

Intelligent Technology & Automation In Resale Industry

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I. Resale Retailers, Outlook and Growth

According to Michael Maloof, senior director of marketing for Earnest, consumers are becoming more comfortable buying secondhand clothes and accessories. Earnest Analytics reported that 19% of secondhand clothes sales took place on Poshmark in March, making it the leading digital platform for fashion resale. As of March 2023, RealReal was the second-largest digital resale marketplace by sales, earning 14%.

II. Resale Retailer Advantage.

The largest resale retailers use a variety of technology, from online auctions & bidding to goods validation and verification. Here are some of the key reasons why resale retailers are preferred.

1. Cost advantage. Even though one can always buy new goods or items based on their budget, sometimes a particular brand cannot be replaced or compromised, but can't be afforded because of economic constraints. In the case of Plantar Fasciitis or other foot problems, shoes with memory foam or advanced technology may be necessary, which can be costly. As a result, Resale retailers are able to provide an array of options, including items that have been sparingly used but are still in good condition.
2. Many countries and cultures have weddings or other occasions such as proms or graduations that demand outfits only worn once or twice, which is where resale retailers come in handy.
3. Celebrity auctions of used goods for various causes can also be a platform used by resale retailers.
4. Resale retailers may also be able to obtain some products which have been discontinued by manufacturers for various reasons.
5. Used goods can also be bought and sold at resale retailers, enabling seamless flow of used items.

III. Intelligent Retailing

Enhancing the resale retail experience with Artificial Intelligence and Machine Learning.

It is very common nowadays for companies that rely on online sales to use some kind of artificial intelligence (AI) technology. AI and machine learning (ML) have a significant impact on the retail industry. In addition to storage logistics and post-sale customer service, big players like eBay, Amazon or Alibaba have successfully integrated AI across the entire sales cycle.

We will investigate how resale retailers can enhance revenue and outreach by leveraging Artificial Intelligence and Machine Learning. Regardless of whether a retailer is new or resale, the primary objective is to maximize sales and outreach. However, there are still a few differences in the way technology can be leveraged to achieve this goal.

Optimizing resale product prices.

Resale goods can be priced based on their original cost price less the price they deduct depending on how quickly they want to sell them. In addition to these factors, there can also be other factors that influence the price, such as availability, demand, and brand value. On the basis of searching for the same product with the same specification, AI and ML can be used to compare the price of the item and its demand. Resale retailers also offer the option for buyers to bid or place an offer, so AI and ML can provide information on pricing, availability & demand to both buyers and sellers. An algorithm can be built based on search for a particular brand, size, model, color, and other attributes that have direct bearing on price, and a range can be suggested. AI and machine learning algorithms can be used to leverage existing data and to incorporate inputs from search engines. In addition, seller alert messages can be configured to show exception messages like low or no demand in the past, encouraging the user to consider an effective pricing strategy to sell the product faster.

Evaluation of the product's suitability.

According to reviews posted, AI & ML can also help users find the exact product they are looking for. Resale buyers can use this information to find discontinued products or products without a detailed catalog, which

may be valuable to them. The product validation team of resale retailers can train AI to output products based on search criteria by buyers to improve the buyer experience. It is possible to incorporate additional technologies like Natural Language Processing and Image Matching to present the buyers with the best product match at an affordable price. For example, denim can be altered by users before resale, and this may be the good that buyers want.

Faster shipping and disruption prediction with AI.

Resale retail also presents the challenge of predicting the time from the time the sale and purchase process begins to the time the product is delivered to the customer. Resale retailers may face this challenge for some specific merchandise that needs to be delivered sooner due to customer urgency. As an example, a prom dress can be purchased at the last minute just days before the prom. With AI & ML, it is possible to predict the approximate delivery time while incorporating past data and accounting for all disruptions, such as weather or other events.

The use of AI & ML to enhance the security of resale marketplaces.

By utilizing AI-based cybersecurity systems, you can not only determine what can be used to attack your enterprise, but also what is likely to attack any enterprise. Information security programs can be made stronger based on the use of artificial intelligence.

Redefining the web portal to enhance the user experience

The resale e-retail experience is being customized by mobile and digital portals to reflect the context, previous purchases, and shopping behavior of the customer. As an artificial intelligence system evolves, it creates hyper-relevant displays for every interaction with a user.

The ability to chat and message online.

Buyers with high end luxury brand purchases have many questions about the product and its conditions, so resale retailers need to provide accurate information. Bots based on artificial intelligence can not only increase response time but also prove economical. Besides storing bot conversations, algorithms can also be improved to provide a better user experience.

IV. Conclusion.

The resale industry is poised for growth in the coming years. Depending on the right pricing and economy, resale retailers may be agnostic to recessions. As retailers, resale retailers will also need to innovate and adapt to stay competitive and offer seamless customer experiences, while keeping a healthy margin to grow and sustain.

Reference

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