

What is the ease of deployment of these AI-powered Solutions?



Plug-and-play templates with ease and speed of deployment



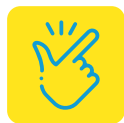
Easy A/B testing to course-correct on time



Image-based triggers



Easy configurations and optimizations with no-code widgets



Simple business rules



Deep conversion funnel analytics to aid decision-making

WHY CHOOSE VISENZE AI SOLUTIONS?



Amplifies low-visibility products to maximize basket size and minimize your unsold inventory



Data-driven insights to maximize every customer interaction



Real-time dynamic recommendations based on new products without any intervention



Real-time e-commerce funnel optimization, improving conversions at every stage of your shopper's journey



Deep conversion funnel analytics to aid decision-making



Touchpoints across the customer journey

You might also like



6 AI-POWERED RECOMMENDATION ENGINES

The six AI-powered Recommendation Engines are listed below:



Recommends visually similar items and makes recommendations based on what shoppers are seeing.

Features and Benefits

- Instantly curates a collection of items to keep your customers engaged
- Re-engage abandoned carts with personalized recommendations based on click or purchase history
- Immediate out-of-stock alternatives for email promotion
- Same-style product suggestions for campaign planning
- Increases CVR



Recommends shoppable products from the model image, delights shoppers with full outfits, and boosts cart sizes.

Features and Benefits

- Helps to instantly monetize your model images
- Automatically showcases more products from your catalog shown in model images and can be tailored to your brand and style
- Automatically searches your catalog for the additional products displayed in your model photos. If it is not in your catalog or is out of stock, it will recommend the closest visually similar product
- Increases AOV
- Ideal for PDP, PLP, email retargeting



Recommends complementary products for the primary item and captures quick cross-selling opportunities.

Features and Benefits

- Automatically searches your catalog for additional products and creates complete outfits for a variety of styles and occasions
- Allows you to showcase your vast range of products and inventory
- Increases AOV and CVR



The Inspire AI engine suggests multiple outfit inspirations and makes complete outfit recommendations at scale with your existing product photos.

Features and Benefits

- Automatically searches your catalog for additional products and creates complete outfits for a variety of styles and occasions
- Allows you to showcase your vast range of products and inventory
- Increases AOV, increases CVR, and is ideal for PDP, homepage, email retargeting



This AI recommendation engine turns social inspiration into product purchases.

Features and Benefits

- User generated content can act as a medium to improve your shoppers' purchasing experience



This AI engine helps enable dynamic personalization for an ongoing shopping journey for your shoppers as they go shopping and displays instantly. The dynamic AI algorithms are specific to the user and evolve within that very same visit and are also based on their last few clicks/action.

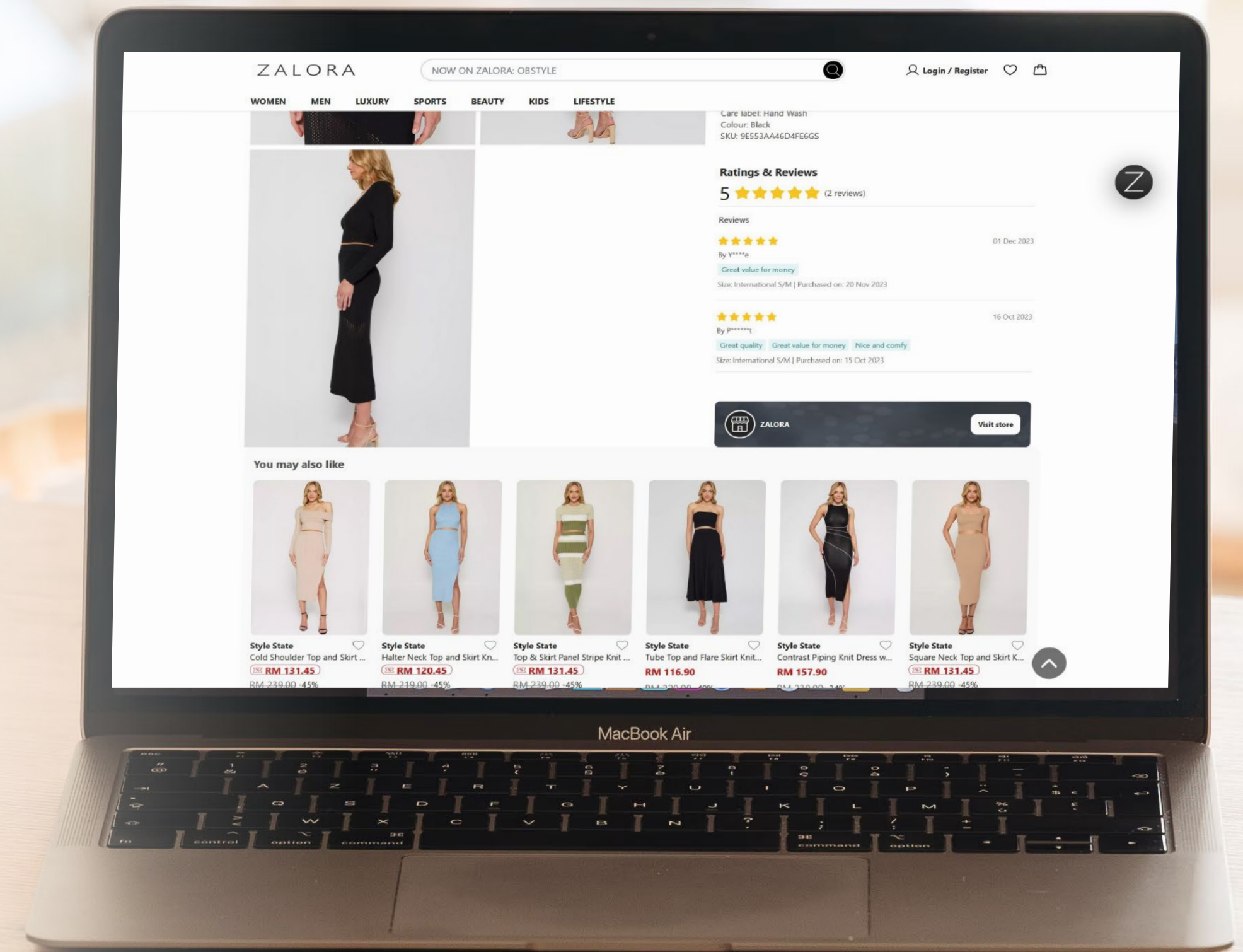
REAL-WORLD SUCCESS STORIES SHOWCASING THE EFFECTIVENESS OF VISENZE'S AI-DRIVEN APPROACH

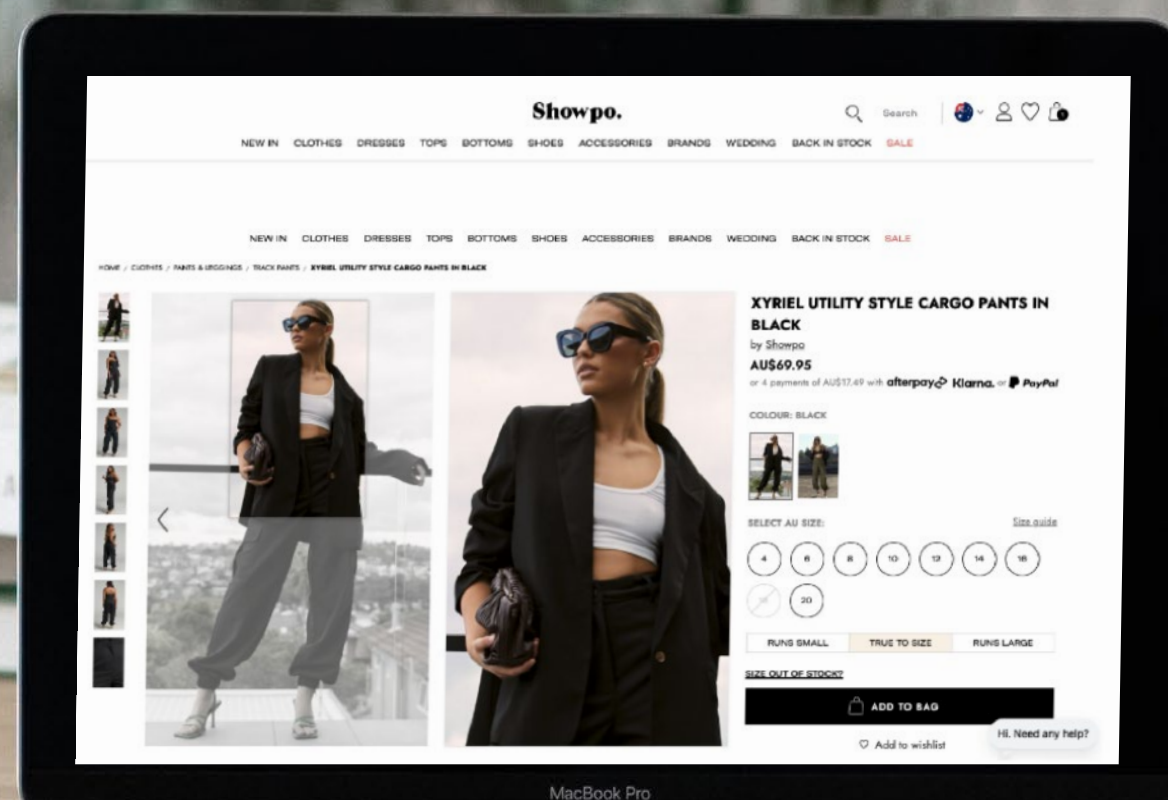
Client Success Story No.1: ZALORA

With 41 million monthly visits and a catalog of over 3,000 fashion brands Zalora is one of the leading online fashion retailers in Asia. Zalora wanted to streamline the journey and drive an exceptional shopping experience. They knew how frustrating it could be for customers to look for something on their site and leave empty-handed.

ViSenze helped Zalora craft a seamless search and discovery experience, which resulted in a higher engagement rate of more than 10% and increased the average order value by 15%. ViSenze Discovery Suite helps Zalora by:

- Recommending complementary items based on style and occasion
- Turning user-generated Instagram posts into shoppable content
- Letting shoppers find items from images including screenshots, and social media posts.
- Forecasting accurately with relevant and actionable data





Client Success Story No.2: **Showpo.**

Showpo- Discovery Suite with AI-powered Recommendations and Visual Search

Showpo, a booming Australian-based fashion e-commerce brand, needed a way to help its online community find what works for its shoppers without endless searching. With more than four million worldwide social media followers and over 20,000 unique products on offer, Showpo was looking for new ways to help customers easily find what they were looking for.

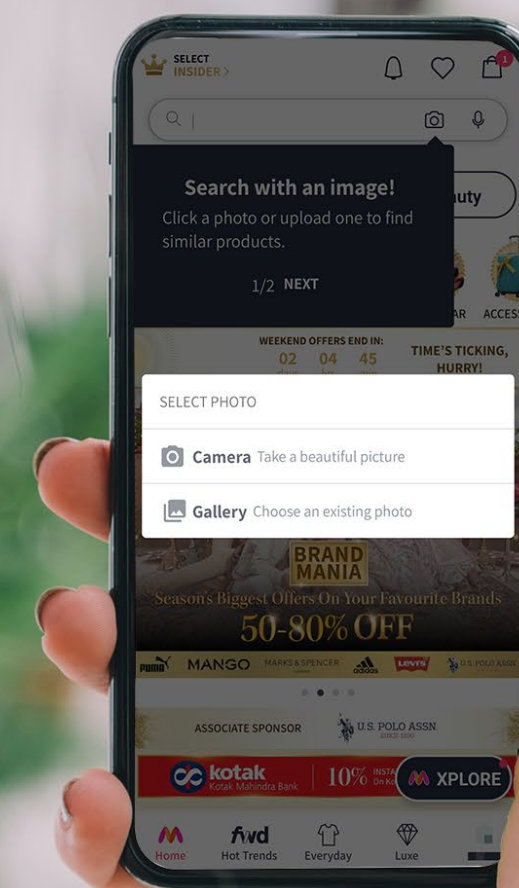
Showpo chose ViSenze Discovery Suite for its straightforward, innovative and advanced recommendation and visual search capabilities that helped its customers get what they wanted thereby increasing Showpo's revenues.

Client Success Story No.3: **Myntra**

Myntra, one of India's top fashion portals, was on the lookout for the perfect visual search and recommendations partner who resonated with its mission and vision to provide "a hassle-free and enjoyable shopping experience to shoppers across the country with the widest range of brands and products on its portal."

Myntra leverages ViSenze's Discovery Suite to power its 'View Similar' carousel to curate a collection of similar items based on visual attributes like the style or color of the item end-users are looking at. This also supports better conversion when certain products are out of stock hence increasing revenue per user.

For driving complementary product recommendations, Myntra's 'Shop the Look' leverages ViSenze to automatically showcase more products from the model images supporting AOV growth.





THE FUTURE OF AI-POWERED PRODUCT RECOMMENDATIONS

- Advanced recommendation engines with DL and NLP will become the norm enabling more accurate predictions based on customer behavior and are bound to drive both upselling and cross-selling efforts.
- AI-driven visual search will lead the charts as it allows customers to take a photo of a product and receive upselling recommendations based on the image.
- Conversational AI and chatbots will play an important role in upselling.
- Hyper-personalization with AI will predict incredibly precise product recommendations to entice customers and upsell to each customer.
- Augmented Reality and Virtual Reality might also enable immersive shopping experiences and are likely to make upselling activities more engaging and interactive.

CONCLUSION

AI is a powerful tool that ecommerce businesses and retailers should leverage to provide accurate product and content recommendations to customers based on their shopping behavior or historical data analysis. AI and ML algorithms can also be used to identify various upselling, and cross-selling opportunities, personalize product recommendations, and automate tasks such that businesses can increase sales, AOV, and revenue along with improving consumer satisfaction.



ViSENZE

Smartest Product Discovery
Platform for Retailers

Book A Virtual Demo



ABOUT VISENZE

ViSenze is a leading AI-powered visual search and recommendations platform that enables the world's leading retailers to help their customers simply 'See. Style. Shop'. ViSenze's cutting-edge products are used by Myntra, Ajio, Meesho, Rakuten, Zalora, Mango, Target, and others to power their product discovery for shoppers. ViSenze processes over a billion queries a month from retailers, helping them increase conversions and amplify revenue growth. Know more about ViSenze here - [Smart Search and Recommendations | ViSenze](#)

[VISENZE.COM](#)

