



Press release

GfK strengthens ties with Segment of One (SO1)

January 9, 2019

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Nuremberg, January 9, 2019 – GfK and SO1 are announcing a worldwide partnership giving GfK clients access to SO1’s unique AI and targeting capabilities. Through this partnership, GfK’s retail clients enjoy a new, major advantage: applying total market insights from GfK Consumer Panels directly in order to impact purchasing decisions through promotion customization. Whilst GfK is for decades known as FMCG retailers’ trusted partner with regard to market insights, also the Berlin-based start-up, SO1, already has an impressive track record with its targeting technology. Being GfK’s exclusive international partner for AI promotion personalization, the SO1 engine is the perfect addition to GfK’s versatile loyalty card data portfolio.

“Our primary objective is to not only provide consumer insights, but to also provide the tools to impact customer decision-making processes in real time,” said GfK Global Retail Director, Dr. Marc Knuff, when asked about the partnership. Knuff went on to say: “This AI-based platform, targeted at retailers with loyalty cards, will learn from historical transactions, shopping trips updated on a continual basis in real time and customer metadata in order to offer personalized promotions.”

Knuff explains why the partnership makes perfect sense: “SO1 continues to be an innovative, tech-savvy developer and provider of high-end AI based software solutions for the retail industry. Looking not only at scientific contributions from SO1 developers, but also at proven SO1 success in real-world A/B testing in several countries, reassures us that this cutting-edge science will actually drive the business of GfK clients.”

In addition, SO1 and GfK have developed targeting formats as further advancement of GfK’s loyalty card portfolio: “ATTRIBUTION +” is the jointly-developed new GfK platform that allows retailers to complete and enrich loyalty card data with info from GfK Consumer Panels. Without the need to match data of individuals, “ATTRIBUTION +” is able to add missing

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household information such as age, gender, and household income, calculated on the basis of the robust sample from GfK Consumer Panel. Relying on total market view, the new platform also overcomes a major, inherent limitation of loyalty card data.

A substantial development from this partnership provides retailers the ability to assess at which competing grocers their customers also shop. So far, this is untouched territory in the realm of promotion optimization. SO1's targeting options combined with total market purchasing pattern identified through GfK household panel data, will give grocery retailers the opportunity to strategically invest in significant customer clusters and acquire new buyers as well as recapture former consumers.

SO1 CEO, Raimund Bau, stated: "GfK will be helping their clients to manage their promotion targeting and we are very proud at SO1 that GfK has chosen us to be their technology partner for this bold move. Aside from our existing product portfolio, that optimizes and individualizes promotions for financial impact, we will also train the SO1 Engine in a revolutionary way to transfer knowledge from the household panel data directly to individual CRM data. Thus enabling retailers to understand if a particular consumer also shops at their main competitor to then target them with the perfect impulse to move that shopping trip to them. Adding the holistic shopper understanding from GfK household panel data, we expect a considerable amount of added value to shopping cart data yielding much more precise tactical implications. Statistics acquired from customer loyalty programs at present merely portray the consumer behavior observed at a single retailer."

These advances will accelerate promotional optimization strategies for a wide range of retailers across the globe. While customers are attracted by the prospect of saving money through individually targeted promotions that fit their preferences, retailers have the opportunity to drive sales and increase revenue.

SO1 and GfK have set ambitious goals for their future partnership and have already created the best conditions for a fruitful venture - being in advanced discussions with leading grocers in Germany and across Europe to introduce the joint offering.

About GfK

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