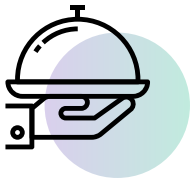
Success Stories of Top Brands

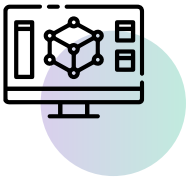
Hyperpersonalized Campaign **Increases Hotel Revenue By $13 Million**



Segmented Offers Bring **$40 Million Annual Incremental Revenue** to Hospitality Co.

AI-Powered Hyperpersonalization Increases ROI, **Improves Customer Retention by 30%**

Text Analytics, ML Power **Multidimensional Customer Segmentation** for QSR Brand



Diving Deep into **CLV Modeling** with AI

Maximizing Email **Marketing Impact** with Data Analytics

Hyperpersonalized Campaign Increases Hotel Revenue By $13 Million

Global hospitality leader solves the age-old challenge of the elusive one-and-done guest.

Our client, a leading hospitality chain, was seeing repeat sales walk out the door - literally. Only 35% of their one-time stayers were coming back for a repeat stay. The client also had a feeling that their rule-based marketing tactics were not very effective at encouraging repeat guests.

They needed to :

Target potential repeat customers with a customized campaign

Increase the rate of repeat bookings

Optimize their marketing analytics process with minimal additional resources

Hyperpersonalizing Campaigns For Repeat Guests

The NAVIK MarketingAI pilot was used to personalize offers to customers who had stayed only once in the last 2 years. The personalization happened from a pool of 16 pre-designed offers.

MarketingAI personalized the offers based on their stay behavior, past offer responses and demographics. Personalization included identifying micro segments, predicting future stay likelihood and offer propensity. These models were combined using artificial intelligence to recommend offers for each customer.

As per the personalization strategy, 4 email waves were sent over an 8 week period. The results were compared to a control set which received a randomized offer. This approach ensured the only difference between these groups was personalization.

Once the client's marketing team began leveraging Artificial Intelligence, stay revenue and bookings increased. In just one pilot, the client saw:

$8 million incremental revenue from loyalty club members

$5 million incremental revenue from targeted non-club members

The client was able to continue utilizing NAVIK MarketingAI to increase the impact and efficiency of their other campaigns.

NAVIK MarketingAI is used by marketing leaders, monetization managers and marketing operations to make critical decisions every day, recommending personalized campaigns based on artificial intelligence.

Segmented Offers Bring $40 Million Annual Incremental Revenue to Hospitality Co.

Cutting down on 'too much of a good thing' helped hospitality giant match customers with the most appealing incentives.

Choice overload, over choice, or decision fatigue – call it what you will; it's what happens when people are presented with too many options. Not only does it get more challenging for them to make a decision, but it can also even lead people to choose no options at all. And this is precisely what our client, a leading hospitality company, was facing.

Our client wanted to provide appealing offers to all of their customers. The problem was that customers were getting too many options: Free Wi-Fi to book a trip to one location; extra air miles for another locale; 15% off for a third, and so on. This led to a low response rate, as customers were rejecting all offers instead of choosing one.

To solve this problem, the client needed a multi-channel contact strategy that would work across in-person, contact center, and email touches. More importantly, they needed to target customers and ensure they were being approached with the right offer through the right communication channel.

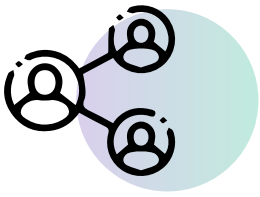
Given the amount of data (and personalization) involved, this was a clear case for advanced data analytics.

Multiple Data Sources, Millions in Incremental Revenue

By gathering all the relevant data and applying advanced techniques like predictive analytics, we helped the company spot customers':

Preferred destination

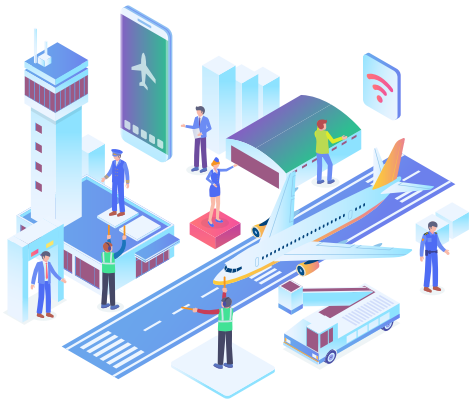
Most attractive offer/incentive



Most responsive point of contact

Customizing offers this way allowed the company to generate $40 million annual incremental revenue and improve the user's experience while reducing decision paralysis.

Predicting Where Customers Will Travel – and the Perks They Prefer



To build the capabilities our client needed, we had to start with an organization-wide look at the available data. This meant incorporating nine types of input (brand engagement, geography preference, offer response, service preference, satisfaction scores, GDP index, travel/tourism index, and regional occupancy forecasting and pricing) from four areas (research, operations, revenue management, and marketing). We used this data to determine the customers' preferences and likelihoods, as mentioned above.

Next, we considered various offers (e.g., room upgrade) and contact points (e.g., website) to forecast what combination would most likely appeal to each customer. This enabled the company to run a triple-customization campaign: the right incentive with the right destination, delivered using the customer's preferred medium.

Targeting Reduces Decision Fatigue, Increases Profit

By reducing the number of potentially confusing options, our client provided a better experience to their customers – and increased customers' engagement with carefully targeted and personalized offers. This led to an increase in profit as well as campaign effectiveness.

AI-Powered Hyper-personalization Increases ROI, Improves Customer Retention by 30%

Gas and oil leader revitalizes retail outlets' performance with AI-based guidance.

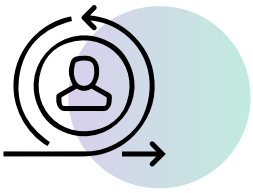
Marketing to an On-the-Move Target

Capturing customers' attention can be hard for retail outlets, as this Malaysian oil and gas leader knew well. Marketing to busy, on-the-go customers requires snappy messaging and a high level of personalization – something that wasn't happening for this company. Ineffective campaigns were impacting their customer relationships and retention numbers. Lapse rates were up, false targeting was high, and ROI was low.

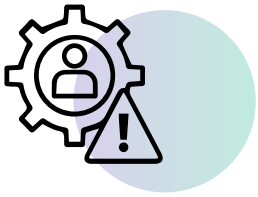
To fix the problem, an AI-driven, ML-enhanced hyperpersonalization platform (NAVIK MarketingAI) was deployed to find cross-sell opportunities, boost customer retention, improve targeting and outreach, and move customers up the value chain.

Better Retention, Higher ROI with MarketingAI

The results from this company's AI-enabled marketing were impressive:



117% incremental ROI increase, through prevention of potential customer lapse.



30% retention of high- and medium-risk customers.

86% incremental ROI from favorable customer migrations.

93% incremental increase in customer engagement, thanks to personalized social media.

With this user-friendly tool in their hands, the company's marketing team could focus on winning back lapsed customers, preventing customer loss, and strengthening its ties to current customers through finely tuned outreach efforts.

They were also more aware of upselling and cross-selling opportunities as customers stopped for fuel at the brand's retail outlets.

The Technology Behind Customer-Directed Marketing/Customer-Directed Marketing for the Win

Moving to a customer-directed marketing approach meant leaning harder on AI-enhanced data analytics. NAVIK MarketingAI utilizes four varieties of customer-based predictive analytics. These work together to generate marketing program recommendations for various business objectives. The cutting-edge technology and proven marketing techniques embedded in the AI system provide deep insights into customers, segments, products, and outlets (in this case, gas stations).

For business users, all of this happens out of sight; a simple interface gives each team member the information needed to maximize their next contact. A typical campaign dashboard includes information about what offers to send to which individual customer, the rationale behind this recommendation, and the projected increase in engagement resulting from various actions. The marketing team can also use this tool to compare segments, view segment- and individual-level profiles, learn about historical and predicted behavior, and add and track campaigns.

AI-Powered for Future Success

Not only has MarketingAI improved the company's marketing efforts, it has helped them to revitalize their retail performance. By connecting with customers in a more meaningful way, they're seeing stronger relationships and greater customer value. Customer churn is down, ROI is up, customer engagement is good, and targets are now, well, right on target. Thanks to AI, this brand's fuel outlets are successfully converting, keeping, and cross-selling to customers.

Text Analytics, ML Power Multidimensional Customer Segmentation for QSR Brand

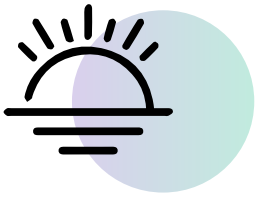
Customer preferences are available all over social media – but you have to know how to find them with AI, machine learning, and text analytics before you can use them.

People have a wide variety of breakfast preferences. Our client, a Malaysian quick service restaurant, wanted a fresh way to group their breakfast customers. Instead of relying solely on traditional demographic information, they wanted a more personal approach that would resonate with each group's unique habits.

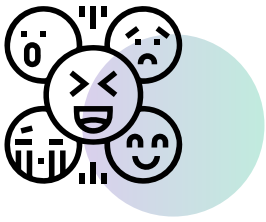
Understanding personal details – like how people feel in the morning, what they choose as a breakfast food, and where they tend to eat it – is crucial to this type of approach. And as it happens, this data is all over social media. So the client came to us for help with extracting, cleaning, and analyzing this data to shape their customer segmentation strategy.

Social Media as Morning Routine Forum

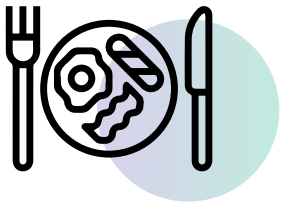
It's quite common for people to post their morning plans (as well as their mood) on social media. Knowing this, we decided that the first phase would be to find answers to these questions:



What do you do in the morning? (e.g. jog, yoga, read, sleep, go to work)



How do you feel in the morning? (e.g. tired, sleepy, energized, lazy)



Where do you eat breakfast? (e.g. home, café, car, office)

What do you eat for breakfast? (e.g. nasi lemak, toast, mie goreng, eggs, etc.)

Collecting this information across huge numbers of social media posts allowed patterns to emerge, which were used as the basis of a more advanced, multidimensional customer segmentation strategy.

Uncovering Patterns with AI, Machine Learning, and Text Analysis

This in-depth segmentation approach is made possible by a three-part process:

- First, raw data from blogs and social media APIs is gathered by our customized data extraction tool and passed to the data cleaning engine. (APIs, or application programming interfaces, essentially allow data to be passed between different programs.)
- The cleaning engine prepares the data for further analysis and sends it to the analytics engine.
- The analytics engine uses text analytics and machine learning models to understand, analyze, and group the data.

This process allows the analytics engine to identify various keywords and map them to emotions and moods. Meanwhile, it also recognizes trends being followed by local breakfasters (i.e. what they eat and where) and seeks patterns in their morning activities.

A New Approach to Customer Segmentation

The result of all this hard work is a very dynamic, personalized customer segmentation output. Instead of simple “rushed office worker” or “busy mom” personas, the company can now see their client groups in a whole new way: energized fitness enthusiasts craving a high-protein morning meal, centered and focused vegans who prefer traditional fare, happy and hungry visitors who want to experiment with new foods, and so on.

Diving Deep into CLV Modeling with AI

AI, ML, and real-time analytics generate more customer engagement, more post-trial conversion for Video on Demand service.

Deciding which actions will drive customer engagement and acquisition requires a lot of information – which involves a lot of time and work to process. For our client – a well-known multinational hospitality company – to develop effective strategies for converting one-time stayers into loyal customers, they needed to use their data to peek into the likelihood of customers staying with their brand.

This meant creating a customer lifetime value (CLV) model built on years of data.

Driving Strategic Decision-Making with CLV Modeling

The objective of this model was to predict customers' future engagement (and therefore their revenue contribution) over three periods: 1 year, 2-3 years, and 4-5 years. After deploying the model, the client:

Enhanced the efficiency of their personalization and targeting efforts

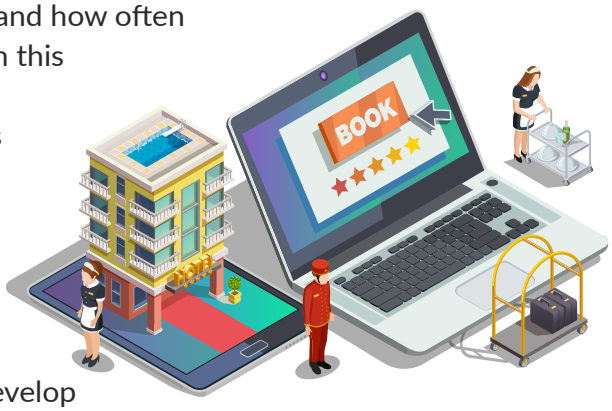
Developed more effective acquisition and engagement strategies

Optimized their budgets and increased ROI

To make this happen, we grouped customers into six segments and developed probability scores and other engagement KPIs for each segment.

A Multi-Step Process That Begins and Ends with Data

As it always does, this journey started with data – specifically, data related to whten customers stayed with the hospitality company and how often they booked a room over the course of a year. Based on this information, customers were divided into three groups: new, reactivated, and existing customers. These groups were further segmented by their membership in the company's loyalty program.



Next, we applied a logistic regression model to predict the probability of retaining customers over the three timeframes discussed above. These probability scores were combined with other KPIs to develop revenue prediction models. Finally, all of this was updated regularly, allowing the client to:

- Develop a customer lifetime value that's adjusted for engagement and acquisition costs.
- Generate new predictions every month.
- Aggregate future revenue predictions for each segment

With this data-backed insight, the client could make smarter targeting, engagement, and acquisition decisions.

Decisions Are Better with Data

Thanks to intelligent data analytics, the client is now able to see the current customer lifetime value for each major segment. Understanding this information allows them to make optimized decisions about where to spend their budgets.

Maximizing Email Marketing Impact with Data Analytics

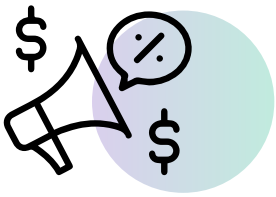
Using data analytics, this hospitality company identified which consumers should be contacted during a campaign – and how to stop wasting money on unprofitable outreach.

Emails are cheap and easy, right? Does it really matter if you're sending them to the wrong consumers?

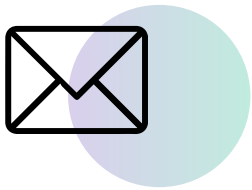
For this hospitality leader, estimating the accuracy of their email campaigns meant millions – literally. They wanted to identify which customers would be positively swayed by their email and which ones would not be affected. By targeting the former group, they could generate the maximum ROI on their email campaigns.

Saving $6 Million By Reducing Emails?

By testing the impact of selective emailing on their revenue, we were able to help our client identify a group of 250,000 consumers whose decision to stay with the company would not be influenced by emails. After crunching the numbers, our models revealed that:



5% of customers consume 30% of promotional costs



This 5% need not be emailed, which would result in

$6 million annual impact

With this knowledge, the client could eliminate outreach that was wasted on a non-persuadable audience, saving the marketing department time and money.

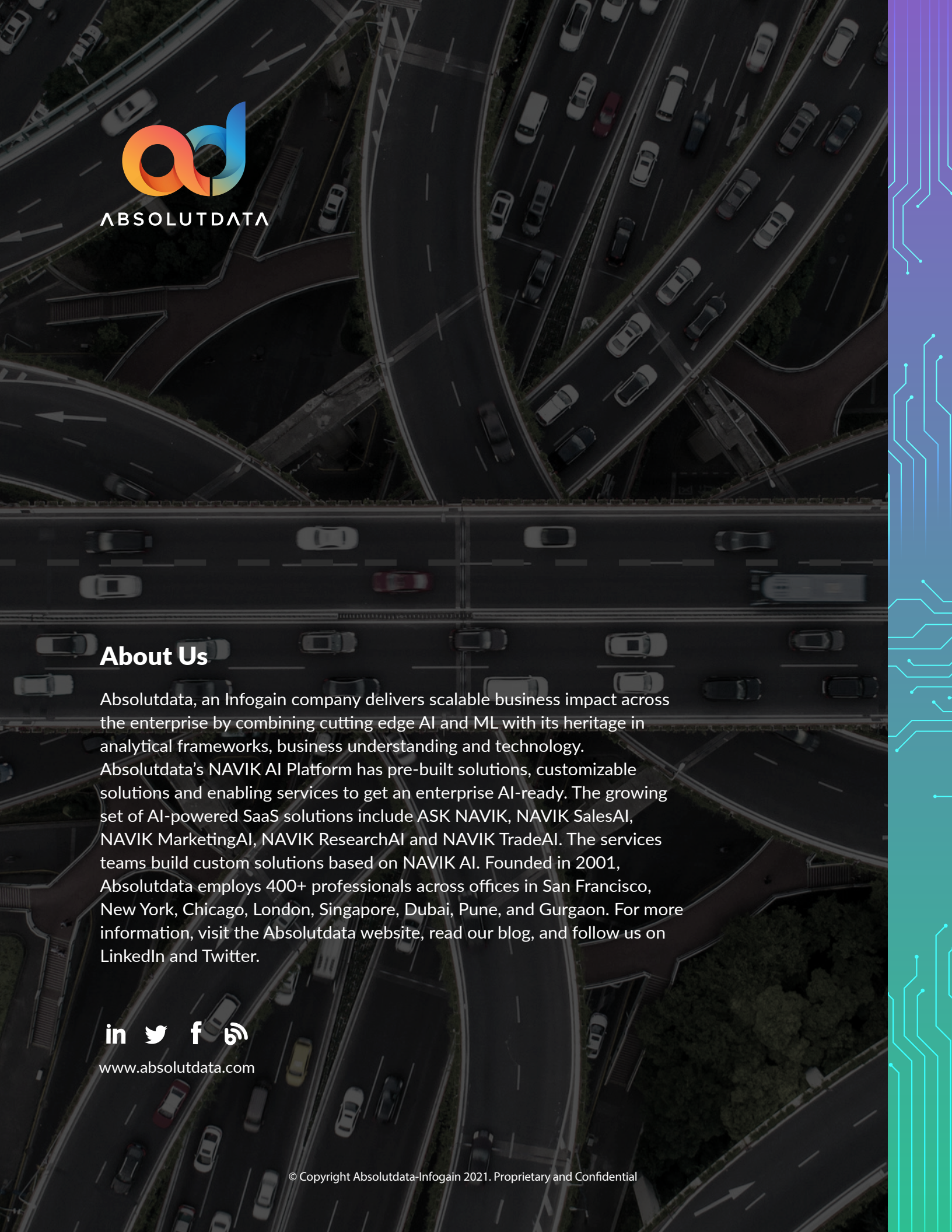
Probability Is Key

The solution to this problem relied on data analytics. Specifically, we did this by estimating the uplift probability and impact on behavior for the two groups.

First, of course, these groups had to be identified as persuadable (impacted by email offers) and non-persuadable (not impacted by email offers). Then the contribution of each group was assessed by its positive or negative uplift. The persuadable group was shown to generate a potential uplift in incremental revenue, while the negative group could be safely excluded from the email campaign.

Data Makes ROI Maximization Clear

Emails may not cost much per send, but they do add up in the aggregate. Our client saved millions by trimming unresponsive customers from their mailing list while still generating additional revenue from persuadable customers.



ABSOLUTDATA

About Us

Absolutdata, an Infogain company delivers scalable business impact across the enterprise by combining cutting edge AI and ML with its heritage in analytical frameworks, business understanding and technology. Absolutdata's NAVIK AI Platform has pre-built solutions, customizable solutions and enabling services to get an enterprise AI-ready. The growing set of AI-powered SaaS solutions include ASK NAVIK, NAVIK SalesAI, NAVIK MarketingAI, NAVIK ResearchAI and NAVIK TradeAI. The services teams build custom solutions based on NAVIK AI. Founded in 2001, Absolutdata employs 400+ professionals across offices in San Francisco, New York, Chicago, London, Singapore, Dubai, Pune, and Gurgaon. For more information, visit the Absolutdata website, read our blog, and follow us on LinkedIn and Twitter.

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