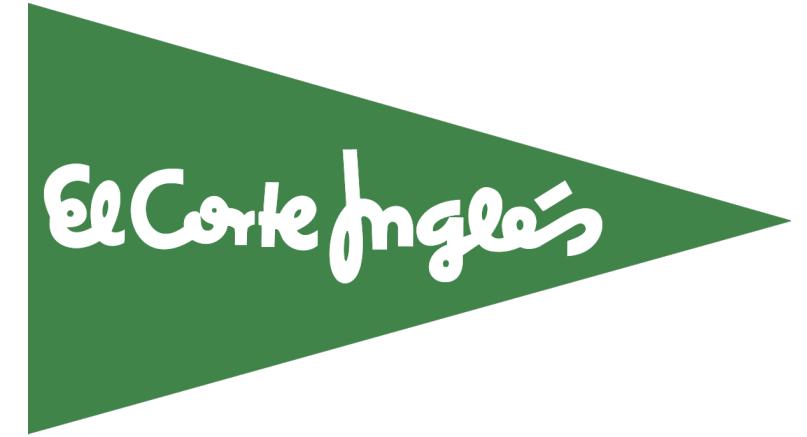


A photograph of a modern, multi-story building with a curved glass facade and a white structural frame. The words "El Corte Inglés" are written in a green, stylized font along the top edge of the building.

Don Cupón *Initiative*



Watson Challenge
2019

Agenda

1. Opportunity
2. Inspiration
3. The Main Idea
4. Added Value
5. Scalability
6. Technical
7. Annex

El Corte Inglés



Opportunities

“28% discounts or
annual fees of
**9.000€ to
150.000€** for
prime shelf space”
- PuroMarketing.com



Opportunities

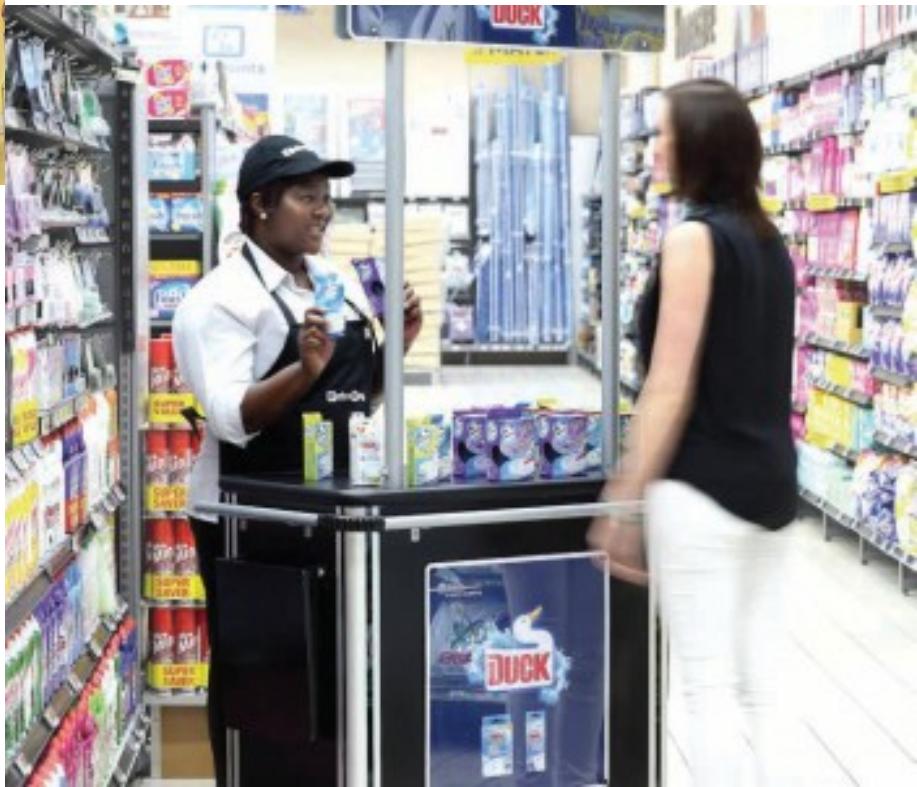


“7% to 8% of gross revenue in the retail industry is composed of marketing and advertising”

-Smallbusiness.com

“93% of people that eats free promoted food don't buy the product”

-Elplazas.com



Inspiration



1

In 2016, people spent more time walking outside playing Pokemon go than using facebook¹



3

People pay to play games where they find clues and locate objects. Chatbots for escape rooms exist.



2

Companies are willing to pay 100.000 USD for doing questions related to their products²

4

Corti: El corte inglés christmas chatbot

¹ <https://sensortower.com/blog/pokemon-go-usage-data>

So...what is the idea?



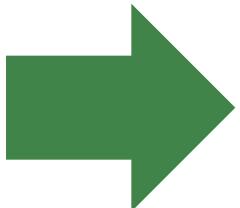
SUPERMERCADO
El Corte Inglés

El Corte Inglés

The main Idea.... A game



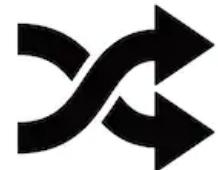
In just one scan win
coupons and get help



Locate/escape room tasks



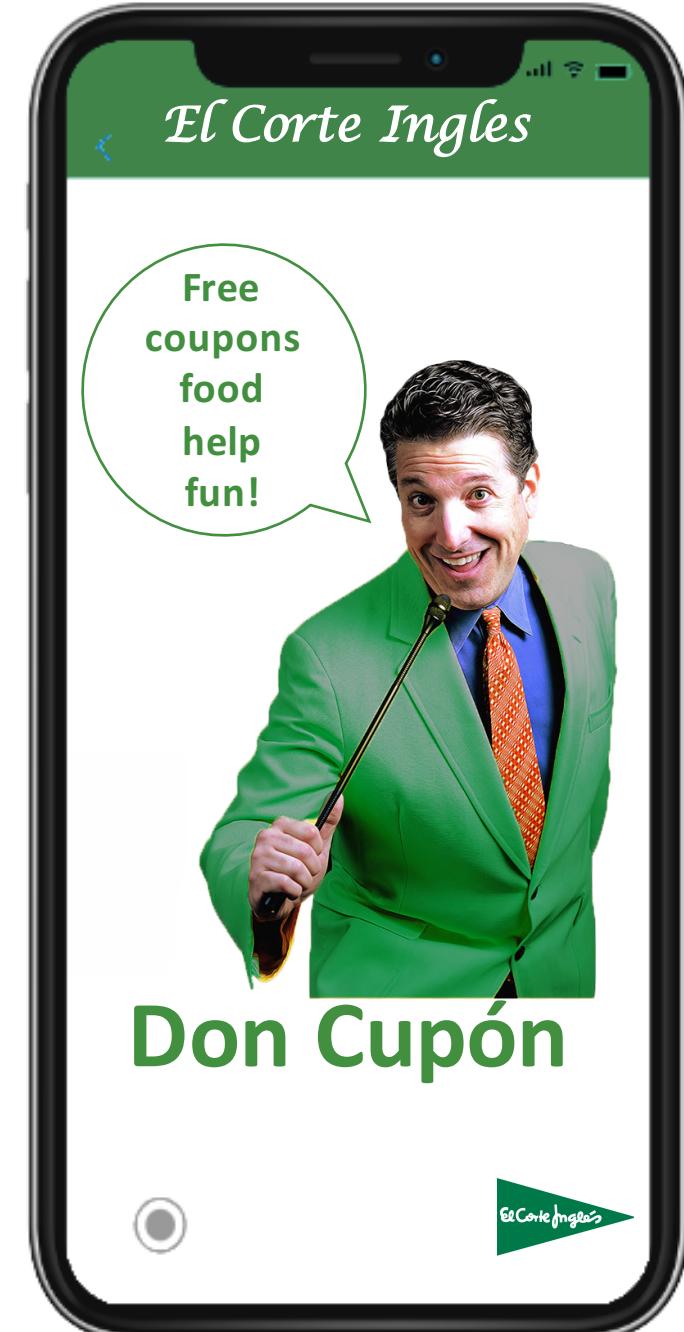
Helps you find what you
need



Randomly gives facts, hints
or talks



Trivia questions



The main Idea.... Prizes



Game Points to exchange in gift shop



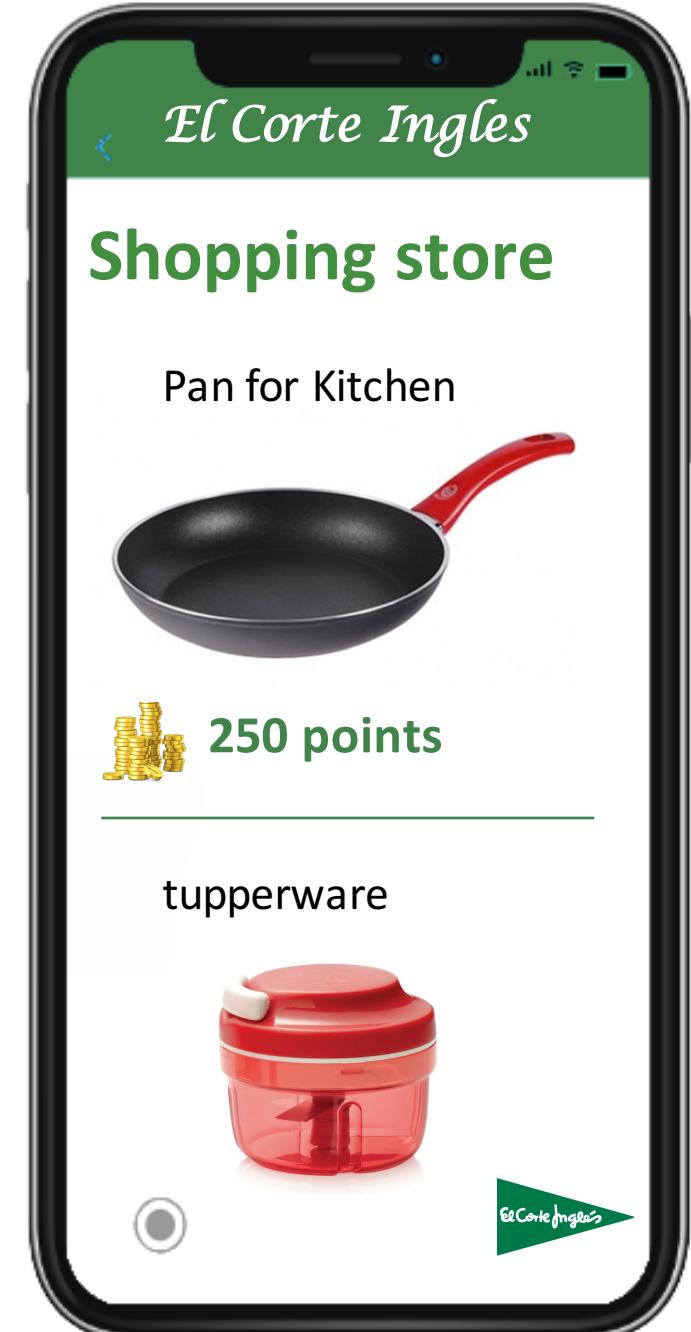
Discounts for products that are in promoting



Free product paid by companies that are promoting



Benefits like free shipping, more Than 6 item in fast line



Clients with **loyalty card** will get better awards

Payment Methods

User



Don Cupón



Supermarket



Retailers pays 2 euros
to supermarket for
each publicity aparence



Food brands &
small retailers



Added Value

Supermarket: potential revenue stream + cross-sell of products

Super Market employees: Decrease questions asked by customers

Producers: cheaper marketing

Customers: discounts + free food



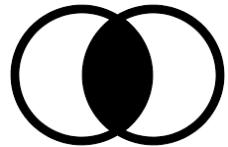
Obsolete coupon method



Increase Loyalty Membership



Basket Analysis



Antecedent and Consequent: Association analysis to determine which product come together.



Game questions related to the consequent of the product the client is looking for.



Assumptions



Fee per each client playing a publicity games

= 2 Euros



of games played in one super market each month

= 850



of new users subscribing per month in each market

= 600



First price cost

= - 2 Euros



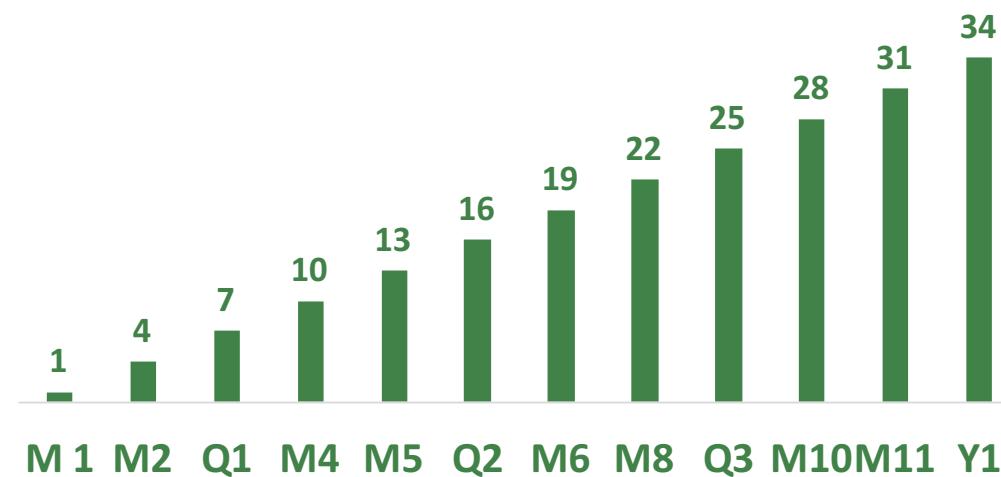
First Chatbot Incorporation to supermarket cost

= 25K Euros & 400K for maintenance

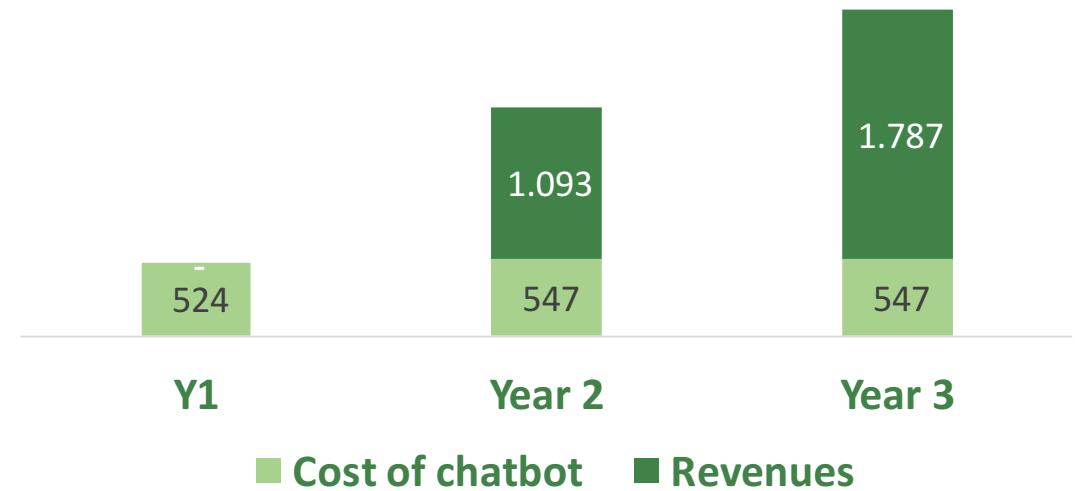


Financial Projections

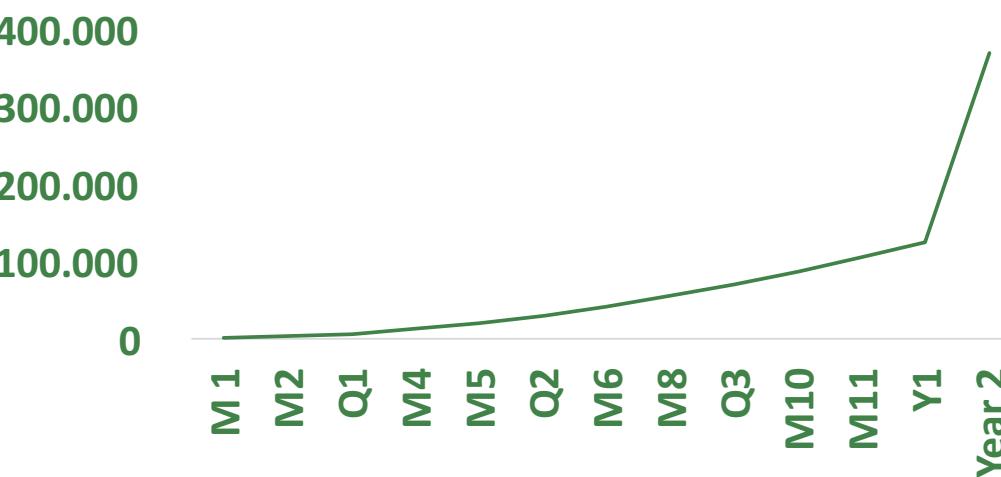
Number of supermarket using “Don Cupon”



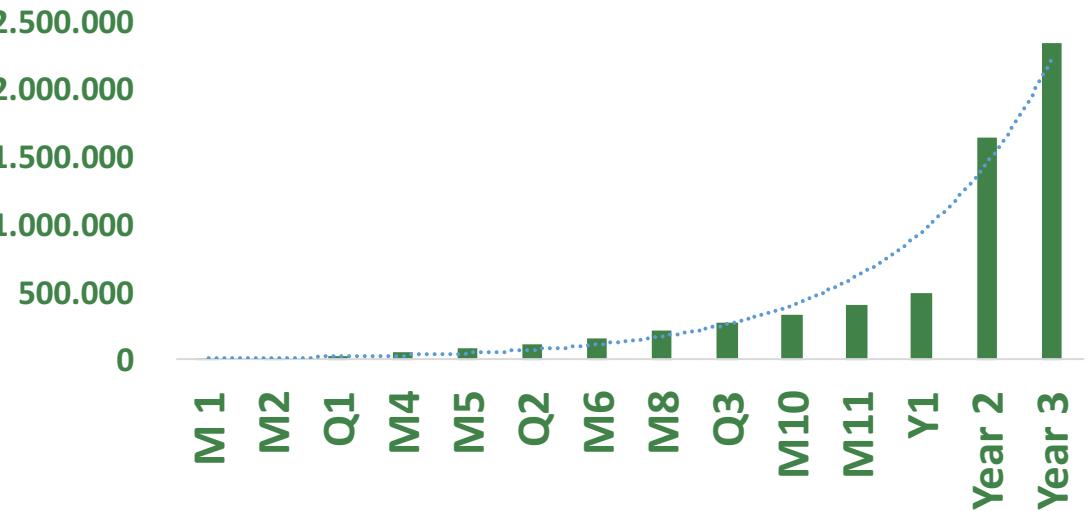
Cost Vs Revenues (THOUSAND EUROS)



Number of clients using “Don Cupon”



Total Gross Income excluding cost



Scalability



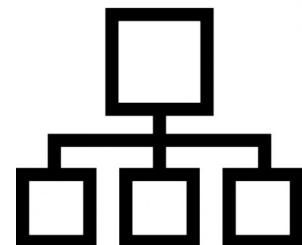
Pilot
Apply the same structure to all the other 90 stores



90 stores



Usually all supermarkets share the same structure, brands, and coupons. So scalability is fast.



Financial Model



Revenues Stats for chatbot

Revenues in chatbot

	M 1	M2	Q1	Q2	Q3	Y1	Y2	Y3
Publicity questions	1.700	8.500	20.400	86.700	198.900	357.000	1.387.200	2.080.800
Antecedent	500	2.500	6.000	25.500	58.500	105.000	204.000	204.000
Loyalty Referral	120	600	1.440	6.120	14.040	25.200	48.960	48.960
Total Income generated by chatbot	2.320	11.600	27.840	118.320	271.440	487.200	1.640.160	2.333.760
Cost and expenses related to chatbot								
Chatbot Incorporation to super market	-35.000	-59.000	-77.000	-131.000	-185.000	-239.000	0	0
Mantainence cost	-1.200	-2.400	-3.600	-7.200	-10.800	-14.400	-400.000	-400.000
First gift	-1.200	-6.000	-14.400	-61.200	-140.400	-252.000	-147.000	-147.000
Net Income for chatbot	-35.080	-55.800	-67.160	-81.080	-64.760	-18.200	1.093.160	1.786.760

Inertia Effect

Number of clients using chatbots	600	3.000	7.200	30.600	70.200	126.000	370.800	615.600
Number of clients buying new product shown by chatbot	210	1.050	2.520	10.710	24.570	44.100	129.780	215.460
Supermarket margin in new product sold	630	3.150	7.560	32.130	73.710	132.300	389.340	646.380
Total revenue after inertia	-34.450	-52.650	-59.600	-48.950	8.950	114.100	1.482.500	2.433.140

of supermarkets using chatbot =

1 4 7 16 25 34 34 34



*Don Cupón: Bye,
nice to meet you!*



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2019