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Sunglasshut.OPCJ

Executive summary

The e-commerce sector has undergone remarkable transformations in recent years, driven by the **increasing** importance of digital technologies and shifts in consumer behavior. COVID-19, for instance, prompted a significant inclination towards online shopping. Therefore, in response to the growing dominance of e-commerce, brands have been driven to innovate their business models and progressively adopt omnichannel strategies. However, this progressive shift was not meeting the crucial customer demands for firsthand product appraisal through visual and tactile engagement. At the same time, it was creating a less personal experience, which could potentially harm real human connections. In contrast, traditional brick-and-mortar establishments adeptly cater to both dimensions. Consequently, the notion of 'phygital' experiences has emerged as an imperative for retailers dedicated to crafting seamless, integrated customer journeys.

With the digital boom disrupting traditional retail paradigms, Sunglass Hut, the world leader in specialty sunglasses and part of the Italian-based Luxottica Group, recognized the imperative to adapt to the new trend asking the Alta Scuola Politecnica team to develop a strategy that could seamlessly merge the attributes of both virtual and physical realms, fulfilling the customers' desires for an encompassing user experiences.

Hence, exploiting the potential of cutting-edge digital technologies like Artificial Intelligence, and the widespread use of social media, emerged from the trend forecasting conducted in the first phase of the process the team focused on developing new interaction opportunities, such as personalization and immersivity. This vision was shaped by the changing preferences of consumers, moving away from simple transactions toward more immersive and enriching shopping experiences, as revealed by the team's in-depth analysis.

Indeed, this phase first involved the examination of the current landscape before the implementation of any strategic changes (analysis of the brand's positioning, core values, and a comprehensive study of competitors through which the team recognized the need for an enhanced online customer experience with a strong community-oriented dimension) to then shift towards a multifaceted endeavor, leading to the development of detailed customer personas and their unique needs, which were then synthesized into a comprehensive driver matrix.

To achieve this, a variety of design tools and methodologies were employed, including interviews, storytelling diaries, and trend forecasting. Ultimately, these efforts culminated in the formulation of the new strategy which focuses on improving the customer journey in two distinct ways, setting the brand apart from competitors.

The first implementation, Sunny Stylist, consists of a virtual stylist service that aims to radically innovate the way people interact and navigate within an e-commerce website, providing a highly personalized experience through the integration of a conversational AI based on Large Language Model which, through textual input, dynamically generates a in real-time custom assortment of products, according to what was asked to the application.

The second one, House of Sun, builds its foundation on the significant changes in how brands and consumers relate to each other. Indeed, this connection now goes beyond just buying a product, involving a complex system of values and emotions intrinsic to the brand's identity. The House of Sun aims to offer, upon registration as a part of the brand community, a series of additional elements to the Sunglass Hut website, such as the implementation of a sunglass exchange service, the organization of online and in-person events and workshops, and a selection of exclusive content to be enjoyed while browsing the website, aimed at both enriching the shopping experience and engaging the customer in the stages following the purchase itself.

The House of Sun embodies a comprehensive strategy that resonates with the growing emphasis on community-centric brand strategies, aiming to expand the actual community program of the brand. Undertaking a comprehensive dissection of the process, the report goes beyond the chronological delineation of each step involved and explores the reasons behind why particular solutions were being considered.

Therefore, a pronounced emphasis is directed toward the scrutiny of the methodological underpinnings that lead to the formulation and evolution of the proposal. Hence, situated within the context of Alta Scuola Politecnica, it becomes imperative to underscore the project's departure from a rigorously engineering-centric modus operandi: indeed, rather than solely concentrating on creating a working prototype, the project aimed at exploration and future-oriented innovation.

This involved a systematic exploration of a wide range of solutions and the cultivation of a perspective that seamlessly integrated emerging trends with the rich history of Sunglass Hut's brand. This approach resonates with the project's inherently heuristic orientation, further underscoring its exploratory and innovative character.

Key Words

- Community-Centric Branding
- Digital-Physical Integration
- Omni-Channel Experience

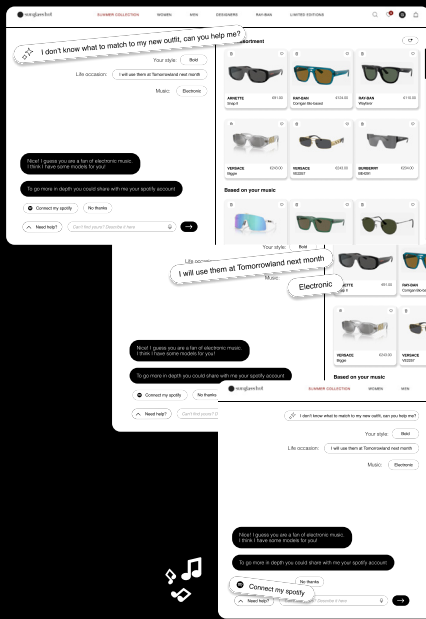
Sunglass Hut

Online Product Customer Journey

Sunny Stylist

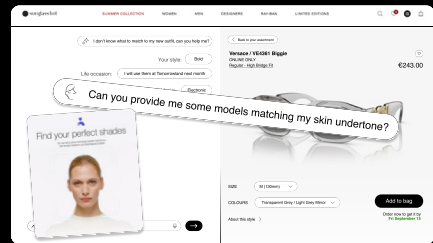
Hyper-personalization

An interactive interface that guides the users in frames' discovery and comparison based on their own unique needs and features



Guidance starts from the user conversation
The users decide the kind of information relevant to how they want to present themselves for style guidance.

Conversational AI Based on LLM
The user creates a self-made profiling by conversating with an AI digital assistant and receives real-time assortment of products



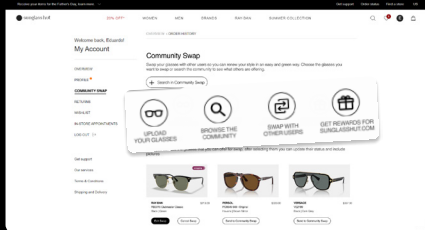
Facial Detection Feature
Presents the customer with a selection of models to be filtered according to 6 pre-set style categories

External Data Use
Possibility to import data from social networks for fine-tune suggestions

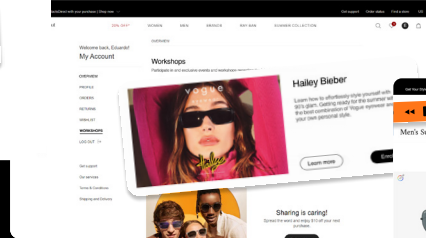
House of Sun

Community Belonging

A phygital community that bonds people together around the brand values. It offers services and shared experiences to swap, personalise sunglasses and learn how to evolve personal style

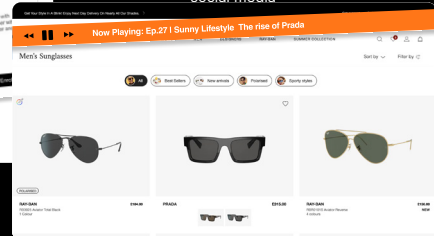


Community Swap
Exchange glasses bought at Sunglass Hut with other customers to increase customer loyalty, embrace the Vintage trend and sustainable consumption habits.



Workshops & Events
For registered users only, it offers exclusive online and offline experiences. It requires online enrollment.

Sunny lifestyle
Digital archive of contents such as podcasts and videos for the community, constantly updated, to be enjoyed on the website or social media



Two **socio-cultural** values,
One **human-centered** strategy



Project description written by the Principal Academic Tutor

"Sunglass Hut is a world leader in specialty sunglasses, we believe in the freedom of self-expression, inclusivity and authenticity, which is why we bring exclusive styles of high-quality fashion and performance sunglasses to all."

The e-commerce realm is today fundamental for brands and retailers, building community, rooted in storytelling and promoting targeted product offers. Ecom offers a non-stop shopping experience with a global reach, giving brands a digital tool for targeting and engaging with consumers.

The global Covid-19 pandemic drastically changed peoples behaviours and attitudes associated with the shopping experience. The rules, methods and options around how, why and when people shopped and where (online/physical) completely shifted and evolved based on necessity and newfound needs (Millennials/Gen-Z/Alpha). With the proportion of online sales set to reach 25% by 2025, up from 10% in 2018, online interactions will influence all purchases in the years to come. In this global scenario EssilorLuxottica's own websites have grown +80% vs. 2019, with Ray-ban.com, Oakley.com, and Sunlasshut.com at a double-digit pace. Since the e-commerce realm is quickly and constantly changing, identifying innovative, precise and engaging strategies for connecting with consumers, becomes a priority. Therefore, one of the main goals of this project right from the start was to better understand the current behavioural shifts of consumers of Sunlasshut.com.

In order to do so, the team carried out extensive research identifying and describing new clusters and potential consumers that are compatible with Sunglass Hut values in the e-commerce context, after deep diving into the brand values and universe of SNGH.com. Thanks to a strong interpretation of the research findings, the team was able to identify the most relevant phenomena in terms of material culture, emerging in fashion, beauty, social media and so on, adopted by the new clusters and influencing on-going trends in aesthetics and communication on a global level, online and offline. The ability of the team to incorporate human-centred design principles at an early stage, proved to be profitable, allowing the interpretation of appropriate product stories and categories for the specific digital context, as well as the envisioning and evaluation of different ideas and solutions that can be developed and implemented both online and offline.

The final proposal reflects the strategic approach adopted in every single stage by the multidisciplinary team: the *Sunny Stylist*, an interactive interface for personalized style guidance of the users, possible thanks to an AI digital assistant, a service that is complementary to the *House of Sun*. The latter is a service addressed to the Sunglass Hut registered customers, that envisions a phygital community that have the benefit of brand related experiences, from the possibility of personalized sunglasses to community swap facilitation, and from workshops and events to digital contents to be shared and enjoyed by the members of the community.

Overall, the new business strategy proposed, does not only improve, constantly, within a fast-changing context of societal trends, the customer journey, but opens a threshold of future-oriented innovation for Sunlasshut.com.

Team description by skill

A multidisciplinary, international team comprises seven members, with six students hailing from the design field and one from engineering. The design experts spearheaded the creative process, leveraging their proficiency in managing design-driven projects. They excelled in activities ranging from communicating with stakeholders to employing robust research methodologies and design tools. Conversely, the engineer played a pivotal role in evaluating technical feasibility, functionality, and efficiency of proposed ideas.

Specifically:

- Aesthetic research, communication, and storytelling were primarily overseen by the Communication, Fashion, and Interior designers.
- Coolhunting and trend forecasting were collectively undertaken by all team members, given their novelty to the team.
- User research, user experience design encompassing personas and journey mapping, and user interface development were the areas of expertise for the Product Service System designers and the Design and Engineering student.
- Competitor analysis, technical feasibility assessments, and the study and selection of technologies were predominantly carried out by the Design and Engineering student, with valuable contributions from the engineer, who possessed expertise in web and Artificial Intelligence languages.

Goal

The overarching objective of this design-driven project is to enhance the online and offline customer experience for Sunglass Hut. Achieving this goal necessitates a forward-looking approach, with solution proposals grounded in anticipation of future sociocultural trends, feasibility, and adaptability over time.

In particular, the project aimed to accomplish four sub-goals:

- **Persona Development:** Identifying new consumer clusters and analyzing them through persona development to identify opportunities based on potential clients' needs and desires.
- **Innovative Product Assortment:** Proposing methodologies to manage the extensive and ever-evolving product assortment, comprising approximately 4,500 products available on the e-commerce website. The objective is to establish a more comprehensive alignment between product selection criteria and customer clusters, thus creating a more "people-driven" product assortment.
- **New Editorial Approach:** Defining an editorial storytelling strategy that aligns with identified trends in aesthetics, communication, and value preferences of different personas. The strategy adheres to specified parameters related to the brand's communication direction, aiming for freshness, appeal, specificity, and marketability.
- **Future Trends Innovation & Implementation:** Conducting coolhunting and future trends research to gather insights into aesthetic, communication trends, and technologies for implementing proposed ideas and guiding the brand's communication strategy. These insights stem from the 4P methodology, which investigates people as consumers, places as digital and physical contexts, plans as industry directions, and projects as interrelations defining new business opportunities.
- These sub-goals are integral in developing solutions that address the intricacies of contemporary fashion system sales dynamics and the multifaceted customer experiences during shopping.

Understanding the problem

The rapid growth of e-commerce, propelled by digital technologies and shifts in consumer behavior, further accelerated by the COVID-19 pandemic, has led to a significant shift in consumer behavior and a substantial increase in online shopping. The challenges facing the current retail system of Sunglass Hut in connection with this trend are as follows:

- There is a need for omnichannel strategies since consumers still have unmet needs for physical experiences like seeing and touching products, which traditional stores provide.
- The importance of integrating physical and digital retail spaces into cohesive "phygital" experiences to ensure seamless customer journeys.
- Leveraging customer data across channels provides valuable insights into behavior for personalizing offerings, marketing, and enhancing customer satisfaction and decision-making.
- The growing importance of improving the online user experience through digital technologies like AI and VR to engage customers and provide tailored experiences. Although the brand offers some virtual tools for suggesting frames, it appears to provide a less meaningful and personalized experience for the customer.
- There is a strategic need to create spontaneous, engaging experiences across all touchpoints to establish emotional connections with customers, cultivate relationships, and foster brand loyalty through phygital communities. Sunglass Hut aims to become a reference in the sunglasses market by offering a wide range of products to cater to various preferences. However, it currently appears impersonal and does not effectively communicate its values and offerings. This issue is compounded by an outdated classification of customer personas that does not align with the diverse profiles and behaviors of both online and offline customers. This misalignment is particularly pertinent as the brand seeks to target Gen Z and Millennials, the majority of whom engage in online shopping.

In summary, the primary issues revolve around adapting to the rapid growth of e-commerce, merging physical and digital experiences, utilizing customer data for more personalized experiences, enhancing the online experience through technology, and strategically engaging customers across various channels.

Exploring the opportunities

Recognizing the significance of customer engagement and the evolving landscape of consumer preferences during our research and requirements definition process, we identified a dual-fold challenge. Customers today aspire to connect with brands on a more personal level and be part of a larger community, while simultaneously cherishing the convenience of online shopping and the personalisation of in-person customer service. This presented a unique opportunity to align our strategies with the brand's goal of seamlessly merging offline and online experiences. We pinpointed two areas within the current strategy that required further attention: the brand's online presence and strategy beside the e-commerce, where we adopted a community-oriented approach to foster brand loyalty and recognition, following the footsteps of other successful brands in the fashion system while also taking into consideration emerging values as environmental-sensitiveness; and a tool from the Sunglasshut website itself, the virtual try-on, which required refinement. In particular, to enhance the latter, we explored the potential of AI, riding the wave of this technological boom to position the brand as a forward-thinking, high-tech entity. These insights formed the foundation of our innovative solutions

Generating a solution

The first implementation, Sunny Stylist, consists of a virtual stylist service that aims to radically innovate the way people interact and navigate within an e-commerce website, providing a highly personalized experience through the integration of a conversational AI based on Large Language Model which, through textual input, dynamically generates a real-time custom assortment of products, according to what was asked to the application.

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