Case Study: **Efficiency Case Study**

Re-Hub helped an Italian luxury goods brand crack-down on counterfeit and unauthorized products across digital platforms prior to the launch of their ecommerce operations in China.

THE CHALLENGE

For overseas luxury brands in China, the large number of counterfeit products found across e-commerce platforms is a major hindrance to building a positive brand image, and unauthorized resellers selling at low prices cannibalize brand's own sales. **80%** of products, in a global **US $323bn** counterfeit product market come from China.

After years selling offline, the client, an Italian luxury brand, were launching their ecommerce sales operation, but were faced with two major headaches:

1) They did not have a comprehensive strategy in place to identify and take down counterfeit and unauthorized products. Meaning they were forced to manually take down products, which they found was very inefficient.

2) The Italian head office had licensed sales of the brand's products to several local online distributors. They often disregarded the company's guidelines and sold below the suggested retail pricing, causing a negative effect to their brand image in China.

The client turned to Re-Hub's team to find a localized and effective solution to deal with these issues and expedite their launch. They were looking for a solution that could operate at scale (analyzing multiple platforms on daily basis) and that could deliver accuracy with little human intervention.

Solution:

Re-Hub put together a four-step action plan:

Consultation:
Re-Hub met with the client's E-Commerce team to discuss their needs.

Research:
Re-Hub team set to develop a situation that could match the client's requirements. To do this they prioritized simplicity.

Identification:
A solution was identified that could monitor multiple platforms on daily basis and use AI and machine learning to identify unauthorized sellers and provide a daily summary for the brand to act upon.

Set-Up:
Re-Hub worked with the client and tech partner to set up the monitoring channels, brand/products coverage, and tracking frequency. They put the brand guidelines into the back-end so to be able to track any infringements from distributors.

1 Consultation
2 Research
3 Identification
4 Set-Up

Technology Utilized:
AI Brand Protection

The solution uses AI and Machine-Learning to identify and verify counterfeits and brand infringement. These infringements and counterfeits are then automatically taken down

Indentification — AI & Machine Learning — Human Layer — Take Down

Verification
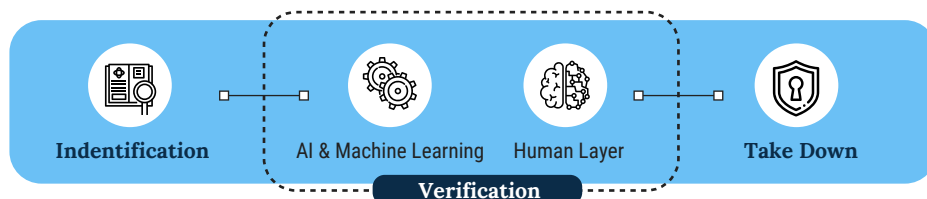
Key Stats:

In first three months:

702
Number of identified counterfeit products taken down

385
Number of unauthorized stores taken down

RMB 32M
Estimated revenue of unauthorized resellers taken down

Results:
Using the provided solution and operating procedures, the client was able to instantaneously flag distributors that had transgressed their branding guidelines. They were also able to identify counterfeits and immediately asked the e-commerce platforms to take these fake products down.
With this solution in place, the HQ in Italy felt ready to increase investment and resources and the client finally opened its China online stores.