



BusinessConnect and SolutionsConnect

It's time to make bold moves.

***“It’s all about me!”
or
data-driven marketing***

Mike Kearney
Big Data & Analytics Marketing



**A long tiresome speech
delivered by
a frothy pie topping?**



Agenda

- Perspectives on big data and the consumer
- Data-driven marketing case studies
- Concluding thoughts

It was (nearly) twenty years ago today.....

Have you ever clicked
your mouse right HERE?  YOU
WILL

Stop Selling Ads and Do Something Useful

To remain relevant marketers need to ask consumers

“How can we help you?” instead of “What can we sell you?”

- Joe McCambley at <http://blogs.hbr.org/2013/02/stop-selling-ads-and-do-someth/>

October 1994 for AT&T



A customer – are you prepared to be useful?



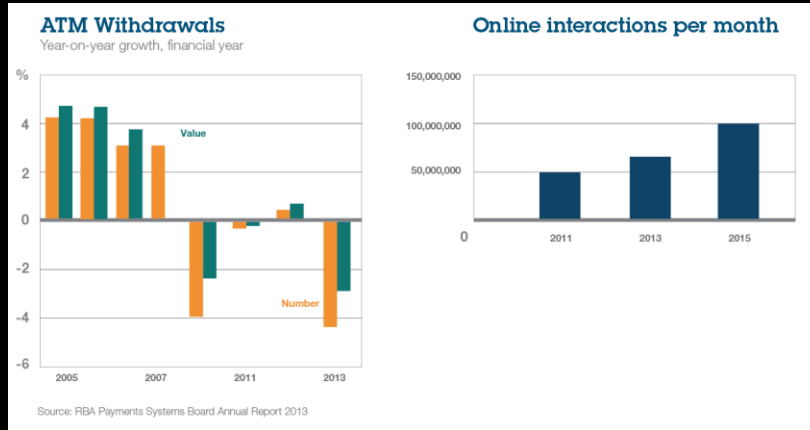
Interaction data
email and chat transcripts
call centre notes
web click streams
in-person dialogues

Attitudinal data
opinions
preferences
implied desires

Descriptive data
self-declared
inferred
geographic
demographic

Behavioural data
orders
transactions
payment history
usage history

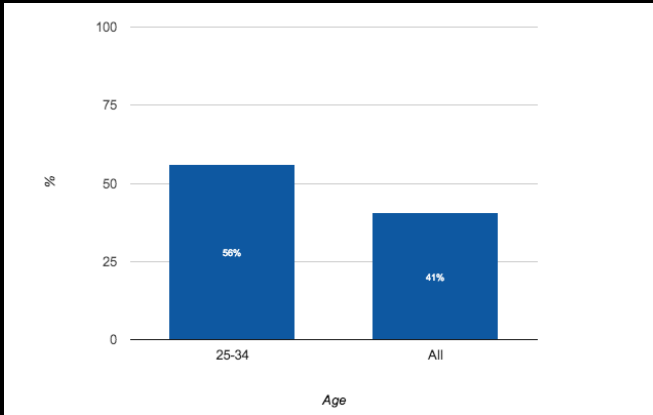
Less cash, more interactions, greater opportunity



Shopping is going mobile

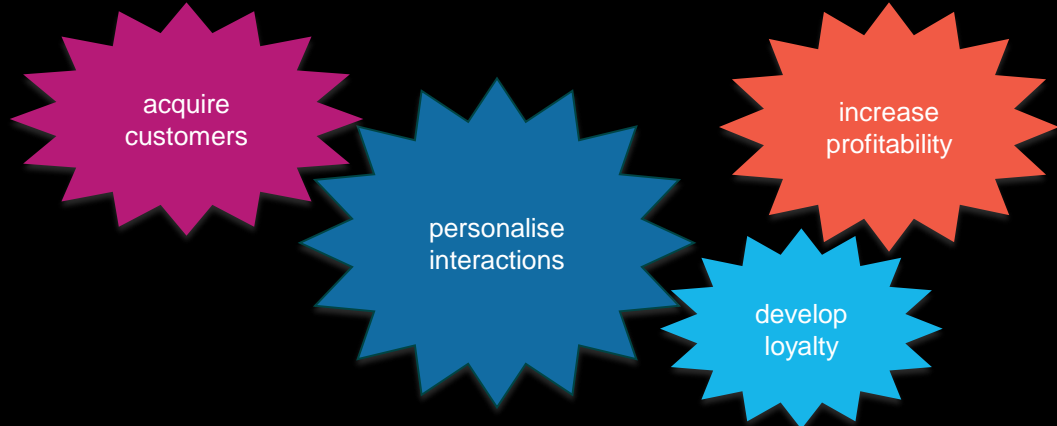
Australian mobile purchases by smartphone in 2013

Source: Google Our Mobile Planet



2014: Mobile payment offered by Australian banks, PayPal, (Apple, Google?)

A simple assertion: use data to inform interactions



Agenda

- Perspectives on big data and the consumer
- Data-driven marketing case studies
 - acquire customers
 - increase profitability
 - develop loyalty by creating valued relationships
- Concluding thoughts

Lifting Customer Acquisition at Constant Contact



“Constant Contact is a software company that provides a marketing platform for small businesses. Through our platform our customers send about **35 billion emails every year**. We **analyze trends** to help them be more successful, help them understand when to send emails, help them understand **what content is most effective.**”

www.ibmbigdatahub.com/video/constant-contact-transforming-e-mail-marketing-effectiveness

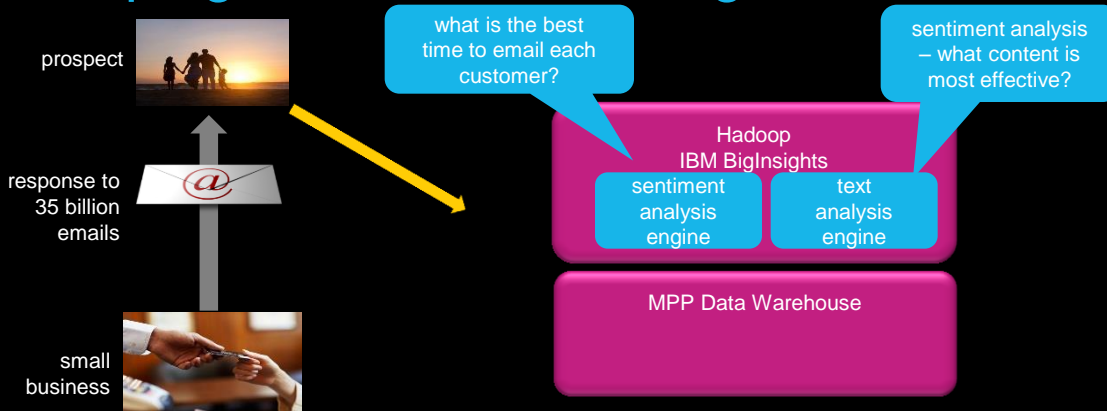
© 2014 IBM Corporation



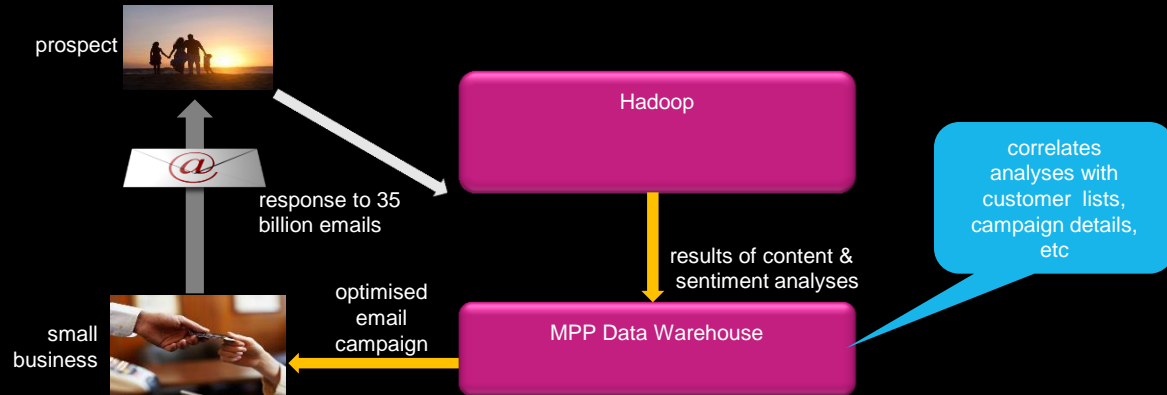
Email campaign management at Constant Contact



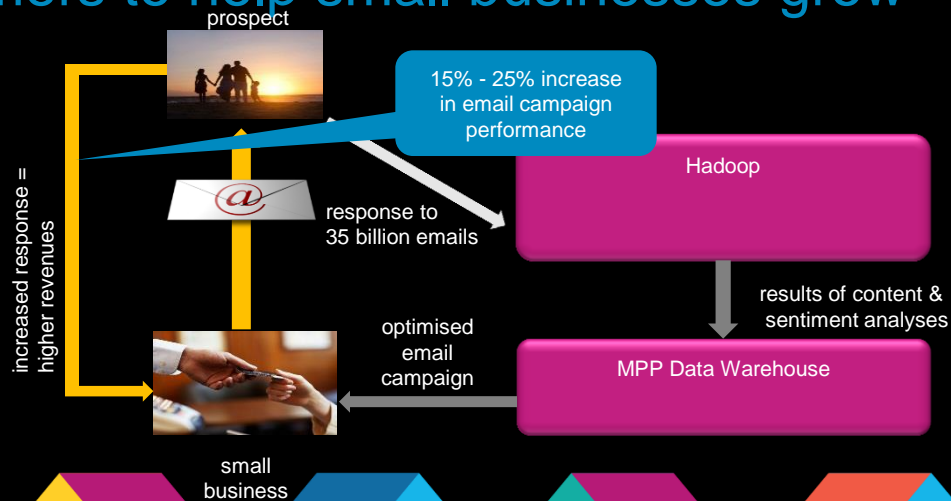
Analysing campaign success: listening to customer's voice

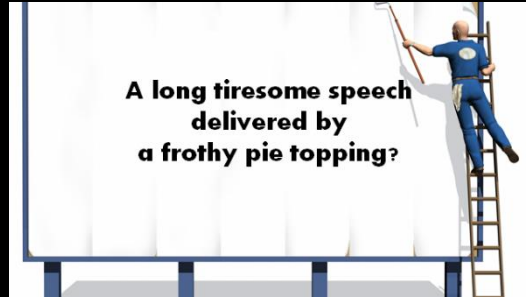


Merging new insight with historic data to optimise campaigns



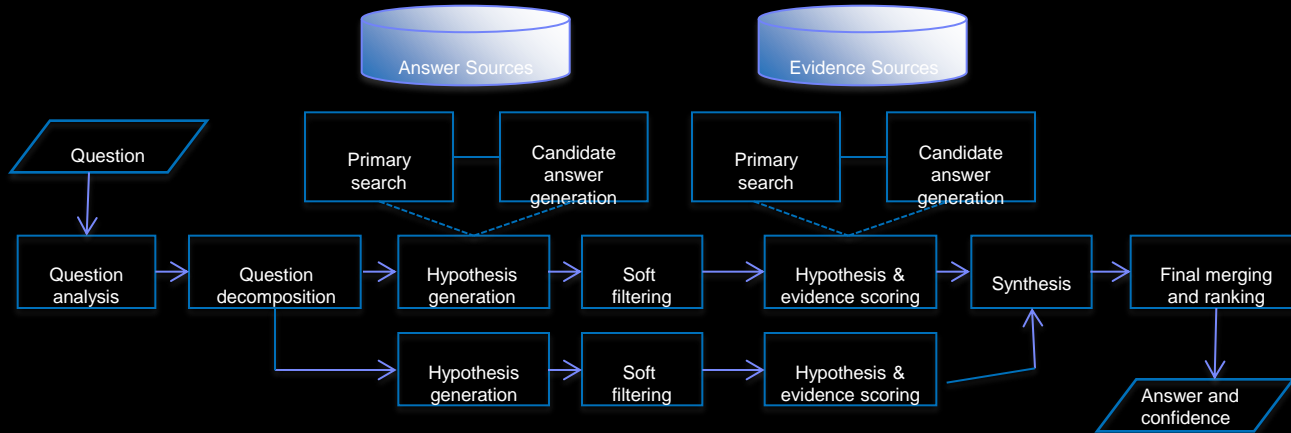
Acquiring customers to help small businesses grow





A meringue harangue





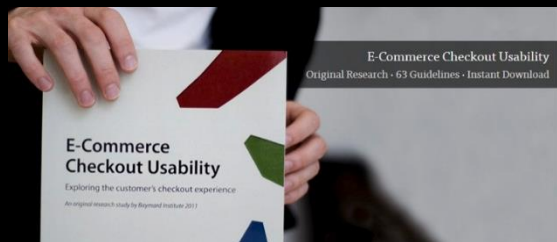
Source: http://en.wikipedia.org/wiki/Watson_%28computer%29, file is made available under the [Creative Commons CC0 1.0 Universal Public Domain Dedication](https://creativecommons.org/licenses/by/4.0/).



Online Shopping

“Researching the best way to improve the online user experience”

- Baymard Institute



67.91%

average documented
online shopping cart
abandonment rate

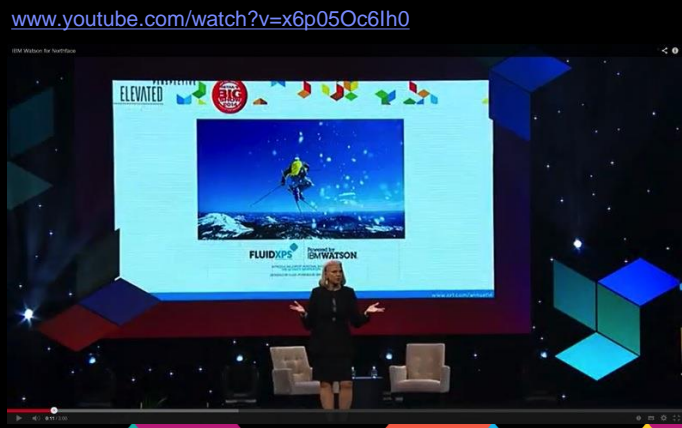
This value is an average calculated based on 27 different studies containing statistics on e-commerce shopping cart abandonment.

<http://baymard.com/lists/cart-abandonment-rate>

Acquiring new customers at The North Face

“The Fluid Expert Personal Shopper will take advantage of **Watson's ability to answer questions in plain English** and learn from the responses”

Kent Deverell,
CEO, Fluid



Dialogue-based and customer-driven shopping



What technical pack is needed for...

Increasing profits by reducing “return fraud”



“With **PureData System for Analytics**, our proprietary linking system is able to **uncover those patterns of activity** that were otherwise unseen in the data.”

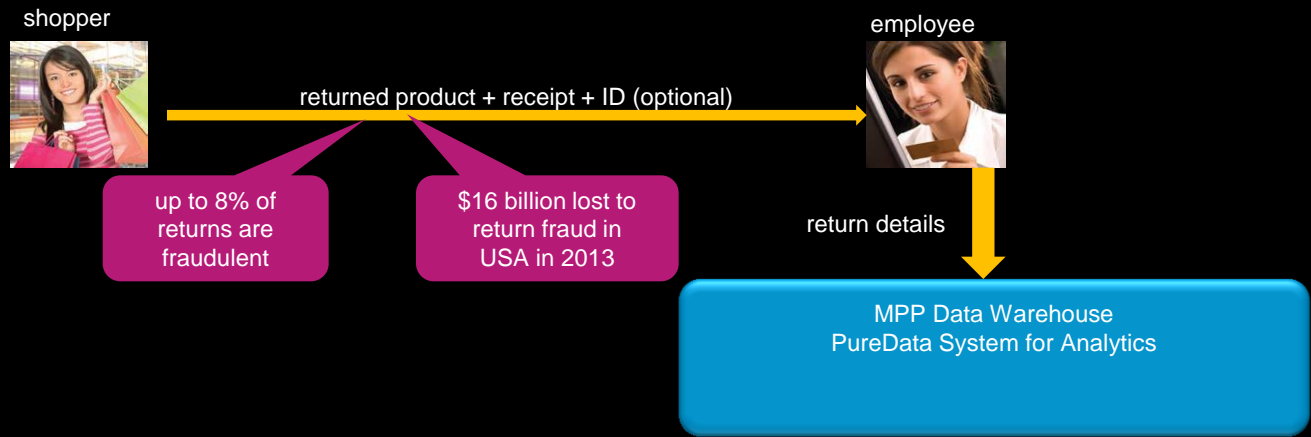
Mark Hilinski,
The Retail Equation

www.ibmbigdatahub.com/blog/can-retailers-really-predict-shopper-behavior-leveraging-big-data

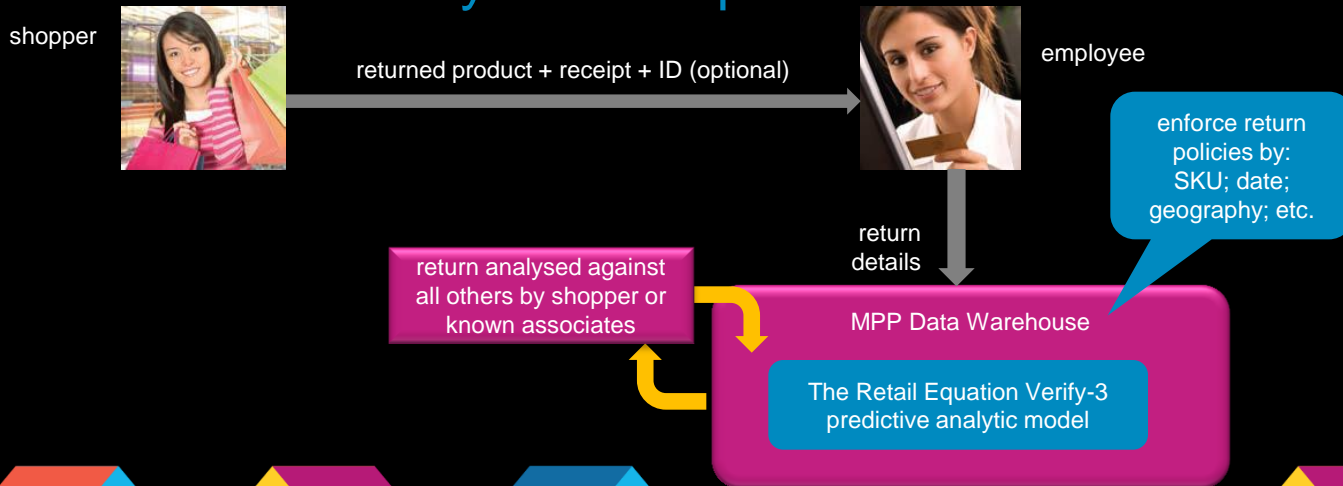
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Shoppers value their right to return goods



Predictive model to identify the one percent



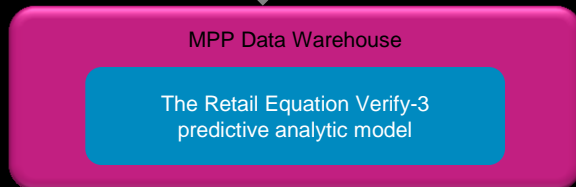
Real-time consumer-based decisions



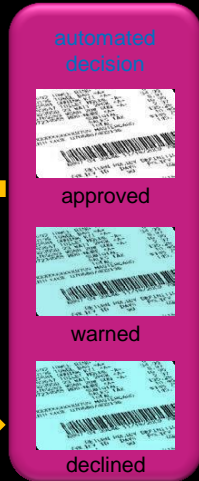
returned product + receipt + ID (optional)



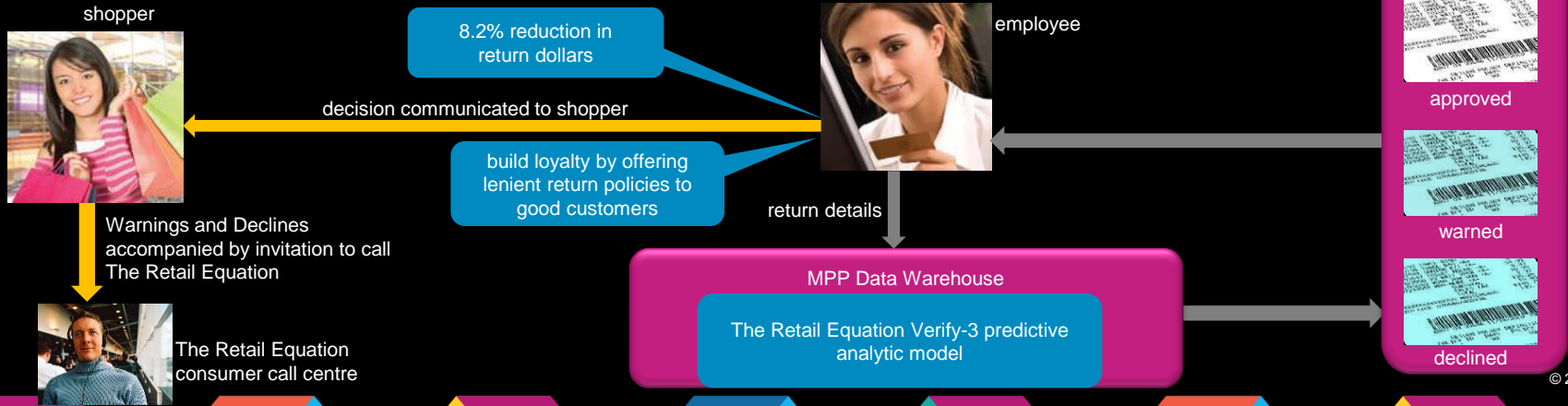
return details



decision generated in 80 milliseconds or less



Reward loyalty while reducing fraud



Page header content goes here



Developing loyalty at Catalina Marketing



www.youtube.com/watch?v=M0t-Q8sVurQ&list=UU58XuplpHJ2YRzTQ86XQCqg

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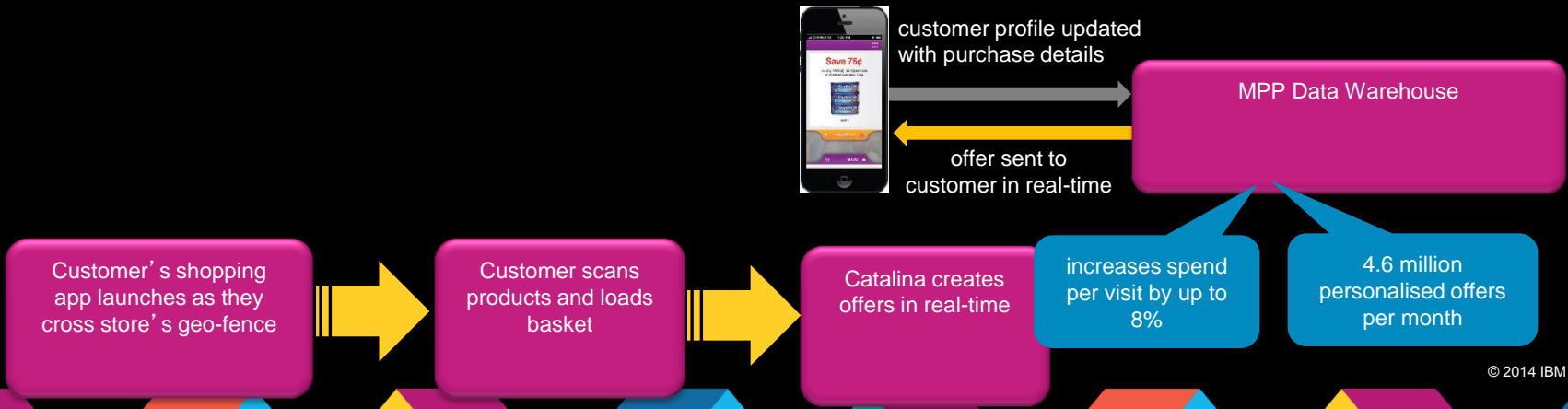
Shopping app launches automatically

Customer's shopping app launches as they cross store's geofence

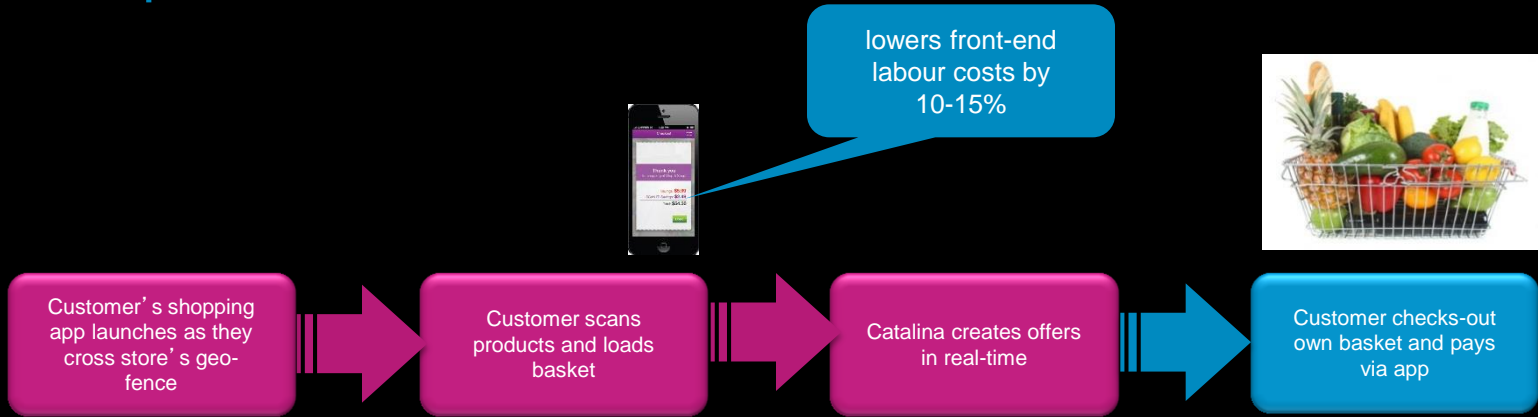




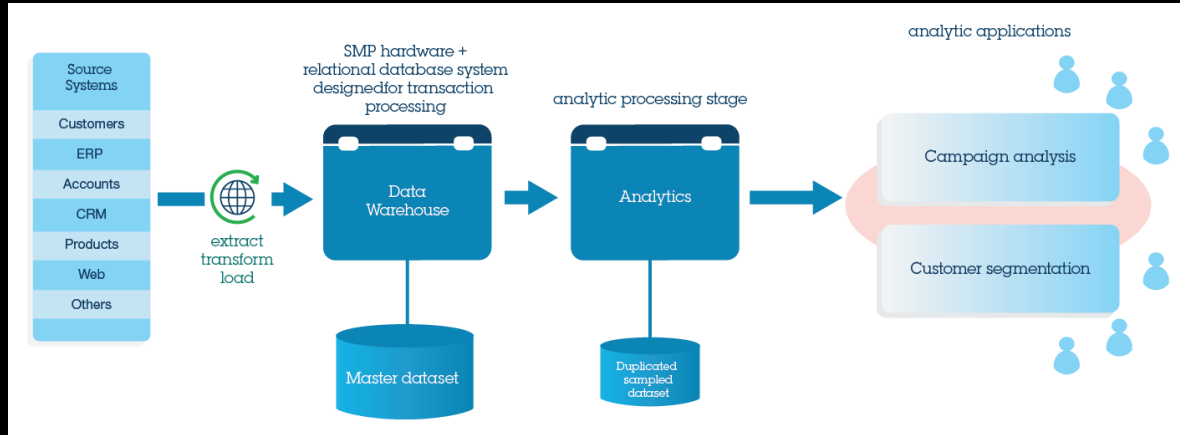
Campaigns delivered to the point of decision



Customers prefer self-checkout

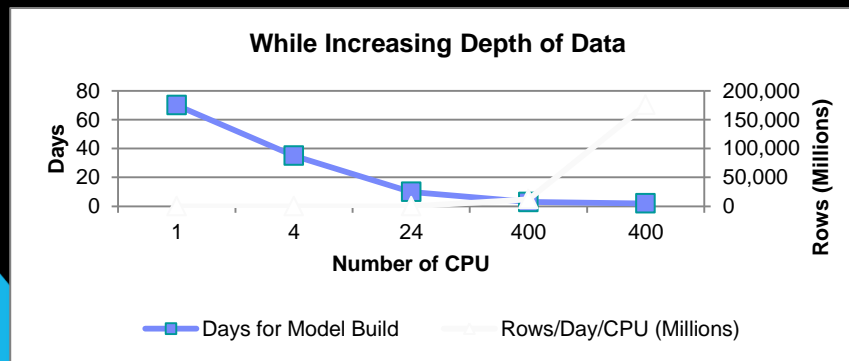
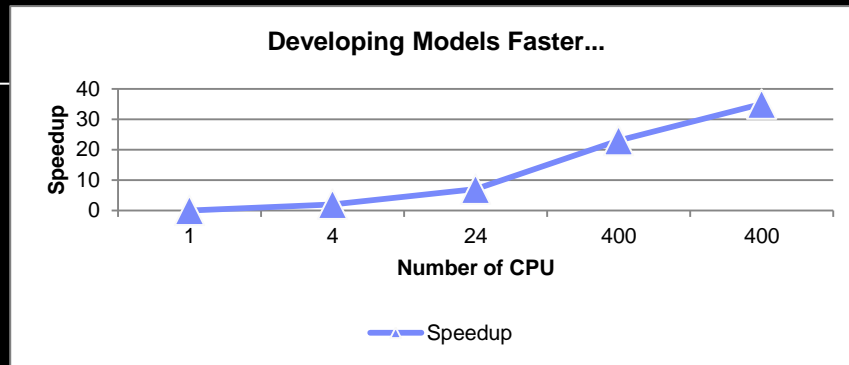


Traditional analytics: sampled, offline data



In-database analytics at Catalina Marketing

- 35X improvement in staff productivity
 - model development reduced from 2+ months to 2 days
 - 90 models per year in 2006
 - 900 models per year in 2011
 - with the same staff
 - model scoring time reduced from 4.5 hours to 60 seconds
- Increased depth of data per model
 - 150 to 3.2 million features
 - 1 million to 14.5 trillion records per analysis



Data driven interactions at Catalina Marketing

	no targeting	basic targeting e.g., offer dog food coupon to customer buying dog food	personalised coupon printing post-sale using predictive models to find latent correlations	personalised offer delivered to smart phone in aisle at point of product display
offer redemption rate	1%	6-10%	25%	40 – 60%



Concluding Thoughts

- Customers value and respond to relevant, personalised offers
- Analyse customer-generated data to deliver value at their point of decision (and increasingly on their smartphone)
- Delivering relevant offers at the point of a customer's decision requires a modern data management and analytics platform



Thank you

