

**Delivering a
luxury experience
driven by data**

@Kiehner

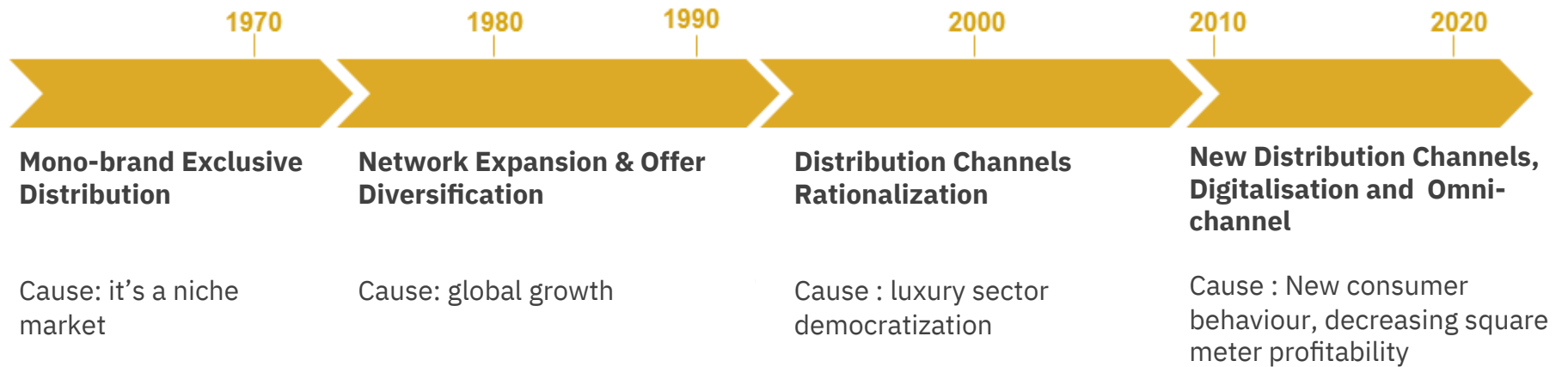




Buying channels matter – and they have changed

Omni-channel: no more channel

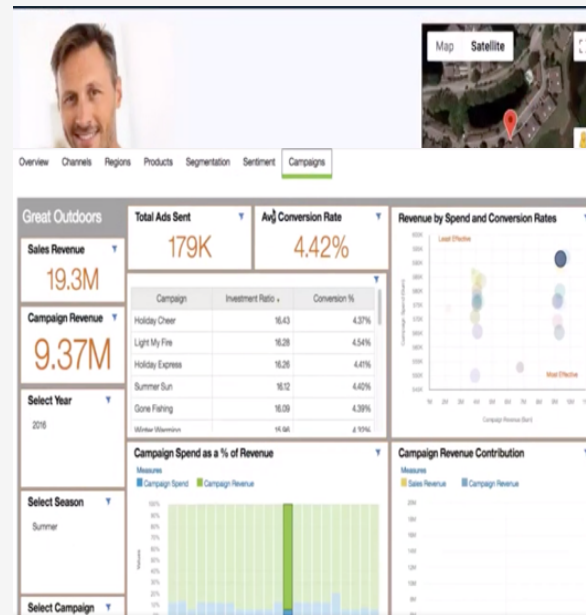
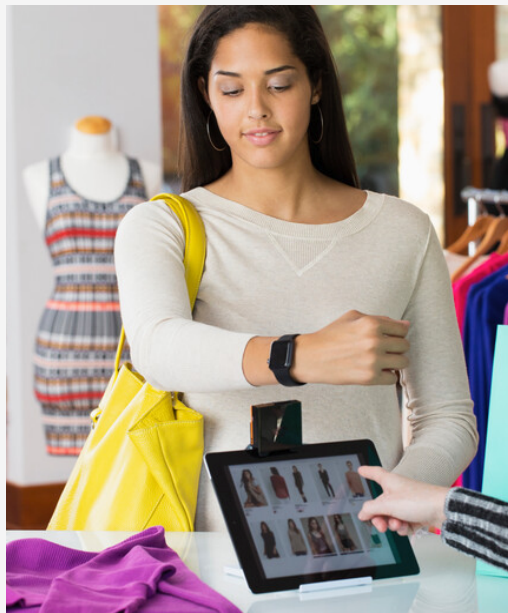
Luxury brand's distribution model evolution



Three key capabilities to deliver exceptional customer experiences

According to Forbes magazine, while 80% of companies believe they deliver “super experiences,” only 8% of customers agree.

1. Leverage mobile in designing exceptional experiences
2. Orchestrate luxury customer journeys and optimize messages
3. Establish customer platforms to deliver the right messages



Underscored and fueled by data

- Data Capture
 - Electronic/mobile platforms
 - CRM databases
 - Social
 - Third party
 - Sensors
- Marketing/email platforms
- Quality Assurance / Data rationalization
- Data Analysis
- Accessibility
- Collaboration

IMPACT	A. Strengthen Institutions	B. Serve Individuals		
FINANCIAL HEALTH	A. Total Revenue	B. Maintain Days Cash on Hand	C. Expense Ratio	
ENGAGEMENT	A. Mobilize Volunteers	B. Mobilize Advocates	C. Grow Affinity Groups	D. Engage Community
OPERATIONAL EFFECTIVENESS	A. Sophisticate Data	B. Improve Customer Service	C. Improve Systems & Processes	
PEOPLE	A. Employee Development	B. Board Engagement		

Data based decision making – Data collection

SAKS



- At Fifth Avenue store, **store associates** are equipped with **tablets** using **Tulip Retail technology**.
- Tablets get access to **catalogue discovery, personalization, purchase** etc. The seller can help the customer during the **whole journey**.
- Precious **information on clients behaviour** are **collected**.

LOUIS VUITTON



INS

VOTRE COMPTE

J'AI DÉJÀ UN COMPTE

E-MAIL*

MOT DE PASSE*

[Mot de passe oublié ?](#)

> IDENTIFIEZ-VOUS

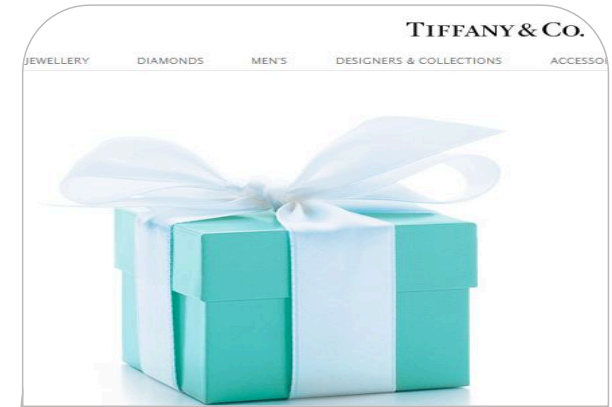
NOUVEAU CLIENT

Vivez une expérience unique
un compte personnel.

> CREEZ UN COMPTE

- With **“MY LV”** (LV online client account) **precious information & insights** on clients are collected : purchases, wishlists, etc.
- **Push notifications** during searching and purchasing act to insist on **account creation**.
- Explanations on the **benefits** they will gain : **orders follow-up, purchases history, digital receipts...**


TIFFANY



- **« Sweet Link »** : **QR code** available on WeChat, in-store and website.
- Encourages customers to **create their wishlist** and share it on their **social media profiles**. Friends can then give advice.
- At the mean time Tiffant **collects data on the clients profiles** and communicate.

Data based decision making — Anticipating & rethinking preferences

PRADA

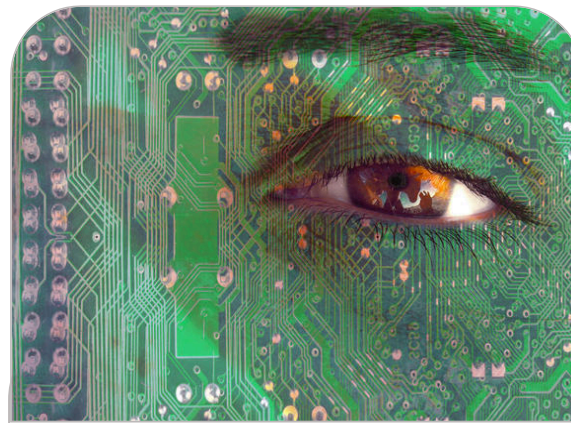


Prada
17 h · ©

With an electric eclecticism.
#KrisGrikaite
#PradaIndustry
#PradaPreFall18
#Prada365... Ver mais

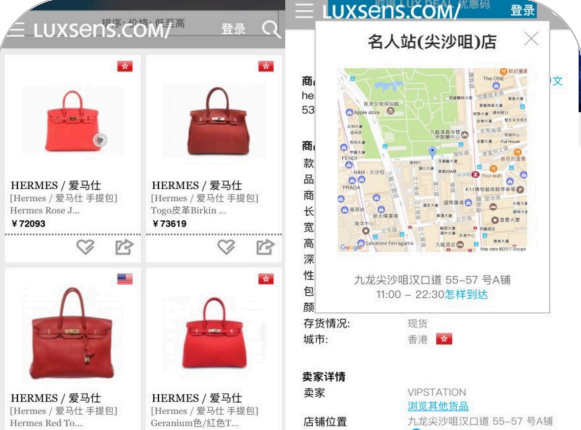
- Strategy is to use **big data** to anticipate their customers **preferences**.
- Usage of all data **collected through interactions** with clients on social medias, texts, Wifi, WhatsApp and WeChat.
- The goal is knowing their clients better to **push the right offers**.

STITCH FIX



- The brand uses **AI and information** provided by customers to **design wardrobe ensembles for clients**.
- To do so **humans & AI work together** : AI will use same body type clients preferences to make recommendations and humans check if the decision conflicts with expressed preferences.
- **85% customers make repeat orders**.

LUXSENS



Luxsens.com/ 登录

名人站(尖沙咀)店

九龍尖沙咀漢口道 55-57 號A舖
11:00 - 22:30 怎样到达

存貨情況: 現貨
城市: 香港

賣家詳情
賣家
店舖位置

VIPSTATION
[浏览其他商品](#)
九龍尖沙咀漢口道 55-57 號A舖

- Platform uses **machine learning** to find **the best price** for luxury products. By doing so they help **optimizing conversion and sales**.
- B2B platform allows merchants to sell items to online retailers WW.
- The AI program **tracks pricing** over thousands of data and then **price recommendations** is sent to the seller.

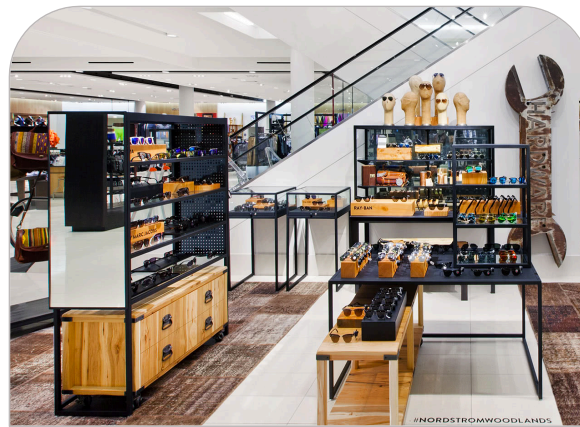
Data based decision making – Supply Chain & Inventory

REFORMATION



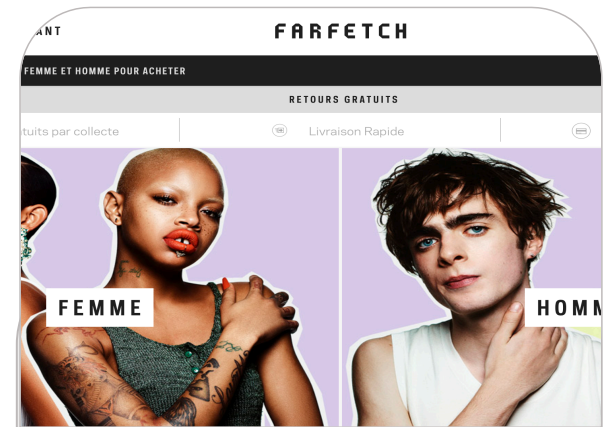
- Shoppers must select on a **digital screen** the items they want to try on.
- Once confirmed, the **order is sent backstage**. Once the cabin ready, customers are called to try the articles on.
- Shopping can be **continued in the cabin** and clothes are **directly delivered**.

NORDSTROM



- **Inventory visibility** both online and at the store level (**Magno technology order management**).
- Aggregate order information from **multiple channels** into a **single source accessible anywhere**.
- Increased **efficiency in inventory** and **order promising**.

FARFETCH

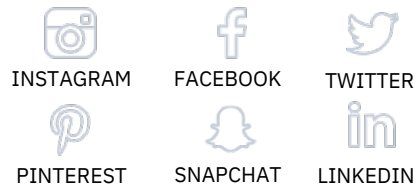


- The online marketplace uses **AI to improve supply chain visibility**. Artificial Intelligence helps Farfetch's partners (1500 boutiques & overs 200 brands) to **link their online and physical inventories**.
- Services like **click-and-collect** and **in-store returns** and then made possible.

AI to augment merchandising and supply decision

Dynamic and hyper local signals are captured combining inside-out enterprise view with outside-in hyper local view

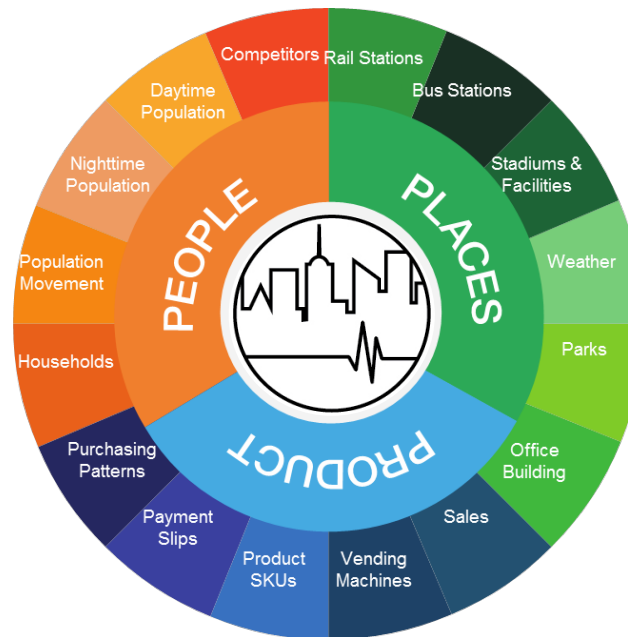
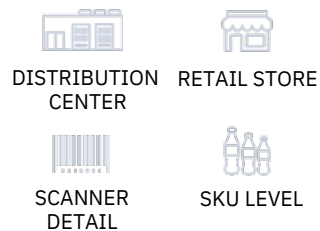
SOCIAL



CONSUMER INTERACTION

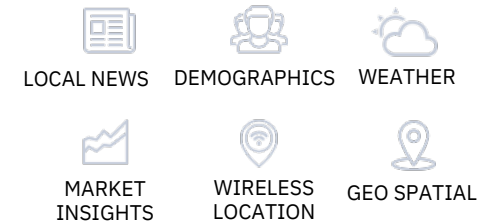


POS



- IBM Confidential -

THIRD PARTY



INTERNET OF THINGS



INTERNAL



CHANEL

Drive Supply Chain Optimization

Business Challenge

Chanel has stated that they need to improve in the following areas in order enable future growth:

- -Driver-based COGNITIVE FORECASTS with SKU / door precision
- -Automated DATA INTEGRATION including capture and prep of data, facts, and assumptions
- -Centralized data in a secure CLOUD DATABASE
- -Singular, role-based REPORTING SOLUTION with visualization

Cognitive Transformation

A cognitive, machine learning planning tool with driver-based models and forecasts configured from existing assets and IBM capabilities, with strategic customization for the highest level of efficiency, adoption, and accuracy.

Business Benefits

- Business growth with greater visibility into business performance, with driver and barrier understanding, for business decisions in the right business cycle.
- Business efficiency with improved forecast accuracy

Additional Information

- **Geo:** North America
- **Practice Area:** Watson IoT
- **Priority Offering:** Supply Chain Optimization



IBM Watson IoT & I4.0:

Data based decision making – Fashion inspiration

TOMMY NOW



- Project called **“Reimagine Retail”** : aim was to show how **AI capabilities** can give **an edge in terms of speed**.
- By using thousands of **Tommy images**, runways, patterns etc. : colors, **prints and patterns** came out.
- **AI** becomes an **inspirational help**, technology is **impacting the creative process itself**.

MARCHESA



- For the 2016 Met Gala, IBM approached **Marchesa**, world famous high **fashion designers**, to create a dress designed to change colors throughout the night based on what people were saying about the event on Twitter.
- The dress represents an example of how designers can use technology to **augment their creative processes**.

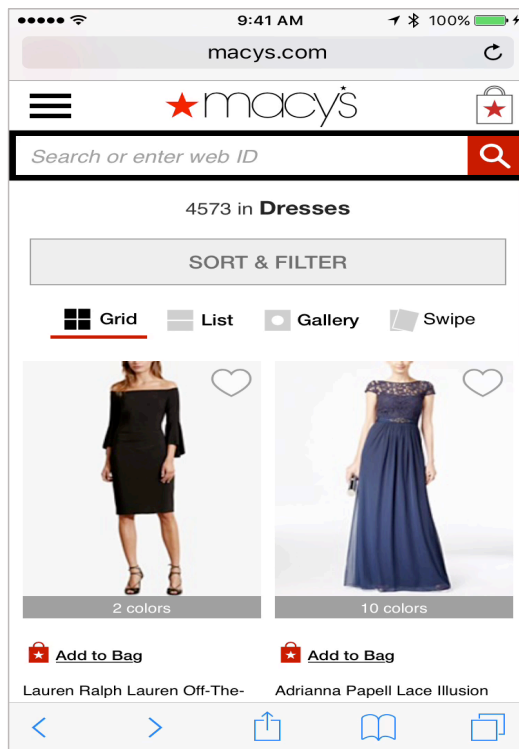
JASON GRECH



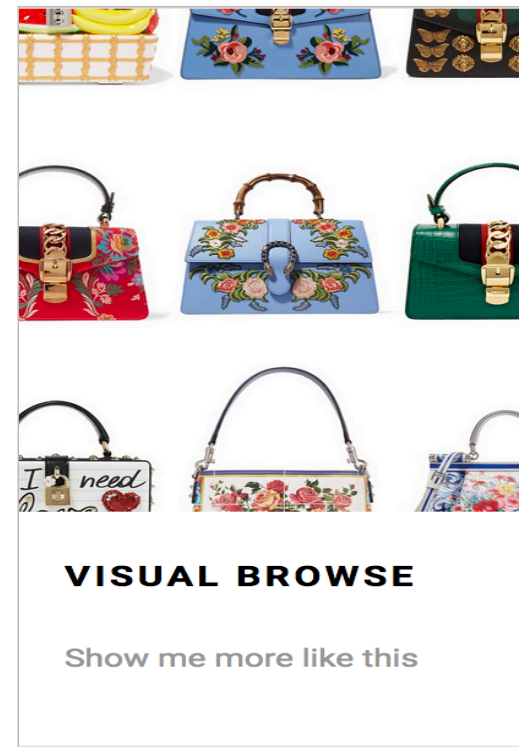
- IBM Watson is an **AI system** that works with humans and we chose an unexpected industry for Watson to work in: fashion.
- Using **visual recognition**, Watson analyzed over 500,000 images to provide insights on next season's colours and styles. His insights helped Jason Grech, Australian fashion designer to create the **world's first Cognitive Collection**.

AI to deliver a superior customer experience

PERSONAL ASSISTANT



VISUAL SEARCH



TIFFANY & CO.

Data driving commerce

INSIGHT

Smarter use of data captured on Tiffany.com could increase site revenue and power differentiated omni-channel customer experiences.

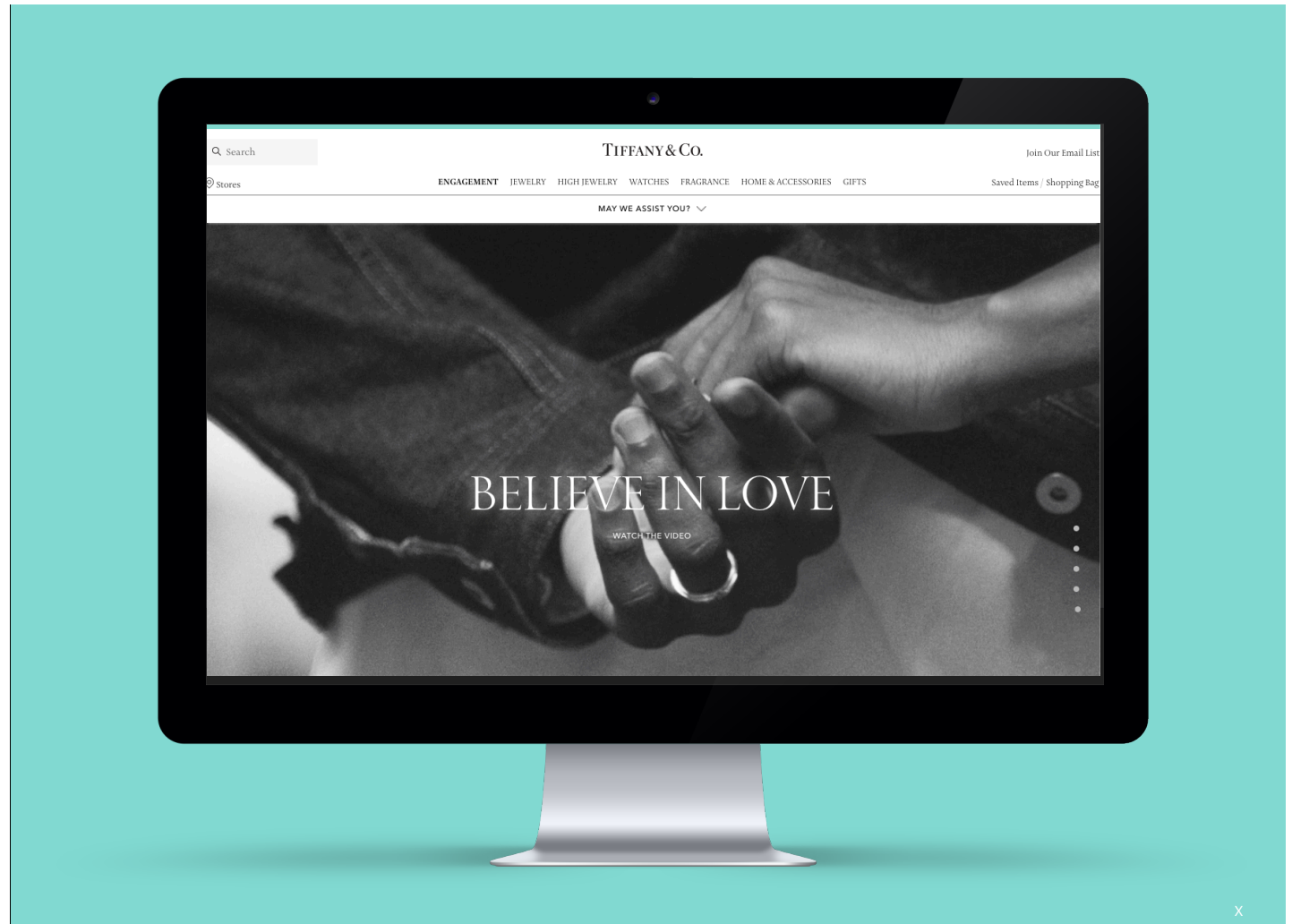
IDEA

IBM combined strategic planning, technology assets, and usability testing methodologies to transform Tiffany's web user experience. We implemented a data strategy to provide a comprehensive view of the customer, evolve their segmentation approach and plan a rollout of advanced analytics.

Our team analyzed 40-70 million page views per month, and deployed a series of tests to modernize the website and increase digital revenues.

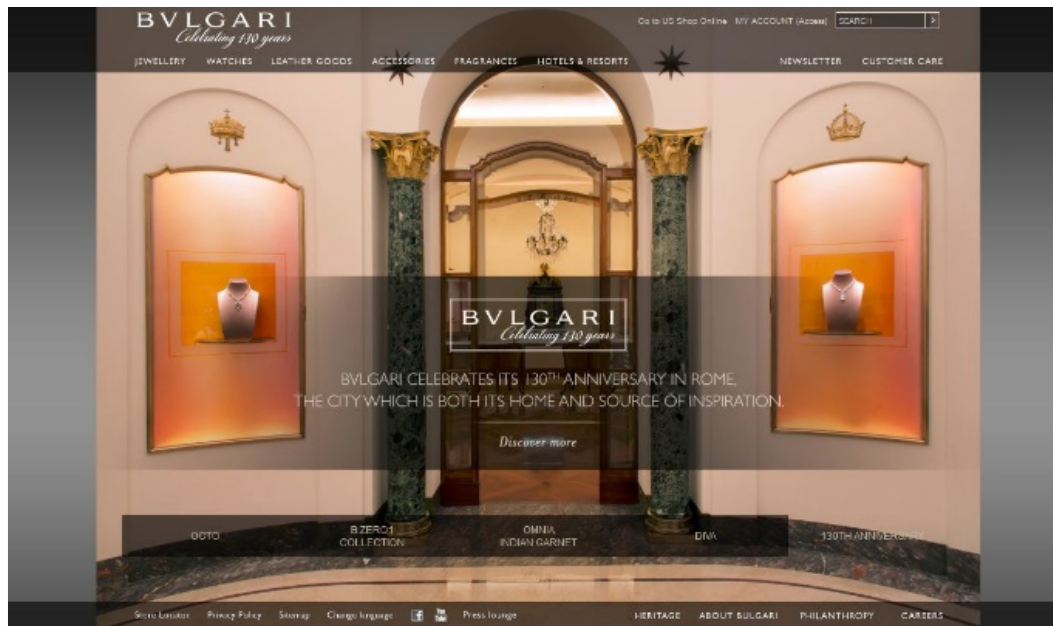
IMPACT

- 35.5% increase in cart conversion
- 22.7% increase in users browsing the site for 10 minutes or more.
- Tiffany was named a "Digital Genius" in L2's 2015 and 2017 rankings of jewelry and watches.



Bulgari

Reinventing the customer experience through data from browsing history



Insight

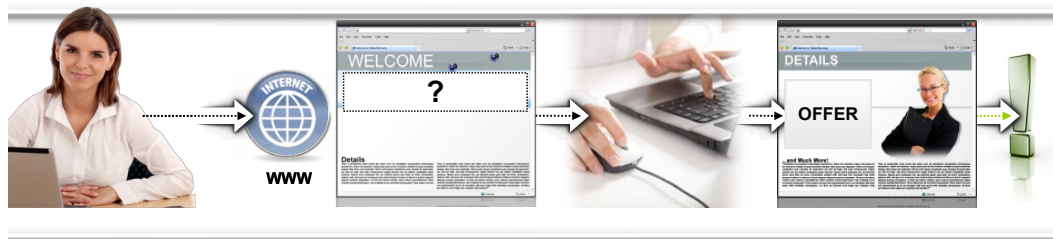
- In-store purchases were heavily preferred
- Website received 11 million visitors, but only 30% actually register an account

Idea

- A compelling customer journey with targeted real time marketing campaigns
- Use core metrics to analyse customers browsing history. Behaviours on the websites, buying patterns.

Impact

- Improved ROI on website through interactive marketing campaigns
- Lower cost of executing inbound campaigns
- Ability to track, measure and analyse effectiveness of marketing tactics



Cross Enterprise Data and AI Plays for Luxury and for All

Intelligent Workflows

IMPROVE EXPERIENCE



Customer

Customer / Employee Care

Digital Insights

Advanced Analytics

STREAMLINE OPERATIONS AND SUPPLY CHAIN



Operations

Asset Optimization
Industry 4.0 Connected Solutions
Cognitive Digitalization
Risk & Compliance



Supply Chain

Supply Chain Consulting (including S4Hana IBP)
Blockchain Value Chain

IMPROVE COST AND QUALITY OF ENTERPRISE PROCESSES



Procurement

Source to Procure BPO
Procurement Consulting
Marketplaces



Finance

Lead to Cash BPO
Procure to Pay BPO
Record to Report BPO
Finance Consulting (including S4 Hana)



Talent

HR Operations BPO
Talent Acquisition BPO
Talent Development BPO
HR Consulting

Transformation

Automation

Digital Change

Blockchain Innovation

IBM Garage

IBM Services Data Platform



Thank you