

Fashion AI for Everyone

Tagging 1 Million Product SKUs in 1
day with 1 Employee:

How LotteOn Merged Catalogs from
Seven E-commerce Stores with AI

OMNIOUS.AI

**How LotteOn doubled their click-through rate in under 3 months by
utilizing OMNIOUS TAGGER for product filters.**

Executive Summary

After combining seven e-commerce platforms into one, LotteOn was looking for an automated product tagging solution to organize their expansive fashion inventory of 1M products. With \$6B in annual revenue, LotteOn needed an intuitive solution that featured detailed fashion categories and attributes to establish nuanced product filters and an efficient product search engine. To optimize their website, LotteOn implemented OMNIOUS TAGGER.



The revised product filter has improved their click-through rate by 3X.

E-commerce Challenges



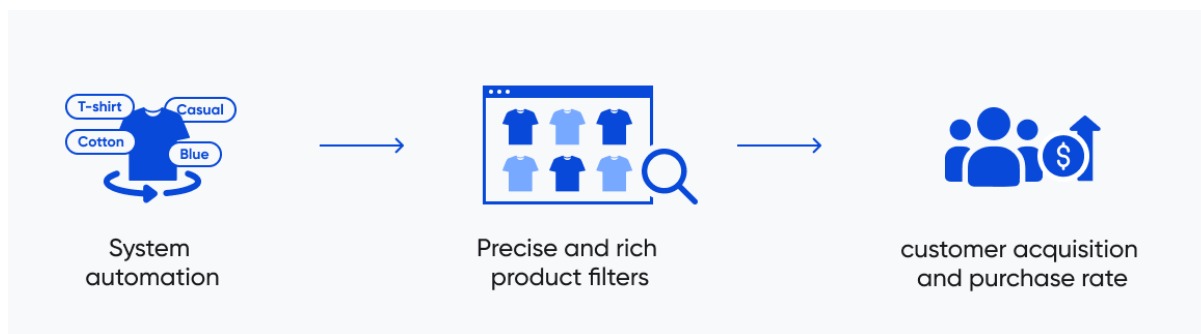
One of the conglomerates in South Korea, Lotte, made the strategic decision to unify seven different online e-commerce sites into one single platform: LotteOn. With products spanning all areas of fashion from clothing, accessories, and footwear, Lotte's fashion team was grappling with categorizing and organizing a tremendous amount

of product data onto one platform.

As LotteOn's website was not tailored to one specific target market, benchmarking other shopping apps' categories was not a viable solution. LotteOn's products were marketed towards a wide range of shoppers. The lack of a specific niche added additional layers of difficulty to the situation.

All of the e-commerce platform's products were missing detailed fashion attributes and only had very basic categories (such as t-shirts and dresses). LotteOn did not have an established set of terms and keywords to communicate product details without evoking confusion. As a result, LotteOn struggled to gain exposure and to competitively rank on search engines.

To compete in the highly saturated e-commerce industry, LotteOn decided to take two fundamental steps:



1. Implement image detection technology to organize product data and reduce the cost and error potential brought by human inventory taggers. The goal of step one was to create accurate product categories and product data.
2. Develop precise and rich product filters to let shoppers use their own language in searching Lotte's catalog, without restrictions. The goal of step two was to increase customer acquisition and to get a lift on purchase rate across multiple categories of their online store.

Vendor Selection Process

LotteOn soon formed a shortlist of automated product tagging system providers to narrow down their options. LotteOn had a PoC (Proof of Concept) period with more than five different Visual Tagging and Search solution providers to test which solution demonstrated the greatest performance rates in terms of accuracy.

At the end of the 5-vendors' PoC period, LotteOn chose to implement OMNIOUS.AI's fashion image detecting and tagging solution.

OMNIOUS.AI's Solution

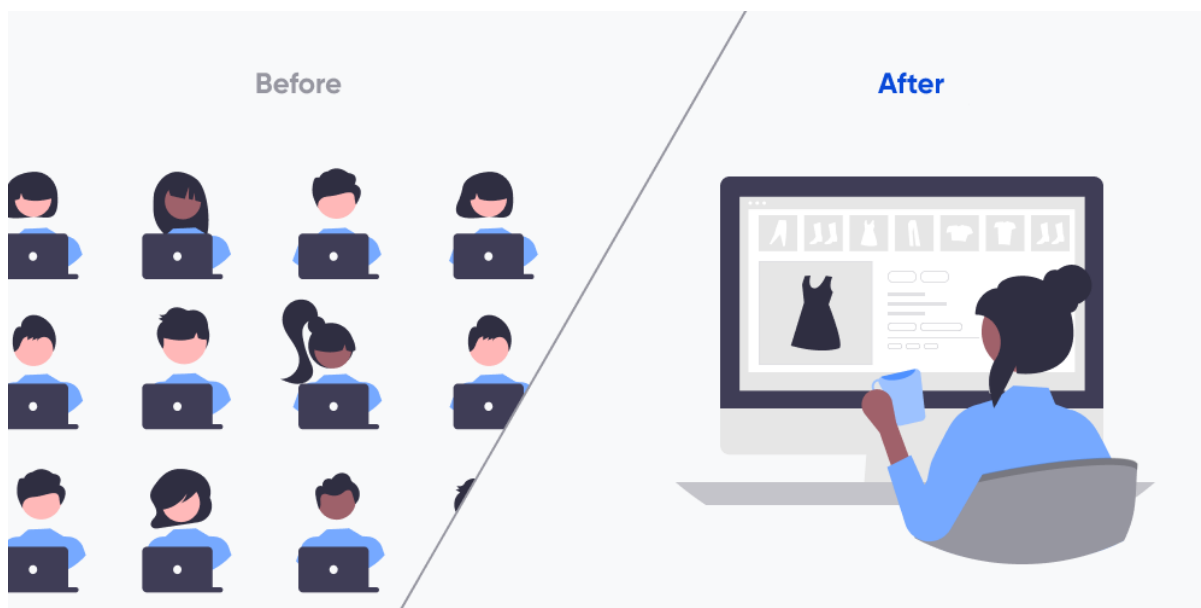
OMNIOUS.AI implemented its AI product tagging solution for LotteOn over the course of 3 days. The starting point of the transformation was importing more than 1M product tags

and consolidating all datasets. This first step took roughly 1 day. With 33 categories and approximately 1,000 product attributes established, LotteOn could now organize their product data without any manual labor. OMNIOUS TAGGER API was also implemented for LotteOn's ongoing usage to facilitate and simplify regular catalog updates.

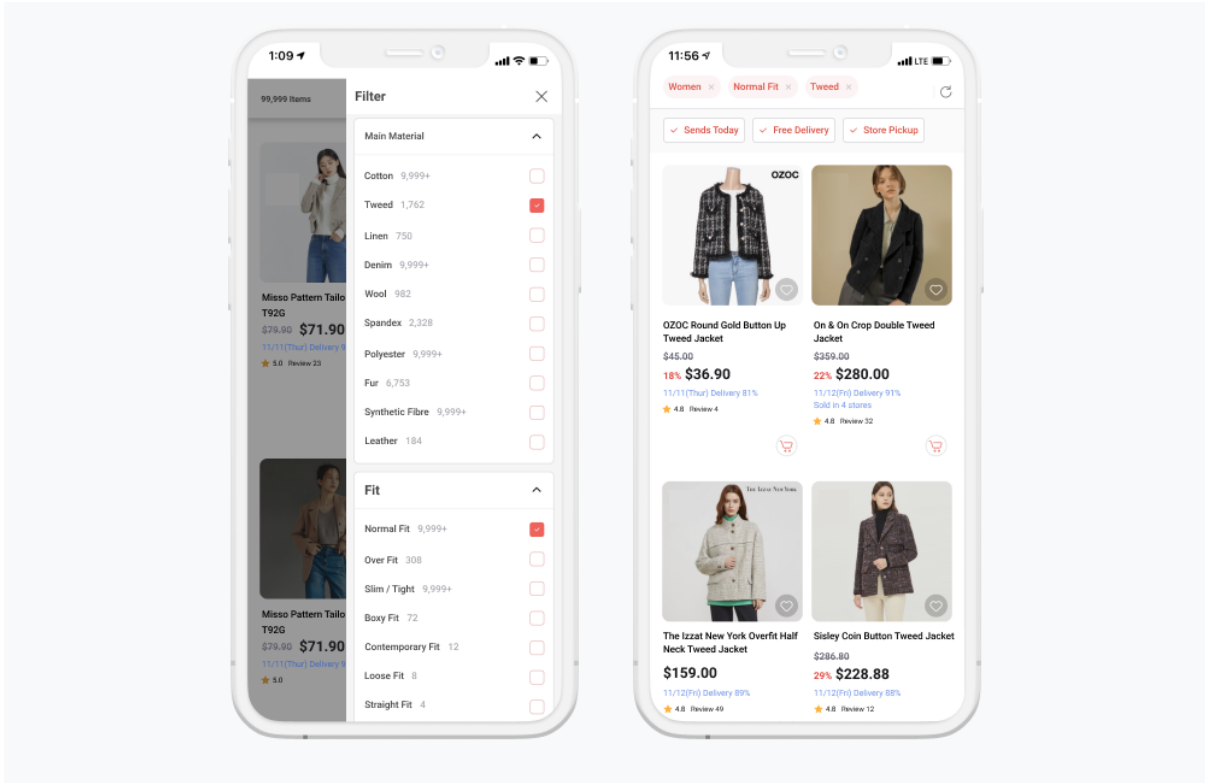
Result

According to the LotteOn's Data Analytics Manager, "before using OMNIOUS.AI's solution, we needed around 20-30 people to actually input all product tags for products, monthly, however, we now only need to review the outcomes of the solution, that's it!"

The automated product tagging solution has improved the internal workflows of the data team and increased the overall conversion rate of LotteOn's customers.



The tagging solution also established clear and organized categorization and attribute classification for their products, improving LotteOn's smart product filter. LotteOn now has a well-established filter that features all of the categories and attributes that OMNIOUS.AI provided. The revised Product Filter has improved their click-through rate by 2X - 3X.



E-commerce giant LotteOn now acknowledges the importance of implementing visual search engines and similar product recommendation solutions. To propel their e-commerce site into the future, LotteOn is planning to implement more solutions from OMNIOUS.AI soon.

About LotteOn



The LotteOn is the online e-commerce division of Lotte corporation. Lotte corporation is a multinational conglomerate based in South Korea. It consists of over 90 business units that employ 60,000 people within diverse industries such as manufacturing, beverages, hotels, IT, and more. Lotte had seven different online stores, and in 2020, decided to combine all into one

optimal e-commerce platform: LotteOn.

LotteOn's annual revenue for 2020 was \$6B. The giant online store is gaining a prominent place in fashion e-commerce through mergers and acquisitions.

About OMNIOUS.AI

OMNIOUS.AI is a visual AI solution for established enterprises and growing e-commerce businesses alike. Founded in Korea in 2015, OMNIOUS.AI aims to achieve complete automation for retail businesses by developing never-before-seen AI solutions. OMNIOUS.AI's contributions to online fashion businesses, e-commerce companies, and retailers were awarded in 2020 when they were selected as the grand prize winner in the startup sector at the 30th Korea Textile and Fashion Awards. The growing company strives to hyper-automate retail through AI. For more information on OMNIOUS.AI's solutions please visit [OMNIOUS.AI](https://www.omnious.ai).

About the OMNIOUS TAGGER

The OMNIOUS TAGGER automatically provides approximately 1,000 detailed product attributes with a maximum of 13 different attribution classifications like colors, styles, prints and etc. in clothing, shoes, bags, jewelry to fashion accessories by identifying specific products information in images. OMNIOUS TAGGER's deep AI image detecting technology tags fashion attributes allowing retailers to improve the product discovery process. Unlike other auto-tagging solutions, the OMNIOUS TAGGER detects images and tags within 0.5 seconds with a 95% accuracy rate. Combined with customer data, the OMNIOUS TAGGER utilizes augmented product attributes to make hyper-personalized product recommendations.

About the OMNIOUS LENS

The OMNIOUS LENS is an intuitive visual discovery solution that increases customers' purchase rates by automatically scanning items of interest and recommending similar products to shoppers. Featuring smart camera search, the OMNIOUS LENS allows customers to upload photos and discover similar products on retailers' websites.

Contact Information

To learn more about how your store can benefit from OMNIOUS.AI solutions, please email [business@OMNIOUS.AI](mailto:business@omnious.ai) to contact an OMNIOUS.AI representative directly.