

# HYPER-PERSONALIZATION:

How to speak to an audience of one (at scale and speed)  
without busting the bank

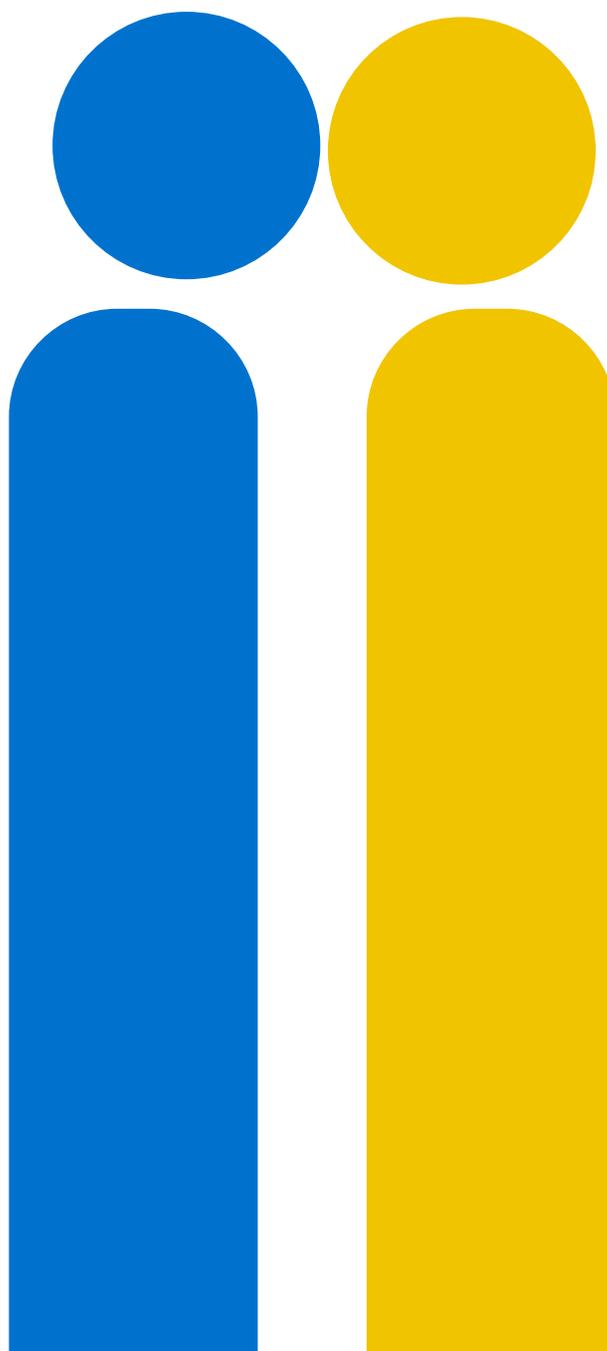


# FOREWARD

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An increasing number of organizations are starting to recognize that the personalization of communication and products presents a massive opportunity across marketing, sales and after-market services. This is because digital has resulted in an assault on customers, with a majority of the messaging and product personalization going off target. Organizations that deliver effective hyper-personalization stand the chance to become the next Amazon, Netflix or Spotify.

The traditional idea of personalization is too rudimentary to deliver the aggressive results organizations look for today. We don't need formal studies to tell us that addressing consumers by the first name or sending festival greetings isn't going to cut it anymore. Marketers know that more sophisticated personalization across email, social, display, digital and mobile is necessary to win customers. Even reasonably refined customer segmentation based on demographics, psychographics and brand affinity will fail if it does not consider larger behaviour signals and immediate customer context to develop hyper-personalized communication or recommendations.





# THREE KEY INGREDIENTS FOR SUCCESS: **SCALE, SPEED AND SELF-SERVICE**

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To appreciate the complexity and cleverness the practice of hyper-personalization has acquired, stop a moment to consider the tactics used by Netflix. The media service, with 139 Million paid subscribers worldwide, uses hundreds of nuanced data points that go well beyond demographics. This includes the device a viewer used to watch a particular piece of content, location, time of day, network characteristics, what a viewer watched before, after, yesterday and a year ago; it includes what others with the same choice of content watched; and, amazingly, it also includes what a viewer skipped or watched repeatedly. The strategy used by Netflix can be awe-inspiring. However, its real beauty lies hidden in the fact that the 1-to-1 hyper-personalization is executed at scale and in real-time.

Our experience shows that most organizations want to adopt hyper-personalization. In fact, digital organizations have the advantage of access to extremely deep and rich customer data – something that traditional businesses don't. To make effective use of their advantage, these organizations need to create self-service platforms that executives can use independently, without intervention from IT or a dedicated team of data and analytics experts, enabling them to achieve hyper-personalization at scale and speed.

That's exactly what Brillio set out to do. Our customers wanted systems for data management, analytics, and hyper-personalization that could be used by executives who couldn't tell the difference between SQL and NoSQL—and who couldn't care less. Our customers wanted to place the power of rapid experimentation and exploration of campaign parameters in the hands of their executives. These were frontline executives, battling and addressing the day-to-day needs of their customers. Their key goal was to deliver a democratized process for generating personalized offers. In other words, our customers wanted a 'Campaign Shangri-La' where marketing executives could click on a window and get the work done.



# THE CHALLENGES IN SHANGRI-LA

Only 20% of organizations are experimenting with 1-to-1 campaigns. This implies that adopting hyper-personalization can offer a large competitive advantage. Besides, amongst the companies that do run hyper-personalized campaigns, the lead time to execute these campaigns can last anywhere between 10 days to 35 days.

In a world driven by speed, this turnaround time is enough to lose a customer or for the recommendation to become irrelevant. Changing these realities can have a significant impact.

## REGULAR CAMPAIGN PLANNING LIFECYCLE

### CAMPAIGN DESIGN

**Scope of campaign**

Objective  
Geography  
Audience  
Target KPIs

**Campaign Budget**

**Business constraints**



Campaign Manager

Requirements hand-off to Analytics



Analytics Manager

### CAMPAIGN PLANNING & DEVELOPMENT

#### Offer Development

- Algorithm development for personalization
- What-if Analysis & Customer Reports

10 - 15 days

#### Optimization for M-ROI



Iterative Loop of

- Prototype
- Share
- Feedback
- Refine

6 - 7 days

### 20 - 25 DAYS

#### Campaign Execution Readiness



Final Approval for Campaign



Offer Data transformation for CMS



Hand-off To Campaign Execution

4 - 5 days



Lack of resources



Data challenges



Availability of data science know-how

What could be the challenges an organization faces to deliver successful 1-on-1 hyper-personalization across campaign life-cycles starting from development to measurement? We found three types of challenges that should be immediately familiar to most organizations investing in hyper-personalization:

**Data challenges:** Data harmonization and the ability to draw from different data sources based on the needs of the campaigns. This is largely due to the lack of a standard method to prepare datasets.

**Availability of data science skills:** Finding the right talent to develop complex statistical models and create APIs to make them scalable is a challenge.

**De-centralized team structure:** Campaign design, execution and measurement teams work in silos. Each function has its own development curve for analyzing and providing the artefacts required by the other functions to complete a campaign. The dependences create unacceptable longer turnaround times.

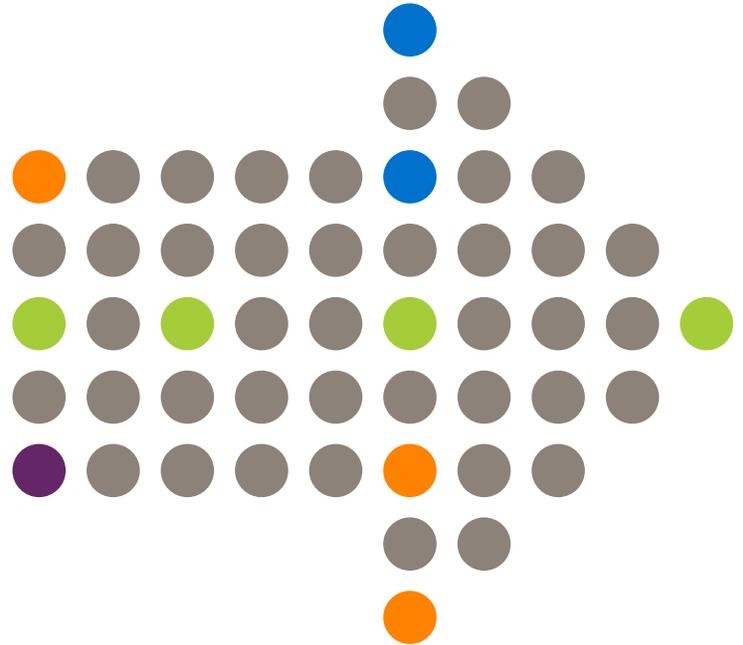
# THE SIMPLE BEAUTY OF OFFER VAULTS

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Our approach was to tuck the arcana and science of data, machine learning, algorithms, models and analytics under the hood and out of sight. Our users did not have to grapple with the business heuristic-driven thinking, the modelling methods around optimization or the linear regression models in category-based recommendation. They did not notice the complex algorithms used to personalize assortments or Brian Ripley's custom package on ODBC connectivity that was instrumental in achieving scale on a production environment.

In fact, the foundation of the solution was rather simple. It was based on the concept of Offer Vaults to achieve scale, speed and flexibility. These vaults are data repositories. They are similar to specific business use cases and contain prioritized offers for each customer that is a member of the vault. Inspired by the concept of assembly lines, Offer Vaults make it easier to assemble campaigns.

Every Offer Vault is tagged to a hyper-personalization end-state goal – Cross-sell, Up-sell, etc. It has the best offers for each customer. The customers are ranked basis statistical models. This structure provides simple templates that can be plugged into a GUI-based solution. Simply click on a customer type and—presto! —the Offer Vault delivers the required 1-to-1 hyper-personalization.



# THE NUTS AND BOLTS OF IMPLEMENTATION

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Implementing Offer Vaults involves defining business objectives in consultation with the customer's executive leadership and the team responsible for driving the campaigns to customers; it involves discussions with the IT team to understand the data pipeline flow and to get a firm grip on the data structure and the logic behind the calculation of some of their KPIs. Overall, this allows us to identify the immediate pockets of improvement and develop a solution roadmap.





# GETTING UP TO SPEED WITH OFFER VAULTS

The hyper-personalization solution based on Offer Vaults makes a significant difference. Live production results have shown that campaign creation time can be brought down from 9 days to less than 60 minutes.

The solution allows different functions to collaborate, discuss, finalize and validate parameters. A similar saving can be achieved in time taken to assemble the campaign by reducing processes that can take 7 days down to less than 30 minutes.

## CAMPAIGN LIFECYCLE WITH BRILLIO'S CAPS

### CAMPAIGN DESIGN

#### Scope of campaign

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#### Campaign Budget

#### Business constraints



Campaign Manager

Requirements hand-off to Analytics



Analytics Manager

### CAMPAIGN PLANNING & DEVELOPMENT

#### Offer Development



Offer Genesis feature

1 day

#### Optimization for M-ROI



Iterative Loop of



Campaign Assembly feature

Prototype

Share

Feedback

Refine

1-2 days

#### Campaign Execution Readiness



Final Approval for Campaign



Campaign Assembly feature

Offer Data transformation for CMS

Connectors To Campaign Execution tools

1 day



Performance Analysis feature



Parametrized assembly process



Optimization layer



Campaign review file



Integration with CMS



Campaign metrics reporting



Campaign effectiveness measurement



Intelligence driven campaign design

In one implementation, the Offer Vault solution resulted in 60% of target customers redeeming at least one offer with 50% higher spend than the required threshold. As many as 40% customers made subsequent purchases after the first wave of a campaign. These results can be replicated for customers from e-commerce, retail, consumer packaged goods, telecom, hospitality, banking and other B2B industries.

Most organizations attempting hyper-personalization with minimal changes to their existing systems stumble or stall. This need not be the case. There are simple, elegant and effective solutions available — they may even make Netflix stop and take notice.



## ABOUT BRILLIO

Brillio is the leader in global digital business transformation, applying technology with a human touch. We help businesses define internal and external transformation objectives and translate those objectives into actionable market strategies using proprietary technologies. With 2600+ experts and 10 offices worldwide, Brillio is the ideal partner for enterprises that want to quickly increase their core business productivity, and achieve a competitive edge, with the latest digital solutions. To learn more about our personal approach to technology, partnership, and success, visit

[www.brillio.com](http://www.brillio.com)

