

DataCon Africa 2023

Developing a Scalable Personalization Strategy for the Pepkor Group

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Agenda

Introduction



Data, People, Technology



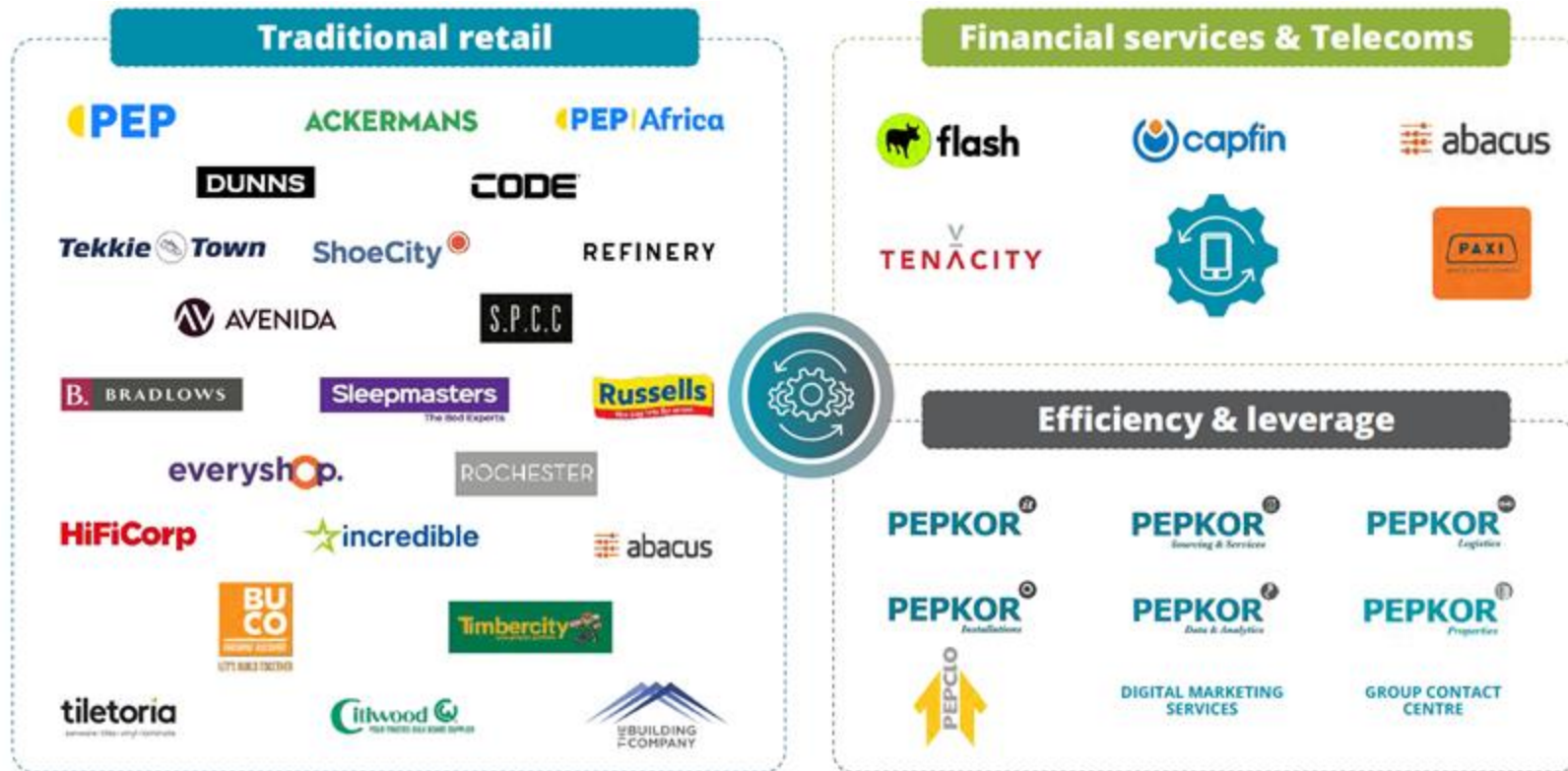
Case Study



Wrap Up



The Pepkor Business



Pepkor By The Numbers

ANNUAL
REVENUE
**R81.4
billion**

OPERATING
PROFIT#
R9.9 billion

NUMBER OF
STORES
5 830

TOTAL RETAIL
SPACE
**2.6 million
m²**

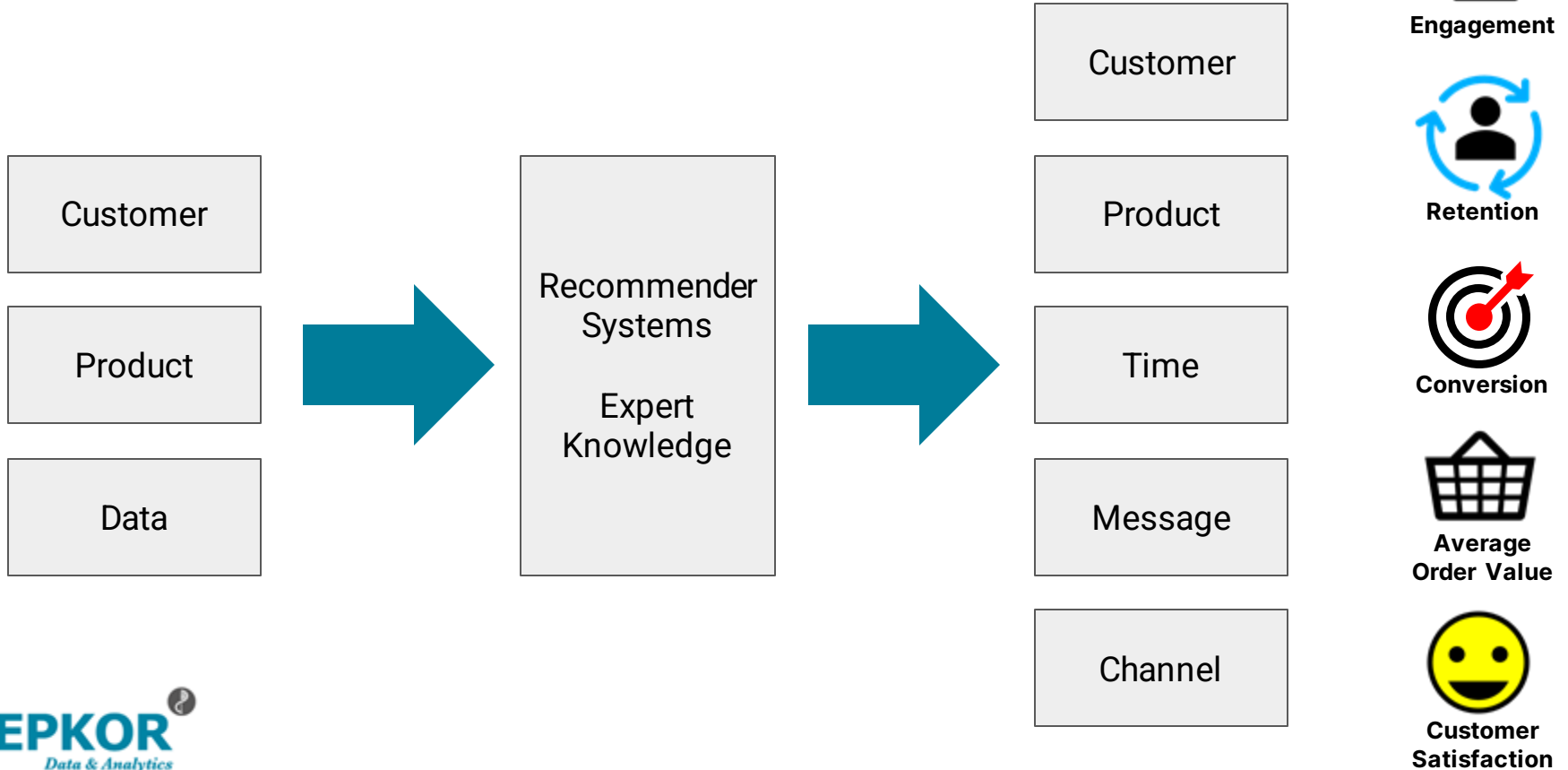
EMPLOYEES
49 700

TRANSACTIONS^
342 million

The **largest retail store footprint** in southern Africa.

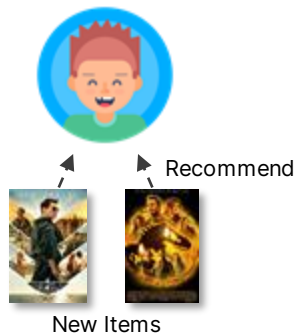
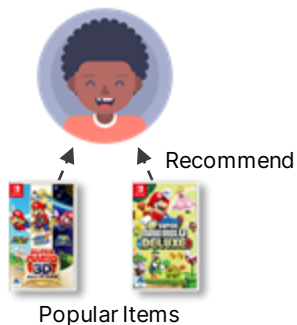


Personalization Introduction

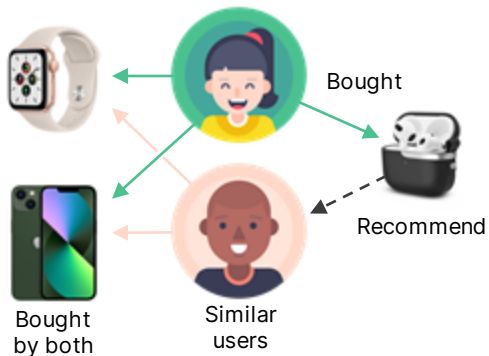


Recommender Systems Introduction

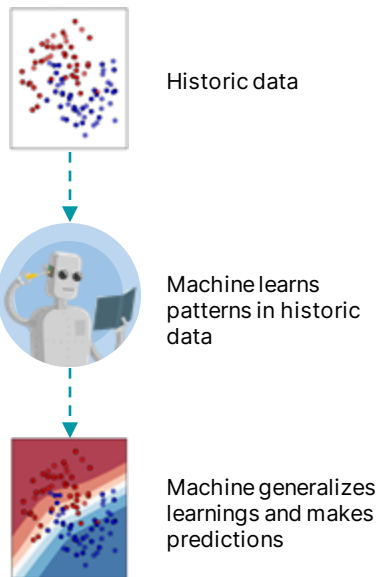
Heuristic



Neighborhood-Based

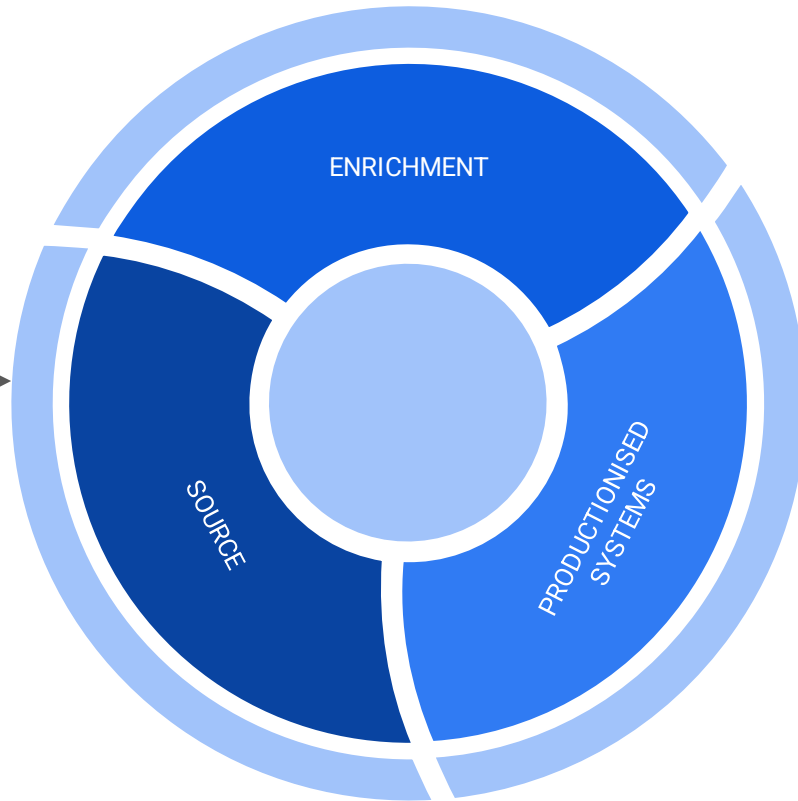


Model-Based



More
Advanced
Systems

Pepkor Data: Structural Overview



Pepkor Data Challenges

- Size of Customer Base: 30 Million (+)
- Directly impacted by socio-economic realities
- Multiple Subsidiaries



ACKERMANS

ShoeCity

REFINERY
— EST 2017 —

Personalization Data Assets

- Feature Engineering
 - E.g., Customer Segmentation
- Leverage Existing Assets
 - E.g., Optimise Marketing
- Leverage Ancillary Data
 - E.g., Preferred Store



Recommender System Technology

1. Build a product: Tech must be scalable and reusable
2. Develop modular pipelines so that we can add and upgrade overtime
3. Start small, deploy fast, prove value

Data
Source

Data
Enrichment

Design of
Experiments

Recommender
Systems

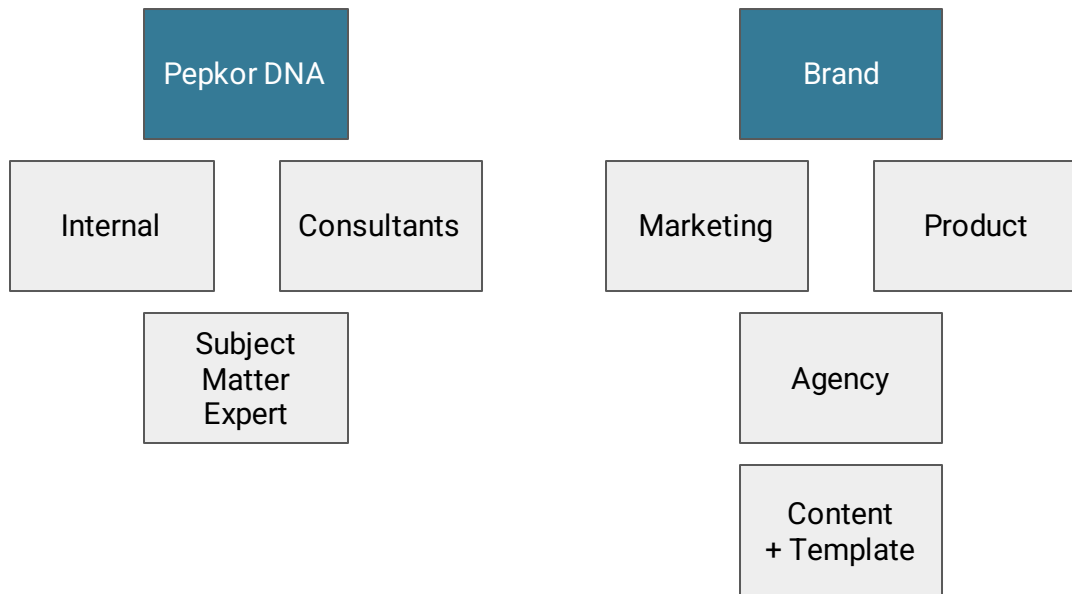
Expert Rules /
Knowledge
Systems

Execution

Measure
Results

The People To Support Personalization

- Cross-functional teams
- Blend of internal and external resources
- Brands are key to success



Case Study: Personalization

Set The Scene

- Strong traditional marketing campaigns
- Brand identity
- Lean on current marketing experience

Enhance With Personalization

- Iterative learning over multiple phases
- Optimised timing of communications
- Product recommendations
- Personalised vouchers



CHOSEN JUST FOR YOU



4 Pack long sleeve
bodyvests

From
124.95



Coral fleece
babygrow blue

From
89.95



Dino dungaree set
natural

From
139.95



Microfleece quarter
zip tracksuit white

From
89.95



2 Pack rainbow
receivers grey

From
69.95



Coral fleece
babygrow white

From
89.95

CHOSEN JUST FOR YOU



Rib long sleeve
bodyvest white

From
34.95



Coral fleece
babygrow white

From
89.95



Microfleece quarter
zip tracksuit white

From
89.95



Zip babygrow green

From
109.95



Zip babygrow peach

From
109.95



Coral fleece
babygrow pink

From
89.95

Case Study: Early Results

- Strong foundations:
 - Data, People, Technology
- Building momentum
- Proved value and drove business buy-in

+7%

CONVERSION
RATE

+3%

AVERAGE
ORDER VALUE

+10%

REVENUE





PEPKOR
Data & Analytics

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Dino Bernicchi

[linkedin.com/in/bernicchi](https://www.linkedin.com/in/bernicchi)



PEP

ACKERMANS

PEP Africa

PEPKOR

CODE

DUNNS

ShoeCity

REFINERY

Tekkfe Town

S.P.C.C

AVENIDA

JD
GROUP

Russells

B. BRADLOWS

Sleepmasters

ROCHESTER

HiFiCorp

incredible

abacus

everystop.

BRULAND
CONCRETE

BU
CO

Timbercity

tiletoria

H

Clivewood

B
LIVE