



Frederick's of Hollywood

Frederick's of Hollywood is an innovative, world-renowned brand that captures the excitement and glamour of Hollywood by offering sexy styles that make women feel romantic, desirable and confident – a niche in the US market that was not being served. The firm pioneered lingerie items such as the push-up bra, and has extended its reach by adding ready-to-wear items. Frederick's is a multi-channel retailer with more than 120 stores in the U.S., a mail-ordering catalog unit and an online store at www.fredericks.com.

The Challenge

Due to the nature of their product assortment – lingerie – Frederick's has depended on increasing its average order value and items per order by making cross-sell recommendations – like matching panties to the perfect bra. When preparing products for a new season, it would take a merchandiser about three man days to add all of the recommendations for all of its new products. Frederick's needed a new solution that not only automated this process but provided more sophisticated recommendations utilizing multiple data points to optimize the shopping experience and maximize revenue.

The Solution

After Frederick's compared the personalization and recommendations partners in the Demandware LINK technology, they decided to do a trial with Certona. Certona excels in profiling individual shopper behavior in real-time and engaging them with recommended products based on the context of their shopping experience in the form of cross-sells.

With Certona's Resonance platform, Frederick's of Hollywood is able to leverage the automated optimization of the recommendation strategies and alleviate the laborious task of manual merchandising.

Certona conducted an A/B test with a 50-50 split comparing Frederick's current recommendations to those served by Certona. During the test, Certona automatically selected four recommended products for each product detail page as seen to the right in the "You May Also Like" area.

For those shoppers who searched for products like "strappy sandals", Certona also provided personalized recommendations on the search result page.



“Trying to maintain a consistent number of recommendations on each product page is a time-consuming challenge...with Certona, this is no longer a problem.”

– Jennifer Harstad,
Online Marketing Manager
Frederick's

Jennifer Harstad, Online Marketing Manager for Frederick's, says that in addition to the increased revenue, the time saving was a significant benefit. "Trying to maintain a consistent number of recommendations on each product page is a time-consuming challenge. Particularly because products very often sell out and constantly drop off the site – and there is no way to automatically identify where and when this happens. With Certona, this is no longer a problem".

Measurable Results/ROI

During the testing phase, the Frederick's recommendations represented about 8% of the total sales revenue for the respective test group. However, the Certona test group showed 12.5% of total sales from recommendations. That was an increase of 4.5% over the manual selection of cross-sell recommendations.

Harstad indicated that this was using the standard out-of-the-box algorithm with no customization for the Frederick's environment. She also believes that this increase might have been higher through some customization for their specific environment. Frederick's was so impressed with the trial results that they ended the trial and went live with Certona.

Future Plans For Personalized Recommendations

Based on the success they have had to date with personalized recommendations, Frederick's is planning to optimize the functionality to other areas of the site. One of their top priorities is to apply personalized recommendations to the current no results page. When a shopper uses search terms that do not find matching product results, then Certona recommendations will be provided based on the shopper's keywords. Harstad believes that this will turn "a dead end experience into a 'shopportunity' by showcasing popular product selections from the top selling categories".

Other future enhancements Frederick's will be evaluating are personalized recommendations on the shopping cart pages and in emails sent to customers with "Personally Selected For You" suggestions.

Harstad felt that right from the beginning of the trial "we were going out of the gate with a winning strategy. This is a solution that keeps growing and giving back. Personalized recommendations can be successful without a lot of additional effort – something we're definitely interested in".



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