

# Beggars Can't Be Choosers

Augmenting Sparse Data for Embedding-Based Product Recommendations in Retail Stores

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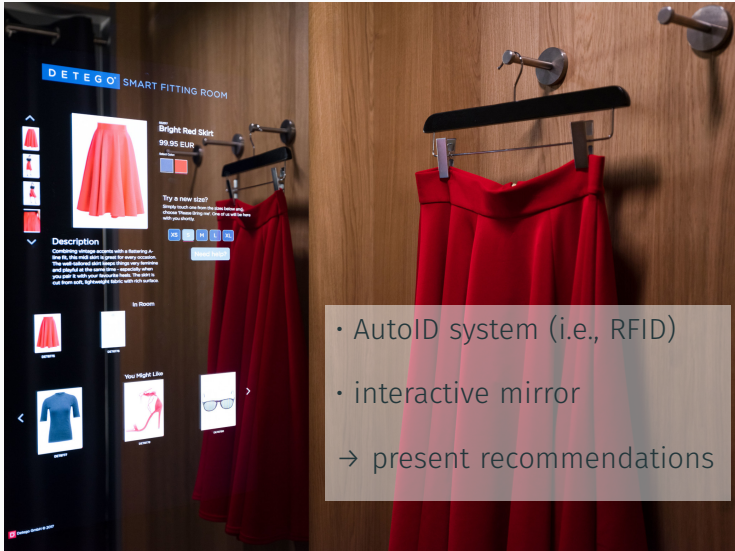
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# Motivation

## Recommender systems (RS) in brick-and-mortar stores



## Challenges related to RS for fashion retailer

- (often) no customer purchase histories
- feedback for recommended products
- limited, sparse, and location-dependent data

→ Traditional RS approaches are often not applicable

Goal: tackle outlined issues related to RS for (fashion) retailer

## Recommendations leveraging shopping baskets

- embedding-based approach (prod2vec<sup>1</sup>)
- low-dimensional vector representation of products  $p_i$

$$\mathcal{L} = \sum_{B \in \mathcal{B}} \sum_{\substack{p_i, p_j \in B \\ p_i \neq p_j}} \log \Pr(p_j \mid p_i)$$

predict remaining products in shopping basket  $B \in \mathcal{B}$   
(i.e., skip-gram architecture)

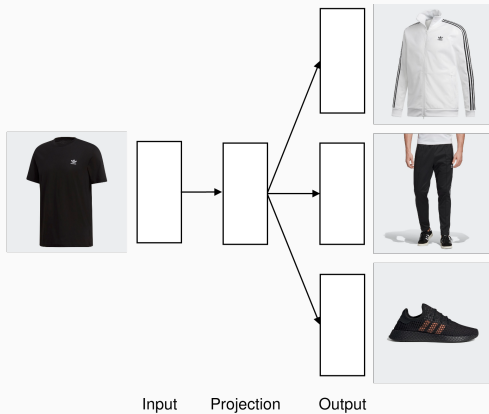
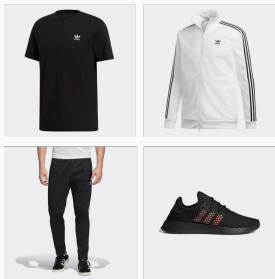
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<sup>1</sup>Grbovic et al., “E-commerce in Your Inbox: Product Recommendations at Scale”.

# Approach

## Training using the skip-gram model

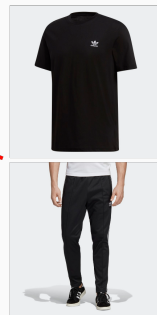
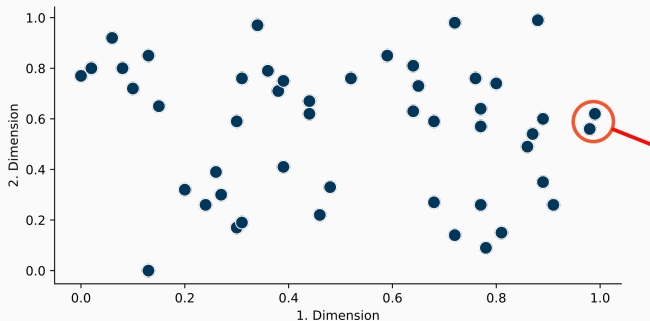
Shopping Basket



# Approach

## Computing recommendations

- related products are close in the embedding space
- find  $k$  nearest neighbours for recommendations



# Approach

## Problem

- environment and demographics affect purchase behaviour
- product assortments often vary drastically across stores

## Point-of-sale (POS) extension

- extend shopping baskets with point-of-sale information
- general model which also captures local specialties



# Approach

## Problem

- only very limited number of shopping baskets available
- due to changing assortments, few sales,...

## Data augmentation

- generate new training examples based on existing baskets
- strategies: repetitions, combinations,...





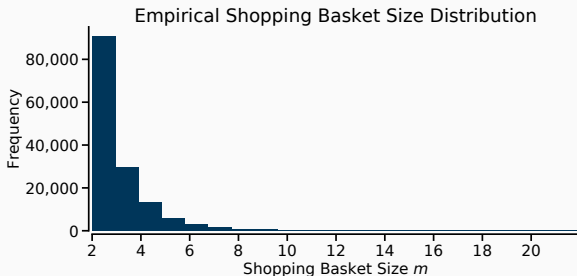
# Experimental Setup

## Dataset

- 20 stores across 4 cities
- 150,000 shopping baskets
- 17,000 distinct products

## Evaluation

- predict remaining products in shopping basket
- metrics:  $Recall_k$  and  $NDCG_k$



[https://github.com/detegoDS/shopping\\_basket\\_dataset](https://github.com/detegoDS/shopping_basket_dataset)

# Results | POS Extension

		mean $NDCG_{R=20}$	mean $Recall_{R=20}$
individual models			
(a)	co-purchase baseline	0.0637	0.1938
(b)	prod2vec baseline	0.1022	0.1544
general models			
(c)	co-purchase baseline	0.0767	<b>0.2308</b>
(d)	prod2vec baseline	0.1292	0.1937
(e)	prod2vec w/ POS	<b>0.1323</b>	0.1968

## Findings:

- general model benefits from additional POS information
- tackle location-based cold-start problem

# Results | Data Augmentation

		mean $NDCG_{k=20}$	mean $Recall_{k=20}$
	<b>baseline</b>		
(a)	prod2vec baseline	0.1292	0.1937
	<b>data augmentation</b>		
(b)	replicated baskets prod2vec	0.1279	0.1868
(c)	pair & triple augmented prod2vec	0.1285	0.1866
(d)	pair augmented prod2vec	<b>0.1334</b>	<b>0.1972</b>

## Findings:

- augmentation based on extracted pairs performs best
- introduction of additional & novel training contexts
- captures latent pairwise relationships of products

# Results | Combined Approaches

		mean $NDCG_{k=20}$	mean $Recall_{k=20}$
<b>baselines</b>			
(a)	co-purchase baseline	0.0767	<b>0.2308</b>
(b)	prod2vec baseline	0.1292	0.1937
<b>combined approaches</b>			
(c)	pair augmented POS prod2vec	0.1351	0.1999
(d)	ensemble	<b>0.1382</b>	0.2152

## Findings:

- augmentation and POS extension complement each other
- ensemble using co-purchase information further improves performance

## Contributions

- RS framework for brick-and-mortar (fashion) retailer
  - point-of-sale extension & data augmentation
  - overall 7% improvement in recommendation performance
- real-world dataset<sup>2</sup>

## Future Work

- recommendations adapted for different settings/domains
- leverage smart fitting room data

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<sup>2</sup>[https://github.com/detegoDS/shopping\\_basket\\_dataset](https://github.com/detegoDS/shopping_basket_dataset)



## Dataset Properties

	# shopping baskets	# products	mean product overlap
City A	31,583 (21.53%)	11,819	0.47
City B	30,269 (20.63%)	9,318	0.51
City C	53,108 (36.20%)	11,313	0.54
City D	31,760 (21.65%)	9,597	0.53
Total	146,720 (100.0%)	17,392	