

RockUP  
CONSULTING

Customer Insights &  
Personalisation

# Overview

Rockup Consulting is a value-centric data consulting company based in Cape Town, South Africa.

We offer end-to-end solutions to empower businesses, streamline operations, and drive growth in the ever-changing digital economy.

This pack was created to give an overview of the retail loyalty and rewards landscape in South Africa and to showcase retail solutions enabled by enterprise knowledge graphs.

There is a clear opportunity for retailers wishing to embrace an omnichannel strategy powered by knowledge graphs, and a business advantage can be built in this very competitive commercial space.

By correctly collecting, managing and leveraging first-party data, retailers can provide relationship-centric, bespoke, personal experiences to their customers at scale.

# We now live in a digital economy

During the past few years, South Africa's digital economy has experienced incredible growth. More than 80% of people living in urban areas are using mobile devices. Devices that offer organisations a direct line to consumers.

The largest retailers are leveraging this opportunity and have piloted the adoption of on-demand delivery platforms, introducing consumers to a new level of convenience. Never before has it been this easy for consumers to buy and receive goods.

However, with increased convenience and offerings that only the most prominent retailers can offer and afford to implement, mid-market retailers are on the back foot.

For these retailers to build a competitive advantage and retain customers, they must build customer relationships. They need a vehicle for communicating with customers in a way that resonates with them.

# Digital is driving loyalty and on-demand

Large and mid-market retailers have embraced loyalty and rewards programs to differentiate themselves from their competitors, retain and engage with customers, and, more importantly, understand them better.

Examples of loyalty and rewards programs that have shown success in South Africa include:

- **Redeemable Points / Cashback** (Most small/mid-market retailers e.g. 3% back - Wellness Warehouse)
- **Personalised Discounts** (Large retailers are entering this space now, Checkers deals for you, P&P smart-shopper personalised deals)
- **Benefits** (Large Companies - Clicks Clubcard with points gained from Engen, eBucks etc.)
- **Paid Loyalty / Subscriptions** (Discovery Vitality, Checkers extra plus (Beta), Uber One, Amazon Prime)

And they have done very well...

BUSINESS REPORT ECONOMY

## Soaring appeal of loyalty programmes in South Africa

Age category	Number of Programmes
18-24 years	7
25-34 years	8
35-49 years	10
50+ years	9

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Share   

## Almost 75% of South Africans use loyalty programmes - these are the most popular

Londiwe Buthelezi

news24

Comments

Bookmark

The trend towards on-demand essentials is evident in Uber Eats' latest data, which show an 1860% increase since inception in March last year.

Rock   
CONSULTING



# Problem is. When everyone has loyalty, no one has loyalty

Consumers have come to expect cashback rewards and partner benefits as standard when joining a loyalty program. (McKinsey research shows consumers only respond when the rewards clearly outweigh the cost [150%+ of cost at a minimum])

## Retailers need to differentiate themselves

Become a Loyalty member by joining our Live Life Well Rewards Program today. Members earn up to 3% cashback when they shop online and in-stores across South Africa!

Wellness Warehouse

✓ Earn cash back by downloading the mCard app and accessing mRewards deals.	✓ No points, just cash back to spend at makro.
✓ Don't have a Makro card? Getting the mCard app automatically generates one for you.	✓ You won't need your plastic Makro card in-store if you have the mCard app. Just show your app to the cashier - no more plastic.

Makro

## Customer Rewards

Customers earn R25 for every R5000 spent (excluding cement purchases).

Buildit

For every R5 you spend at Clicks, The Body Shop or Claire's, you earn 1 point. Once you've spent R250 in a 2-month period, cashback is loaded to your card, and if you spend R1000 in the same period you start earning double points, which means more cashback!

Clicks

## Our partners

Additional points are earned through our affiliated partners being:

<p>Join School Days and Dis-Chem in our mission to raise funds for South African schools.</p> <p>LEARN MORE</p>	<p>Get up to 50% back on thousands of HealthyCare items with Discovery Bank and Vitality.</p> <p>LEARN MORE</p>	<p>Get up to 30% in cash back with Absa Rewards depending on your Rewards Tier.</p> <p>LEARN MORE</p>	<p>Earn up to 20% UCount Rewards Points with every swipe with Standard Bank.</p> <p>LEARN MORE</p>
<p>Don't jump through hoops for cash back, simply pay with your Capitec card and get 2% cash back at Dis-Chem and Baby City.</p> <p>LEARN MORE</p>	<p>The only credit card that adds as much as 5% of everything you spend at Dis-Chem to your cash back.</p> <p>LEARN MORE</p>	<p>Multiply members get up to 12% in cashbacks when shopping at Dis-Chem.</p> <p>LEARN MORE</p>	<p>Earn Dis-Chem Benefit rewards when you fuel up at TotalEnergies.</p> <p>LEARN MORE</p>
<p>Planet Fitness members get 10% back in Benefit rewards.</p> <p>LEARN MORE</p>	<p>Earn and redeem your Legacy Rands at Dis-Chem.</p> <p>LEARN MORE</p>		

Dischem

and many, **many** more....



# Data is how you differentiate

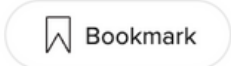
More recently, prominent South African organisations have embraced omnichannel strategies by investing heavily in personalisation and customer insight platforms using the data they obtained through their loyalty programs.

PnP Coffee Club Member, stand to win a year's supply of Nescafe Classic Coffee! See more <https://w.ems.to/NsgLMar> T&C. To opt out of Coffee Club call [0860303030](tel:0860303030)

Die Boord SUPERSPAR: 4-6 Aug  
Bulk Lean Beef Mince-R79.99/kg  
Bulk Rump-R120/kg  
Olof Bergh Brandy 750ml-R140 (with rewards)  
Castle Lite NRB 330ml-R250 24's (with rewards)  
B/Soft T/Tissue 2ply 18's-R149.99  
Savemor Oil 2l -R50  
SPAR White Sugar 2kg-R41.99  
SPAR Chopped Tomatoes buy 2 for R30  
Optout reply STOP

## Pick n Pay will now load 'personalised' discounts on your Smart Shopper card







Bombi Mavundza



### YOUR personal DISCOUNTS

Load your discounts to your card, then swipe at the till to enjoy your savings!

32 DISCOUNTS LOADED TO CARD LOAD ALL TO CARD

 <p>ZX POINTS ON YOUR NEXT SHOP, Redeemable on a single shop</p> <p>Valid Until End of Today</p> <p>LOAD DISCOUNT</p>	 <p>PET CLUB! R7 HUSKY WET DOG FOOD ASSORTED 385/400GR, multiple units in multiple shops</p> <p>Valid Until Thursday, 31 August 2023</p> <p>LOADED TO CARD</p>	 <p>WINE CLUB! 20% OFF HAUTE CABRIÈRE PINOT NOIR ROSE 750ML, multiple units in multiple shops</p> <p>Valid Until Sunday, 3 September 2023</p> <p>LOADED TO CARD</p>	 <p>WINE CLUB! 20% OFF BOSCHENDAL 1685 SAUVIGNON BLANC 750ML multiple units in multiple shops</p> <p>Valid Until Sunday, 3 September 2023</p> <p>LOADED TO CARD</p>	 <p>WINE CLUB! 20% OFF HAUTE CABRIÈRE CHARDONNAY PINOT NOIR 750ML multiple units in multiple shops</p> <p>Valid Until Sunday, 3 September 2023</p> <p>LOADED TO CARD</p>	 <p>WINE CLUB! 20% OFF ALVI'S DRIFT RESERVE CVC 750ML multiple units in multiple shops</p> <p>Valid Until Sunday, 3 September 2023</p> <p>LOADED TO CARD</p>
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Team Xtra Savings has been working to bring you personalised offers based on the products you love to buy. We learn more about you with every swipe of your Xtra Savings card to make your shopping experience truly personal - and that's what Offers for You are all about.



# Existing solutions only cater to very large retail organisations

Two solutions dominate the South African retail market:

- SAP commerce cloud
- Salesforce marketing cloud

Prices start at R2m/ year, excluding a multi-million R onboarding fee and up-charge on all customer contact events (per email/per sms billing).

These solutions are only suited towards retailers already embedded in the SAP/Salesforce ecosystem and don't cater to mid-market retailers that can't afford or need these platforms.

# We help retailers build their competitive advantage

We help retailers create bespoke solutions that give their customers more tailored experiences.

## From this

Specials at our Cape Town store!

Fillet Steak @ R150/kg  
3 Coca-Cola 2l's @ R48.00  
1L Parmalat strawberry yoghurt @ R35.00

Enjoy a 10% Discount at [examplestore.co.za!](#)

Click **HERE!**

Personalised into

Personalised deal

First-party data collection

or

**Segmented** External brand survey for additional revenue

## To this

Hey Jade!

Thanks for stopping by our Cape Town store yesterday!

We see you enjoy Parmalat yoghurt, and we've got good news!

For the next two days we're selling them at R35.00 for a 1L tub,

and if you have 5 minutes to spare on a quick `{{internal or brand survey}}` we'll load a 50% on your rewards card!



# We help retailers build tailored experiences for their customers

Our solutions allow retailers to:

- Create personalised customer experiences.
- Automatically segment users into fine-grained groups based on demographic, transactional and behavioural data
- Create per-user views to understand their customer journeys and to address at-risk customers.
- Identify users with intent to purchase in real-time (online/app) and provide them with recommendations that are more likely to convert **or**
- Leverage your platform and create additional revenue streams by working with brands to promote products to customers with the intent to purchase.

# We specialise in connected data

We have years of experience creating enterprise knowledge graphs to help solve 'connected-data' problems.

Retail **is** a connected data problem.



The following examples showcase the ability of applying enterprise knowledge graphs to the retail environment

We were limited by our imagination

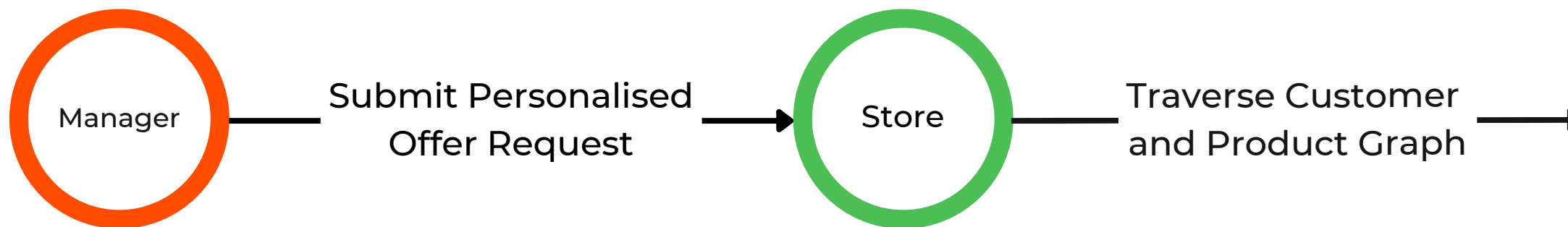
We look forward to working with marketing experts to build world-class experiences for South African consumers

# Bespoke use case example: Find your golden customers

## Scenario:

You have 100 units of goods with a sell-by date expiring in a few hours. Can we find the most suitable customers for that specific product and reach out to them directly? Yes, we can!

A store manager will log into an easy-to-use dashboard and enter the product type, number of units and the sell-by date before submitting the request.



Using graph intelligence, we can now traverse our knowledge graph to find the customers most likely to buy (taking into account past purchases and usual shopping time) our soon-to-be expired products. We can reach out to them through an app or sms and notify them of the offer, improving customer experience, increasing revenue and reducing waste.

# Bespoke use case example:

## Customer 360

Growing organisations naturally subdivide into siloed departments, often leading to segregated customer data. If the organisation isn't proactive and disciplined towards managing its data, a unified view of a customer becomes lost.

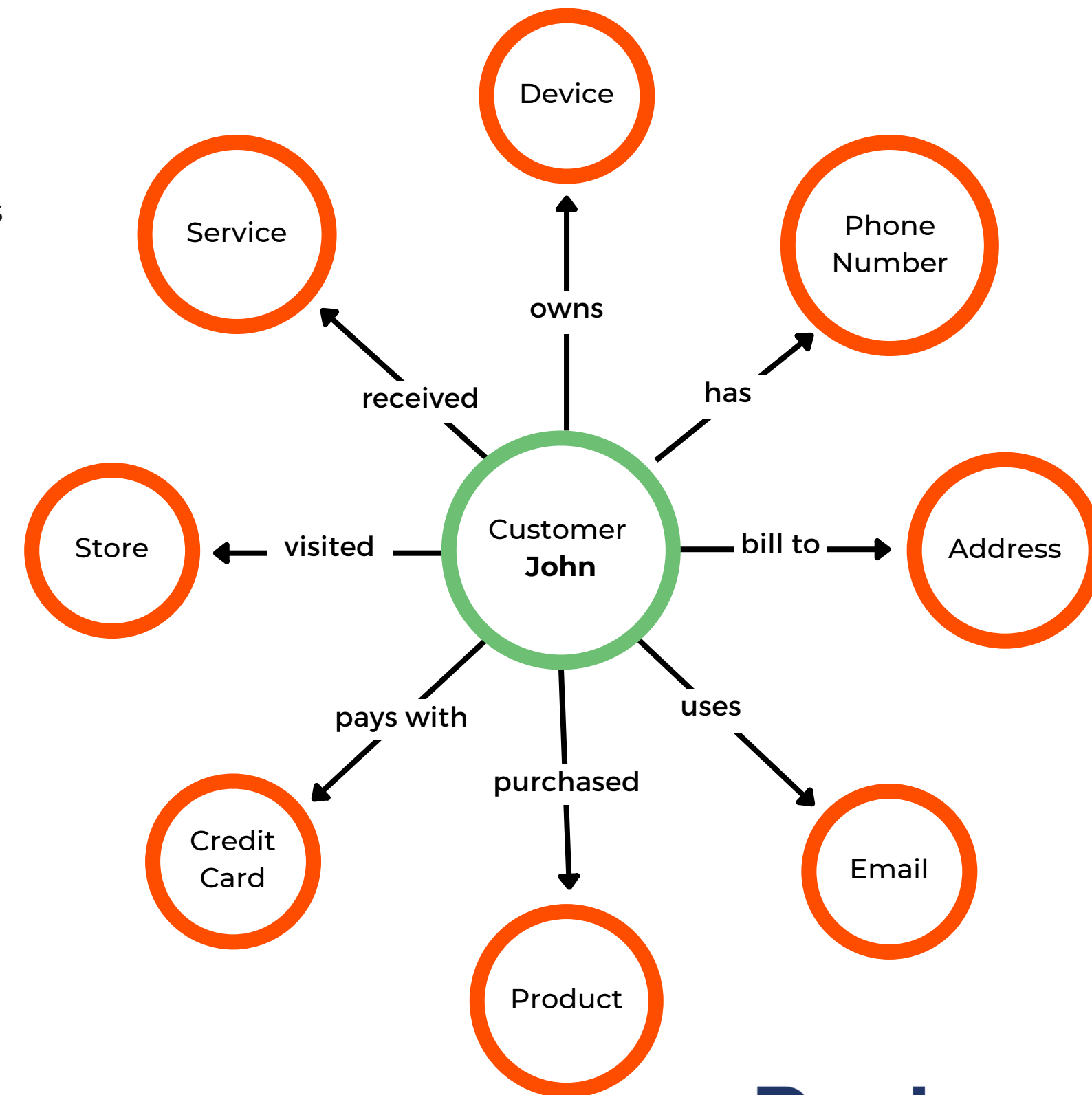
### Scenario:

A large retailer has customer information split across sales, loyalty, support, fulfilment and marketing departments.

Using graph data technology, a knowledge graph can be constructed on top of existing data sources to create a 360 degree view of every customer.

The task of matching and merging multiple data sources is known as entity resolution. It aims to resolve the question of who is whom or what is what across different data sources.

The benefits of a connected view within your organisation cannot be understated. It allows information to flow more efficiently, improving the effectiveness of your employees and the experiences of your customers.





# Bespoke use case example: Additional revenue streams

Once an organisation has invested in a sophisticated customer data platform, real-time recommendations with customer context become possible.

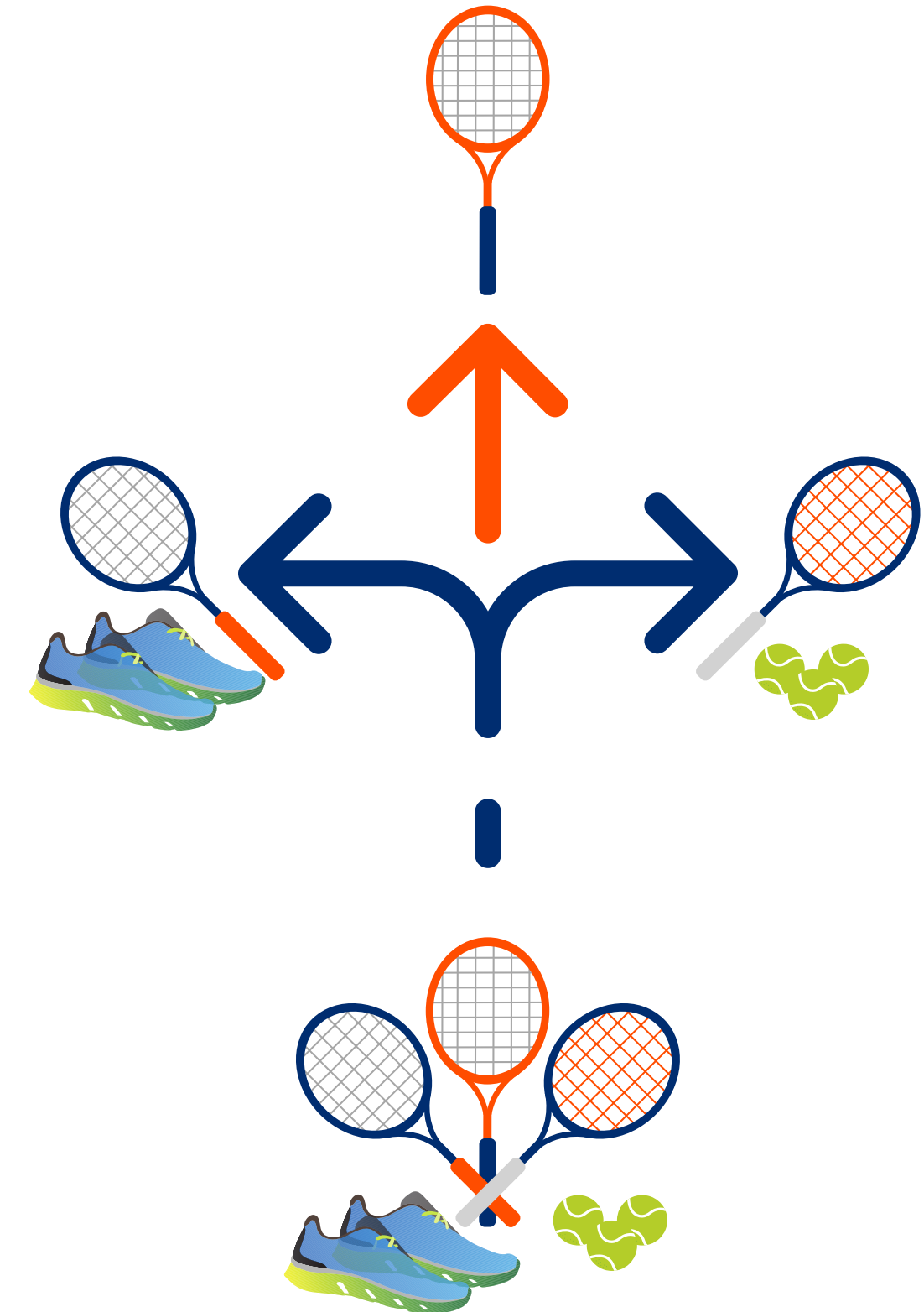
## Scenario:

A large sports retailer has 1000's of products and 100 000's customers.

Every day, multiple requests come in from retailers and suppliers to promote new products. However, the retailer platform is limited and only able to blast promotions to all or large subsets of its users.

With an enterprise knowledge graph, a platform can be built to promote 10's or 100's of products simultaneously, only displaying them to customers more likely to purchase those products, significantly improving the effectiveness of promotions.

Such a platform will also allow retailers to negotiate higher fees for finely-segmented user promotions.



# Bespoke use case example: **real-time customer journeys**

Humans are emotional beings. If you present them with purchasing options that resonate with them, they will gladly respond.

## Scenario:

A customer browsing your online store is looking for a lens for a camera they purchased a month ago.

Graph data structures can traverse connected and related information faster than other database technologies.

With this ability, we can now create recommendations for our customers that resonate with them:

- Promote them camera lenses of the same brand as the one they purchased, and create a custom notification stating that this is a suitable lens for their camera.
- Promote suitable, high-margin items from a category above our lenses (camera bag, camera stand, lens cleaner etc.)
- **Next level** Create bespoke category journey recommendations. For example, an option to add a set of items to the cart or wish list for their next safari/photoshoot/vacation (for example snacks/appliances) and offer them at a promotion if purchased now.
- Promote trusted brands that apply to any of the above examples.



# Bespoke use case example:

## Brick and mortar personalisation

Most retail personalisation solutions are limited to online-only platforms. The traversal speed of enterprise knowledge graphs allows them to create personalised deals in real time.

### Scenario:

A large grocery retail chain wants to provide personalised retail solutions but found that 70% of their customers still prefer shopping in person.

To solve this, each retail store can have a large promotional stand at its entrance, and placed at its centre is a screen with a QR code to scan.

A customer would then enter the store and scan the QR code from within the retailer's mobile application and receive personalised deals for that specific store and specifically for them immediately.

At the POS, the customer would swipe their loyalty card, and the discounts would be applied.



# Bespoke use case example:

## Free the franchisee

Very few franchised organisations offer their franchisees access to sophisticated data platforms where they are able to manage their customer journeys and interactions on a local level.

### Scenario:

A large retail franchise aims to empower its owners to provide their customers with more personal experiences. They want to show that they understand them and care about the well-being of the community.

By leveraging the ability of a retail enterprise knowledge graph, a platform can be built that allows owners to communicate with their customers:

- Easily create charity drives for members of the local community
- Create promotions tailored to local events (for example, a school athletics day)
- Promote local brands to customers with the intent to purchase that category of the item

The platform can also be built to be intuitive for owners and managers, streamlining the corporate approval process.



# Bespoke use case example: 1+1 = 3

Many organisations in South Africa use their relationships with other industry partners to provide customers with a more complete experience, build a competitive advantage, or gain additional revenues by driving referrals to partners.

## Scenario:

Let's imagine a string of furniture retailers operated by franchisees, and within each franchisee's region, there is a collection of independently run moving companies.

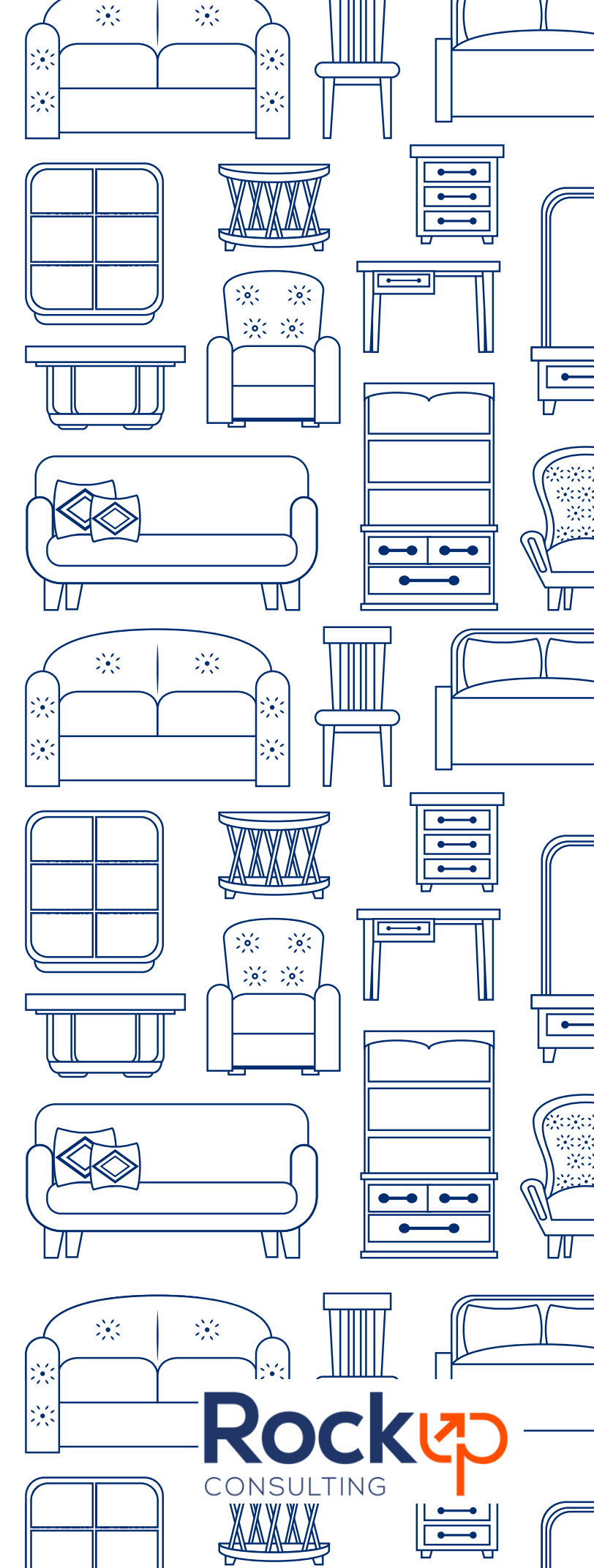
With the flexibility of knowledge graphs, an application can be developed to automatically share and track lead conversion between these independent organisations while preserving user privacy.

For example. Once an individual moves to a new location, a personalised message can be sent informing them of a furniture deal created just for them. They will then be forwarded to the furniture retailer, and the moving company will be given a commission.

Additionally, once the customer purchases from the furniture retailer, they can start building a customer record using purchases and user-permitted surveys to make recommendations on a scheduled basis.

For example:

- Year one: Personalised deal through moving company referral.
- Year one, winter: Deals on winter items ( Can be personalised using surveys ).
- Year two: If the customer is shown to be a frequent mover, offer personalised discounts on, for example, garden furniture or furniture suited for a larger living space.





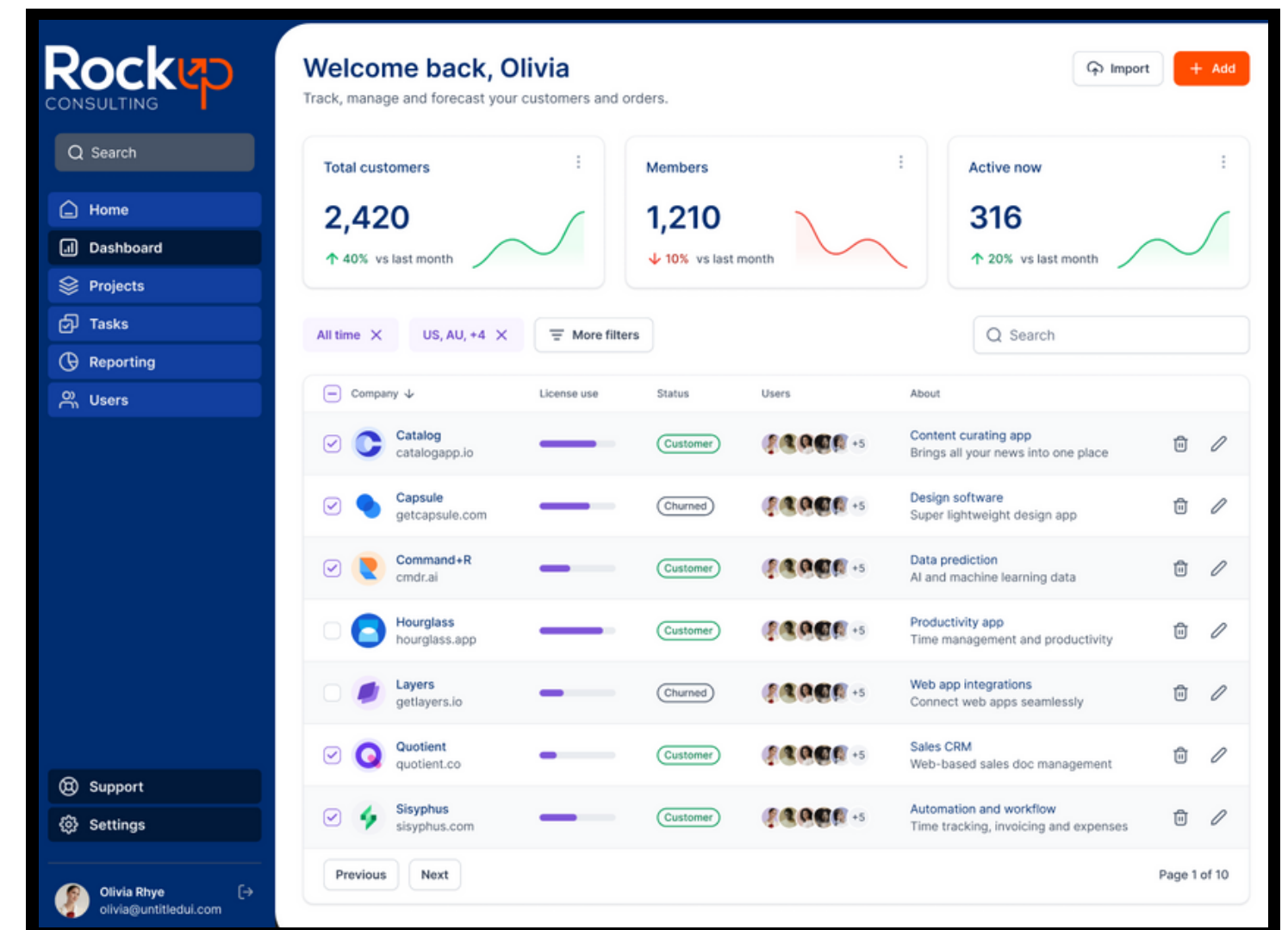
# How we work

We know every client journey differs, and no two retailers are the same. We have a multi-phased approach to working with clients.

The first phase allows us to perform in-depth data discovery. We work with key stakeholders to understand your data landscape, architecture, formal processes and key objectives to formulate a solution for you.

Once we agree on a scope and timeline, we kick off sequential working cycles known as 'sprints'. Each of which will contain a:

- Planning session to discuss the key work items and priorities for a sprint (planning is usually done 2-3 sprints ahead of development)
- Sprint refinement session where we engage with stakeholders to narrow in on details regarding a specific feature or backlog item
- Sprint showcase, where we engage with your business to showcase work done during the past three weeks
- Standup (a few times a week) is a brief daily check-in to raise any immediate concerns regarding work items and to announce stakeholder engagements to other members of the team





At Rockup, we believe in the power of relationships.

If your organisation can benefit from a deeper understanding of the data that drives your success, reach out to us.

[rockup.consulting/contact](https://rockup.consulting/contact)