



VITA boosts sales with AI

Beauty retailer VITA has successfully deployed artificial intelligence to their customer communication. This has provided a significant uplift in the conversion rates and has boosted sales. Agillic's AI-driven marketing automation platform has empowered VITA to make a perfect match between customer and product. This drives value in terms of both customer loyalty and profit.

VITA is Norway's leading shopping chain within beauty and wellbeing. The first VITA shop was opened in Oslo in 1981 and today the chain has 217 stores in Norway. The webshop VITA.no offers all the products from the physical stores. Furthermore, VITA has one of the largest customer clubs in Norway, Club VITA, which was introduced in 2014 and now has approximately 1,030,000 club members, primarily women. In addition, VITA is proud to offer original products only from certified suppliers.

» We see AI as an investment in customer experience and we are looking for the best points of deploying AI for maximum impact. We started with the low hanging fruits: product replenishment and transactional recommendation and have seen an increase in the conversion rates of up to index 954 – this is a solid business case for AI-driven marketing. «

Alf Jondahl
CRM & Marketing Manager
VITA

Taking communication to the next level with AI

After working with Agillic's marketing automation platform for several years setting up the communication for the Club VITA, VITA was ready to take it to the next level with AI. The company averagely sends out two weekly newsletters with offers, which perform very well. However, being a player on a fierce and competitive market with consumers always on the lookout for a better offer and with an ambition to grow annually by 4 %, VITA decided to deploy artificial intelligence in order to be able to deliver even more relevant offers to webshop customers and boost sales.

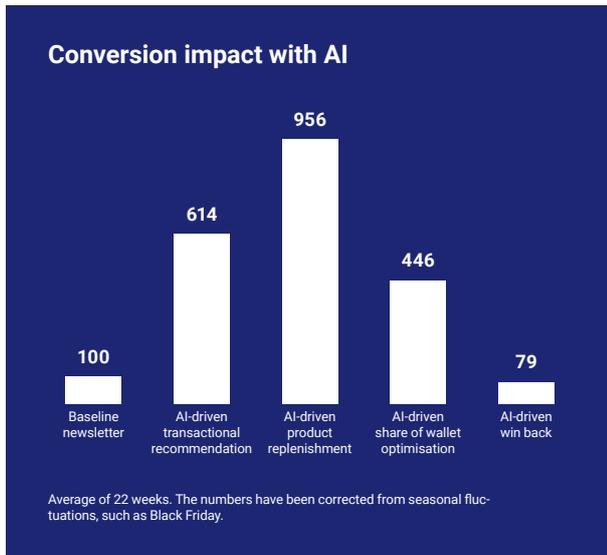
AI boosts conversion rates

The average conversion rate of VITA's newsletters is set to index 100 measured over a period of 22 weeks. When VITA deployed AI to their communication, the conversion rate improved markedly in four select types of communications:

VITA.NO

- Emails with transactional recommendation convert by index 614
- Emails with product replenishment convert by index 956
- Emails with the specific intent of increasing share of wallet through cross-selling convert by index 446
- Win-back emails sent to inactive customers convert by index 79.

The numbers are a superior demonstration of the impact of AI-driven communication and the results have provided a solid return on investment for VITA.



Each communication gives rise to new insights

Based on VITA's customer data and their intrinsic patterns, the machine learning algorithm detects the just right recipients for a specific offer. For each communication, the algorithm learns what works and what doesn't. It is able to calibrate the following communication so that it will be even more refined in terms of matching customer and product offer. This way, the statistical likelihood of conversion increases with every communication event. From a customer perspective, the communication is perceived as being far more relevant and personalised, which is rewarded by the customer with a purchase.

CHALLENGE

- VITA is the market leader and is aiming to reach a 30 % market share within the coming years. The market grows 3 % annually, so in order to grow more than the market, VITA had to do something that would set them apart from competitors.
- VITA holds a large amount of customer data such as demographic data, transactional data, and browser data, but didn't capitalise sufficiently on the data.
- VITA's products can be purchased in other shops, and in order to drive loyalty, they needed to create superior customer experience and value.
- VITA's organization has very few AI and data analytics resources

SOLUTION

- Deployment of artificial intelligence and machine learning to the communication going out to ecommerce customers

RESULTS

- Emails with transactional recommendation convert by index 614
- Emails with product replenishment convert by index 956
- Emails with the specific intent of increasing share of wallet through cross-selling convert by index 446
- Win-back emails sent to inactive customers convert by index 79.
- VITA can now address micro-segments which are not obvious, but which can be discovered by the artificial intelligence.
- The results have provided a solid return on investment for VITA.



Agillic is a Danish software company helping marketers to maximise the use of data and translate it into relevant and personalised communication establishing strong relations between people and brands. Our platform uses AI (Artificial Intelligence) to analyse data and to enhance the business value of customer communication. By combining data-driven customer insights with the ability to execute personalised 1-1 communication we provide our customers a head start in the battle of winning markets and customers. We do that for clients such as Banco Santander, Egmont Publishing, Matas, Vita, and Storytel.