Q&A: Stitch Fix on combining data science with a human touch for peak personalization

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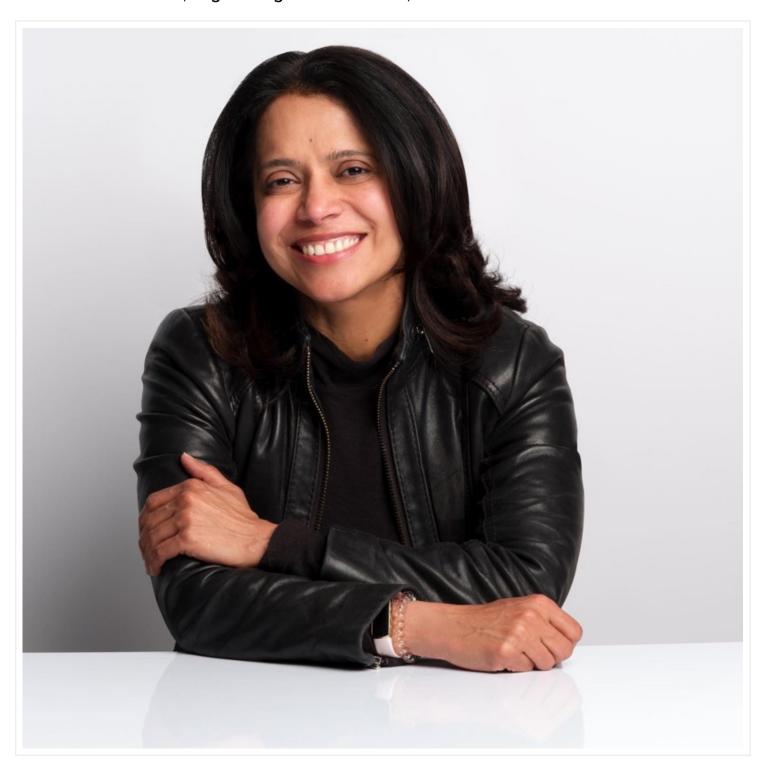


Data's role in creating a seamless customer experience has never been more important. But adding in a human element can help your data analytics strategies reach their full potential.

Manju Thomas shares how Stitch Fix is blending data science with client feedback to create a better experience for shoppers.

Manju Thomas

Senior Vice President, Engineering & Data Science, Stitch Fix



Your session at Shoptalk is about using customer data to surprise and delight. What are some takeaways for attendees?

Our algorithms are great at identifying patterns and filtering unstructured data, which allows stylists to focus on building relationships with clients and understanding the nuances of a client's preferences or needs. For example, when a client writes in with a specific request, such as "I need a dress for an outdoor wedding in July," our stylists know what might work for that event.

Our data tools are built to bring customer data and client feedback together and allow our models and experts to contribute what they're best at. Leveraging the strengths of both humans and technology is what enables us to deliver a very personalized, curated experience for clients.

Leveraging customer data insights across the business can supercharge personalization efforts. Our clients benefit from us getting to know them over time; this is part of the value proposition of our service. This means they share incredibly rich information about what they like and don't like, both when signing up for the service and over time through feedback.

What is your advice for brands that want to use their data to create more personalized, relevant experiences for customers?

The first step is ensuring you have meaningful, actionable data. You can do this by continually creating engaging ways for clients to communicate their wants and needs with your brand. These recurring and real interactions produce actionable insights from which you can create increasingly relevant experiences.

At Stitch Fix, we intentionally create moments to deepen engagement and generate feedback on items, which fuels our ability to produce highly personalized recommendations, as well as update designs, buy new styles, or expand clothing lines. For example, Style Shuffle gives clients an easy way to share their style preferences through a quick thumbs-up and thumbs-down widget in our app or on our homepage.

How has Stitch Fix used data to navigate the changes in consumer buying behaviors over the last few years?

Our depth of knowledge uniquely positions us to adapt to rapidly changing client trends as they evolve and work more productively with our brands to source merchandise our clients





love. For example, during the first few months of the pandemic, we saw a tenfold increase in requests for "working from home" and a shift out of formal workwear and into more casual, everyday styles. We took a proactive approach to adjusting our assortment, refocusing our spring and summer assortment to support a more versatile life, while cutting workwear down by 10%.

In addition, each year, we combine client data along with key insights from our stylists and merchants to develop our Style Forecast. Our 2023 report found that nearly three-quarters of our clients believe the economy will impact the way they shop for clothes this year, and 80% of clients want to be more thoughtful when shopping for clothes. This sentiment is fueling the rise of what we call the "intentional wardrobe," which means more people are investing in high-quality, versatile clothing. In addition, the concept of cost per wear is becoming very relevant. With this intelligence, we can anticipate increased demand for trend-proof basics, or foundational pieces in neutral colors and prints.

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