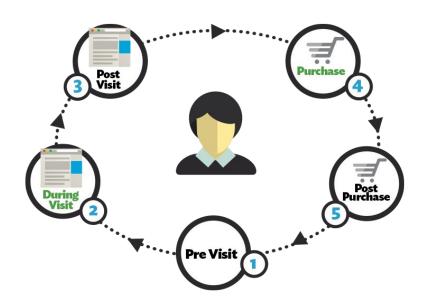


How to model the real time behavior of customers in m-commerce scenario & what are those relevant purchase moments(context + intent) which marketers should focus on?

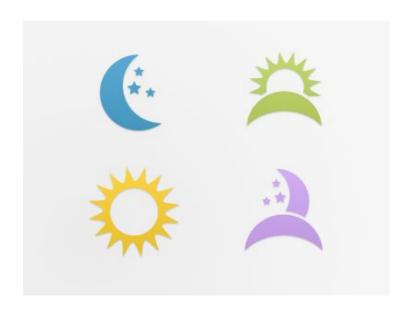




#### **Sub Problem 1:**

How do we segment the customer-app interaction into sub-sessions for real time modelling?





#### **Sub Problem 2:**

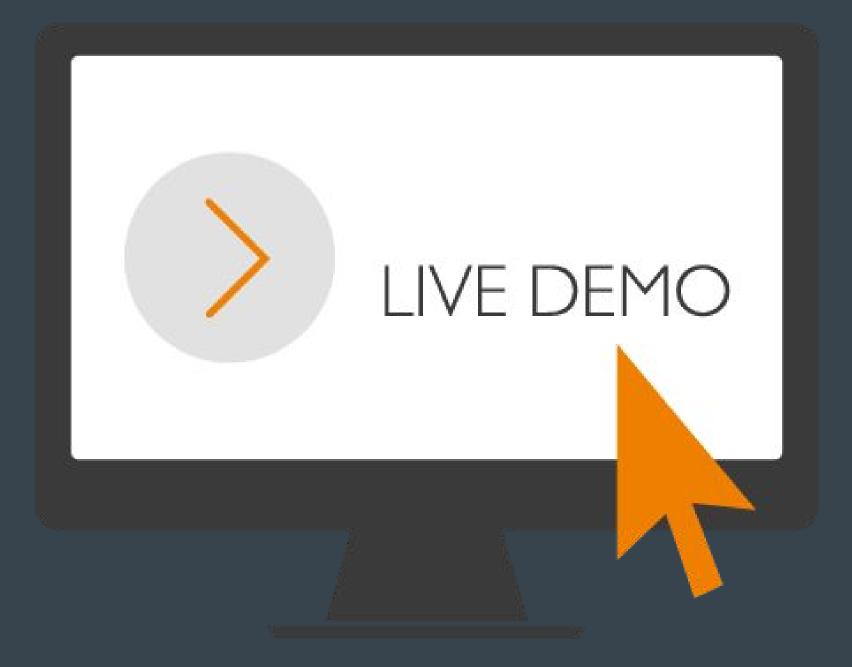
How to acquire and interpret user's context during these app sub-sessions?





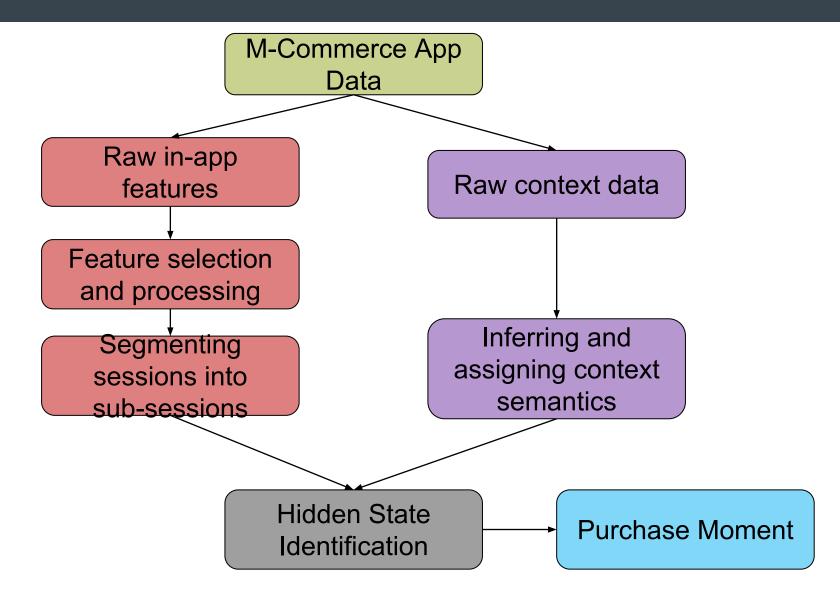
#### **Sub Problem 3:**

How to detect and quantify relevant purchase moments which the marketer should focus on?

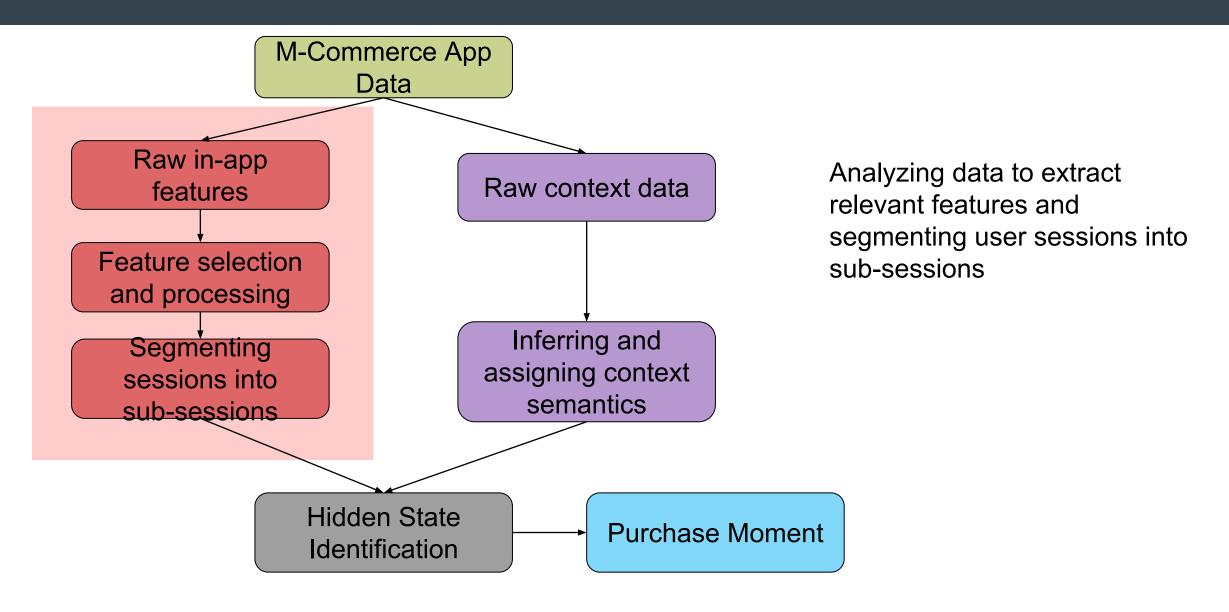




#### Solution Flow



#### Sub Problem 1



### In App features

- No. of products viewed
- No. of previous purchases
- No. of visits to search page
- No. of juggles between categories

- Cumulative no. of products viewed
- Cumulative no. of juggles between categories
- Cumulative time spent on search
- Cumulative time spent on product view
- Cumulative time spent on research
- Time spent on search page
- Time spent on list page
- Time spent on product page
- Time spent on specification page
- Time spent on seller page
- Time spent on review page
- Time spent in image gallery

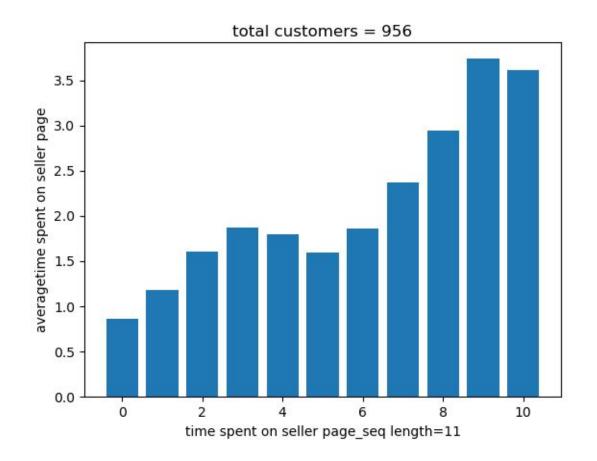
### In App features

- No. of products viewed
- No. of previous purchases
- No. of visits to search page
- No. of juggles between categories

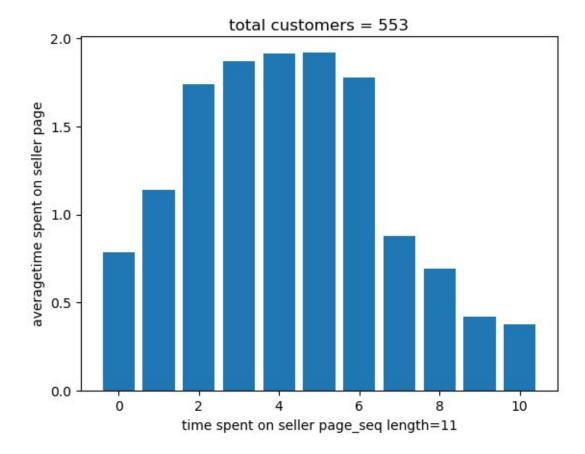
- Cumulative no. of products viewed
- Cumulative no. of juggles between categories
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- Cumulative time spent on product view
- Cumulative time spent on research
- Time spent on search page
- Time spent on list page
- Time spent on product page
- Time spent on specification page
- Time spent on seller page
- Time spent on review page
- Time spent in image gallery

# Why these features?

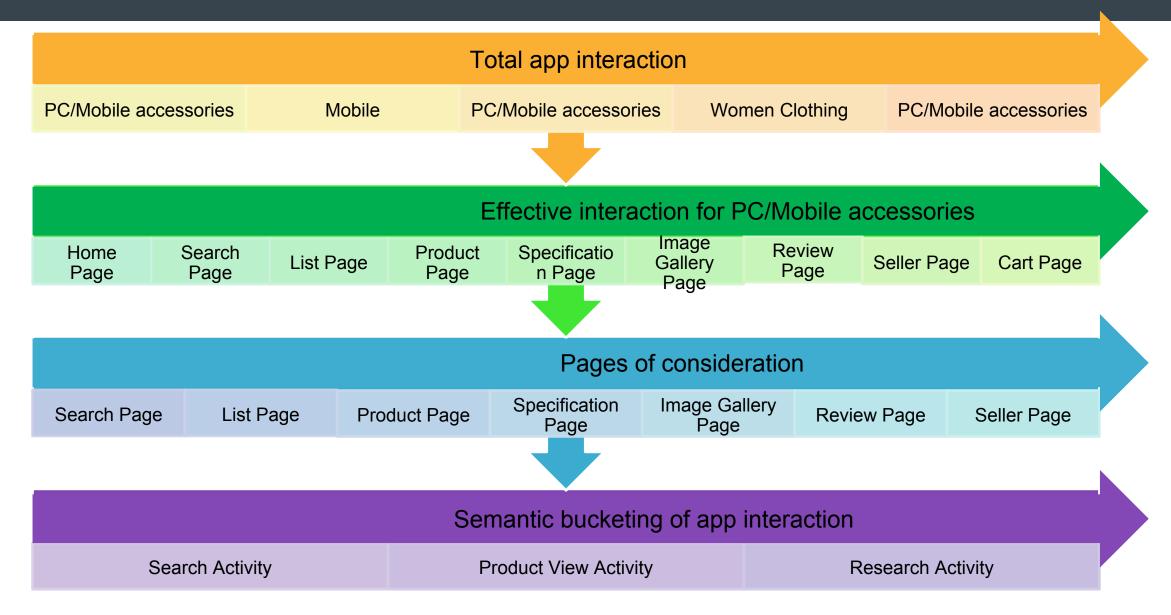
#### **Purchase Customer**



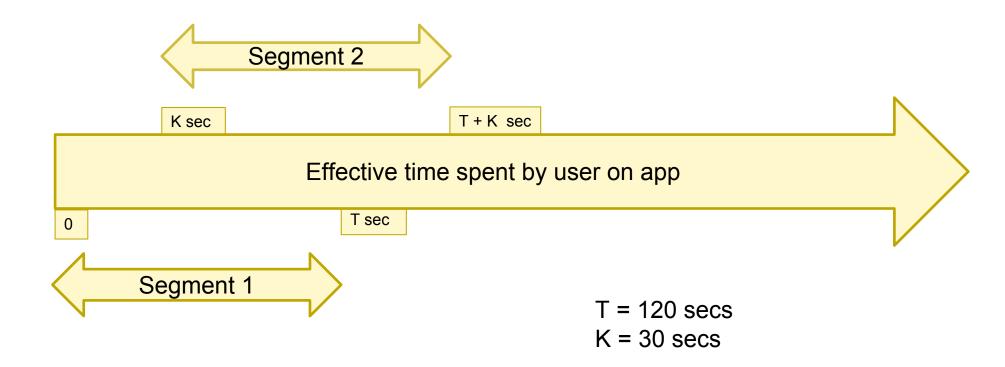
#### Non Purchase Customer



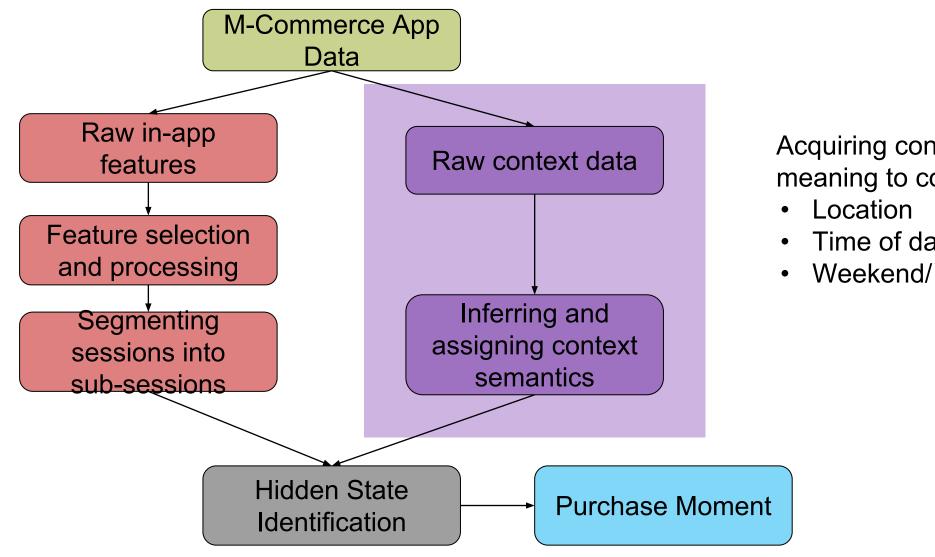
### Extracting Relevant Portions of App Interactions



# **Segmenting Customer Interactions**



#### Sub Problem 2



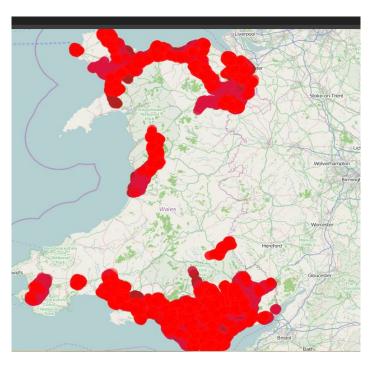
Acquiring context and assigning meaning to context

- Time of day
- Weekend/ Weekday

#### **Location Semantics**

## **Primary Clustering**

- DBSCAN (Density Based Spatial Clustering of Applications with Noise)
- Robust to noise
- Arbitrarily shaped clusters



#### **Location Semantics**

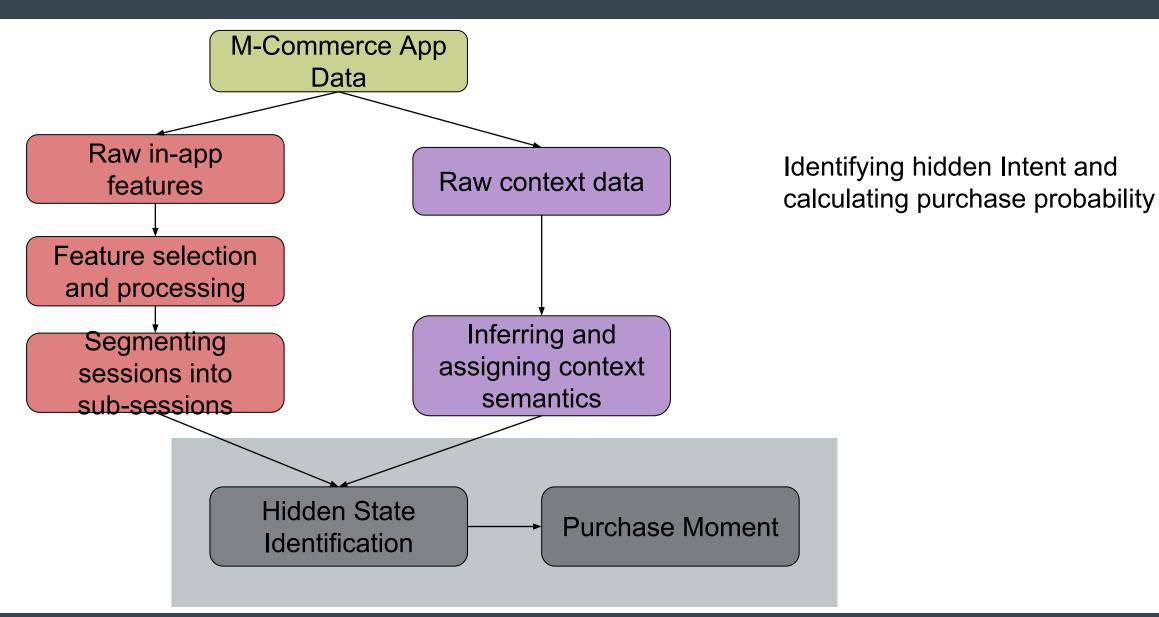
### Cluster Labelling

- Home
- Office
- Shopping Malls, Stores, Airports etc.

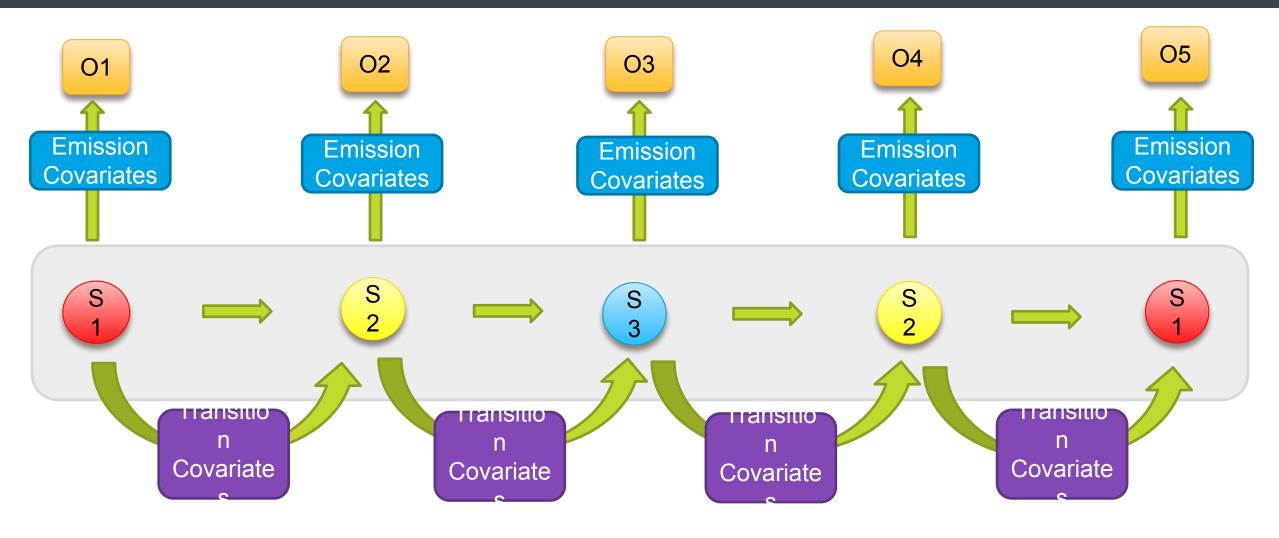




#### Sub Problem 3



## Non-homogeneous HMM



#### Observables

- Search Activity
- Research Activity
- Product View Activity
- Purchase Status

#### Emission Covariates for Purchase

- Cumulative time on search per segment
- Cumulative time on research per segment
- Cumulative on product view per segment
- Previous purchase history

# Transition Covariates

- Location
   Semantics
- Time Semantic
- Weekend
- Mode of entry into app

# State



#### Mathematical Framework

Transition Probabilities

$$P(S_{T+1} = s'/S_T = s) = logit(\beta_{ss'}, x_{iT}, \mu_{ss'})$$

Current State Purchase Emission
 Score

$$P(Purchase_T = 1) = \sum_{s} P(Purchase_T/S_T = s)P(S_T = s)$$

$$P(Purchase_T = 1/S_T = s) = logit(\alpha_s, z_{iT}, \tau_s)$$

 Next State Purchase Emission Score

$$P(Purchase_{T+1} = 1) = \sum_{S'} P(Purchase_{T+1} = 1/S_{T+1} = s') \sum_{S} P(S_{T+1} = s'/S_T = s) P(S_T = s)$$

 $x_{iT}$ : Covariates for transition from state  $s_T$  to  $s_{T+1}$  for segment i

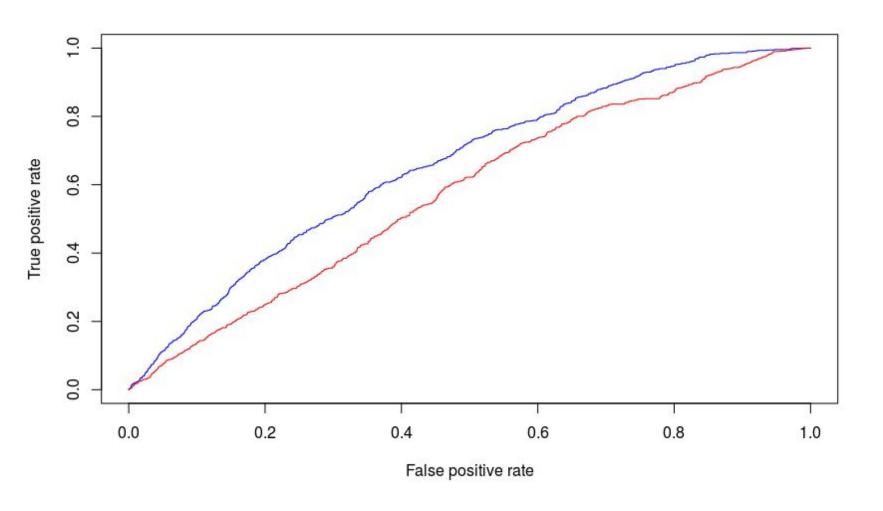
 $z_{iT}$ : Covariates for emission for purchase at time t for user i

 $\overline{\beta_{ss'}}$ ,  $\mu_{ss'}$ : Transition parameters

 $\alpha_S$ ,  $\tau_S$ : Emission Parameters for purchase

 $Purchase_T$ : Purchase in segment T

#### Results



- M-commerce data for 14 days
- 20K customers for training
- 4 sets of 5k customers each for testing

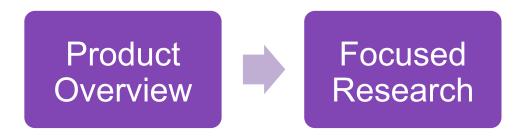
Baseline Model (Logistic Regression) AUC = 0.578

Proposed Model (NHMM) AUC = 0.658

#### **Effect of Context**

#### Case

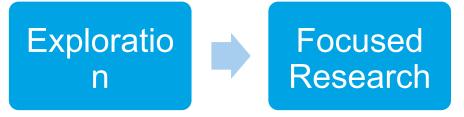
1



- "Weekend + deep-linking" vs "Weekday + notification"
- Probability of transition increased (6.53% vs 5%)

#### Case 2

- "Home + late night" vs "office + evening"
- More than 3 times increase in probability of transition (0.7% vs 0.22%)



# Fun@Adobe







# Bragging







### IP and Paper

#### **Patent**

Context driven real time behavior of customers in m-commerce scenario to predict purchase score

# **Paper**

Modelling context driven user behavior in m-commerce using nonhomogeneous hidden markov model to determine relevant purchase moments

# Acknowledgements



Meghnath Macha



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Prof. Niloy Ganguly

# Questions?



