

# CASE STUDY



## PRODUCT



## RETAIL SEGMENT

Big Box

## CHALLENGE

Kalahari sought to partner with RichRelevance to create a dynamic, customised mobile user experience that fuels intuitive product discovery and positively impacts AOV and conversion.

## RESULTS

**15% – 30%** of revenue attributed to recommendations on mobile:

- ▶ Home page
- ▶ Category pages
- ▶ Product detail pages



RichRelevance’s recommendation solution allowed us to implement automated merchandising without having to allocate additional resources to look after the mobile channel.

– **Claudia Synman**

Business Development Manager, Mobile  
Kalahari.com

By the end of 2014, total online shopping in South Africa is expected to near the R6 billion mark (just under \$542 million). The rise of end-user devices (laptops, tablets, smartphones); diverse payment mechanisms; a shifting consumer mindset; and an increased knowledge and acceptance of e-commerce are factors that have all contributed to this accelerated growth.

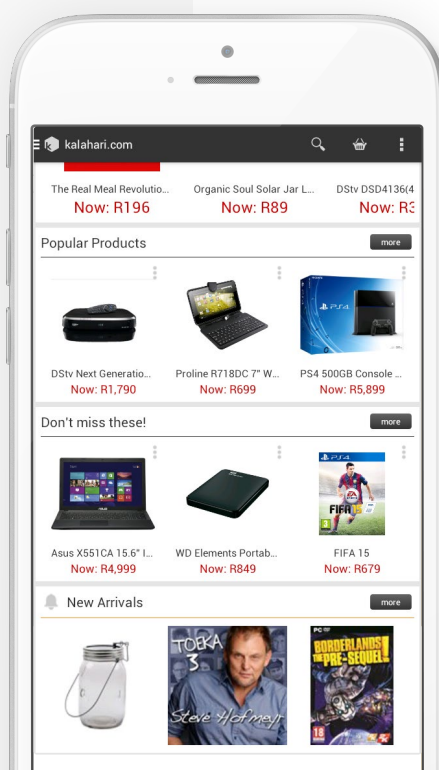
Founded in 1998 as one of the first online shops in South Africa, Kalahari.com offers over eight million consumer products ranging from electronics, toys, appliances, games and books to more. Since its founding, the retailer has seen a surge in online shopping that has been driven in large part by consumers accessing the internet on their mobile phones. In fact, a recent survey conducted by the retailer found that 70 percent of tablet owners now use their devices to shop online. Today, Kalahari is the largest general online merchant in the nation.

## Riding the mobile wave

Claudia Snyman is the Business Development Manager for Mobile at Kalahari, and looks after the retailer’s mobile strategy, channels and user experience for their mobile customers—whether on the mobile site or app.

“Mobile traffic is growing exponentially in South Africa,” says Snyman. “Because connectivity is not necessarily something everyone has, lots of people access the Internet via their phones. Traffic from mobile devices now accounts for almost half of our total traffic.”

In order to capitalise on consumer trends and the rapid growth of mobile shoppers, Kalahari sought to scale its existing ecommerce systems for mobile, while simultaneously delivering a feature-rich experience.



15 - 30%  
Attributable Revenue

Having partnered with RichRelevance for personalisation at the end of 2013, the RichRecs solution was already implemented on Kalahari's desktop site and subsequently integrated into email communications.

RichRelevance's personalisation engine dynamically facilitates competition among over 100 independent algorithms that consider different user behaviour and catalogue data—and decide in real time which algorithm is best matched to a particular customer's needs at a specific place and time. As a result, the more customers interact with recommendations, the more benefit there is for Kalahari.

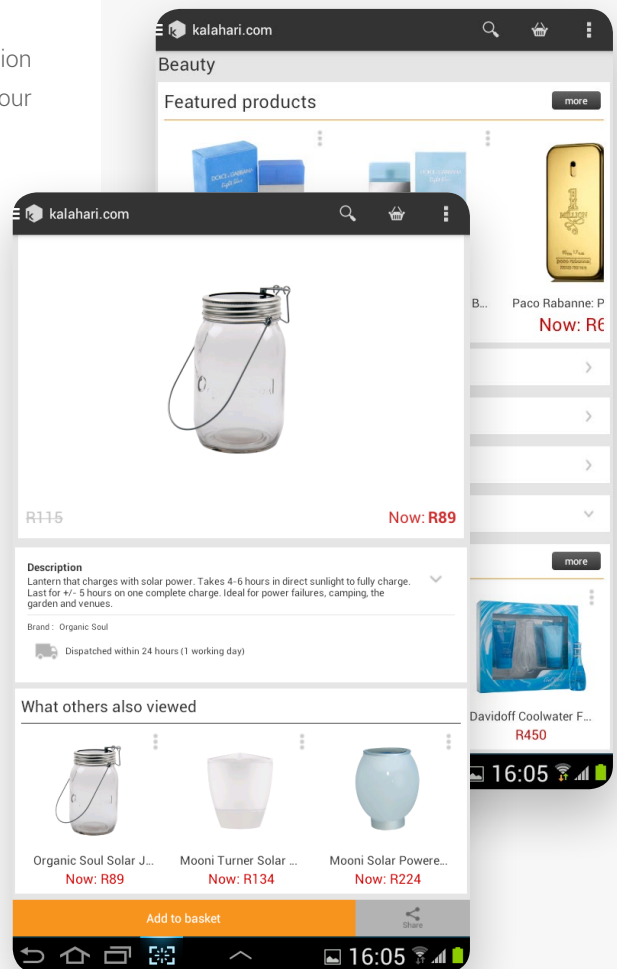
## Optimising the personalised mobile experience

While app conversion was a clear goal for personalising the mobile user experience, Snyman also sought to bring the product closer to the customer. "We see a lot of search behaviour on mobile devices, but savvy online shoppers have limited tolerance for browsing endless pages of products—especially given the screen size of mobile devices," said Snyman. "Therefore, we wanted to encourage personalised product discovery over funneled category navigation, to decrease the risk of abandonment that occurs with the latter when customers can't find a product quickly."

Because Kalahari previously lacked merchandising on its app, Snyman wanted to create merchandising opportunities without increasing the load on the merchandising team. By partnering and collaborating with RichRelevance, Kalahari was able to leverage its existing partnership and technology to implement personalisation on its mobile app across iOS, Android and BlackBerry 10 platforms. Currently, there are two placements on the home page and one on the product detail page. The Shopfront (or category page) also allows users to browse in a certain category and receive personalised recommendations within that category.

"RichRelevance's recommendation solution allowed us to implement automated merchandising without having to allocate additional resources to look after the mobile channel. We have subsequently seen an increase in conversion and user engagement," said Snyman.

Snyman notes that once customers make the transition from desktop to mobile app, the most loyal customers continue doing a lot of their shopping on the app. Mobile purchases also drive a similar average order value as desktop purchases. To date, the revenue attributable to recommendations is 15 to 30% depending on placement of the recommendation, with the placements on the product detail page and home page performing the best in terms of click through and attributable revenue.



Kalahari mobile category and product detail pages

## Want to learn more?

- ✉ [uk-info@richrelevance.com](mailto:uk-info@richrelevance.com)
- ☎ +44 (0) 1183.213.558
- 🌐 [www.richrelevance.co.uk](http://www.richrelevance.co.uk)