Luxury Gets Personal

Italian Fashion Icon LUISAVIAROMA
Increases ARPU 15% with Dynamic Yield

Summary

Whether you feel your best in Gucci, Burberry or Dolce and Gabbana, Florence-based LUISAVIAROMA (LVR) offers the pinnacle of high fashion available online. To optimize every aspect of the luxury buying experience, LVR turned to Dynamic Yield after a history of heartbreak with personalization providers. Combining powerful machine learning algorithms with flexible merchandising rules, LVR achieved significant increases in revenue per user across several use cases, adding millions of dollars in top-line revenue.

Results

15%
ARPU increase
from personalized add to cart recommendations

14%
ARPU boost
due to optimizing recommendation strategies on thank you page

6%
APRU increase
from targeted urgency messaging

▲LUISAVIAROMA.COM

"Serving the right content to the right user is table stakes in eCommerce now, particularly for luxury fashion retailers, where the cost per acquisition is getting higher and higher. With Dynamic Yield, we can just keep testing and testing to craft experience that delight our customers and significantly increase revenue."

Nicola Antonelli, Web Project Manager

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LUISAVIAROMA sells its 600-plus brands to more than 150 countries, including the U.S., the U.K., China and Germany, and operates in eight languages. However, due to brand guidelines, it isn't allowed to sell certain brands in certain countries. On top of that, every piece in its inventory has different prices across countries, making personalization a core strategic priority.

Skeptical after working with several vendors who promised the moon but hardly delivered the stars, LUISAVIAROMA required a technology to:

- Help luxury shoppers find the perfect look in as few clicks as possible

- Increase customer retention and revenue from each visitor to the website

- Optimize every pixel throughout each step of the customer funnel

- Provide both machine learning powered recommendations and flexible merchandising rules

That's when the Italian fashion titan turned to Dynamic Yield.

Execution

1. Served personalized add-to-cart recommendations to increase order value

To upsell and cross-sell at the point of purchase, LVR created unique recommendation experiences across countries and audience segments. While the company started by simply testing different strategies, eventually they added merchandising rules to create a truly 1:1 experience, **leading to a 15% boost in average revenue per user.**
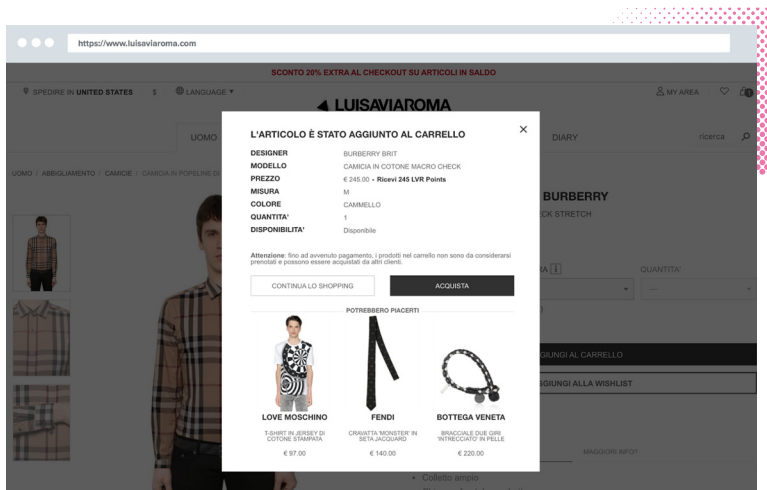
2. Optimized recommendation strategies on the thank you page

Recommendation widgets are the highest grossing real estate on the digital block, making it paramount to deploy recommendations on as many pages as possible. By continually testing recommendation strategies across the thank you page, LVR helped users serendipitously discover more products or accessories to pull off the perfect look.

To further boost performance of this recommendation widget, Dynamic Yield identified opportunities to increase revenue by identifying audiences likely to prefer a less popular variation. In this case, showcasing most popular products was often the best strategy while personalized recommendations performed best for users who viewed 10 or more product pages.

Overall, the constant experimentation paid off to the tune of a **14% increase in average revenue per user.**
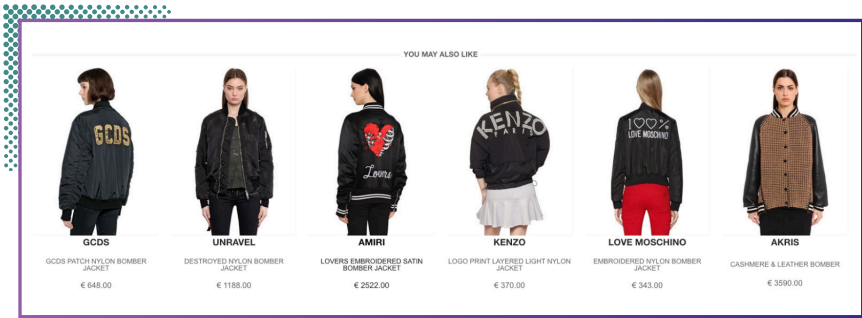
3. Deployed urgency messaging across cart pages

Capitalizing on the power of FOMO (fear of missing out), LVR added low in stock messaging for popular items that were running out of stock. In nearly all markets, the message increased CTR, and revenue per session powering a **6% increase in average revenue per user from the cart page.**
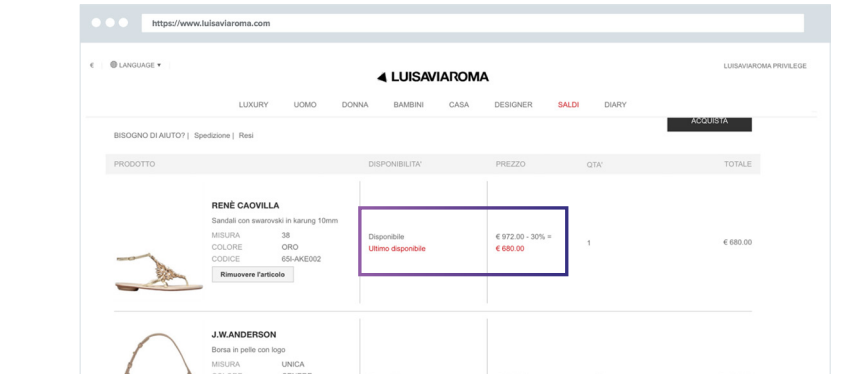
The Age of Individualization in Luxury Has Arrived.

A longtime core tenet of eCommerce titans such as Amazon, personalization is becoming increasingly essential to success in high fashion. Fashion is moving faster than ever, while luxury buyers demand experiences that feel specifically curated to their interests and idiosyncrasies. While one-size fits all experiences may suffice when selling Fruit of the Loom, consumers expect a higher standard of online service as they shop for Oscar de la Renta.

In partnership with Dynamic Yield, LVR continues to set the standard for personalization in luxury fashion solidifying its place as the technology leader in the industry.

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Dynamic Yield's personalization technology stack helps marketers increase revenue by personalizing each customer interaction across web, mobile apps and email. Our advanced customer segmentation engine uses machine learning to build actionable customer segments in real time, enabling marketers to take instant action via personalization, product/content recommendations, automatic optimization & real-time messaging.

Request a Demo

We're confident that we'll increase your site's revenue

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