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# How personalized product recommendations can help selling online

Paweł Wyborski, CEO

Quartic. Inteligentny System Personalizowanych Rekomendacji

## **About us**



- We are leading personalised product recommendations company at polish market
- 50 websites are enhanced right now by Quartic recommendations



# Long, Long time ago



### Amazon.com introduce personalised product recommendations. 20% of whole sales are effected by recommendatiosn.

LOOK INSIDE!	LOOK INSIDE!	LOOK INSIDE	Martin and Andrew	LOOK INSIDE!	LOOK INSIDE!
The Data Model Resource Book		Star Schema	TESTED METHODS		The Data Warehouse Toolit Karatan Karatan
The Data Model Resource	The One to One Fieldbook	Star Schema The Complete	Tested Advertising Methods	Making It Personal: How To	The Data Warehouse
Book, Vol. 3	Don Peppers, Martha Rogers	Reference	John Caples, Fred E. Hahn	Profit	Toolkit: The
Len Silverston, Paul Agnew	Paperback	Christopher Adamson	Paperback	Bruce Kasanoff	Ralph Kimball, Margy Ross
Paperback	\$21.00	Paperback	\$15.95 \$9.33	Paperback	Paperback
<del>\$70.00</del> \$50.19	Fix this recommendation	\$59.99 \$33.56	Fix this recommendation	Fix this recommendation	\$65.00 \$46.90
Fix this recommendation		Fix this recommendation			Fix this recommendation





#### Price For All Three: \$47.12

Add all three to Wish List Pre-order all three items

Some of these items ship sooner than the others. Show details

- This item: Stolen Prey by John Sandford Hardcover \$15.98
- The Black Box by Michael Connelly Hardcover \$16.13
- A Wanted Man: A Jack Reacher Novel by Lee Child Hardcover \$15.01

#### Customers Who Bought This Item Also Bought



The Black Box Michael Connelly Hardcover \$16.13



A Wanted Man: A Jack Reacher Novel > Lee Child Hardcover \$15.01



11th Hour (Women's Murder Club) > James Patterson \*\*\*\*\*\* (13) Hardcover

PATTERSO

MAXINE PAETER

\$16.62



Robert B. Parker's Lullaby (Spenser) Ace Atkins Hardcover \$16.93



The Panther (John Corey) Nelson DeMille Hardcover \$16.29



Creole Belle: A Dave Robicheaux Novel James Lee Burke Hardcover \$17.02





XO: A Kathryn Dance Nove > Jefferv Deaver Hardcover \$16.07

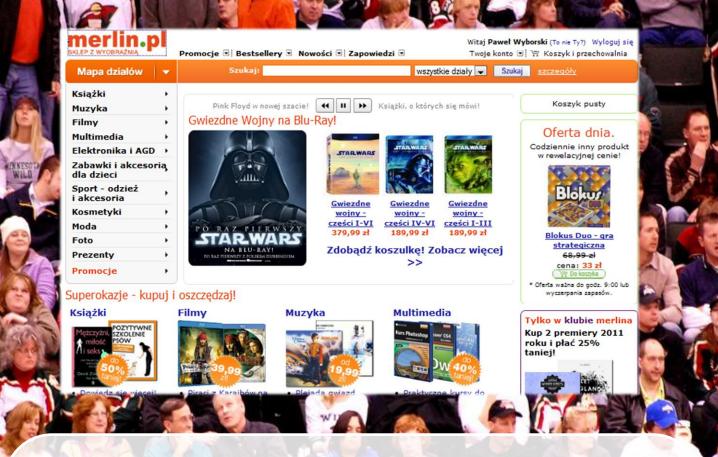


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# THE PROBLEM ...





# 1 000 000 Visitors monthly

1 000 000 Different needs and preferences

# Automatyczna personalizacja rekomendacji 🥨

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### Rekomendacje dla Ciebie



Fabrykantka aniołków Camilla Läckberg cena: 33,99 zł <del>39,99 zł</del> ₩ Do koszyka



Co to znaczy... Grzegorz Kasdepke cena: 21,17 zł <del>24,9 zł</del>



Pamiątkowe rupiecie. Biografia Wisławy Szymborskiej Anna Bikont, Joanna Szczęsna cena: 42,42 zł 49,9 zł Po koszyka



Myśliwiecka [Digipack] Artur Andrus cena: 33,49 zł



Poczytaj mi, mamo. Księga pierwsza Opracowanie zbiorowe cena: 42,42 zł 49,9 zł Do koszyka



Kobiety dyktatorów Diane Ducret cena: 33,92 zł <del>39,9 zł</del> Do koszyka



Liika Małgorzata Kali cena: **29,67 zł** 



Rzeki Hadesu Marek Krajewsk cena: 27,97 ː 같 말 Do koszyka

Wistawa Saymbonka Wystarczy

Wystarczy Wisława Szymborska cena: 24,65 zł <del>29 zł</del> If you have 1 M visitors, you should have 1 M different versions of your e-shop

POTEGA REKOMENDACJ

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### The recommendations help the customers to

**DISCOVER** what other product they can buy.

### The recommendations increase the value

and the size of the shopping cart

They build customer loyalty and satisfaction

Thanks to the personalized recommendations, the

website builds better customer usage experience







# **Recommendations types**



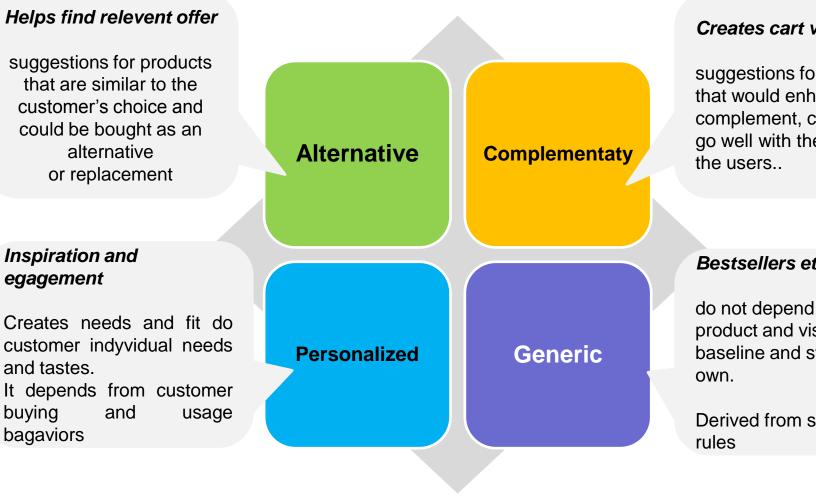
#### Creates cart value

suggestions for products that would enhance, complement, complete, or go well with the selection of

#### Bestsellers etc.

do not depend on any other product and visitors as a baseline and stand on their

Derived from store

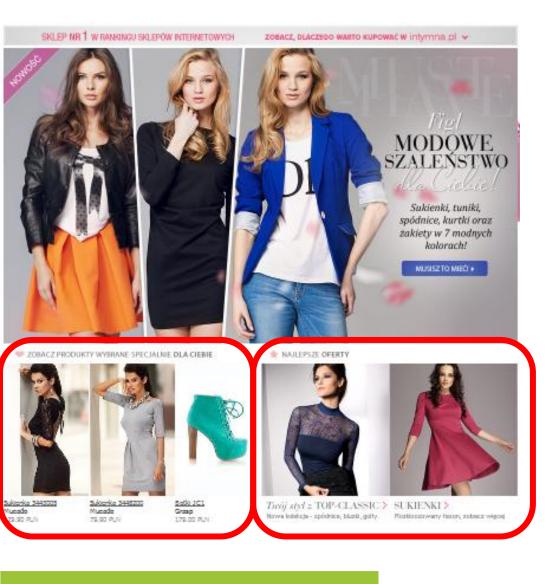




# How to use recommendation on your site...

# Landing Page, home page





### Main storefront

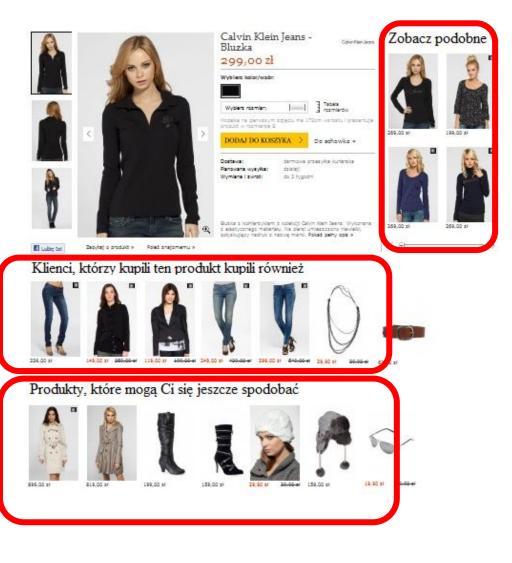
- a good first impression
- Draw visitor into the store
- most stores display Generic (special-) offers on this page
- In situations where the user is known,
  these recommendations can be
  personalized
- Complementary Product Recommendations can be added by using products the user has previously bought as a baseline.
- Not to many recommendations !!!

# **Department / Category / Subcategory**



- category browse page already contains many alternatives products
- most companies prefer not to add additional recommendations.
- if required, one could add generic recommendations to highlight things such as "top sellers in this category", "most recommended" etc.
- **Complementary items** can be used to highlight options to accessorize the products in question.
- Alternatives should not be recommended.

# **Product detail page**





- Entices customers to Purchase the product
- generic recommendations that are derived from store rules (e.g. up-sell, cross-sell or inventory optimization)
- information about potential alternatives (similar products)
- Complementary products can serve both as arguments supporting the purchase as well as opportunities for cross-selling

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# **Shopping cart**

### The page needs to keep the customer engaged.



The goal is to motivate the customer to complete the purchase or to continue shopping Alternative recommendations are not allowed !!!

### Focus on complementaty iteams for accessorizing

### Twój koszyk

LP.	PRODUKT			ILOŚĆ	CENA ZA 1 SZT.	CENA
1.	Ô	Ichi - Sukienka I-Fini-Dr kolor/wzór: czarny rozmiar: M		1 Przelicz	179,00 zł	179,00 zł
		×Usuń ∣	Do schowka >	Przelicz		
Mais	r kad rabatawa	$\checkmark$	× Usuń wszystko 🗆	Przelicz wszystko >	Wartość produktów:	179,00 zł
Wpisz kod rabatowy		~			Rabat:	0,00 zł
Jak zdobyć kod rabatowy?		?			Koszty wysyłki:	0,00 zł
					SUMA:	179,00 zł

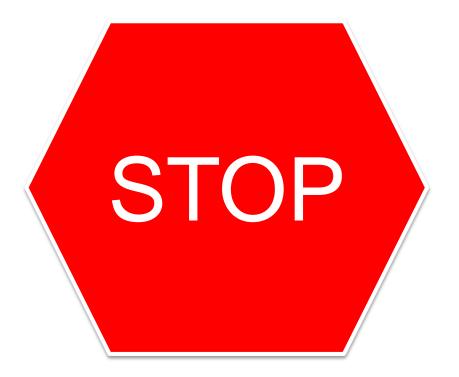


PRZEJDŹ DO KASY

## checkout



The customers enter the credit card and address information, and select marketing preferences ....



customers should not be distracted by anything that could cause them to abandon the cart.

# No recommendations should be displayed.

# **Order confirmation email**





# Great opportunity to recommend additional

**products** to customers and to motivate them to purchase by giving incentives like rebates and free shipping.

For most e-commerce websites, both generic and complementary product recommendations can be displayed



# Recommendations engineering

# Visitors bahaviour data - first



We use a lot of that we are able to collect from a website to build relevant and high quality recommendations

### User session

- Pagevies
- Searches
- Time on site
- Clicks

### **User profile**

- Preferences
- Demographics
- Localistations
- Customer value
- Recency Frequency Monetary

#### Catalogue

- Categories
- Atribiutes
- Tags
- Price, reve
- Availablity
- Ratings

### **User actions**

- Buy
- Add to cart
- Wishlist
- Social FB like
- Rekomendowanie
- Ratings
- Comments



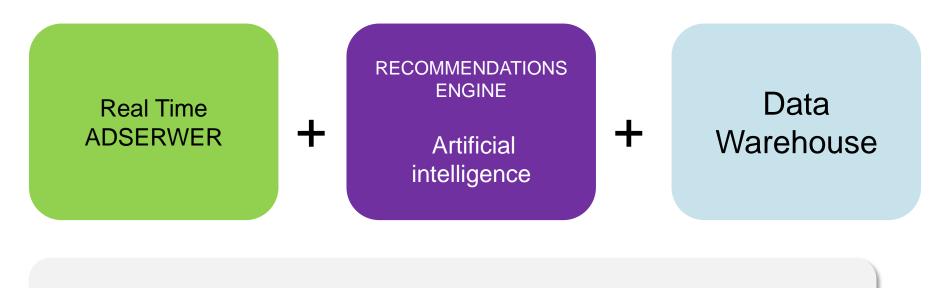


### You have to manage with:

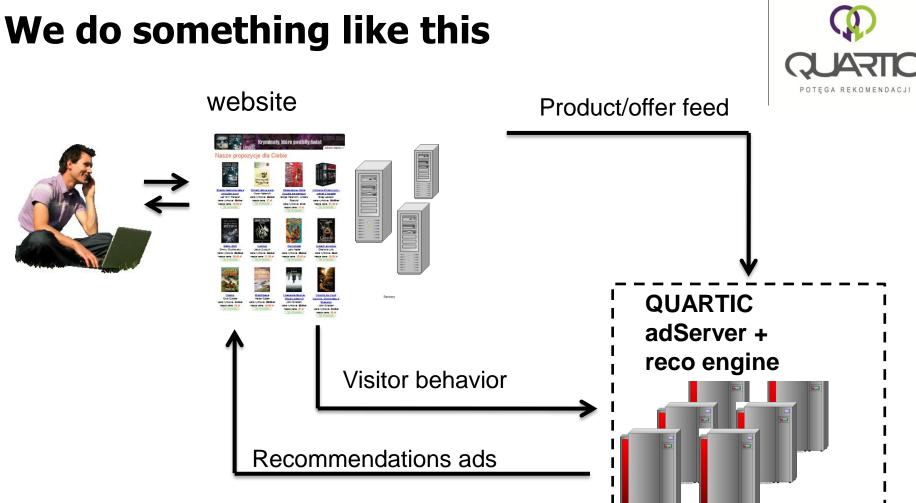
- user buying context
- rare purchase
- real time recommendations & buying events
- business rules and logic
- different products types
- recommendations time valid

# **Recommendations as a SaaS**





Plug & Play integration (javascript API)



- SaaS Model
- We display recommendations ads on site in the real time, based on visitors bahaviour

# **Quartic concepts**





Produkty, które mogą Ci się jeszcze spodobać





### JavaScript

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### Asynchronies scripts

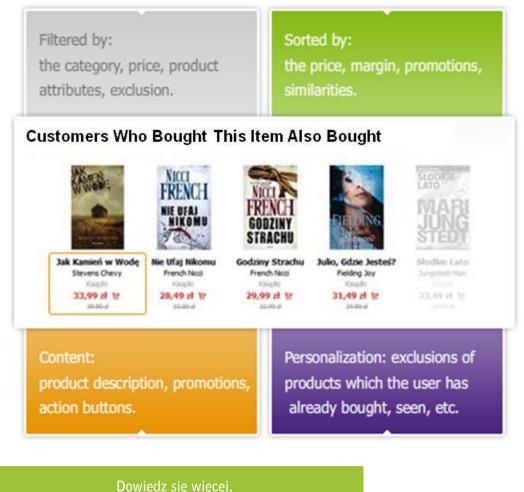
- Analytics tracks visitors behaviors
- AdServer Real Time recommendations
  serving on site
- Slot widget on site where recommendations are displayed
- Put scripts on site like Google Analytics and Manage recommendations logic with marketing panel

# Features – Collaborative recommendations (

We give you possibility to control and design recommendations strategy OVARIC on your product card

### What other customers are doing

www.quartic.pl



### **Different recommendation strategy**

- Alternative products
- Complementary products
- Promotions
- Mixed recommendations



# **Case study**

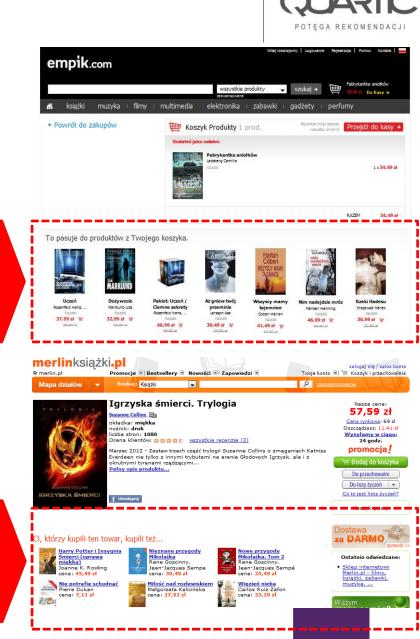
# Books, music, multimedia

- 12% sales from recommendations
- 5% recommendations widget conversions

Average data from polish eshops using quartic recommendations engine in the product category



25





# **AutoTrader – visitors engagement** classifiers

autotrader.pl



3% more page views

26% Bounce Rate decrease

40% more time spent on recommended offers

3% recommendations CTR

#### Szukaj ogłoszeń Moje ogłoszenia Dodaj ogłoszenie Ubezpieczenia Załóż Auto Strone za darmo otrader.pl > osobowe > Mercedes > Mercedes E-klasa Wszystkie ogłoszenia 🗩 Platinum max------X0 w Twoim telefonie Platinum m.autotrader.pl ORLEN OL 10° Max even XD Olej dedykowany do Mercedesa. Mercedes E-klasa E 220 2,2 CDI FULL OPCA Z SKÓRA I WŁAŚCICIEL!!! 2.2 2008 Tykao LEASE Licytacje online r. Opis Sprzedający Galeria Części zamienne Rekomendacie dla Ciebie: Chrysler Grand Voyager 2005 103 000 PLN Poj. 3800 rok: 2005 Cena: 35 000 PLN Rok: 2008 Chrysler Grand Voyager IV Przebieg: 42600 km Poj. 2776 rok: 2007 Cena: 54 500 PLN Pojemność: 2200 cm 3 Moc: 170 KM Chrysler Grand Voyager Poj. 2800 rok: 2005 Cena: 31 900 PLN Typ silnika: olej napędo Kolor: grafitowy m Chevrolet Captiva 3-LATA Poj. 2000 rok: 2007 Region: warmińsko-Cena: 54 900 PLN R88 Wiadomości Moto.pl Mercedes GLA - BMW X1 i Audi Zdjęcie 1/10 O3 w tarapatach? Wydrukul 🖬 Luble tol 👘 0 Mercedes szykuje konkurenta dla BMW X1 i Audi Q3. ... Wyposażenie Mercedes SLC i CLA potwierdzone. Będzie ... ABS alarm Mercedes potwierdził, że w

# FabrykaForm – A/B test

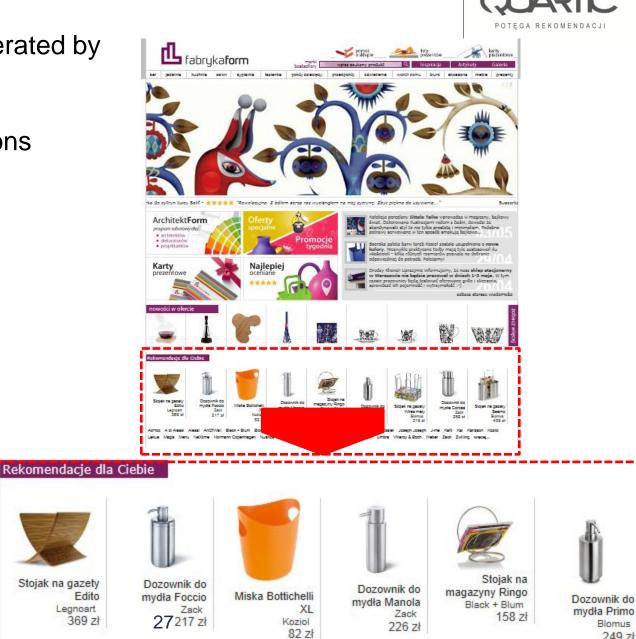
A: recommendations generated by own e-shop solution

**B:** Quartic recommendations

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### **Quartic results**

- 18% more sales
- 16% more buyers



Blomus

249 zł

# Dziękuję za uwagę !





# www.quartic.eu

Paweł Wyborski, CEO

e. <u>pawel.wyborski@quartic.pl</u>

m. +48 22 849 62 38