Hewlett Packard Enterprise

Westwing styles its business with big data

HPE Vertica enables faster, more sophisticated market insight

WESTWING
HOME AND LIVING

Use case
Customer analytics

Industry
eCommerce /Retail

Challenge
Improve business-critical analytics capabilities to support faster and more nuanced understanding of customer needs, preferences, and behavior.

Company overview
- https://www.westwing.de
- Headquarters: Munich
- Founded: 2011
- Employees: 1600

Background

Of the many ways the Internet has transformed retail shopping, the most dramatic may be the emergence of online shopping clubs: sites that offer consumers opportunities to purchase beautiful products at deeply discounted prices.

Today, Westwing Home and Living, which realized €183M in revenue in 2014 by its third full business year after launch, is a leading example of this e-tail niche. Founded by Delia Fischer, former editor at *Elle* and *Elle Décor,* Westwing is a "shoppable magazine" of chic and stylish home accessories and furniture. It rotates its virtual inventory daily, to keep its site fresh and inspire its members with an ever-changing shopping environment. The HPE Vertica Analytics Platform enables Westwing to connect with consumers, understand them better, and entice them to visit and interact with its online store.

Fast decisions needed on enormous data sets

The heart of Westwing's online presence is its online club, where registered members can read about trends in home décor and browse a vibrant portfolio of home furnishings. Westwing combines this enticing online environment with a flash sale model: Westwing products are only available for a limited time. Members receive periodic emails with news about the company's sales. The emails remind members to return to the site— or they might miss the chance to purchase that day's featured items.

The more detailed and nuanced Westwing's understanding of individual members, the better equipped the company is to deliver a shopping experience tailored to that member's needs and interests.

Westwing must also pay close attention to the effectiveness of its email and sales campaigns so that it can continually improve that effectiveness. "It's crucial that we understand fast and early how our campaigns and products are received by our members," explains Thomas Ruetzel, Global Head of Business Intelligence at Westwing.

To achieve these objectives, Westwing has two related obstacles to overcome. It collects enormous amounts of data with nearly 800,000 active buyers worldwide. Each time a member opens an email or visits the Westwing site, the interaction generates dozens or hundreds of data points.

The second obstacle is time. Westwing can't afford to wait for days to see the results of its data queries. It needs to understand very quickly how members respond to emails or changes to the company's portfolio.

Customer at a glance

Industry
eCommerce/Retail

Primary software
• HPE Vertica

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"We especially like HPE Vertica's speed and performance."

- Thomas Ruetzel, Global Head of Business Intelligence, Westwing

That's where HPE Vertica comes in. By supporting fast queries, HPE Vertica allows Westwing to gain insight into member responses to its email campaigns and website in near real time.

"Being a fast-paced ecommerce company, we require very fast analytics," Ruetzel says, "and this is one of HPE Vertica's key strengths."

Westwing also found HPE Vertica very easy to scale—another important consideration. "We are growing very fast, and so is our data volume and our need for data analytics resources," notes Ruetzel. "With HPE Vertica, when we need more capacity, we just set up a server and add it to a cluster, and that's it. We're done."

The company is pleased with HPE Vertica's intuitive user interface and the ANSI-compliant solution which ensured Westwing's analysts and other users were able to adapt to the new solution quickly. In the future, Westwing plans to leverage Distributed R for even more value.

Driving growth through Big Data analytics

Cultivating a deep and nuanced understanding of shopping club members' needs and preferences is fundamental to Westwing's overarching strategic focus. This core capability enables the company to fine-tune its customer interactions and product portfolio, making it critical to the company's ability to deliver an exciting experience to members and capitalize on technology trends including the use of smartphones. It is, in other words, the differentiator that helps Westwing keep its competitive edge.

By nurturing this core competency, Westwing has achieved annual revenue growth of 66% in 2014. With HPE Vertica enabling accelerated data queries, Westwing continues to drive improvements within its analytics environment—an achievement which will support even more impressive growth in the future.

Results

• Near real-time insights into member response to email campaigns and product offerings supports agile marketing and maximizes revenues

• Speed of analytics easily more than one order of magnitude higher

• Scalability ensures analytics resources can grow quickly, aligning the Big Data platform with the company's overarching corporate strategy

About Westwing

Westwing is a leading international eCommerce company for Home & Living. The company offers its members in daily sales beautiful home accessories and furniture. Headquartered in Munich (Germany), Westwing is active in 15 markets across three continents and employs more than 1,600 people worldwide. The company was founded in 2011 by Delia Fischer, Georg Biersack, Matthias Siepe, Stefan Smalla and Tim Schaefer. In fiscal year 2014, Westwing grew to EUR 183 million in revenues (previous year: EUR 110 million). Investors such as Access Industries, Fidelity Worldwide Investment, Investment AB Kinnevik, Odey, Rocket Internet, Summit Partners and Tengelmann Ventures, have funded the company. Westwing is active in Austria, Belgium, Brazil, the Czech Republic, France, Germany, Hungary, Italy, Kazakhstan, the Netherlands, Poland, Russia, Slovakia, Spain and Switzerland.

Learn more at
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