

# iRETAIL CONNECT

Inspiring the retail community

Gary Thatcher, CEO and Co-Founder, The Retail Summit

Hello and welcome back to today's webinar. A very warm welcome to all of you, wherever you are tuning in from and a special thanks, especially to Juliet, for getting up nice and early for us over in the US. Also, welcome to Alex and René.

I'm going to keep this intro very short and pass over to Sammar. Sammar has moderated for us many times before and always does a sterling job. So, without further ado, I'll pass over to Sammar and I'll see you at the end.

Sammar Farooqi, Leader – Industry and Customer Advisory, Retail SAP

Thank you so much for that kind introduction. So, we're here today to talk about strategy into execution, driving personalized experiences. So, just before I start to explore that topic, I'd like the panel to introduce themselves, please, in terms of their role, the organization and what they do. So, Juliet, could we start with you?

Juliet Annamah, Chairwoman, Nigeria and Head of Institutional Affairs, Group Jumia

My name is Juliet and I work with Jumia. Jumia is an e-commerce company in Africa. We're in 11 countries in Africa. We're completely focused on Africa. And my current role is Chair of Jumia, Nigeria, and also group head of institutional affairs for the company. Great to be here.

Rene Van Dijk, Global Director Omnichannel Development and DTC Business Transformation, Asics

I'm the global director of Omnichannel Development and Business Transformation for Direct Consumer within ASICS.

Alex Timlin, SVP Industries, Emarsys

Morning, afternoon, everyone. Alex Timlin. I'm the Senior Vice President of Industries at Emarsys, an SAP company. They're software providers specializing in customer engagement and personalization.

Sammar Farooqi:

Thank you so much all you for being here today and taking the time out to join us on hopefully a very interesting panel. So, to kick things off, I'm going to structure the conversation into four pillars. The first one is about strategy. Then we'll explore execution. We'll talk about then the key measurements. How do you measure success? And then finally, wrap up with your key insights and lessons learned.

So, to start things, firstly, to you Juliet. Let's just set the frame here from a strategy perspective and from your brand's experience. How do you see the need for personalization and how did you go about putting that strategy together?

Juliet Annamah:

Clearly the consumer is evolving every day. The consumer is seeing many different offers. The consumer is experiencing a lot of choice in their everyday decisions, or whatever it is that they want to purchase, or they want to experience.

So of course, it's extremely important and since that is the case, that we are also creating experiences that are relevant to the consumer. And I mean, we can talk much later when we go into the details about how do you really make that happen? But it's really about dimensioning the customer journey, understanding the specifics of the different customer segments.

Being able to tailor a specific offer to the customer segments, based on what you can see from the customer journey. From the data points you're generating on their interactions on the platform, their search, or the push notifications, the emails, all of those different data points of interactions and touch points with the consumer. Those are the things that give you the intelligence. And you then are able to plan out what do you offer different customer segments and different customers effectively?

Sammar Farooqi:

From your perspective, Rene, ASICS is a brand that hopefully needs no introduction. But how did you start on this journey of personalization for the customer offer?

Rene Van Dijk:

Maybe it's good to first mentioned that ASICS is an abbreviation. It stands for Anima Sana In Corpore Sano, which is Latin for a sound mind in the sound body. Right. So that is really what we're always keeping in mind.

So our strategy is always also built around that. So especially, for us in a market which is really highly competitive. We not only have other brands that do similar things in this key performance, running. But we also have really, the retailers that specialize in running.

So, for us, it's always really important to see that we not only offer the best products, but also keep in mind that sound mind and sound body philosophy. So what we've done basically, we have this 10 year strategies blocks. And the last years till 2020, we had to real strategies around becoming a more digital-driven company and data-driven. And also, have a more D2C mindset.

So, with that 2020 vision in mind, what we've really done is work on that first. And now that we're moving from 2020 away to 2030, our strategy has changed. So after having all that digital, what I can explain in the execution part more, we are now starting to look at more, how can we build on that?

So, not only, of course, our products. So make sure that we have a really personalized offer in products. So, for every runner we have different types of shoes and products. But also, start looking at three pillars.

So the products on one hand, we have a facility and a community. So that's not only with our Runkeeper app and Race Faster app, where we want to build this virtual communities. But

what we also, and good example is, in Japan, we have a sports complex called TOKYO BAY, which is a low oxygen training facility, where we can really support our runners and our athletes to perform better.

The third pillar in the 2030 vision is around analysis and diagnosis. So, getting all of that data that we now start to get. And how can we really offer solutions and products and services to our consumers that actually add value to them?

Sammar Farooqi:

Well, thank you. It's a very rich ecosystem you described there and a very thorough strategy. So, Alex, from your perspective as a technology innovator, how do you frame the benefits of personalization to companies such as ASICS?

Alex Timlin:

Taking a little bit from what both Juliet and René have said, I think it's a question of necessity. So, the average American consumer, when you're allowed to walk down the street, we're allowed to do that a little bit more and more, sees anywhere up to 10,000 different ads digitally and physically every day. 10,000.

And you have a phone in your pocket where, in theory, you can access information about anything from anywhere. So, people have more freedom, more choice and more people trying to get their attention than ever before.

There's actually an awful lot of blindness to offers and ads that are out there just because there's so much of it. But to Rene's point, businesses need to have a strategy that recognize that customers are actually individual people. They're not spreadsheets. They're not databases. It's not, I have a million people in my email file. It's I have a very valuable repository of information about people and what those people want from me. So the strategy bit is a recognition that you have customers and those customers are willingly giving you data and insights about what they want.

But to Juliet's point, if you don't actually use them, you will add competitive disadvantage because we live in a world where people have endless options, endless choice and everyone and their dog is setting up a Shopify store to sell to you. There's a million different merchants on Shopify. Most of them didn't exist three years ago, a million new stores. That's a frightening amount of choice. And if you're not actually strategically looking at, how do I cut through the noise and use the information that I've got about my customers and customers like them to tailor my offering, not just in terms of, here's my product at my price.

But as Renee said, everything that goes around it, which is I understand your needs motivations and I'm using that to give you something of value that you can't find from a competitor. Be that building landscape and building infrastructure like Jumia had to in Africa. They've had to build out the whole ecosystem, not just look at, how do I get the price right and make sure that I'm cheaper than my competitor. It's that old school technique doesn't work anymore. And I think businesses for them to thrive need to recognize that strategically you need people to buy your things. Recognize that you have things, but people need to buy them. And balancing those two dimensions, I think, is what we build our business upon that analysis. And it's really helping clients execute on their strategy. But I think if you don't have a sound strategy, then the technology is not really going to help you.

Sammar Farooqi:

Quite right, wise words there, putting the customer at the center of the customer journey as Juliet touched upon. So Juliet, back to you. If you move on to now in terms of the actual

execution, would you like to share your journey from how you initiated that personalization strategy and kind of what the kind of major steps you went through that you realized that all the way to actually delivering that customer experience?

Juliet Annamah:

We started step by step, recognizing that because all of this is technology, it's all driven by technology and there's also investments as well. So we started with search. So our search algorithm is already personalized and so based on that we can determine segments of consumers and what we are suggesting for different search result is what each consumers is able to get. Then on top of that, the same type of algorithm is also applied to multiple onsite widgets like top rated items or these were the items searched or bought by consumers in the past two weeks or something like that. So different kinds of, that's the way we built the stack.

The main challenge, like I said, you start off with usually the technology part of it. And that's why we built a full stack of technology that allows us to aggregate many customer data points and then build machine learning on top of that to get a proper result for the consumer. Then there's of course, a second phase where you're actually making the iteration, fine tuning it, building more machine learning into the algorithm to be even much smarter than that it is so that every touch point, you're delivering something that is relevant to the consumer. So that's the way we stacked it. I can talk about subsequently where you start the search and then we build it into the growth tools that then come on top of that and so on and so forth. But it's really a sequential process.

Sammar Farooqi:

Rene, from your perspective, you described the staging of your strategy and looking forward out to 2030. How have you broken that journey down or what were some of the key planning decisions that you had to undertake to achieve it?

Rene Van Dijk:

So, if we break it down again into the 2020 vision and then the 2030 vision. So what we first did in the last few years is that both on the digital side and also on the process side, we've been really looking at how can we align our processes globally and have a sort of global architecture in place. So we've done that by, on the back end, we're rolling out actually to all our regions Sub FMS, which is the fashion management solution of SAP, which is basically the vertical fashion solution that integrates both wholesale and retail fashion in a single platform and SAP CAR, which use the customer activity repository. And on the front end and on the digital side, rolling out Salesforce.

So basically what we've done is we built all these building blocks and then go region by region and find out which building blocks to use in which region. So that was actually really our focus for the last few years before we could actually really start looking at all these personalized offers. And now that this is in place in most of the regions, we start looking at that customer journey. Also what Juliet said, see in each touch point how we can the best offerings to our customers.

So online, we look at personalization in offers, email and content around that. We look at adaptive shoe finder. In store, you should look at solutions like customization which is big in Japan for teen wear, stuff like that, that we really started looking at the customization tool. And also, of course, how do we, through what channel, do we want to offer what products to our customers? So really the only channel and the core only channel offerings like ship from store,

click and collect, buy online, return in store, those kinds of things. And that is where we stand now with our journey.

Then if you really start looking at how do we want to move forward, then what we've done is basically taken this entire running customer journey and we placed our apps like Runkeeper and Race Roster in there. We look at how to leverage those apps. So in that manner, we are now starting to look at the entire running customer journey and exactly what Julia said, on each of these touch points, see how we can offer value to our customers.

Sammar Farooqi:

So that's a very rich ecosystem you've described that. I mean, so Alex from Emarsys' perspective, how do you help organizations such as Asics, such as Jumia to actually take advantage of some of the major innovations that they've touched upon from a technology perspective, platform perspective and a customer journey perspective?

Alex Timlin:

Yeah, and I think that Juliet made a great point and just be clear, neither Asics or Jumia are Emarsys' clients. But we're fortunate to work with 1500 different businesses around the world right through from market leaders to fast growing businesses. But I think the one thing that people need to get right, and I think Juliet said it really well, it's not about boiling the ocean. It's about a clear, incremental delivery of things that are valuable to the customer that help you on that three to four year transformation plan that Rene's described.

I think that the biggest opportunities people have, and this is something that has been part of two decades of innovation at Emarsys, starting off with just making your data accessible to the people who are communicating with your customers. And if you're looking at the web presence, the app presence, or even the kind of the email and mobile communications that are going out to customers, very often, it doesn't take into account what people are browsing and what people are buying. It doesn't take into account the products that you even have available. So one of the key things we look at is how do we take things like the online sales data and the offline sales data, Rene was talking about SAP CAR is about just having one single source of all of the sales that are happening no matter where they are. That's the type of data that we like working with.

The other one is the product data, which is what products do I have available, in what size, what color and in what currency? If someone's browsing for something and it's not available, how do you recommend them something that is similar in attributes and is available? That's useful personalization. It's not a huge strategic priority for a business. It's just a utility for a customer. You're browsing an iPhone five. I don't have that. I have this. You're looking at an iPhone 11 because you're on a higher budget. I don't have the Max, but I do have this. It's, you've just bought a running shoe. I'm not going to give you an Instagram ad for a running shoe because you're statistically not likely to buy another one for five years. These things are practical from a consumer perspective. Don't sell me things I've already bought. Help me buy the things that I want to buy. But they're also more efficient for businesses in terms of don't spend money you don't need to spend and make sure that you're optimizing experiences as you go.

So I think the bedrock of Emarsys when it comes to execution is how do we work with sales data, customer data, and product data, and just look for opportunities to add value to customers first, give them things they want, don't show them things they don't want, and make sure that that experience is consistent across the website, mobile, mobile app and different channel communications they get. And that's where businesses can start being a little bit more creative to look for white space and look for opportunity. But how you get started is, look at

where you have friction and reduce that, particularly on your product pages on our website and also in your communication and ad strategy. Don't send things who've already bought. Do help people buy the things they want to buy. If they're not available, give them an option or an alternative.

Sammar Farooqi:

That makes a lot of sense, especially, as you said, given the huge diversity of choice available to consumers. So we've covered now the initial strategy phase, and we've talked about some of the major steps in execution. So moving on to the third pillar, we'd like to talk about how you start to measure success and what does success look like? So, Renee, if I may start with you on this one. You've talked about the experience. You talked about the strategy. How do you measure the individual experience along the way? How do you capture that feedback? And how do you put that back into your process to ensure there's a continuous improvement? It's all about personalization. It's not just that the offer is personalized, but actually the feedback and the customer intention and the customer feeling is reflected back to them.

Rene Van Dijk:

That's a fair point. I mean, I think it's important to say that personalization shouldn't be just a goal for getting the shopping experience over. But I mean, it should also really bring value to our customers. So that is the journey that we are on at this moment, of course, by now having all the backend in place, we start now to capture those insights and especially exactly what you're saying now, Sammar, is how do we now going to get that data from the customer and that feedback from the customer all the way back into our production? So we start tracking now really, and seeing the insights and return reasoning and all that. And then on a style level, we can really see how and why customers return products. But also things like the customization, what I mentioned earlier. That really of course drives from really having that personalized offer to that customer and that feeding that back to the production to have that created for them. So that is where we stand at this moment and how we are starting to track those all the way back to the production of our products.

Sammar Farooqi:

Do you find that customers gravitate more towards those personalized offers where they have the opportunity, for example, to select and personalize the offer than what maybe available to them on a traditional B to C distribution model?

Rene Van Dijk:

Yeah, that depends a little bit on the region. And that's what I said on the customization, we're really now looking more at the team wear and that is the part that we are now looking at and that has a lot of traction, especially in Japan, where it's really popular. Our home grounds, of course, but we are going to roll this also out in our B to C and our physical stores. So then we can really start seeing what it does also in those channels.

Sammar Farooqi:

So Juliet, from your perspective, Jumia has grown incredibly in the recent past. I saw on your website you were reporting that you have over 1 billion marketplace visits. You have a transaction every two seconds, and that was back in 2019. So now, it's grown even more. And

with that, that volume of interactions happening, how do you start to measure the personalized element of it, bringing in those technologies that you described earlier? How do you start to drive that into the experience and measure that sort of success and feedback?

Juliet Annamah:

Ultimately, because we're an e-commerce platform, what is the core measure for us. It's usage of our platform, right? How do consumers use the platform? Because you're providing a platform for them to interact, to transact with sellers and so on.

So many, many ways in which we look at it, it's a full complement of how is all of this personalization driving returning customers? How is all this personalization driving new customers? Are we seeing that the click through rate on, on some of the widget we put on the product development page? Because that tells you that it's relevant because if somebody clicks on it, then it's relevant to the consumer.

Are we seeing that on the homepage? Is the bounce rates improving? All of those kinds of things are the ways in which we measure that personalization's really, really helpful, and it's useful for the consumer.

And you can't fault a very important measure, which is the return rates of the consumer. So what is the frequency of purchase? If the consumer was purchasing maybe like once a month before, and then now they've gone beyond one particular type of product, which they were ordering on the platform before, and now they're looking at more essential items. It's not just phones or electronics. Now they're doing essential items. They're buying the baby's diapers, they're buying the basic grocery items and so on. It tells you a lot about... And they're possibly buying the specific types of products based on the customer segments, and the demographic data, and their navigation history on our platform, and the search that they did prior, the historical search terms that they used before.

So all of that gives some very important feedback in terms of how we build out and develop our personalization on the platform. But like I said, ultimately, this is, in the end, is the usage of the platform that is the final, final measure of whether everything you're doing is relevant to the consumer or it's not. Because they have options. I mean, they could go elsewhere to get what they want.

Sammar Farooqi:

So, Alex, how do you help drive insight for the key users for the organization that's driving the personalized experience to be able to actually make more effective decisions upon it?

Alex Timlin:

It starts off with what both guys have said. I think, to Juliet's point, is you start with what's measurable. So if you start with what's important to the business, which is not just new customer acquisition, but things like purchase frequency. So a lot of people measure purchase frequency in terms of number of sales per customer per year. But that's not a very useful metric. I think what's more useful is the days between purchases.

So if you're measuring days between purchases, can you use information and use marketing to reduce the number of days between purchases by improving that utility? And similarly, things like customer lifetime value.

So I think if we start off with how we want to measure success, which is more customers buying more often at higher values, at lower costs, then what we're looking at is new customer acquisition, repeat customer rates, returning customer rates, purchase frequency, lifetime value, and then advertising around acquisition costs. And personalization done well is about looking at

what are the individual tactics, not everything all at once, but what are the individual tactics that can move the needle in these numbers?

And I think what we're really fortunate to do, and the Masters Retail Conferences is coming up in June, where we've got 50 clients talking about what happens. But I think the best examples that we can look at are where people have discovered new value by using our technology to open up new revenue opportunities.

There was a great story that we released last year in conjunction with Google Cloud for Sports Direct, who's one of the UK's leading sports retailers. And they have a hundred new products that come online every eight to 16 weeks. So huge numbers of products come online. And one of the hardest things to do is how do I figure out if these hundreds of new SKUs, which SKU to put in front of the right of customer, when in my ad format, I can promote one, possibly two products. In my email campaigns, I can get away six products, but I can't promote a hundred products. How do I make a decision for a million customers, which of the products that I have, I should put in front of them to drive demand?

What we did do is use our technology to be able to personalize, using past browsing and purchasing behavior, as Juliet said, in an e-commerce world, it's a closed system. So you can see everything about browsing, purchase, and basket behavior. And if you have the ability to actually use that to produce personalized experience, what we found was sending a personalized new product launch campaign resulted in not just higher revenue growth and higher engagement, there was 10% more engagement with these new product launch campaigns than with a non-personalized campaign.

But that's not business value. Business value is, not only did sales increase, but the variety of SKUs increased. We were able to sell products that would not have normally got real estate from the merchandising team, because they only have two or three slots in an ad, or five or six slots in an email, or four or five slots on a category page.

It's unique to make decisions for a million customers in real time about, of out of all of these hundreds of products, what's the right one, two, three, or six to show to this individual customer.

It's those types of scenarios that we're seeing really fast growing brands, like Gymshark in the UK, or Pretty Little Thing out of the UK as well, but in the US, Fabletics and Just Fab are brands that have really grown in that kind of e-commerce space by using their data and using it well. But I think the most innovative ones are people like Nike, New Balance and Asics, where they're kind of learning direct to consumer, where they've got a really rich heritage in their product and product data, now starting to bring that together to connect that with customer data. I think some of those retail examples we're seeing where it's a brand, not a retailer, is a unique example of where you can get really personalized, really quickly, and build those longer term relationships.

Those are the types of examples that we're seeing really drive the next phase of personalization, is around the attributes of the product and how that relates to the other products that people have browsed and bought, to make real time decisions about what should I put in front of this individual customer on this individual channel at this moment in time.

Sammar Farooqi:

Hold on to that thought, Alex. So I had one of the questions come in about what the future roadmap looks like, in terms of technology innovation. So we'll come back to that towards the end. But now we've finished the third pillar, which was about measuring success, and thank you for that very thorough answer there, Alex.

So moving to our final pillar, in terms of the key lessons learned on your journey so far. Juliet, starting with you, how have you seen, from your perspective, the journey so far, the technology you've adopted, and where do you see the outlook moving forward in terms of driving personalization?

Juliet Annamah:

I think that the key lesson at the end of the day, it's really about testing. I mean, it's as simple as motherhood, right? It's just, hey, test, test, test. A lot of AB testing, different iterations, and you learn a lot from that. That's onw

The second lesson is also in terms of the multiple stacks of data that you have, because when you have millions of SKUs on the platform like we do, you have thousands of sellers on the platform like we do, you have millions of consumers... The number of visits you talked about earlier, that's a lot of data points that is available to you to use in terms of personalizing the experience for the consumer. And sometimes you can get stuck into one particular mode, but the more of those data points that you can aggregate in a consistent manner and applying. Talked about the machine learning tools on top of those, you can get far more in terms of value for the consumer.

Ultimately, I think the other lesson is, at the end of it all, this is about the consumer. The driving force and the driving intent that you focus on is still the consumer. How do I build a great experience for each individual consumer who's on the platform? And that's looking at, like I said, all their different touch points. You're looking at their navigation, their search, even their customer service interactions.

Okay, so I've returned an item. I have an interaction with customer service. Is there something to be learned? Is there relevant data points there that we can learn from, that we can use in improving what we give to the consumer, what we show to consumer, the homepage for the consumer, the product page for consumer. And all of those things are part of the personalization for each consumer.

I think in the future, we're going to move from just personalization to what I will call predictive experience. So to the extent that we can use technology to really anticipate the needs of consumers and then proactively trigger actions for them, right? Those are really, I would say, the next step, the next level, when it comes to personalization. That, for me, is an extremely interesting part of it, because at the end of it, the consumer has multiple decisions to make in a day. If there are about five out of a hundred decisions a consumer is making in a day, whether it is buying launch or ordering textbooks for my kids, or this and that, if 10% or 20% of those are triggered, simply from a predictive experience, the actions are triggered for me, then it releases me as a consumer to actually focus attention on the ones which I must focus attention on. And the others are just becoming a utility, right? Because there is an algorithm that is triggering those actions on my behalf. I think that's where the next level is really going.

Sammar Farooqi:

And Juliet, if I may, to follow up on that, given the geography that Jumia Group covers principally, for example, in Africa, have you seen a specific kind of personalization that trends in individual markets better than others? And the reason I ask this is often in the press or in other industry forums, the narrative tends to focus on European or North American outcomes. And I, myself, for example, I'm covering the African region. So I'm very interested in your perspective on, is there anything, specific lessons learned, on engaging with markets in Africa?

Juliet Annamah:

I mean, when it comes to personalization, I guess the word person or the sub word from that word, person, is the active part of it, right? At the end of the day, it's still about people, period. And people have needs. People have expectations. People have things that they want to buy. People want a certain kind of experience. And really that doesn't necessarily differ significantly between a European consumer or an African consumer.

If I'm a rural consumer in Africa, my expectation is that some product that I wouldn't typically find offline if I walked to a store where I live and I can find it, I expect to find it online on Jumia, for example, and I expect to find it at the right price. That the price I'm getting it on Jumia is pretty much the same as a price I'm getting it if I were living in a city center.

So those kinds of nuances might be different a little bit compared to someone who has far more choices in Europe or in the United States, but the elements of personalization, of what consumers expect in terms of how you build out the customer experience for them, those are fundamental. And those are universal from what we see

Sammar Farooqi:

The perfect universal truth of the customer, and everyone is absolutely an individual, and that's what personalization, I think, as you're saying helps us describe and focus upon.

So Rene, from your perspective, as you look into your crystal ball, and you've already mentioned your strategy at length, where do you see the opportunity moving forward to further deepen that customer relationship? Not just personalization, but a ongoing relationship?

Rene Van Dijk:

It comes back also to what Alex was mentioning earlier around not pushing the newest style to a customer, but to actually start leveraging all the ecosystem that we have. So what kind of runners do we see, because they use our RunKeeper app. What kind of races do they participate in? And by doing so, really start offering them the right product for the right runners and vice versa.

But I think, I mean, that is just the beginning, I think for our personalized experience, what we see now, really, if you look at the 2030 vision, is that we start really looking at how can we use our knowledge and the technology that we have, which is used now and utilize in sports, and how can we start offering that to our consumers also in day to day life.

So around fatigue, at work long hours at work and all those kinds of things, and how can we start to see the intellectual technology that we have, and also offering our customers that mental and physical health benefits there.

One of the things that we're looking at now, and what we've launched recently, is in cooperation together with Casio computers, where it's called Run Metrics, where we have our shoes and the technology of Casio, where they had the wearable devices and the sensing technology.

Sammar Farooqi:

Now, I'm very excited to hear that, personally, as a Casio fan and a G-Shock collector. I look forward to connecting my G-Shock with Asics very soon. So Alex, from your perspective then, as you take out your crystal ball and roadmap, where do you see the major innovations coming down the track that the industry can take advantage of?

Alex Timlin:

I think it touches, again, a little bit on what both the guys said. It's about how do we move away from just recognizing what's done and spending three or four weeks looking at data to come up with an insight that's about what has already happened and to looking at what utilities and what tools we have to get better at figuring out what's going to happen. So how do we get better at predicting trends, forecasting demand, and making sure that we've got the right product and the right numbers for the right customer before it's happened.

I think this is where we're seeing the biggest innovations at being able to forecast, who's likely to buy, what they're likely to buy, but most importantly, when they're likely to buy. I think that that word that Juliet used, which is really, really important outside the person bit is utility. How does personalization help someone do something that they need to do, but they don't necessarily want to spend too much time doing? The more you can reduce friction and add value, the more likely it is that someone's going to do it. And be that around how to help them with moving from buying consumer electronics like phones, into everyday groceries through a marketplace, or as Rene said, moving away from having a relationship with a fantastic consumer product brand like Asics, into having a longer-term relationship where each and every day you're logging your sleep patterns, what you're eating, what you're doing, and where you're moving around. So they can help you figure out actually, you've probably got the wrong shoes for the distance you've run. You've probably actually got the wrong type of thing for the exercise you need to do, and realistically you should be doing X, Y, and Z instead.

I think that's what we're seeing from a lot of brands is moving away from just being focused on product. So just being focused on technologies, into thinking of their offering a little bit more as a service to say, "What utility can I bring to the customer to make sure I'm adding value to their lives and reducing friction in that purchasing process, to make sure that I'm helping them make decisions before they actually are in the market for something creating that need and creating that value, I think is the most interesting bit. And that's where we focused our efforts from a technology perspective and an innovation perspective is then machine learning, analytics, and data science, to just really look at what can we learn from existing behaviors and existing purchases to make a better, more robust predictions about what's going to happen in the future on an individual customer level. Which I'm delighted to say, one of our largest deployment system for a fast fashion brand out of China called Shiyin.

It's a 15 billion Euro business that no one talks about. And it's because they don't advertise, they're not up in your face, but if you're under the age of 30 you've probably bought something from them. They've got 100 million downloads and a billion individual personalized experiences through their mobile app every single month. They don't care about singing and shouting and doing what they do beyond their customer base. But they've got 100 million customers who buy from them regularly, and each one of those customers has options of millions of different products.

Those are the types of businesses that are really focusing on what's right, not, "What's my TV advertising budget?" But actually by adding value to my customers and scale my business and use those customers to attract more customers and driving that retention funnel and driving that growth. And I think that's where the real innovation is coming is where we can look at customer data and make better predictions about new offerings, new products and new markets. And that's where I'm most excited about where the industry's come.

Sammar Farooqi:

Well thank you. So we've reached the end of our four pillars. So just to wrap up before we move to questions, can I ask you just 30 seconds each individually for your single most important recommendation for starting or managing your personalization journey? So Juliet, firstly from yourself.

Juliet Annamah:

Yeah. I think for companies just starting on their journey, there are a couple of things I want to reiterate. It's not about your sales data and your sales history, just like Alex has said. I just want to reiterate, this is about the consumer, and that's number one.

Number two is start sequentially. What is the level of information and data points that you have on the consumer? Which ones can you use to build a relevant experience for the consumer? And as you test and you learn, and as you see that the consumers responding to that and finds that relevant, and if it is something that is valuable to the consumer, then you can build out. Sometimes, oftentimes companies start off with huge tech investment, and they haven't really figured out how does it fit into precisely what a consumer wants? The consumer just wants a utility, like Alex said. I just want to buy something. I just want to buy something that is relevant for me and fixes a problem, and solves a fundamental problem that I have. If I'm buying a pair of shoes, it's because I want to cover my feet when I run, and I want to feel comfortable when I'm running. This is just an example. If I'm buying grocery items, it's because I want to feed my family.

So fundamentally, those are the things that you need to bear in mind when you're designing personalization and we are designing how you build the technology and the execution around making the customer experience much more personalized for each customer. So it starts from there. Start little, and that's been our experience rather than building out something huge and humongous. And at the end of the day, you're not really sure if you're delivering value for the consumer.

Sammar Farooqi:

And Rene, from your perspective, your single most important recommendation.

Rene Van Dijk:

So I think it all starts with getting to know your customer, and segmenting in where you want to excel in. And I think when you know that, personalization should never be the goal, but it should be really the means to offer value to the customer.

Sammar Farooqi:

And Alex, from your perspective, what is the single most important recommendation you would have for someone starting on this journey?

Alex Timlin:

Just do it. I think there's too many people that get stuck in the planning. Look at your product page. How easy is it to get from your first most selling product to your fifth most selling product? Not second, fifth. How do you get from there to there, and how do you make that journey shorter and more relevant for a customer? Just looking at a product page is the single biggest opportunity to help people where literally you just reduce friction for a customer and start small and build from there. And I think that's the key element is don't boil the ocean, just pick somewhere to start, test and learn, and make sure that you've got that business case for the rest of the team to get behind and invested new and incremental improvements.

Sammar Farooqi:

I think that's sound advice, regardless of any corporate on that phrase. I think absolutely we can all relate to that. So don't hesitate, get started ASAP. So with that, we can conclude the primary discussion there. And so just to wrap up from my side, we'll go to questions.

Sammar Farooqi:

So we've covered those four primary areas that we talked about. Strategy, execution, measuring success, and key insights moving forward. So with that, for the remaining four or five minutes we have, I'll pick a couple of questions that have come through the chat. Let's see. So one question is, what are your major challenges in acquiring personalized data in the first place? Capturing it at the point of interaction. So Juliet, where have you seen those challenges in actually capturing data?

Juliet Annamah:

To be honest, this I would probably ask our core tech guys. They would know more about precisely where the challenges are. But I think that, from my experience and my interactions, I think it's not so much in terms of capturing data. It's actually in terms of translating that data into meaningful insights. I think that's where the heavy lifting lies. And that's where the machine learning that you build on top of it is very important, and the iterations you build into that mission then is important as well, because all that data, in terms of capturing the data, you already have those data points. You have the customer's search history, you have the navigation of the customer from the time when they landed on your page until when they exited. You have all that data available. It's really about aggregating them into a form of information that you can use to build insights. That's where I think that the heavy lifting is really. Not so much in terms of the capturing of the data.

Sammar Farooqi:

Well, thank you. That makes a lot of sense. I'll pick one more question and then we'll wrap up and hand back to Gary. So one question is about the predictive experiences. I'll put this to all of you, if you want to give it 30 seconds each. Now, what responsibility does the retailer have to more influence more customers? And I'll interpret that as retailers making sure you make the most appropriate offer to the customer, also takes into account their spending habits, for example.

So Alex, how do you help drive that responsibility inside the personalization and recommendation engine?

Alex Timlin:

I think it's more about having a responsibility to personalize. I think there's always that one person who's looking at an education of how you do it. I have a lot of clients in the gambling and entertainment industry as well, and it is a real concern. But I think realistically, there's more reasons to personalize than to not. And I think when you're looking at customer's spending habits and the responsibility of a retailer, your responsibility is to put your best foot forward and offer a relevant and utilitarian service to your customers. Is there a vulnerability in some elements of the population? 100%. does a retailer have a responsibility to those customers? Yes. But should not prevent you from making sure that you offer a great experience to the 999,000 other people that actually could have a better experience? No. And I think this is something that comes up a lot is how personalized is too personalized? We live in an era where you can buy and get orders delivered by a drone remotely to your doorstep. If you're not personalized, you're literally getting left behind. And again, it's one of those things where there are things that you need to take into account, but ultimately you have to personalize for the customer to be competitive, and that's what is table stakes in the current market.

Sammar Farooqi:

Thank you. Any other comments from the panel?

Rene Van Dijk:

No, I think it ties up what Alex says. You see in what we discuss all day around personalization, and that also comes in this. So we see exactly whether the customer is likely to buy in an outlet channel or in our full price channel. So also in those offerings, I think you do personalize what you offer to your customer. But it can still be a great product only in the off-price market.

Sammar Farooqi:

And Juliet, any final comments?

Juliet Annamah:

No, I think Alex and Rene captured it quite well, in my view. Yeah.

Sammar Farooqi:

All right. Well, thank you to the panel, to you all for really giving your time and great insights here. I'd like to hand back to Gary now, and look forward to seeing you again.

Juliet Annamah:

Thanks Sammar.

Gary Thatcher:

Thanks so much. Just to wrap up, Sammar, thank you for steering today's discussion. And of course, Alex, Juliet, and Rene, thank you for giving up your time and contributing to a rich discussion. As always, the session is recorded and we'll be sharing that probably tomorrow, I believe. And we'll be back in a couple of weeks with our next webinar. So until then, stay safe, and thank you very much for tuning in.