



SAP® Customer Experience

Drive personalization and improve conversion with SAP COMMERCE CLOUD, CONTEXT-DRIVEN SERVICES

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PUBLIC

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Agenda

Welcome

Market Drivers for Context Driven Services

Demo

Context Driven Services in Detail

Customer Stories

Wrap up

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Market Drivers for Context Driven Services

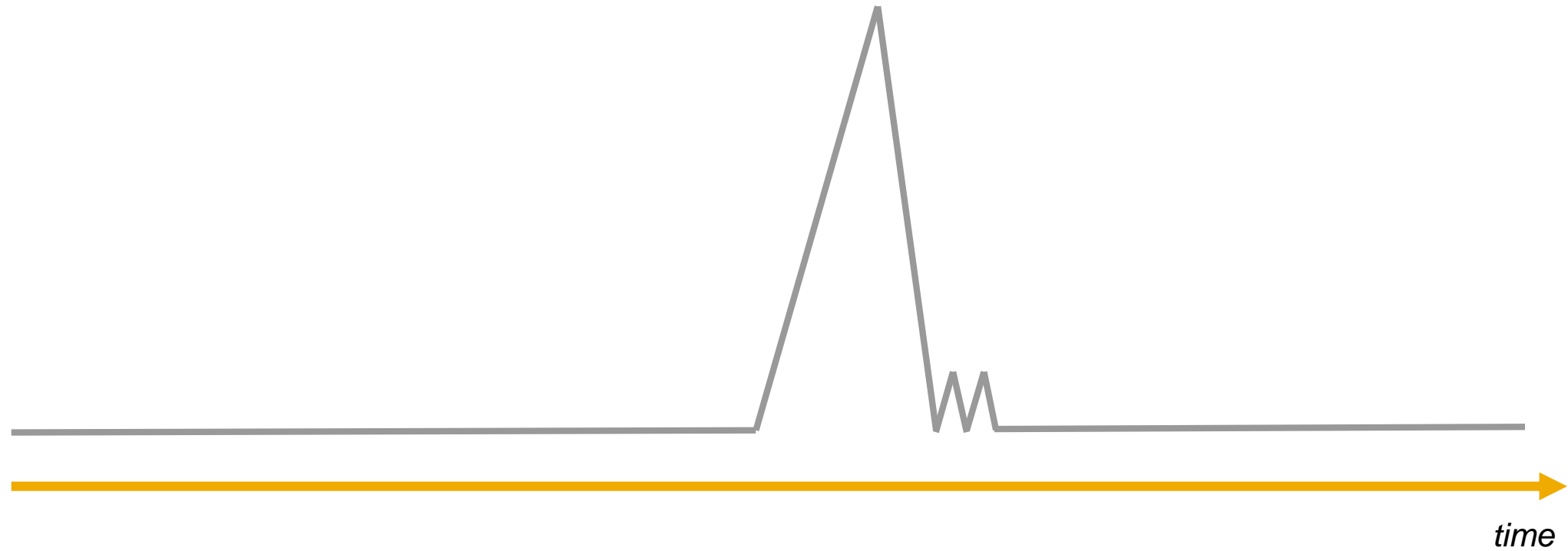
Demo

Context Driven Services in Detail

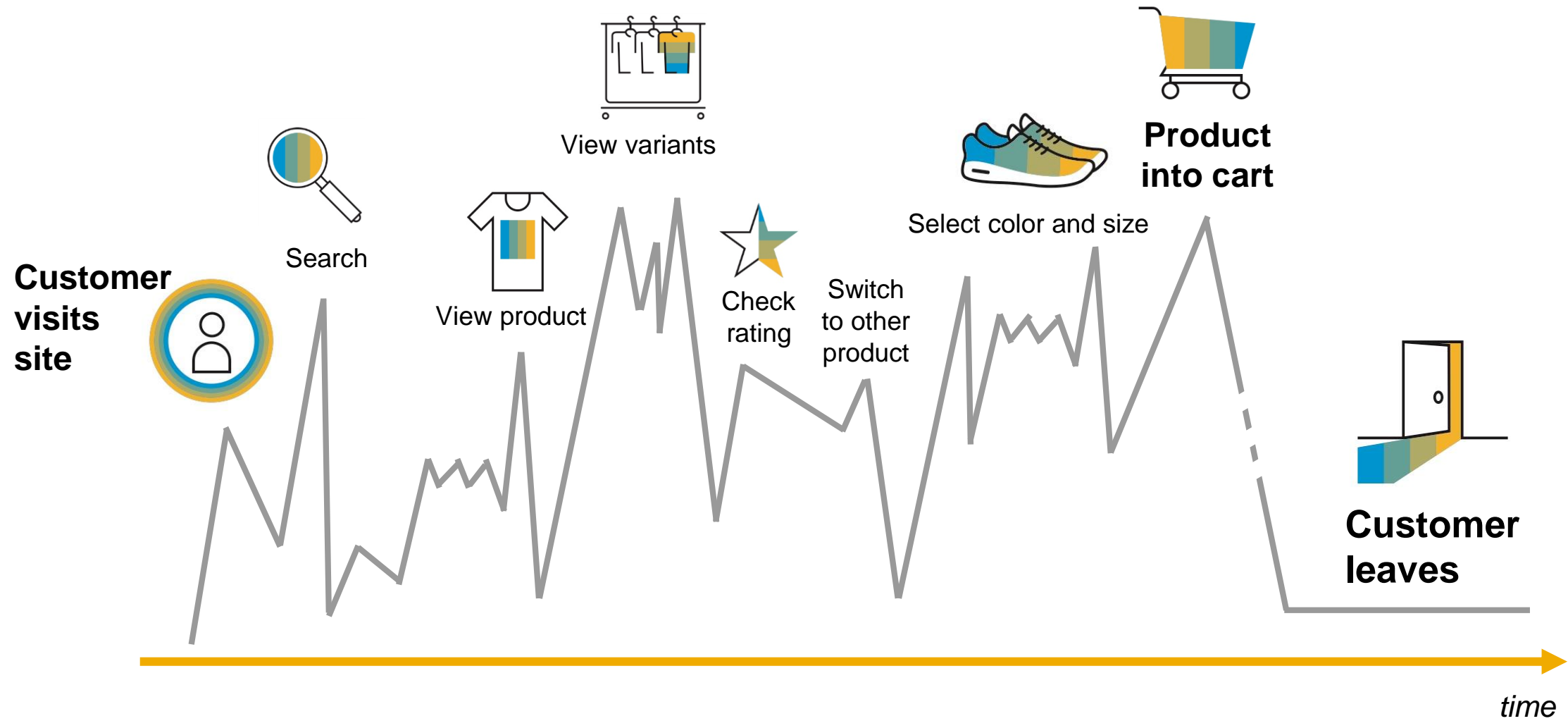
Customer Stories

Wrap up

Customer engagements can look like this on your site....



Or like this.



**HOW DO YOU MAKE SURE YOU
INTERPRET THE MICRO-MOMENT OF
INTEREST OF YOUR CUSTOMERS
CORRECTLY?**

... by respecting data privacy and consent?

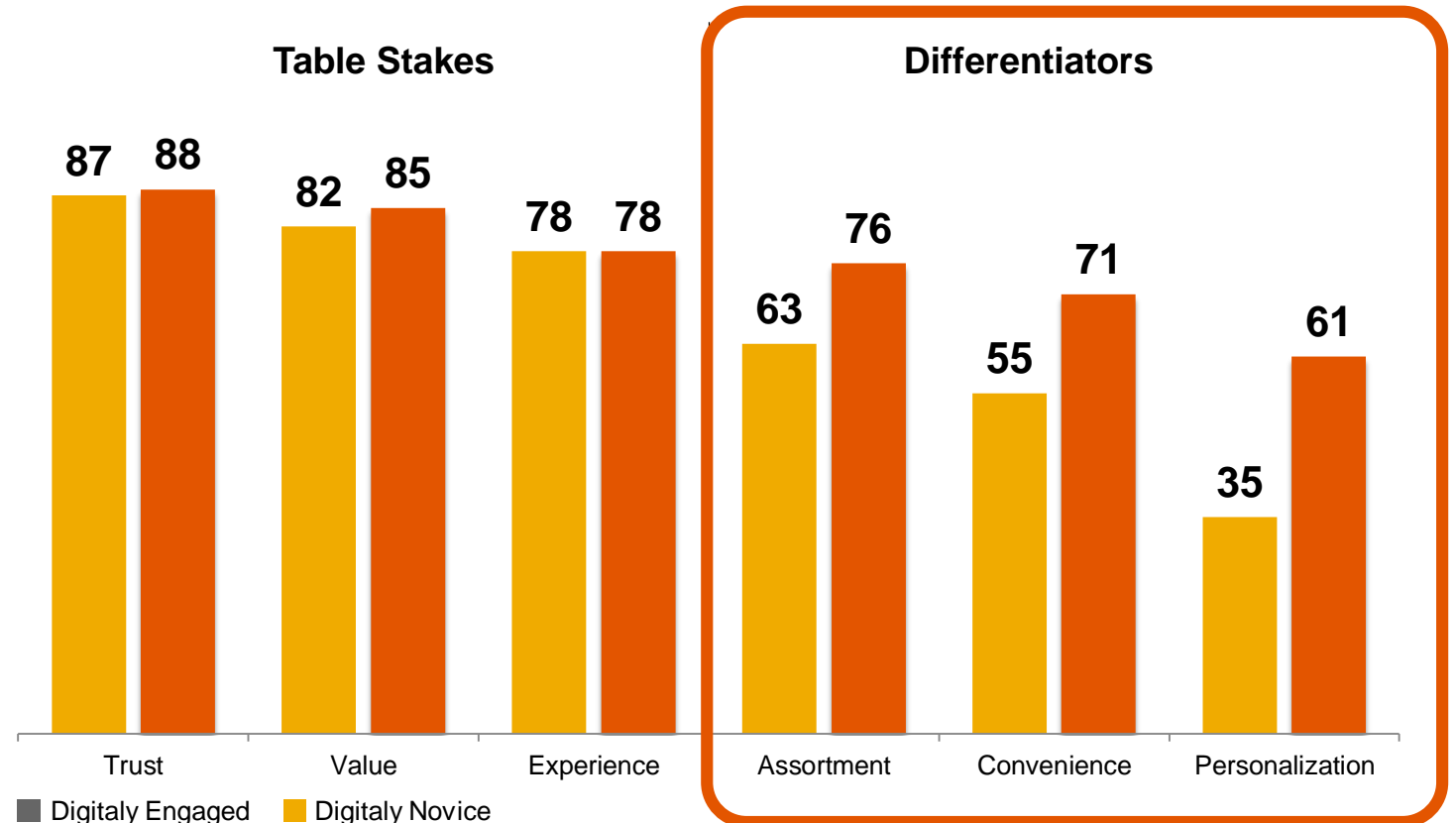


**“79% Of Consumers
are Willing to share
personal Data for clear
personal Benefit”**


Source: USA Consumer Data = Deloitte To share or not to share (9/17) Note: n = 1,538 USA customers surveyed in cooperation with SSI in 2016

SIX FACTORS CORE TO DIGITAL STRATEGY

Shopper needs by digital engagement level



Source: Nielsen Digitally Engaged Food Shopper Study Januar 2017

A man in a dark suit and glasses is walking from left to right, looking down at a smartphone. He has a white earbud in his right ear and a yellow bag slung over his shoulder. The background is a modern building with a curved, ribbed facade. On the right side of the image, there is a large, bold yellow question mark.

HOW DO YOU
MAKE SURE YOU
INTERPRET THESE
**MICRO-MOMENT OF
INTEREST** BEFORE
YOUR CUSTOMER
LEAVES

By exemplary data that you can collect and interpret from your customers while interacting – given you have gathered consent to do so

Time and date of
the (return) visit

Referrer URL

Devices used

Locations

Operating Systems

Customer master data
(email address, name, address,...)

Search events

Returns (partial, complete)

Order shipping status

Orders placed

Funnel Level

Add to cart, remove,
change quantity,...

Categories & products viewed

This data can be used to **UNDERSTAND** your customers better, and **PERSONALIZE** the commerce experience

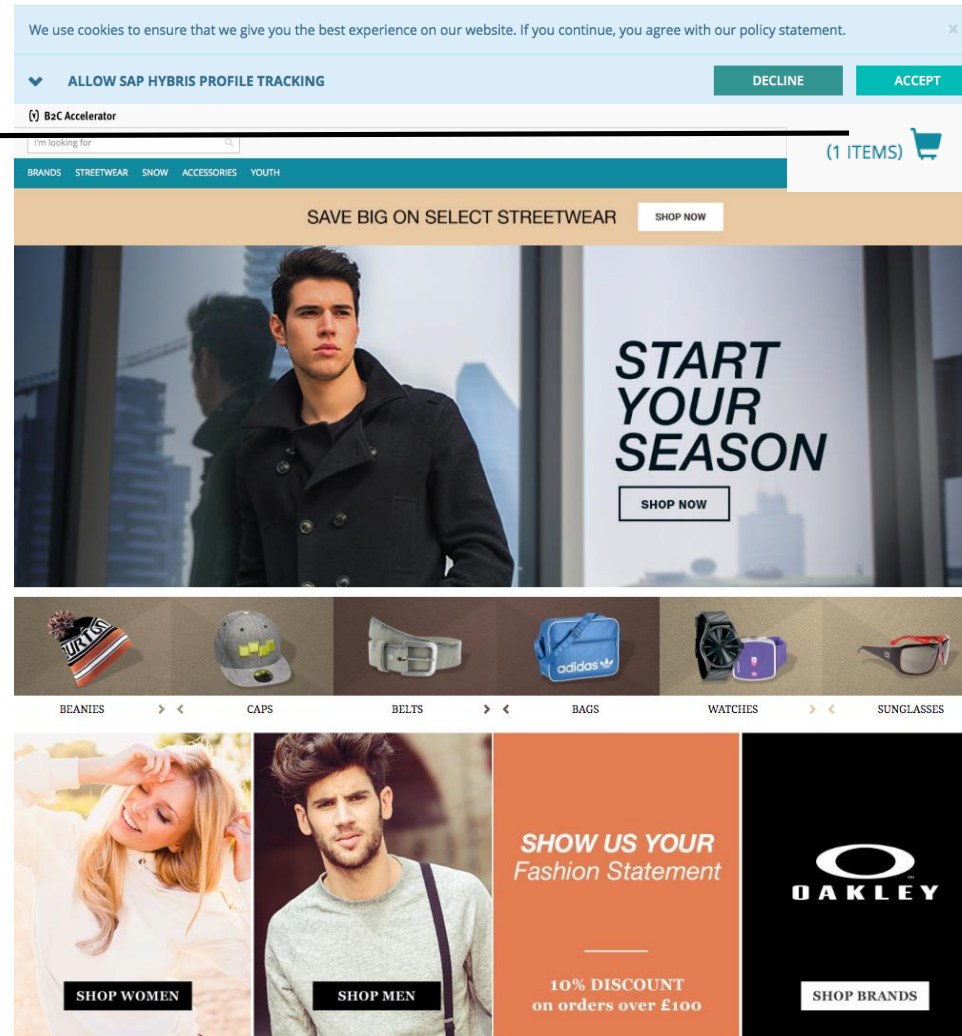


Demo

What elements of commerce sites are typically personalized?!

Win back customers that have not checked out

Personalize content slots and make them unique to the individual



Gather consent to collect customer's data on your channel for personalization use cases

Create appealing **product and merchandising carousels**

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You will achieve that with SAP Commerce Cloud, context-driven services



**INDIVIDUALIZED SITE
EXPERIENCE**



**CONVERSION
OPTIMIZATION**



**PERSONALIZED
REMARKETING**

CONTEXT-DRIVEN SERVICES BUSINESS APPS

REALTIME
SEGMENTATION

MERCHANDISING

CUSTOMER
RECOVERY

ANALYTICS

CONTEXT-DRIVEN SERVICES FOUNDATION

CONTEXT
AND EVENT
PROCESSING

DATA LEVEL
CONSENT

ANONYMOUS
TO KNOWN
IDENTITY

CONTEXTUAL
PROFILE

REAL-TIME
METRICS &
INSIGHTS

LAMBDA
EXTENSI-
BILITY

CUSTOMER CONTEXT



WEBSITE
TRACKING



MOBILE
APPS



IOT



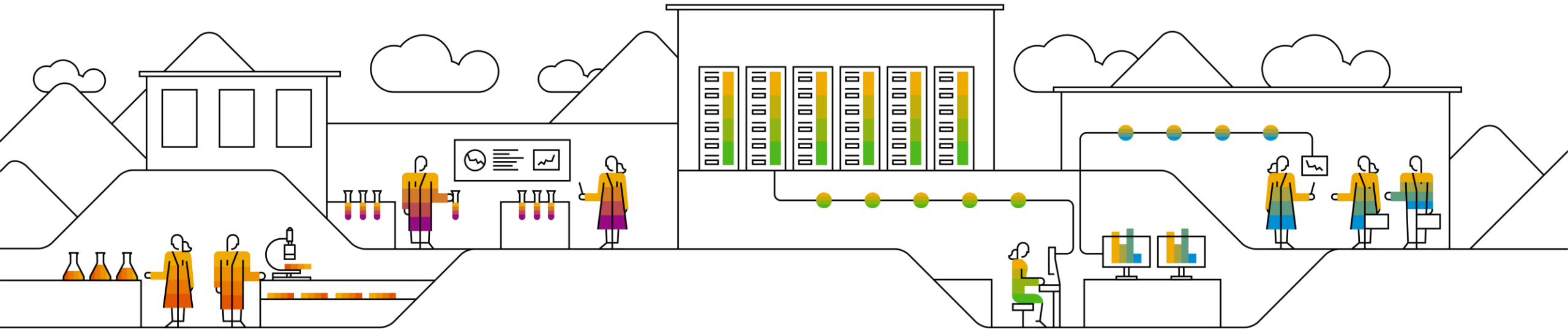
3RD PARTY
DATA

SAP
COMMERCE
CLOUD



CONTEXT-DRIVEN SERVICES

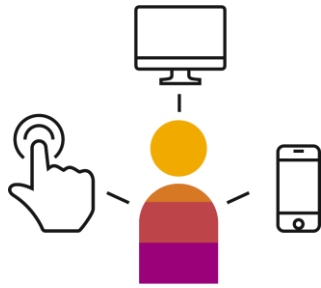
FOUNDATION



Context-driven services **Foundation**

Key Capabilities

Availability: July



Contextual Profiling

Provides customer insights, affinities and classifications at every moment of the customer journey, by combining in-session and longer term behavioral and contextual data.



Real-Time Audience Analytics

Provides real-time metrics and trends for the entire customer audience ready to be consumed across all commerce relevant data dimensions.



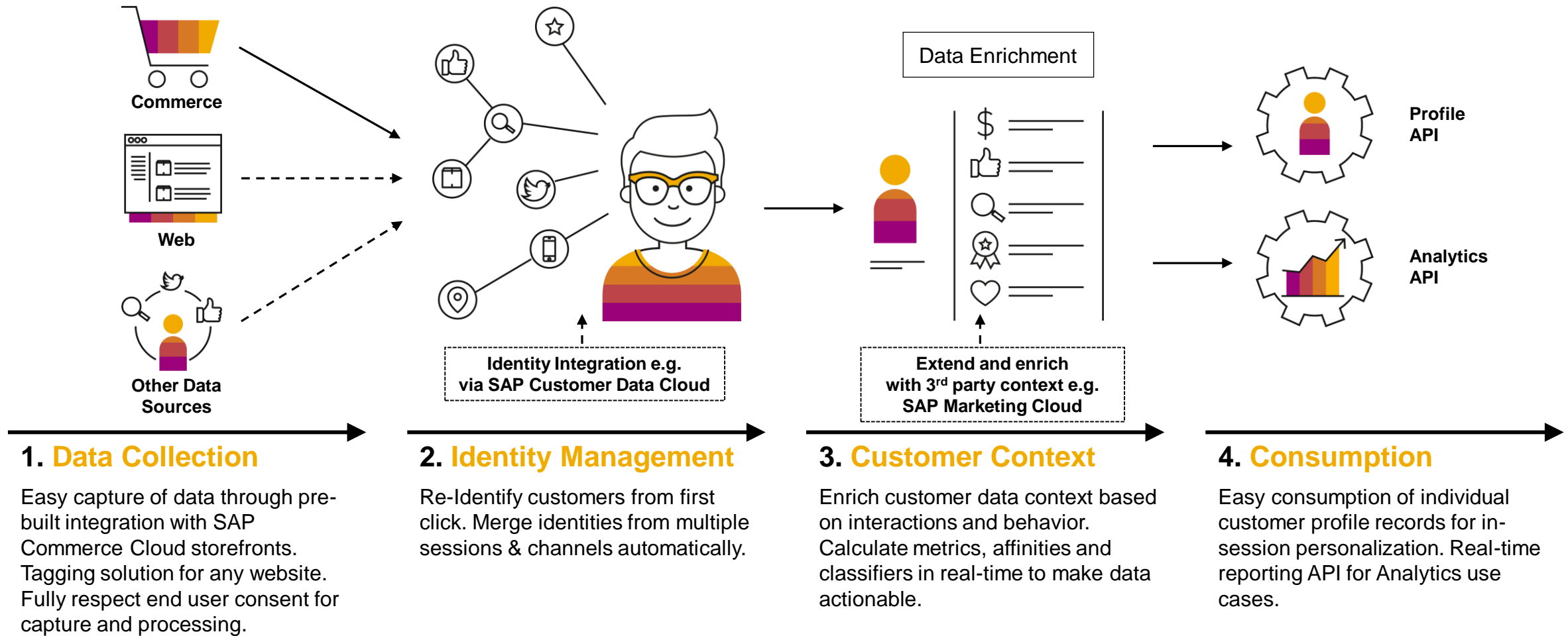
Cloud Extensibility

Event based extensibility based on Lambda functions to support additional data, context and channels, in order to create a richer view of the customer journey.

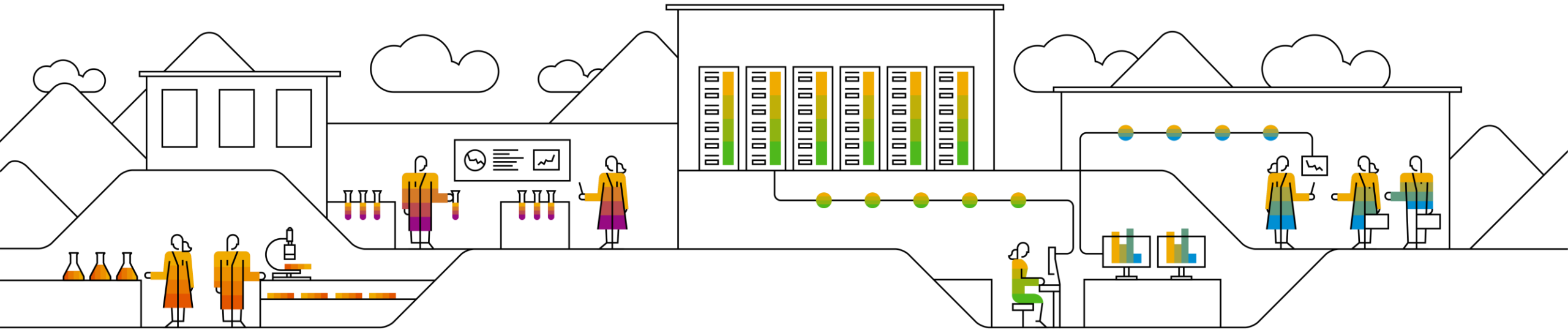
Context-driven services **Foundation**

Process View

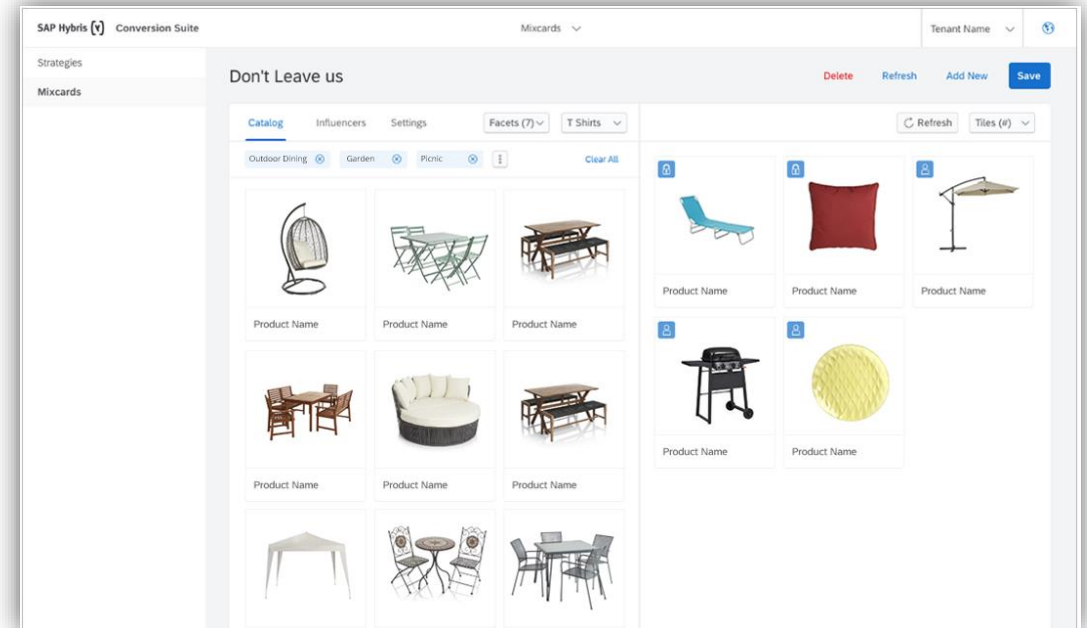
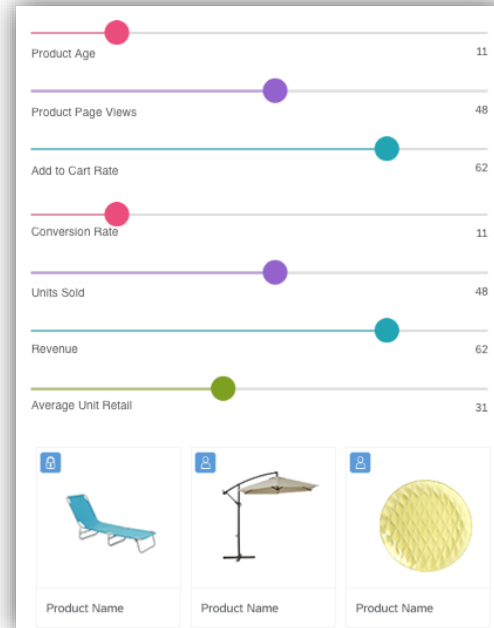
Availability: July



CONTEXT-DRIVEN **MERCHANDISING**



Merchandising carousels can be designed with mix cards that mash up customer behavioral data with business goals



FOUNDATIONAL

customer behavioral
data and affinities

BUSINESS GOALS

based on your
companies metrics

MERCHANDISING CAROUSELS

Based on mix cards that help drive
conversion based on both – customer
interest as well as business goals

MERCHANDIZING - SUMMARY

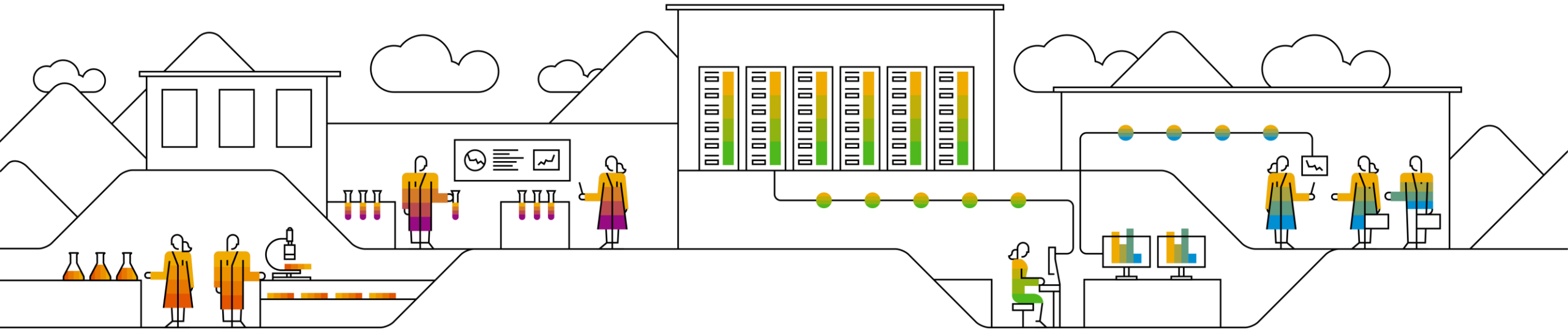
Quick Facts

- Product carousels can be 100% curated by hand and/or be the result of business metrics
- This flexibility allows business users to have more control over the output – this is differentiated from 3rd party product recommendation engines
- Metrics are updated continuously based on the real time behavioral data flow, updating the products shown as behavior evolves
- Logic can be scheduled in advance to drive different product sets for different periods of time

What business metrics can be impacted?

- Business drivers that can be impacted are Conversion, Revenue
- Average Order Value (AOV) and Product Views/Visits
- Average Unit Retail (AUR), Units Per Transaction (UPT)








CONTEXT-DRIVEN CUSTOMER RECOVERY



Win back customers that you thought you'd lost by re-targeting them with personalized emails that follow rules that you define

Customer Recovery

- **Return ready-to-buy customers** by sending abandoned session reminders
- **Drive sales** through continuous, personalized communication with each customer
- Create HTML **email templates**
- Use **rules engine** to identify the right email to be sent to the right customer in the right context
- Define interrupters to update campaigns based on a change in user behavior

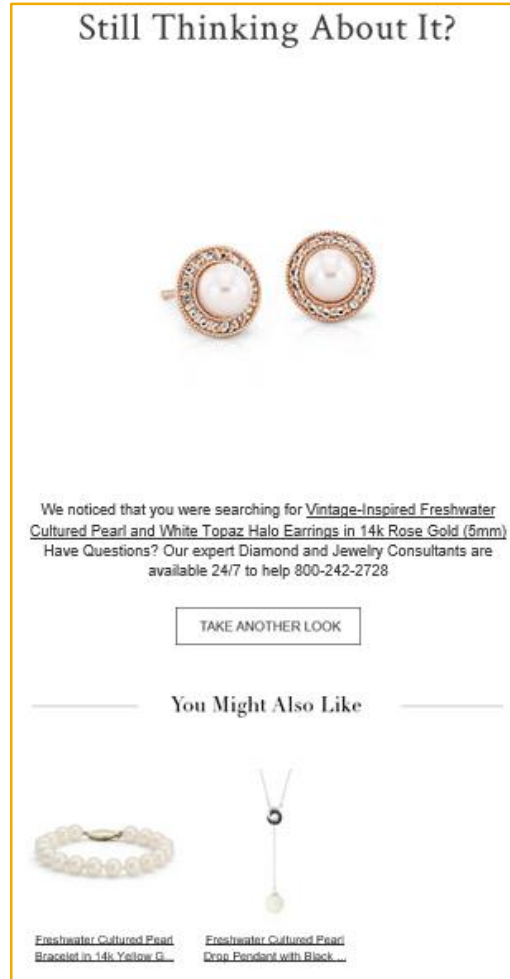
Customer Recovery			
< Back			
All Emails (14) ▾			
↓	Name A - Z ▾	Type	Summary ▾
▶	Basket		Sale - UK
▼	Best Red Trainers in town		Sale - UK
1	 French		Trainers
2	 English		Trainers
3	 German		Hats
	Don't forget		Black-Friday - Browse
▶	England world cup deals		Black-Friday - Browse French

CUSTOMER RECOVERY – CUSTOMER VIEW

Cart Abandon Email



Browse Abandon Email



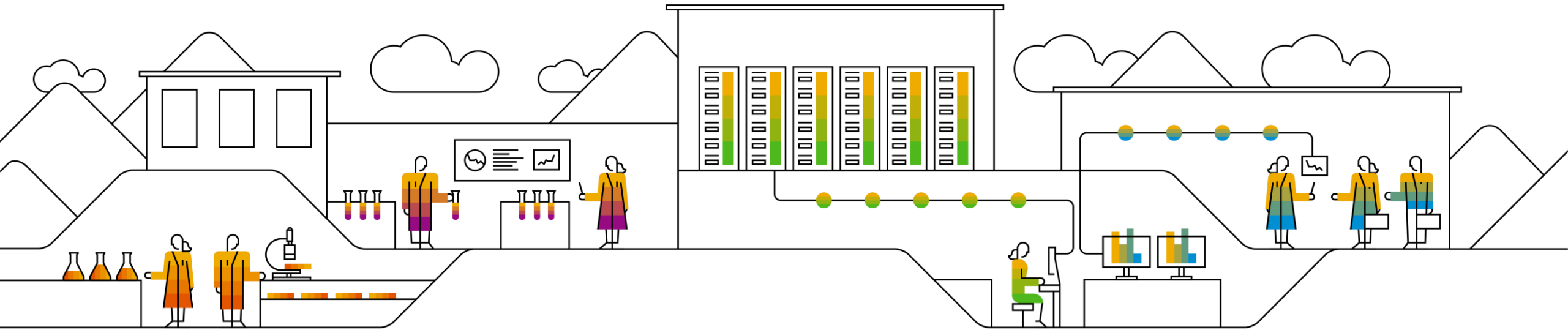
Quick Facts

- Emails are created in a template via HTML
- Numerous email templates can be grouped in a series to apply to a campaign
- Within the rules engine, interrupters can be used to update campaigns based on a change in user behavior
- Reporting dashboard based on real-time data

What business metrics can be impacted?

- Conversion: The strategy and contents of cart and browse abandon campaigns are intended to remind the customer to come back, continue shopping and complete a purchase.
- Also Customer Retention, Cost Per Acquisition, Revenue per Email and Traffic

CONTEXT-DRIVEN SEGMENTATION



Personalize your commerce storefront by defining dynamic segmentation rules that will be applied to customers in real-time when they browse your site



Context Driven Services ▾

Segment Builder / Female High Value Social Media Customer

The following lorem ipsum dolor sit amet

Base Information

Inactive

Name *

Female High Value Social Media Customer

Description

Female users with high average cart values, who at least once were referred from some social media platform 10 left

Start

12/16/17

02:33 pm

Expires

12/16/17

02:33 pm

Conditions

+ Add condition



Customer Segment A



Customer Segment B

UNDERSTAND

the customer that is currently browsing your site

DECIDE

in what segment this customer fits into – in the exact moment that she is browsing your site

ACT

by personalizing slots on your commerce site

REAL-TIME SEGMENTATION - SUMMARY

What business metrics can be impacted?

- Conversion: Segmentation drives conversion through delivering customer specific experiences, Placing right products at the right time
- Other business drivers are: Targeting, Click-Through Rate (CTR), Promotional Efficiency and Search Conversion

Quick Facts

- Customers are placed into segments in real-time based on relevant behavior
- Segments can be built for known and unknown users
- Real-time segmentation supports personalization from customers' first interactions on-site (given they have consented)
- Business users are able to quickly understand the segments that are driving various customer experiences
- Content, promotions and search can be personalized by leveraging the segmentation functionality

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CONSUMER PRODUCTS

WITH SAP COMMERCE CLOUD, CONTEXT-DRIVEN SERVICES

COMPANY

Global leader / Enterprise

INDUSTRY

Consumer Products

EMPLOYEES

11,000

REVENUE

5+ Billion EUR

PARTNER

Netconomy and SAP Product Development

SOLUTIONS

SAP Commerce Cloud, context-driven services

OBJECTIVES

- Move from retail to consumer-centricity
- Expand the central consumer data base with all known and unknown visitors trackable on 1st party digital properties (hundreds of millions)
- Personalize merchandizing web stores based on SAP Hybris Commerce

WHY SAP SOLUTIONS

- No comparable solution in the market to solve this problem
- Establish a trusted relationship with consumers to leverage data under consideration of GDPR rules (more challenging to do with standard DMP vendors)
- Close partnership with product development in early phase of product innovation
- Closely aligns with their innovation roadmap

RESOLUTION

Collect and interpret online customer behavior

- Collect browse behavior from digital properties, both commerce and content sites
- Create a contextual foundation based on behavioral interest
- High volume and real-time data analysis

Bridge the gap between anonymous and known

- Understand customer intent from the first click, based on anonymous (cookie) identity and tie to known identity (registration, login)
- Connect identity across all 1st party digital properties

Product Recommendations

- Base SAP Marketing Recommendations on interest shown on non-commerce sites and expand to large anonymous audience for enhanced results

FUTURE PLANS

- Expand into all digital properties
- Integration with more commerce sites

INCREASED
online channel revenues

INCREASED
cross-selling rate

INCREASED
order value

CHEAPCARIBBEAN.COM – GUIDING SHOPPING CART WANDERERS BACK WITH CONTEXT-DRIVEN SERVICES



COMPANY

Cheapcaribbean.com

HEADQUARTERS

Doylestown, Pennsylvania

INDUSTRY

Travel and transportation

PRODUCTS AND SERVICES

Luxury beach vacation packages in Mexico and the Caribbean

EMPLOYEES

> 1,000

REVENUE

250 million EUR

WEB SITE

www.cheapcaribbean.com

SOLUTIONS

SAP Context-Driven Services

OBJECTIVES

- Reduce online shopping cart abandonment
- Give wandering shoppers a surefire way to return to CheapCaribbean.com after comparison shopping

WHY SAP SOLUTIONS

- Fast, straightforward rollout
- Robust set of software features
- Accessible, knowledgeable, helpful experts

RESOLUTION

- Five times more customer conversions with SAP software as with standard e-mail marketing efforts
- Real-time, multistage remarketing e-mails that encourage wanderers to return to their CheapCaribbean.com shopping carts and complete their purchases
- Eight percent increase in sales

FUTURE PLANS

- Continue leveraging the Customer Recovery application's testing capabilities to run two-sample hypothesis tests on different send times to continue optimizing return on investment

“For us, those additional conversions are the biggest success story so far. Basically, the Customer Recovery solution paid for itself after the first week of implementation.”

Tom Patterson, Marketing Manager, CheapCaribbean.com

8%

Increase in deal size

5x

More customer conversions

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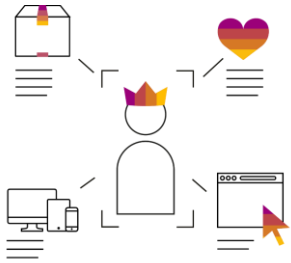
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Wrap up

This is just the beginning | a quick glimpse into our roadmap

LAUNCH

Q3 2018 and beyond



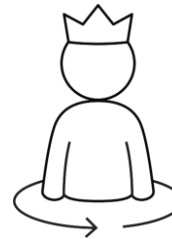
Foundation

Customer insights, affinities and classifications at every moment of the customer journey



Merchandising

Optimize sales using real-time behavioral data and business goals



Customer recovery

Improve customer engagement and recover customers using real-time data



Realtime segmentation

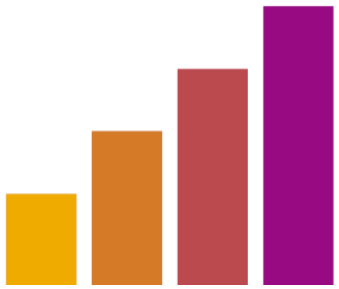
Conversion optimization through effective customer segmentation



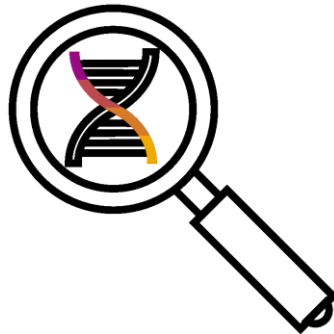
Analytics

Metrics and trends aligned with actions and outcomes driving increased conversion

Benefits of SAP Commerce Cloud, Context-Driven Services

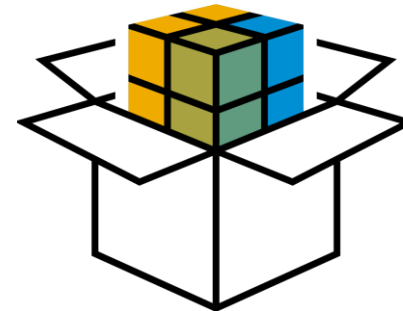


Drive conversion rate and raise the average order value and sales



Expand your offerings to a large audience of anonymous customers

ALL in REAL-TIME



Integration with SAP Commerce Cloud enables a unified personalization solution with one point of data capture



Boost the customer experience and increase customer satisfaction and loyalty by understanding your customer from first click

Thank you

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