

10 data driven must-wins for your 2020 agenda

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**“Being Agile” is a
non-acceptable excuse
for lacking a strategy**

αυαυα

Data driven must-win?
**Getting the equation right,
at scale:**

[Data x Algo x Action]

Recommendation engines

Becoming data driven requires both focus on the long term strategic capabilities, as well as short term tactical wins!



Recommendation engines

Becoming data driven requires both focus on the long term strategic capabilities, as well as short term tactical wins!



For every executive struggling with how to turn data into results, at scale

Business objectives and required capabilities (data - algo - action)

>> Business workshops



For every organization that has the “Ferrari in the garage”
Recipe book of low hanging fruits for data-driven results
Selected and described per channel

Launch party 11th of Nov - join us!

10 data driven must-wins for your 2020 agenda

From lowest hanging fruits to strategic capabilities

1

Personalized communication

Product and content recommendations for increased conversion

2

Going omnichannel 1:1

Increasing activation channels available improves results - also without a DMP

3

Agency collaboration

Data as a facilitator for efficiency, decision making,

4

Predictive Modeling

Predicting the future and creating smarter actions based on predicted outcomes

5

The Algo Leap

Getting your organization and processes ready for the age of algorithms

6

CDP - Customer Data Platform

Unified customer data as the foundation for being data driven

7

KPI Framework

Stakeholder tailored follow-up towards strategic objectives

8

Attribution Modeling

Creating a more granular understanding of marketing's impact on sales

9

Data & AI Strategy

Forming a vision for how you will use data and algorithms to deliver business results

10

Machine Learning Library

Ensuring scalability and efficiency in your Machine Learning production

1

Personalized communication

Product and content recommendations for increased conversion

adidas

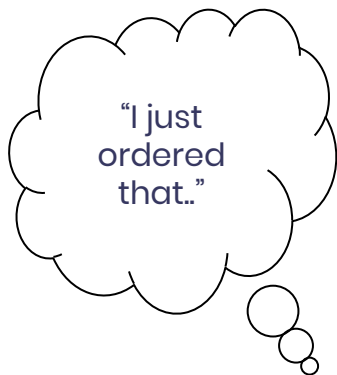


Recommendation engines

Non-personalized communication is costing you 20% in lost conversions, every year



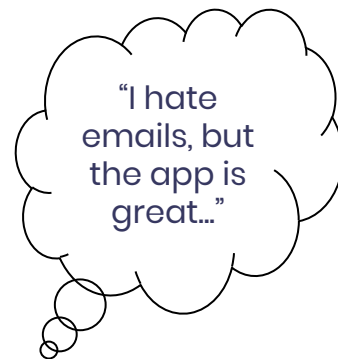
Timing



Content



Channel



Out of box recommendation

Salesforce Einstein recommendation engine for fashion retailer

A Email metric predictions for improved steering

B Easy setup of algorithmic product recommendations

Open rates
+2%-units

Conversion
+14%

Incremental sales
+11%



...ent using different so... to emails or cloud...
...duct recommendations... want

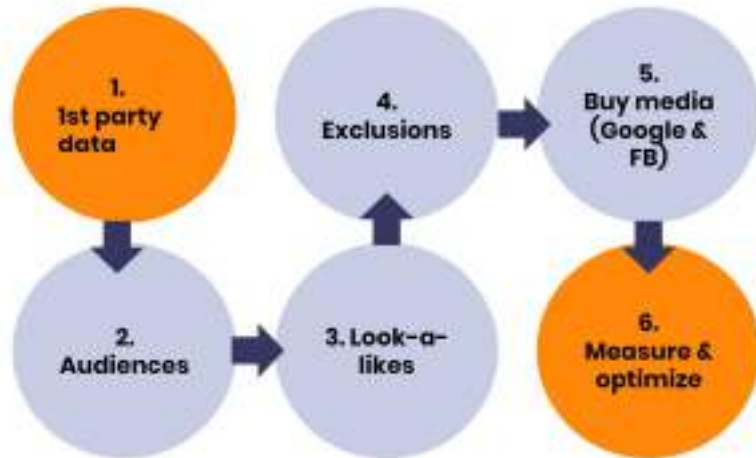
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Going omnichannel 1:1

Increasing activation channels available improves results - also without a DMP



Using your 1st party data to improve ROAS in bought media AND/OR improve reach for CRM treatment



Multiply ROAS by using 1st party data in audience management without DMP

- DMP allows for activating in several channels simultaneously + improved exclusion

Multiply reach of most effective CRM treatment models

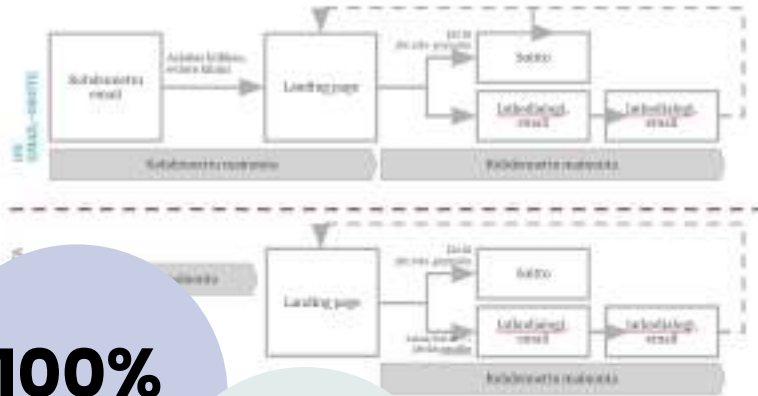
- CRM models typically have high ROI - extend to bought and other own channels (eg. website personalization) for increased effect

Increase sophistication for results

- Treatment uplift modeling
- CRM / Segmentations
- Personalization of media with dynamic content

Omnichannel marketing

Insurance company achieved 30% improvement in ROAS



100%

Increase in Click Through Rates

30%

Increase on ROAS

Starting by extending CRM dialogues...

- Large set of manual, semi-manual and fully automated omni-channel campaigns

...led to a customer centric media buying strategy

- Using CRM and 1st party data to improve all media buying audiences systematically
- Led to DMP purchase and inhousing of audience management after 2 years

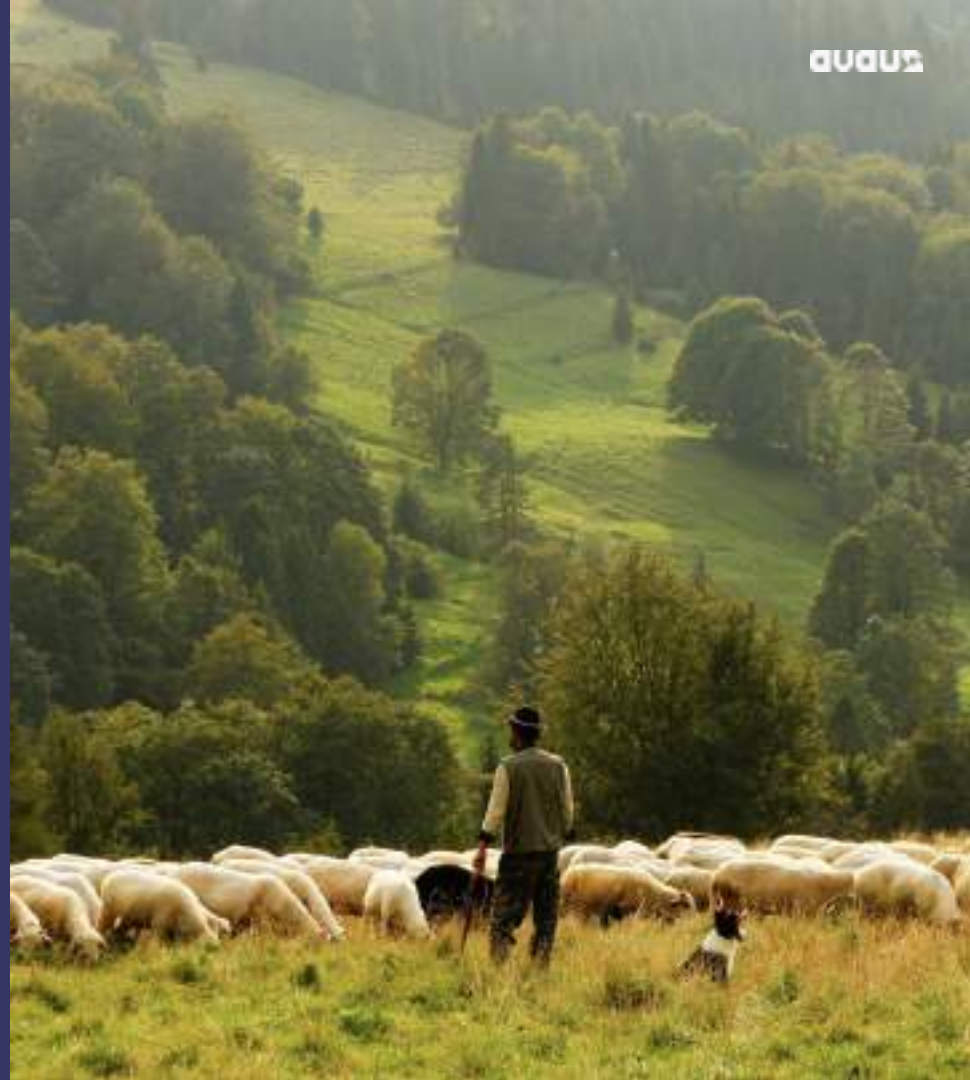
Learnings

- Manual work can also have big ROI
- Media agencies do not want to do this work
- Great first step before going DMP

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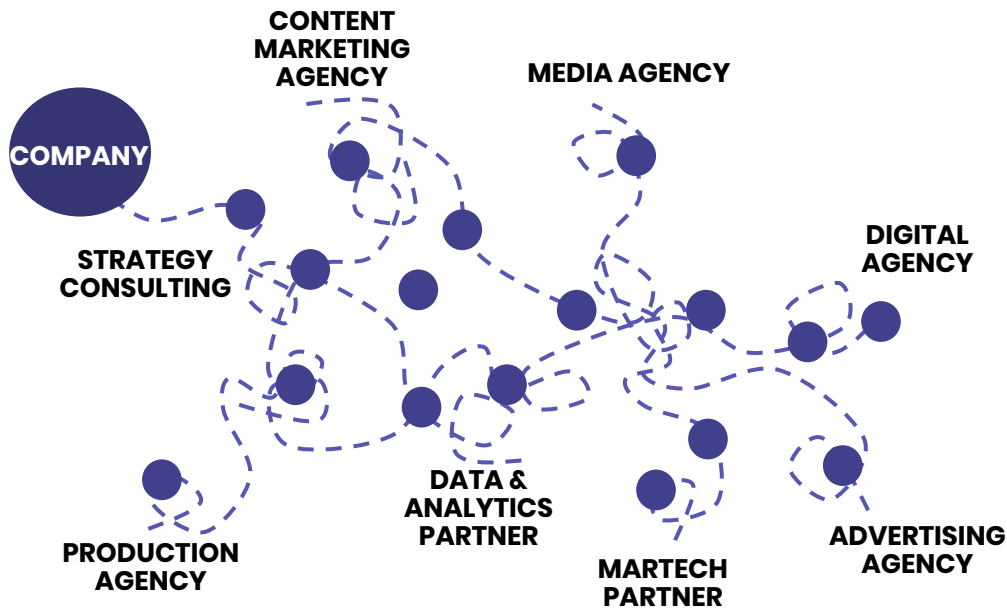
Agency collaboration

Data as a facilitator for
efficiency, decision making,
collaboration and alignment



Agency alignment

Misalignment and channel siloes is one of the biggest challenges in becoming data driven



Trend towards centralization both internally, as well as in vendor landscape

Key benefits include:

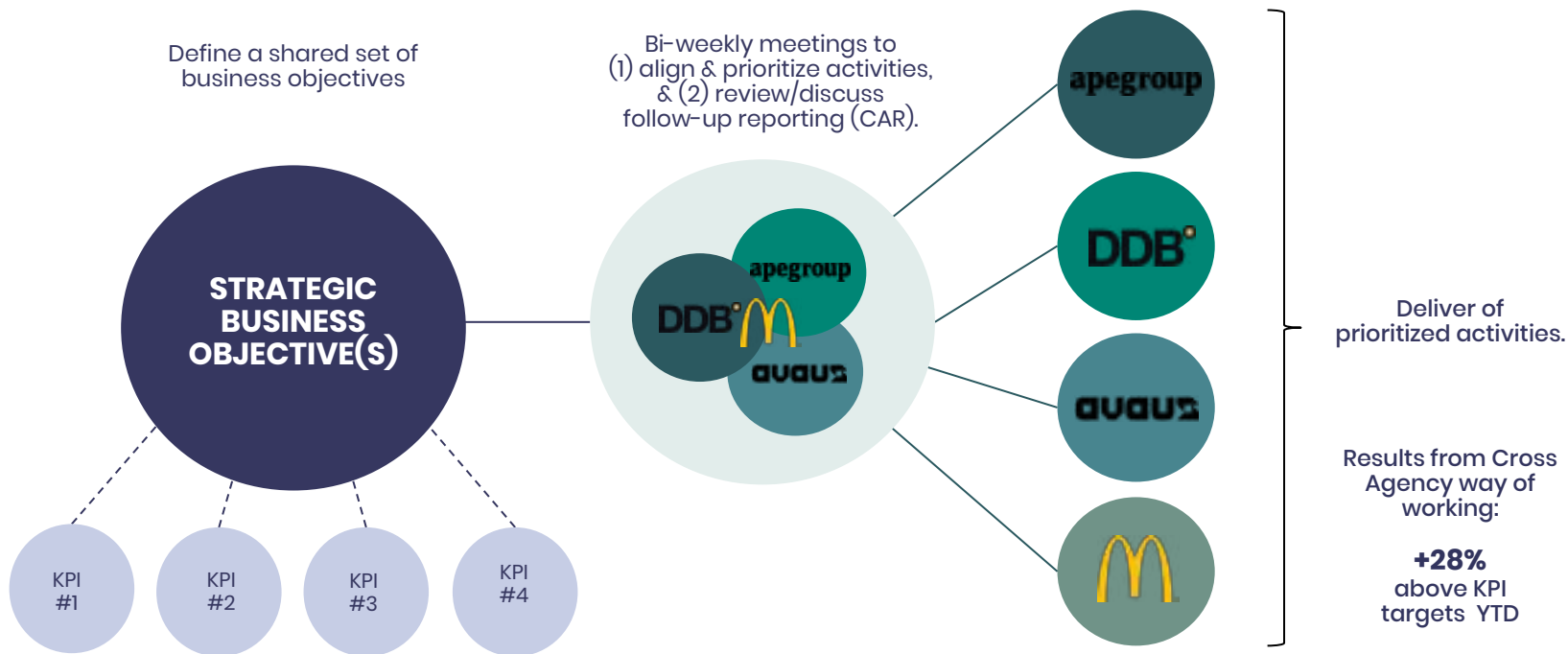
- Strategic alignment possible without sub-optimization
- Sharing of data and everyone using same metrics
- Better utilization of technology / data investments
- Less "ad-hoc" collaboration and more focus on transparent feedback and development of joint operating models

Requires:

- Defined vision for marketing operating model and ecosystem
- Strong leadership
- Finding the right partners for the ecosystem - without old lock-ins that enforce wrong operating principles

Agency alignment

At McDonald's Sweden, all agencies are collaborating around developing capabilities and improving results



Read more on www.avaus.com

STRATEGY, TECH, SALESFORCE, ANALYTICS

Digital transformation partner for McDonald's Sweden

McDonald's Sweden sought to future-proof its competitive position in the Swedish market by making digital activities a driver of sustainable business value. This required both a clear vision and major development initiatives, including a target state vision for the customer experience, a value creation mechanism, foundational upgrades to the tech stack, the setting up of a robust reporting and analytics process as well as a more agile way-of-working.

[Full Case Here](#) →



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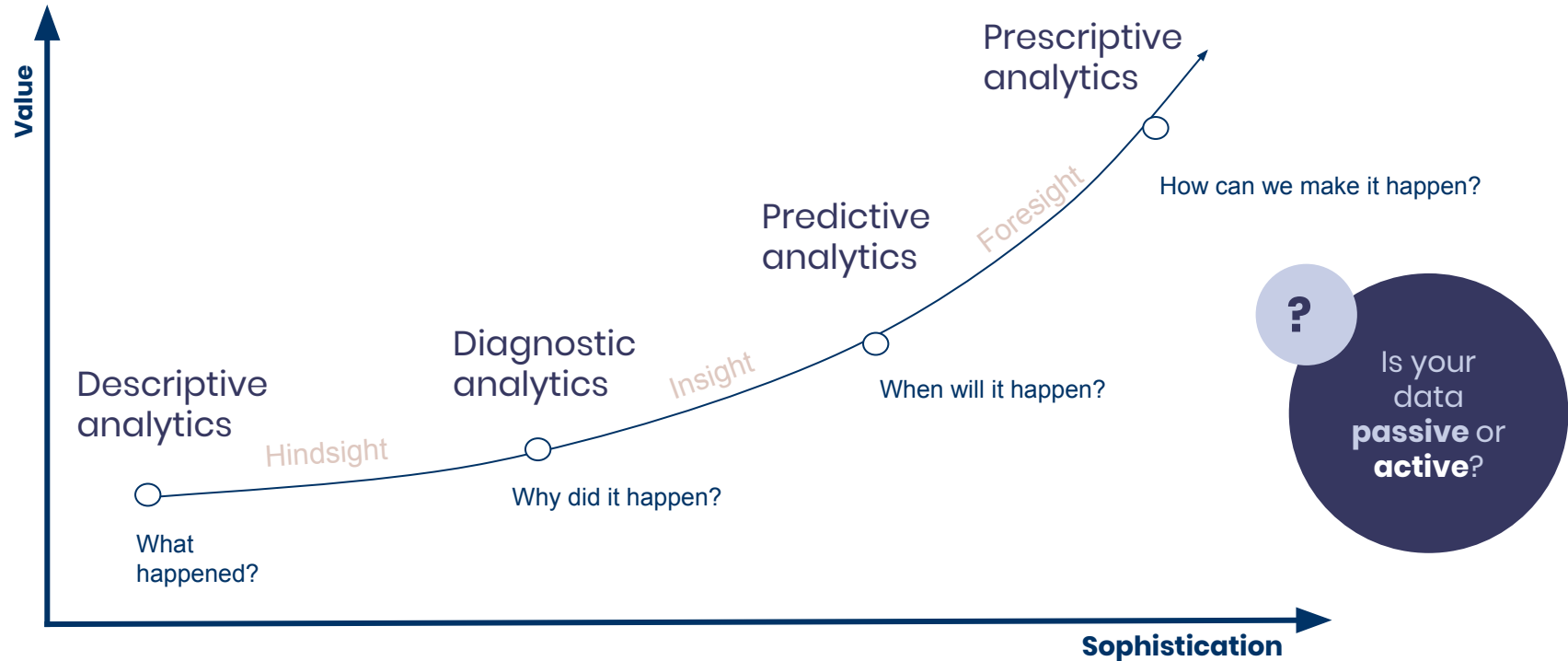
Predictive modelling

Predicting the future and creating smarter actions based on predicted outcomes



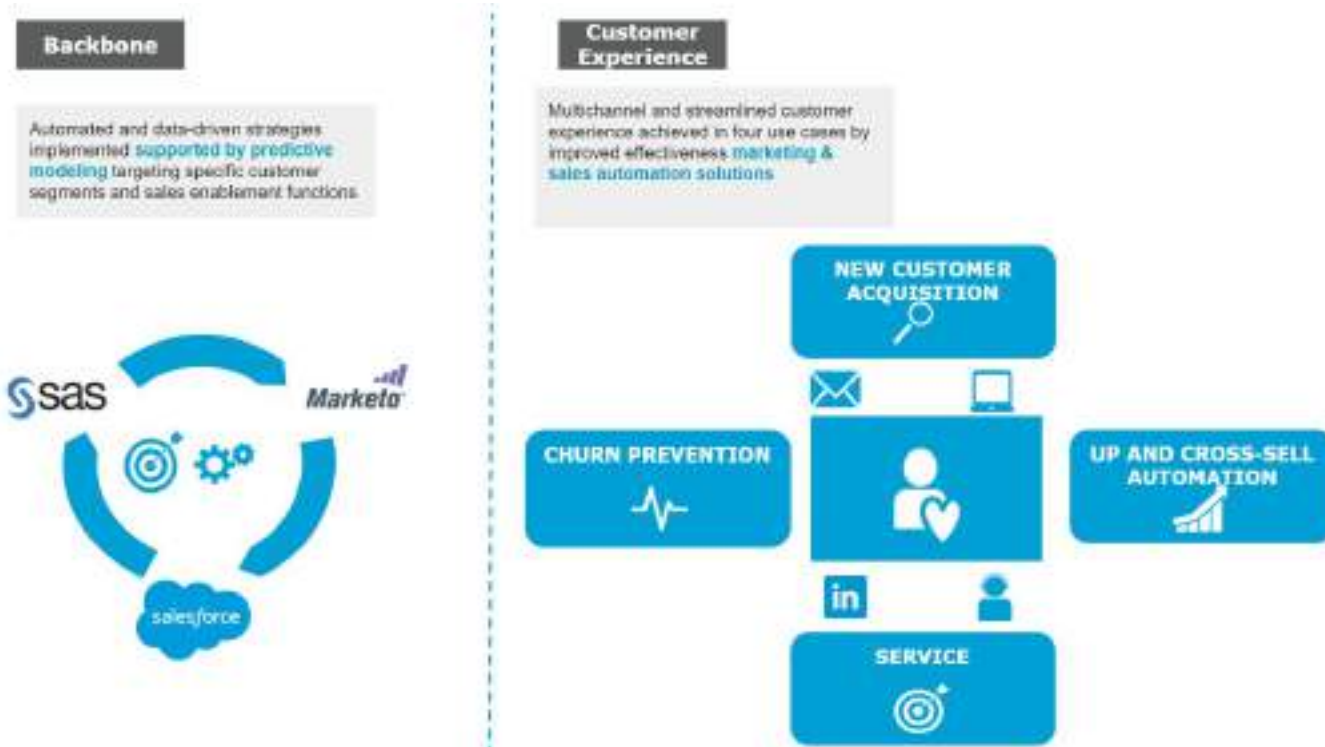
Predictive modeling

In order to proceed on the analytical maturity ladder, the first step is typically to apply machine learning for predictive analytics



Predictive analytics

Combining 3rd party firmographics and 1st party web and transaction data allowed Postnord to predict churn and up/cross sell potential



Read more on www.avaus.com



SAP, MARKETO, SALESFORCE, B2B ANALYTICS

Postnord: Predictive analytics for B2B

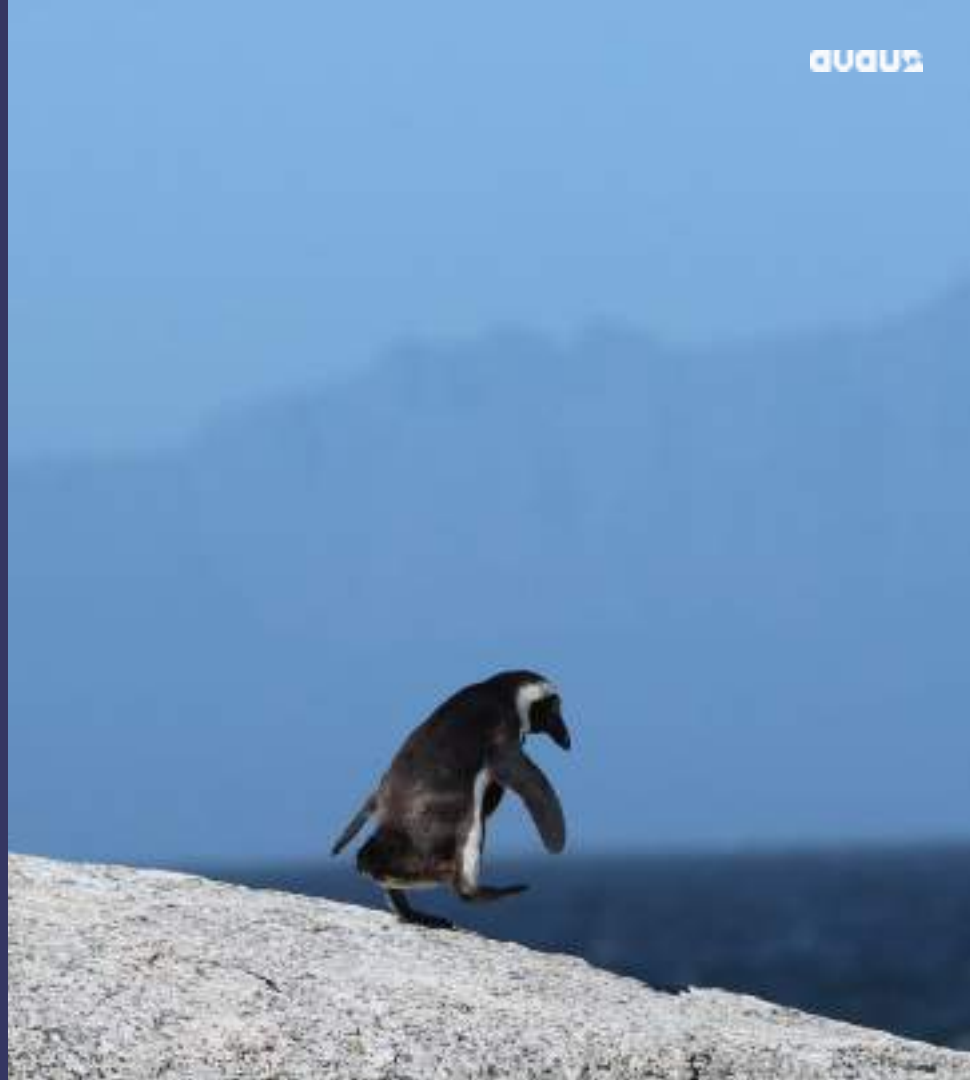
Avaus was appointed as a strategic partner to unlock potential revenue and enable intelligent business growth for Postnord across the Nordics. This was done by developing and implementing new data driven business processes, predictive modeling for customer preferences and buying behavior and new way of working.

[Full case here →](#)

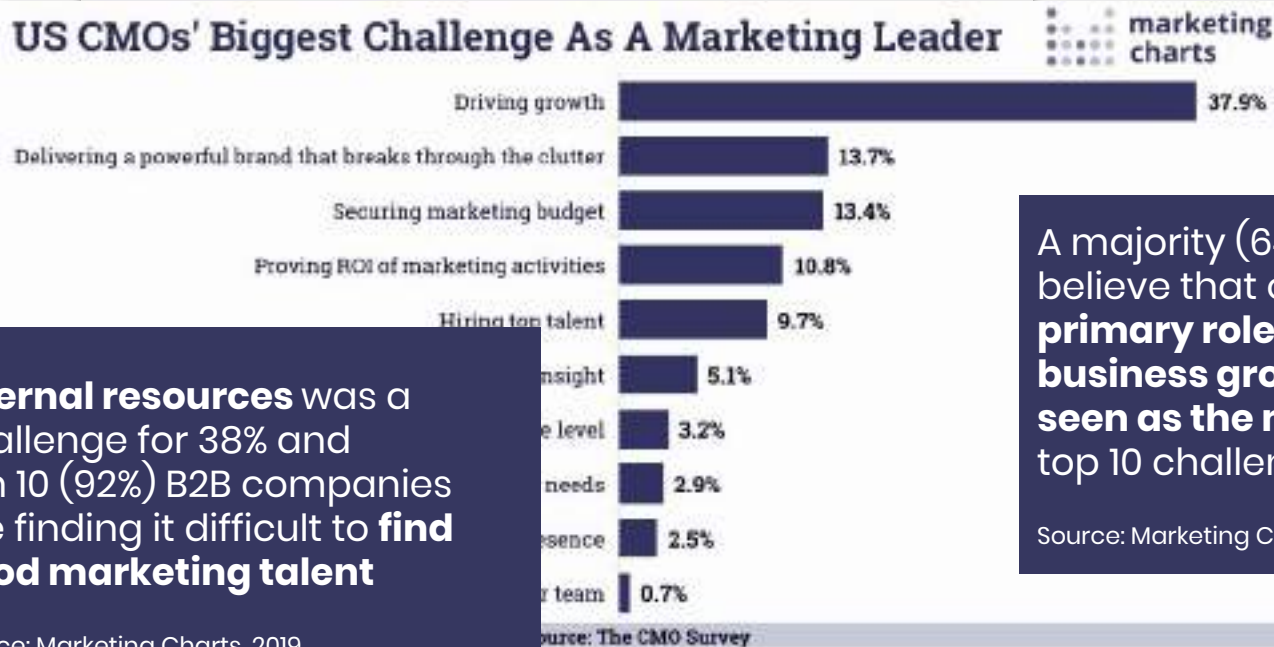
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Taking the Algo Leap

Getting your organization
and processes ready for
the age of algorithms



Marketers and business people alike are facing the biggest challenges – changing the way we work



Internal resources was a challenge for 38% and 9 in 10 (92%) B2B companies are finding it difficult to **find good marketing talent**

Source: Marketing Charts, 2019

A majority (64%) of CMOs believe that one of their **primary roles is delivering business growth** but it's also seen as the main challenge in top 10 challenges.

Source: Marketing Charts, The CMO survey

› **Managing change and transformation is the key must win for marketing leadership**

New ways-of-working

For a Finnish teleoperator, a new way-of-working model was created to enable more clarity and efficiency across departments

Key challenges:



**Lack of alignment
between departments**



**Low utilization level of
data & technology**



**Traditional processes,
long lead times**

Key solutions delivered:

> **Air traffic control -forum**

> **Operating model**

> **Resourcing model**

> **Tools & templates**

> **Internal enablement**

> **Growth hacking pilot**



Avaus Algo Leap – managing the transition to AI



Tobias 5:56 PM

At Arlanda today

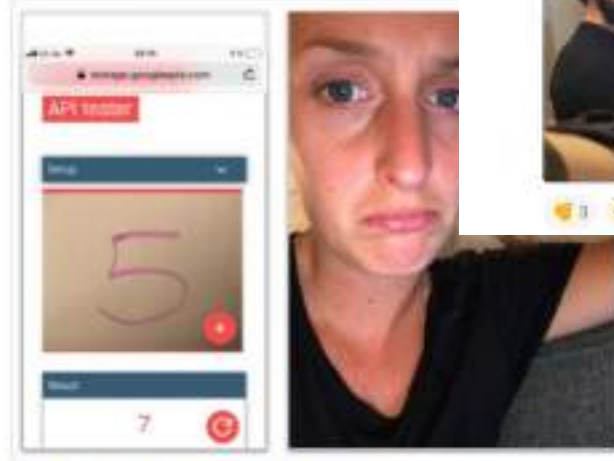
USER_SCOPED_TEMP_DATA_orca-image-845530



paulabruneheim 2:57 PM

On my way towards my Algo-Leap but n

Image.png



1 reply 1 day ago



emmastorbacka 4:37 PM

Congrats to @dehman for completing his algo leap, a delivers! Breakfast demos coming up with DATA-ALG

Image from Android



6

CDP – Customer Data Platform

Unified customer data as the foundation for being data driven



How do you know you need a CDP?



No source of real time data?



Do you have to get information from multiple sources?



Do you have to rely on another department to get you the information?



Does you request compete with other deliveries?



Is it straightforward to set up regular feeds of information?



Hardship working with data from 2nd and 3rd party sources?



Once you get the information do you have to further process it to assemble it for your needs?



Do you often have to repeat the same processes?



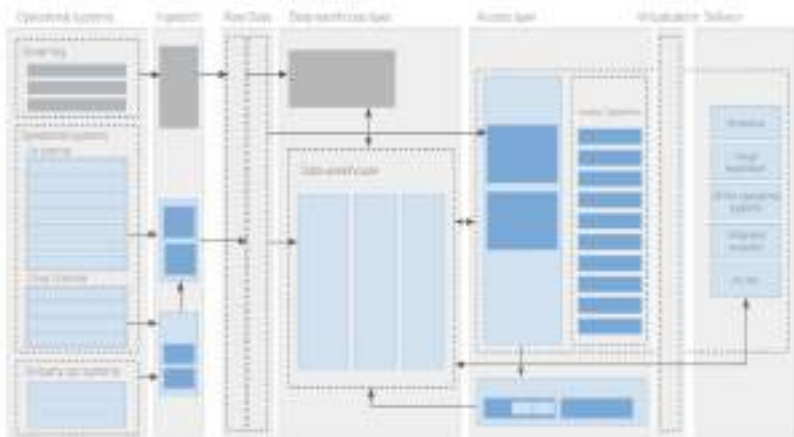
Is the quality of data an issue?



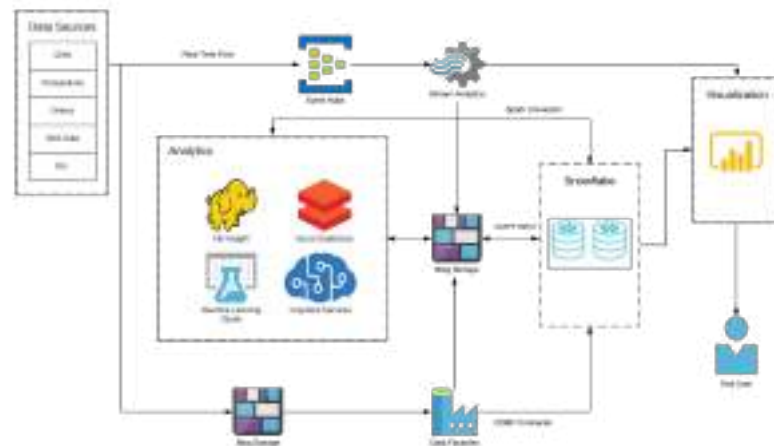
Do you have to spend a lot of time reconciling differences in numbers between different systems?

Future-proofing architecture for a European hotel chain to enable personalization at scale

High-level architecture



Build or buy?



The customer now has an internal alignment and a clear roadmap for developing future-proofed capabilities

Company aligned on strategic priorities

Roadmap for both technical capabilities and business use cases

- New opportunities to improve and personalize the customer experience identified and detailed
- Clear prioritization of use cases and focus areas, aligning business functions and IT
- Commonly prioritized use cases
- Roadmap to implement use cases and capabilities needed within data, analytics and tools
- Quick start of data platform development



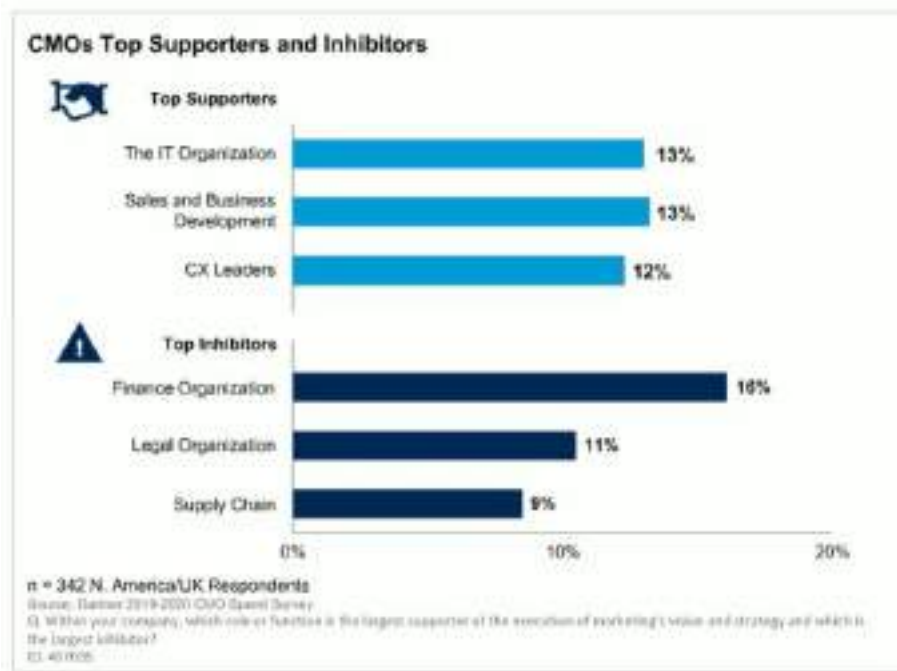
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KPI Frameworks

Measuring the impact of
marketing initiatives



There is a “fiscal immaturity” within Marketing – with a recession around the corner this is a must-win



Recession coming - will need to be able to credibly argue (and smartly allocate) budgets

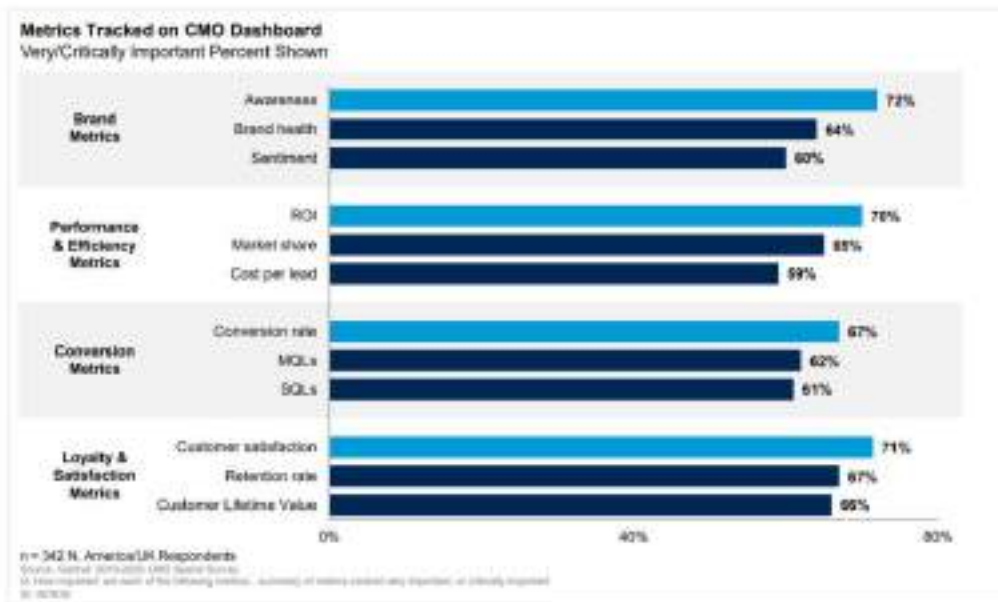
Which marketing messages and channels are most powerful in driving conversions?

How do various channels and strategies work in combination?

How to leverage customer journey insight to build more holistic, integrated and impactful campaigns?

Marketing and sales organizations cannot afford NOT to have proper KPIs and measurement in place

CMOs Gravitate to Volume Rather Than Value Metrics



Are you following the metrics that allow you to course-correct in time?

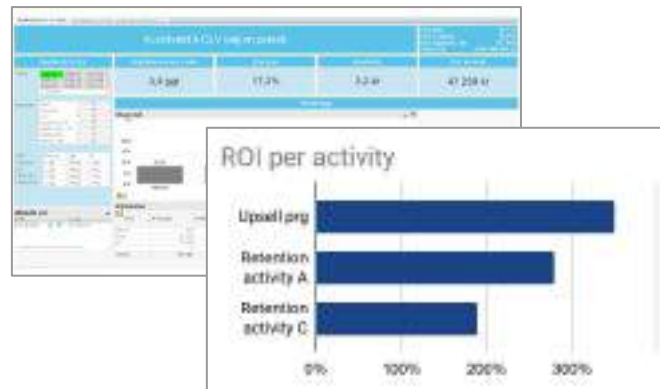
Value metrics
for optimizing against (lag)

Lead metrics
to pick up future changes at an early stage

For a retailer, CLV was implemented as the foundation for measuring marketing activities

From control of data to control of ROI:

1. Control of data:
 - a. All communication/marketing activities per customer
 - b. Target or control group
 - c. Customer transaction history
 - d. Costs per activity
2. Measure added value target group vs control group
3. Measure ROI
4. Review activities based on ROI. Cancel or adjust unprofitable activities (keeping a continuous test-and-learn approach)



Reporting on business progress need to cover the following areas:

Snapshot	Current and historical results/forecasts
Trend	Recent development and detail on ex segments
Change	How is each program impacting key metrics?

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Attribution modelling

Creating a more granular understanding of marketing's impact on sales



Attribution modeling

Wärtsilä's diligent work has ensured the ability to track and measure the impact of marketing activities on sales – even in a complex B2B business

Marketing Automation at scale

- A multi-channel content strategy to reach and influence identified target groups
- Personalizing value proposition in each channel and scoring of behavior to validate lead quality and handover to sales
- Lead lifecycle management process
- Defined metrics and KPIs

Attribution model 1.0

- Attribution model to measure the impact of different touchpoints
- Marketing attribution modeling use cases and benefits
- Attribution model diagnostics - Model accuracy at good level and the measured contribution of marketing statistically very significant → marketing attribution can be measured reliably

Attribution model 2.0

- Measurable business results of marketing were proven
- A tool for measuring and predicting marketing contribution to revenue (mROI) was developed
- As a result, mROI was taken into use as a factor in calculation of marketing bonuses

9

Data & AI strategy

Forming a vision for how
you will use data and
algorithms to deliver
business results



How will Data – Algo – Action create business results for your organization on a 3 year horizon?

The big picture must-win?
Getting the equation right, at scale:

[Data x Algo x]

In the past 3 Years

90%

of the world's data
was created

DUBUS

How big share of its
data did you
generate in the
past 3 years?

- Transactional data
- CRM data
- Web & App behaviour
- Sensor data

How about...

- Geo
- Video
- Text
- Speech
- Images

Avaus Case: Nordic Airline company

Envisioning the AI future for marketing organization



Customer insight & understanding

Customer strategies	Experience & business	Touchpoint & spend	Offers & promotions	Creative & Content
Customer segmentation Customer lifecycle Customer behavior	Customer journey Customer experience Customer satisfaction	Touchpoint analysis Spend analysis Channel effectiveness	Offer performance Promotion effectiveness Customer response	Creative performance Content engagement Brand awareness

Identified
current uses

Define strategic
initiatives and
business case



Roadmap and
prioritization
for next steps

From PoCs...

- Data initiatives owned and driven by IT / Data org
- Separate PoC and modeling initiatives
- No aligned future view for how AI will change Marketing's way of working

...to a structured plan for data & AI initiatives in marketing

- Use cases
- Strategic initiatives
- Prioritization
- High-level business case

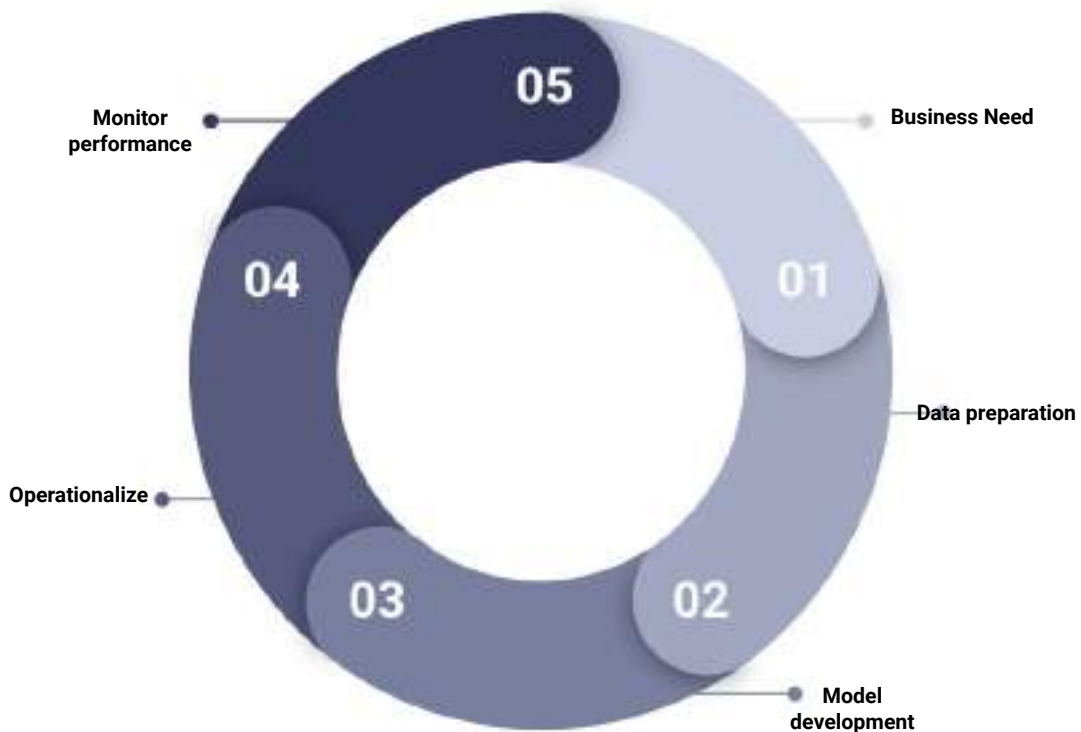
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Machine Learning Framework

Build your library of
self-learning and
automated analytical
models



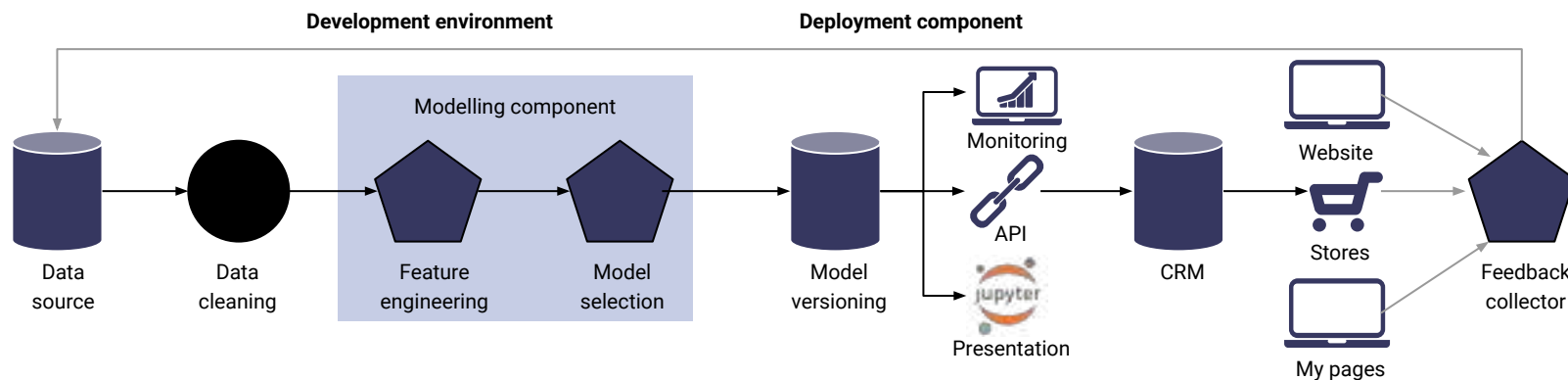
Scaling Machine Learning is not easy unless structure has been created



Typical problems with Machine Learning at scale:

- Difficult to maintain analytical products
- Way of working different by user
- Heavily dependent on IT
- Slow process
- Limited control of performance

Processes for all stages of model development and deployment as well as preferred use of tools for specific tasks



Data cleansing

- Automated procedures which wrap routine tasks into easy-to-use functions
- Gives data scientists more time to concentrate on model development

Feature engineering

- Creation of useful variables/properties to be fed into models

Model selection

- Algorithm selection
- Fine tuning of constraints, weights or learning rates so that the model can optimally solve the ML-problem

Model versioning

- Integrating a system to manage machine learning experiments
- Storing of models, performance metrics etc.

Feedback collector

- Collection of feedback from customers when using the trained models
- Models should be reconsidered after a pre-defined monitoring cycle

Independency, control and ability to scale



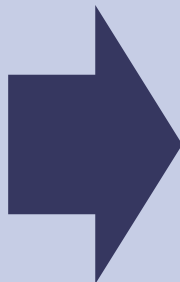
AUTOMATION

Data cleansing
Model training
Model selection
Feedback collection



STANDARDISATION

Naming convention
Usage of tools
Model versioning
Process



- Shorter **time to market** of analytical models
- Minimized **IT dependencies**
- Lower **maintenance**
- Increased** output
- Right **focus** for data science competences

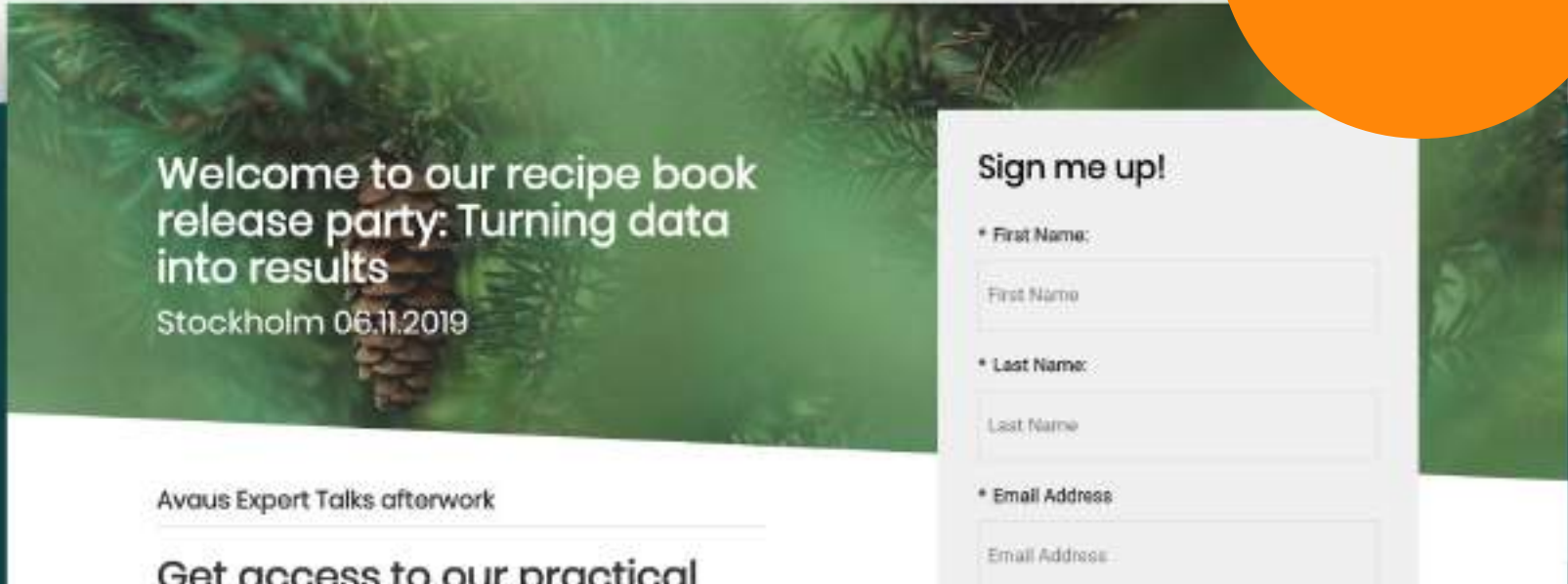
Sign up your entire team to the recipe book launch party!

Channel specific recipes for web, app, marketing automation, paid media



Sign up!

https://info.avaus.fi/AI_co-okbook.html



“We have enough data”
**“We are good enough at using
our data”**

Said no future-proof company, ever.