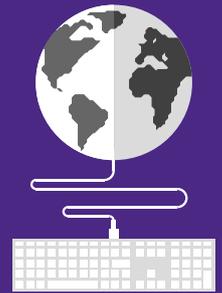


CeBIT – Big Data and Analytics Panel Discussion Summary

June 2016



At the recent 2016 CeBIT Conference, KPMG hosted a panel discussion with three of Australia's most successful digital businesses – SEEK, Sportsbet and THE ICONIC. The panel discussed how organisations can achieve business advantage through enhanced decision making and leveraging technology to deliver great business outcomes. The secret is in getting big data to provide personally relevant experiences to each and every customer.

Putting the personal back into big data

We have well and truly moved into the 4th Industrial Revolution. Smart machines and connected devices are changing the way we interact with each other and with businesses. One of the biggest challenges companies face is turning the mountains of data they collect into personalised consumer experiences via improved decision making processes.

Jon Stone, Partner in KPMG's Solution 49x group, explains that companies are now creating more granular offerings, products and services. "Prime examples include how TV and music are now sold in small units and on usage-based pricing. Even buying electricity and insurance has moved in this granular direction. So from a big data and analytics point of view, the challenge is how to personalise experiences, make them highly contextual and target offerings at this micro level."

Furthermore, the scale and speed of change in the 4th Industrial Revolution means the traditional approaches organisations usually take to respond to these challenges are no longer sufficient. Instead, many businesses, including SEEK, Sportsbet and THE ICONIC, are applying advanced analytics, machine learning and automated intelligence to enable highly personalised digital experiences that form the basis of their business models.

Matching the right product to the right customer

Antony Ugoni, Global Director of Matching and Artificial Intelligence at SEEK, says they handle job ads and resumes at scale. "My job was to apply that data so the best candidate and the best job didn't pass each other in the night." It was a big data nightmare. "10,000 ads per day plus 2 years of ad history equals billions and billions of comparisons that need to be done in real time, all the time."

Rod van Onselen, General Manager Online at Sportsbet, agrees that a primary aim of analytics is to create rich, engaging and highly relevant customer experiences. "That means using data to optimise models for pricing and enable personalised customer and marketing experiences, supported by a single customer view environment." To support these outcomes, Sportsbet improved its tagging and tracking capabilities to map every customer journey. "We use that customer information to create targeted communications through our product platforms and outside Sportsbet's web and app environments through direct marketing channels. We need to reach our customers wherever they are, with relevant contextual offers and messages."



Left to right: Brent Maxwell (THE ICONIC), Rod van Onselen (Sportsbet), Antony Ugoni (SEEK), Jon Stone (KPMG).



Left to right: Antony Ugoni (SEEK) and Jon Stone (KPMG).

As a relatively young company, THE ICONIC has a different analytics imperative. Brent Maxwell, THE ICONIC's Head of Data and Intelligence, added that although they share the same core business model of getting the right product to the customer as fast as possible, in THE ICONIC's case they had to focus on getting their foundation right before adding value. "Our data supply chain had to capture the right information about the customer, the orders and products. It was only after that was in place that we could move on to added business advantage from analytics." Maxwell's current aim is to enable everybody at THE ICONIC access to all the rich information they need. And like Sportsbet and SEEK, there is also a focus on feeding data back. "So when customers return to the website, our catalogue is ordered correctly for them."

Building continuous innovation into your digital framework

A major headache for many businesses is how to introduce granular capabilities into an established set up. All three businesses on the panel have similar processes and emphasise lots of experimentation, testing and iteration in low-impact areas. Their processes involve having:

1. a clear view of the business strategy you're pursuing
2. a clear view of your architecture and how it supports your strategy
3. robust vendor and technology partners
4. proofs of technology and months of multi-variant testing included into the rollout.

You also need to focus on defining the problem space and then breaking it down into chunks. Engineering technology in modules will let you sub it in and out, and control the IP, business rules and data in your own system.

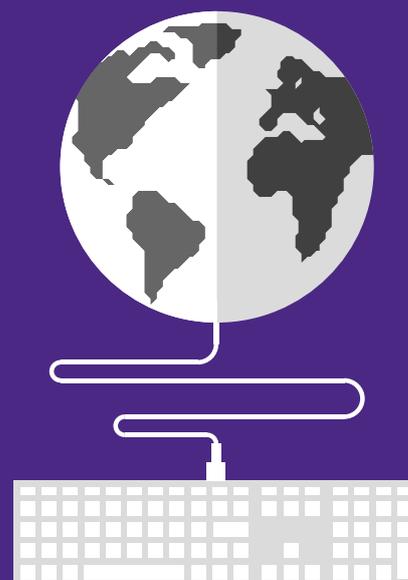
Spotting the people who can continuously find new ways to extract value from data

Another common pain point around big data analytics is attracting, growing and retaining the right talent in your organisation. Antony Ugoni explains how SEEK sorts candidates at the first interview by looking them in the eye and admitting, "We do some cool stuff but this mundane stuff needs to happen to keep the business humming. Are you okay with that?"

Ugoni is adamant that businesses should never outsource 'the cool stuff'. They can outsource or automate as much of the grunt as possible, but you need 'cool stuff' to attract people who do their job with passion. "We talk about the 100:1 rule. We ensure that their strength of character is not around coming up with 100 new ideas but in coming up with 100 new ideas knowing that the business can only use one or two of them." Ugoni says the question you need to ask recruits is: 'Can you pick yourself up to create 100 new ideas again and again?'"

THE ICONIC has a different strategy in place. The whole company obsesses over people and has policies that help make THE ICONIC a nice working environment. For example, they allow furry companions to run around the office so it feels friendlier. "We deliberately allow ourselves to enjoy life along-side what we do for work," says Maxwell.

The outtake seems to be that no matter where your company sits on the road to granular offerings, big data analytics is here to stay and is being mined in new ways. And most importantly, it's the only way to give the personal experience that customers expect from any online business interaction.



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