




# The Future of Shopping is Now

## Shop.org : May 1, 2012

ALEXANDRA WILKIS WILSON  
FOUNDER AND CHIEF MERCHANDISING OFFICER





TODAY'S DISCUSSION

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1. *GILT GROUPE*

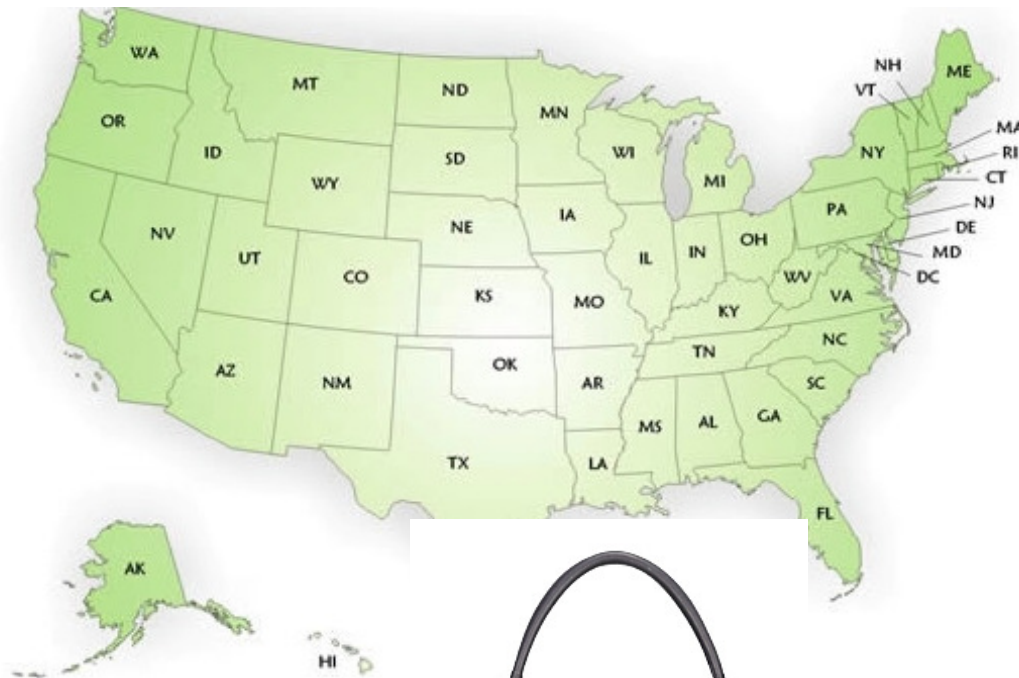
2. *CRM: THE IMPORTANCE OF PERSONALIZATION*

3. *THE IMPACT OF MOBILE*

4. *SOCIAL MEDIA AND ITS USAGE*

5. *THE MERGER OF COMMERCE AND CONTENT*

# Our First Sale - Was This a Risk Worth Taking?



# Gilt Groupe At-A-Glance

MEMBERS

**5 Million+**

MONTHLY SHOPPERS

**1.5 Million**

BRANDS

**6,000+**

DAILY UNIQUE VISITORS

**400,000**

PACKAGES SHIPPED PER DAY

**15,000**

DIRECT CONTACTS PER WEEK

**12,000**

PICTURES / DAY

**3,000**

FASTEST SELL OUT

**0.25 sec.**

MOST EXPENSIVE ITEM

**\$200,000**

# THE GILT EXPERIENCE

## Traditional E-Commerce

- Reliable and Convenient
- Everything
- Have to...
- Text-Driven Browsing
- Product-Driven Stores
- Same Product Every Day
- Search
- Buy Traffic on Google



## GILT

- Addictive and Fun
- Curated
- Want to...
- Visual Browsing
- Lifestyle-Driven Stores
- New Every Day
- Discovery
- Viral and Repeat

# GILT'S BUSINESS MODEL

Appointment Shopping

**Sales start at a set time and have a hard stop.**

Call to Action

**48% of items sell in the first hour.  
65% of items sell in the first 2 hours.**

Customer Engagement

**Shopping on GILT is *entertainment and sport*.  
75% of orders are from repeat customers.  
46% of customers have made 3+ purchases.**

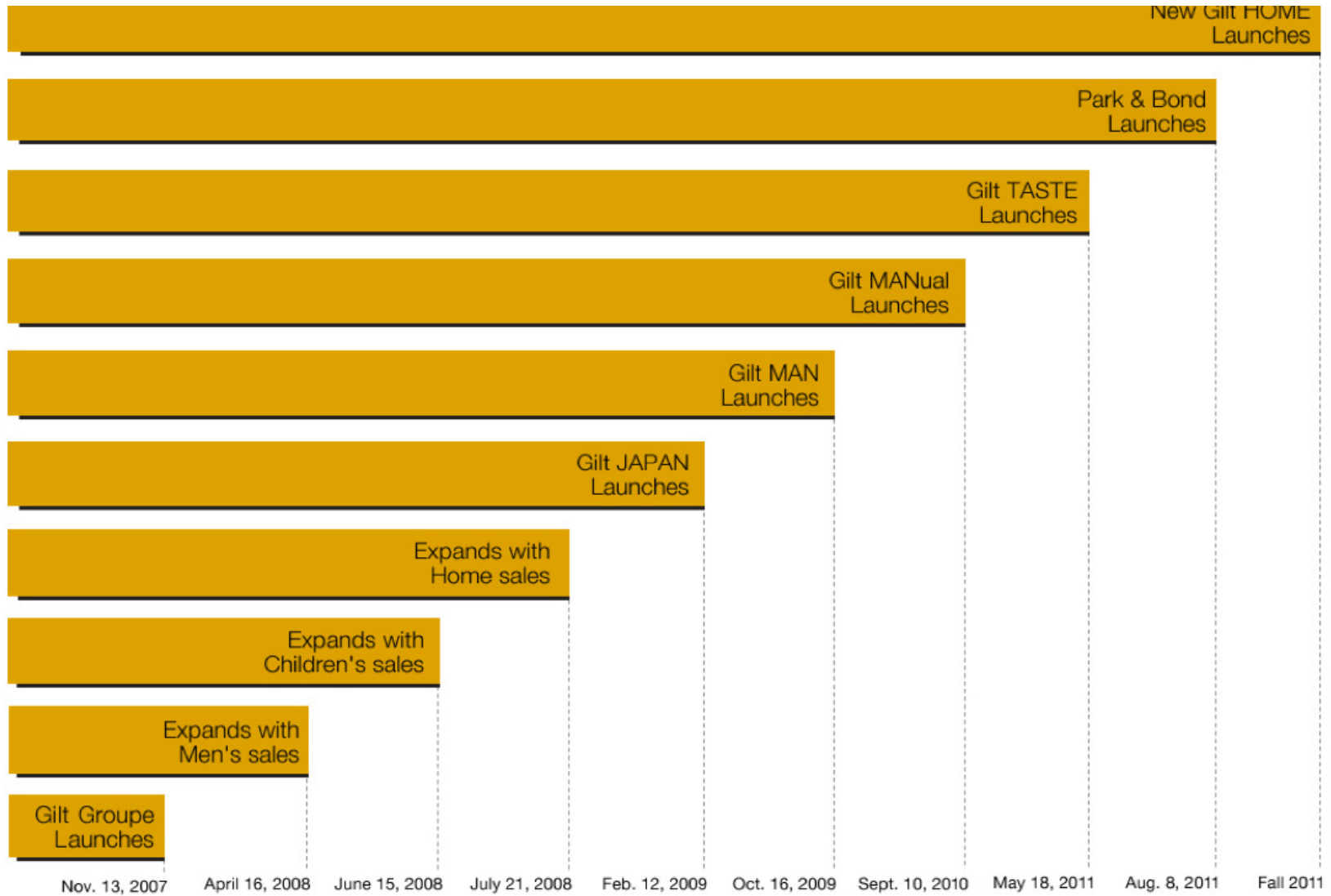
Viral Marketing

**Event sales drive sharing and media impressions.  
Members-only model drives referrals**

Lifestyle Offering

**Customer lifestyle drives business expansion:  
Fashion, Home, Travel, Services, Wine and Food,  
Experiences**

# From Fashion to Lifestyle Brand



# Gilt's Offering

*The most aspirational shopping experience for a stylish life*

## **Three pillars to delivering this experience:**

- *Coveted clothing, accessories, home goods, services and travel*
- *Simple, fast and fun site experience*
- *Personalized shopping*





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# Predictive Commerce

# Customization

*is customers telling you what they want*

# Personalization

*is the company tailoring experiences  
and products to me*

# CRM

*broad term that encompasses  
using data and technology to enhance  
a customer's interaction with your company*

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# Personalized Shopping

*Using data from browsing, shopping and appends, Gilt offers a member a personalized experience tailored to the current and **changing** shopping behavior.*



# Data Capture is Critical



## Internal Data

- *Transactions: what product they buy, when, how*
- *Demographic*
- *Web behavior*
- *Source of business entry*
- *Marketing campaign tracking*



## External Data

- *Demographics*
- *Psychographics*
- *Media Appends*
- *Interests*

# Key Point

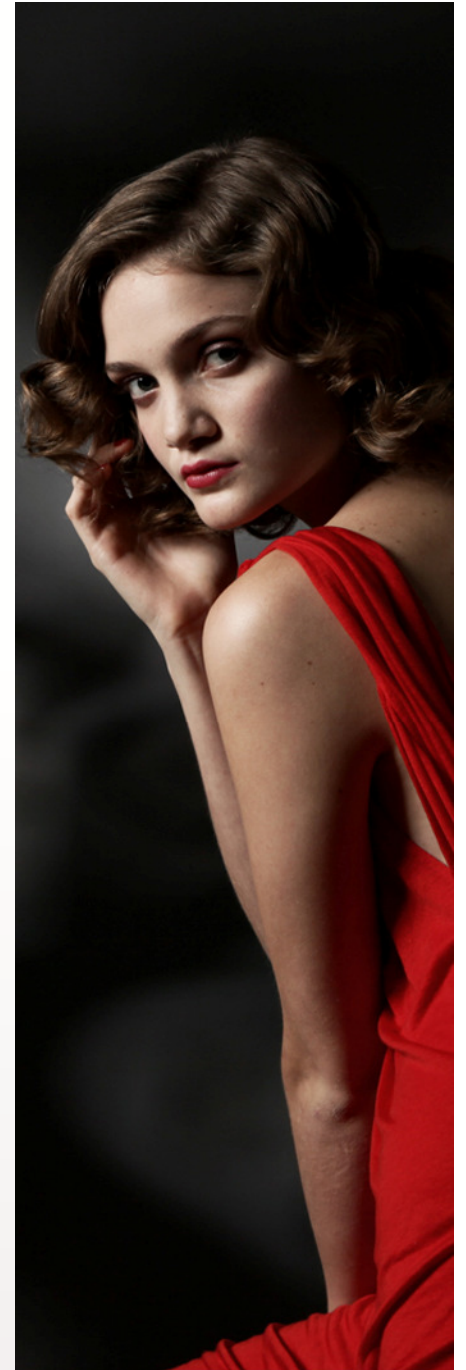
**Personalization is achievable if you know who the person is!**

*At Gilt, we have this luxury because all members must be signed in.*

**Most sites do not know who is shopping**

**At Gilt we talk to our customers every day**

*Directly, and by tracking behavior*




# Personalize Each Email

If you are unable to see this message, [click here](#) to view.  
To ensure delivery to your inbox, please add [reminders@gilt Groupe.com](mailto:reminders@gilt Groupe.com) to your address book. [Click here](#) to learn how.


**GILT GROUPE** Invite Friends Get \$25  
Women Men Home Children Jetsetter

**NOIR** See All Noir Sales




**Noir: Missoni**  
Preview the ponchos, scarves, shoes and shawls that made this brand famous

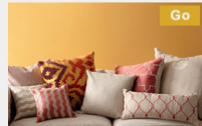
**LEAH, HERE ARE TODAY'S PICKS**




**Baker Furniture**  
Classic, elegant furniture designed by Barbara Barry, Bill Sofield and more



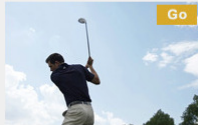
**Up to 70% Off: Gloster Outdoor Living**  
Take it outside with this stylish teak and woven-metal furniture




**Sabira Pillows & Throws**  
Jacquard patterns and cool geometrics enliven these plush linen pillows



**Allegri**  
Windbreakers and trench coats so stylish you'll hope for rain




**adidas Golf**  
Get your game on with these sneakers, golf clubs, tops and jackets




**Jeffrey Campbell**  
Strut with attitude in an array that includes edgy sandals and boyish oxfords


**WOMEN** See All Women's Sales



**Designer Final Sale**



**Deborah Lippmann Nails & Beauty**



**Parker Palm Springs Hotel**

Tops picks based on purchase behavior

Category prioritization based on browsing behavior

# How Do We Do This:

**We have developed two regression models that are run daily**

**Browsing** – *What sales have you browsed / visited*

**Purchase** – *What sales have you made purchases from*

*This is product category based (shirts, blouses, shoes, etc.)  
to handle new brands.*



# Email Experiences

## TARGETED EMAILS

*Emails are generated to remind users when a designer they have previously shopped is on sale again.*

The screenshot shows an email from Gilt Groupe. At the top, the Gilt Groupe logo is on the left, and 'Invite Friends' is on the right. Below the logo are navigation links: Women, Men, Home, Children, City, and Jetsetter. The main headline reads 'Jean-Micheal Cazabat is back' with a 'Shop Now' button to the right. Below the headline is the date and time: 'WEDNESDAY 10/30 | 12PM ET'. A large image displays various pieces of jewelry, including a necklace with a large teardrop pendant, a bracelet, and earrings. Below the image, the text says: 'We've got great news! The Jean-Micheal Cazabat sale is back today on Gilt! [Mark your calendar](#), the sale will begin Wednesday 10/30 at 12PM ET. Be sure to show up early to score the styles and sizes you want. [Check it out and see what's new](#).' Below this is a section titled 'Today's Featured Sales' with three items: 'Amrita Singh Jewelry' (shirts, sweaters, shorts), 'Fall Trend: Gilded Opulence' (glam dresses, separates, jewelry, shoes, home accessories), and 'Rick Owens' (military-inspired shirts, jackets, and more). At the bottom, there are links to download mobile apps, follow on Twitter, and follow on Facebook.

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Invite Friends

Women Men Home Children City Jetsetter

**Jean-Micheal Cazabat is back** [Shop Now](#)

WEDNESDAY 10/30 | 12PM ET

**We've got great news!** The Jean-Micheal Cazabat sale is back today on Gilt! [Mark your calendar](#), the sale will begin Wednesday 10/30 at 12PM ET. Be sure to show up early to score the styles and sizes you want. [Check it out and see what's new](#).

**Today's Featured Sales**

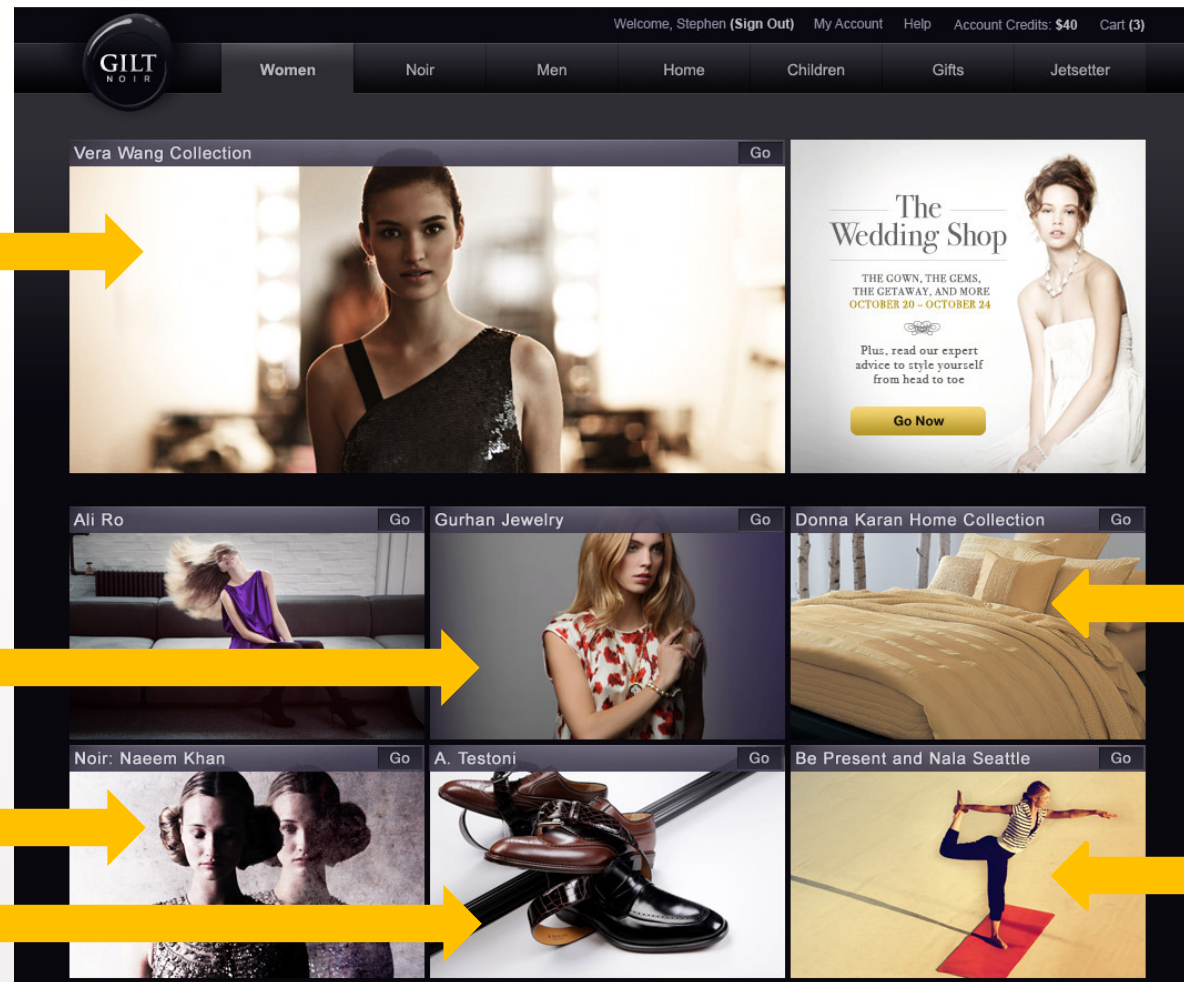
**Amrita Singh Jewelry**  
Shirts, sweaters, and shorts for casual wear on the gym floor or city street

**Fall Trend: Gilded Opulence**  
Glam dresses, separates, jewelry, shoes and home accessories

**Rick Owens**  
Military-inspired shirts, jackets, and more from a noted up-and-comer

DOWNLOAD OUR MOBILE APPS **GILT ON THE GO** FOLLOW US **twitter** **facebook**

# One to One Site Merchandising



Most likely  
Women's sale  
for you

Prior Jewelry  
sale

Noir sale

Men's shoes

Prior Home  
sale

Women's  
exercise

*“The products they show me are the one’s I want. They are based on what I am currently looking for either on their site or other sites. They know what I have bought before and I don’t buy large bags.”*

*“When there are problems with my orders they tell me before I find out.”*

*“When I call and talk with them, they know me and can really help.”*

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A woman with long brown hair styled in a braid, wearing a light blue sleeveless dress, is sitting on a dark, patterned rug. She is looking directly at the camera with a neutral expression. The background is a plain, light-colored wall.

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# A Store in Your Pocket

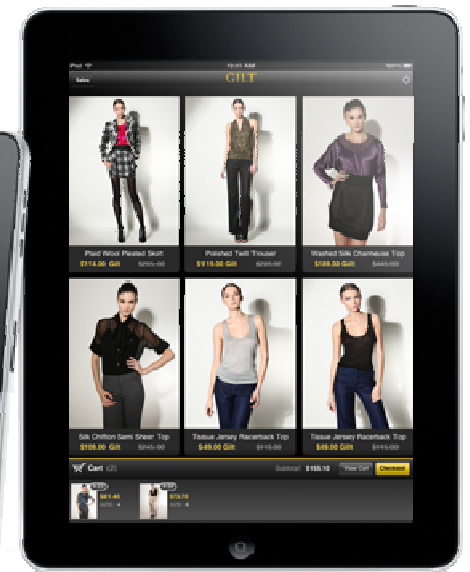
# The Gilt on the Go apps

## The iPhone, iPod Touch, iPad Opportunity

- 113MM iPhone and iTouch users worldwide\*
- 7MM iPads sold
- Gilt members were asking for a way to shop while mobile

## Marketing Objectives

- Drive incremental revenue by providing members a way to shop wherever they are
- Attract new members to Gilt Groupe



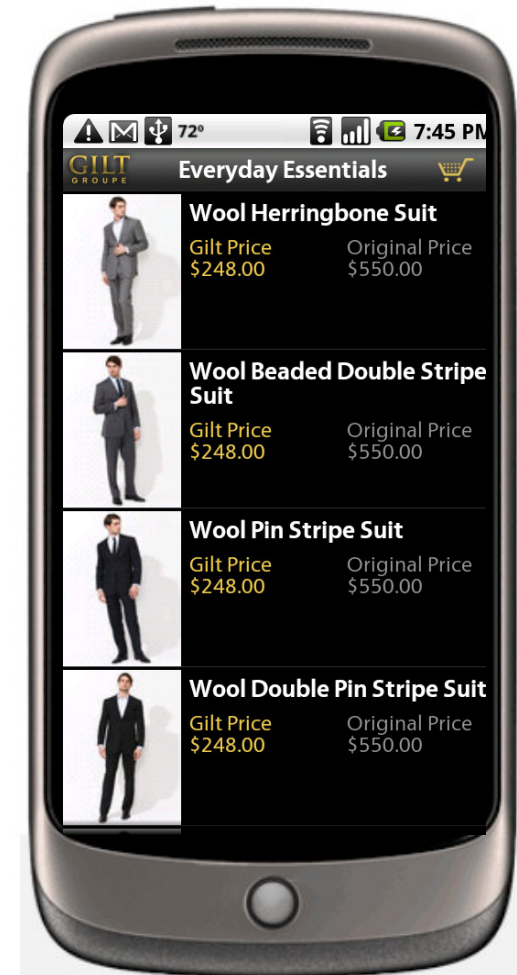
# Members will buy almost anything on their iPhones and iPads

## Customer Snapshot

- On Gilt.com: 70% female, 30% male
- On Gilt Mobile Apps: 50% female, 50% male

## Purchasing Snapshot

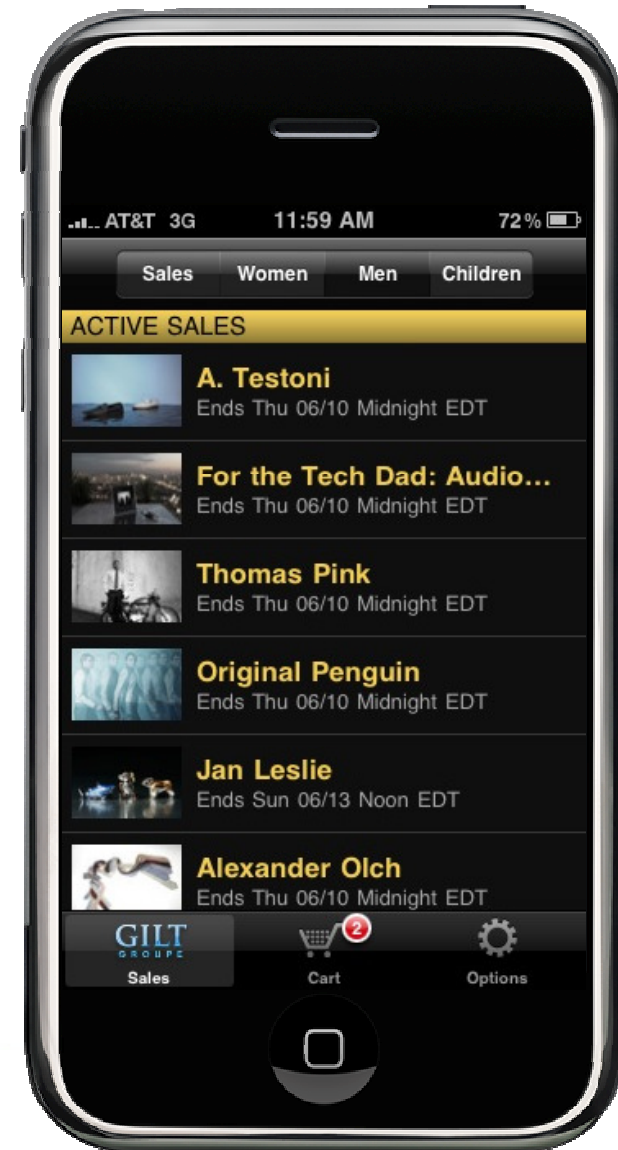
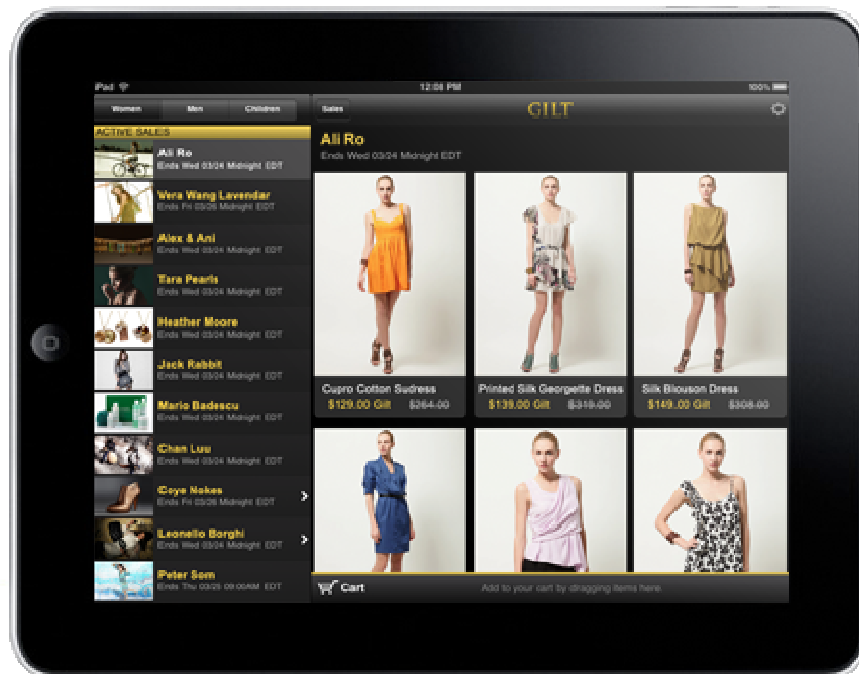
- Over 3 Million downloads between iPhone, iPad and Android app downloads
- Drives 20% of revenue on weekdays and 30% on weekends
- Seeing strong mobile purchases in all categories. Purchases made on the Gilt apps include:



# Lessons from the Gilt mobile apps

## Learning #1: Design for each Device

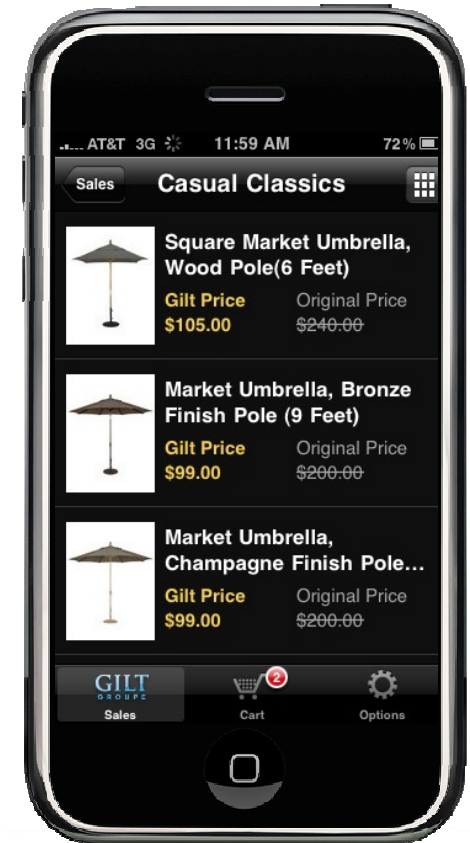
- The iPad app was designed to be an entertainment source during user's downtime
- The iPhone app was designed to provide instant access to shop Gilt sales and products



# Lessons from the Gilt mobile apps

## Learning #2: Optimize for Weekends and “Downtime”

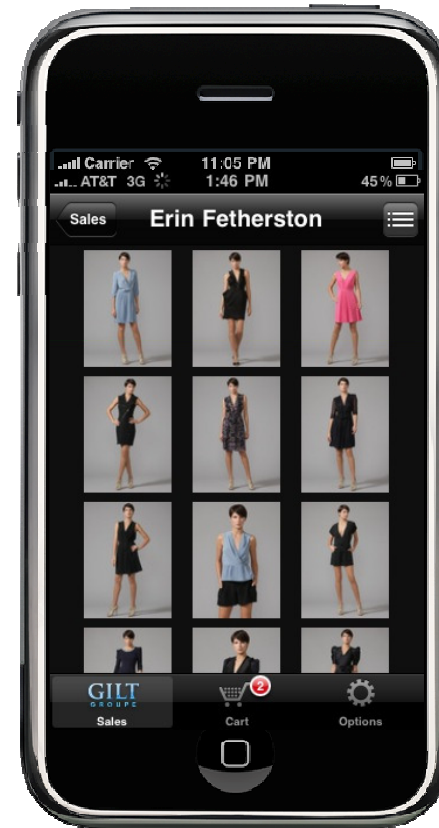
- Mobile usage peaks on public holidays and weekends
- Mobile exclusive sales targeted to the user mindset during downtime
- Home and Kids categories perform well on weekends



# Lessons from the Gilt mobile apps

## Learning #3: Speed, Stability, Scalability matter

- Large number of images are our strength, but challenging to scale on mobile devices
- Continually to make the app faster
- Need to rapidly iterate on mobile products within Apple's App Store framework






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## Social Media: Go to the Conversation

# Bring Services and Sales to the Conversation


 **Gilt Groupe** on Facebook  
✓ Like You like this.

[Wall](#) [Info](#) [Preview Sales](#) [Instant Access](#) [Gilt Man](#) [Photos](#) [Discussions](#)

## SELECTED LIVE SALES


[Women](#) [Men](#) [Home](#) [Children](#)

**Marc by Marc Jacobs** [Go](#)




NEW ARRIVALS

**Calvin Klein Collection** [Go](#)



**S.T. Dupont** [Go](#)



# Connect Real time with our Consumers

**Gilt Support**  
@GiltSupport Brooklyn, NY  
*@GiltGroupe Customer Support. Adam, Alvina, Andrew, Elena, Kira, Rodney, Sharon, Zach... and Katie. At your service.*  
<http://www.gilt.com/support>

[+ Follow](#) Text follow GiltSupport to 40404 in the United States

**Tweets** Favorites Following Followers Lists

**GiltSupport** Gilt Support  
[@farah287](#) Oh no, we love you! What happened?  
3 hours ago

**GiltSupport** Gilt Support  
[@BrenHerrera](#) Do you have another account opened with us, perhaps?  
3 hours ago

**GiltSupport** Gilt Support  
[@Kim\\_Berella](#) Oh my stars, that is some exciting news #loveit you're awesome :)  
3 hours ago

**GiltSupport** Gilt Support  
[@maureensleeps](#) Aha! I know what you mean. It usually take a

**Stay in touch with Gilt!**  
Join Twitter right now:  
Full name  
Email  
Password  
[Sign up](#)

**Curious how Gilt Support use**  
Discover who @GiltSupport follow

**About @GiltSupport**  
22,147 Tweets | 2,597 Following | 2,581 Followers

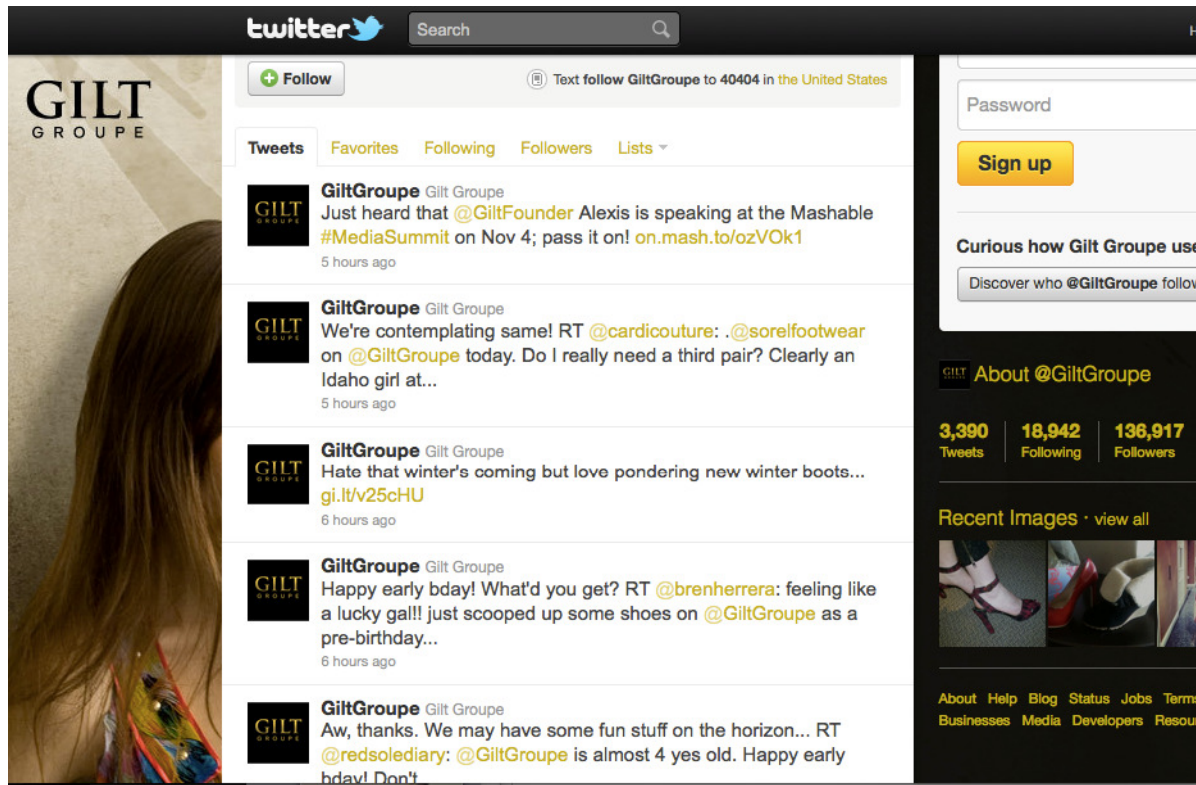
**Recent Images** · view all

- Managed Communities

- Customer Service Interface in Facebook and Twitter

- Proactive Monitoring and Response

# Give Them Lots to Talk About and Share



- Contests
- Fan Drives through Charity
- Viral Incentives
- Sweepstakes
- Photo Sharing

A woman with long brown hair styled in a braid is sitting on a dark, patterned rug. She is wearing a light blue, sleeveless, draped dress. The background is a plain, light-colored wall. The lighting is soft and natural, highlighting the texture of the dress and the woman's features.

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## Surprise & Delight

# WOW SALES DRIVE EXCITEMENT

For the relaunch of the Jetta, Volkswagen and GILT partnered to sell 3 customized Jettas @\$5,995 (MSRP \$22,945):

- *1 mobile sale / 2 mobile + web sales*
- *50MM+ high value impressions*
- *350K unique visitors to sale*
- *Sold in under one second*
- *55K on Jetta waitlist*

**GILT** Women Men Home Children Gifts Jetsetter City

The All-New 2011 Volkswagen Jetta SEL SALE ENDS 12:17 8PM ET SHARE: [Facebook] [Twitter] [LinkedIn]

Back to Sale Page [Like]

JETTA SEL

COLOR: GILT GOLD\*\*

**GILT PRICE \$5,995\***

STARTING MSRP \$18,995\*

Wait List

\*\*Buyer can choose from the following exterior colors: Gilt Gold (see image), Black, Candy White, Platinum Gray, Reflex Silver, White Gold, Dusk. Web contact buyer post-sale for color selection. Interior options set by dealer.

The all-new 2011 Volkswagen Jetta. With eyebrow-raising new features, it's surprisingly sophisticated for a starting price lower than you'd expect. Redesigned from the grille to the taillights, the 2011 Jetta sports a sleeker, more streamlined look. Compact and fuel efficient, it's both fashionable and responsible. **It's great for the price of good.**

Basic Specs Design Performance Safety

Engine: Five-cyl, 2.5L, 170hp  
MPG: 23 city, 33 hwy\*  
Transmission: automatic

IN ADDITION TO THE STANDARD JETTA SEL FEATURES, THE GILT JETTA INCLUDES:

- 17" alloy wheels with all-season tires
- Four floor carpeted Jetta mats and matching carpeted trunkliner, with serging and Jetta logo in gold

STANDARD JETTA SEL FEATURES INCLUDE:

- 2.5L, 170-hp, in-line 5-cylinder engine
- Body colored side mirrors with integrated turn signals
- 60/40-split folding rear seat with center armrest and pass-through
- Leather-trimmed multi-function steering wheel, shift knob and parking brake handle
- V-Tec leatherette seating surfaces
- Cruise control
- Keyless access with push-button start
- Front center console with armrest
- Carefree Maintenance™ Program\*
- Electronic Stability Control (ESC)
- 8 airbags†
- Tire Pressure Monitoring System (TPMS)
- RNS 315 navigation system with 5" color touchscreen in center console
- 6-speaker sound system with Media Device Interface (MDI) with iPod® cable, SIRIUS® Satellite Radio with 3-month trial subscription
- Power windows with pinch protection and one-touch up/down feature, operable from all four windows
- Trip computer
- Heated front seats
- Heated power side mirrors

\*Legal disclaimer.

# WOW SALES

## LADY GAGA

- *Sales curated and styled by Nicola Formicetti*
- *Dress worn in Mugler show*
- *Tickets Mugler show in Paris*
- *VIP access to Lady Gaga concerts and parties*
- *Over 100M media impressions*

## VIRGIN AMERICA

- *Bundles of short haul, medium haul, long haul tickets*
- *Largest sale ever on Gilt (over \$3M in 24 hours)*



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## Content and Commerce Have Merged

# Content is Best Delivered Through Imagery



STYLE SURVIVAL KIT

## **BUSINESS TRIP ESSENTIALS**

What to bring, and what to leave at home. [READ & SHOP »](#)

# Consumers Navigate and Learn Visually

The screenshot displays the Gilt website interface. At the top left is the GILT NOIR MEMBER logo. Navigation links include Today's Sales, Shops, Gifts, and Gilt Insider. A Cart icon is in the top right. The main content area features four product categories: Mitchell Gold + Bob Williams (interior design), Girls Night Out: Clutches We Love (handbags), Leather Up: Find your Perfect Jacket (menswear), and Ted Rossi Jewelry (jewelry). A sidebar on the right titled 'Mark Your Calendar' shows a weekly view for Friday, October 28th, with five featured items: Clarins, Cozy Up: Hats & Gloves by Hat Attack, Fine Jewelry by Piranesi, Secret Weapons: Beauty Secrets & Fashion Fixes, and Stella & Jamie. Each item includes a small image and an '+ Add to Calendar' button.

**GILT**  
NOIR MEMBER

Today's Sales ▾ Shops ▾ Gifts ▾ Gilt Insider

Cart 0

### Mitchell Gold + Bob Williams

### Girls Night Out: Clutches We Love

### Leather Up: Find your Perfect Jacket

### Ted Rossi Jewelry

### Mark Your Calendar

FRI SAT SUN MON

#### Fri 10/28

Clarins  
[+ Add to Calendar](#)

Cozy Up: Hats & Gloves by Hat Attack  
[+ Add to Calendar](#)

Fine Jewelry by Piranesi  
[+ Add to Calendar](#)

Secret Weapons: Beauty Secrets & Fashion Fixes  
[+ Add to Calendar](#)

Stella & Jamie

# Romance the Product with Compelling Images. Written Content Just Explains.

**GILT Taste** beta

MARKET SPECIALS STORIES GILT

Meat \* Seafood \* Cheese & Dairy \* Pantry \* Sweets \* Produce \* Beverages \* Wine \* Equipment \* Gifts

**The Real Triumph of Alice Waters**  
*by John Birdsall*  
At Chez Panisse's 40th anniversary, her greatest legacy isn't local salad, it's elevating the amateur imagination  
[Read now](#)

**Welcome to the beta launch of Gilt Taste.**  
We love food. One of our favorite things about food? It is best when it's shared. We hope to inspire you to discover ingredients, shop at the market, cook delicious recipes and taste new things. [Learn more](#)

**Become a Gilt Taste member**  
Sign up to be the first to know about our new stories, fresh recipes and specials going on sale.  
Your email address  [Subscribe](#)

**Meet the Tasting Panelists**  
We picked our wines from a massive blind tasting in Brooklyn. Learn more about the selection process.  
[Read Now](#)

**BEGINNINGS**

**Welcome to Gilt Taste**  
Open the cover of a new kind of magazine  
*by Ruth Reichl* • MAY 17, 2011

the first time I walked into the Gilt Taste office I was hit by a wave of happy energy. It was a tiny group then—just four people—but they were so excited by this new project that I was swept away by their passion. I wanted to do the wildest things—and they thought everything was possible. I led me of cooking in California in the early seventies, a time when young chefs were reinventing the very idea of American food, enlisting farmers and chefs in so that they could use local produce and cook with the seasons. I felt the same way as I did back then: I want to be part of this.

It is a radical venture. On one hand it's a showcase for the artisanal products that talented bakers, butchers, candy and cheese-makers are now selling all over the country. It's a place to meet a new generation of farmers, and the women who are tilling the land in sustainable ways, saving seeds and raising happy animals. It is a celebration of food, mostly American.

**Some of Ruth's favorites**

- Hama Hama  
**Blue Pool and Hama Hama Oysters**  
\$33.95 - 2 dozen  
[View](#)
- Le Sanctuaire  
**Spice Blends Set**  
\$41.95 - Assortment  
[View](#)
- Cortez Mullet Company  
**Cortez Bottarga di Muggine**  
\$47.95 - One piece  
[View](#)

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# Last Thought



## It's Just the Beginning...

**Focus on what you can do online that you can't do offline**



- *There is no success roadmap for marketers or brands. Experiment.*
- *Don't expect immediate payback from investments in social. Social is about 100 small things, not one big push*
- *Just because you open a store doesn't mean they'll come. Give them a reason to come – and find a way to go to them*
- *Convenience and reliability aren't enough anymore. Make it fun, keep it new.*

# THANK YOU

[www.gilt.com/alexandra](http://www.gilt.com/alexandra)

*@GiltAlexandra*

may is marketing month 2012

>shop.org >rama  
www.shop.org/marketing