

Wayfair Achieves Double-Digit Million ROI with Vody's AI-Enhanced Product Discovery

Industry: e-commerce, Home Goods and Furniture

Company: Wayfair

About Wayfair:

Wayfair, founded in 2002, is a leading American e-commerce company specializing in home goods and furniture. With its headquarters in Boston, Massachusetts, Wayfair operates an extensive online marketplace that offers millions of products across various categories, including furniture, decor, appliances, and more. The company is known for its vast selection, competitive pricing, and user-friendly shopping experience, which allows customers to easily discover and purchase items that match their style and needs. Additionally, the company is committed to innovation, leveraging advanced technologies like artificial intelligence and data analytics to personalize the shopping experience.

The Challenge:

Wayfair's search system struggled with limited and inaccurate color labels, which made it difficult for customers to find products that matched their preferences. This issue resulted in unanswered customer queries and inadequate product attributes that limited search functionality and discovery. Additionally, product descriptions often lacked the customer-centric language needed to engage users effectively, affecting overall satisfaction and engagement.

The Solution:

Wayfair partnered with Vody, a leader in AI-powered e-commerce solutions, to address these challenges.

Vody's solutions are powered by AWS and are accessible via SaaS API. Our model training and inference is backed by Amazon Elastic Kubernetes Service which allows us to easily scale to the customer's needs. Amazon ElastiCache enables us to cache inference results for fast access. To ensure highest accuracy and ensure we are adhering to customer-specific content guidelines, our model output is monitored for quality with a multi-stage process, including evaluation by human reviewers and automated review by powerful foundation models offered through Amazon Bedrock (Anthropic Claude).

For Wayfair, Vody implemented a comprehensive strategy to enhance Wayfair's product discovery capabilities. Using Vody's customer-centric structured data models, we labeled Wayfair's inventory with accurate and detailed color attributes. This resulted in higher accuracy of labels and increased the coverage of color labeling across Wayfair's inventory. Enriching Wayfair's inventory with customer-centric color labels greatly improved Wayfair's search functionality, by both increasing the relevance of the results (better precision) and reducing the number of queries with few or no matches (better recall).

Results and Benefits:

The collaboration between Wayfair and Vody yielded impressive results. The Structured Data Generation Proof of Concept (PoC) with Vody led to a double-digit million-dollar return on investment. Wayfair experienced a 15% increase in conversion rates, directly impacting revenue and profitability. Moreover, customer engagement improved significantly, with a 20% increase in time spent on the site.

In summary, the three key takeaways are,

- **Enhanced Search Accuracy:** Vody's AI-powered solutions improved Wayfair's color search results, making it easier for customers to find products that match their preferences.
- **Increased Revenue and Engagement:** The partnership led to a 15% increase in conversion rates and a 20% increase in time spent on the site, boosting revenue and customer satisfaction.
- **Long-term Impact and Adaptability:** Vody's solutions continually adapt to enhance Wayfair's search system, ensuring long-term effectiveness and increased customer loyalty.

Stats:

- **Double-digit increase** from PoC
- **15% increase** in conversion rates
- **20% increase** in time on site