

ModernRetail Awards



Deals and discounts aren't enough to drive retail sales anymore. As varied as the categories and the entrants themselves, the winners of Digiday's Modern Retail Awards this year clearly understood that pursuing quality customer experience is the only path to success.

Take Alto Pharmacy, for example. The hybrid digital-physical brand used technology to streamline the cumbersome prescription fulfillment process for its customers across 15 U.S. cities. It used tech for practical, helpful purposes, avoiding bells and whistles that impress at first glance but often lack long-term use.

Similarly, Stitch Fix, an online shopping subscription service that offers customized styling, raised the bar on personalization. Stitch Fix's artificial intelligence-powered tech took customers' explicit and implied preferences into account, better serving shoppers with personalized fit, feel and size information for their upcoming store visits.

This year's Modern Retail Awards winners also reflected consumers' changing tastes. For example, younger imbibers have increasingly

expressed a wish for alternatives to wines and alcoholic cocktails. Boisson, an omnichannel non-alcoholic beverage retailer and distributor, met the moment perfectly by listening carefully to that sober-curious signal. Meanwhile, Vita Coco's launch of The Hangover Shop showed that health-conscious drinkers were ready for playful appeals around reviving after a wild night, even offering a sweepstakes competition for a chopper ride to aid recovery.

Even the winners operating behind the scenes leaned into customer experiences. For instance, fulfillment systems operator Quiet Platforms worked tirelessly to help sports merchandising retailer Fanatics connect "lost fans" who were far from their home teams with lightning-fast delivery of their jerseys and hats, athletic gear and more.

All this year's honorees offer lessons to marketers. Chief among them: solving customers' problems with simple solutions, creating personalized experiences that respect people's privacy and their shopping needs and upholding values like inclusion and sustainability wins not only awards but also customer loyalty.

Best Back-End E-commerce Technology | Lily AI



Background

Lily AI's product attribution platform lit up retail e-commerce spaces last year with a language lesson. In a bid to grammarians and editors, Lily AI's program replaces non-SEO descriptions and keywords with everyday speech. Using AI to identify and translate legacy taxonomy into searchable language, the technology allows brands to make these changes across their existing retail stack without taking away anything already in use. Aside from speaking like consumers, Lily AI uses image recognition to extract attributes that retailers can assign to each product. The visuals reflect fit, style, occasion, and embellishments. SEO is a science, but in Lily AI's hands, it's also a down-to-earth art.

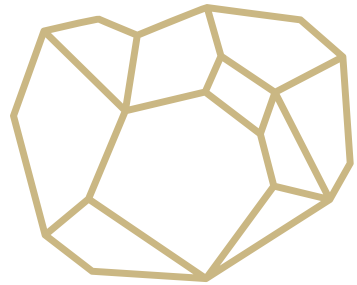
Insights

Seven of the top 25 fashion retailers in the world use Lily AI, including Bloomingdale's, The Gap, and ThredUP. They reported it boosted revenues, site conversion, order size and full-margin sales. ThredUP increased its product sell-through rate by 15%. Other retailers reported annual revenue increases of 8–9 digits, and one sizeable multi-brand apparel and accessories retailer boosted topline revenue by \$7 million to \$48 million.



Best Brand Collaboration

TRUFF + Hidden Valley



Background

TRUFF's truffle-infused hot sauces have worked their appeal on gourmards; the established mass-market Hidden Valley's salad dressings have been a family staple for years, especially for its popular ranch products. Together, they launched TRUFF x Hidden Valley Spicy Truffle Ranch. It's a high-low marriage that plays off TRUFF's disruptive luxury prestige, which gives the homey, picnic-loving Hidden Valley ranch some fresh cachet. The fan-driven collaboration resonated with both brands' audiences. A pre-launch campaign relied on building momentum through social media activations and a highly selective mailer. The effort received widespread media attention from Good Morning America and Food & Wine magazine, spurring consumers to sign up for the waitlist.

Insights

For the launch, TRUFF x Hidden Valley Spicy Truffle Ranch was issued in a lux 18-ounce magnum bottle housed in a green and gold foil VIP box. That package and a savvy campaign mixing traditional radio and broadcast with influencer-driven social media on both brands' channels quickly amassed 114.6 million social media impressions. The August 30 release of the magnum on TRUFF's website sold out in less than a minute.



Best Community Building Strategy

Vita Coco

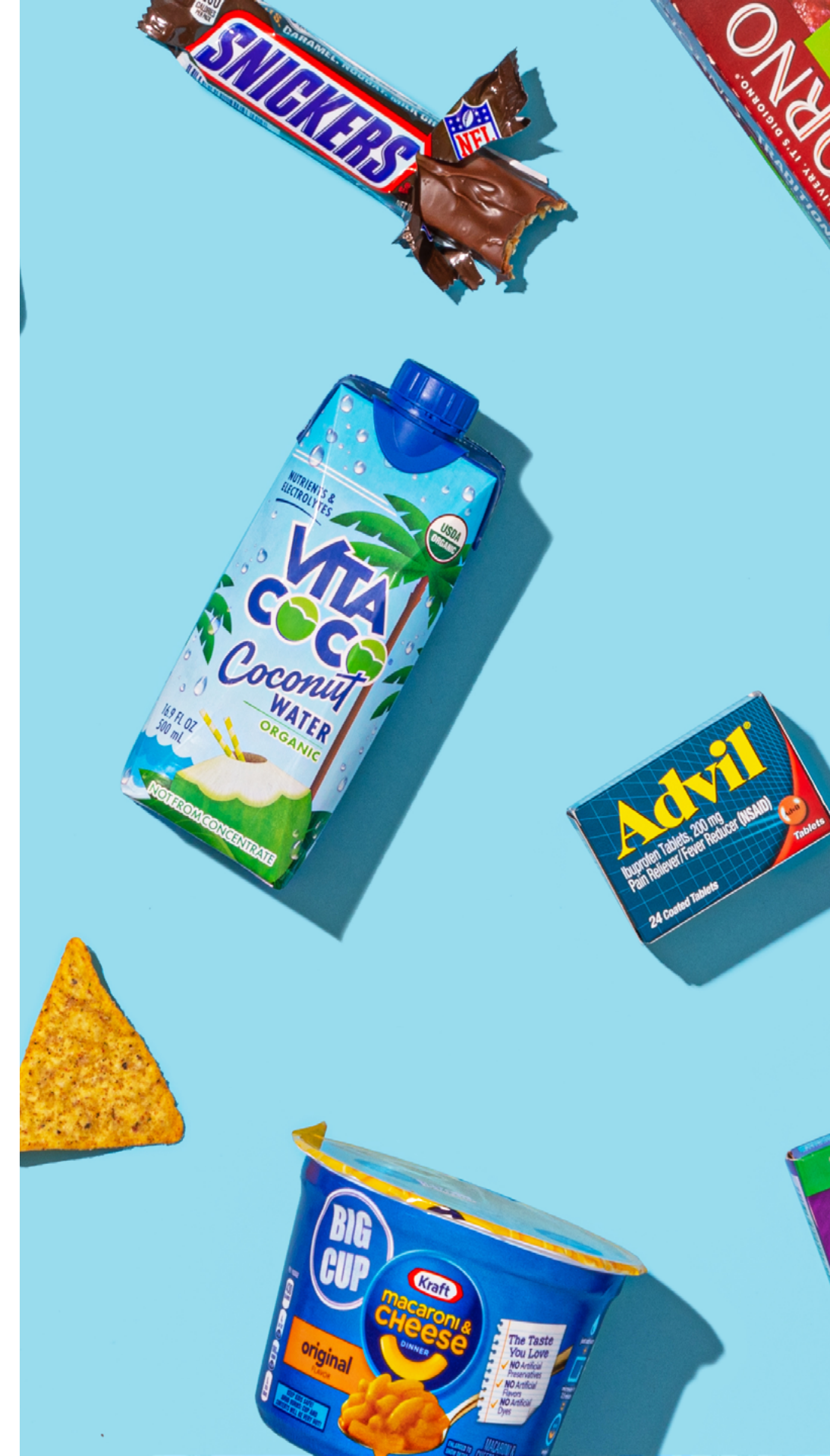


Background

Even a health-conscious individual can overdo it on special occasions. And while coconut water is a part of a sound hydration program, it also mixes well in cocktails. That can have some coconut fans in need of hangover cures. Vita Coco decided to cover their customers during all three stages of tipping, so it introduced The Hangover Shop. Partnering with popular delivery services, Vita Coco invited customers to get all their hangover essentials delivered in minutes, offering discounts for essentials like Advil, frozen pizza, chips and Pepto Bismol, along with (of course) ultra-hydrating coconut water.

Insights

The Hangover Shop's all-gain/no-pain promotion took a four-pronged approach, including traditional PR, out-of-home, social media and influencer marketing. Vita Coco also had a fun giveaway ride: The Hangover Chopper. Publicity for the ride won 33,000 views across social channels. The Hangover Shop grew into more than a digital storefront; Vita Coco has transformed it into a subscription service. Consumers can now schedule shipments in advance of any major holidays, parties, or late nights.



Best Customer Insight Strategy

Intuit Mailchimp



Background

When New Zealand-based Six Barrel Soda wanted to grow direct-to-consumer sales, it turned to Mailchimp for its lauded marketing and automation messaging platform. Mailchimp also provided Shopify integration. The collaborative campaign featured a series of visually appealing newsletters, displaying photos of Six Barrel's novel soda flavors, charming how-to-use instructions, recipes, and limited-edition releases. Mailchimp ensured that emails were sent to a targeted list of subscribers with content customized to New Zealand and Australian customers. The email content was informative and engaging, providing details about new flavors and limited-edition releases.

Insights

Six Barrel was determined to ditch all spreadsheets and focus on making fun soda flavors and carbonation products. The Mailchimp-Shopify integration allowed them to do this while growing their audience by up to 1061 new contacts. Using the integration, the average revenue generated per email campaign from December 2021 to April 2022 reached \$1,426 (\$NZ). Meanwhile, click-through rates and revenue tracking were generated for the soda company, providing engagement insights and boosting their marketing strategies.



Best Customer Service Experience & Best E-Commerce Experience

Alto Pharmacy



Background

Alto Pharmacy managed to turn the often challenging prescription fulfillment process into a smooth sail. Taking the lead in both customer service and e-commerce, the pharmacy automated the prescription process. Its promise was a seamless customer experience. The restructured fulfillment system allowed Alto to offer home delivery, medication synchronization and refill reminders – all managed through its app or website. The digital platforms further ease shoppers' pain by showing competitive pricing and a wide range of accepted insurance plans. Alto's team of pharmacists and customer service representatives are also available to answer questions and provide support.

Insights

Alto's convenient access across platforms erased the frustration felt by patients and customers forced to negotiate numerous outdated retail sites for affordable options. Its goal of inclusivity was realized by ensuring customers ready access to all goods and services regardless of physical ability or immunocompromised status. To date, its automated system has provided over \$120 million in savings, resulting in a rate of prescription adherence that is 40% higher than the industry average.



Best Digital Transformation

Floor & Decor + Astound Commerce

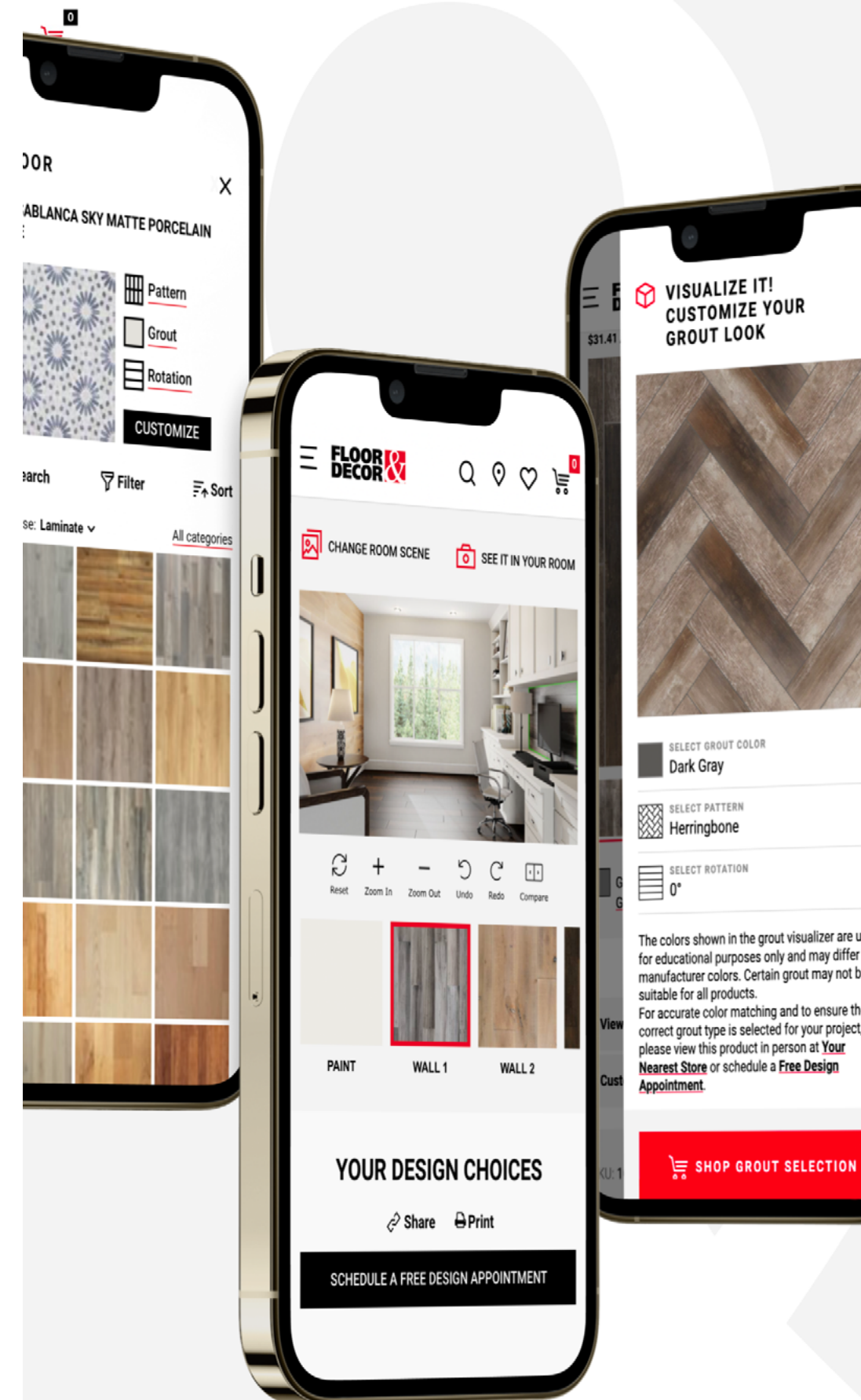


Background

Floor & Decor is a leading big-box retailer specializing in hard-surface flooring and accessories. The company was named one of Fortune's 100-fastest growing companies, partly due to pairing a ubiquitous brick-and-mortar presence of more than 170 stores to date with e-commerce. It partnered with Astound Commerce in 2022, updating the retailer's site's architecture and design to better serve its high-end class of home-owning customers and a client pool of professional contractors. The digital makeover enchanted homeowners with community-driven inspiration, how-tos, sign-ups for design consultations and an AR visualization tool. Meanwhile, contractors can save and share projects, track rewards, schedule delivery and pick-up, and use the site's flooring calculator.

Insights

The Astound Commerce redesign of Floor and Decor's site boosted customer acquisition, conversions (+15% on mobile and +7% on desktop), and site performance (8-10-second average page speed improvement) and resulted as well in a dramatic reduction of customer service calls, indicating that the new functionality is enhancing customer experience and satisfaction.



Best Email Campaign

DSW + Movable Ink

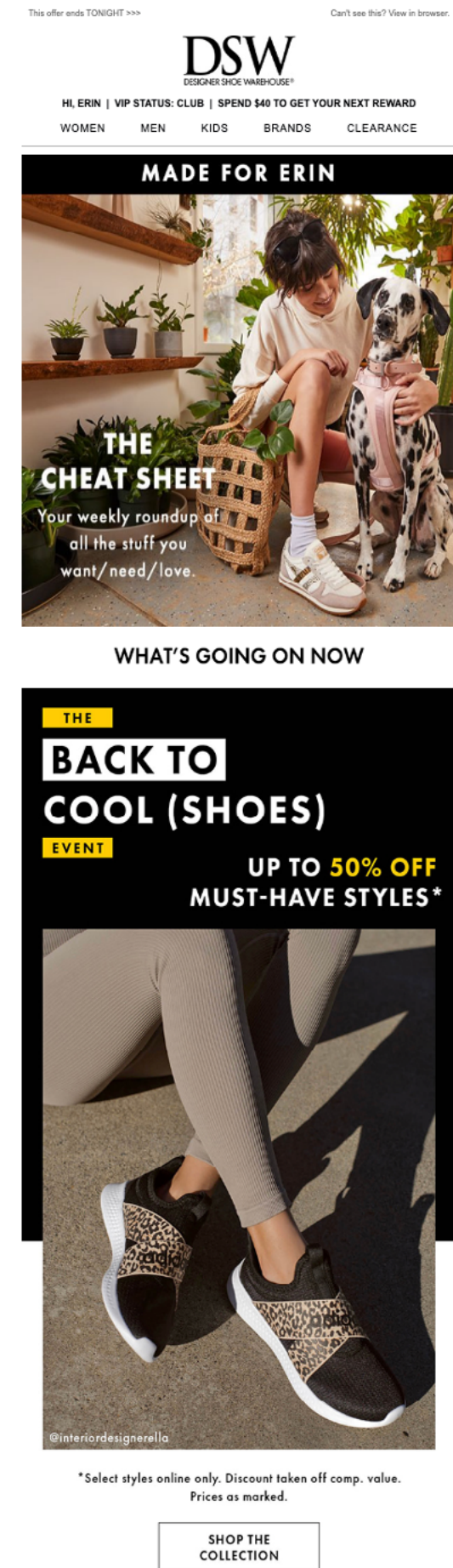


Background

Fashion retailer DSW recognized that consumers have little tolerance for irrelevance in their inboxes. So DSW revamped its 'Sunday Send' email campaigns. Its automated messages homed in on each recipient's name and gender – it even noted the weather recipients might be experiencing. The emails also address gifting, pulling information from past purchases for an even more thoughtful welcome. Spotlighting relevant options for individual customers helped them find, choose and purchase from the variety of products offered by DSW.

Insights

The new 'Sunday Send' created a truly personal shopping experience that promoted new arrivals, best sellers and top-rated items – all but making selections for each shopper. The mailers generated a +3% click-through rate increase year over year.



Best Fulfillment Strategy

Quiet Platforms

Background

Fulfillment is the unsung hero of e-commerce. Between the moment a consumer hits a button to purchase a product and when the package is delivered or picked up, fulfillment is the magic connecting those two points with clarity and accuracy. In that sense, Quiet Platform's name perfectly sums up the role of successful fulfillment. The consumer doesn't even notice it when it works, but retailers do, especially in times like 2022, when the supply chain appeared irredeemably broken. That's when sports merchandising brand Fanatics turned to Quiet Platform to create a same-day or next-day delivery service for local fans to accelerate Fanatics' growth trajectory.

Insights

Fanatics focused on attracting "displaced" devotees who live hundreds, even thousands of miles away from their home team, bringing distantly located fans same-day or next-day delivery of sports apparel. That meant up to 70,000-80,000 parcels were sent weekly to Boston, Atlanta, St. Louis, Dallas and Chicago. When the retailer expanded delivery in the latter two cities, Quiet Platform's open-sharing protocols kept the deliveries coming quickly. Ultimately, Quiet Platform saw its gross merchandise value increase 300% from \$2 billion to \$8 billion, with 237% in revenue growth.



Best Influencer Collaboration

Pearpop + Amazon

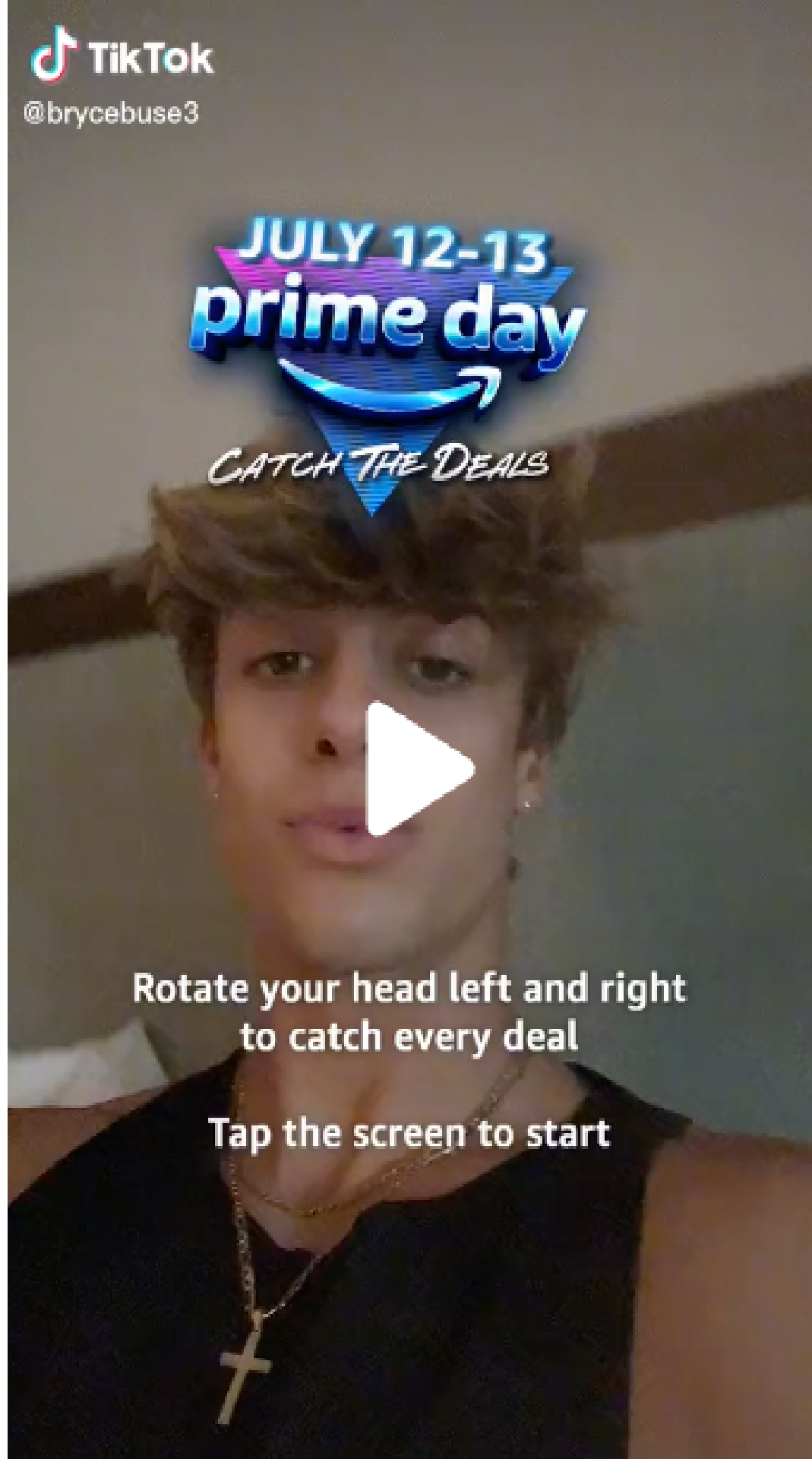


Background

Amazon partnered with influencer marketing provider Pearpop to bring attention to its annual July Prime Day event. Pearpop responded with the Prime Day 'Dream Deals' Challenge. Amazon started the campaign by partnering with 10 mid-to-macro tier creators who created gamified videos that spurred users to collect items they would buy on Prime Day. The starter projects included a sound bite of "Get Into My Cart" by Jon Batiste. Pearpop creators were then invited to harness these elements for TikTok videos. To participate, creators had to follow @Pearpop on TikTok and @Amazon on Instagram and create a TikTok video showing off their favorite Amazon purchase using the hashtag #DreamDealsChallenge.

Insights

The smoothly orchestrated campaign and well-curated videos made it easy for Pearpop creators to produce 165 fun and competitive submissions that were well-received in the TikTok community, garnering a total of 28.1 million views and exceeding all benchmarks across views and comments.



Best Marketing Pivot

The Sak + January Digital

the sak

 JANUARYDIGITAL

Background

In 2021, The Sak overhauled its 30-year-old profile, introducing updated styles, a renewed marketing focus on sustainability and even a new logo. They also updated their website and created new digital assets to appeal to women 30 and over, seeking to add them to their loyal 60-plus demographic. It tapped its digital agency, January Digital, to develop a marketing strategy that would retarget and convert its desired new customer base. The team enlisted responsive display ads (RDAs), which are programmed to adjust their size and content to fit spaces across various digital formats, morphing to fit websites, apps, YouTube and Gmail. The scale of automation saved time and cost while also allowing The Sak to promote engagement and spark online conversation amongst their new target audience.

Insights

Together, the rebranding and the RDAs amounted to a winning marketing strategy that significantly increased The Sak's target younger demographic while lowering costs-per-click by -69%. The strategy achieved a 700% in-platform increase in conversions and a 205% increase in impressions overall, with a 976% CTR increase.

Best Omnichannel Experience

Boisson

BOISSON

Background

It's not just about Dry January anymore. Younger consumers want an alternative to alcohol, and Boisson is filling that demand quickly. Boasting an impressive collection of over 125 zero-proof wines, beers, spirits, aperitifs, and mixers, zero-proof beverage retailer/distributor Boisson views its hybrid e-commerce/brick-and-mortar retail model as essential to its success. The non-alcoholic industry vertical is new, and Boisson contends consumers need to taste the brands Boisson carries. Its physical stores are treated as spaces for education as well as retail. As an omnichannel retailer, Boisson also claims a first-party data boost from in-store connections that support its e-commerce efforts.

Insights

Boisson's use of a two-pronged marketing strategy that genuinely incorporates physical and online retail and intelligent digital technology has resulted in a 55%-45% split of in-store versus e-commerce sales with a 50% rate of repeat customers. Additionally, Boisson has rapidly grown its retail footprint to eight stores across Los Angeles and NYC (and a newly opened space in San Francisco) and increased sales by 7.5x since launching in 2021.



Best Personalization Strategy

Stitch Fix



Background

Consumers have come to expect personalized service, and Stitch Fix, an online shopping subscription service that offers customized styling, intends to raise the bar on those demands. Stitch Fix overhauled its data models by adding new features and capabilities driven by artificial intelligence. Dubbed "real-time styling," the algorithms are trained on data composed of customers' explicit and implied preferences and Stitch Fix personal stylists. This allows the retailer to access each user's information in real-time and to create dynamic email campaigns that precisely target their preferred fit, feel, size, and upcoming shopping occasions.

Insights

The real-time styling data model has created a more fluid personalization process and improved the quality and the rate of their recommendations to customers. Dynamic search landing pages have resulted in increased signups and requests for the Fix (customized boxed items) without additional marketing expenses, thus lowering client acquisition costs while boosting efficiency. They have also seen significant growth in first-time clients for their direct-buy Freestyle offering, as well as higher repurchasing rates and increased revenue per client.

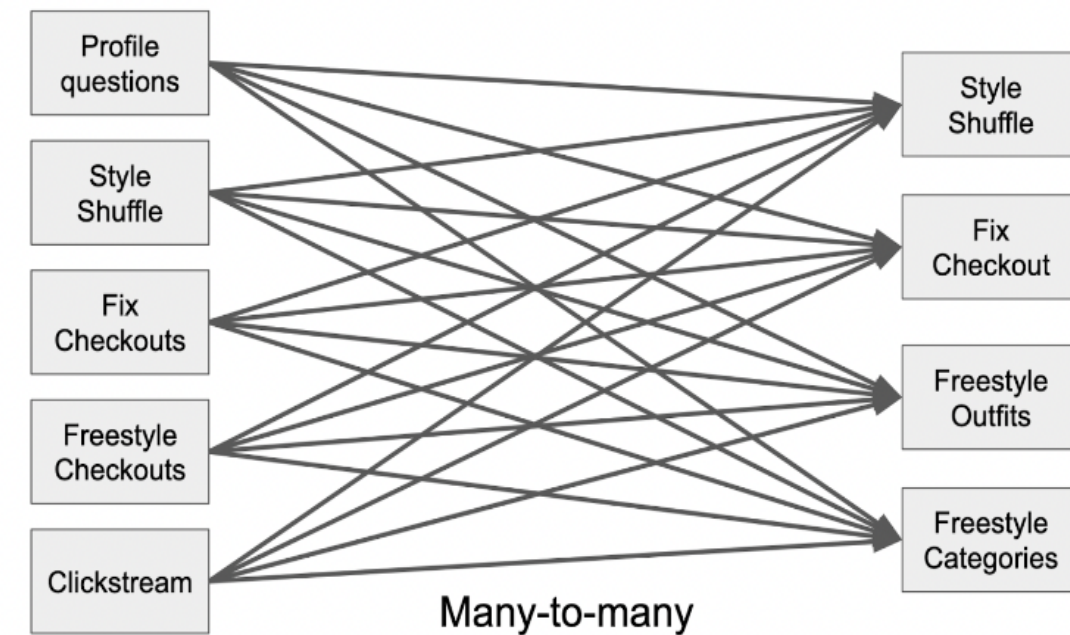
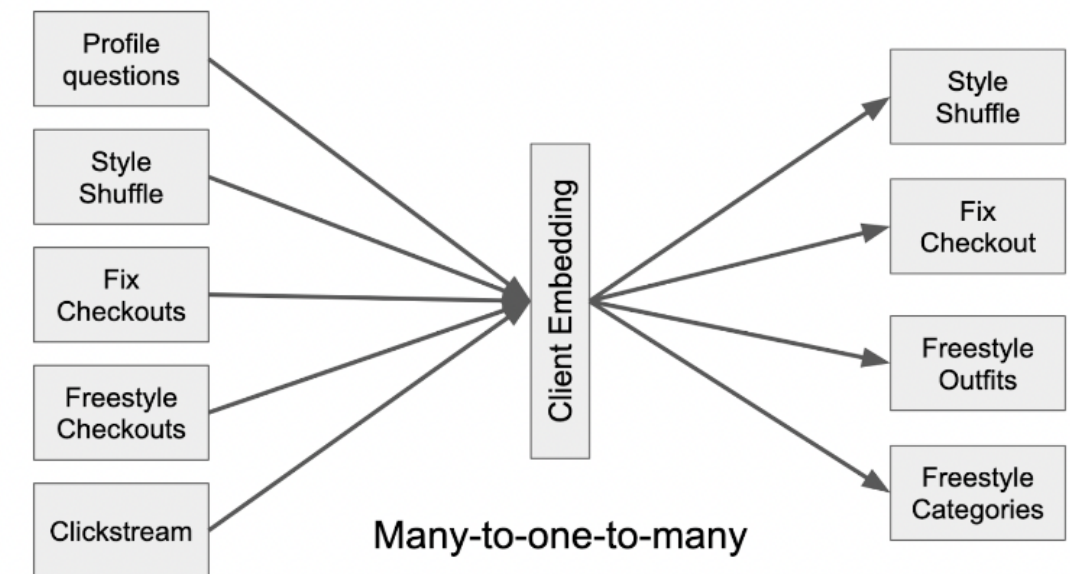


Figure 1: Many-to-many modeling explodes maintenance & complexity



Best Product, Category or Sub-Brand Launch Campaign

Lion Brand Yarn Company

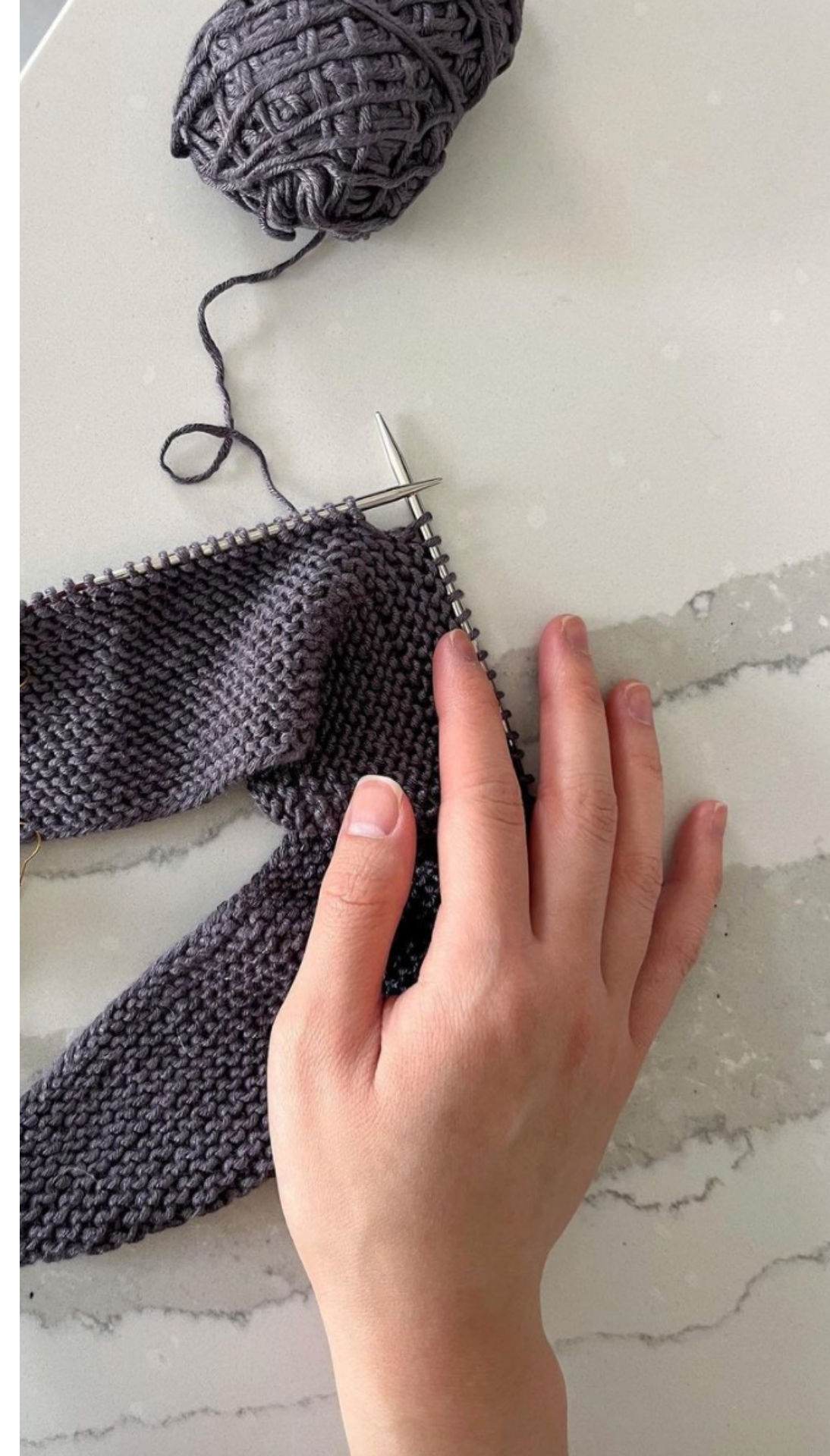
LION BRAND® YARN

Background

Sustainability is a defining issue of our time. But the yarn industry has yet to catch on, offering products made primarily of polyester blends and charging more for natural materials. Countering this, fifth-generation family-owned Lion Brand Yarn Company produces sustainable stitching yarns engineered to cost the same and be of equal (or better) quality than most brands. Their sustainable stitching yarns are made from recycled plastics and natural fibers like bamboo, linen and cotton. Last year, Lion Brand promoted its sustainability efforts through the 'Sustainable Stitching' initiative, which included outreach to crafters on Facebook, YouTube and TikTok that featured celebrities like Vanna White and Sutton Foster, organizations like Mental Health America and TV shows such as 'Schitt's Creek' and 'Stranger Things.'

Insights

With 15 million total social and digital impressions in the past 12 months, 293,000 views on TikTok and 42,000 on YouTube featuring sustainable messaging, sales of Lion Brand's sustainable stitching brands shot up 25% year-over-year. Truboo and Coboo – Lion Brand's bamboo threads – have become the eco brand of choice with consumers with 2,135 projects and over 200 consumer-generated exclusive patterns posted on the community crafting site Ravelry in less than a year. There are 34 kits featuring Lion Brand's sustainable lines now available at craft retailer Michaels.



Best Retailer/Agency Collaboration

Outlines

OUTLINES

Background

The two-year acceleration of consumers' at-home preferences and subscription favorites was fully ingrained by January 2022. That's the month that direct-to-consumer housewares retailer Outlines launched, betting there was still plenty of room for even more personalized, more eco-conscious marketing of home essentials like shower curtains and scrubbers to exactly those shoppers. Featuring a Responsible Replenishment model was the answer, Outlines replaces and recycles only the parts of products that actually get dirty. It eschews cheap, toxic plastics, thereby lowering the flow of product waste to landfills and oceans. To attract environmentally concerned consumers to its e-commerce subscription platform, Outlines turned to design and technology agency Work & Co. The brand and the agency unveiled their new e-commerce platform in September, foregrounding greater product education and thoughtful customization.

Insights

Working with Work & CO., the plan quickly doubled Outlines' conversion rate. Outlines' subscriptions achieved an average growth rate of 40% month-over-month, with a 90% retention rate and subscription uptake rates rose to over 75% – all of which contribute to a cleaner and more efficient circular economy benefiting customers and the globe.



Best Subscription Strategy

Lovevery

LOVEVERY®

Background

For parents of schoolchildren still struggling in the wake of the upheaval the educational system went through during quarantines, Boise, Idaho-based Lovevery stepped up its subscription-based early learning tools to give parents and their kids the motivational boost they need. In 2022, Lovevery wanted to build on the growth it had achieved in 2021, when the company expanded its reach into the UK and Europe. The company expanded its subscription program by adding a fourth year and launching across Europe and the U.K., while leaning into its standout Play Kits program, for example, which makes teaching science fun as well as instructive.

Insights

Thanks to its expansion efforts, 10% of Lovevery's more than 300,000 subscribers are now based outside the U.S. Social media, where Lovevery has over 1 million U.S. Instagram followers, has been a natural driver. The early childhood brand hit \$142 million in annual recurring subscription revenue – a sure sign that parents of kids under four recognize Lovevery's value. Those parents have proven to be successful marketers of the Play Kits, in particular, as 71% of Lovevery's acquisition is organic, with over 40% of new subscribers hearing about its products from a friend.



Best Use of Social Media for Commerce

Karma

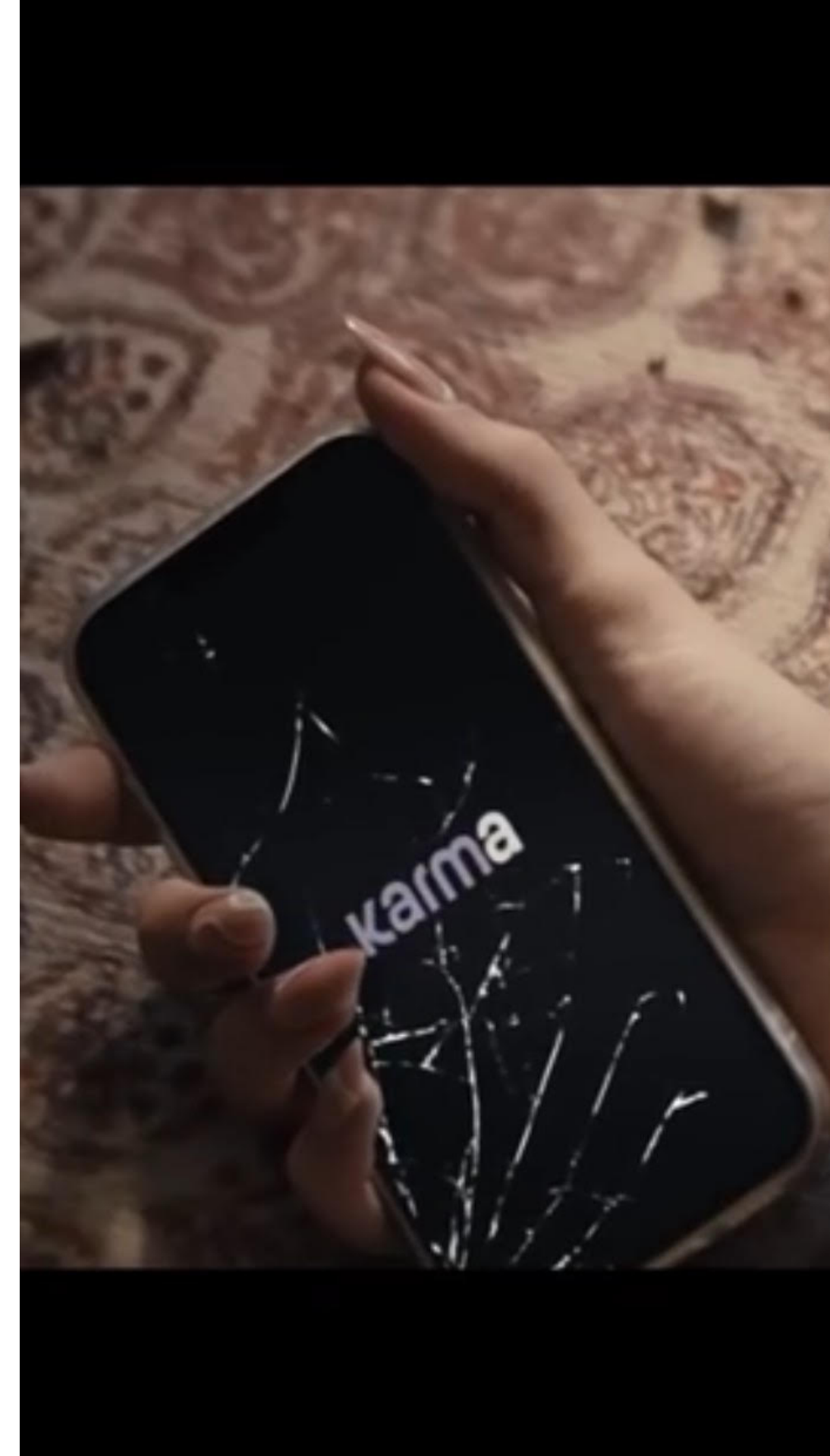


Background

Abandoned online shopping carts and frustrated discount hunters have become less of a problem for the roughly 100,000 retail clients on Karma's e-commerce platform, and the company wanted to get the word out. Karma needed to create a sense of drama and excitement to achieve that. What would blow minds? Karma CMO Mor Pessó Eblagon conceived of a "Netflix-style" long-form commercial. The three-minute video thriller focuses on a police detective investigating the "best prices I've seen in my career." The spot humorously illustrates Karma's seamless shopping experience – and the platform organized social media influencers' reactions to drive that point home.

Insights

The creative, filmed in the eastern European nation of Georgia, took six months from script to final production. It all paid off. The commercial achieved hoped-for virality thanks to influencers' commentary. Timed for the crucial holiday shopping season, Karma's campaign ultimately drove millions of views in just two weeks. Most importantly, Karma attracted more than 150,000 active users to its platform within weeks of the spot's launch.



Best Use of Technology

Afresh + CUB



Background

Artificial intelligence has made its way to the grocery aisle. Afresh, an inventory management solution aimed at supermarkets, worked with Midwest grocery chain CUB to help ensure its produce and other foods were presented at peak ripeness for shoppers at its 80 stores. For supermarket consumers battered by supply chain disruptions in 2022, delivering freshness is a make-or-break issue for a retail brand like CUB. Afresh's AI-powered predictive forecasting was the answer to increasing CUB's revenues.

Insights

The three-month pilot program launched in September 2021 and delivered a 2.5% sales lift for CUB. Afresh-powered shopping recommendations drove a 92% acceptance rate. A full rollout covered all produce items the following August. CUB is expected to prevent at least 2.1 million pounds of food waste annually while lowering greenhouse gas emissions by 1,264 tons. Addressing shoppers' environmental concerns through AI tools like Afresh also helped CUB better differentiate itself in a competitive grocery marketplace.



Best Use of Video

Goods & Services + Rheem

GOODS & SERVICES

Background

Homeowners take HVAC systems seriously. But can humor and home water-heating installation mix? Century-old Rheem boiler maker teamed with creative agency Goods & Services to test that idea in a series of video spots. The ads touched on mundane activities like doing the dishes amid nods to sneaker culture and vintage couture. Rather than being relegated to a dark basement corner, Goods & Services showed how Rheem's products are at the center of a family's home and lifestyle.

Insights

While Rheem established itself in the construction community as a trusted home and business heating solutions provider, it wanted greater brand recognition to drive more direct-to-consumer sales. The opportunity was clear with more consumers working from home and, therefore, more reliant on HVAC services. It achieved a video completion rate of 98.6% of the viewers watching the entire spot. It also exceeded its high click-through rate for Goods & Services' display ads, doubling its target with a CTR of 0.83, more than double the benchmark.



Founder of the Year

Mukul Dhankhar - Mashgin

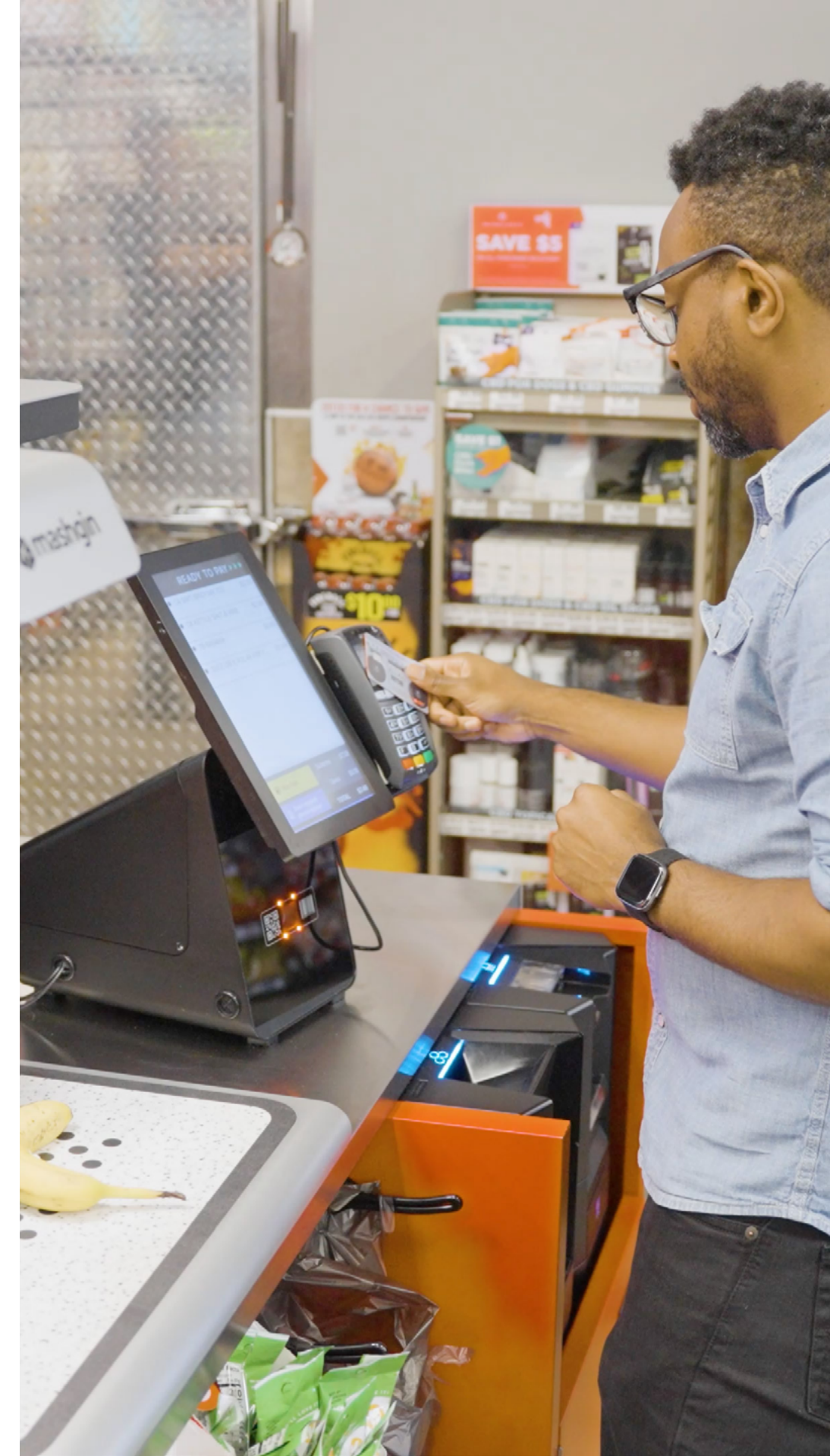


Profile

Convenience stores' checkout processes don't always live up to the first word of the category's name. That was Mashgin founder Mukul Dhankhar's realization in 2022. The company pivoted its artificial intelligence-powered services from corporate cafeteria payment functions to convenience stores last year in response to two factors – office attendance remained low, and in-store visits surged. As in-person shopping habits returned, consumers' expectations also returned in force. Dhankhar seized on the demand for rapid, contactless pay by collaborating with new Mashgin client – BP's gas station convenience outlets ampm and Circle K stores. The promise? Customer checkout in 10 seconds or less.

Impact

Unlike most self-serve checkout systems, Mashgin's AI-powered vision instantly recognizes store items – there's no need to scan a barcode repeatedly. The rollout of 10,000 Mashgin kiosks reached 7,000 Circle K stores. Dhankhar ended the year with a further beachhead for Mashgin by striking deals with stadium venues across the U.S. Under Dhankhar's leadership, Mashgin is poised to shake up the retail space even more in 2023.



Founder of the Year

Enrico Frezza - Peace Out Skincare



PEACE OUT

Profile

Simplicity tends to define the best skincare routines. That notion was applied to six-year-old Peace Out Skincare's plan to clean up its brand strategy. Inspired by founder Enrico Frezza's struggles with teenage acne, the company's alliance with Sephora has resonated with the cosmetics retailer's customers. With 50 million purchases of Peace Out's Acne Dots at the chain's U.S. outlets, the product is Sephora's number-one selling brand in that treatment category.

Impact

Frezza's success in 2022 was signified by Peace Out receiving the 'Clean at Sephora' seal of approval. The recognition validated Frezza's push to create an over-the-counter hydrocolloid acne patch – a first for any brand in the space. Designated as "a completely clean skincare brand" means more than just marketing for Frezza; it demonstrates his view that a virtuous cycle must exist between authentic science and honest branding. Lastly, Frezza steered an additional endorsement for Peace Out in the form of a \$20 million investment from 5CP, a purpose-driven private investment firm committed to driving economic and social impact.



Most Innovative Retail Model

Amazon (Amazon Style)



Background

Amazon is known as the dominant e-commerce platform. It's also known for its cloud-based web services. And in the past year, the tech giant became known for the future of style. Amazon Style is the company's first physical retail clothing and accessories store. The brand is no stranger to brick-and-mortar. Aside from owning Whole Foods, it's still experimenting with Amazon Fresh and other offerings. The first Amazon Style debuted in May in the upscale Glendale section of Los Angeles. In October, the second Amazon clothing and accessories outlet sprouted in Columbus, Ohio.

Insights

Even though the company's real-world bookstores were shuttered in 2022, two Amazon Style shops have garnered rave reviews. One shopper was moved to exclaim, "It felt like shopping in the year 2045. I never want to go back to normal." Aside from sporting all the usual name brands from Calvin Klein to Steve Madden, Amazon Style shops represent the combination of app-based, instant product selection and the warm, tactile care of in-person customer service that will never go out of style.



Most Responsible Retailer

Grove Collaborative

Grove Co.™

Background

CPG brands, by and large, have gotten the message: Consumers demand sustainability. But for an industry built on single-use plastics, embracing eco-consciousness has been long on good intentions and short on substance. Case in point: the U.S. produces 76 million pounds of plastic packaging daily; less than 9% of that is recycled. Household cleaning marketer Grove Collaborative set an exceptionally high bar for a CPG brand and plans to be 100% plastic-free by 2025.

Insights

Grove Collaborative's extensive retail presence means its efforts can have a definable impact. Its hand soaps and household cleaning products are sold nationally at Target, Kohl's, Meijer and Giant Eagle. Grove Collaborative can already claim to be 100% plastic neutral. For every ounce of plastic shipped in the U.S., Grove Collaborative has collected an equal amount of environmental plastic pollution. Since 2017, the brand has helped its customers avoid more than 5 million tons of plastic waste. By raising awareness about plastic-free shopping, Grove Collaborative shows that CPG brands can be a serious solution to the climate crisis instead of a cause.



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