



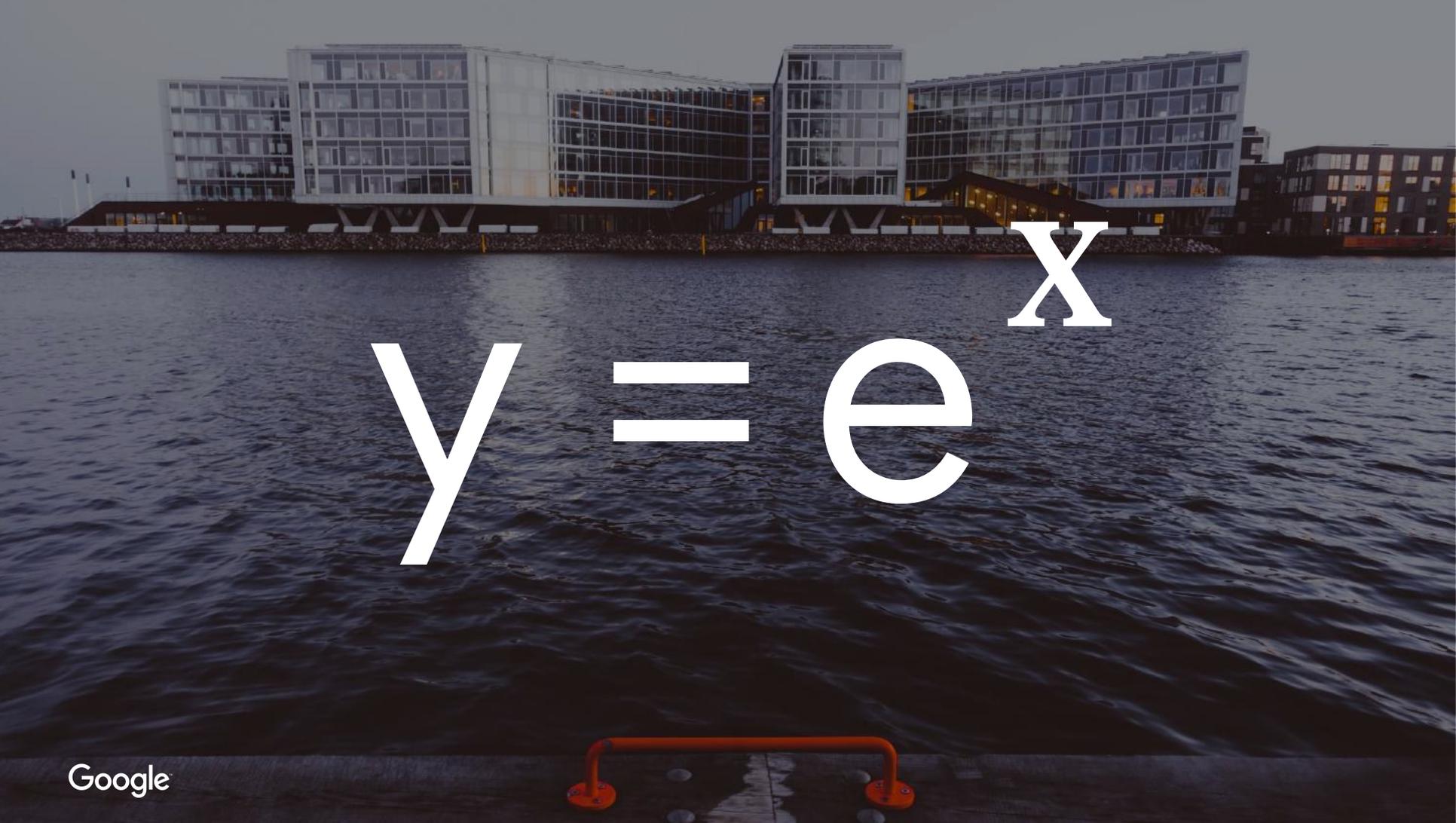
Business in the age of exponentialism



Johan Thorbjörnsson

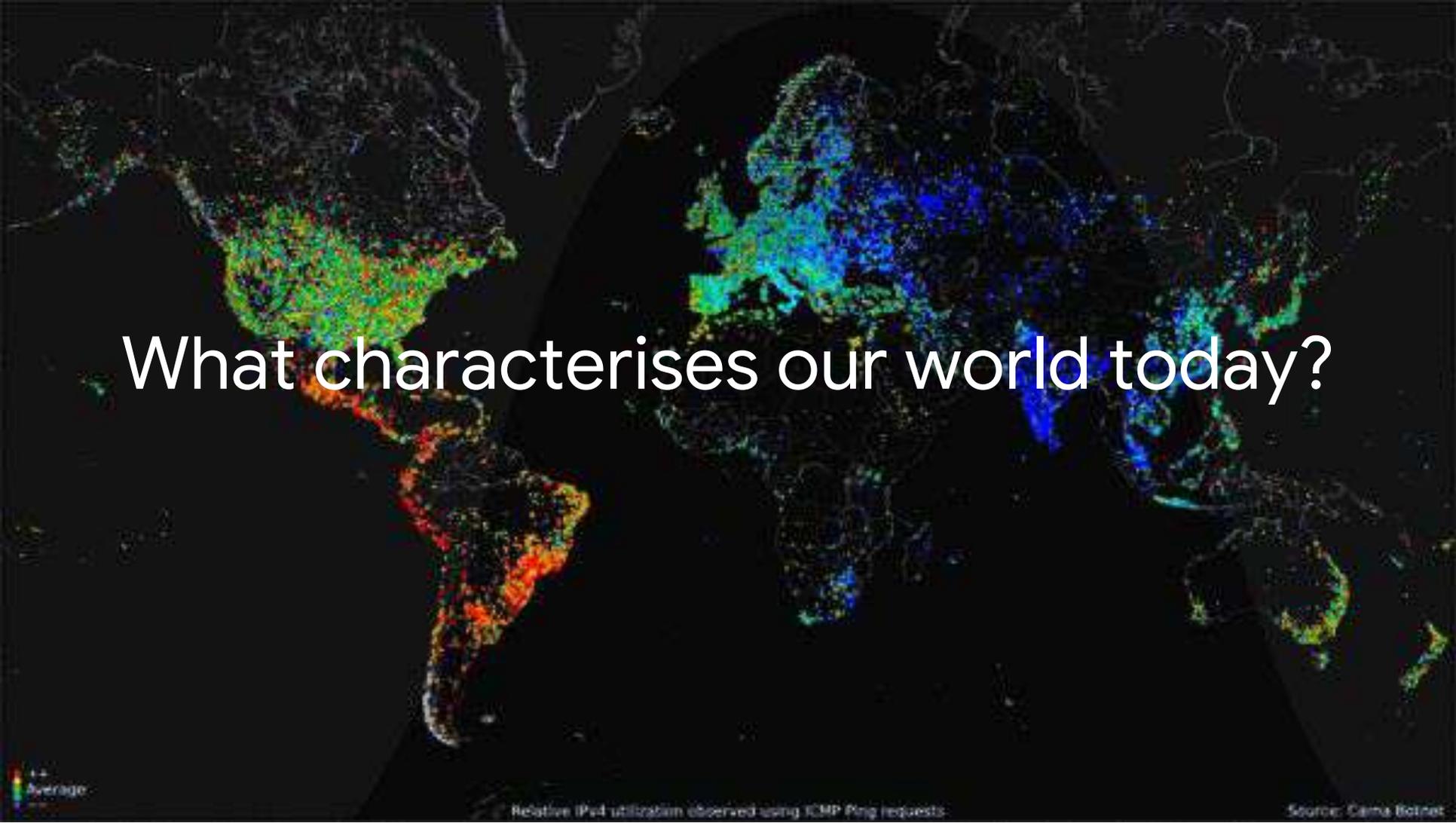
Country Manager Norway,
DoubleClick Digital Marketing




$$y = e^x$$



Change has never been
this fast.
And it will never be this
slow again.

A world map where different regions are colored based on their relative IPv4 utilization. North America is shown in green and yellow, Europe in blue and cyan, and South America in orange and red. Other regions like Africa, Asia, and Australia are mostly dark, indicating lower utilization. The map is set against a black background with faint outlines of continents.

What characterises our world today?

Relative IPv4 utilization observed using ICMP Ping requests.

Source: Cern Botnet

The 3 Fundamentals



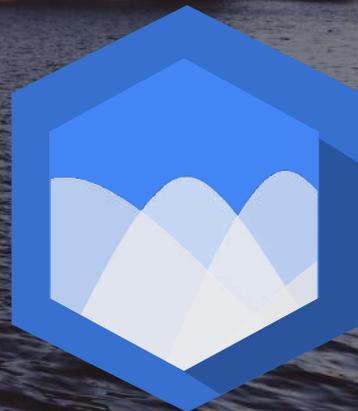
EXPONENTIAL CONNECTIVITY

As users across the world are becoming digitally connected, there's a need for companies to adapt and create value across devices and channels



EXPONENTIAL SIGNALS

The volume of data is rapidly increasing and is creating new opportunities to leverage data in more intelligent ways



EXPONENTIAL TECHNOLOGY

The pace of development in technology is allowing companies to make giant leaps across a range of business areas

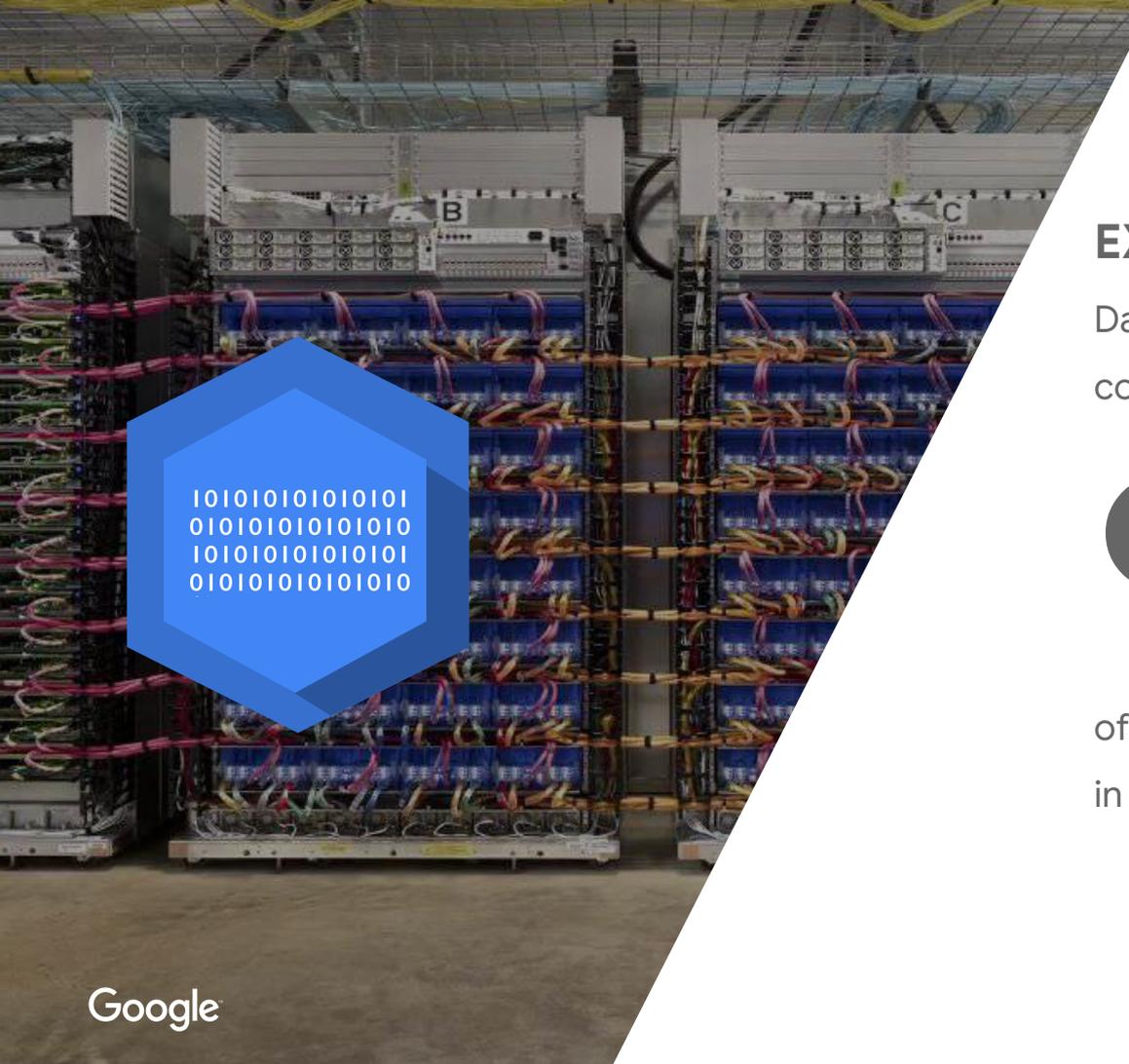


EXPONENTIAL CONNECTIVITY

In the coming three years, 200 billion things will get connected and

750 million

more people from across the globe will go online, gaining instant access to all the world's information



EXPONENTIAL SIGNALS

Data is becoming an essential element for companies in a world where

90%

of the world's information was created in the last 2 years

~~Data~~ it's ~~seem~~ to be ~~as~~ simple ~~as~~... than ever...



$$2013 = 1/10^{\text{th}}$$

$$2016 = 2/10^{\text{ths}}$$

$$2020 = 6/10^{\text{ths}}$$

$$2025 = 2.5 \text{ times}$$



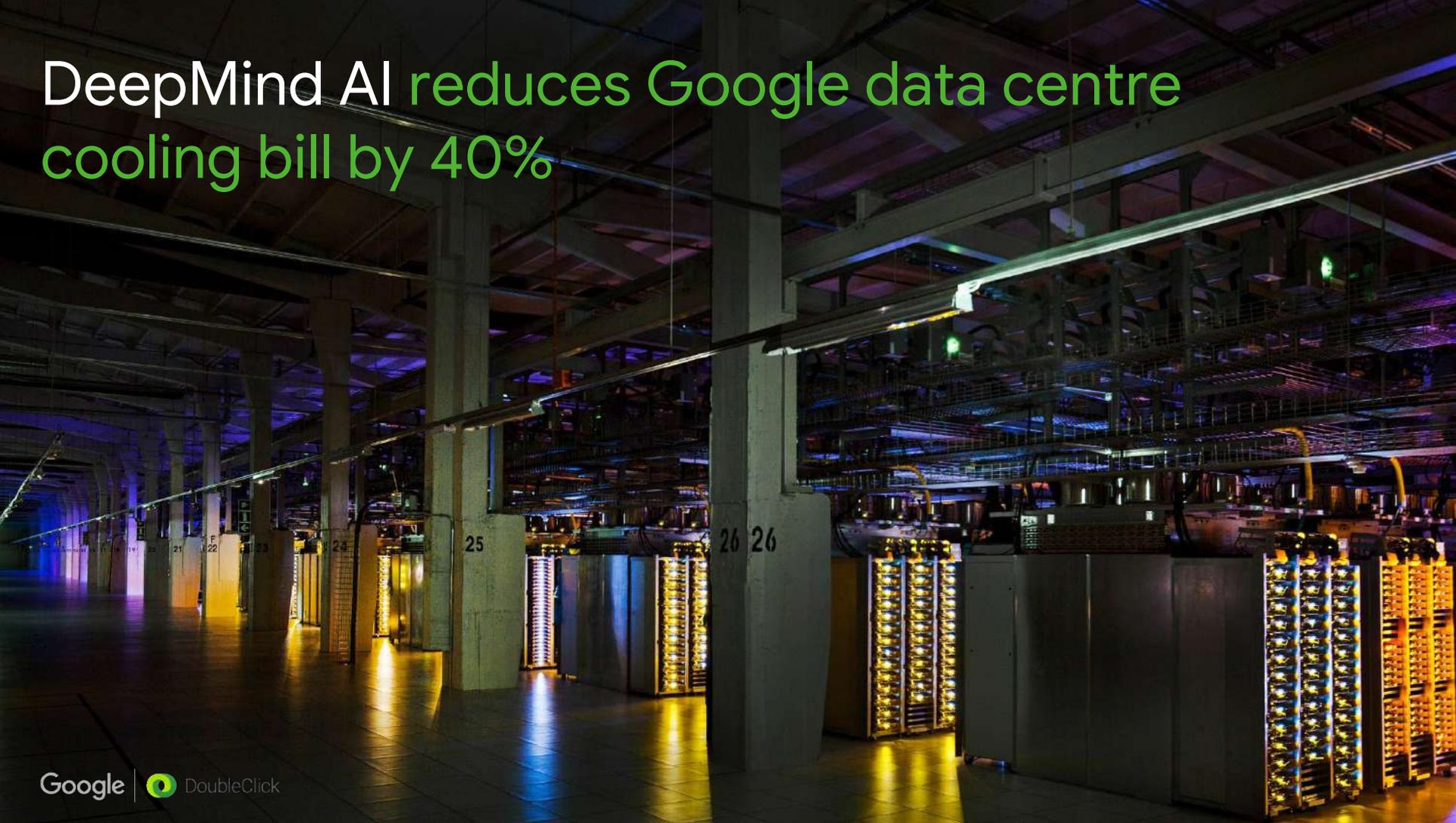
EXPONENTIAL TECHNOLOGY

The emergence of new, radical technology is fueling most new advances across multiple industries. Gartner estimates that by 2020

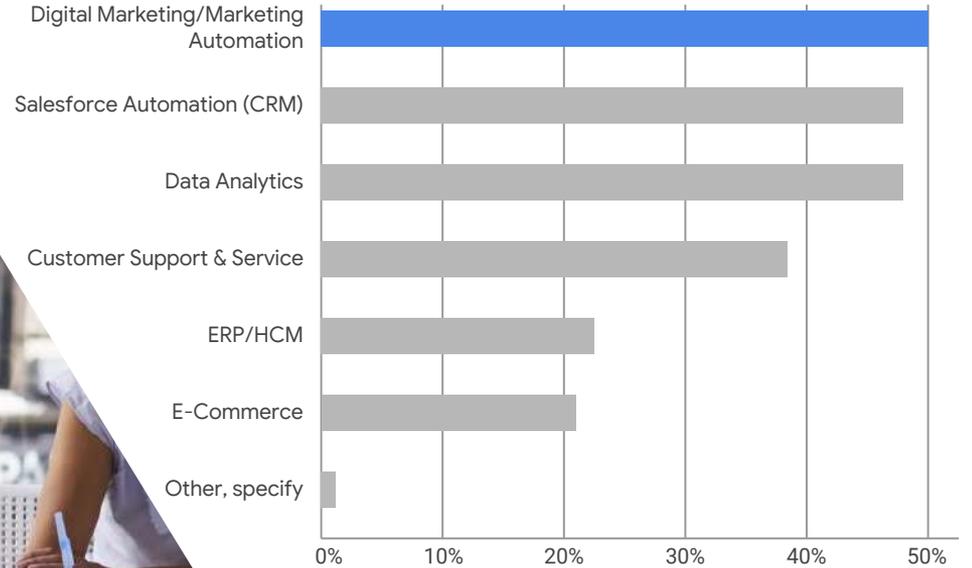
88%

of all customer interactions will be managed by artificial intelligence without any human involvement

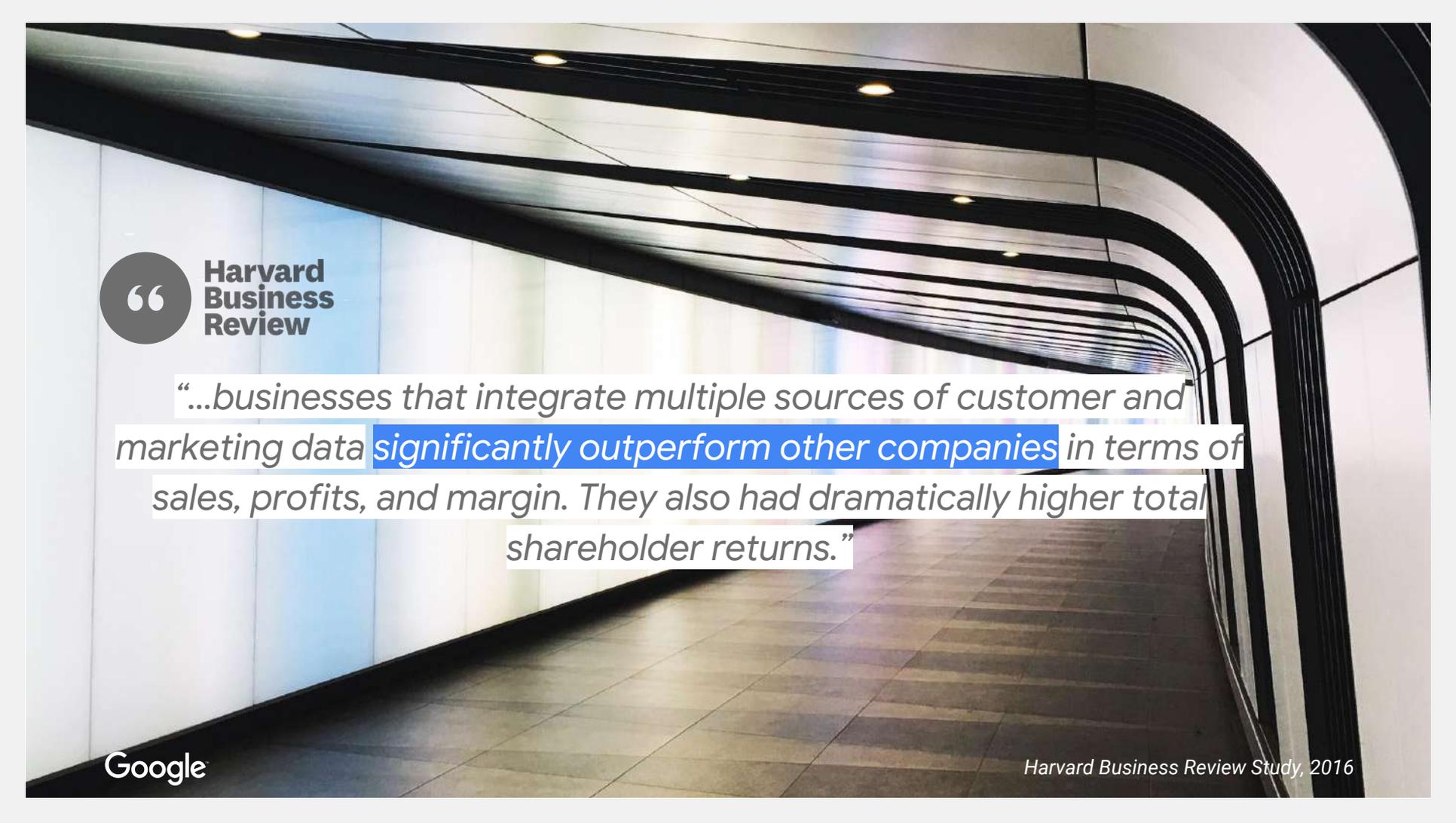
DeepMind AI reduces Google data centre cooling bill by 40%



Some of the areas in software that are ripe for AI/ML Investment



Source: Cowen and Company IT Survey May 2017 (N= 146)



“

**Harvard
Business
Review**

“...businesses that integrate multiple sources of customer and marketing data significantly outperform other companies in terms of sales, profits, and margin. They also had dramatically higher total shareholder returns.”

A man and a woman are looking at a tablet together. The man is on the left, wearing a light blue shirt and a striped tie, and is pointing at the screen. The woman is on the right, wearing a green turtleneck sweater and glasses. The background is a light-colored wall with some sticky notes and a red string.

Organizations that leverage customer behavioral insights outperform peers by

85% and **25%+**
in sales growth in gross margin

Data
Iceberg

Above the Surface



Search



Display



Video



Website



Analytics

Campaign Data

Site Data

Below the Surface



CRM



POS



Email



ERP



KLM Airlines Data Activation



Goals

- ❑ Develop smarter, **more effective** media buying models through data
- ❑ Drive **relevant** advertising
- ❑ Scale **predictive modelling** across all touchpoints in the customer journey

Approach

- ❑ Combine data to create a predictive model with granular layers
- ❑ Activated data in real-time

Results

- ❑ **40%** lower cost per booking
- ❑ More than **twice** as many bookings at **same spend**
- ❑ **1.4 times** higher click-through rate for test group than control



From consumer behaviour,
to an AI-driven operational model.

Finding the correlation with the G-ecosystem

What really matters from a business perspective?

Typical Operational Costs

- Fuel consumption (60-70%)
- Leasing costs (aircraft type)
- Airport landing fees
- Luggage handling feed

Revenue drivers

- Ticket sales
- Up- /selling (Hotels & Rental Cars)
- Cross selling

Business Operation Assumptions

More passengers = more revenue

Cross/up-sell = higher yield

Using the right aircraft type = substantially higher yields

THESIS: The faster you can fill seats, the more precise you can be when planning your trips.

HUMAN ANSWER: INCREASE VELOCITY OF BOOKINGS//**ML ANSWER:** The how..

From “this is how” to data driven “what if?” business planning

...a cloud computing conversation

Automated Flight Operations Planning System

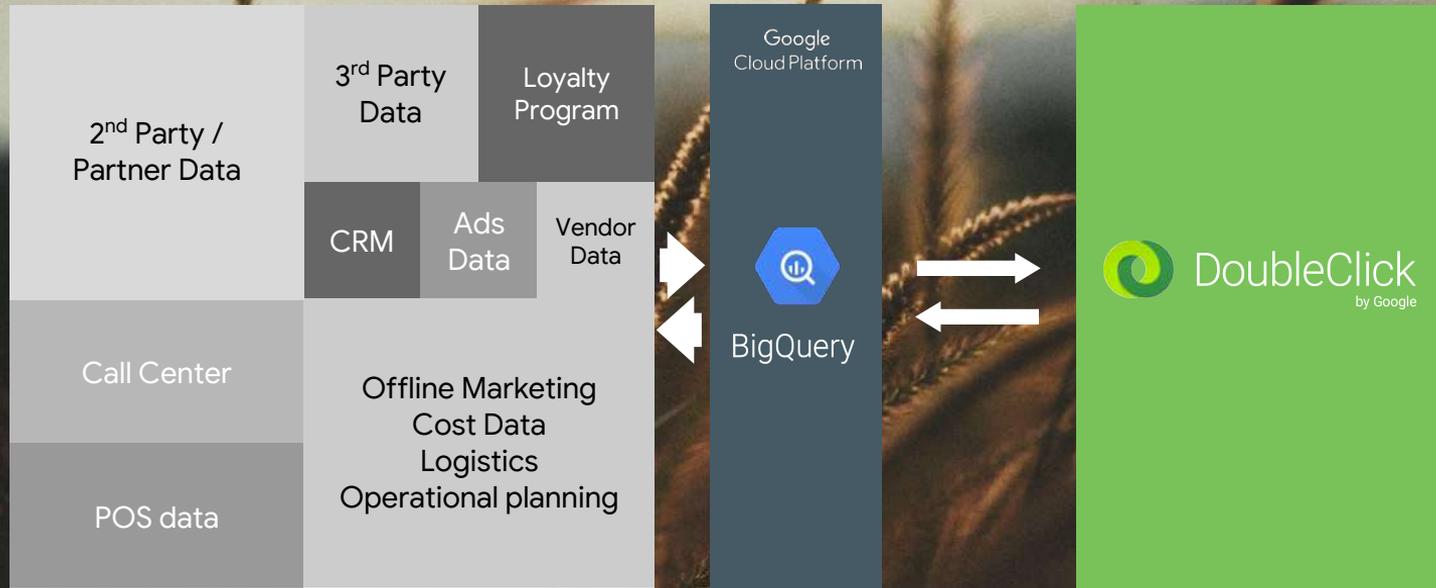
Powered by BigQuery - at the heart of “what if planning”

Incorporating enterprise level data such as flight types, fuel consumption, **yeild per km** etc..

CMO representing investment (rather than budget allocation) into **managing consumer behaviour -**
GARTNER: 80% CMO to influece or buy cloud infrastructure applications

Advertising as a “beacon” of consumer behaviour

Close the loop between core business functions and consumer behaviour



Platform & Data Integration Remains a Challenge



Marketers on average are using 4.9 platforms to execute a single campaign

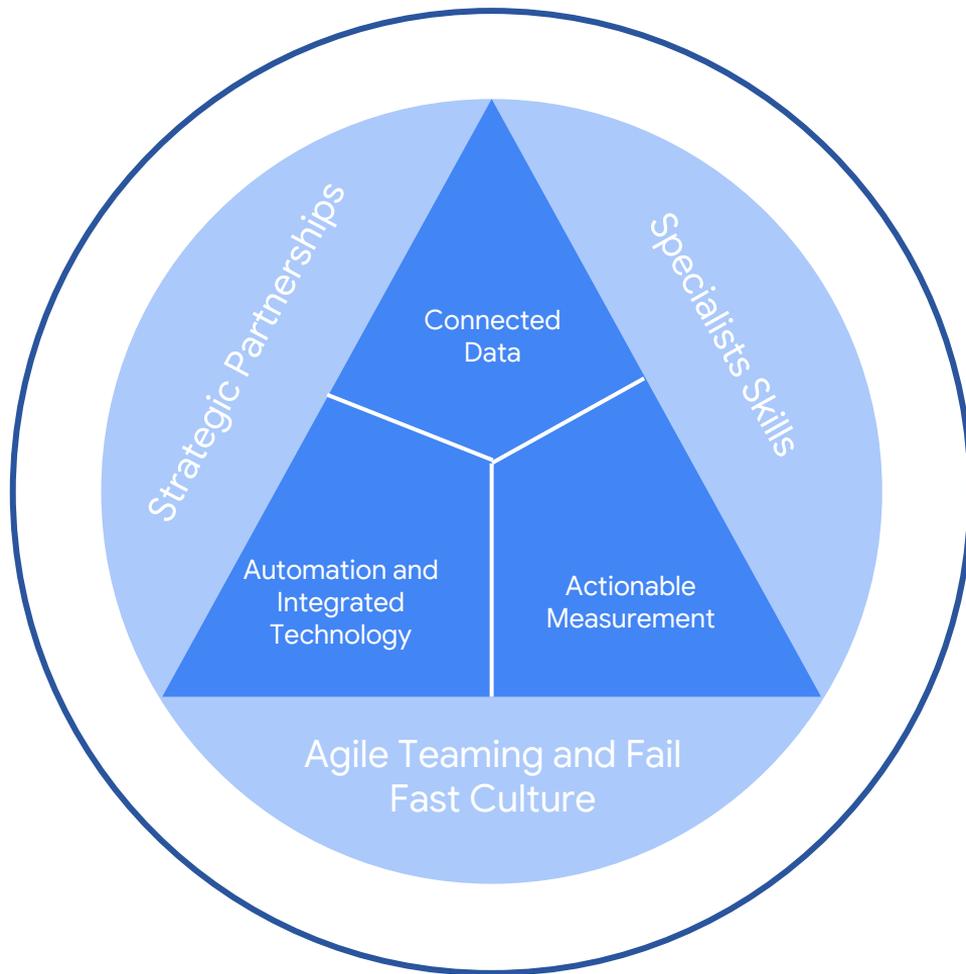
Company Data & Systems



In addition, large amounts of marketing & customer signals live in data stores in the enterprise

We identified the 6
technical &
organisational success
factors

*BCG, Data Maturity Study,
2017*



Thank you!

G(r)EEK inside