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# Introduction

It is safe to say that the 2020 coronavirus global pandemic is impacting nearly every aspect of life as we once knew it - our daily routines, our work, our play, how we learn, how we socialize, and how we think of the future. More than 306 million Americans are affected by the stay-at-home orders, and while we are all facing the unknown together, one thing is clear, we must adapt.

Businesses, both large and small, are facing the brunt of the shutdown. Some simply collapsed under the stress of closure with no way to recover, while others are demonstrating exceptional agility by adapting their resources to cater to the immediate needs of the customer. Retail is one of the hardest-hit sectors with hundreds of store closures, workforce furloughs, bankruptcies, and even liquidations. Under normal circumstances, retail is a tough business, but now it is exponentially more difficult.

While change has been abrupt and dramatic, we are experiencing a time of digital acceleration rather than that of disruption. What would have taken years to implement is now being put in place over the course of just a few weeks.

"While change has been abrupt and dramatic, we are experiencing a time of digital acceleration rather than that of disruption."

-Rohan Deuskar, Founder & CEO of Stylitics

Brands and retailers are taking a serious look at their ecommerce experiences and rethinking how they can interact with their customers.

The ripple effects from the global shut down will be felt for years to come. As the economy reopens, brands and retailers must continue to adjust marketing strategies for new shopping behaviors, fine tune messaging to stay relevant, and embrace new technologies that will keep their loyal customers engaged and excited.

The following is a playbook that offers insights and guidance for brands and retailers as they look to implement new technologies and methods.

# Shifting Consumer Behavior

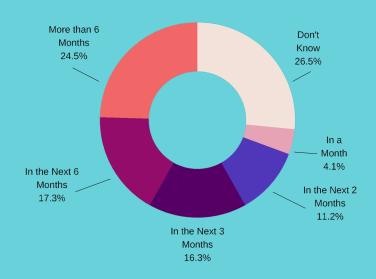
# **Safety First**

As retail stores begin to reopen, it remains to be seen how the consumer will respond and what new habits will endure. Will people race into stores or will they choose to shop online from home?

Many people are reluctant to revert to old shopping habits for fear of getting sick. A recent Morning Consult study found that 24% of consumers said they wouldn't feel comfortable shopping in a mall for more than six months, and 16% said they would not feel comfortable in the next three months.

Another survey by Prosper Insights & Analytics found three-quarters (74%) of respondents believe coronavirus will have some impact on their lifestyle over the next five years as they consider things like dining out, budgeting and vacations.

# When will you return?



# **Eager to Connect**

Consumers are now looking for ways to stay connected to family, friends, their communities, and to the brands they love, perhaps as a result of the disruption, anxiety and isolation. They are actively seeking new, fresh moments online, looking for inspiration and starting with the brands they trust. It is a critical time for online retailers to give customers that same surprise and delight moment they get from walking into a brick and mortar store.





# **Visual Inspiration Is Critical**

Evidence of this shows with social platforms such as Pinterest, which in March, experienced record highs in traffic, interactions, and shopping - demonstrating the power of combining strong visuals with a clear path to purchase.

The impact of strong visuals is also seen among retailers that implement outfitting and look-based programs. On average, these programs have proven to drive an increase of 1.8x in conversion rates, a 23% increase in units per transaction (UPT), and a 21% increase in AOV.

Recent research shows that outfitting and style recommendations are among the top performing personalization categories, with more than 65% of shoppers saying it is the feature they interact with the most.

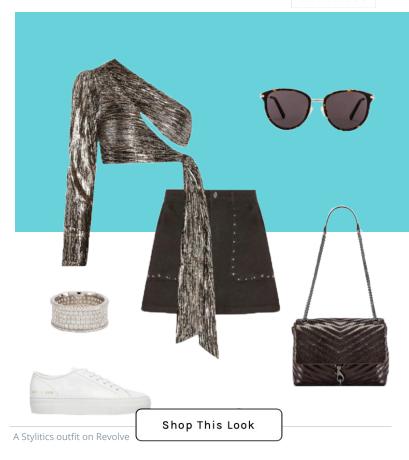
1.8x

increase in conversion 23%

increase in **UPT** 

21%

increase in **AOV** 



# New Challenges Bring New Opportunities

# **Assess What Is Working**

Apparel brands and retailers live and die by current trends, but no retailer could have predicted the impacts a global pandemic would have on their business. Every facet of retail has been affected in some way. Without physical store locations, online, mobile, app, and social media sales channels are critical, as is assessing what works for your customers and refocusing team resources there.

#### Communicate

Now is the time to keep communications with customers flowing - they want to feel connected and are online now more than ever. Identifying key communications and marketing channels that have the most 1:1 and personalized feel will go a long way in capturing and maintaining their attention and engagement. Advertisements on social channels, email marketing, search, and of course your home and category pages (these should be packed with compelling, fresh visual content) are critical channels.



# **Adapt and Test**

Savvy brands are using this time to get creative and test out new tactics. For instance, eye wear brand Quay Australia was forced to redirect its internal teams to overcome the closure of two of its three major distribution channels - retail store and wholesale. With a shift in focus to its direct-to-consumer digital channels, the company is now testing new ideas and connecting with its customer base to maintain and strengthen loyalty in previously unforeseen ways. Methods have included hosting virtual events and online cocktail parties, participating in more 1:1 video communications with customers, and implementing new virtual try-on tools.



# Positive Messages: Storytelling with Outfits & Bundles

### **New Content Creation Is Limited**

Social distancing and stay-at-home orders have created a huge hurdle in generating new content. Model shoots are slow to return, photo studios are not readily accessible, and agency budgets have been slashed, thus forcing retailers to find alternative ways to create visual assets that build fresh brand stories. This includes re-purposing existing assets in creative ways, and tapping into influencer programs as well as usergenerated content.





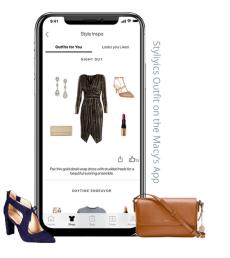


#### **SHOP THIS LOOK**

White House Black Market Work From Home Outfit

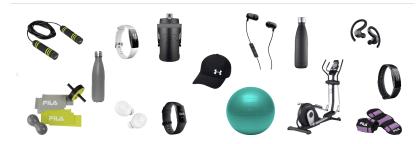
# **Create Relevant Themes and Product Bundles**

Using visual content technology, such as Stylitics, to create themed galleries and product bundles is an efficient way to tell brand stories that serve the needs of the customer in the moment. Kohl's, for example, boosted their athletic category with bundles of products specifically for at-home workouts. Similarly, Eddie Bauer saw an opportunity to promote outdoor camping experiences as a way to inspire customers to continue enjoying the outdoors. These bundles are shoppable and offer customers cross-category items at a glance - saving them the effort of searching the site.





#### STAYING FIT AT HOME



#### Wear It Now

Staying in never looked (and felt) so good.

# Pivot to Prosper: Turning to The Right Categories on a Dime

# **Timing Is Everything**

Recently, we helped several retailers quickly pivot -in one or two days- from seasonal galleries and content to more cozy at-home looks and bundles on both their sites and via email using existing inventory. We helped retailers change the story to focus on how they can support the new needs of the customer without changing inventory.

The working woman's powerhouse go-tobrand, Ann Taylor, made a major shift in how they showcase the 'new' work at home outfits.



Shop the look

"Stylitics has done a fabulous job creating outfits for our company. We have been publishing weekly and are more than pleased with the results."

Shop the look

-SOMEONE, TITLE at Lane Bryant

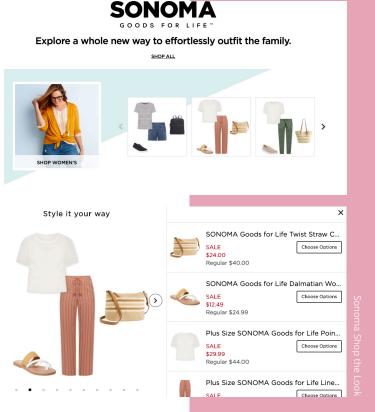
# **Clear Inventory**

The reality is that inventory is in flux. While there is a shortage in one area, there is an overabundance in another. Triggered by altered shopping patterns and glitches in supply chains, merchandise managers are scrambling to get stock in, address the current season, and keep sales going.

# **Enhance Discovery and Cross-Category Selling**

Product discovery and cross-category selling has never been more important. One hot, relevant item can help lift two to three other items when shown in bundles or outfits. To keep inventory flowing, it is important to keep combinations fresh and dynamically replace out of stock products.

Dynamically swapping out inventory in merchandise bundles ensures you never promote out of stock items and allows for grouping in sale items or under performing SKUs.



# Engage High-Value & Store Customers

Personalizing communication and experiences with outfit recommendations is now a quick and easy way to build and share customized look books directly to customers.

The Stylitics 'Send The Look' tool is ideal for clienteling teams, stylists, store associates, loyalty managers, chat support, and other employees who are looking to engage customers remotely.

Team members can quickly and easily select outfits and items to share with customers over their preferred communication channel (SMS, Email, On-site-chat, Instagram DM, Facebook Messenger, etc.). We are able to equip our store associates with fresh, personalized outfit recommendations to keep our best customers inspired and engaged.

-PERSON!!!!







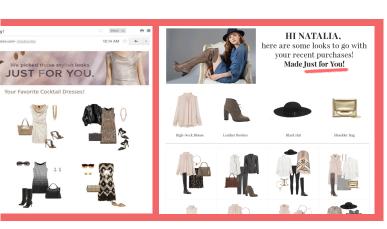
SHOP THIS LOOK

SHOP THIS LOOK

# **Setting Up for Success:**

# How to Use Outfitting & Bundling Programs to Overcome Inventory Challenges

In a world that saw merchandising planning completely shift, model shoots indefinitely suspended, and consumer buying patterns change overnight, many retailers and brands are scrambling to realign resources with new behaviors. We have compiled a list of the top ways you can use digital merchandising and smart product bundling to move inventory, while keeping your customers inspired and engaged throughout the customer journey.

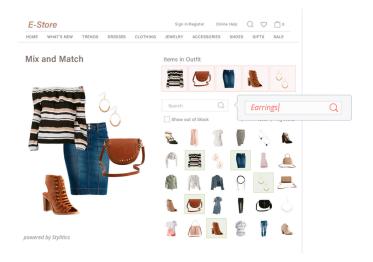


## **Create Impactful E-Commerce Shopping Experiences**

- ✓ Create themed outfit galleries to stay relevant and tell new visual stories.
- ✓ Supercharge product detail pages with content that converts and sparks excitement, while showcasing multiple products by displaying 5-7 outfits per item.
- ✓ Increase engagement with inspiring experiences such as Mix & Match and Shop the Model.

## **Unlock Personalized Experiences Across Channels**

- ✓ Quickly create editorial content for blogs, social channels and emails based on purchase or browsing history to keep communications fresh and targeted.
- ✓ Outfit collages and merchandise bundles outperform single item displays in paid advertisements and re-targeting.



#### **Empower Store Associates**

- Train in-store sales staff to use tools like 'Send The Look' to create and send personalized outfit recommendations to key customers via email.
- ✓ If implementing curbside pickup, inspire additional sales by using trigger emails post-pickup to offer complementary outfitting options.

## **Rotate and Cross-Promote Merchandise Categories**

- ✓ Use outfitting to cross-promote categories with full outfits and merchandise bundles. This is a rare opportunity to showcase items such as shoes and jewelry together.
- ✓ Outfits in communications and re-targeting advertisements offer fast and convenient content that inspires consumers, while promoting multiple categories.



# What's Next?

As we move into an era of more considered purchasing, it becomes critically important to focus on enhancing the online shopping experience with visual inspiration.

Consumers have shifted to online shopping and are learning new behaviors and rituals that will extend well into the future. To service these needs, brands and retailers need to throw out the old playbooks and look to see how they can adapt their products and distribution models to meet altered customer demand in the face of what is, at least for now, the new normal.



#### Contact:

To learn more about how outfit and style recommendations can boost e-commerce experiences, please contact:

Stylitics 236 Fifth Avenue New York, NY 10001

Or to schedule a demo, email: demo@stylitics.com

## **About Stylitics**

Stylitics is the leading visual outfitting and styling solution for the world's top retailers and brands. Stylitics uses a powerful combination of algorithms, trend data, and stylist expertise to deliver millions of on-brand outfit recommendations across multiple channels such as e-commerce, email, advertising, stores, and social media to create more engaging shopping experiences. Headquartered in New York City, Stylitics works with top fashion, apparel, and accessories brands to engage more than 35 million shoppers with its technology and content each day.

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