Personalization Never Goes Out of Style



Diane Kegley CMO, RichRelevance 18 July 2012



Regardless of the Industry, Personalization Amplifies Brands



Personalization Gives Amazon a Unique Scope of Influence



"Amazon.com has achieved this status through exceptional service and providing its own recommendations to users. This combination has made Amazon the gold standard of trust and recommendation in the <u>U.S.''</u>

> -- Nigel Hollis EVP &Chief Global Analyst Millward Brown



How the Online Shopper Has Evolved



Empowered.

In Control.





Considering Shoppers' Split Personalities







Consumers Tend to be Very Directed Shoppers Online

Percent of US web shoppers agreeing with statement

I generally know what I'm looking for when I search for products online	83
I find products online that I cannot find anywhere else	66
I spend a lot of time browsing products online, without specific information in mind	33
l wish there were more ways to unearth interesting products online	32
l often rely on word-of-mouth and recommendations to find products online	26
l've often bought products after browsing without a specific objective	24
l often do not know where to begin when looking for products online	

Source: Q3 2011 Forrester Consumer Technographics Online Retail Survey



Entry Points: Landing Pages & Side Doors



While nearly 40% of sessions begin at the home page, a significant share of visits begin deep in the site.



Entry Points: Bounce Rates & Capture







Sony Cyber-shot HX5V Black 10MP Digital Camera, 10x Optical Zoom, 3" LCD, Full HD Movie Mode, GPS, Compass

\$74.00

\$99.00

\$39.00



\$29.00

{f**r}**}



Social Media Share of Sessions

Sessions originating on social sites: **Pinterest** is growing steadily during the last four months, although the bulk of traffic comes from **Facebook**.



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Just as Online Shoppers Have Grown More Sophisticated...So Have Personalization Solutions



Increasingly important is a solution's ability to power through large sets of data and choose the right strategy in the right context.



Personalization: Monetizing every Pixel



- Offer Targeting: Who are we to you?
- Product Selection & Merchandising
- Driving Conversion, Revenue
- Drive Margin





Melding Personalization & Merchandising

Ability to automate merchandising
 Increases in units per transaction
 Increases in average order value
 Increases in time on site; exposing customers to more of your content
 Overall revenue lift

✓ Brand Loyalty













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	SEARCH					
MY ACCOUNT My Beauty Insider Profile	Welcome Sarah Northen (Sign Out)		<u>rofile</u> and we'll spoil you with personalized product picks ►			
Update Email, Profile & Password	mis page has everything you need to I	eep your account current.				
Password Security Question Email Subscriptions Catalog Subscription	If you are a Beauty Insider, here is whe information allows us to give you perso sure it's always up-to-date.					
Beauty Profile Questions Beauty Insider Only Products	Already a Beauty Insider? Update your Beauty Profile Questions. Not a Beauty Insider? Sign up below.					
Online Order & Credit History	We respect your privacy and limit the u	se of your information. Read our privac	y policy.			
View & Track Online Orders Online Store Credit	beautyinside r	You have 163 points	in your Beauty Bank			
Gift Card Balance Purchase History	FREE 100-POINT PERK	500-POINT PERK	INTRODUCING V.I.B. (VE			
Managing My List Address Book Shopping List Gift Registry Credit Cards	CONGRATULATIONSI You have over 100 points in your Beauty Bank. You can select a Beauty Insider reward that's perfect for you. More info	KEEP SAVING! Once your Beauty Bank hits 500 points, you can trade them in for a free, limited-edition product. Every few months it's something new, so start saving. <u>More info</u>	IMPORTANT BEAUTY INS V.I.B. is the premium level Beauty Insiders and the ticl bigger, better, even more beauty-full rewards. Learn more about V.I.B.			
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Highly Personalized Multichannel Experience



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The Path to Personalization: Build vs. Buy







Personalization: Improves ROI Across All Channels









Thank you.









Personalization Never Goes Out of Style

Karen Kobus Lead Functional Analyst Office Depot

How We View Personalization

- Identify gaps in our business uncover new ways to improve and optimize our sites
- Help create a better user experience
- Help deliver higher engagement and sales across all page types

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Current Global Implementation



online merchandising workshop

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Current Personalization: Recommendations & Promotions





Home Page: RichPromo



Search Page: Recommendations



Product Page: Recommendations



Enhancing the User Experience





Internal Search

Office DE	POT. Locator by	v Catalog * Weekly Ad SEE IT NOW *	2 Aerr(s): 5247.58 Delivery () Posk-Up View Cart Directout Directout	opping List
			Welcome, Guest - Log In - Re	gister - Browsing 94112 - Char
	per Ink & Toner Brea			
SEARCH	60	Ink & Ton	er Paper Tax Center View A	All Products A-Z (i) Order Tri
iome > Technology > Compute				
ShopTechnology	Laptops			SAVE \$200
Brands -	Learn More			HP Pavilion Laptop Computer
HP Lenovo Toshiba	Blackberry PlayBook Video Int	roduction		\$569%
Toshiba Asus	All Categories			+ SHOP NOW
Asus Samsung See all Brands	1	Tablet PCs	(37)	6000
Price -				
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\$100 - \$500 \$500 - \$1000 \$1000 - \$10000				
Processor Speed -				with the raw AMD APJ
2.1 - 3.0 GHz				Need Help?
<pre>< 1.6 GHz </pre> 1.6 - 2.0 GHz				Email Assistance FAQs
Processor Model +				FAQs Talk with a
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More Ways to Shop	drive space that lets you run your m songs, photos, and documents, just	ost demanding programs and take adv as you'd find on even high-and desito	antage of online video and interactive o computers. You'll also find ultra-com	media, as well as store thousands pact, budget-friendly notebooks an
Office Depot Brand Products GreenerOffice Products	tablets for travel, with plenty of room We've also got a wide variety of pro	to store your files and programs, so y cessor type and speed, memory, hard	ou can stay connected and be product drive capacity, and storage capacity op	ive and entertained wherever you potions to meet your unique needs.
Gidenerumce Products	matter what your laptop or tablet PC Acer, Panasonic, Sony, ASUS, Sam	ters, and tablet PCs give you the best trats better meets your needs for busis p? Office Depot has you covered. We cal domainding programs and table ad- as you'd find on even high-end deside to store your files and programs, so y coessor type and speed, memory, had- t computer needs are, Office Depot has sung, Lenovo, and more.	s the specifications, styles and, brands	you want, including HP, Lenovo, T
Introducing the NEW	Popular Products in L			
Asus Ultrabook				
Ultra Responsive. Ultra Stylish.	0	() ······	0	
SHOP NOW				
	HP g6-1d73us Laptop Computer With 15.6*	HP g7-1310us Laptop Computer With 17.3"	HP 2000-410US Laptop Computer With 15.6" LED-Backlit Screen & Intel® Pentum® 8960 Processor,	ASUS® U46E-RAL7 Laptop Computer With 14*
	LED-Backlit Screen & 2nd Gen Intel® Core™ I3-2350M	LED-Backlit Screen & 2nd Gen Intel® Core™ I3-2350M Processor, Dark Gray	LED-Backlit Screen & Intel® Pentum® B960 Processor,	LED-Backlit Screen & 2nd Gen Intel® Core™ (7-2640M
	Processor, Dark Gray Item #766669	Processor, Dark Gray Item #766588	Dark Gray Item #766534	Processor, Platinum Item #756823
	Rating: * * * * *	Rating: * * * * *	Rating: + Read all 2 reviews	Rating: * * * * *
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Gift Cards Gift cards have no expiration dates and can be shipped free.	Credit Cards Special francing options available everydey.	Worklife Rewards® 10% Back on Ink, Toner, Paper, and Copy & Print Depot Purchases	Smart Email Deals Receive exclusive decounts and offers	Text 'Offer' to Depot (33768) to
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Site Info	Company Info	Customer Service	Products	Specials
	Store Locator	Customer Service	Tech Depot ¹⁴⁴ Services Ink Depot Fumiture Depot Copy & Print Depot Christopher Lowell	Worklife Rewards®
Site Map Top Categories Office Depot Canada International Office Depot on Español	Company Overview About Office Deport Career Opportunities		Furniture Depot Copy & Print Depot	Weekly Ad 5% Back to Schools Program
	Career Opportunities Compliance and Ethios Affiliate Program Government Programs	Order Tracking Delivery Info Re-order	Christopher Lowell Ativa8	Star Teacher Annix for Credit Card
	Government Programs Diversity	Order by Remit	Products A-Z Greener/Office	For great business content and product offers:
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Terms of Use Mobile Terms of Use Privacy Policy Office Depot Anywhere	Women in Business Environmental Programs	Request a Catalog Gift & Rewards Cards	Office Products Office Supplies	Follow Us on Twitter
Mobile Terms of Use Privacy Policy Office Depot Anywhere	Government Programs Diversity Community Involvement Women in Business Environmental Programs Media Relations Investor Relations Office Depot Racing Office Depot Reading Office Depot Reading Video Gallery	Re-ontier Order by Iternif My Account Request a Catalog Orth & Rewards Cante Website Feedback Recall Notices	Christopher Lowell Abudi Foray ^{Te} Products A-Z Orsen=Office Office Products Office Supplies Office Furniture Technology With a Product Review Technology	Follow Us on Twitter

Utilize valuable real estate for recommendations off of a search

Expected Impact to Business

Increased customer
 interaction with products


Internal Search

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HP g6-1d73us Laptop Computer With 15.6" LED-Backlit Screen & 2nd Gen Intel® Core™ i3-2350M Processor, Dark Gray Item #766669			HP g7-1310us Laptop Computer With 17.3" LED-Backlit Screen & 2nd Gen Intel® Core™ 13-2350M Processor, Dark Gray Item #785588			HP 2000-410US Laptop Computer With 15.6" LED-Backlit Screen & Intel® Pentium® B960 Processor, Dark Gray Item #766534		
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Qty	AD	D TO CART	Qty	ADD TO C	ART	Qty	ADD TO CART	
HP EliteBook 8560p XU0630UT 15.6" LED Notebook - Core I7 17-2620M 2.7GHz - Smart Buy Item #323023			HP ProBook 6560b XU053UT 15.6° LED Notebook - Core i5 15-2410M 2.3GHz- Smart Buy Item #322996			Life Book 8460w XU079UT 14.0° LED Notebook - Core 17 17-2630QM 2.00GHz- Smart Buy Item #323698		
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Utilize valuable real estate for recommendations off of a search

Expected Impact to Business

Increased customer
interaction with products



Improve UI





online merchandising workshop

- Improve UI by concentrating on color & image size
- Consider inline pricing, updated rating format, singular Add to Cart button, & consistency in price story
- MVT these design concepts

Expected Impact to Business

Better user experience

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Optimizing Strategies and Rules





Attribute-Based Strategies



Map multiple products with a single rule (Green attributes go with green attributes) or price band (only show products that are higher in price, or within a range)

Expected Impact to Business

 Higher revenue with more precise relevance

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Leverage Replenishment Strategies



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Expected Impact to Business

Greater shopper
interaction with recs

Home Page



Leverage Replenishment Strategies



Provide timely reminders to repeat shoppers and shorten the click through path to the cart.

Expected Impact to Business

 Greater shopper interaction with recs

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Home Page

Maximizing Effectiveness of Real Estate





Add Dynamic Search Landing (SEO)



Provide an experience specific to inbound traffic from search engines.

Expected Impact to Business

• Reduction in bounce rates from 10% to 40%.



Add Dynamic Search Landing (SEO)



Paper: Copy Paper, Photo Paper & Printer Paper at Office Depot www.officedepot.com/a/browse/paper/N=5+530715/

For copy **paper**, printer **paper** or photo **paper**, **Office** Depot is your **paper** resource. Shop the huge selection of **paper** types to find the supplies you need!

> Staples®, has the HP Office Paper you need for home office or business. Shop our great selection of Copy & Multipurpose Paper, Office needs, Medical Supplies ...

Office Paper & Envelopes - Sam's Club

www.samsciub.com/sams/shop/category.jsp?categoryid=1727 Find office paper supplies for your business at Sam's Club. From copy paper to printer paper to cash register rolls, you'll get for less at SamsClub.com.

Office Paper

www.buyonlinenow.com/catnav.asp?departmentlabel=S Discount office supplies & furniture in stock for fast delivery nationwide | BuyOnlineNow

Copy & Multi-use Paper www.discountofficetimes.com/office.../paper...paper/c200213.html Basic, functional multipurpose and copy paper for inkjet and laser printers. Use for office communication or high quantity projects.

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Office Paper | Envelopes Business | Business Envelope | Business ...

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Add Dynamic Search Landing (SEO)



Provide an experience specific to inbound traffic from search engines.

Expected Impact to Business

 Reduction in bounce rates from 10% to 40%.



Add Personalized Recs Higher in Tree

- 1. First click no recs
- 2. Second click no recs
- 3. Third click finally recs



Multiple category levels with no access to products or recommendations decreases customer interaction

Expected Impact to Business

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 Earlier shopper interaction with recs

Add Personalized Recs Higher in Tree

1. First click – Recently Viewed 2. Second click – Recently Viewed 3. Third click – Add vertical rec Record Loads Hand ausau® Exact® Vellu Bristol Cover Stock, 8 1/2" x 11", 67 Lb., Canary, Pack Of 250 Sheets Office DEPOT. Write the first review \$10.99 Your Price Strend Life State / nack ADD TO CART Barner > Art 8 Craft Danage Wausau® 30% Recycled Specialty Cover Stock, 65 Lb, 8 1/2" v 11" Stardust White Pack Of 250 Sheets art & craft p Rating: **** Read all 2 reviews \$13.99 Your Recent History Wausau® Heavyweight Exact® Index Card Stock, 8 HP LaserJet P2035r HP Officeiet 4500 Wireless HP Officeiet Pro 8600 e-All-HP Laser 1/2" x 11", 90 Lb., Green, F Monochrome Printer Color All-In-One Printer In-One Printer, Copier P1606dn Of 250 Sheets Copier, Scanner, Fax Item #854289 Scanner, Fax Rating: **** Rating: ++++ Rating: ++++ Rating: +++ \$11.99 Your Recent Your Price \$299.99 \$99.99 Your Price \$199.99 Oth See Lower Price in Cart HP LaserJet P2035n HP Office Monochrome Printer Color All-Wausau® Astrobrights® 30% tem #978595 Conier S Recycled Bright Color Cove Paper, 8 1/2 x 11, 24 Lb Assorted Colors, Ream Of 50 Rating: ++++ Rat Rating: ++++ \$13.99 Qt

Multiple category levels with no access to products or recommendations decreases customer interaction

Expected Impact to Business

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 Earlier shopper interaction with recs