Unlocking the Future with GenAI: Driving Customer Experience and Business Value

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OLX

Outline

What is Strategy?

Growth **+** **Profits**

Sustained Innovation

Customer Sat

Structural Competitive Advantage

The Best Sustained Execution in Business History?
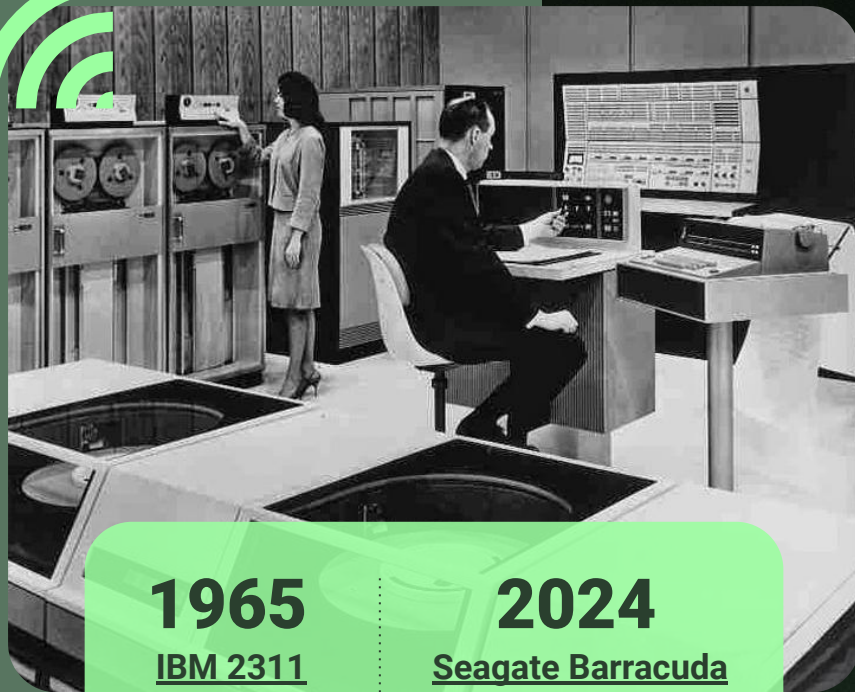
1965	2024
IBM 2311	**Seagate Barracuda**
7.25 meg	8 TB
$2,057/meg	$.000015/meg

The Best Sustained Execution

in Business History?

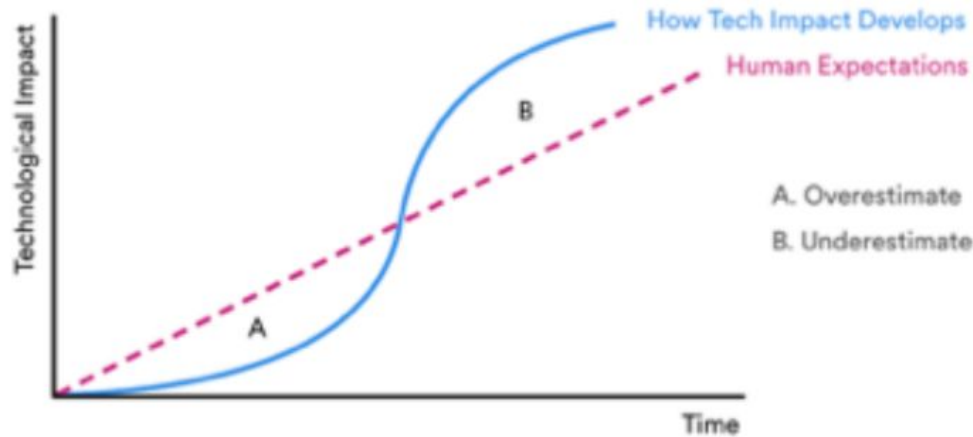| 1965	2024
Mustang	**If the auto industry executed equally well**
160 kph	176,551,724 kph
$3,334	1 cent

Never Normal

- "New Normal=Never Normal" – Peter Hinssen
- Long waves of innovation getting shorter and shorter leading to various disruptions
  - Customer behaviours
 - Market dynamics
  - Operating models

The History of
INNOVATION CYCLES

Below, we show waves of innovation across 250 years, from the Industrial Revolution to sustainable technology.

LONG WAVES OF INNOVATION

The theory of innovation cycles was developed by economist **Joseph Schumpeter** who coined the term 'creative destruction' in 1942.

Schumpeter examined the role of innovation in relation to long-wave business cycles.

Source: MIT Economics

SIXTH WAVE

FIFTH WAVE

FOURTH WAVE

THIRD WAVE

SECOND WAVE

FIRST WAVE

- AI & IoT
- Robots & drones
- Clean tech

- Electricity
- Chemicals
- Internal-combustion engine

- Petrochemicals
- Electronics
- Aviation

- Digital network
- Software
- New media

- Water power
- Textiles
- Iron

- Steam power
- Rail
- Steel

60 YEARS	55 YEARS	50 YEARS	40 YEARS	30 YEARS	25 YEARS
1785	1845	1900	1950	1990	2020

Source: Edelson Institute

Pace of Innovation

- We expect **linear** progress
- In reality we get **slower** initial pace
- But much **faster** (some times exponential) pace later on
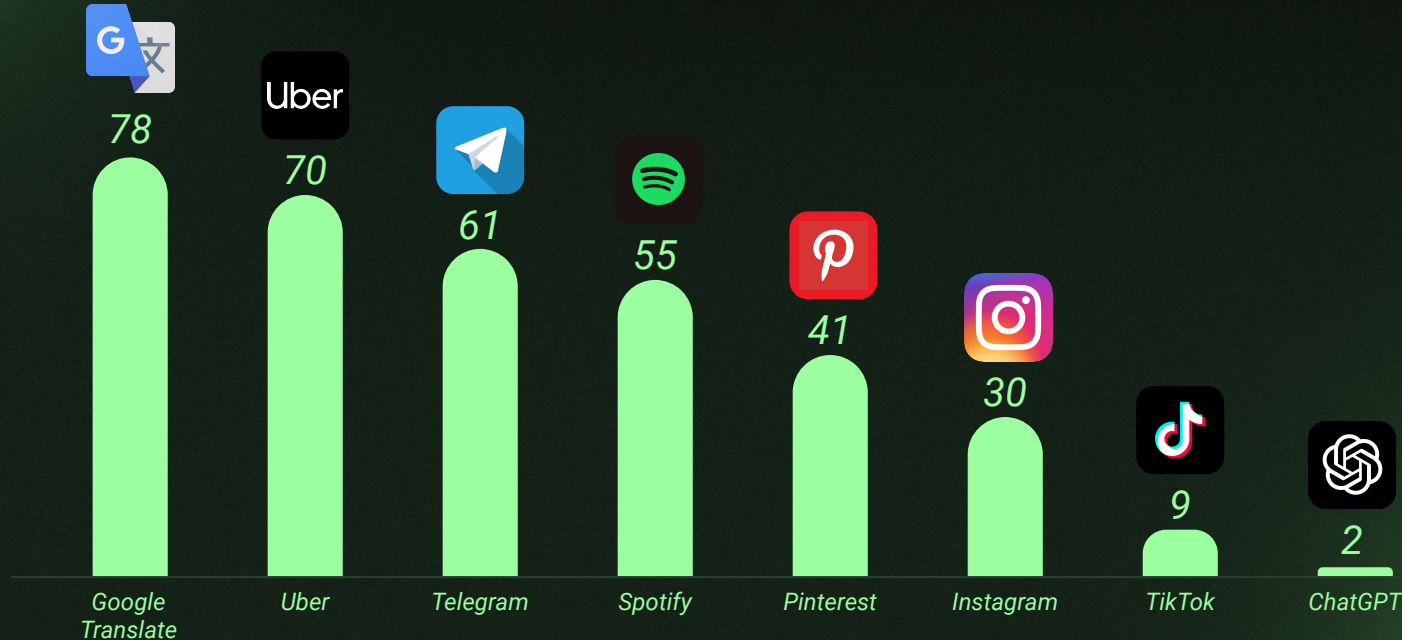
Myopia to threat
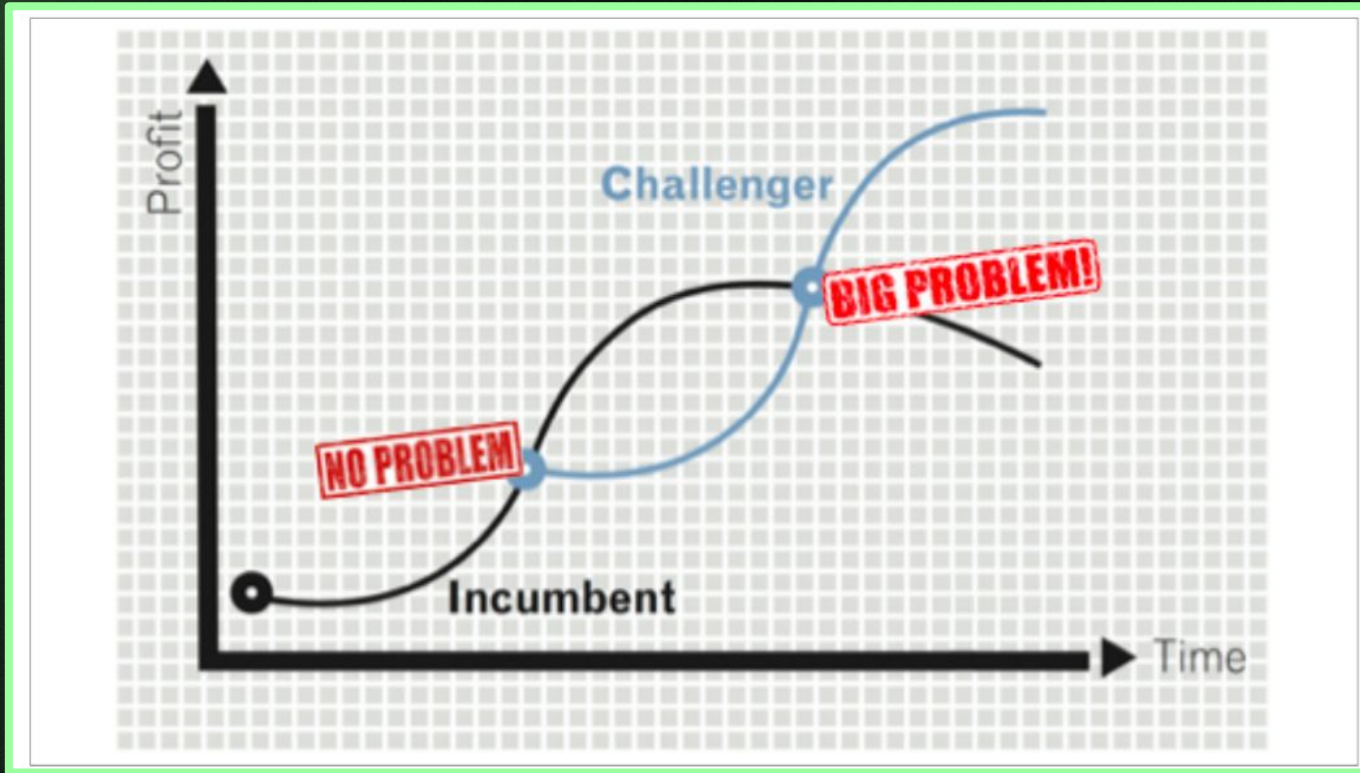
Topics

- Innovation trends
- **AI Strategy**
- AI Use Cases

The hype is here already,
the future is exciting

Time to Reach 100M Users
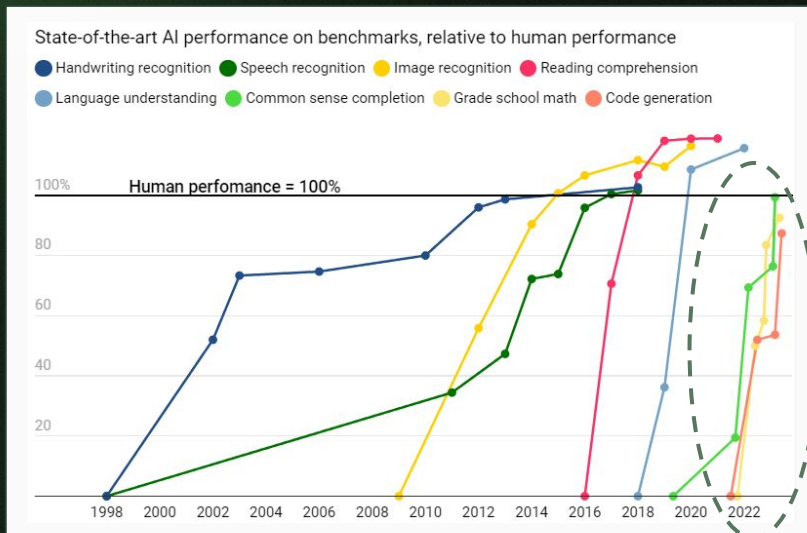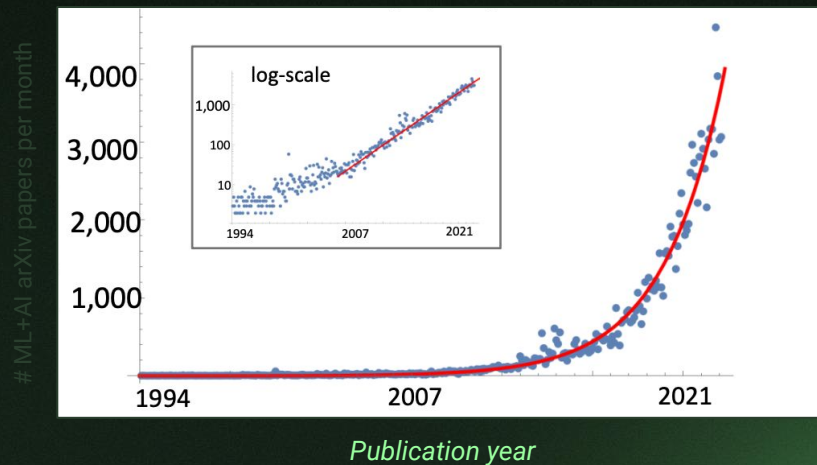Months to get to 100 million global Monthly Active Users

Google Translate	Uber	Telegram	Spotify	Pinterest	Instagram	TikTok	ChatGPT
78	70	61	55	41	30	9	2

GenAI performance is **improving quickly, fueled by science**

Rate of improvement on benchmarks has increased significantly

State-of-the-art AI performance on benchmarks, relative to human performance

- Handwriting recognition
- Speech recognition
- Image recognition
- Reading comprehension
- Language understanding
- Common sense completion
- Grade school math
- Code generation

Human perfomance = 100%

Generative AI

Intensity of science output over time for ML and AI

ML+AI arXiv papers per month

log-scale

Publication year

Imagine: A completely reimagined shopping experience - from discovery, to frictionless product listing experience
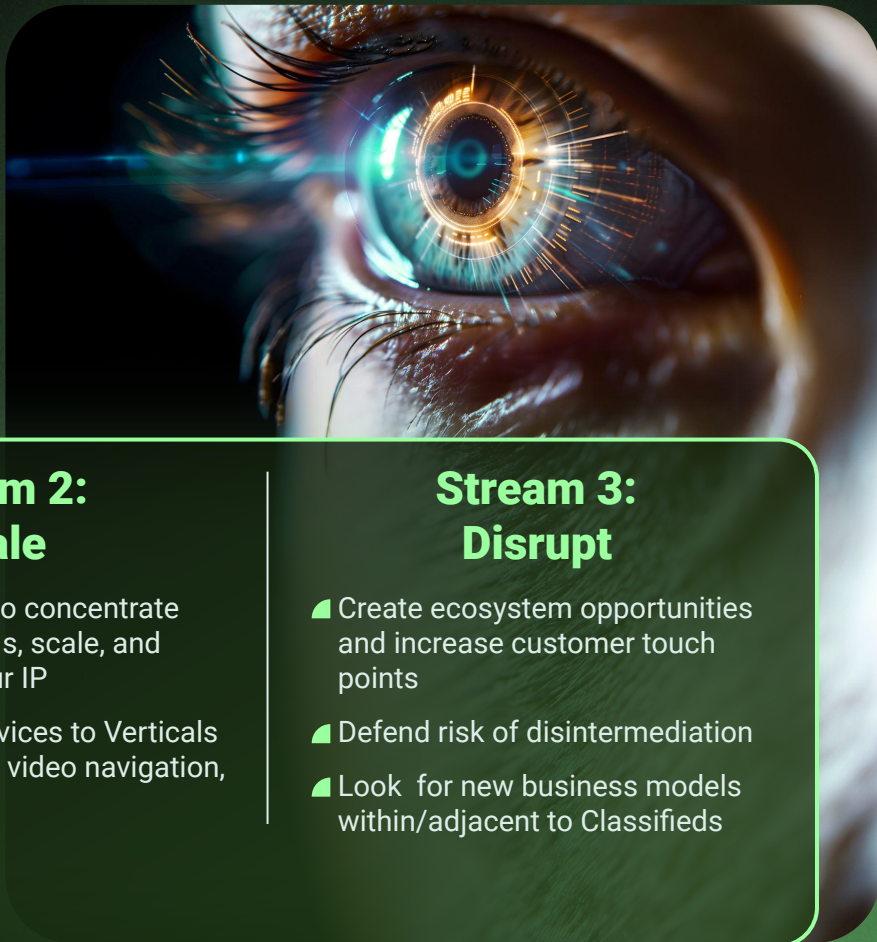
GenAI
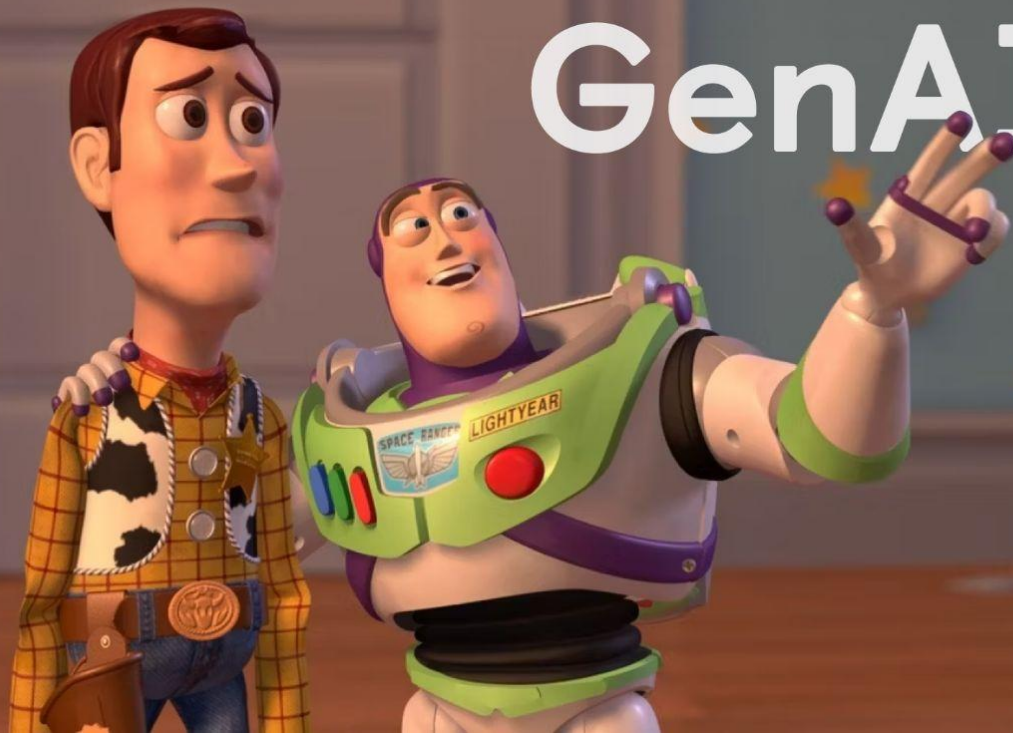
Questions
that AI poses

◗ Can it change the classifieds business through a different user experience?

◗ Can it disintermediate OLX traffic?

◗ Can it trigger opportunities for OLX to expand and grow its ecosystem?

Innovation
Approach

Stream 1: Optimize

- Deliver AI boosted functionality into existing UX and roadmap
- Prioritise with existing team resources in FY25+
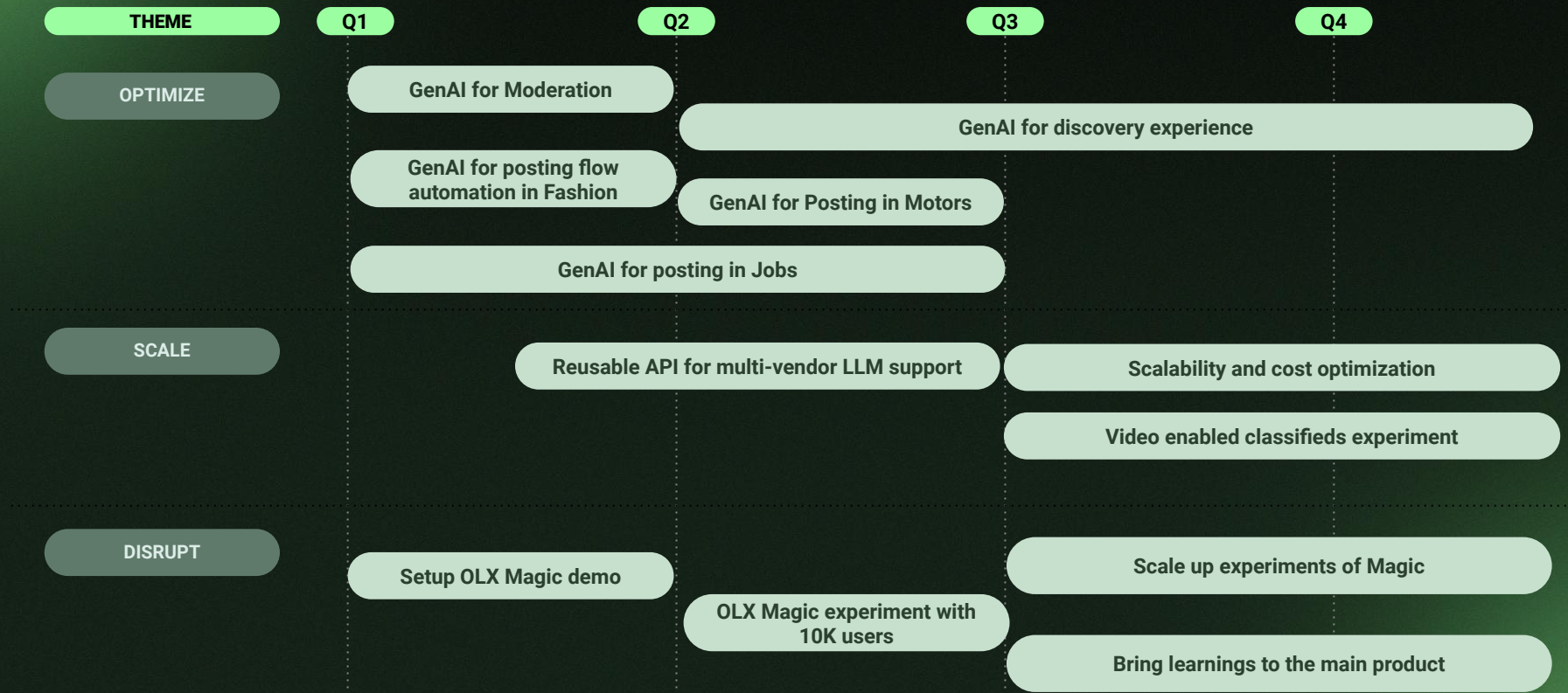
Stream 2: Scale

- GenAI API core to concentrate expertise in LLMs, scale, and rapidly evolve our IP
- Build GenAI Services to Verticals and Horizontals: video navigation, voice, etc.

Stream 3: Disrupt

- Create ecosystem opportunities and increase customer touch points
- Defend risk of disintermediation
- Look for new business models within/adjacent to Classifieds

GenAI ROADMAP | THEMES & TACTICS

| THEME	Q1	Q2	Q3	Q4
OPTIMIZE	GenAI for Moderation		GenAI for discovery experience	
	GenAI for posting flow automation in Fashion	GenAI for Posting in Motors		
	GenAI for posting in Jobs			
SCALE		Reusable API for multi-vendor LLM support	Scalability and cost optimization	
			Video enabled classifieds experiment	
DISRUPT	Setup OLX Magic demo		Scale up experiments of Magic	
		OLX Magic experiment with 10K users		
			Bring learnings to the main product	

Topics

- Innovation trends
- AI Strategy
- **AI Use Cases**
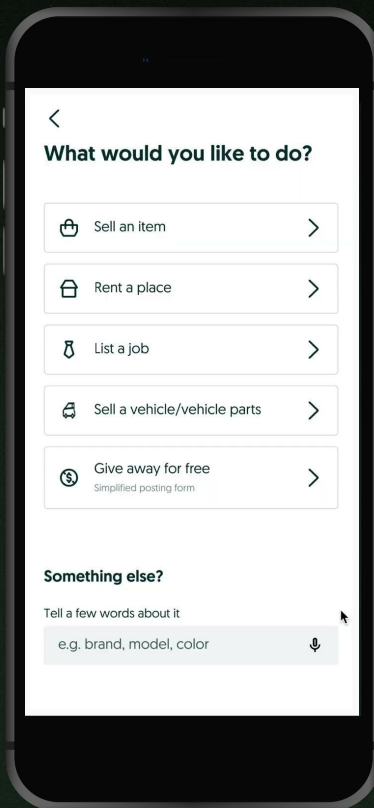
Optimize : **AI Powered** Ad Posting

Current MVP

- Built using live photo just snapped.
- Using LLMs to automatically identify attributes of product and fill in
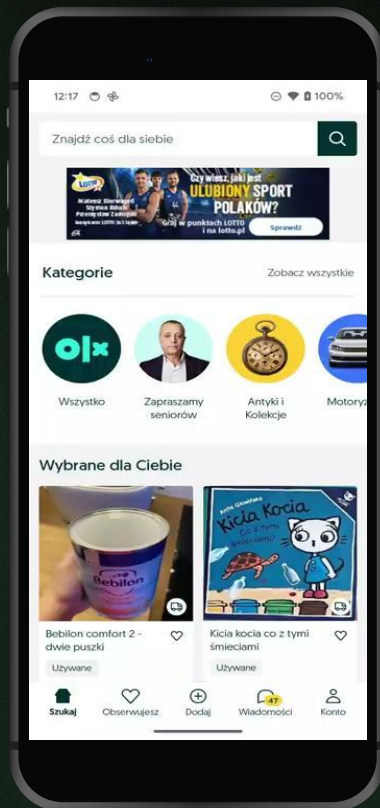
Future Concept for OLX

- Posting form entry point differs by users needs
- Progressive disclosure simplifies users flow
- Photos and videos upload
- AI supported experience

More Info

A/B test for Ad Posting
50% reduction in manual effort to post for fashion

NOWOŚĆ • Z pomocą sztucznej inteligencji wykorzystaliśmy tytuł i zdjęcie główne tego ogłoszenia, aby uzupełnić parametry i opis. Upewnij się, że wygenerowane dane są poprawne.

Informacje o przedmiocie

Stan*

| Używane | Nowe |

Rozmiar*

Wybierz

Kolor

Zielony ✓

Marka

Wybierz

Materiał

Jedwab ✓

Cena*

| Cena | Za darmo | Zamienię |

zł

Do negocjacji

Opis*

Sukienka w kwiaty z jedwabiu, koloru zielonego. Kwiatowy wzór nadaje jej lekkości i elegancji. ✓

Wpisz przynajmniej 40 znaków   94/9000

Additional highlight that we used AI to extract parameters and generate description. We also add a note "Make sure that generated information is correct"

EN: Silk dress in green with a floral pattern. The floral design gives it lightness and elegance.

| Control | Test |

Conversion rate of users who encountered an error while posting an ad ⓘ		Positive
Uplift	—	-11.909%
Metric value	0.412	0.363

Average number of ad parameters per seller in fashion category ⓘ		Positive
Uplift	—	+24.703%
Metric value	5.663	7.062

Share of parameters selected manually in all parameter selections ⓘ		Positive
Uplift	—	-49.526%
Metric value	0.713	0.36

Optimize Quality: Image Moderation
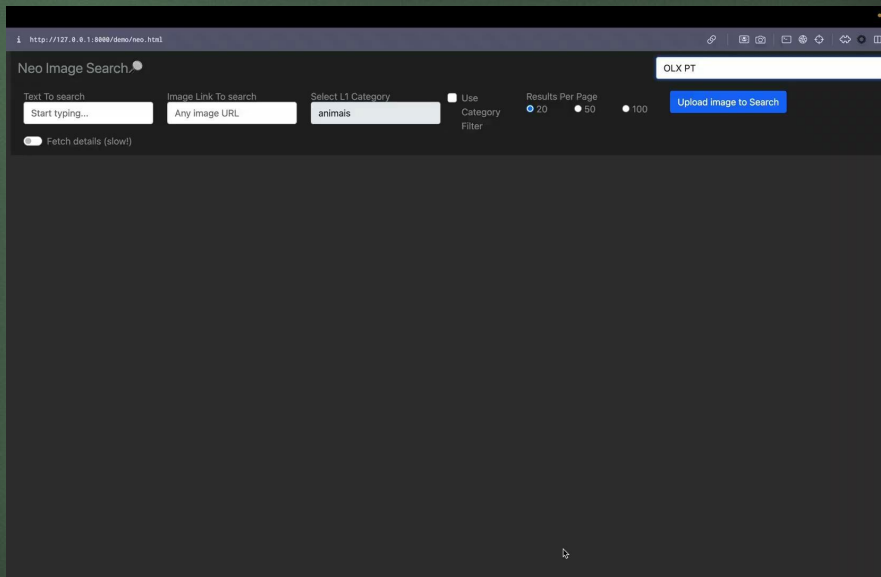
- Clip embedding calculated for all images across markets **(Live)**

- Models build to detect categories of interest for TnS: Nudity, Weapons, etc **(Live)**

- Tool for the content moderators to search in image space **(PoC)**

- Increase in accuracy and reduction of cost of detecting bad content by 15%

Neo Image Search

OLX PT

Text To search	Image Link To search	Select L1 Category	Use Category Filter	Results Per Page	Upload image to Search
Start typing...	Any image URL	animais		○ 20 ○ 50 ○ 100	

Fetch details (slow!)

Optimize Demand:
RE AI Virtual Assistant

What has been done so far:

- AIVA (AI Virtual Assistant) has been deployed as A/B test.
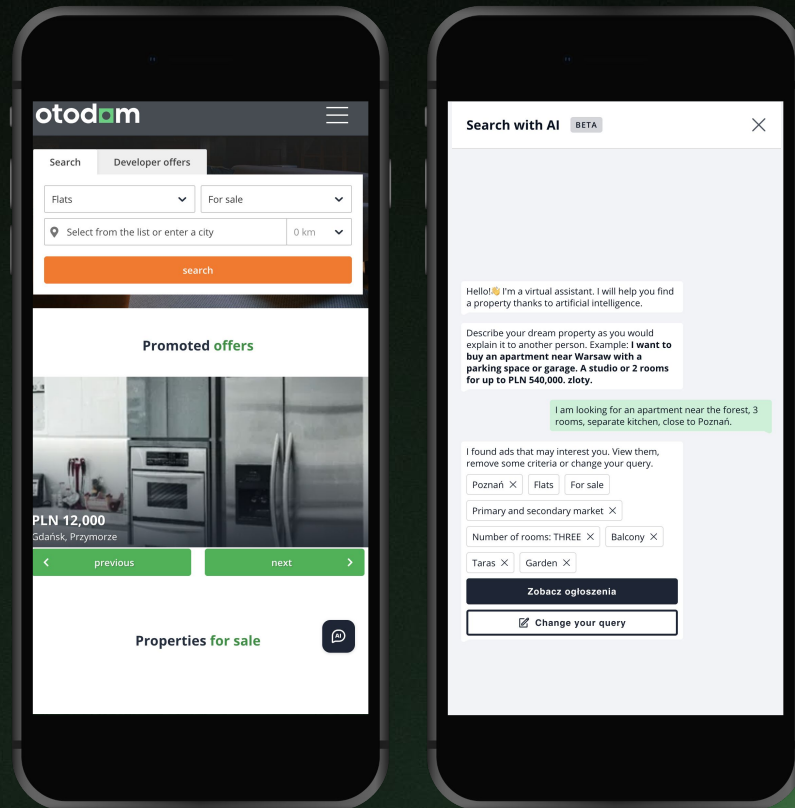- It is LLM aimed to help seekers find their dream home with less friction
- Iit assists in translating natural language queries into listing filters.

What have we learned until now:

- We got a valuable insight: users search by points of interest (e.g. forrest, lake, train station, city, road)
- Those points are often missing today in our product, but GenAI powered posting can help with that also

I want to buy a house near the forest in a quiet area for up to PLN 550,000.

Plot in Krakow or the surrounding area, close to the forest and green areas, priced up to PLN 300,000

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otodom

Search | Developer offers

Flats | For sale

Select from the list or enter a city | 0 km

search

Promoted offers

PLN 12,000
Gdańsk, Przymorze

previous | next

Properties for sale

Search with AI BETA

Hello!👋 I'm a virtual assistant. I will help you find a property thanks to artificial intelligence.

Describe your dream property as you would explain it to another person. Example: **I want to buy an apartment near Warsaw with a parking space or garage. A studio or 2 rooms for up to PLN 540,000. zloty.**

I am looking for an apartment near the forest, 3 rooms, separate kitchen, close to Poznań.

I found ads that may interest you. View them, remove some criteria or change your query.

Poznań × | Flats × | For sale ×

Primary and secondary market ×

Number of rooms: THREE × | Balcony ×

Taras × | Garden ×

Zobacz ogłoszenia

Change your query

Scale: GenAI Platform

- More than 48 total models in production, 6 GenAI use cases already live and many more coming

- GenAI API core to enable fast scaling, concentrate expertise in LLMs, and evolve our IP

- Enables teams to move fast and experiment, abstracting most of the complexity of infrastructure (MVP live in June)

- Build GenAI Services to Verticals and Horizontals: video navigation, voice, etc.

Disrupt: Move fast, break things

Conversational shopping:

◣ Early versions of conversational shopping to customers by July, widespread release by October

◣ Co-authored by ProsusAI, OLX AI, and external vendor (India-based) for velocity developing the mobile app experience
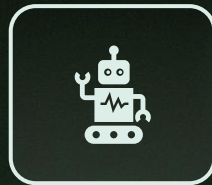
Video

◣ Create video from posting data (existing tech available, productizing is the barrier)

◣ Experiment with alternative presentation models (gamify, social shopping, avatar hosts and curation)

◣ Augmentation of ad-content: see your furniture in this house, renovate this kitchen, show friendly workplace coworkers, …)

Disrupt
(OLX Magic)

Conversational Shopping using multiple modalities

First release focused on conversational buying and would include:

◢ Multiple Modalities: text, voice, video(live-stream)

◢ Hybrid Search: (semantic + LLM)

◢ Multi-Turn Conversation w/ follow-up questions

The goal is to explore completely different ways of interacting with the buyers and learn fast

Test went live on July 23!

OLX Magic

New item (restart)

Interactive Summary
Creating Magic...

The easiest way to trade anything in your local community

OLX Magic

Your search request

→

Attach a link
Attach product images or videos   Buy ▢ Sell

which vase would fit here? ⊕ living room photo   graduation gift for teenage nephew

birthday present for my outdoorsy husband   i want a car like this ⊕ dealership link

?
Did you know? You can upload any photo of a product, even a photo you took yourself.

♥ Live Results

Account   ⚙

✨ Powered by AI