Personalized Experiences

Bart Dekempe
Sales Leader
IBM Commerce, Benelux

Bart.Dekempe@be.ibm.com
@bartdekempe
In/dekempe

We live in a digital world...

Consumers are more connected and changing how they research purchases, transact and interact with brands

85%

of consumers by 2020 will mange their relationship with vendors **without speaking with humans**.

43%

of consumers in 2013 indicated they **posted a review about a retailer** they had shopped·
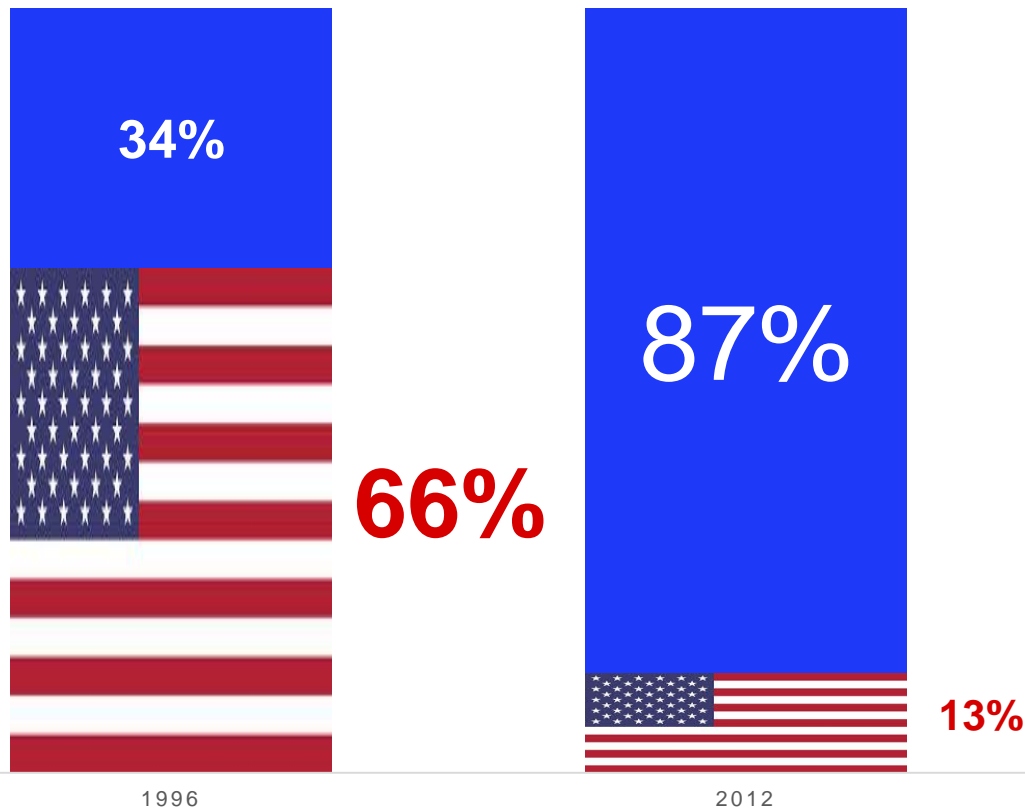
83%

of consumers are more likely to do business with brands that **allow them to control where, when and how they interact**.

Source : IBM Benchmark Hub

The digital landscape has changed
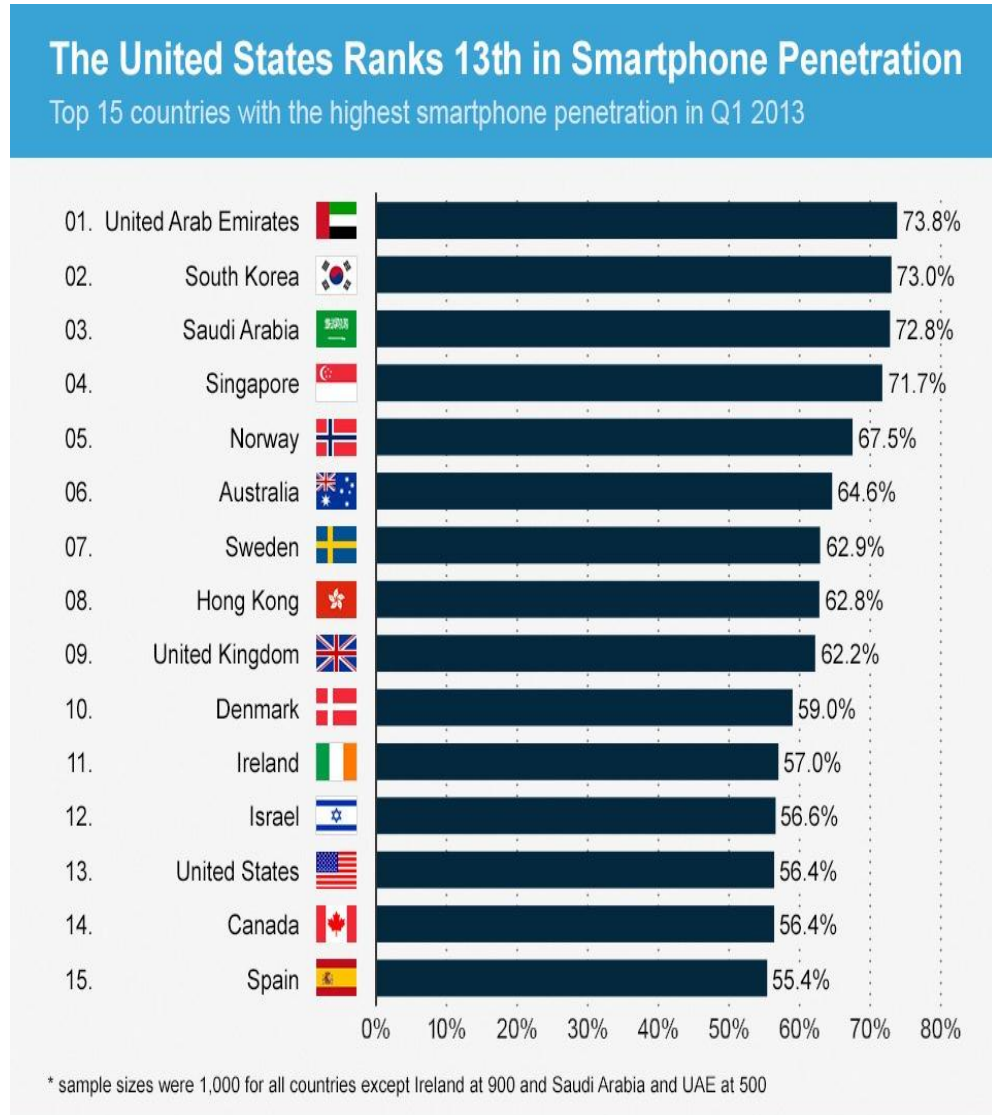
WORLD BROWSERS

USA ■ Rest of the World

34%

87%

66%

13%

1996

2012

During the last 16 years the digital leadership has changed from the US to the world

IBM

Asia & Europe is leading in Smartphone penetration

In 2014, Penetration of Smartphone in **Belgium** was 57 %, +14 % points compared to 2013

The United States Ranks 13th in Smartphone Penetration

Top 15 countries with the highest smartphone penetration in Q1 2013

	Country		Penetration
01.	United Arab Emirates		73.8%
02.	South Korea		73.0%
03.	Saudi Arabia		72.8%
04.	Singapore		71.7%
05.	Norway		67.5%
06.	Australia		64.6%
07.	Sweden		62.9%
08.	Hong Kong		62.8%
09.	United Kingdom		62.2%
10.	Denmark		59.0%
11.	Ireland		57.0%
12.	Israel		56.6%
13.	United States		56.4%
14.	Canada		56.4%
15.	Spain		55.4%

0%   10%   20%   30%   40%   50%   60%   70%   80%

* sample sizes were 1,000 for all countries except Ireland at 900 and Saudi Arabia and UAE at 500

Source: Google

Belgium growth potential grow significantly in 2014

The 2015 Global Retail E-Commerce Index™

Rank	Change in rank	Country	Online market size (40%)	Consumer behavior (20%)	Growth potential (20%)	Infra-structure (20%)	Online market attractiveness score
1	+2	United States	100.0	83.2	22.0	91.5	79.3
2	−1	China	100.0	59.4	86.1	43.6	77.8
3	+1	United Kingdom	87.9	98.6	11.3	86.4	74.4
4	−2	Japan	77.6	87.8	10.1	97.7	70.1
5	+1	Germany	63.9	92.6	29.5	83.1	66.6
6	+1	France	51.9	89.5	21.0	82.1	59.3
7	−2	South Korea	44.9	98.4	11.3	95.0	58.9
8	+5	Russia	29.6	66.4	51.8	66.2	48.7
9	+15	Belgium	8.3	82.0	48.3	81.1	45.6
10	−1	Australia	11.9	80.8	28.6	84.8	43.6
11	−1	Canada	10.6	81.4	23.6	88.9	43.1
12	+2	Hong Kong	2.3	93.6	13.0	100.0	42.2
13	+6	Netherlands	8.9	98.8	8.1	84.6	41.8
14	−3	Singapore	1.3	89.4	15.7	100.0	41.5
15	+13	Denmark	8.1	100.0	15.1	75.5	41.4
16	0	Sweden	8.8	97.2	11.8	77.7	40.9
17	Not ranked	Mexico	10.0	53.3	58.6	68.0	40.0
18	Not ranked	Spain	13.2	73.1	20.2	80.1	39.9
19	+1	Chile	2.7	71.8	49.3	73.2	39.9
20	+6	Norway	8.2	99.4	5.6	76.3	39.5
21	−13	Brazil	19.6	57.4	28.0	72.4	39.4
22	−7	Italy	12.3	71.6	27.8	70.7	38.9
23	+6	Switzerland	7.1	89.6	7.4	82.5	38.8
24	−1	Venezuela	1.7	54.1	79.4	55.7	38.5
25	−4	Finland	6.4	98.3	3.8	77.3	38.4
26	−8	New Zealand	1.7	86.4	25.9	75.4	38.2
27	Not ranked	Austria	5.9	85.3	19.0	74.8	38.1
28	Not ranked	Saudi Arabia	1.1	46.6	67.3	74.6	38.1
29	−17	Argentina	5.7	70.3	43.9	64.3	38.0
30	−3	Ireland	4.9	74.4	27.6	74.1	37.2

Notes: Scores are rounded. 100 is the highest and 0 is the lowest for each dimension.

Sources: Euromonitor, International Telelcommunication Union, Planet Retail, World Bank, World Economic Forum, United Nations Department of Economic and Social Affairs; A.T. Kearney analysis

Belgium is nummer 9 in the global 2015 e-commerce growth list 2015. Moved up from position 24.

5

Source: ATKearney

Revenue growth will come from all channels

Digital and Physical channels are converging

Other

Online
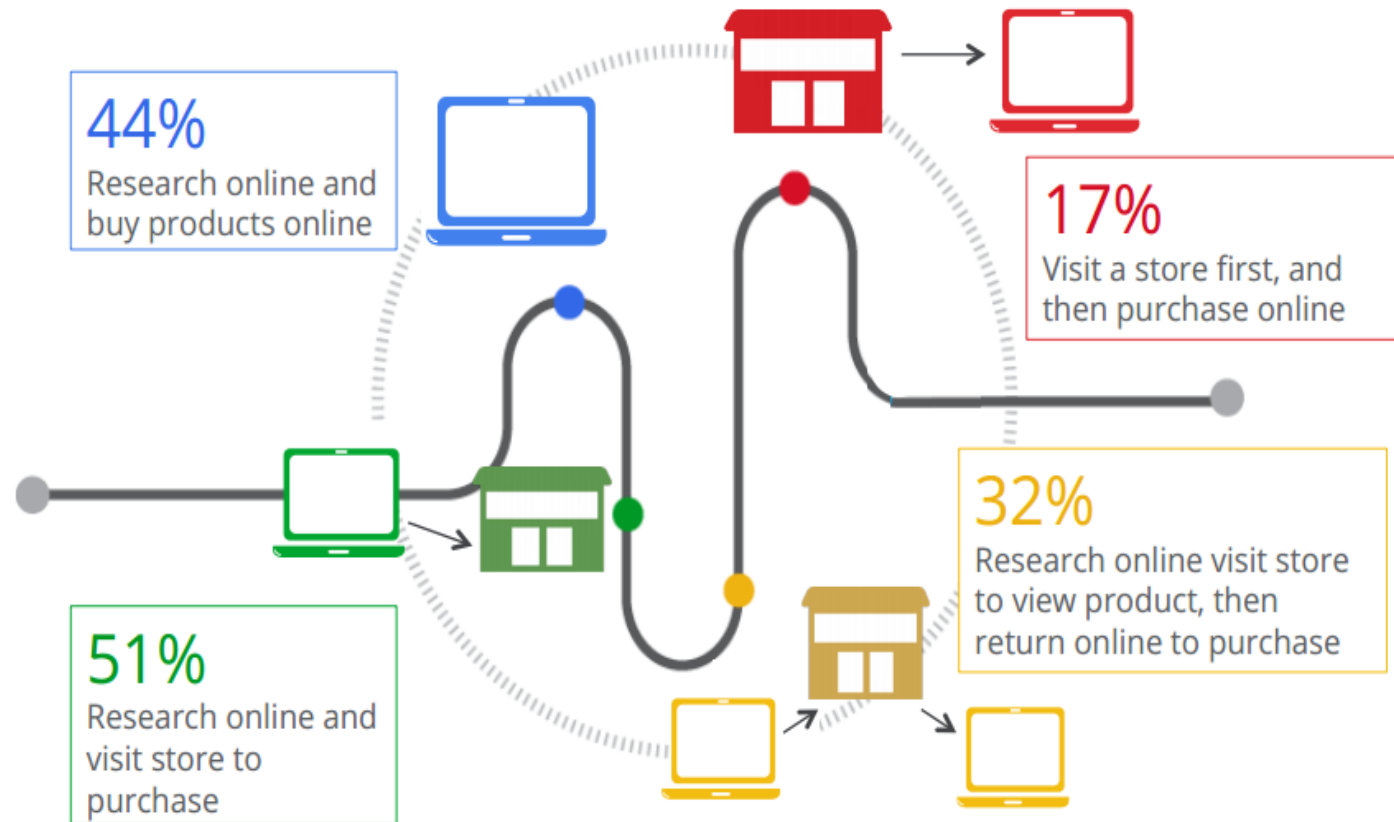
27%

1%

72%

In-Store

% of purchases made[1]
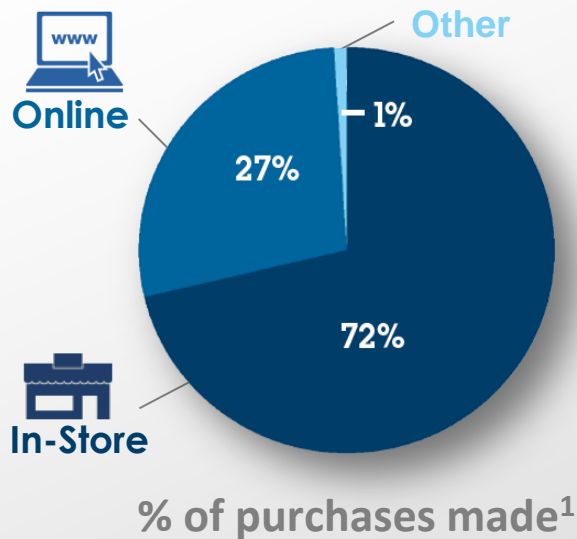
By 2017 more than **50%** of in store sales will be influenced by digital channels[2].

webrooming
showrooming

Lines between off and online are blurring

44%
Research online and buy products online

17%
Visit a store first, and then purchase online

51%
Research online and visit store to purchase

32%
Research online visit store to view product, then return online to purchase

Source : IBM Benchmark Hub

Increasingly the customer journey begins with Digital Channel

Digital Channel needs to…
enable experiences based upon where a customer is in their journey

https://www.youtube.com/watch?v=ru3cr01DbWo&list=PLUfWKG1IWfzc6hQ8keZtWPvN3Xy-t4tyh

Personalized and relevant offers

Rich and engaging content

Content optimized for any device

Availability & Fulfillment

IBM Marketing Solutions

DIGITAL ANALYTICS

- Customer web-analytics
- Online behavior analysis
- Product recommendations (retail)
- Impression attributions
- Social & Mobile analytics

OMNI CHANNEL MARKETING

- Outbound campaigns mgmt
- Real Time Marketing
- Contact opportunity optimization
- Marketing operations

CUSTOMER EXPERIENCE

- Optimize online experience
- Capture and replay online sessions
- Analyze customer online experience
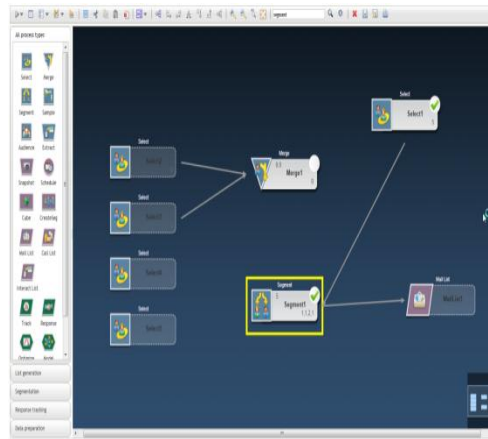
Personalized Experience Solution

Omni-Channel marketing plateform

Targeted & personalized emails SMS, direct mails (Known visitors)

Use enterprise data (Big Data, CRM, DWH, Scores, DCS, PNR, …)

Push your marketing messages on Social Medias & Mobiles

Collect and analyze customers digital behavior

Targeted DisplayAd (Unknown visitors)

Replay the visitor sessions

See the Journey the way the customer experienced it

Email Open | Download Mobile APP | Mobile Struggle | Abandon Cart | Mobile App Offer | Web Purchase

Push real-time product recommendations based on the behavioral Visitors and wisdom of crowd

Digital Analytics

Analyzes visitors across channels, sites and devices and provides a complete picture of each customer's lifetime interactions with your business
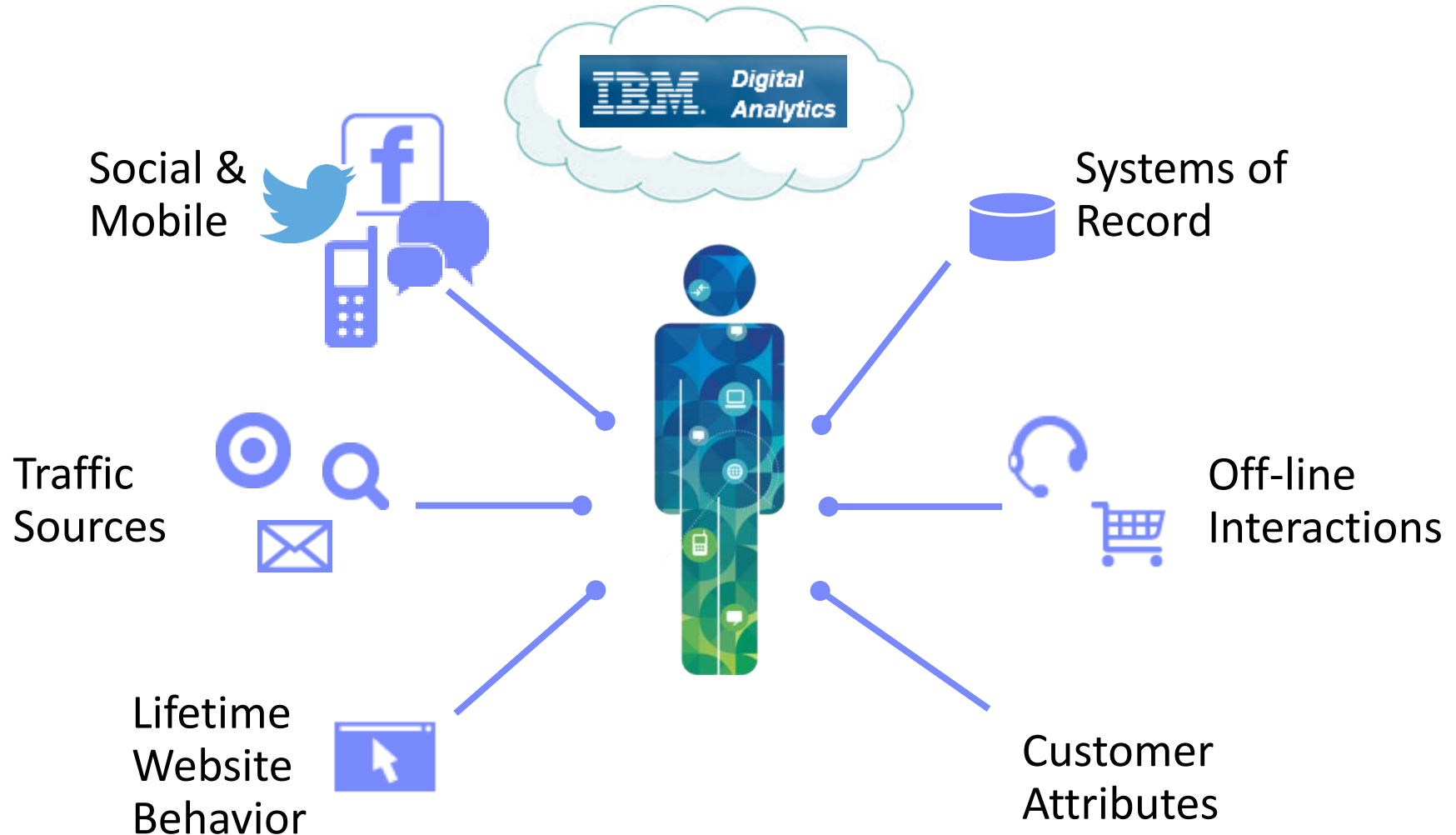
Omni-channel Marketing Automation

EMAIL
Deliver individualized messaging throughout every step in the customer lifecycle

WEB
Create a personalized content experience for each website visitor

MOBILE
Give customers highly relevant interactions – in store, in app, and on the go

SYSTEMS
Connect data, distribute insights, and automate interactions across all of your marketing technology

Marketing driving personalization
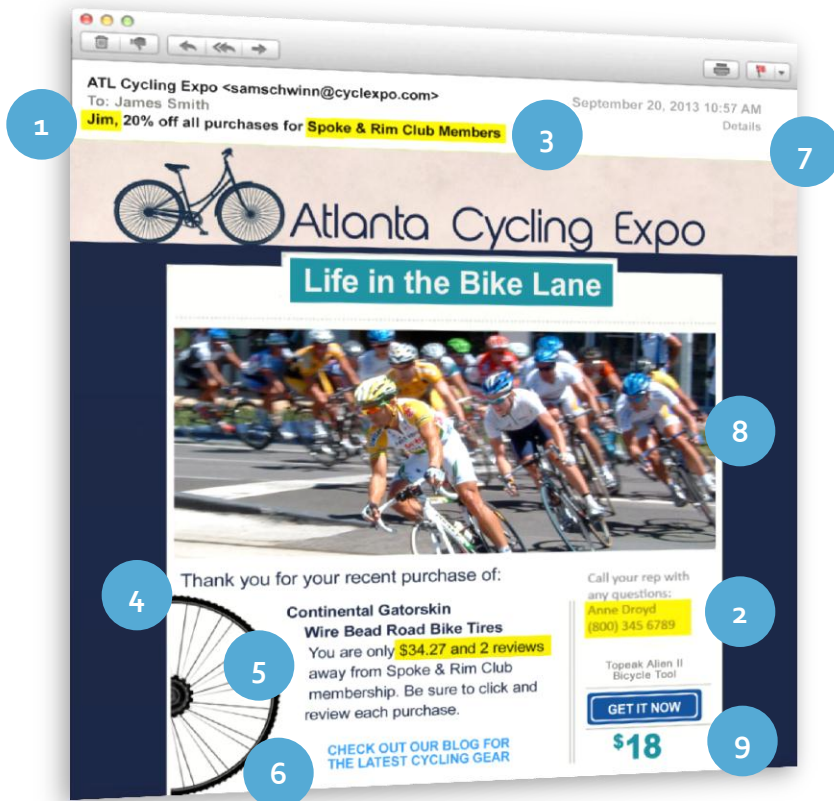
1 Subject Line Personalization
First name personalization

2 Personalized Content
Name and contact info for each customer's personal rep

3 Dynamic Subject Lines
The subject line changes based on the type and duration of club membership

4 Individualized Content Lists
For any customer who has purchased two or more items in the last 90 days, list each purchase with review links

5 E-commerce-driven Personalization
Display totals and other engaging content to drive follow-on purchases

6 Website-driven Content
Directly track each customer's Web activity and prompt them to visit new areas of the site

7 Send Time Optimization
The message arrives in each individual's inbox at precisely
the time that individual is most likely to check email

8 Data-driven Dynamic Image
Image is selected based on demographic and profile info

9 Score-driven Dynamic Offer
Discounts/prices vary by social influence and time since last purchase
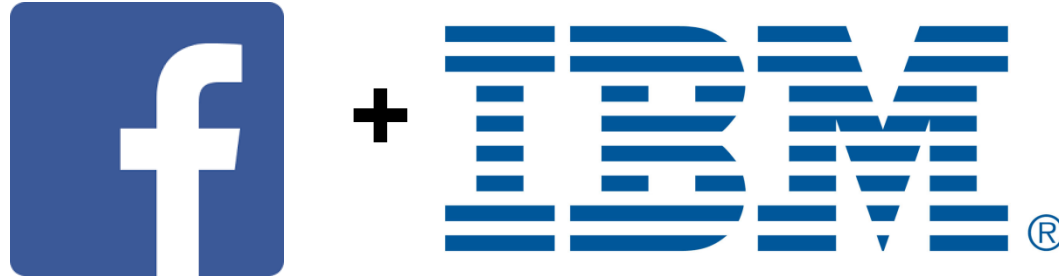
1

Facebook and **IBM** are teaming up to help brands **better target advertising** and **strengthen customer relationships** applying deep analytics to their Facebook interactions

2

IBM Journey Analytics allows marketers to analyze and **understand** how **past interactions from Facebook and other channels** can contribute to specific outcomes

3

Facebook is joining the new IBM Commerce THINKLab – a collaboration to accelerate the development of new technologies designed to personalize customer experience.

© 2015 IBM

Customer Experience - What is the issue?

Site Errors and Usability Issues lead to online struggles
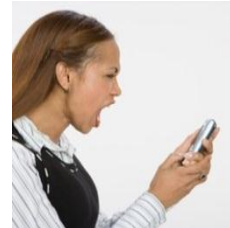
...lead to poor customer experience

...lead to
- loss or transactional revenue
- low customer retention
- calls to the call center
- exposure of brand reputation

Optimizing today's online customer experiences requires both *quantitative* and *qualitative* digital analytic capabilities

Quantitative

("What, Where, and How")

IBM Digital Analytics

quantitative insight by capturing web site and mobile interaction data and providing easy to use interfaces showing:

- Purchase funnels
- Realtime sales data
- Traffic flow through site
- Conversion benchmarks

Qualitative

("Why")

Tealeaf

capturing, replaying, and analyzing individual user interaction data showing:

- "In page" content (incl. dynamic personalized experiences)
- All UI interactions
- Error messages displayed
- Identify impacted visitors

Why Customer Experience Optimization - Tealeaf?

... Analytics/APM tools may tell you what happened

... Tealeaf tells you why.

Captures Every Customer, Every Interaction, Every Time

All actions

All interactions

All customer experience obstacles

19

The star of our story

City Cool

Enterprise Hi-Tech Innovator

CityCool sells cutting-edge consumer technology. Is known for innovative offerings such as wearable technology and stunning tablets for young, urban consumers.

CityCool is realizing that it needs to capitalize on marketing innovations to identify valuable segments and to speak personally to each unique, tech-savvy customer.

The Campaign for Sleekfit 2.0

Last year, CityCool unveiled a cutting-edge electronic watch called *Sleekfit*. *Sleekfit* is a multi-purpose use watch that also monitors users' physical activity. After a profitable market response and feedback from consumers, CityCool started selling the *Sleekfit 2.0*.

Tom
VP of Marketing

"This solutions helps make insights actionable across my team."

Our story starts...

Tom needs to increase sales on the *Sleekfit 2.0* to meet the goal of increasing revenue by 10%. To increase marketing efforts in supporting the new product, CityCool's marketing team plans to create a campaign to target their customers from all segments.

Ann
Customer Experience Designer

Design of Multi-Channel Campaign for SleekFit

To meet the 10% revenue increase goal, the marketing team decides to create a sophisticated multi-channel campaign. The campaign would promote the new SleekFit watch and offer a promotional discount through a promo code.

Ann, the customer experience designer creates multichannel campaign through IBM Marketing by creating optimal paths and channels for each customer segment. Different segments of customers are targeted based on their engagement preferences. Mobile users will receive mobile push, non-mobile users will receive an email while social users will be targeted through social channel. Different customers will be targeted from this campaign will sure bring more revenue opportunities.
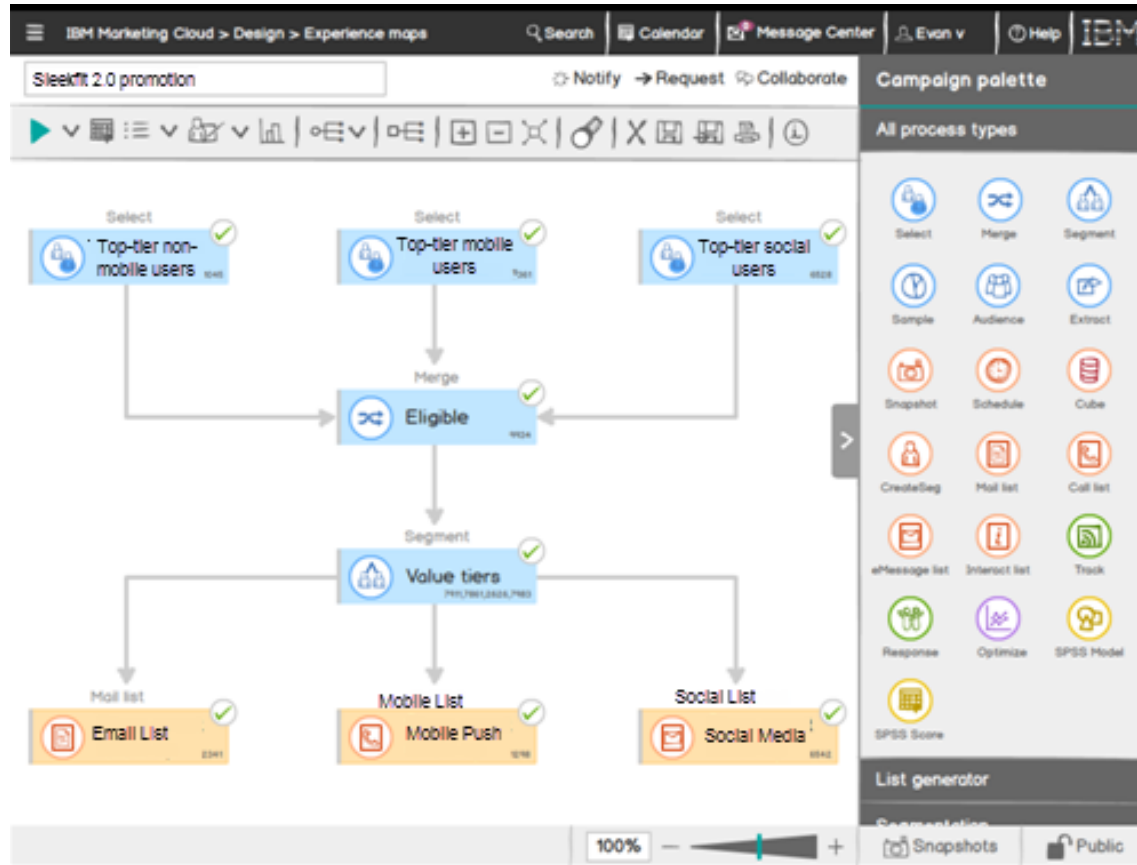
Multi-Channel Campaign for SleekFit executed

The multi-channel campaign is then pushed live and the marketing team waits in excitement.

Anthony
Customer Data Analyst

Analysis Campaign results & trends

Anthony's dashboard tracking the results. He has a moment of shock. Sales are nowhere near what she expected. By taking a closer look she sees that CityCool is getting plenty of traffic on the site from the multi-channel campaign but conversion rates are way down. So customers are viewing the offer but they're not converting. Something isn't right since the offer on SleekFit is so compelling. This targeted campaign should be yielding much better results.
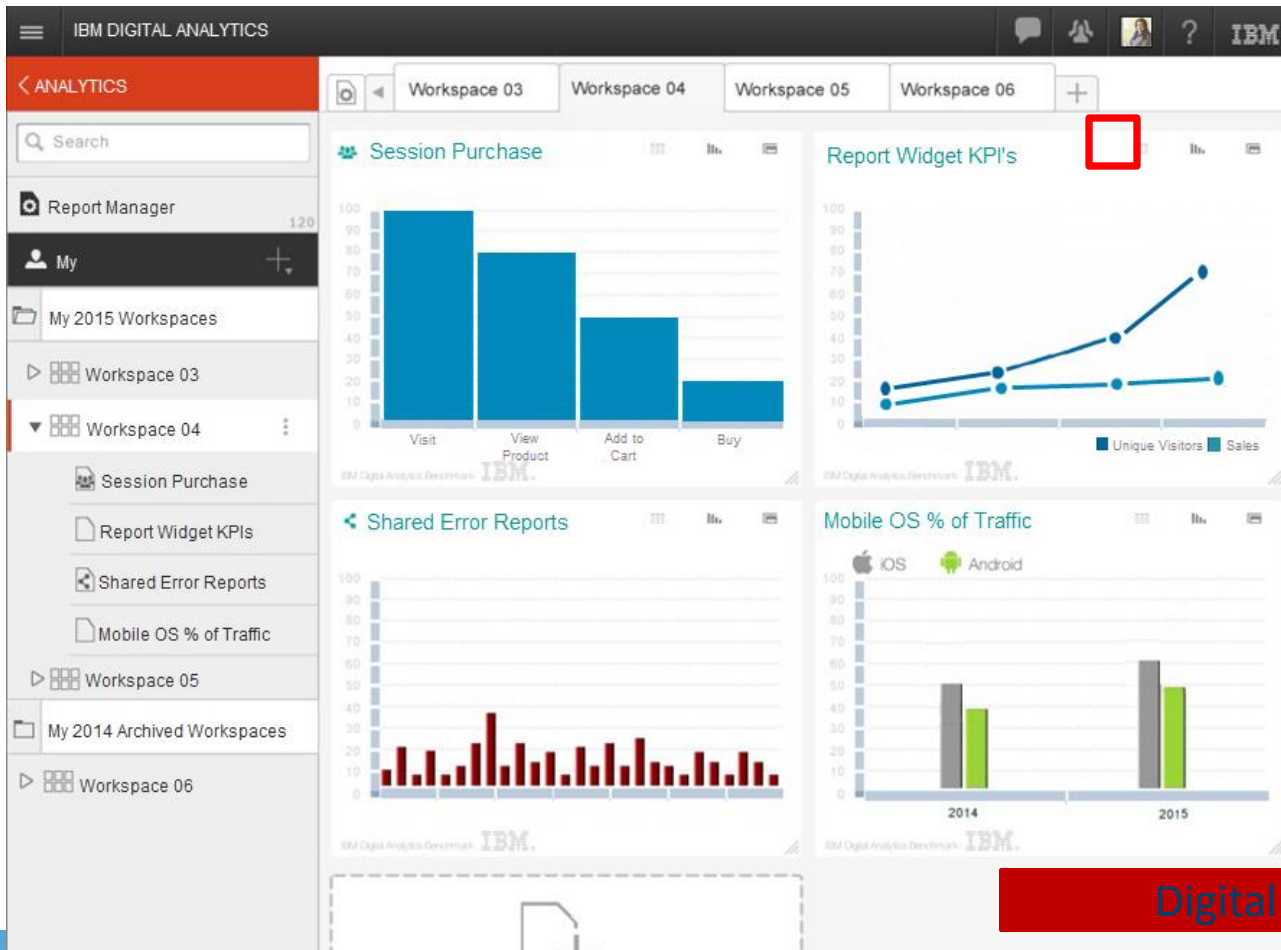
Anthony
Customer Data Analyst

Ad-hoc Reporting

Anthony creates an ad-hoc report to analyze customers who landed on the product page with different devices, but didn't purchase. Just like what Anthony suspected, she finds out that most customers who abandoned were mobile users… With the integrated UI in Customer Analytics, Kristy can find out the business impact of all 6,000+ mobile customers

Anthony
Customer Data Analyst

Customer Experience Analysis

Anthony drills down into each customer segment of mobile users, non-mobile users and social users to see how customers were engaging with each channel. To his surprise on the social segments, there are a lot of abandoned mobile carts on the top traveled paths. He notices that the average revenue for the top path is $0.
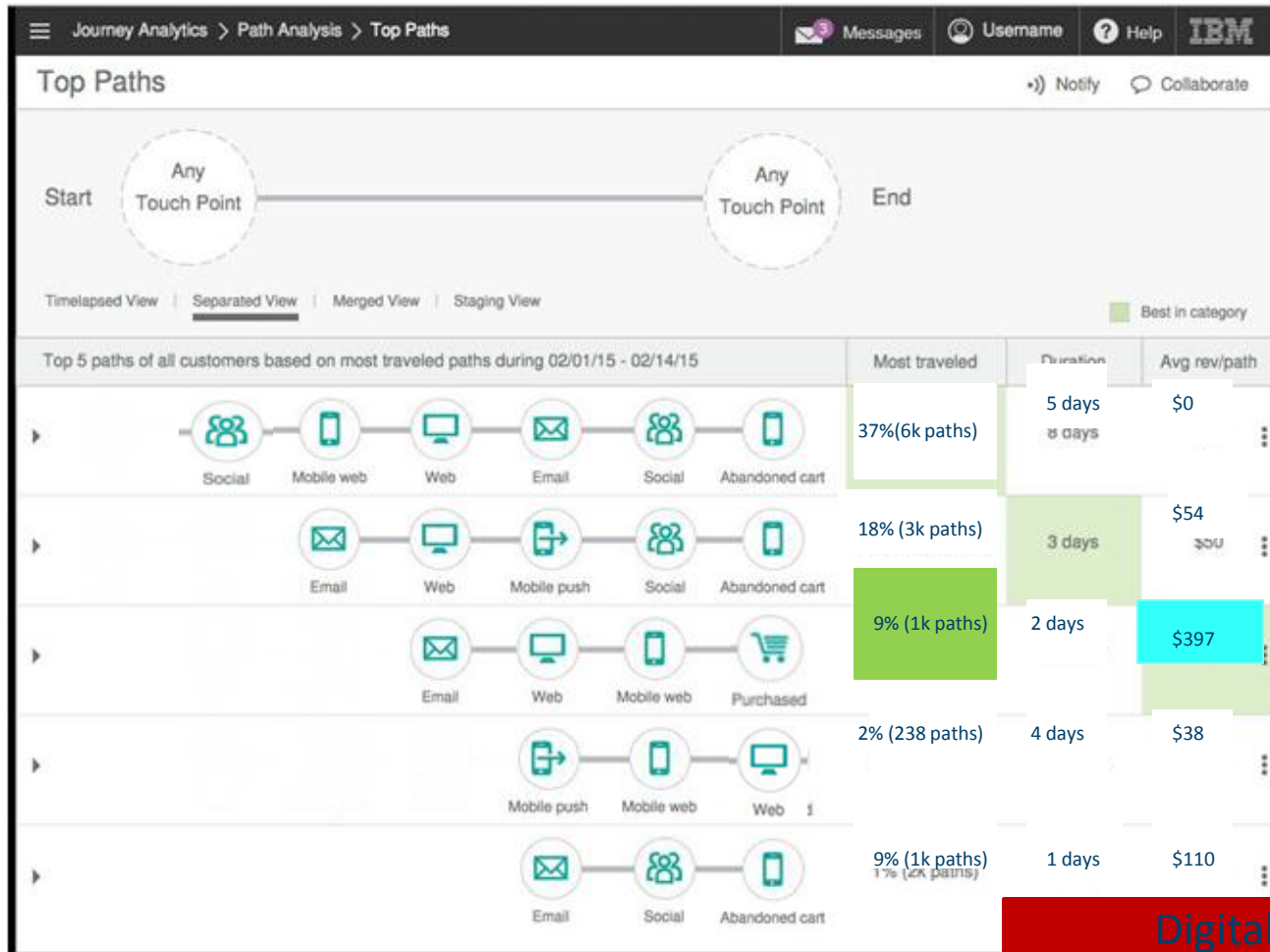
Anthony
Customer Data Analyst

Understand online/offline behavior

Through this path analysis, Anthony can see the aggregate view his abandoned mobile customers and their interactions in each channel. By zooming into the social channel, the channel before customers abandoned on the mobile carts, Anthony sees that the campaign was very effective at engaging customers with the number of shares, likes and posts. Then they switched to the mobile site and this is where the problem is clear.

IBM Commerce
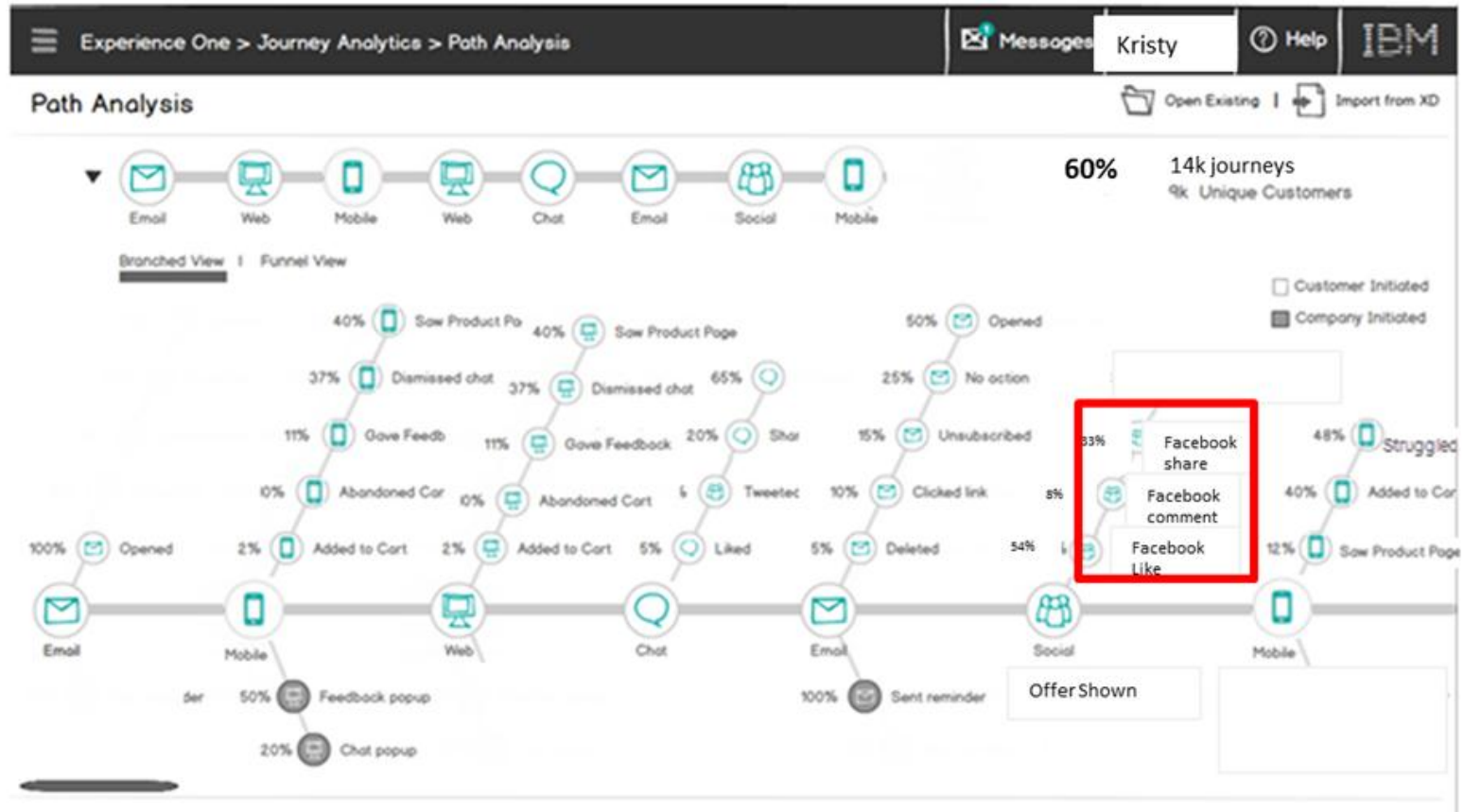
Anthony
Customer Data Analyst

Business Impact Analysis

Anthony finds the mobile abandonments were costing the company about a $150K a day, which results to almost $800K total in 5 days. Anthony needs to find out what really happened to these customers who abandoned.

IBM Commerce

Anthony
Customer Data Analyst

Detailed Customer Experience Analysis

Anthony pulls up the list of all 6,000+ sessions and sees what exactly happened in their customers' mobile experience. Hopefully, with this information, she can find out how to resolve the issues by replaying the first customer, Lily's session.

Customer list with new UI – 6,538 abandoned sessions

Customer Experience

Anthony
Customer Data Analyst

Through the session timeline, Anthony can see Lily's specific journey through her mobile phone. He quickly sees the series of actions and pages she went through on the session timeline. Here, Anthony has a quick summary of all the interactions that Lily went through and identify signs of struggle without having to replay each and every interaction Lily had during her mobile journey. She sees that Lily struggled twice near the end of her session and dives into the page before she struggled to have a better understanding of what she did before struggling.

Session Replay Overview

Customer picked item

Customer added item to cart

Customer clicked on cart

Customer typed promo code

Customer typed promo code

Customer clicked on 'Help'

Customer Experience
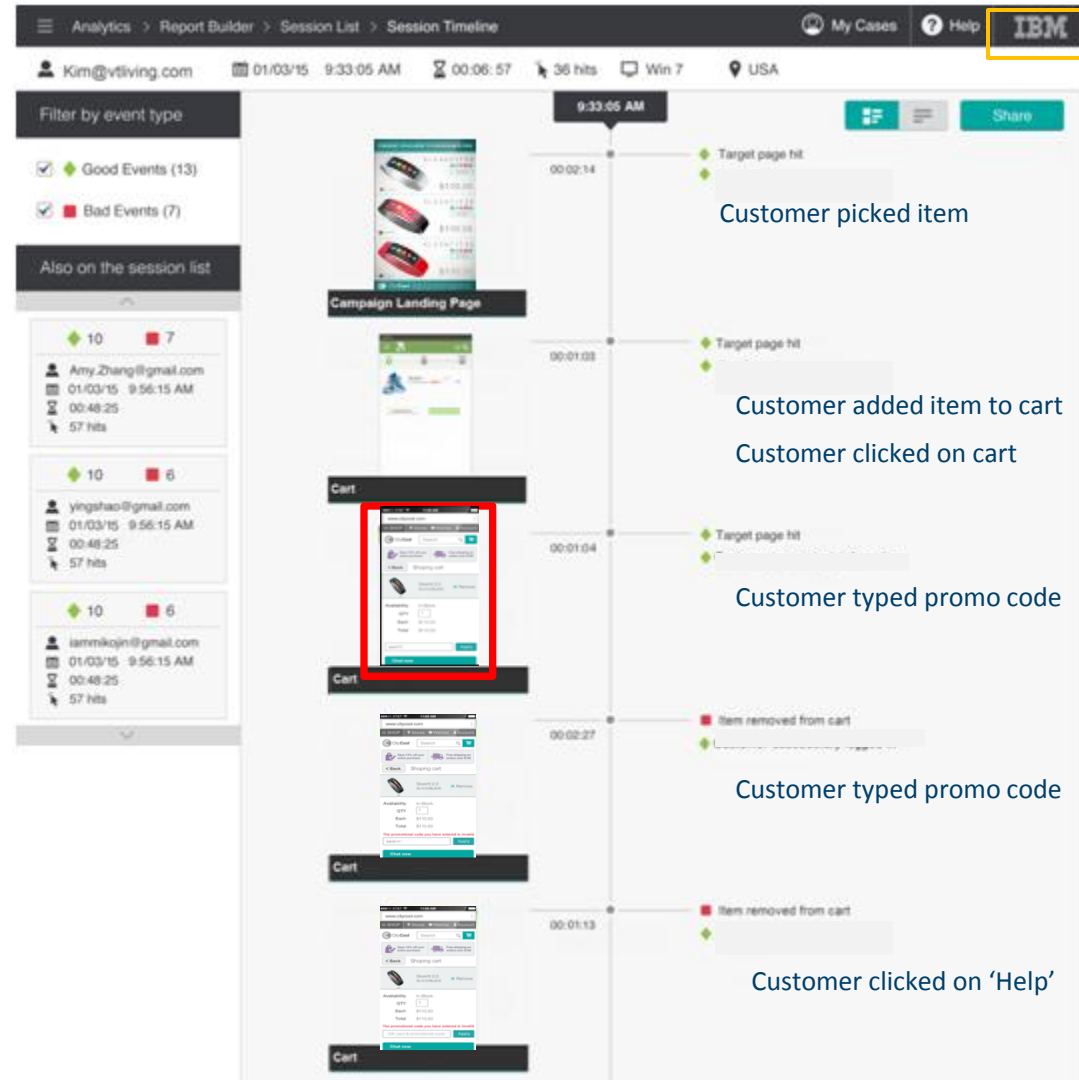
Anthony
Customer Data Analyst

Session Replay – zoom in step 1

Lily has the SleekFit on her shopping cart and she enters the coupon code that was sent to her through the social media campaign .

Analytics > Report Builder > Session List > Session Timeline > Replay

Anthony   ? Help   IBM

Christina.Sharper@example.net   02/05/15   12:57:37 PM   00:04:30   11 Hits   Window 7   Unknown

Steps	Events

CODE

1. /webapp/wcs/stores/servlet/en /citycool.com/sleekfit2.0
2. /webapp/wcs/stores/servlet/en /citycool.com/sleekfit2.0
   - S Application Context
   - S Client State
   - S Client State
   - S Performance
   - S Control
   - S Application Context
3. /webapp/wcs/stores/servlet/en /citycool.com/sleekfit2.0
4. /webapp/wcs/stores/servlet/en /citycool.com/sleekfit2.0
5. /webapp/wcs/stores/servlet/en /citycool.com/sleekfit2.0

●●○○ AT&T   11:56 AM

www.citycool.com

≡ SHOP   📍 Stores   ♥ Wishlist   👤 Account

CityCool   Search

Save 15% off your entire purchase   Free shipping on orders over $100

< Back   Shoping cart

Sleekfit 2.0 BLACK/BLACK   ✕ Remove

Avaliability   In-Stock
QTY   1
Each $110.50
Total $110.50

save10   Apply

Chat now

Customer Experience

IBM Commerce

Anthony
Customer Data Analyst

Session Replay – zoom in step 2

However, Anthony notices that the coupon that Lily entered was an invalid coupon code. Lily then tries inputting another coupon code saveten.

Customer Experience

IBM Commerce

Anthony
Customer Data Analyst

Session Replay – zoom in step 3

Lily still couldn't get the discount from the coupon code she entered in and finally she moves on to clicking help…. By seeing exactly what Lily saw and went through, Athony realizes what's going on here and found the root cause of an issue that led to mobile cart abandonments! The check out page cannot identify the invalid coupon code. Instead of having customers adding SleekFit into their cart and purchasing it, they are either dropping off or clicking elsewhere. In this case, Lily clicked on "Account". So now Kristy knows that Lily abandoned because she couldn't get the coupon code we sent her through the campaign…

Customer Experience

Anthony
Customer Data Analyst

Social Channel Campaign
Facebook Invalid Promocode

Anthony drills into Social campaign to confirm that customers were seeing the wrong promo code. It's a shock to Anthony and the rest of marketing team knowing how Facebook is identified as the source from social media channel that has disrupted the mobile channel. What's even worse, more people are getting frustrated when their friends and family shared the coupon code with them. This can turn into a nightmare and potentially lose brand reputation! On the social channel, we can see that the promocode is SAVETEE – someone must have fat fingered during the process!

Ann
Customer Experience Designer

Creating Email Retarget Campaign

After Ann drafts and creates an email on IBM Marketing to retarget the abandoned customers, she sends it out. Once the customers open up the email, they can see the new price and click on a personalized link where they can check out without having to enter any additional codes to get a discount.

Ann
Customer Experience Designer

Email Retarget

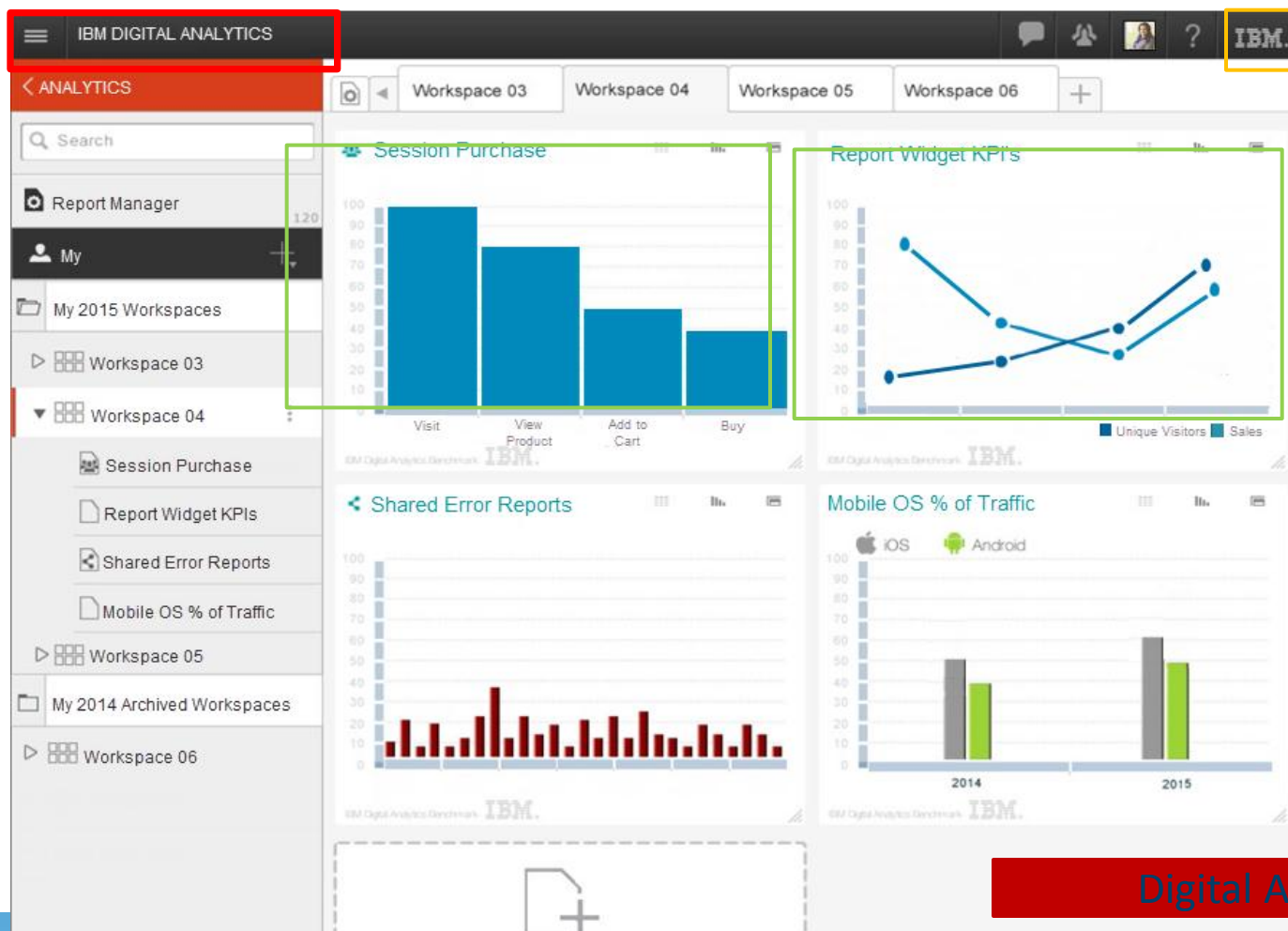The marketing team once again awaits for responses.
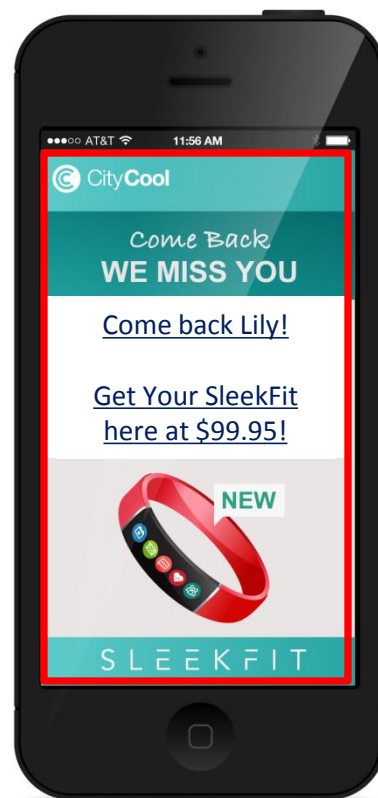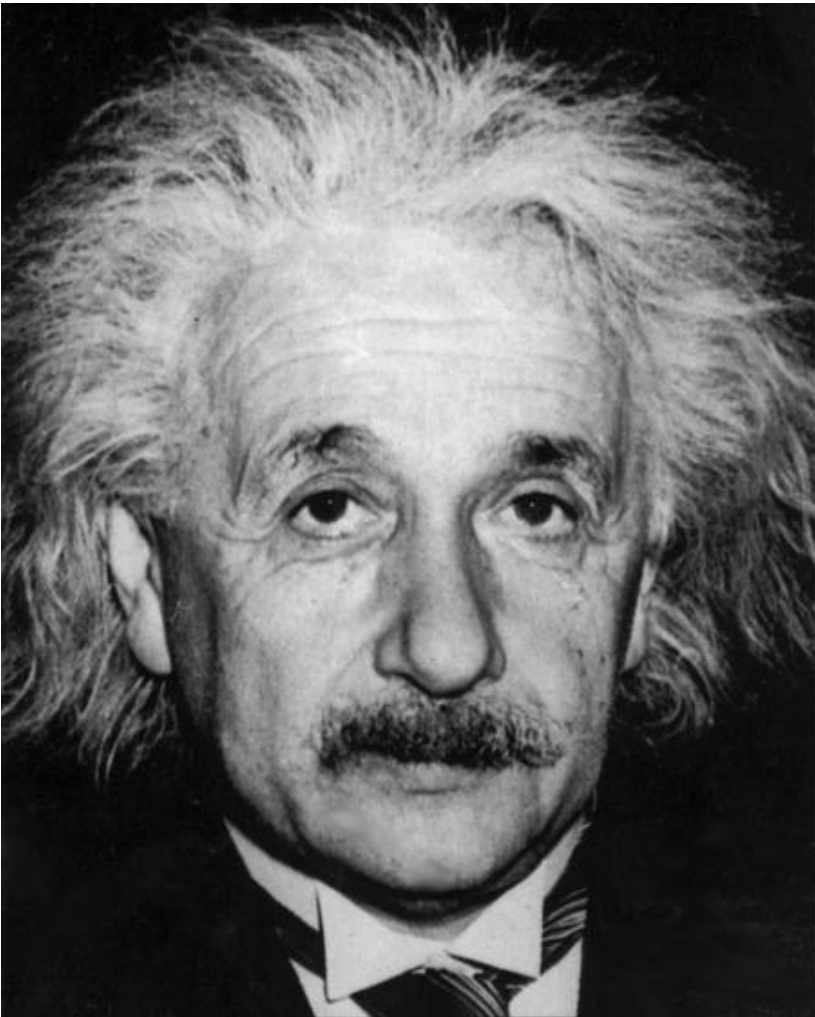
Anthony
Customer Data Analyst

Analysis Campaign results & trends

Two days later, Anthony checks on how the campaign is trending and whether sales have gone up after the retarget. By checking the KPI report and the purchases, Anthony confirmed that the sales are trending as they expected when they launched the multi-channel campaign the first time around.

Questions?