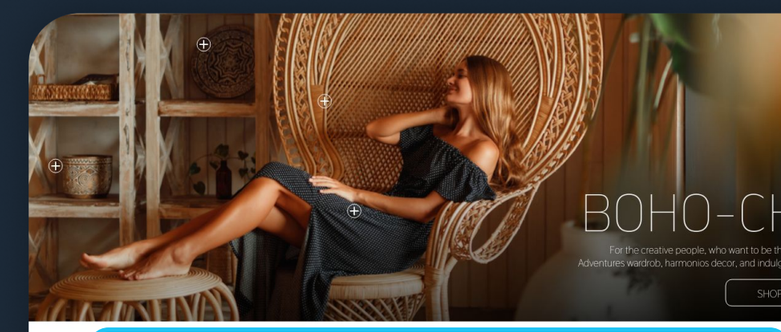
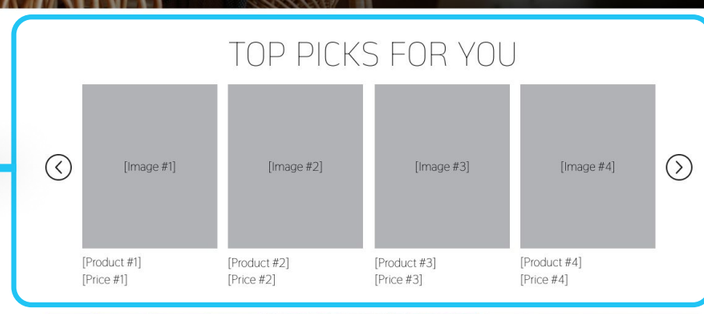
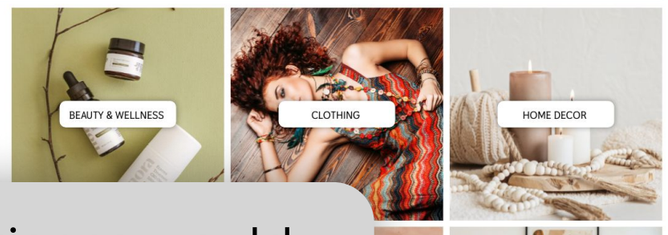
FASTR

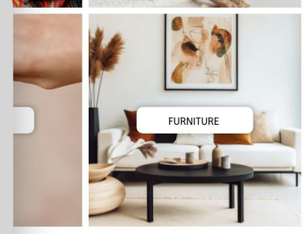
Leadership in the Age of AI:

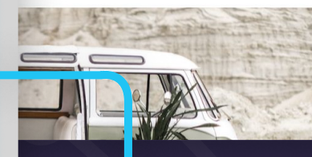
Transforming Ecommerce Workflows to Create a Culture of Experimentation







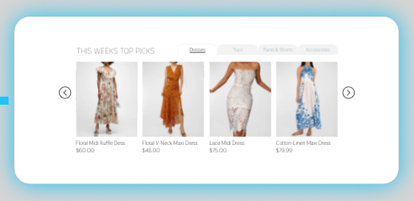


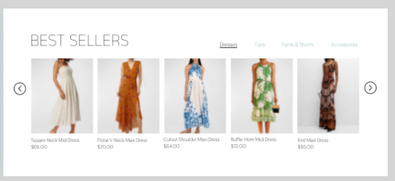


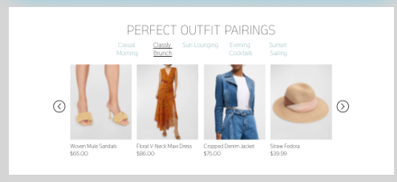
What experience would you like help building?

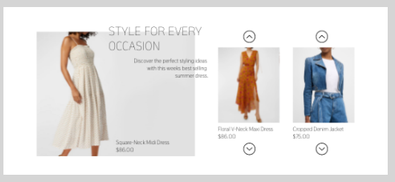
Give me options for a cross-sell carousel for our best-selling products in the apparel and accessories categories. I am looking to optimize click-through on the carousel and AOV.

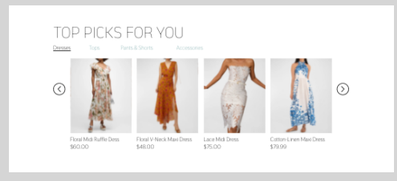
Pick one or more options to test:

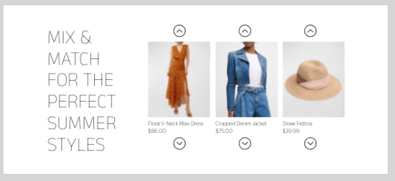












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Introduction

Ecommerce has come a long way from the online marketplace boom in 1995 when users auctioned items on eBay and browsed for books on Amazon.[1] In this day and age, we're looking at a sophisticated data-driven ecosystem where every click, swipe, and transaction counts. With this in mind, leadership becomes more important and complex than ever as the rules continue to change and customer expectations soar to new heights.

If you're one of the many enterprising leaders in this position, you'll likely have grappled with customer expectations, the pursuit of personalization, and striking a balance between innovation and stability. And with artificial intelligence (AI) adding another layer to the mix, you might be wondering how to embrace these opportunities and uncertainties simultaneously.

This ebook aims to guide all visionary leaders through the challenges, opportunities, and transformations that define leadership in the age of AI, with a laser focus on one specific goal: creating a culture of experimentation.

Experimentation is many things. It drives progress, furthers innovation, and keeps your brand adaptable and agile, ready to tune in to what customers want now and may want in the future. And what better to accompany you on the journey than a dynamic tool like AI?

We'll show you how AI works not to replace your leadership but to amplify it. It's a tool that can support your efforts in idea testing, strategy refining, and overall organizational change, as well as assist with challenges along the way. But it's not all about the obstacles – harnessing the power of AI can unlock benefits such as increased competitiveness, intensified innovation, and an organization equipped to meet your customers' needs.

So, what topics will we cover in this ebook? Here's a sneak peek:

- Navigating leadership challenges
- How AI can improve your leadership capabilities
- Using AI within your tech ecosystem
- Embracing workflow transformations
- How to lead your team in the AI era

With this established understanding of how a culture of experimentation can change your ecommerce leadership, you'll be ready to push the boundaries, drive change, and foster a workplace that embraces innovation and growth.

CHAPTER 1:

Navigating Leadership Challenges in Ecommerce

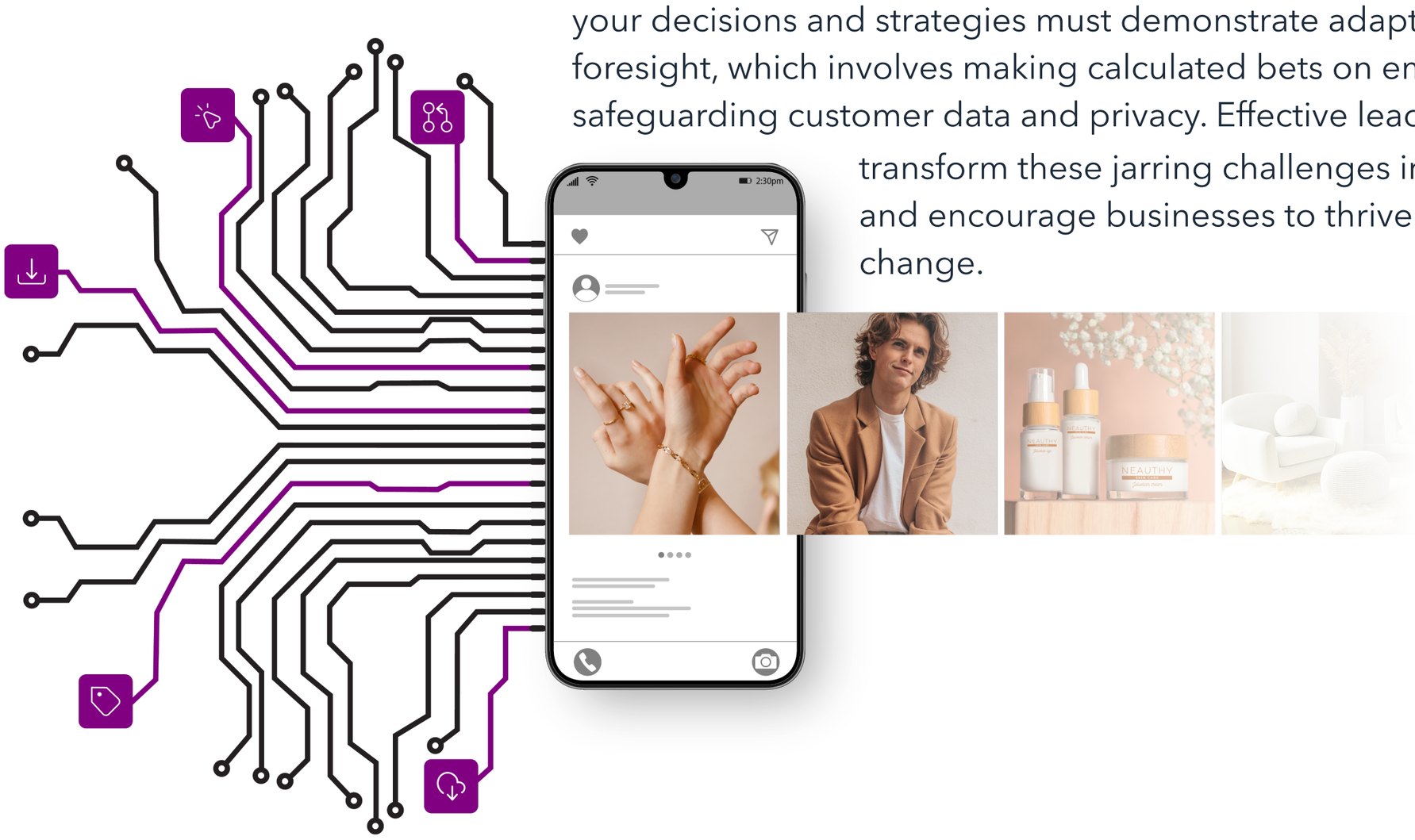
In the early days of ecommerce, when online stores were called “computer stores,” making purchases over the internet was intriguing yet alien. And interestingly enough, a lot of things people said in the mid-90s about online shopping remain surprisingly accurate today. One of these is that ecommerce revolutionizes shopping by making it more cost-effective, convenient, and customizable.[2] But it’s unlikely that anyone expected customers’ expectations to evolve to this level.

Customer expectations have hit an all-time high. That’s because products and services become rapidly obsolete thanks to all this disruptive technological change[3]. Customers used to be excited just to browse a large selection of products from the comfort of their homes, but now the novelty has worn off. They’re craving personalized experiences and lightning-quick convenience, with tailored product recommendations and shopping journeys molded to their preferences.

Brands are now assigned the task of storytelling, and these stories need to find a middle ground between the brand’s identity and the customer’s desires. It’s no easy feat, as too much of it can eclipse the shopping experience, and too little can disconnect the customer from the brand. That’s not all customers are looking for either, as there are also far-reaching trends like sustainability, social commerce, and augmented and virtual reality to keep top of mind.

But here’s the catch – data privacy. While customers demand increased personalization, they also voice concerns about how companies handle their personal data. In fact, 79% of surveyed Americans in a Pew Research Study said they are very or somewhat concerned about how their collected data is used.[4]

Given the tumultuous landscape in modern-day ecommerce, success hinges on the ability to test and deploy new experiences on an ongoing basis. With competing priorities within an organization, however, we can anticipate challenges between addressing immediate needs and striving for long-term innovation. As a leader, your decisions and strategies must demonstrate adaptability and foresight, which involves making calculated bets on emerging trends and safeguarding customer data and privacy. Effective leadership will help transform these jarring challenges into opportunities and encourage businesses to thrive amidst all the change.



CHAPTER 2:

What Leaders Need to Know About the AI Impact

Artificial intelligence was born in the 50s and began maturing from there, but just like many movie stars and artists, it had to wait a while until its breakout year.[5] 2023 has seen a boom in AI, which has gone so far as to transform industries and reshape how we work. A McKinsey survey found that 79% of respondents say they've had some exposure to generative AI, while 40% say their organizations are planning to increase their AI investments because of generative AI advancements.[6]

With AI in the spotlight, it has shown off its capabilities in a multitude of ways. AI voices have become so convincing that distinguishing them from human voices has become challenging, while AI-generated images have blurred the lines between human creativity and machine artistry. ChatGPT and AI chatbots have become integral to daily life, representing a leap forward regarding interactions between machines and humans.

While the hype around AI has many of us excited to get our hands on what's next, the perceptions around AI vary. Some see AI as a revolutionary breakthrough that has the potential to improve our overall quality of life as it continues to develop. These individuals see AI as an enabler to enhance human capabilities, automate repetitive tasks, and unlock new avenues for efficiency and creativity.

On the other end of the spectrum, we have people who feel apprehensive about AI and have deep-seated fears of a dystopian future. Things like job displacement, loss of human autonomy, and privacy issues are just a few of the many concerns, and all stem from the idea that AI could become uncontrollable or overly powerful.[7]

But here's some useful knowledge – at its core (for now at least), AI is a tool that is only as good as the data and instruction it receives. It thrives under human guidance and exists to augment our capabilities, not replace us.

One of AI's less intimidating entry points is analytics and data-driven decision-making. Businesses can employ AI to help make informed choices around their operations and growth opportunities based on vast datasets. But the transition from analytics to generative AI is where things get tricky.

Generative AI is an arena for experimentation, where it can write robust articles, create artwork, generate realistic images, and make music with minimal human intervention. Many companies are using it to create content at scale. It's quick and easy, and the results are respectable, but it raises concerns about authenticity and ethical responsibility.

Experimenting with generative AI demands a deeper level of responsibility. Leaders need to establish a framework for responsible and ethical AI usage in all aspects of business, including respecting copyright and intellectual property and maintaining transparency with customers and stakeholders. With ethics being paramount to the reputation of the business, leaders also need to guide their teams through these ethical considerations and decisions.

Beyond setting ethical standards, leaders play perhaps the most considerable role in developing a culture of ethical awareness among their teams. Whether they're dealing with AI in content creation, customer interactions, or something else, you should always empower your teams to make ethically sound choices. Through training and resources, you can help your employees navigate these gray areas and avoid ethical lapses.

CHAPTER 3:

Harnessing the Power of AI Within Your Tech Ecosystem

Introducing AI to your organization is much like welcoming in a new team member. Still, unlike the typical scenario where the newcomer might feel intimidated, it's often the existing teams that are filled with apprehension. Being such a widespread technology, adopting AI is a must-do strategy for staying competitive in virtually any industry – about 64% of business owners believe it will increase business productivity.[8]

Trends, much like AI, are always evolving, so when selecting the technology, you want to be sure of two things: that you pick tools that harmoniously integrate and take advantage of the latest AI advances, and that you choose tools that foster opportunities for experimentation.

The most effective way to insert AI into your tech ecosystem is to choose a tech stack with built-in AI. The beauty of this approach is that teams won't feel as though they're facing a disruptive change or dramatic shift and, instead, see AI introduction as an extension of their existing toolkit. There are also other advantages to adopting this approach, such as:

- **Leveraging familiarity –** With your teams already accustomed to using the platform, they won't need to learn an entirely new set of interfaces or tools to use AI. In this case, you simplify the transition, and the learning curve is minimized.
- **Greater focus on value –** When AI is seamlessly integrated into broader functionalities, it reframes AI from being a new, intimidating tool to an inherent value within a greater platform.
- **Streamlined operations –** AI-driven tech stacks boast features that automate repetitive tasks, optimize them, and make decision-making more constructive. That means your team can instead focus their attention on innovation and creativity.
- **Cost savings –** Building AI from scratch can be resource-intensive, which is why many organizations with or without budget constraints opt for tech platforms with built-in AI.
- **Better agility –** Built-in AI lets your organization adapt quickly to changing trends, market conditions, and customers' preferences and expectations.

Today, nearly every technology is adding an AI component. For example, Grammarly offers AI writing assistance, and Shopify employs AI for things like product recommendations and inventory management.

Grammarly has a generative AI writing feature described as a "ready-to-go AI co-creator" that can compose and ideate based on context and goals.[9] It leverages natural language processing and machine learning to provide useful writing suggestions for anyone who needs it. With Shopify, shop owners can enjoy a whole host of AI features in the Shopify ecosystem. Businesses can optimize stock levels, anticipate trends, increase sales with personalized recommendations, and craft AI-generated product descriptions with Shopify Magic.[10]

Tools like these layer AI atop existing platforms and offer fantastic AI functionality. However, they often lack the depth of integration that truly integrated AI can deliver. Within fully integrated AI, AI is incorporated into the platform's DNA for a richer and more immersive AI experience. So, along with that familiar comfort available to enjoy, introducing AI this way becomes a much smoother process. Leveraging native AI in a familiar ecosystem and interface can bridge the gap between AI's potential and implementation so your team can put AI to work with ease and comfort.

PLATFORM PERSPECTIVE:

Our Approach for Adding AI to Fastr Frontend

As a tech leader, it's been easy to recognize AI as the next frontier in technology (and welcome it). I personally have been using it and have encouraged my entire team to take advantage of its power. My team is highly technical, but as we looked to harness AI capabilities within Fastr Frontend – a platform purpose-built for non-developers, it was critical that we approached it with sensitivity and our customers' perspective. That meant considering the daily user and the enterprise at large. We couldn't just match the AI innovation curve; we needed to redefine the curve itself – and make it an easy one for all ecommerce teams to ride.

Ryan Breen, CTO, Fastr

It wasn't going to be enough to layer on AI capabilities for improving copy or creating images - that was available elsewhere. We needed to fully integrate AI capabilities into Fastr Frontend to create a seamless experience and powerful ally for our customers - while still making it optional to use by the organizations that weren't ready to embrace it. By doing so, AI becomes a trusted, invaluable team member for those who choose to use it, with a comprehensive understanding of the Fastr Frontend platform and the ability to understand customer-specific prompts and the data integrations they choose to leverage.

At Fastr, we're driven by our commitment to empowering ecommerce businesses with cutting edge tools that help foster a culture of experimentation and drive continuous optimization. Fastr Frontend with adaptive AI capabilities is going to do exactly that.

CHAPTER 4:

Embracing Real-World Workflow Transformations

As we've seen with these new AI components, organizations have embraced the promise of AI to shake up the shopping journey. Arguably, the most visible way AI has injected itself into the ecommerce landscape is through customer experiences. Brands adopt AI to provide engaging, personalized, and intuitive customer interactions in areas like virtual try-ons, dynamic pricing, AI-powered search, and sentiment analysis.[11,12,13]

For example, those searching for the perfect pair of glasses wouldn't just browse through product images and read descriptions anymore. They could use an AI virtual try-on feature to add a new and much more helpful dimension to their shopping experience.

AI algorithms can recognize and analyze facial features and create a 360-degree virtual overlay of the glasses in real time. This provides customers a realistic and immersive experience that gives them the confidence needed to make a purchase. Not only will the customer feel more empowered to buy, but the company itself gets to reap benefits like reduced returns and better engagement.

The best part about virtual try-on technology is that it isn't limited to clothes or accessories and even extends to furniture – allowing you to see how a piece of furniture fits into a space. Wayfair is one of the few companies using AI to help with furniture visualization.[14]

With the introduction of such stark innovation, there's no doubt that ecommerce organizations have needed to make adjustments to their everyday workflows. They've realized that to stay ahead in this dynamic space, it's essential to adapt and to experiment – to push boundaries and explore new spheres.

As you implement AI-powered tools and techniques, understand that success is about more than just fine-turning day-to-day operations. It's about experimenting with AI-driven features to expand, advance, and progress, internally and externally. This approach to experimentation keeps the shopping journey dynamic and enjoyable for customers but yields worthwhile results of customer loyalty and sustained business growth.

Yet, the transformation doesn't stop at the customer, as the capabilities of AI extend far beyond consumer-facing applications. Pioneering leaders have begun using AI internally within the organization, redefining how work gets done. The intent here is not to take ownership away from employees but rather provide them with the freedom to engage in creative exploration and embrace experimentation as part of their natural creative process. This way, leaders can redirect them away from mundane tasks and toward pursuing innovative projects. With this new normal, teams are encouraged to craft net-new experiences from an ideation perspective, data-driven decision-making becomes the norm, and they can streamline operational tasks.

Change can certainly be unsettling, but when positioned positively, we can embrace it as a golden opportunity for professional development. When ecommerce teams are able to adapt with enthusiasm and confidence, they'll meet a newfound sense of purpose.

CHAPTER 5:

Leading Your Team to Adapt and Thrive in the AI Era

In the AI era, your role as a leader doesn't just involve making decisions from the helm but guiding your team through these uncharted territories right alongside them. Leading in this context is defined by your ability to inspire, adapt, and empower your team to see and understand the potential of AI, and put it to work. Let's explore how leaders can constructively introduce new technologies, redesign workflows, and inspire calculated risk and discovery in their employees through the AI transition.

Introducing New Technologies and Addressing Potential Resistance

- **Champion success stories:** Ignite your team's enthusiasm and get them excited. Share external use cases from similar companies and even competitors that have benefitted from AI adoption.
- **Provide hands-on learning opportunities:** Offer training sessions to help familiarize your team with the new tools. Encourage team members to experiment and explore to build competence and confidence.
- **Communicate transparently:** Be transparent about the company's reasons behind adopting AI technology. While you'll want to explain how you plan for them to benefit the organization, stay open to any questions or concerns.

Practical Advice on Redesigning Workflows

- **Establish feedback loops:** To encourage continuous improvement, use feedback mechanisms where team members can report challenges and suggest improvements.[15]
- **Take a collaborative approach:** Involve all teams in the workflow redesign process, where knowledge from various sources can identify bottlenecks and inefficiencies that AI can handle.
- **Develop a clear roadmap:** Outline the steps, timelines, and outcomes for workflow changes to provide a sense of direction.

Shifting Culture: Cultivating Innovation and Adaptability

- **Lead by example:** Actively engage with AI tools and tech as a leader to solidify your position as an advocate for change.
- **Celebrate AI successes:** Celebrate team achievements related to AI adoption and discuss how their effort contributes to the broader goals of the organization.
- **Promote professional development:** Support continuous learning by providing AI-related courses, workshops, and resources.
- **Encourage risk-taking and exploration:** Nurture an environment where team members feel empowered to take risks and explore new ideas without fear of failure.[16]

Conclusion

In this journey, we've explored the nuts and bolts of ecommerce leadership in the age of AI and have amassed some key takeaways:

- Visionary leadership is important in inspiring teams to embrace the potential of AI.
- Addressing resistance through open communication and empowerment is key to successful AI adoption.
- Pursuing a culture of innovation will foster adaptability and growth.
- Putting effective leadership practices into play will help effectively guide your team through the transition.

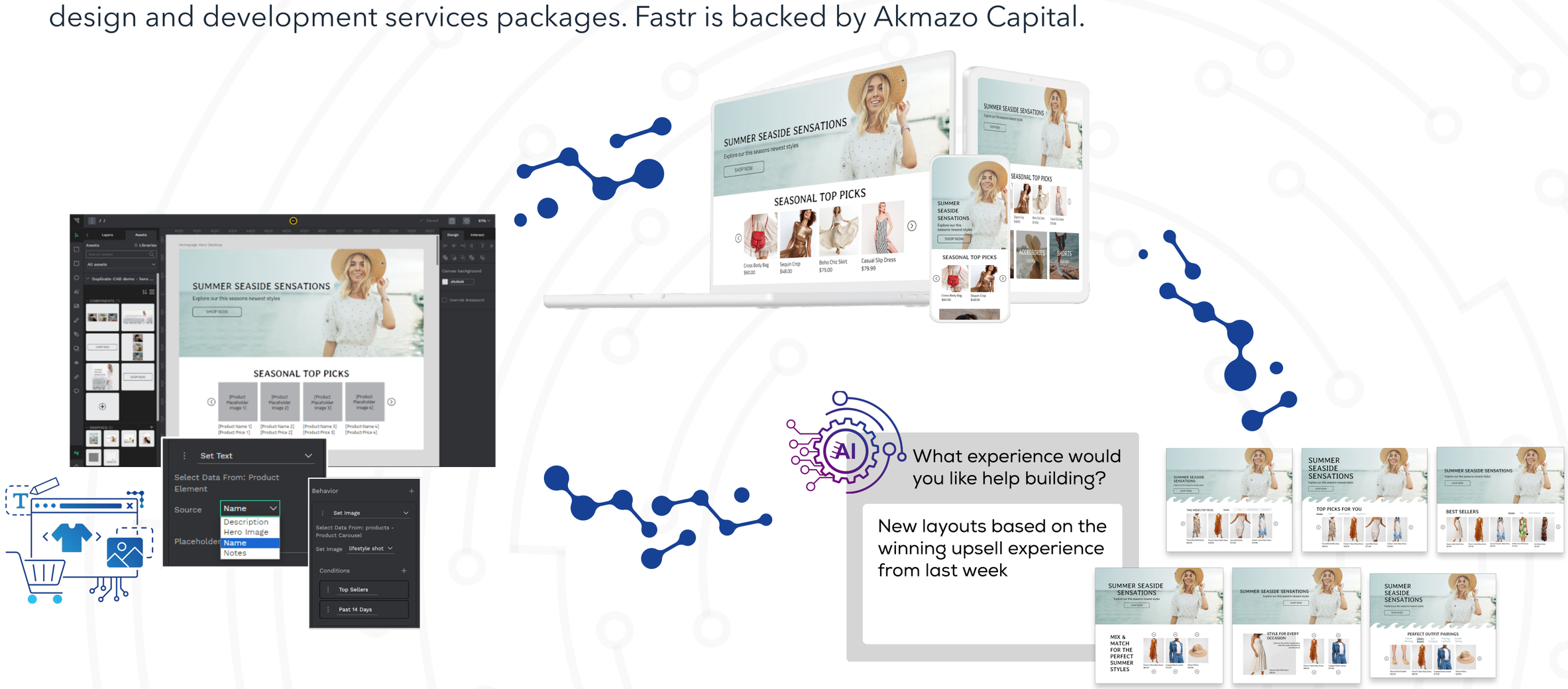
At Fastr, we encourage all leaders to take proactive steps in embracing AI and create a culture of experimentation within their organization. AI holds plenty of promise in ecommerce leadership, enabling us all to achieve more with less.

For further support on your AI-powered journey, explore how FastrAI and the Fastr Frontend platform as a whole can assist your ecommerce teams in rapid content creation, deployment, and experimentation.

About Fastr

Fastr Frontend is the first AI-enhanced Digital Experience Composition platform built for ecommerce leaders, empowering them to rapidly create, deploy, and optimize dynamic shopping journeys that engage customers and grow revenue. Combining best-in-class design tools with powerful integration and orchestration capabilities, Fastr Frontend allows non-developers to control every aspect of their ecommerce site without dependence on developers. The AI-fueled acceleration in speed-to-market for new ideas fosters business-critical experimentation and ongoing adaptive experience optimization.

Headquartered in Boston with a distributed worldwide team, Fastr powers innovative ecommerce experiences for brands and retailers of all sizes. Beyond its business-empowering technology platforms, Fastr offers custom design and development services packages. Fastr is backed by Akmazo Capital.



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