### ****Executive Summary****

Our organization is undertaking a comprehensive marketing transformation to enhance our ability to **measure and optimize every aspect of the customer journey and interaction**. This includes the initial brand encounter, the acquisition funnel, registration, early life engagement, and extends into retention, loyalty, and reactivation stages.

While we have made significant progress internally—such as integrating Optimove for campaign and bonus attribution—we recognize the need to further advance our capabilities. Partnering with a global marketing agency is a strategic decision to acquire the complete measurement, automation, and optimization capabilities required for our acquisition marketing.

This document outlines the reasons for this partnership, details the other components of our transformation plan, and explains how this collaboration aligns with our overall objectives.

### ****Our Marketing Transformation Plan****

Our transformation plan is designed around **"hard" decisions and "soft" decisions**:

* **Hard Decisions**: Foundational choices we've committed to implementing.
* **Soft Decisions**: Flexible elements that can be adjusted as we progress.

#### ****Hard Decisions****

* **Integration of Optimove for Always-on Marketing**
  + **Objective**: Utilize Optimove to orchestrate and automate campaigns and rewards.
  + **Progress**: We have rolled out campaign attribution and are approaching the completion of bonus attribution.
  + **Benefits**: Enables campaign and customer communications automation and orchestration.
* **Adoption of an AI Customer Service Chatbot**
  + **Objective**: Automate a significant portion of customer interactions, addressing customer journeys both reactively and proactively.
  + **Integration**: The chatbot will be integrated with several platform components and services to maximize its value and automation potential.
* **Partnership with a Global Marketing Agency**
  + **Objective**: Acquire advanced measurement, automation, and optimization capabilities for acquisition marketing.
  + **Rationale**: Necessary for their specialised skills and the strategic advantages they offer in achieving our objectives.

#### ****Soft Decisions****

* **Optimove Integration Details**
  + **Scope**: Determining the balance between local and central retention marketing strategy and execution.
  + **Campaign vs. Always-on**: Deciding the level of campaign-based versus automated customer communications and rewards.
* **AI Chatbot Implementation Details**
  + **Use Cases**: Deciding how many use cases to configure for automation.
  + **System Integration Depth**: Determining how deeply to integrate the chatbot with our systems.
* **Agency Partnership Details**
  + **Outsourcing Extent**: Deciding how much strategic planning, execution, and decision-making to outsource versus handling internally.
  + **Future In-sourcing**: Considering the potential to in-source functions later as we develop internal capabilities.

### ****Reasons for Partnering with a Global Marketing Agency****

#### ****1. Advanced Measurement Capabilities****

* **Marketing Mix Modeling (MMM) and Multi-Touch Attribution (MTA)**
  + The agency will develop MMM and MTA models to enhance our ability to measure campaign effectiveness.
  + **Integration**: These models will integrate with our Customer Data Platform (CDP)—currently Optimove. We are prepared to supplement it with a complementary CDP to fill any identified gaps.
* **Granular Performance Measurement**
  + Enable us to measure and analyse performance at the **channel, audience, campaign, and content levels**.
  + Establish a performance feedback loop for continuous improvement.

#### ****2. Integration with Existing Platforms****

* **Data Systems**
  + **Enhancement**: Help to identify and fill gaps in our current MarTech stack and setup.
  + **Complementary Solutions**: Potential integration of supplementary platform(s) to enable our specific use cases.
* **Creative Automation Platforms**
  + **Platforms**: Integration with our proprietary platforms, **Kreate** and **AAMP**.
  + **Benefit**: Enhance creative execution and automation, improving efficiency and effectiveness.

#### ****3. Expertise and Acceleration****

* **Strategic Planning and Execution**
  + Leveraging the agency's global expertise to accelerate our transformation of acquisition marketing capabilities.
  + Benefit from their experience in implementing advanced marketing strategies and technologies.
* **Optimization of Acquisition Channels**
  + **Improved Measurability**: Enhance our ability to test and optimize systematically.
  + **Automation Opportunities**: Identify areas for automation in our acquisition efforts.

### ****Other Components of Our Transformation****

#### ****Focus on Rewards Recommendations and Automation****

* **Objective**: Improve measurability, optimization, and automation in our rewards system.
* **Approach**: Leverage Optimove, Kindred platform components and both internal and external recommendation sources to enhance personalization and relevance.

#### ****Enhancing Customer Interaction through AI****

* **AI Customer Service Chatbot**
  + Automate customer interactions, addressing needs both reactively and proactively.
  + Integrate with multiple platform components to maximize value and automation potential.

### ****Benefits of the Agency Partnership****

* **Enhanced Decision-Making**
  + Data-driven insights at granular levels inform more effective marketing strategies.
  + Ability to measure on channel, audience, campaign, and content levels.
* **Improved Return on Investment (ROI)**
  + Optimizing campaigns based on precise measurements leads to better allocation of marketing spend.
  + Automation reduces operational costs and increases efficiency.
* **Scalability and Flexibility**
  + Allows us to scale our marketing efforts quickly without building all capabilities internally.
  + Flexibility to adjust the extent of outsourcing as we grow our internal skills and resources.
* **Utilization of Proprietary Data**
  + Leverage our own proprietary data for personalization and relevance.
  + Benefit from the automation and performance feedback loop to continually improve customer engagement.

### ****Alignment with Our Transformation Plan****

Our partnership with the global marketing agency aligns with our hard decision to acquire the necessary capabilities for advanced measurement and optimization. The soft decisions remain flexible, allowing us to:

* **Adjust Outsourcing Levels**
  + Decide over time how much strategic planning and execution to handle internally.
  + Potentially in-source functions as we develop the right capability backbone, skills, and personnel.
* **Remain Agile and Adaptable**
  + Continuously assess and adapt our strategies based on performance data and evolving business needs.

### ****Future Considerations****

* **In-sourcing Opportunities**
  + As we develop internal capabilities, we may choose to in-source certain functions.
  + This approach ensures sustainability and long-term growth.
* **Skill Development**
  + Opportunity to upskill our teams by learning from the agency's expertise.
  + Build a foundation for future independence in our marketing efforts.

### ****Conclusion****

Partnering with a global marketing agency is a strategic and necessary step in our marketing transformation. It enables us to:

* **Measure and optimize every part of the customer journey.**
* **Achieve a comprehensive view of performance across all levels.**
* **Implement systematic testing and optimization processes.**
* **Accelerate the transformation of our acquisition marketing capabilities.**
* **Leverage our proprietary data for enhanced personalization and relevance.**

This collaboration aligns with our hard decisions and supports our overall objective to build a flexible, scalable, and data-driven marketing ecosystem. By integrating advanced measurement models and leveraging the agency's expertise, we position ourselves to improve customer engagement, drive better business outcomes, and sustain a competitive position in the market.