

# myEyewear.io

DigitalShapers 2020 // Team ZEISS



# Team



**Virginia Herbst**

McKinsey



**Eric Nehrbass**

Zeiss Vision



**Felix Auer**

Developer



**Philipp John**

Business Visionary



**Georg Klöck**

UX Design



**Sedat Sert**

Developer



**Stella Shen**

Business Visionary

## Our challenge



**How can we digitalize  
an omni-channel consumer journey  
in the eyewear industry?**

## Our challenge

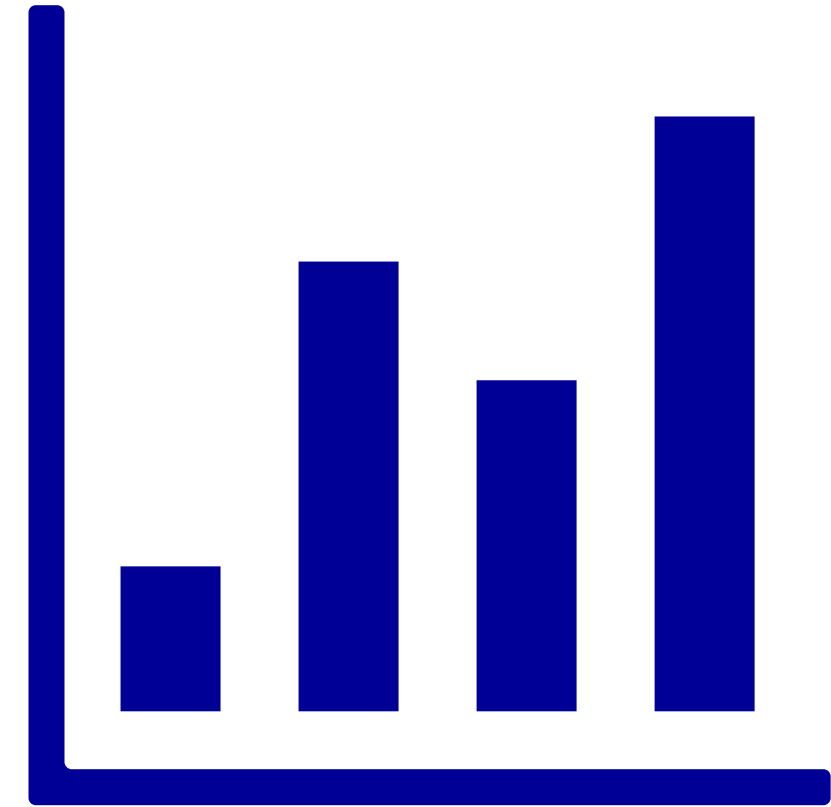
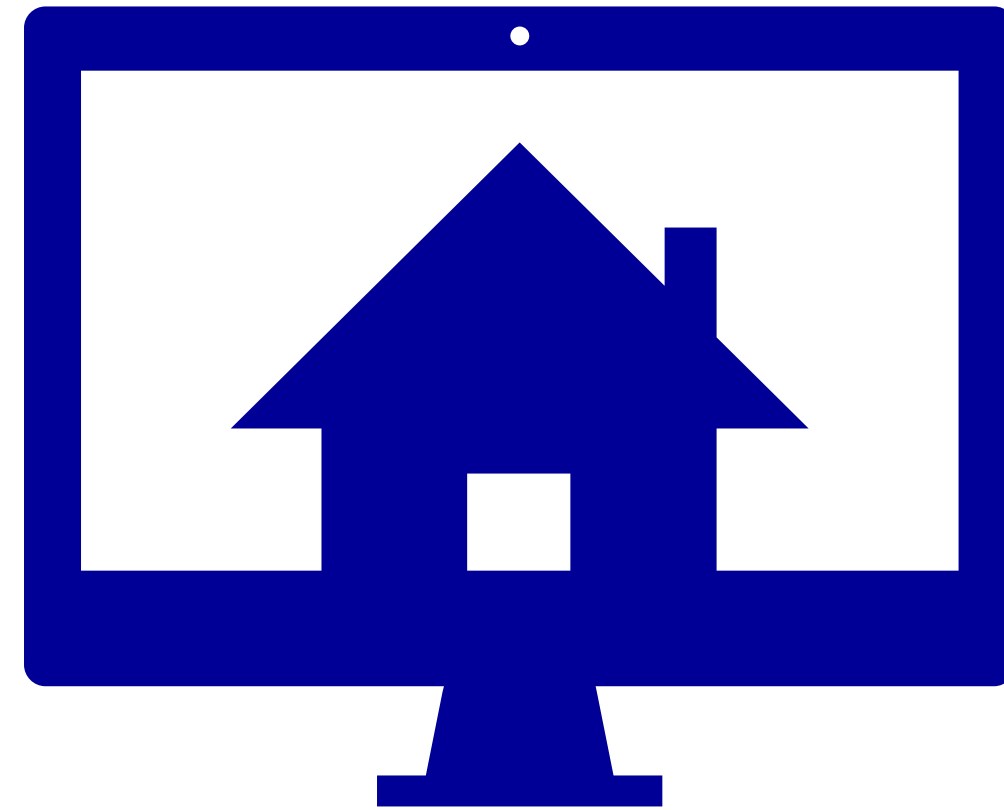
### Our Objectives

- Explore new business opportunities  
→ greenfield approach
- Increase brand recognition
- Increase sales of spectacle lenses

The ZEISS logo is displayed in white, bold, sans-serif capital letters on a dark blue background. The background is a square with a curved bottom edge, resembling a lens or a stylized banner.

# Key-benefits of our solution

*powered by*

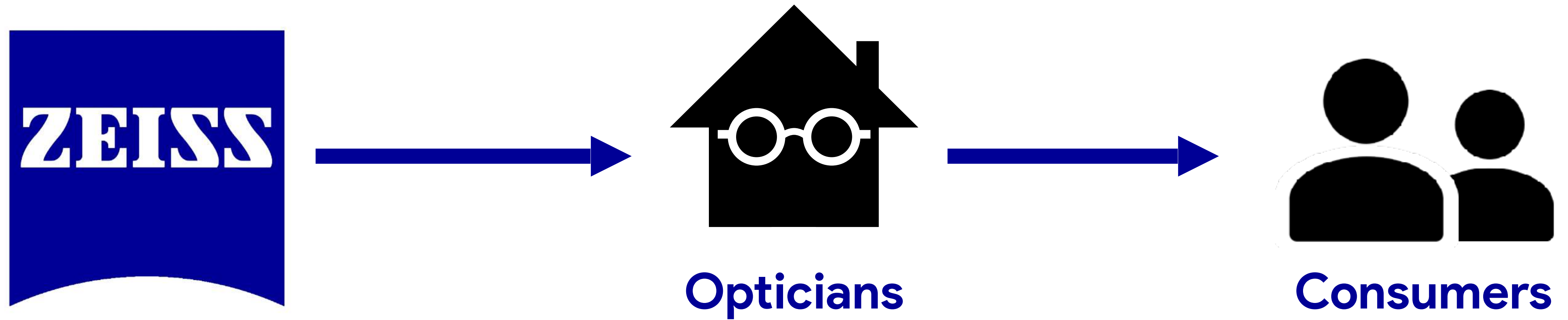


**Increase brand awareness**

**Create omni-channel  
consumer journey**

**Strengthen market position**

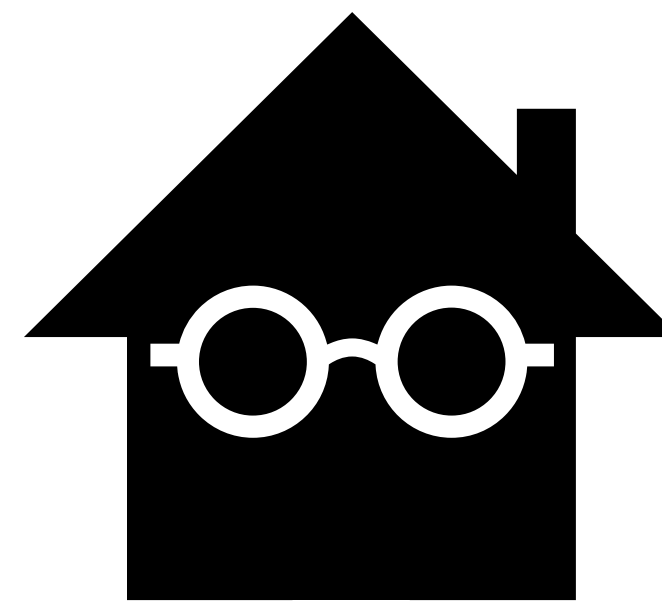
## Current ZEISS business model: Strong focus on B2B



# Status quo: B2B

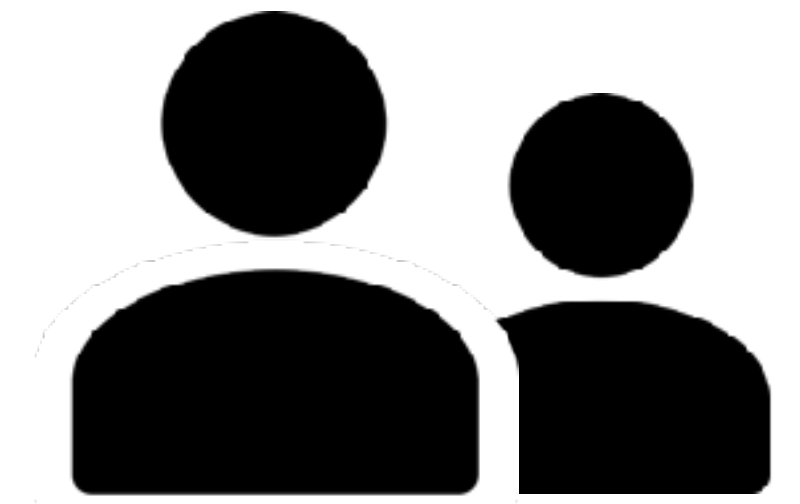


Strong Relationship



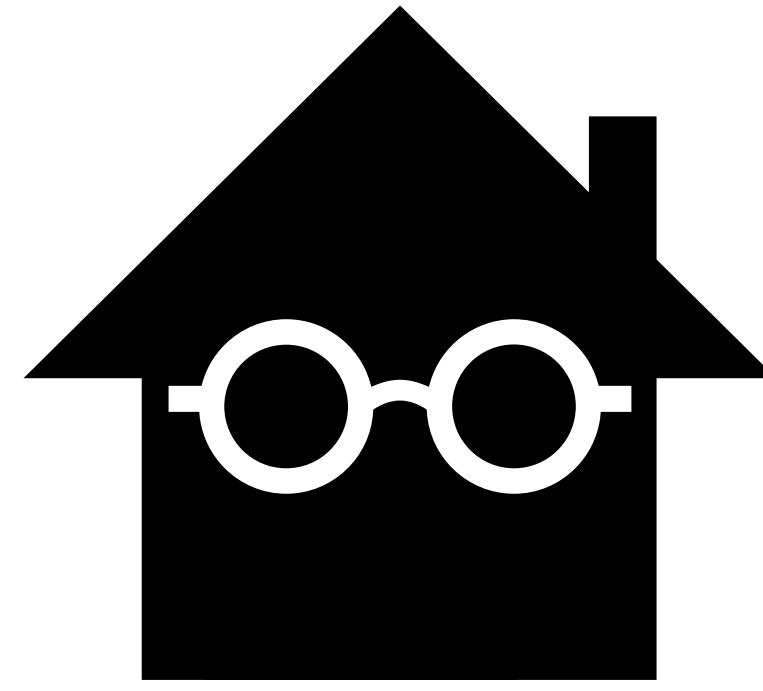
**Opticians**

Strong Relationship



**Consumers**

**Our Solution: B2B+**



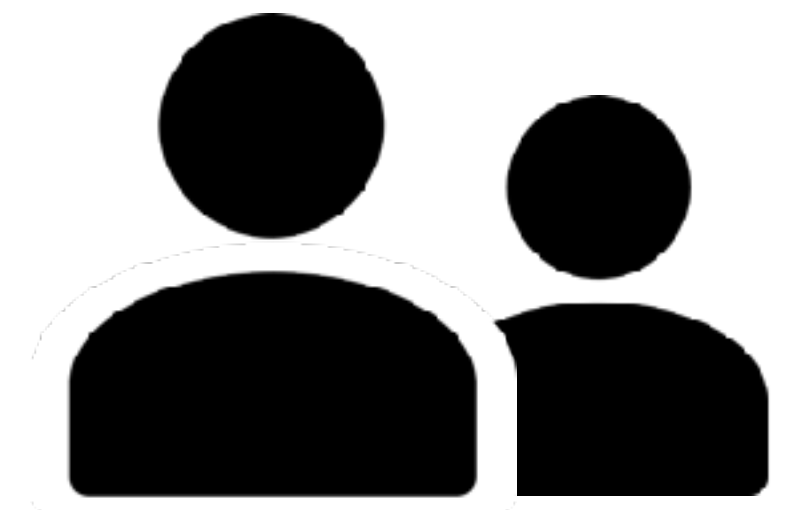
**Opticians**

*Strong Relationship*

*Strong Relationship*

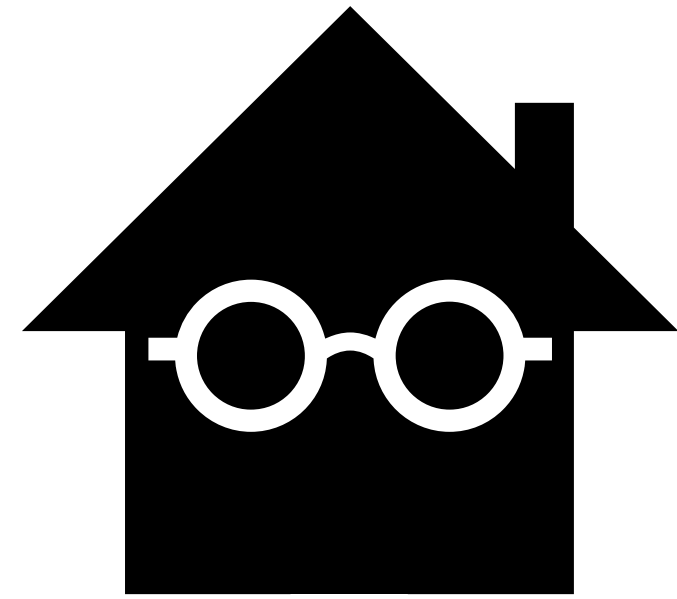
**myEyewear.io**

*New Relationship*



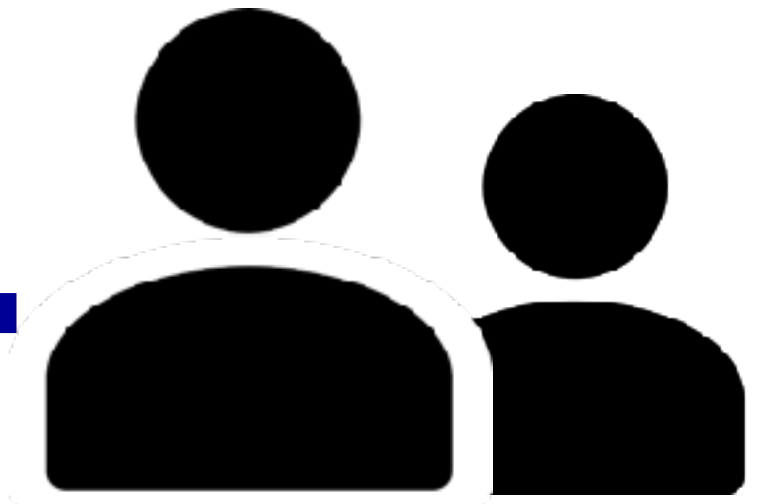
**Consumers**

myEyewear.io



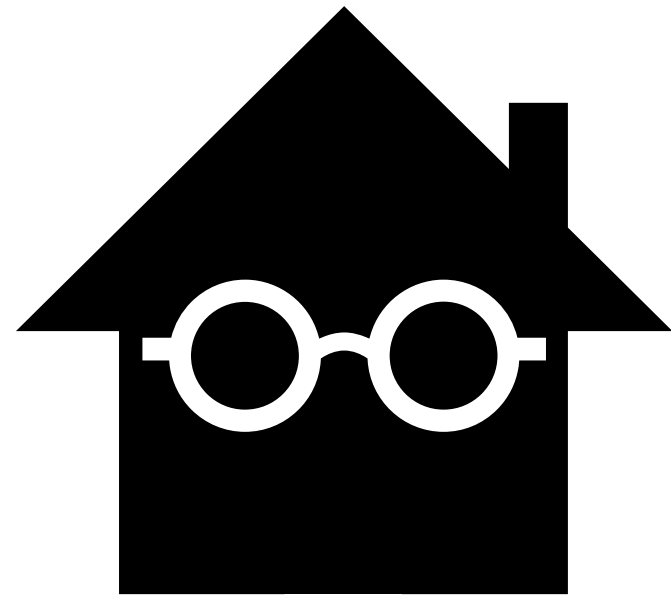
Optician

myEyewear.io

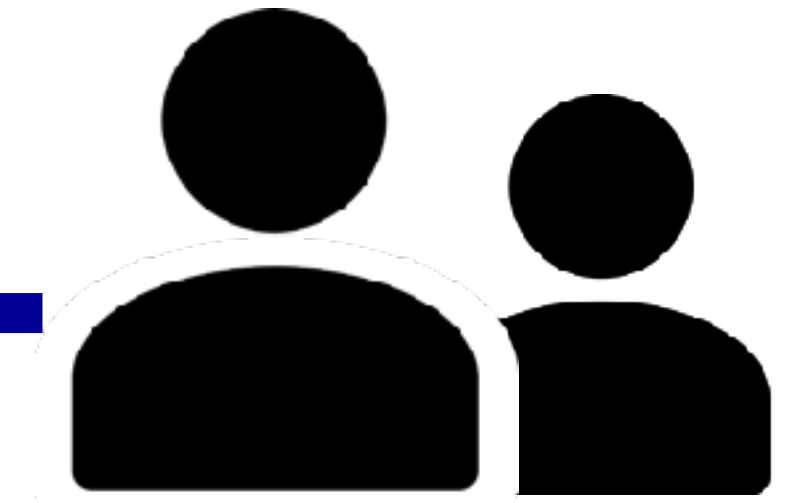
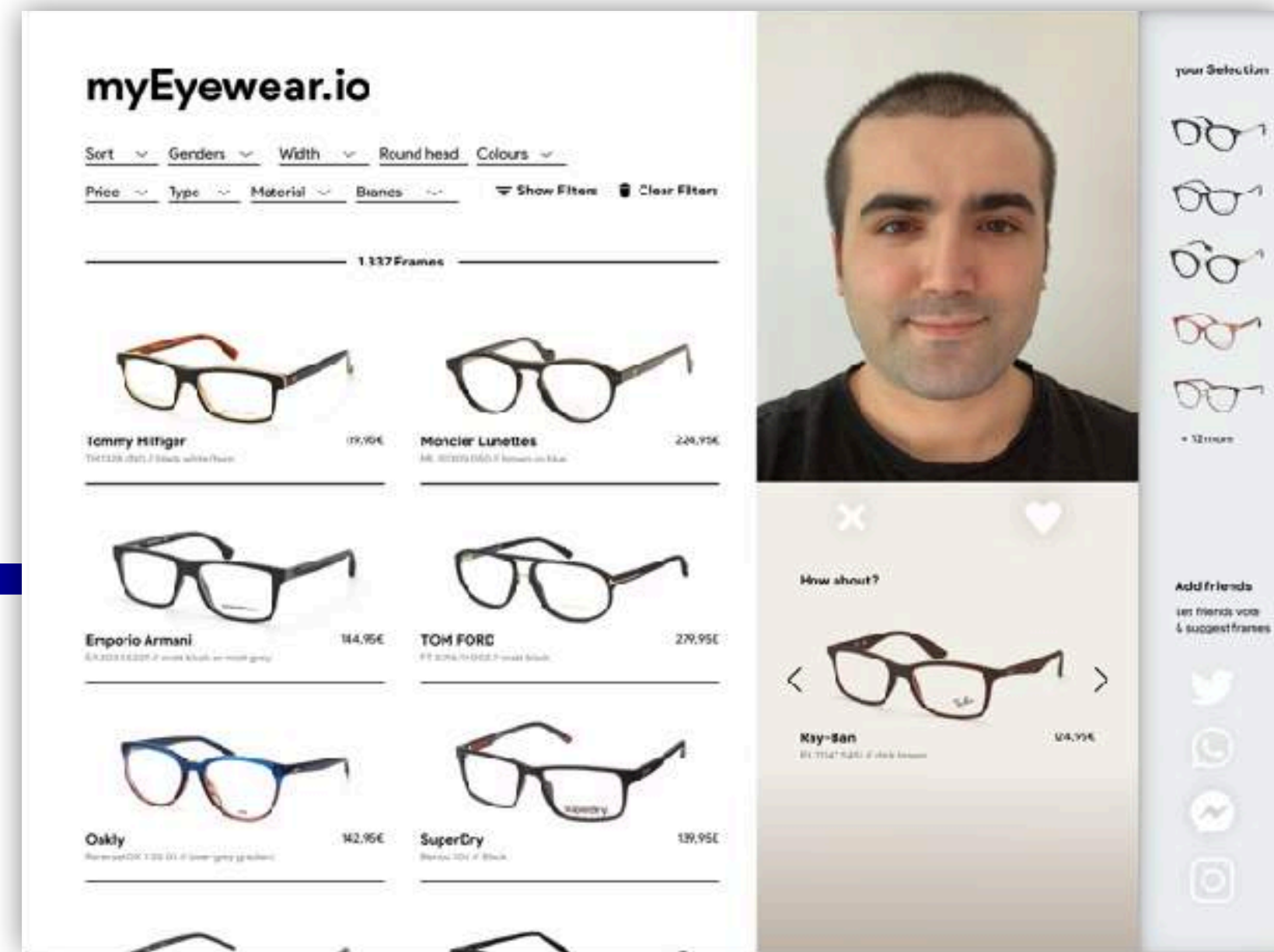


Consumers

myEyewear.io



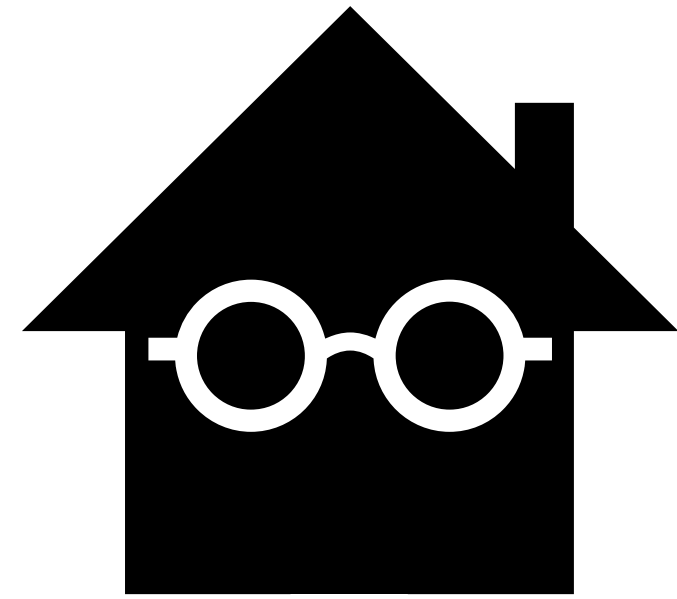
Optician



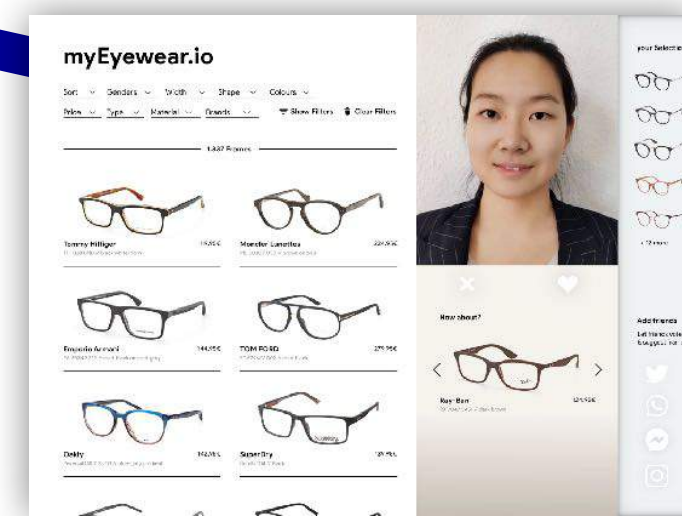
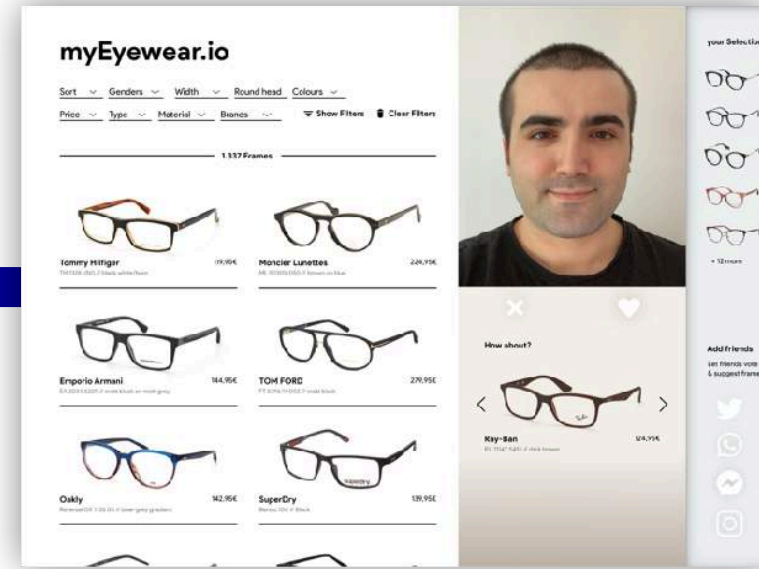
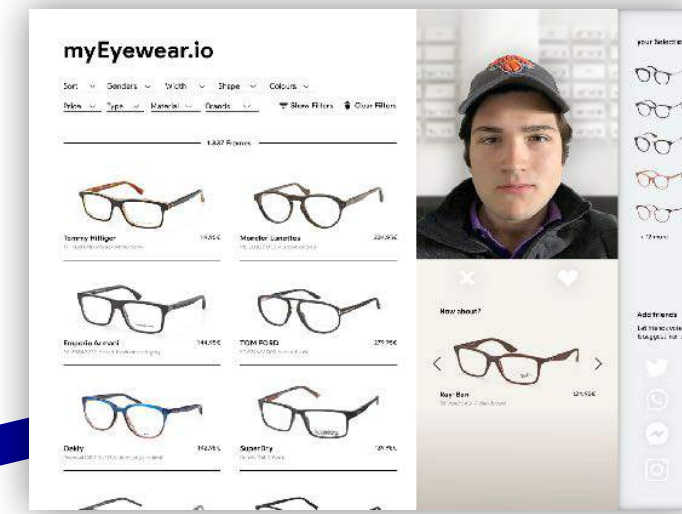
Consumers

Virtual Rooms

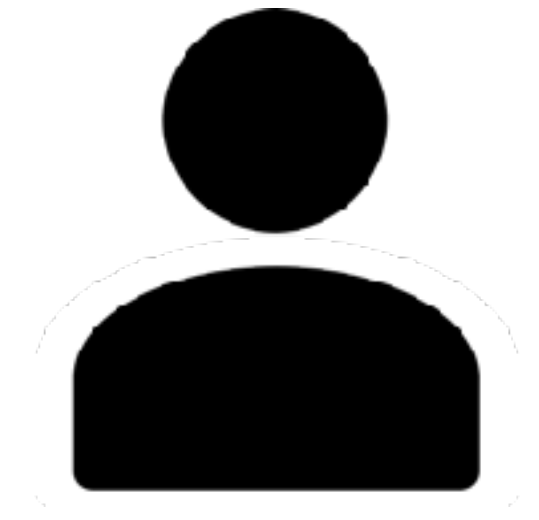
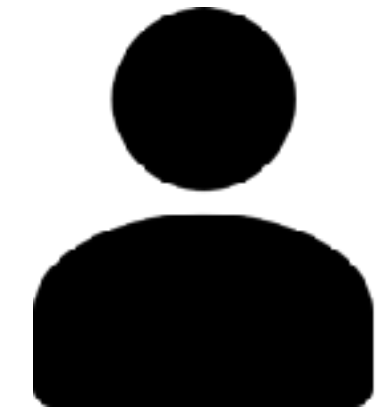
myEyewear.io



Optician

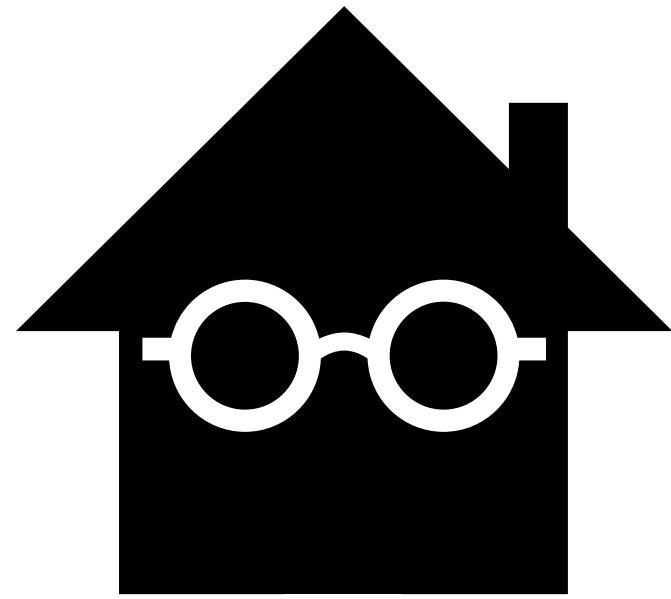


Virtual Rooms



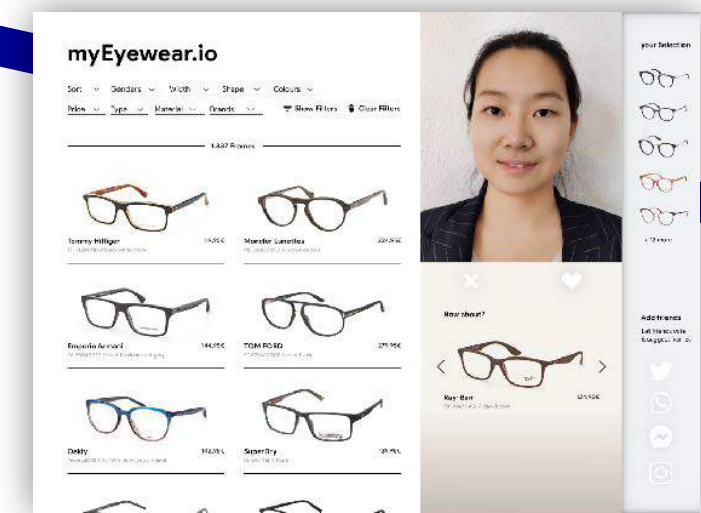
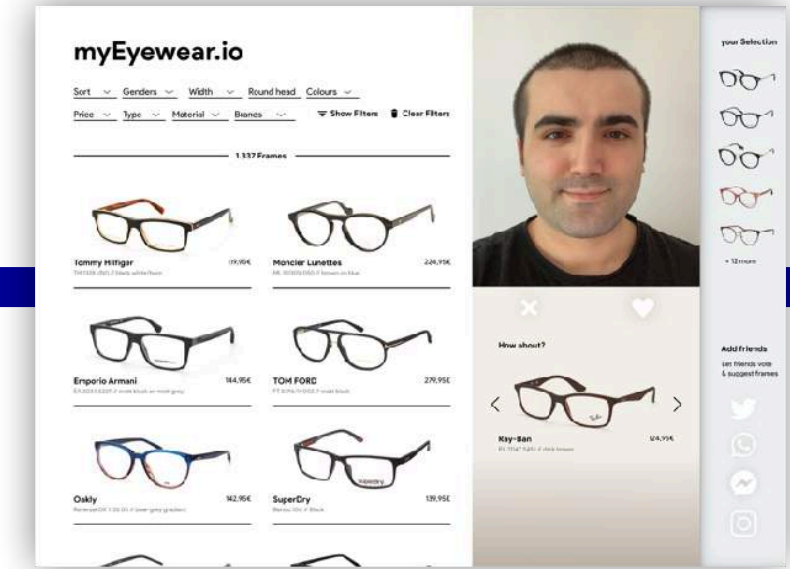
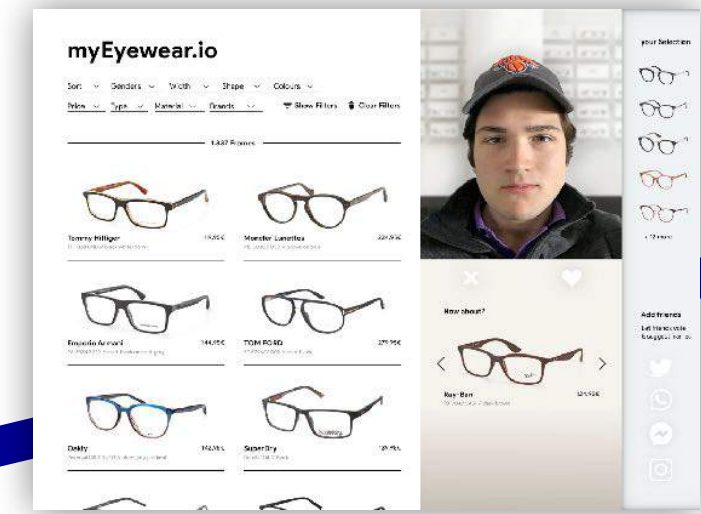
Consumers

myEyewear.io



Optician

powered by



Virtual Rooms

# How Virtual Rooms work



## Consumer pain points



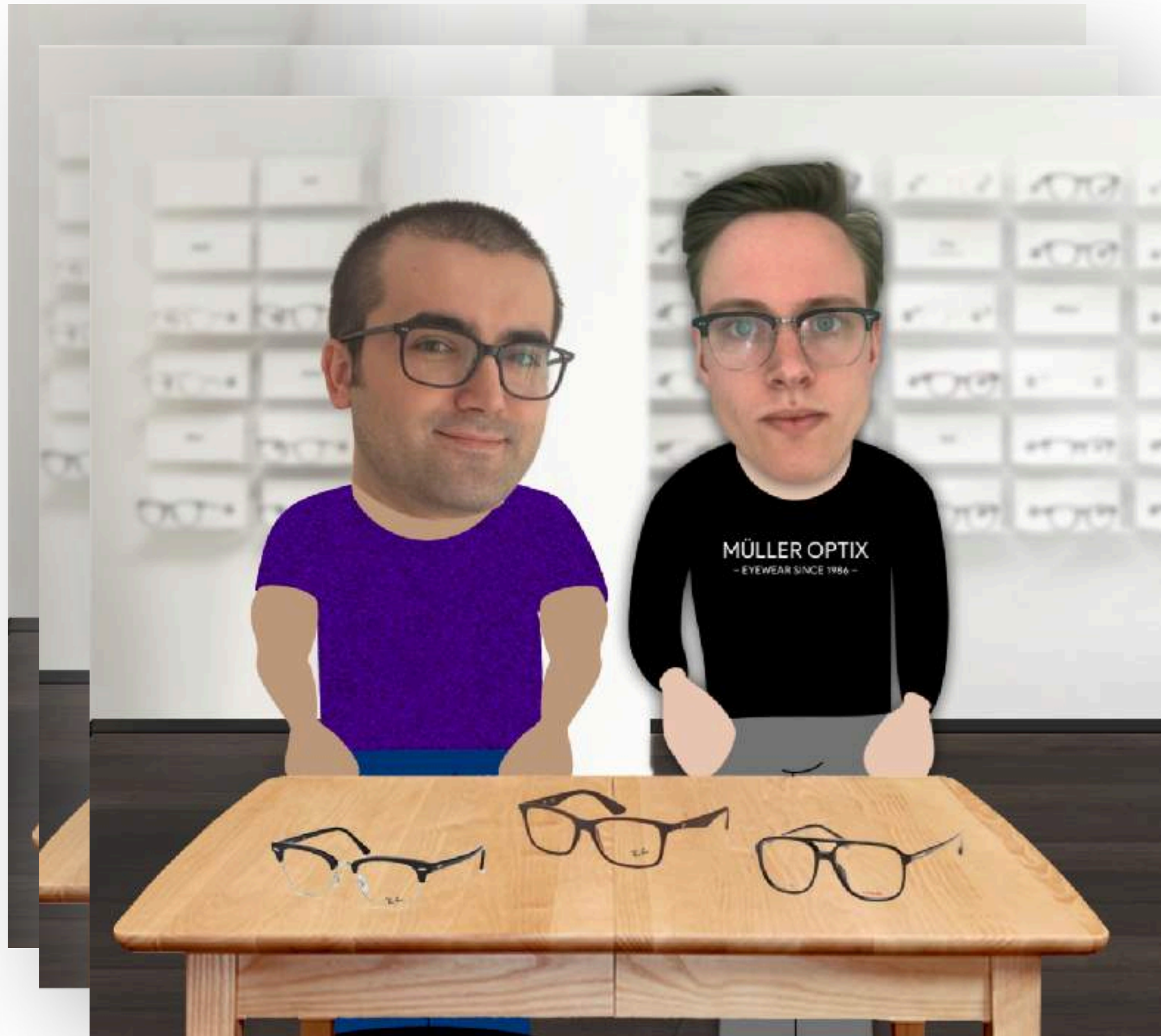
- Limited choice in stores

## Consumer pain points



- Limited choice in stores
- The need for friends for decision support

## Consumer pain points



- Limited choice in stores
- The need for friends for decision support
- Lack of optician support when shopping online

## Consumer pain points



„I will search online for suitable shops and go to the most recommended shop.

Then I will choose frames and bring my girlfriend as I do not know which to choose usually“

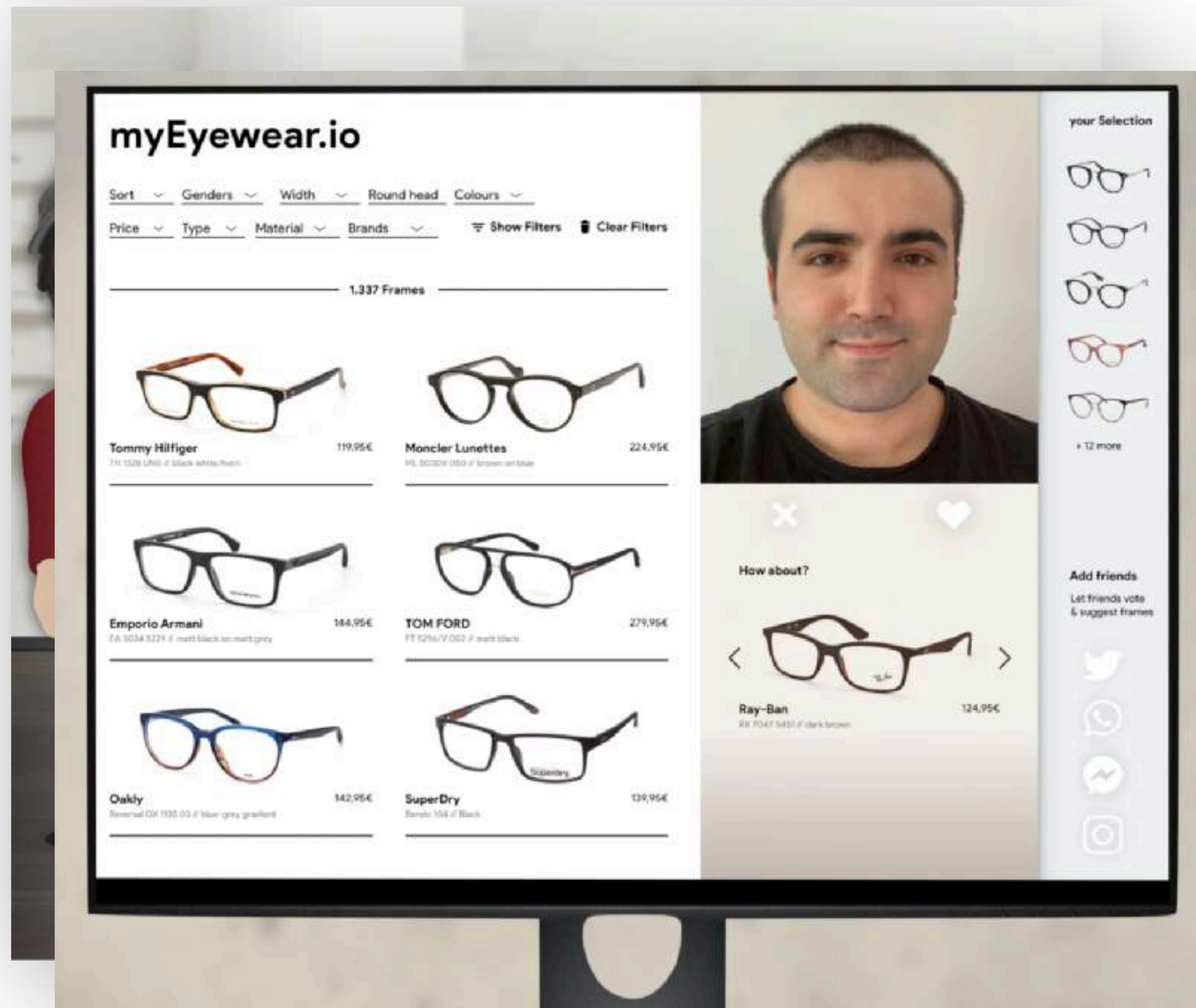
- Christian, 27

## Optician pain points



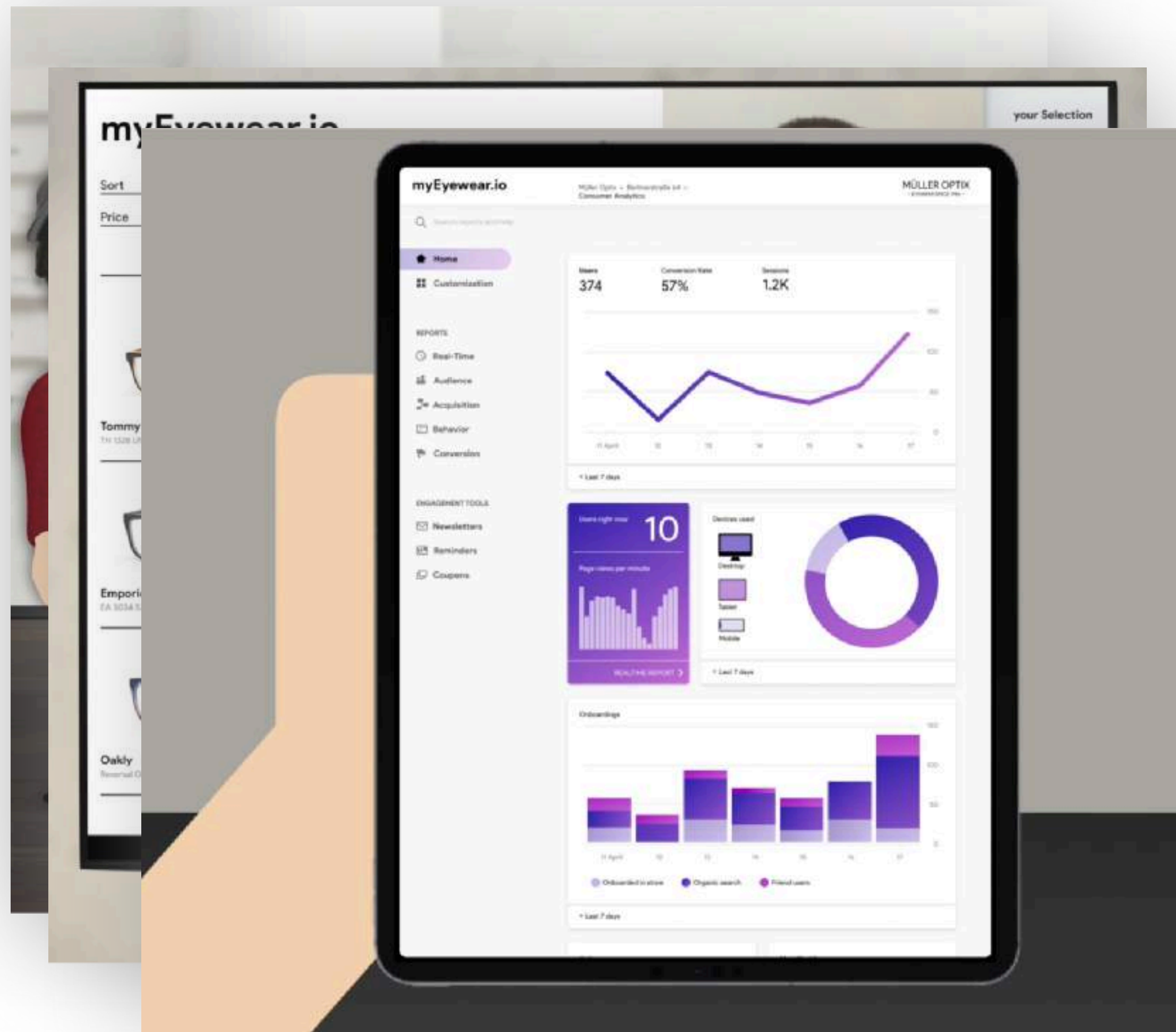
- High churn

# Optician pain points



- High churn
- Can't compete online

# Optician pain points



- High churn
- Can't compete online
- No data: What do consumers want?

# Optician pain points



„I don't have the infrastructure to create any digital presence to sell glasses online.

Due to COVID this has now become a top priority to stay in business.“

- Zickenheiner Optician

## ZEISS pain points



- Low brand awareness

## ZEISS pain points



- Low brand awareness
- Poor data from opticians

## ZEISS pain points



- Low brand awareness
- Poor data from opticians
- Poor data directly from consumers

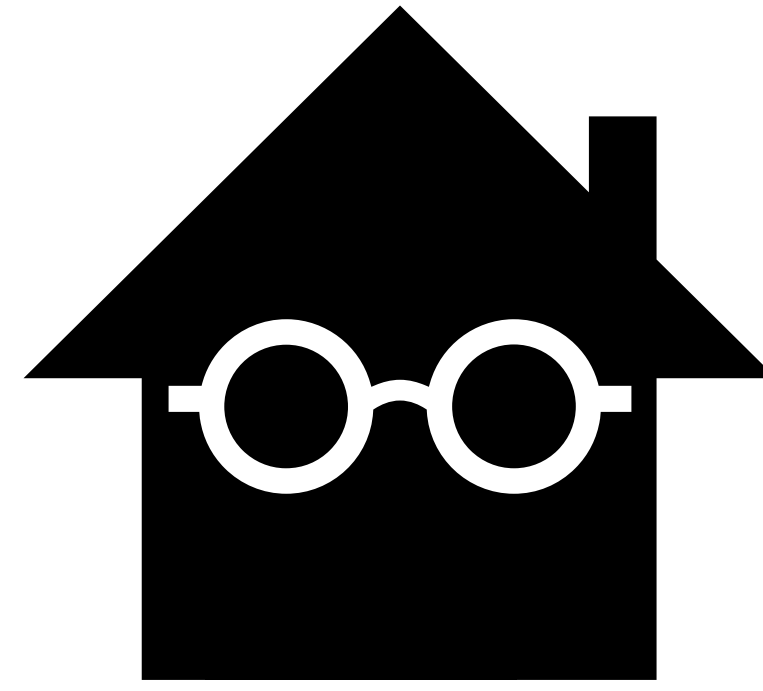
## ZEISS pain points



„I don't know any lens-brands.  
I just follow the advice of my optician.“

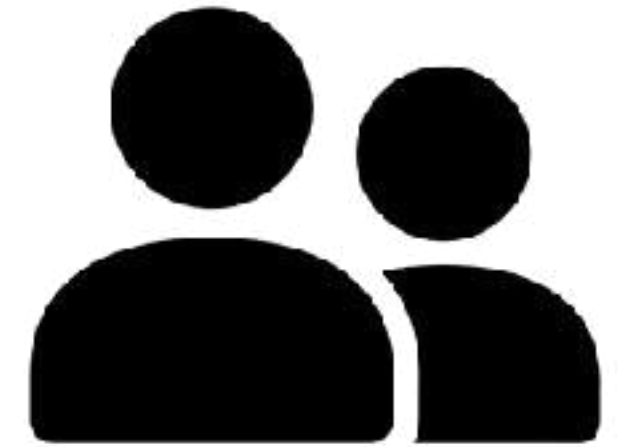
- Anne, 23

# Relationships

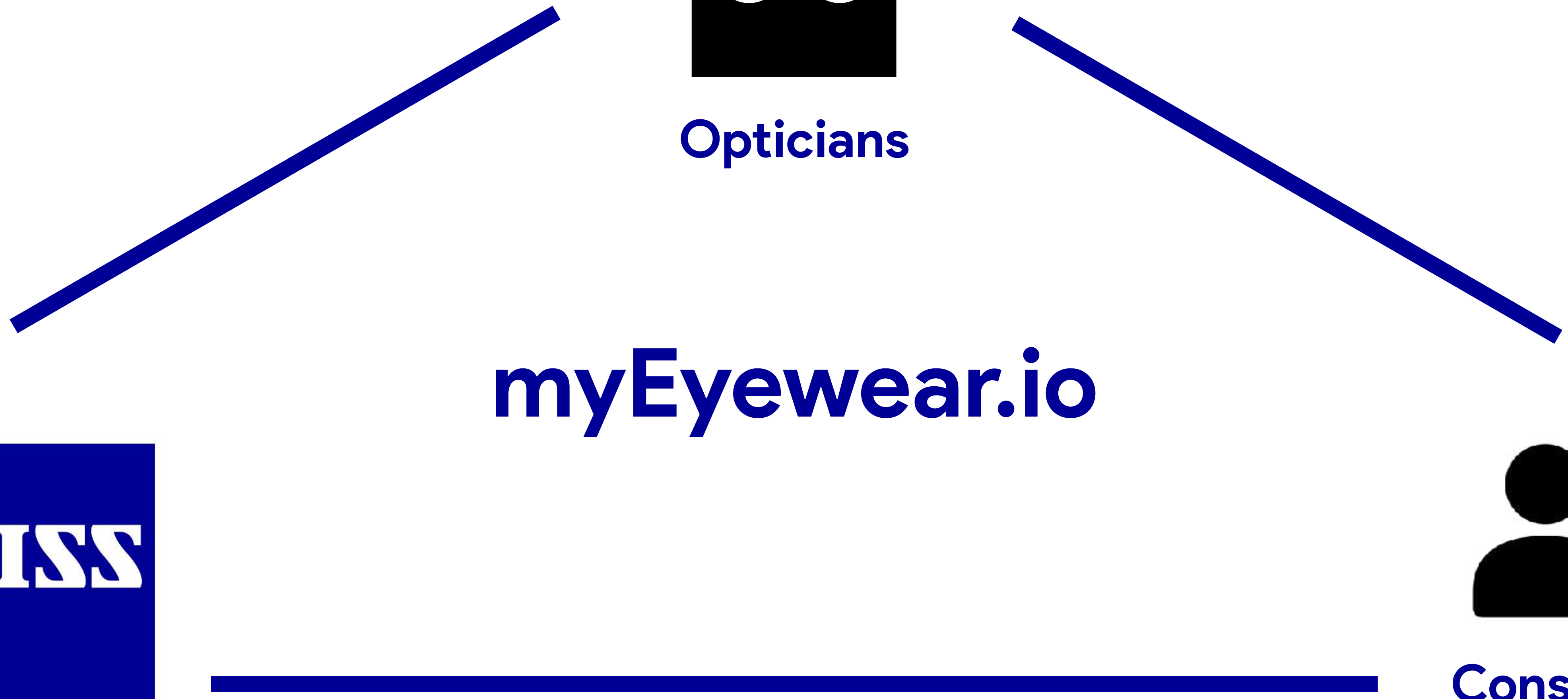


Opticians

myEyewear.io



Consumers

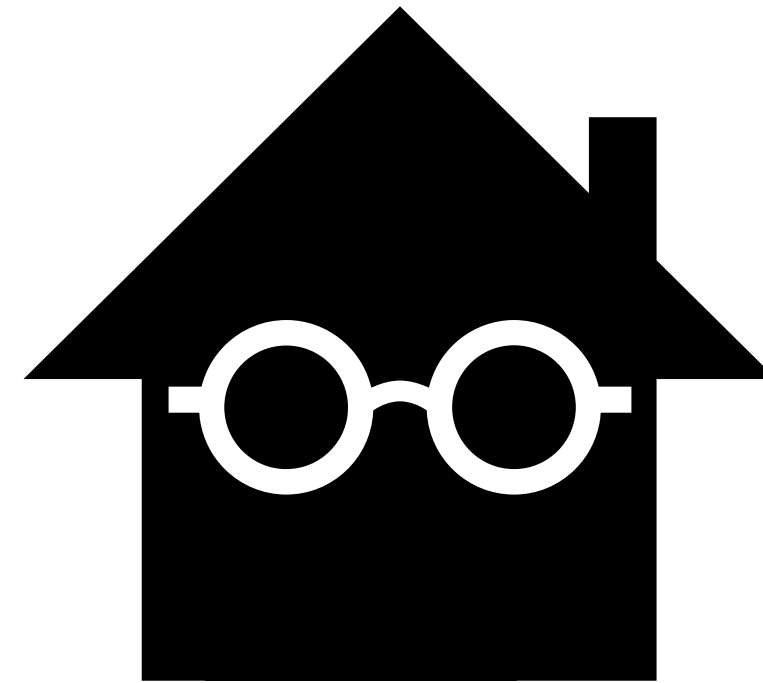


# Value proposition



## ZEISS

- Increased brand awareness
- Additional revenue streams
- Stronger relationships with opticians
- Consumer insights & data



## Opticians

- Higher conversion
- Increased traffic
- Customer insights & data
- E-commerce presence



## Consumers

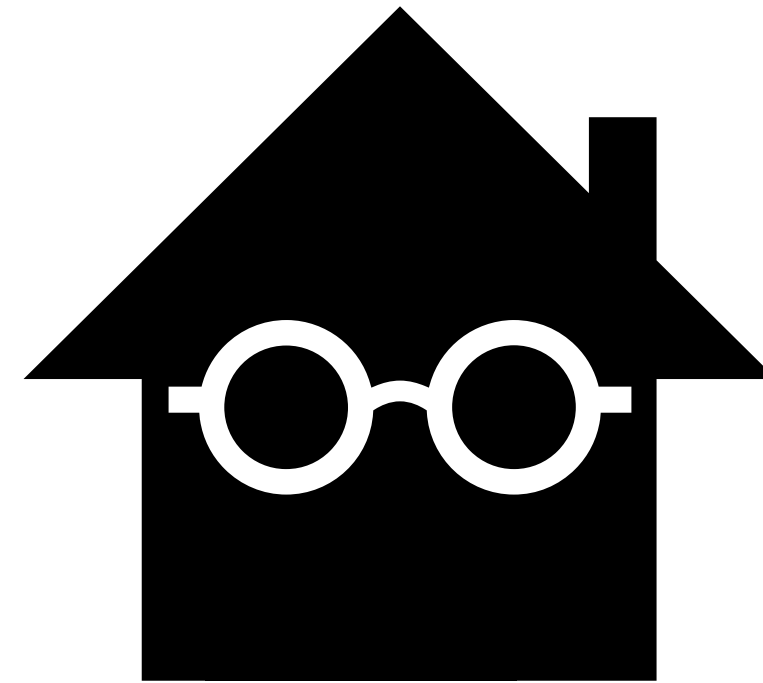
- Omni-channel shopping experience
- Digital decision support
- Bigger frame selection
- Close connection to their local optician

# Value proposition



## ZEISS

- Increased brand awareness
- Additional revenue streams
- Stronger relationships with opticians
- Consumer insights & data



## Opticians

- Higher conversion
- Increased traffic
- Customer insights & data
- E-commerce presence



## Consumers

- Omni-channel shopping experience
- Digital decision support
- Bigger frame selection
- Close connection to their local optician

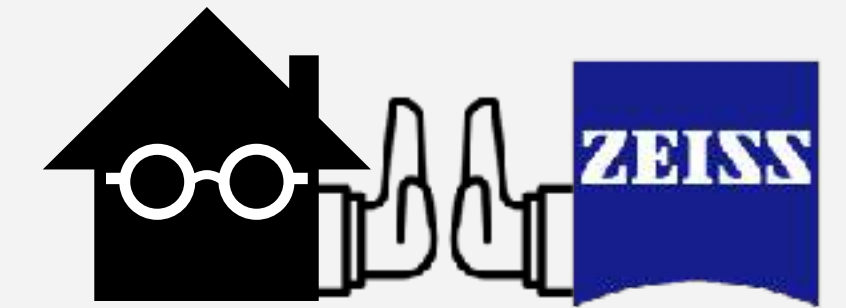
# Dual pricing model



**Zeiss Vision Center**



**Zeiss Partner**



**Non-Zeiss Partner**

# opticians  
in Germany

**12**

**1,000\***

**10,550\*\***

Sales share of  
ZEISS lenses

**100%**

**80%**

**4%**

Pricing

**free**

**1€**

*“pay per Virtual Room”*

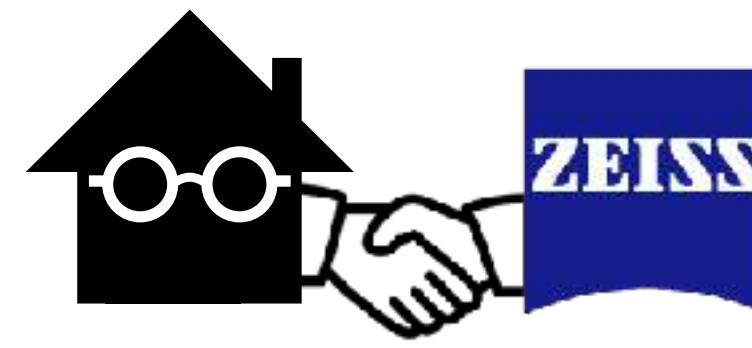
\* Source: ZEISS (2020)

\*\* Source: ZVA Branchenbericht (2019)

# Dual pricing model



**ZEISS Vision Center**


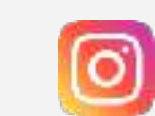



**ZEISS Partner**



**Non-Zeiss Partner**

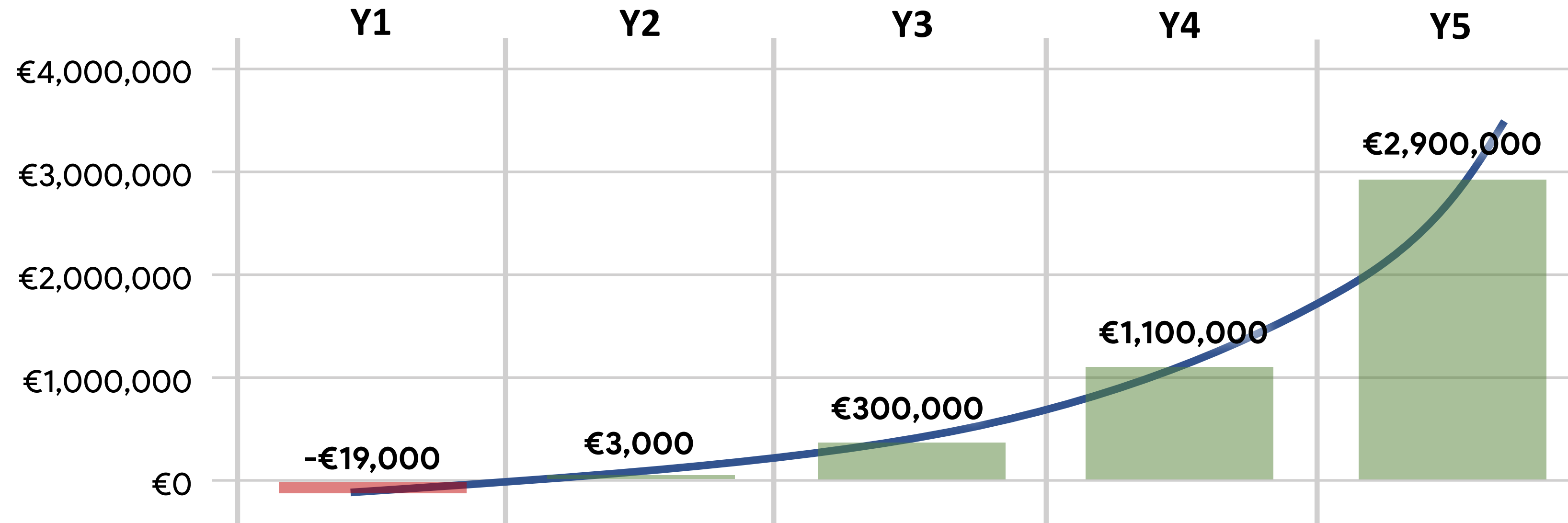
# opticians in Germany	<b>12</b>	<b>1,000*</b>	<b>10,550**</b>
Sales share of ZEISS lenses	<b>100%</b>	<b>80%</b>	<b>4%</b>
Pricing		<b>free</b>	<b>1€</b> <i>“pay per Virtual Room”</i>

		 
*** Cost per ad	1.49€	0.15€
Conversion rate	3.1%	1.1%
Cost per action	48.22€	14.29€

\* Source: ZEISS (2020)  
 \*\* Source: ZVA Branchenbericht (2019)  
 \*\*\* Source: WordStream (2019) and own analysis (2020)

# Business forecast

Cumulative P/L



ZEISS Vision Centers (ZVC)

6

12

12

12

12

ZEISS Partner Opticians (ZPO)

5

50

200

500

1,000

Non-ZEISS Partner Opticians (Non-ZPO)

5

50

200

500

1,000

Total number of Virtual Rooms

25,000

164,000

577,000

1,400,000

2,800,000

Net increase in ZEISS lenses sold

3,000

16,000

52,000

124,000

242,000

## Main assumptions

**€116,000**

Annual running costs

- + €45,000 one-time costs in Y1

**37.6 M**

Lenses sold p.a. in Germany\*

**11,550**

Offline opticians in Germany\*

**20%**

Traffic that gets a Virtual Room

- Free for ZPO/ZVC
- €1 per Virtual Room for Non-ZPO

**+ 5%**

Conversion increase

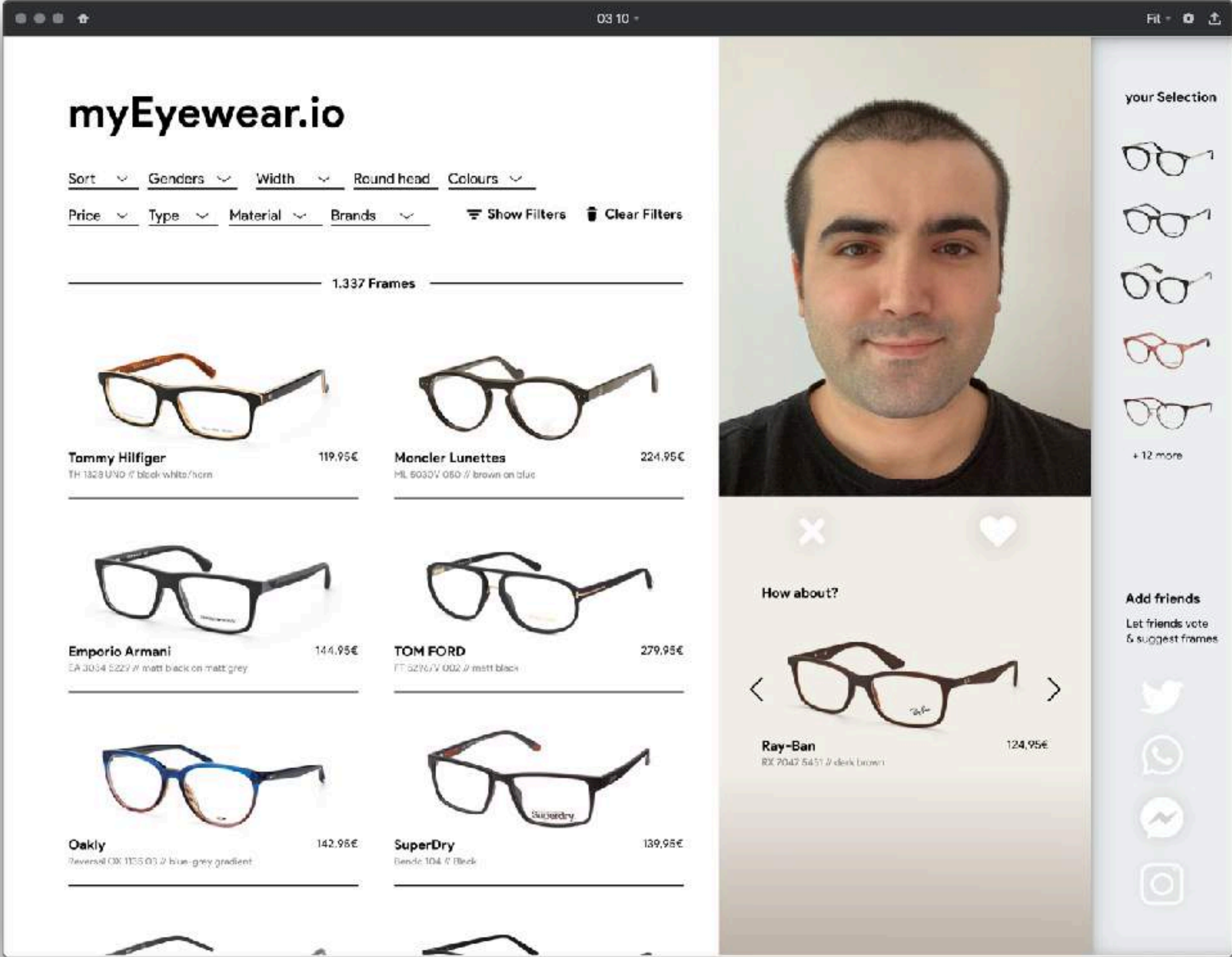
**+ 2%**

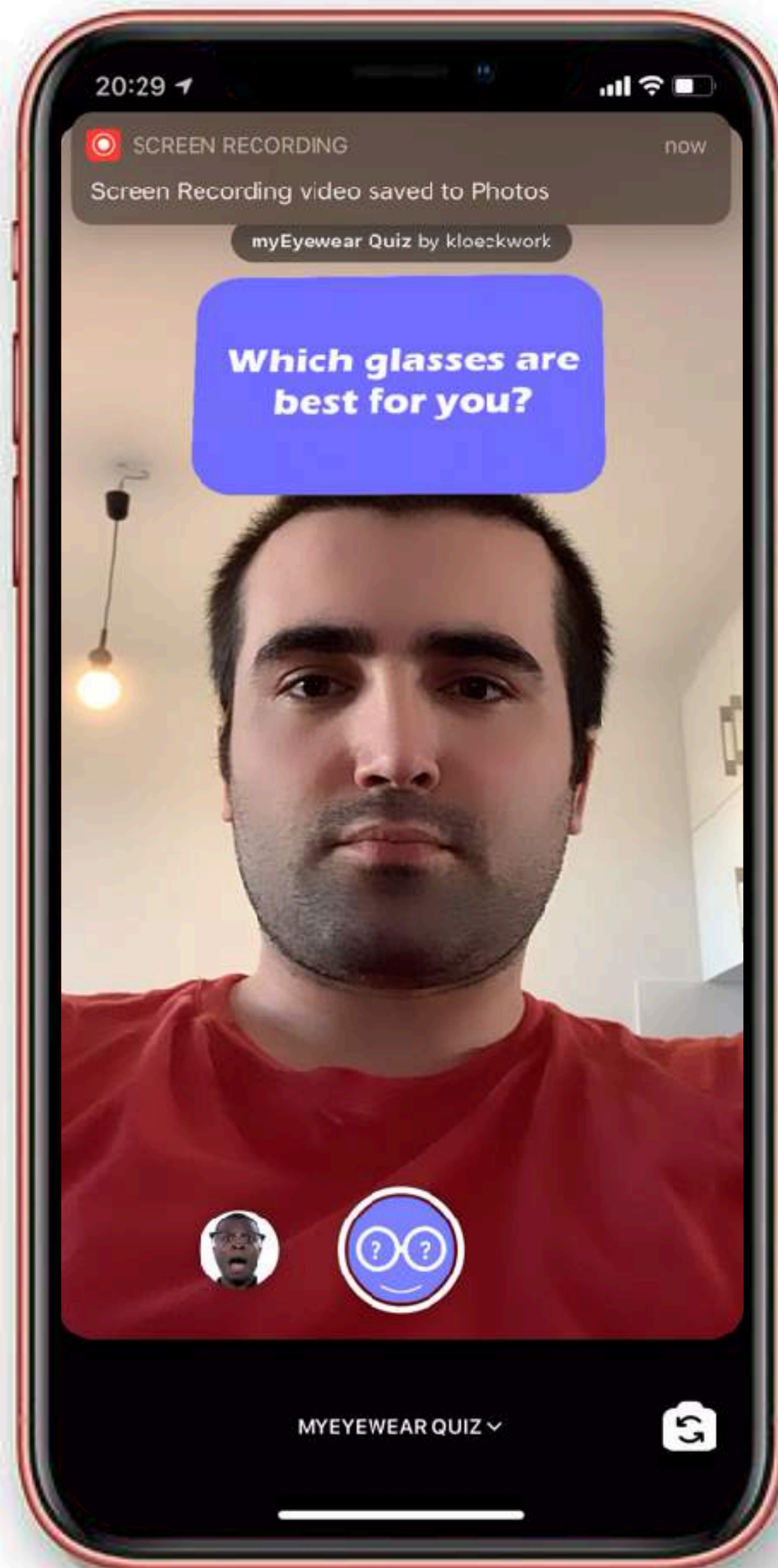
Traffic increase

\*Source: ZVA Branchenbericht (2019)

# myEyewear.io

## Functional Prototype





**Live on Instagram  
right now**

## Reach on Instagram

**>68K**

**Organic Instagram  
impressions**

**2**

**Instagram filters online  
since 20. April**

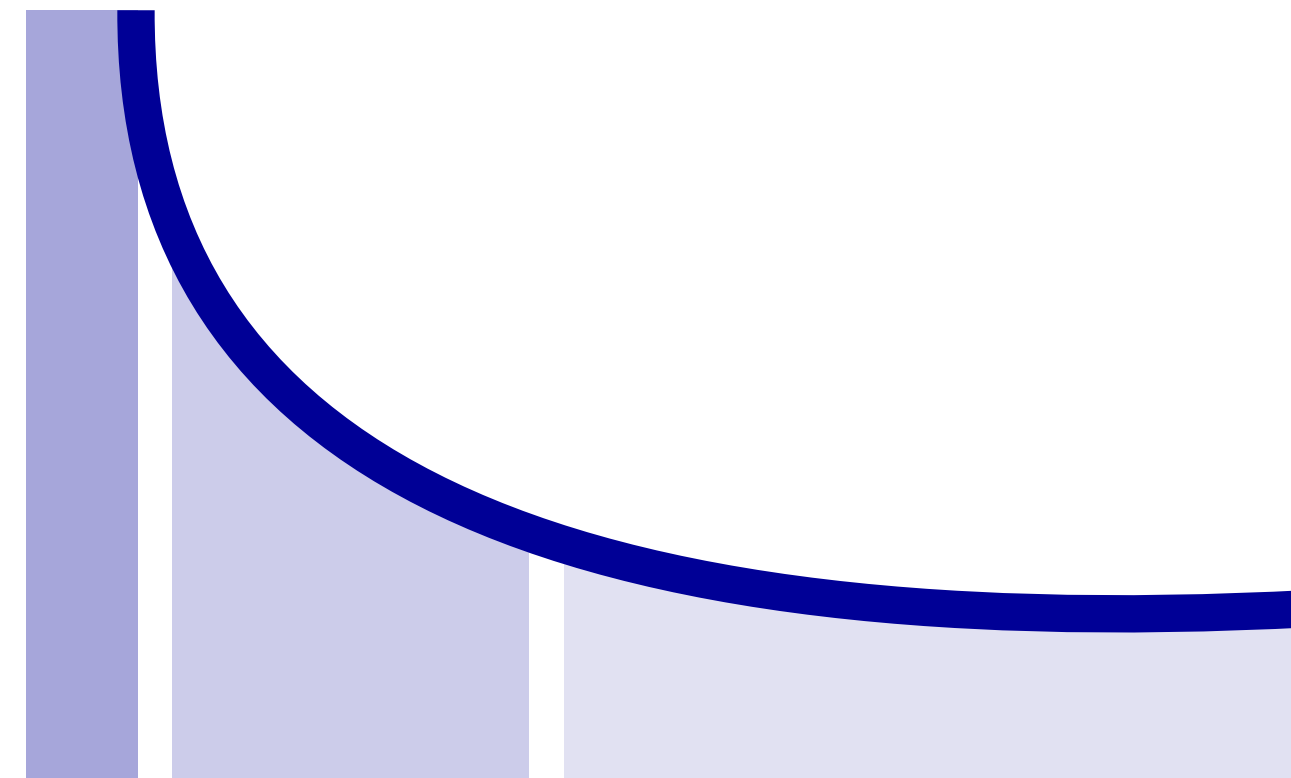
**2.6K**

**Organic individual  
completed uses**

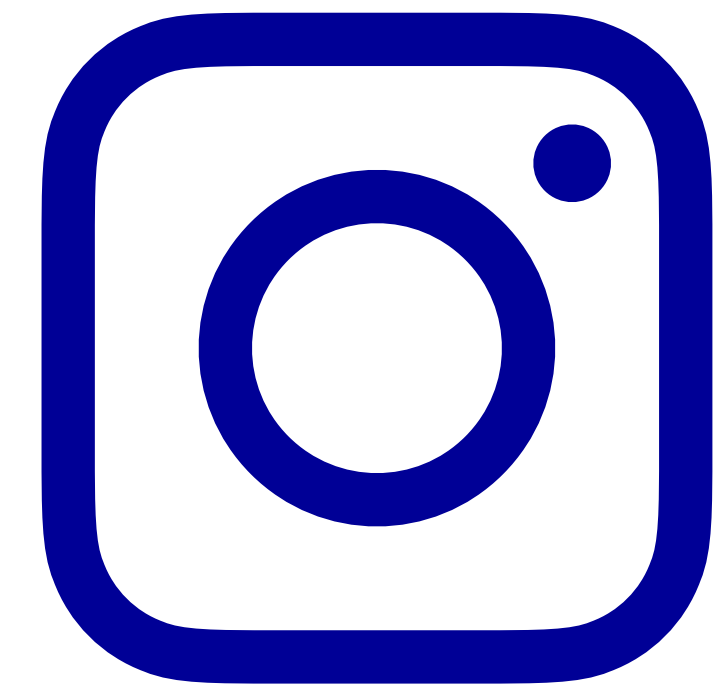
## Increased traffic with influencers



**Cooperate with top  
German influencers  
like Pamela Reif**



**Mix of 1-5 top influencers  
20-50 medium influencers  
80-150 micro influencers**



**Leverage head followers as  
brand ambassadors**

# Our teamwork



**Felix Auer**

Developer



**Philipp John**

Business Visionary



**Georg Klöck**

UX Design



**Sedat Sert**

Developer



**Stella Shen**

Business Visionary

**Concept & Research**



**Design Prototype**



**Frontend Functional Prototype**



**Backend Functional Prototype**



**Influencer Research**



**Instagram AR**



**Video**



**Business-case**



**Slide Deck**



# Roll Out

## Digital Shapers

February until now

- 2 Instagram try-ons online
- Functional prototype online
- Design prototype done
- Business model done
- Influencer research done
- First optician onboarding material finished

## Pilot Phase

Until the end of 2020

- Field test at ZEISS Vision Centers
- Iterate the UX with early adopters
- Prepare back-end for scalability

## Growth Phase

Starting 2021

- Onboard new opticians
- Start influencer marketing
- Turn Instagram try-ons into a funnel to [myEyewear.io](https://myEyewear.io)





**– Zickenheiner Optiker**

**Looks really promising. When is it ready?**

**– Zickenheiner Optiker**

# Thank you



**Virginia Herbst**

McKinsey



**Eric Nehrbass**

ZEISS Vision



**Felix Auer**

Developer



**Philipp John**

Business Visionary



**Georg Klöck**

UX Design



**Sedat Sert**

Developer



**Stella Shen**

Business Visionary



**Felix Auer**

Developer



**Philipp John**

Business Visionary



**Georg Klöck**

UX Design



**Sedat Sert**

Developer



**Stella Shen**

Business Visionary

Instagram AR online:



Business case deep-dive:



<https://myEyewear.io>

Functional desktop prototype online

# Appendix Design UX

Spark AR Hub

facebook.com/sparkarhub/publish/effect/1171061326571410/

myEyewear  
Sichtbar · Instagram

Teilen Aktualisieren

Übersicht Sichtbarkeit Details Daten Aktivitätsprotokoll

Insights Last 7 days

Insights are available going back to February 8, 2019. Any data from before this time isn't captured here.

Impressionen  
5.223 +197%

Date	Impressions
May 30, 2020	~1,000
May 31, 2020	~2,500
Jun 1, 2020	~1,500
Jun 2, 2020	~5,000
Jun 3, 2020	~3,500
Jun 4, 2020	~2,000
Jun 5, 2020	~1,000

Aufschlüsselungen

Aufnahmen  
176 +4%

Date	Captures
May 30, 2020	~50
May 31, 2020	~100
Jun 1, 2020	~50
Jun 2, 2020	~150
Jun 3, 2020	~100
Jun 4, 2020	~170
Jun 5, 2020	~150

Effekt veröffentlichen

Georg Düdemeister

Profil Vorschau Kamera

Ein Problem melden

Smartphone preview: kloekwork, 10K Posts, 10K Followers, 10K Following, myEyewear

Spex Berlin  
Alte Schönhauser Str. 111  
10119 Berlin

# Welcome to your personal room, Tester!

CONTACT YOUR  
OPTICIAN

Zeiss  
Polar filters



**Zeiss** \*\* €  
Polar filter, Gläser



**Zeiss** \*\*\*\* €  
Polar filter, Gläser



**Zeiss** \*\* €  
Polar filter, Gläser



**Zeiss** \*\* €  
Polar filter, Gläser



**Zeiss** \*\* €  
Polar filter, Gläser



**Zeiss** \*\* €  
Polar filter, Gläser



**Zeiss** \*\*\*\* €  
Polar filter, Gläser



**Zeiss** \*\* €  
Polar filter, Gläser



**Zeiss** \*\* €  
Polar filter, Gläser



**Zeiss** \*\*\* €  
Polar filter, Gläser



**Ultralight Classics** \*\*\*\*, \*\*\*\* €  
Polar filter, Gläser  
Lowey™



**CO Optical** \*\*, \* €  
Lowey™ Polar filter, Gläser



I don't like it I like it

AI suggestions based on your style:



PLD DPTG RHL

Friend's name:

Create link

You haven't created a link yet

+ ADD SOCIAL

- Facebook
- Instagram
- TikTok

Name

Email Address

Submit



# Appendix Business

# MyEyewear Business Case – Forecast

	Y1	Y2	Y3	Y4	Y5
<b>Costs</b>	<b>€161,000</b>	<b>€116,000</b>	<b>€116,000</b>	<b>€116,000</b>	<b>€116,000</b>
ZVCs (rollout)	5	12	12	12	12
YOY rollout growth	-	140%	0%	0%	0%
Zeiss lens sales before myEyewear	32,556	78,135	78,135	78,135	78,135
Zeiss lens sales with myEyewear	34,292	82,302	82,302	82,302	82,302
<b>ZVCs</b>	<b>10,852</b>	<b>26,045</b>	<b>26,045</b>	<b>26,045</b>	<b>26,045</b>
Net Zeiss lens sales increase - via traffic increase	750	1,799	1,799	1,799	1,799
Net Zeiss lens sales increase - via conversion increase	987	2,368	2,368	2,368	2,368
<b>Net Zeiss lens sales Increase (pcs)</b>	<b>1,736</b>	<b>4,167</b>	<b>4,167</b>	<b>4,167</b>	<b>4,167</b>
Net Zeiss lens sales increase (€)	€28,805	€69,131	€69,131	€69,131	€69,131
<b>Net profit through additional lens sales (€)</b>	<b>€5,761</b>	<b>€13,826</b>	<b>€13,826</b>	<b>€13,826</b>	<b>€13,826</b>
ZPOs (rollout)	5	50	200	500	1,000
YOY rollout growth	-	900%	300%	150%	100%
Zeiss lens sales before myEyewear	20,765	207,650	830,598	2,076,495	4,152,990
Zeiss lens sales with myEyewear	21,886	218,856	875,423	2,188,557	4,377,113
<b>ZPOs</b>	<b>8,652</b>	<b>86,521</b>	<b>346,083</b>	<b>865,206</b>	<b>1,730,413</b>
Net Zeiss lens sales increase - via traffic increase	479	4,794	19,177	47,942	95,884
Net Zeiss lens sales increase - via conversion increase	641	6,412	25,648	64,120	128,239
<b>Net Zeiss lens sales Increase (pcs)</b>	<b>1,121</b>	<b>11,206</b>	<b>44,825</b>	<b>112,062</b>	<b>224,123</b>
Net Zeiss lens sales increase (€)	€18,390	€183,903	€743,613	€1,859,032	€3,718,064
<b>Net profit through additional lens sales (€)</b>	<b>€3,718</b>	<b>€37,181</b>	<b>€148,723</b>	<b>€371,806</b>	<b>€743,613</b>
ZPOs (rollout)	5	50	200	500	1,000
YOY rollout growth	-	900%	300%	150%	100%
Zeiss lens sales before myEyewear	668	6,684	26,737	66,842	133,685
Zeiss lens sales with myEyewear	741	7,413	29,652	74,130	148,261
<b>non-ZPOs</b>	<b>5,121</b>	<b>51,214</b>	<b>204,858</b>	<b>512,145</b>	<b>1,024,289</b>
<b>Revenue via Virtual Rooms</b>	<b>€5,121</b>	<b>€51,214</b>	<b>€204,858</b>	<b>€512,145</b>	<b>€1,024,289</b>
<b>Net Zeiss lens sales increase (pcs)</b>	<b>73</b>	<b>729</b>	<b>2,915</b>	<b>7,288</b>	<b>14,576</b>
Net Zeiss lens sales increase (€)	€1,209	€12,090	€48,361	€120,902	€241,803
<b>Net profit through additional lens sales (€)</b>	<b>€242</b>	<b>€2,418</b>	<b>€9,672</b>	<b>€24,180</b>	<b>€48,361</b>
<b>ZVCs</b>	<b>10,852</b>	<b>26,045</b>	<b>26,045</b>	<b>26,045</b>	<b>26,045</b>
Total VRs created	10,852	26,045	26,045	26,045	26,045
<b>P/L</b>	<b>-€155,239</b>	<b>-€102,174</b>	<b>-€102,174</b>	<b>-€102,174</b>	<b>-€102,174</b>
<b>Cumulative P/L</b>	<b>-€155,239</b>	<b>-€257,413</b>	<b>-€359,587</b>	<b>-€461,760</b>	<b>-€563,934</b>
<b>ZVCs + ZPOs</b>	<b>19,504</b>	<b>112,566</b>	<b>372,127</b>	<b>891,251</b>	<b>1,756,458</b>
Total VRs created	19,504	112,566	372,127	891,251	1,756,458
Net Zeiss lens sales increase (pcs)	2,857	15,373	48,992	116,229	228,290
<b>P/L</b>	<b>-€151,521</b>	<b>-€64,993</b>	<b>€46,549</b>	<b>€269,633</b>	<b>€641,439</b>
<b>Cumulative P/L</b>	<b>-€151,521</b>	<b>-€216,514</b>	<b>-€169,965</b>	<b>€99,667</b>	<b>€741,106</b>
<b>ZVCs + ZPOs</b>	<b>24,626</b>	<b>163,780</b>	<b>576,985</b>	<b>1,403,396</b>	<b>2,780,747</b>
Total VRs created	24,626	163,780	576,985	1,403,396	2,780,747
VRs that were charged for	5,121	51,214	204,858	512,145	1,024,289
Net Zeiss lens sales increase (pcs)	2,930	16,102	51,907	123,517	242,866
<b>P/L</b>	<b>-€19,450</b>	<b>€22,337</b>	<b>€294,777</b>	<b>€839,656</b>	<b>€1,747,787</b>
<b>Cumulative P/L</b>	<b>-€19,450</b>	<b>€2,887</b>	<b>€297,664</b>	<b>€1,137,320</b>	<b>€2,885,107</b>



Model available at:  
[myeyewear.com/model](https://myeyewear.com/model)

# MyEyewear Business Case – Model Assumptions

Myeyewear Assumptions	
Traffic increase	2%
Conversion increase	5%
Zeiss brand awareness increase through VR	1%
% of traffic that gets a VR	20%
Pay-per-virtual-room fee	€1.0
Costs - salary hourly rate	€50

Myeyewear Costs - One time	
UX Designer (300h)	€15,000
Software Developer (600h)	€30,000

Myeyewear Costs - Annually	
Operations and sales (1 year)	€92,000
UX Designer (maintenance) (120h)	€6,000
Software Developer (maintenance) (240h)	€12,000
Server (500€/month)	€6,000

All Opticians - Statistics	
Opticians	11,550
Total lenses sold at opticians (pcs)	37,610,000
Total Zeiss lenses sold at opticians (pcs)	5,641,500
Avg. # of lenses sold per optician (year)	3,256
Avg. € of lenses sold per optician (year)	€38,585
Avg. traffic per optician (month)	411

Non-ZPOs - Statistics	
Opticians	10,550
Total lenses sold at opticians (pcs)	32,418,762
Total Zeiss lenses sold at opticians (pcs)	1,410,375
Avg. # of lenses sold per optician (year)	3,073
Avg. € of lenses sold per optician (year)	€37,046
Avg. traffic per optician (month)	388

Only ZPOs - Statistics	
ZPOs	1,000
Total lenses sold at opticians (pcs)	5,191,238
Total Zeiss lenses sold at opticians (pcs)	4,152,990
Avg. # of lenses sold per optician (year)	5,191
Avg. € of lenses sold per optician (year)	€81,198
Avg. traffic per optician (month)	655

Only ZVCs - Statistics	
ZVCs	12
Total lenses sold at ZVCs (pcs)	78,135
Total Zeiss lenses sold at ZVCs (pcs)	78,135
Avg. # of lenses sold per ZVCs (year)	6,511
Avg. € of lenses sold per ZVCs (year)	€108,017
Avg. traffic per optician (month)	822

Lenses Sold (pcs)	
TAM (kPcs)	38,820,000
Lenses sold at optician stores (pcs) - TAM	37,610,000
--> Zeiss Market Share	5,641,500

Lenses Sold (€)	
TAM (mEUR)	€460,000,000
Lenses sold at optician stores (€) - TAM	€445,662,030
--> Zeiss Market Share	€93,589,026
--> Price per Zeiss lens	€17
--> Avg. price per lens (all lens brands)	€12

Zeiss Market Share	
Zeiss Market Share (Volume)	15%
Zeiss Market Share (Value)	21%

Sales Shares	
% of Zeiss lenses sold TO ZVCs	1.4%
% of Zeiss lenses sold AT ZVCs	100%
% of Zeiss lenses sold TO ZPOs	74%
% of Zeiss lenses sold AT ZPOs	80%
% of Zeiss lenses sold TO non-ZPOs	25%
% of Zeiss lenses sold AT non-ZPOs	4%

Zeiss Lens Profit Margin	
Zeiss profit margin per lens sold	20%

Consumer	
Repurchase rate (months)	36
Conversion at optician	33%
Retention at optician	50%



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