

GK AIR PERSONALIZATION AT BRUNO BADER

Personalized shopping experience ensures strong customer loyalty in the fashion & living segments

The Retail Innovators

## Quick facts

#### **About Bader**

Bader stands for quality products in the fashion, living, and lifestyle segments. Since 1929, Bruno Bader GmbH + Co. KG has made a name for itself with selected products in the fashion and lifestyle segments under the Bader and Brigitte Hachenburg brands. Alongside its traditional mail-order catalog with almost 1,000 pages and 17,000 different products, the B2C retailer reaches its customers through various online stores and newsletters under the Bader brand. In 2024, the company took over the Klingel, Mona, and Cornelia fashion brands and has since been offering an even broader range of products.

### The challenge

To select and roll out a recommendation engine in the online stores of the Bader, Brigitte Hachenburg, Klingel, Mona, and Cornelia brands

To improve the user experience through real-time product recommendations in all online stores

To uplift the conversion rate

To increase customer loyalty and retention

### The solution

Implementation of the AI solution GK AIR Personalization by partner agency dotSource

Enhanced quality of recommendations and increased customer response in the online stores

Increased click-through rate in the newsletter and a reduction in the manual effort

Ultimately, increased sales based on recommendations compared to the previous recommendation solution

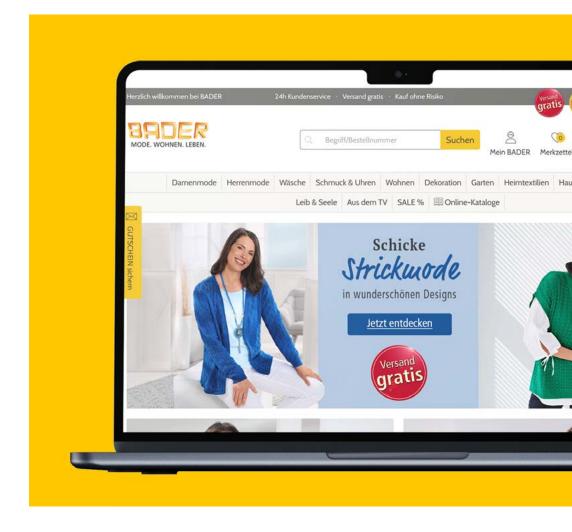


### Overview

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Bruno Bader GmbH has been a customer of the digital agency dotSource since 2015, tasking it with various services including long-term support for the online stores. dotSource supports the retailer with consultancy, planning, and the integration of selected tools into the system to provide a pleasant shopping experience for customers. At the beginning of 2020, Bader and dotSource began selecting and implementing a suitable recommendation engine to improve the user experience in the fashion retailer's online stores with relevant product recommendations.

After sharing their experience and insights with the dotSource team of experts and validating various providers, Bader decided to implement the personalization tool GK AIR Personalization in the online store and newsletter of the Bader and Brigitte Hachenburg brands. Bader tested the AI solution in a four-month PoC. The result was that the product recommendations generated by the AI solution achieved a higher response from visitors than the reference group.





### Solution

#### Solution

### Optimum shopping experience with Al

Smooth and straightforward communication between Bruno Bader, dotSource, and GK Artificial Intelligence AG (GK AIR) paved the way for the successful implementation of the project. Detailed project planning and intensive collaboration between the project teams in the various phases of the project enabled it to be completed quickly. After just a few months, GK AIR Personalization went live in the first Bader online store for Germany.

Since then, Bader's online shopping experience has focused even more closely on the interests of its customers as the AI solution analyzes their interests based on current behavioral data and historical transaction data. Self-learning algorithms adapt their responses to customer behaviour in real time.

Similar to a chess computer, the AI solution calculates all of the visitor's possible moves and makes the most suitable recommendations.

Different types of recommendation ensure a high customer response in the various parts of the store, for example on the homepage. A personalized homepage is the key to inspiring customers right from the start. Bader uses various types of recommendations in other areas of the online store, for example on the category pages, the product detail pages, or in the shopping cart layer.

Different types of recommendation ensure a relevant shopping experience

**Product-related:** Recommendations relating to one or more products the customer is interested in.

**Category-related:** Recommendations relating to the category the customer is interested in.

**User-related:** Recommendations relating to the user's current purchasing behavior and their "historical" data, for example their previous purchases.

**Search term-related:** Recommendations relating to the user's current search term that triggered the search (e.g. in the online store).

**Global:** Recommendations relating to the complete range.



#### Solution

# Relevant product recommendations in the online store and newsletter

dotSource and GK AIR initially integrated GK AIR Personalization in the German online store. Having successfully gone live in April 2020, the online stores for Austria, Switzerland, the Netherlands, and Sweden followed. The online stores of Brigitte Hachenburg, a Group-owned brand focusing on home living and decor accessories, were also equipped with real-time recommendations.

The newsletter is also an important customer loyalty tool at Bader. Implementing the personalization solution in the newsletter has enabled Bader to achieve higher traffic and click-through rates. The AI calculates the affinity of newsletter recipients to certain products/product groups or content in real time and simultaneously forecasts which content is most suitable for the individual in question. The content is only generated when the email is opened. In this way, the AI ensures that any customer activity in the online store after the newsletter was dispatched is also included in the forecast. When implementing personalized recommendations in the newsletter, there are countless options for designing the personalized areas in terms of positioning, recommendation types or newsletter type. For example, Bader uses after-sales product recommendations in the newsletter after a purchase to provide new inspiration.

To ensure that customers are always addressed individually in the best possible way, the B2C retailer is in regular contact with the GK AIR project team to ensure that the personalized areas are ideally positioned and optimized with regard to the customer journey in the online stores and newsletters. For example, redesigning the shopping cart layer led to a significant increase in clicks on the product recommendations displayed, as more recommendations were shown.



## Implementation of the Al solution at Klingel and Mona

Fashion retail is a highly competitive market. In 2023, the fashion retailer Klingel had to file for insolvency. Bader took over Klingel and the associated Mona and Cornelia brands. To offer customers of both brands a personalized shopping experience, the GK AIR project team began implementing GK AIR Personalization in the online stores of these brands at the beginning of 2024.

"We are very impressed by the GK AIR Personalization solution. The product recommendations calculated in real time are a great source of inspiration for our customers.

This is reflected in the click-through rates of the recommendations in the online store and newsletter, and in the sales figures.

The excellent collaboration with the GK AIR project team also gives us valuable input for the ideal positioning of the personalized areas and for creating a successful customer journey."

Laura Bader, Authorized Signatory and Head of Marketing E-Commerce at Bader



#### Solution

# Higher click-through rates and more sales through recommendations

Thanks to product recommendations that are ideally tailored to the interests of customers and the optimized integration of personalized areas in the online store and newsletter, Bruno Bader GmbH + Co. KG is experiencing higher traffic and click-through rates in the online stores of its individual brands and their newsletters. Use of the Al solution has also led to a significant increase in sales based on recommendations.





GK Software SE
Waldstraße 7
08261 Schöneck
Germany
P +49 37464 84 - 0
F +49 37464 84 - 15

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