

Mixed feelings about Artificial Intelligence in eCommerce

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Less than half of older shoppers compared to Generation Z are comfortable with Artificial Intelligence (AI) in the future, according to new research into online fashion buying.

Under a quarter (24%) of UK adults aged 55 and over, would like to see online fashion retailers adopt online systems to tailor their shopping experience. In contrast, 56% of those aged between 18 and 24, known as Generation Z and the first to have grown up with smartphones, social media and Google, report they would like to see fashion retailers adopt online systems to tailor their shopping experience.

Commenting on the YouGov survey conducted for Swedish eCommerce company Apptus, Andrew Fowler, UK Country Manager at Apptus, said: "The older generation has grown up in a world where there were no computers on desks at their first place of employment, they have seen technology replace jobs and, culturally, films like 2001 A Space Odyssey and Terminator have shown artificial or synthetic intelligence in a worrying light as machines go 'rogue'.

"The digitally immersed Generation Z, on the other hand, has grown up with technology that, arguably, enhances their social lives, entertains them and is comfortingly omnipresent - try telling a Generation Z that there is no WiFi.

"The truth is all the respondents in the survey will have experienced AI in action, they just don't know it. As Steve Jobs said: Great technology is beautiful or invisible."

Sales vs Customer Experience - more work to be done.

The survey went on to ask what respondents thought online fashion retailers' main focus was: high sales or the customer experience? Of all UK adults, 62% thought the main focus was high sales, versus 10% who thought customer experience was the main focus. The remainder didn't know (15%) or thought it was possibly something else (13%).

"The way I read this," adds Fowler, "is that while all serious online retailers understand that a great customer experience leads to increased sales, they are failing to translate that story to their sites. Allowing a shopper to wade through distracting sales promotions and irrelevant offers sends the wrong signals - this is an area where AI can step in to reduce the clutter and increase relevance."

Don't waste my time.

Finally, shoppers were asked what characteristics are most important on their "perfect online fashion retail website".

Most shoppers, and there was no generational split, only want to see products that are in stock and in their size (53%), their second choice is a wide range of products (35%). The least popular characteristic of a website is editorial content (8%).

Fowler is concerned about these figures: "If you show me items that are out of stock or not in my size,

you're wasting my time. While I appreciate the SEO benefits of editorial content, if I search for black jeans and the hero banner is distracting me by shouting about a lookbook for someone half my age, mine and the retailer's time is being wasted. Clearly, I am not alone in thinking this.

"With conversion rates continuing to fall across all sectors, retailers just cannot afford to put roadblocks in the way of shoppers, sadly they often don't mean to, but with massive inventories it is impossible for merchandisers to manually tailor each individual shopping experience.

But Fowler believes this presents opportunities for retailers: "AI solutions are not about to start taking over your company or summarily executing managers who don't hit their target. But it can do the heavy lifting that is physically impossible for any sized team of merchandisers to do; to make sure that, in real time, only the right products are presented, only relevant promotions are shown and, crucially, we don't waste customers' time and lose opportunities."

#ENDS#

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,098 adults. Fieldwork was undertaken between 4th - 5th December 2017. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

About Apptus

Apptus specialises in eCommerce automation. Its ground-breaking, AI-powered software - Apptus eSales – is enabling some of the world's leading retailers to dramatically improve sales performance, reduce cost, and drive organisational efficiency.

Apptus eSales draws on big data and machine learning to allow retailers to move away from reactive, manual and rule-based online merchandising. It delivers automated, predictive merchandising that works with even the biggest product ranges to display the right products in the right context at the right time.

With a rapidly growing client base across the Nordics, United Kingdom, Germany and the US, Apptus is headquartered in Lund, Sweden with offices in London and München.

For further information please visit www.apptus.com

Contact:

Nicola Williamson & Victoria Melville

Nicola@tentaclepr.com, Victoria@tentaclepr.com

+44 (0)7974 161123