SAP® Customer Experience

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

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PUBLIC
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Context Driven Services in Detail
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Agenda

Welcome

**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.

Customer visits site

Search

View variants

View product

Check rating

Switch to other product

Select color and size

Product into cart

Customer leaves

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

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<td>87</td>
<td>88</td>
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<td>63</td>
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</tbody>
</table>

Digitaly Engaged | Digitaly Novice

Source: Nielsen Digitally Engaged Food Shopper Study Januar 2017

... by respecting data privacy and consent?
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.

- Affinity to certain products
- Price sensitivity
- Affinity to categories
- Order patterns
- Predominant time of activity
- Return rates
- Preferred locations
- Typical sites customer is coming from
- Preferred devices
- And much more…
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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Wrap up
You will achieve that with SAP Commerce Cloud, context-driven services

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 EXTENSIBILITY

CUSTOMER CONTEXT

- WEBSITE TRACKING
- MOBILE APPS
- IOT
- 3RD PARTY DATA
CONTEXT-DRIVEN SERVICES

FOUNDATION
Context-driven services **Foundation**

Key Capabilities

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**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.

Availability: July
Context-driven services Foundation

Process View

1. Data Collection
   Easy capture of data through pre-built integration with SAP Commerce Cloud storefronts. Tagging solution for any website. Fully respect end user consent for capture and processing.

2. Identity Management
   Re-Identify customers from first click. Merge identities from multiple sessions & channels automatically.

3. Customer Context
   Enrich customer data context based on interactions and behavior. Calculate metrics, affinities and classifiers in real-time to make data actionable.

4. Consumption
   Easy consumption of individual customer profile records for in-session personalization. Real-time reporting API for Analytics use cases.

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
Cart Abandon Email

**FORGET ME NOT**

We noticed you left an item in your shopping cart. If you need assistance, please don’t hesitate to call us at 1.800.691.0952, email info@brilliantseattle.com, or chat online with a jewelry specialist.

Browse Abandon Email

**Still Thinking About It?**

We noticed that you were searching for Victorian inspired freshwater pearl and white topaz light earrings. Is this what you were looking for? The expert jewelry consultants are available 24/7 to help. 000-243-2718

- **Take Another Look**
- **You Might Also Like**

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.

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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Wrap up
CONSUMER PRODUCTS
WITH 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

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

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

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

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
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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

ALL in REAL-TIME

Drive conversion rate and raise the average order value and sales

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

Expand your offerings to a large audience of anonymous customers

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