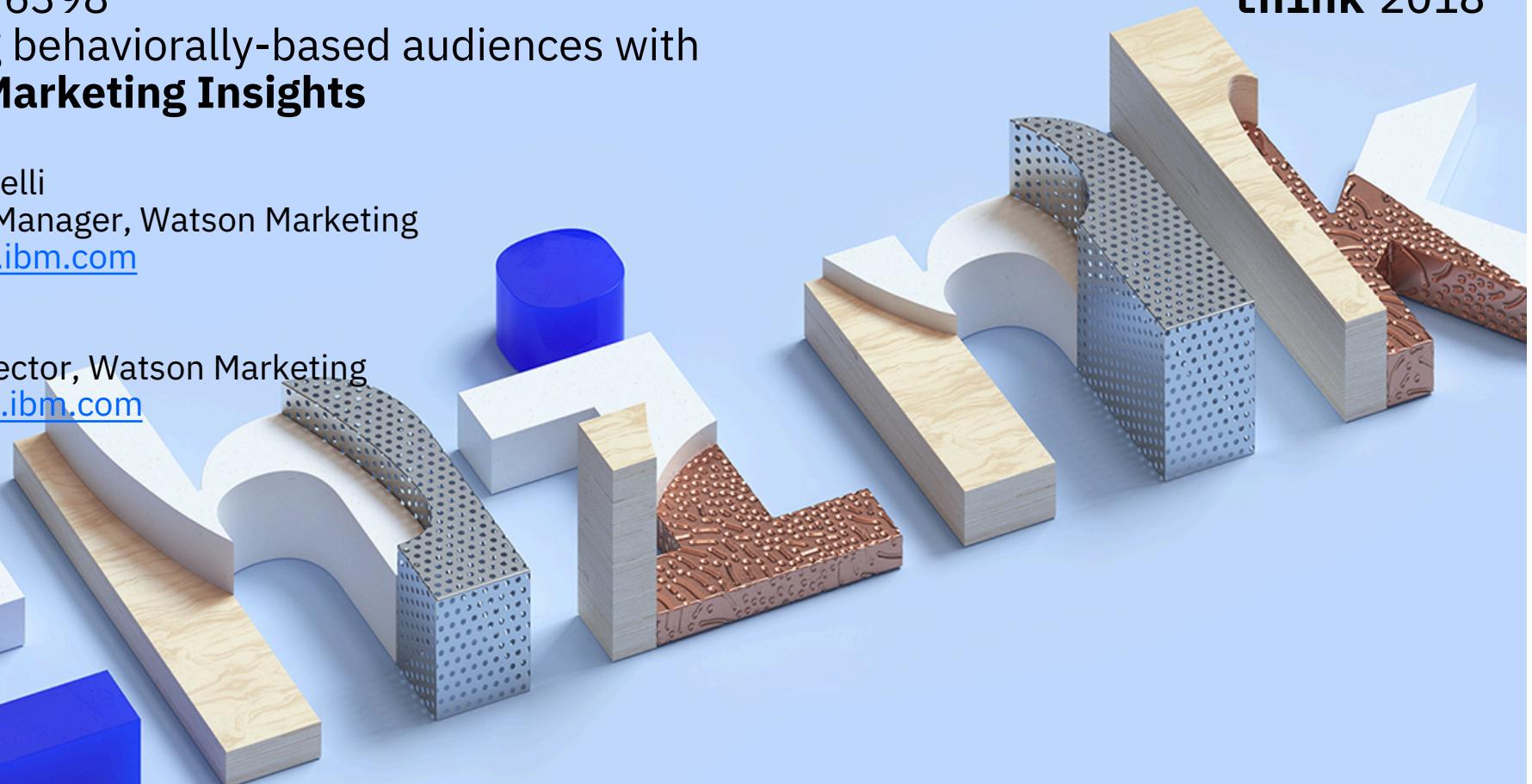


think 2018

Session #6398 Revealing behaviorally-based audiences with **Watson Marketing Insights**

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How would your marketing change if...

You knew exactly who to target
based on what your customers
are doing right now?

How brand engaged are my customers today, and how engaged will they be in the future?

What is the total value of the customers that are likely to become disengaged next month?

How many of my high value customers are at a high risk of leaving?

Why might my customers become disengaged or leave my company altogether?

Who are my most valuable customers, and who will be valuable in the future – if I can keep them happy?

Nearly **two-thirds** of chief marketing officers (CMOs) regard developing deeper, richer customer experiences as their top marketing priority.¹

2/3

¹ IBM, *Redefining Markets: Insights from the Global C-suite Study – The CMO perspective*, January 2016.

People
are what
they DO



Behaviorally-based audiences

- elastic - adjusts to your business
- dynamic audience membership
- demographically heterogeneous
- enables effective cross-segment action



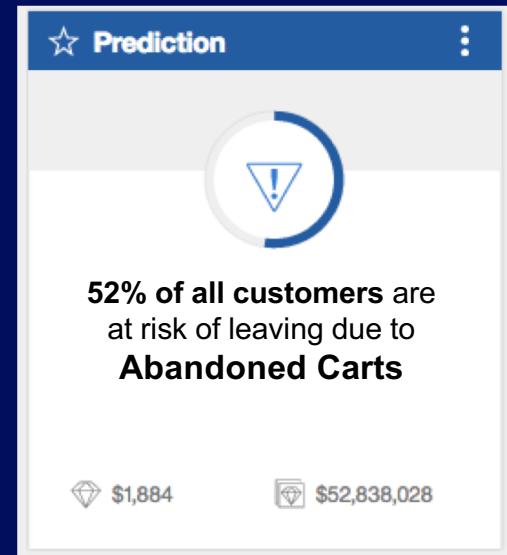
Marketing in the Human + Machine cognitive era



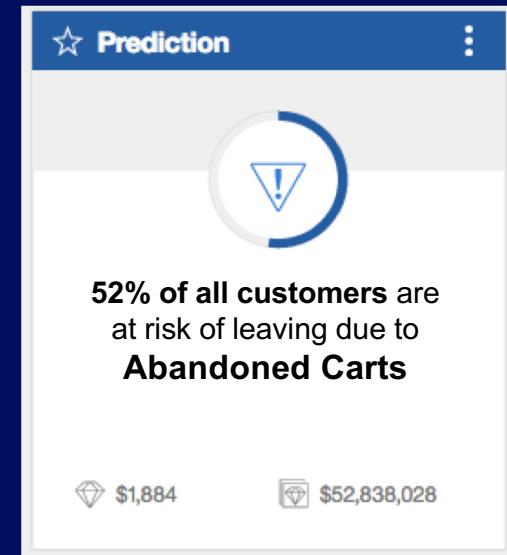


Predictive and cognitive
analytics help you adapt
to a moving target

Dynamic, behavior-based audiences

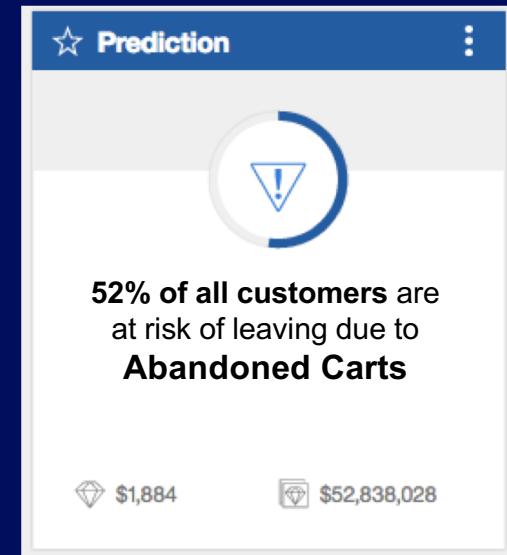


Dynamic, behavior-based audiences



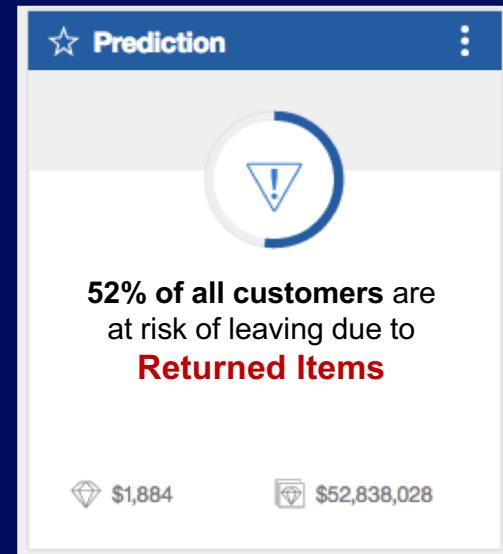
People who abandon carts

Dynamic, behavior-based audiences



- People who *previously* abandoned carts
- People who *currently* abandon carts

Dynamic, behavior-based audiences



- Yellow square: People who *previously* abandoned carts
- Blue square: People who *currently* abandon carts
- Green square: People who return items

Genesis of a behaviorally based audience

Behaviors/ event data

- *What are my customers doing?*
- *What are common behaviors?*
- *What patterns can I observe?*

Predictive analysis

- *What are the top behaviors associated with attrition?*
- *How important are each of these behaviors?*
- *Where do most of my at-risk customers fall?*

Cognitive insights

- *What does this indicator mean for my business?*
- *Should I care?*
- *What is the highest priority action I should take?*
- *How do these insights relate to each other?*



74% of surveyed executives say artificial intelligence (AI) will fundamentally change how they approach customer experience (CX)

“By implementing AI, we will predict what customers want before they even know they need it.”

Chief Marketing Officer, Retail, US

IBM Watson Marketing Insights

Cloud-based solution that surfaces critical customer insights, uses cognitive analytics to reason and understand business impact, and recommends impactful target audiences.

The screenshot displays the IBM Watson Marketing Insights platform, featuring several interconnected dashboards:

- Prediction Dashboard:** Shows a summary of findings: "20% of your customers are engaged or highly engaged, and at risk of leaving" and "12,689 Customers". It also lists significant observations over the past month, such as "abandoned carts > 30", "customer complaints 50-75", "returns >100", "location 5 top cities", and "marital status Married".
- Key Metrics Dashboard:** Provides a high-level overview of customer engagement and value. Key metrics include:
 - Risk of leaving: 70% (All customers: 20%)
 - Level of brand engagement: 80% (All customers: 60%)
 - Average Customer lifetime value: \$600 (All customers: \$500)
- Customer Movement and Insights:** A central feature showing movement patterns between cities like Austin, TX, San Francisco, CA, New York, NY, Seattle, WA, and Portland, OR. It highlights "Engaged" and "Opted-out" states and provides a search bar for insights.
- Trend Summary over last month:** Shows a line graph of "Level of brand engagement" decreasing from 91% to 85% with a 6% drop.
- Risk of leaving trend:** A line graph showing the "Risk of leaving" fluctuating between 20% and 40% over time.
- Current snapshot:** A summary section stating "In the previous three months, 13% of all customers moved from opted-in to engaged".
- Top ranking insights for all customers:** A grid of four cards:
 - For 14% of all customers, the risk of leaving increased by more than 50%
 - In the next month, 18% of all customers are likely to disengage
 - 11% of all customers are engaged or highly engaged, and at risk of leaving
 - 16% of your all customers are at risk of leaving due to abandoned carts
- Recently viewed segments:** A list of segments with associated tags, such as "tag1, tag2, tag3".
- Total customer value:** Displays a massive total value of "\$11,000,000,000".
- Legend:** A legend defining symbols for "Opted in" (blue dot), "Reengaged" (green dot), "Disengaged" (red dot), and "Opted-out" (orange dot).
- Bottom Predictions:** A row of five prediction cards with icons and brief descriptions, such as "17% of all customers are at high risk of leaving, and are likely to disengage in the next month".

Watson Marketing Insights

Cognitive Audiences for the Marketer



Reveal dynamic, cognitive
Audience Insights
that reason and understand
customer behavior,
designed for marketers



Target customers more
meaningfully with dynamic,
behaviorally-based audiences
recommended by Watson,
or build your own



Publish audiences in **one click** to Watson Campaign
Automation or to any 3rd
party marketing platform

Watson Marketing Portfolio

Customer Insights

Customer Experience Analytics

Marketing Insights

Customer Insights Software

Personalized Marketing

Campaign Automation

Real-Time Personalization

Marketing Software

Digital Experience

Content Hub

Digital Experience Software

Watson-recommended audiences

Cognitive technology reveals insights and predictors about your customers, assembles dynamic target audiences, prioritizes them based on business impact, and presents them in an interactive, visual format.

The screenshot displays the Watson Customer Engagement Marketing Insights platform. It features two main dashboard views side-by-side:

- Left Dashboard (Watson Customer Engagement Marketing Insights):** This dashboard is titled "Watson-recommended insights" and includes four cards:
 - Prediction:** For 14% of all customers, the risk of leaving increased by more than 50%.
 - Prediction:** In the next month, 18% of all customers are likely to disengage.
 - Prediction:** 11% of all customers are engaged or highly engaged, and at risk of leaving.
 - Prediction:** 16% of your all at risk of leaving abandoners.
- Right Dashboard (Watson Customer Engagement Marketing Insights):** This dashboard is titled "Insights > Insight details" and includes:
 - Current snapshot:** Shows 14,000 customers, 18% below-average value, and engaged or highly engaged.
 - Key metrics:** Risk of leaving (70%), Level of brand engagement (80%), Average customer value (\$600), and Total customer value (\$154,823,754).
 - Why this might be happening:** Includes indicators like Abandoned carts (200-300) and Returns (100-200).
 - Similar insights:** A sidebar listing various predictions and current snapshots for different segments.

Both dashboards include a sidebar with navigation icons and a top bar with user information (Evan) and the IBM logo.

Actionable insights

that can be converted into target audiences

The screenshot displays the Watson Customer Engagement Marketing Insights dashboard. The main panel shows a prediction for 14,000 customers at high risk of leaving, with 8% being low-value, disengaged, and at high risk. It includes a bar chart of indicators like abandoned carts and returns, and a call-to-action to 'Create segment'. A secondary panel highlights a 50% increase in risk of leaving for 14% of customers. The right side features a summary of total customers (725,000), segments (713,000), and a donut chart of customer engagement levels. A sidebar provides similar insights and a current snapshot.

Prediction

What we found

14,000 customers

8% of all customers are low-value, disengaged, and at high risk of leaving

Why this might be happening

Indicator	Value	Importance
Abandoned carts	200-300	<div style="width: 100%;"> </div>
Returns	100-200	<div style="width: 80%;"> </div>
Log in frequency	0-10	<div style="width: 50%;"> </div>

What you can do

Create a segment for these customers to For example, publish the segment to Watson

Create segment

Risk of leaving

For 14% of all customers, the risk of leaving increased by more than 50%

Total customers 725,000

Opted-out 12,000

Available for contact 713,000

713,000 customers

Engagement Level	Count
Disengaged	230,000
Recently added*	157,500
Engaged	121,250
Not contacted recently*	106,750
Highly engaged	63,250
Undetermined	34,250

* Within the previous 13 weeks

Advanced Segmentation & custom audiences

Use Watson's recommended audiences, fine-tune them, or build your own from scratch to match your campaign objectives and budget

The screenshot shows the Watson Customer Engagement Marketing Insights interface. At the top, it displays "Watson Customer Engagement" and "Marketing Insights". On the left, there's a sidebar with icons for "MI", "Understand", "Identify", and "Act". The main area is titled "Build your conditions" and shows "54,189 of 81,189 customers". It includes two sections: "All conditions must be true" and "OR". The first section contains a histogram for "Age_range" between 18 and 35, gender filters ("Gender Equals Male"), and a date filter ("date_of_birth after 01/01/1974"). The second section also has a date filter ("date_of_birth after 01/01/1984"). Below these, under the "Identify" tab, there's a summary for the "Sleekfit 3.0 spring campaign": "Customers 23,568 (52% of active customers)", "Pulse score 30 (Active customers: 37)", "Average customer lifetime value (CLTV) \$1,987 (Active customers: \$2,259)", "Average attrition score 60% (Active customers: 50%)", and "Engagement score 28% (Active customers: 20%)". There's also a "Customer Lifetime Value" histogram and a "Next Segment" dropdown with options like "Disengaged", "Engaged", "Highly Engaged", "Opted-in", and "Opted-out". At the bottom, there are condition builder fields: "Email_Opt_out Equals True" and "AND Is_Eligible Equals False". Buttons for "Save" and "Cancel" are at the bottom right.

Integration with Watson Campaign Automation and UBX

Publish audiences in **one click** to Watson Campaign Automation or via UBX, or to any 3rd party marketing platform (via download)

The screenshot displays the IBM Marketing Cloud interface, specifically the 'Data' section under 'Database Summary'. A red box highlights the 'Fields' tab, which lists various contact fields like 'CRM Lead Source', 'Last Modified Date', and 'Opt Out Details'. Another red box highlights the 'Contact Lists' tab, showing a list of contact lists such as 'financial risk', 'Graham List', 'test', 'Canadians', 'Kathy List', 'High Risk Customers', 'Eric UBX', 'test', 'U20 Mattress Stuffers', 'Attrition List 4', 'SPINERS', 'CODE RED', and 'Sunday Lunch Offer'. Below these tabs, a modal window titled 'Subscribe to events' is open, showing a list of publishers and subscribers. Publishers include IBM Digital Analytics, IBM Interact, IBM Journey Analytics, IBM Silverpop, IBM Xify, MediaMath, and Facebook. Subscribers include IBM Campaign, IBM Journey Analytics, IBM Silverpop, IBM Interact, Facebook, and MediaMath. The 'Selected destination(s)' section shows 'Silverpop' and 'IBM' selected. At the bottom right of the modal, there are 'Subscribe' and 'Cancel' buttons.

Watson Marketing Insights

DEMO

What else is coming in Watson Marketing Insights?

Expanded propensity modeling

“Who is most likely to subscribe to multiple services?”

Recommended segments using machine learning

“What other groups of customers are impacting my business?”

Campaign-level analytics and recommended campaigns

“what should I send my target audiences?”

Product recommendations

“What products or services are my customers mostly like to buy?”

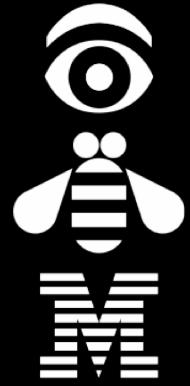
**Only with Watson
Marketing can
you...**



Bring the perfect
journey to your
customers
sooner by
performing your
marketing tasks
faster

Truly **inspire**
your customers
by executing the
marketing plans
you've always
desired

Track results to
measure how
you've **exceeded**
your business
objectives



Learn more at

<https://ibm.biz/watsonmarketinginsights>

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