

URL: <https://stvp.stanford.edu/clips/game-changing-shopping-technology>

Connie Chan, general partner at Andreessen Horowitz, shares a couple areas of innovation she thinks are about to take off in the United States: trends in shopping, such as live shopping, personalization, product-based discovery, and using AI to change business models.



Transcript

- One of the hottest markets right now is generative AI, 00:00:07,050 and I know you've been actually focusing a lot on something that I think very few people are talking about, which is shopping.. That's I think grabbing a lot of your attention.. Can you share with us what your thoughts are on either shopping or generative AI? And if you were a Stanford student, who's trying to think about what opportunities to pursue, what excites you? - The big reason why I focus on shopping by the way, 00:00:28,170 is because in Asia there's a lot of innovation around shopping and transactions and product discovery that I just don't see yet in the west.. And so it's again, following that framework where I'm like, I see crazy product market fit working for literally hundreds of millions of people in other countries.. Why does that not exist yet here? And on top of that using those products I'm like that's a superior way to shop.. And shopping's also great because I think ad-based businesses are pretty tough going forward.. And so if you're dealing with a business model that has some transaction naturally baked in, easier to eventually make money.. So a big reason why I love shopping is I still think there's so much room to innovate, like live shopping just starting to take off in the US.. But for those who have experienced it, it's very, very different than shopping on Amazon.. You get a sense of community if you're a buyer, it's fun when they call out your name..

The sellers move product so much faster.. It changes the velocity of liquidating anything, much faster than eBay listings, much faster than Amazon.. That's an innovative, completely new behavior shift that I think we're gonna see a lot more of going forward.. Another big one is just even thinking about product-based discovery.. One of the top apps of the last couple of months is Temu, it is a US app created by Pinduoduo.. It is completely product discovery-based, recommendation based.. The more you use it, the more likely it recommends something you're likely to convert on.. Completely different than how we use Amazon.. When I go to Amazon I go straight to the search bar.. I'm not looking at that main page..

Their recommendations to me are also a little off.. I got a recommendation from Amazon just like two weeks ago of something I already bought that week, and I was like how bad of a recommendation system could that be? Now granted sometimes they're good, but lots, lots of room for improvement.. And this idea that we're gonna have more personalization in shopping and more product-based discovery is another big theme in commerce I'm excited about.. AI, you mentioned it, everyone's talking about AI.. I think it's game changing technology.. I think there's a lot of use cases we have yet to see.. So it's right now around people using their creative minds to figure out how do you apply this to fundamentally change a business model and make it unique, make it different.. How do you make something 10 times, a hundred times cheaper? How

do you make it accessible to more people? I can tell you commerce is using AI in really interesting ways already.. I'm invested in a couple of commerce companies and they use AI in design already.. If they have to design a dress, if they have to design a jacket, if they have to design a necklace, if they have to, just today, I was literally looking at photos of, they're trying to create a mood board for a photo shoot..

They're using Midjourney to generate those images.. They're not looking at standard photos of Vogue or things that are outdated.. They're generating things on the fly using software to guide the photographer on what to do.. So there's so many use cases I think of AI we've yet to see, and you guys are in great position for those of you who are thinking of starting companies, because I feel like the world's your oyster right now.. There's so much to explore...