

RECO

THE PERSONALIZATION MACHINE

A Step By Step Guide To
Boost User Engagement



GRAVITY
Rock solid recommendations



Presenters

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GRAVITY

Rock solid recommendations





AGENDA

Gravity R&D introduction

Jofogas.hu introduction

Personalization project

goals, milestones, results

WHAT IS GRAVITY R&D?



- A leading **PERSONALIZATION PLATFORM PROVIDER**
- An **AWARD-WINNING TEAM*** of data-miners and BI professionals
 - First place at the Netflix Prize (2009)
 - ICMA Innovation Award (2012)
- A **FAST GROWING** company with 50+ deployments in the last 12 months

RECO CLIENTS



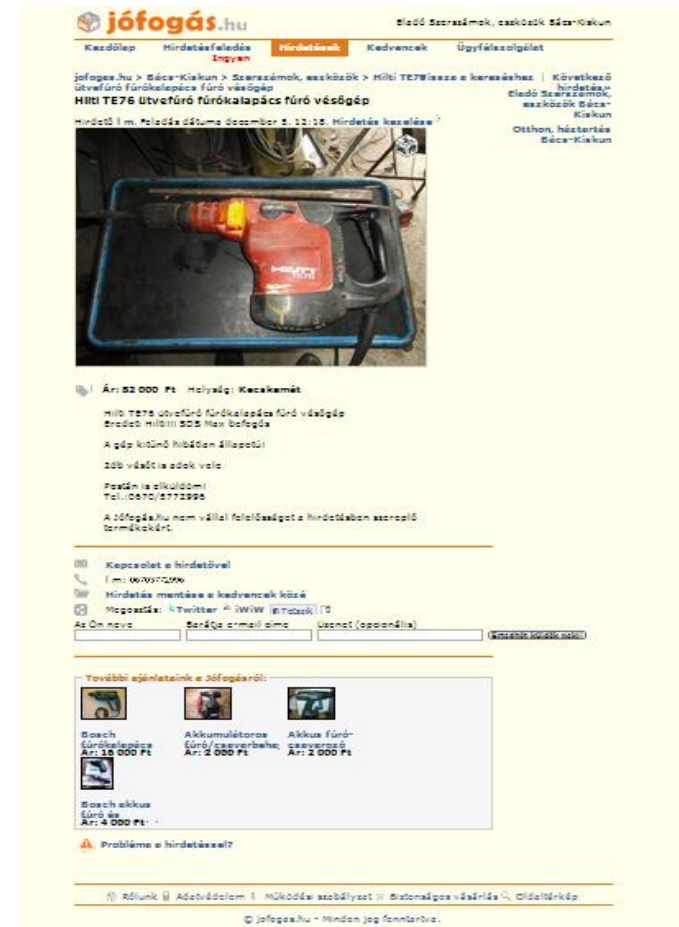
AWARD-WINNING SOLUTION: Classified Media



Member of Schibsted
Classified Media Group

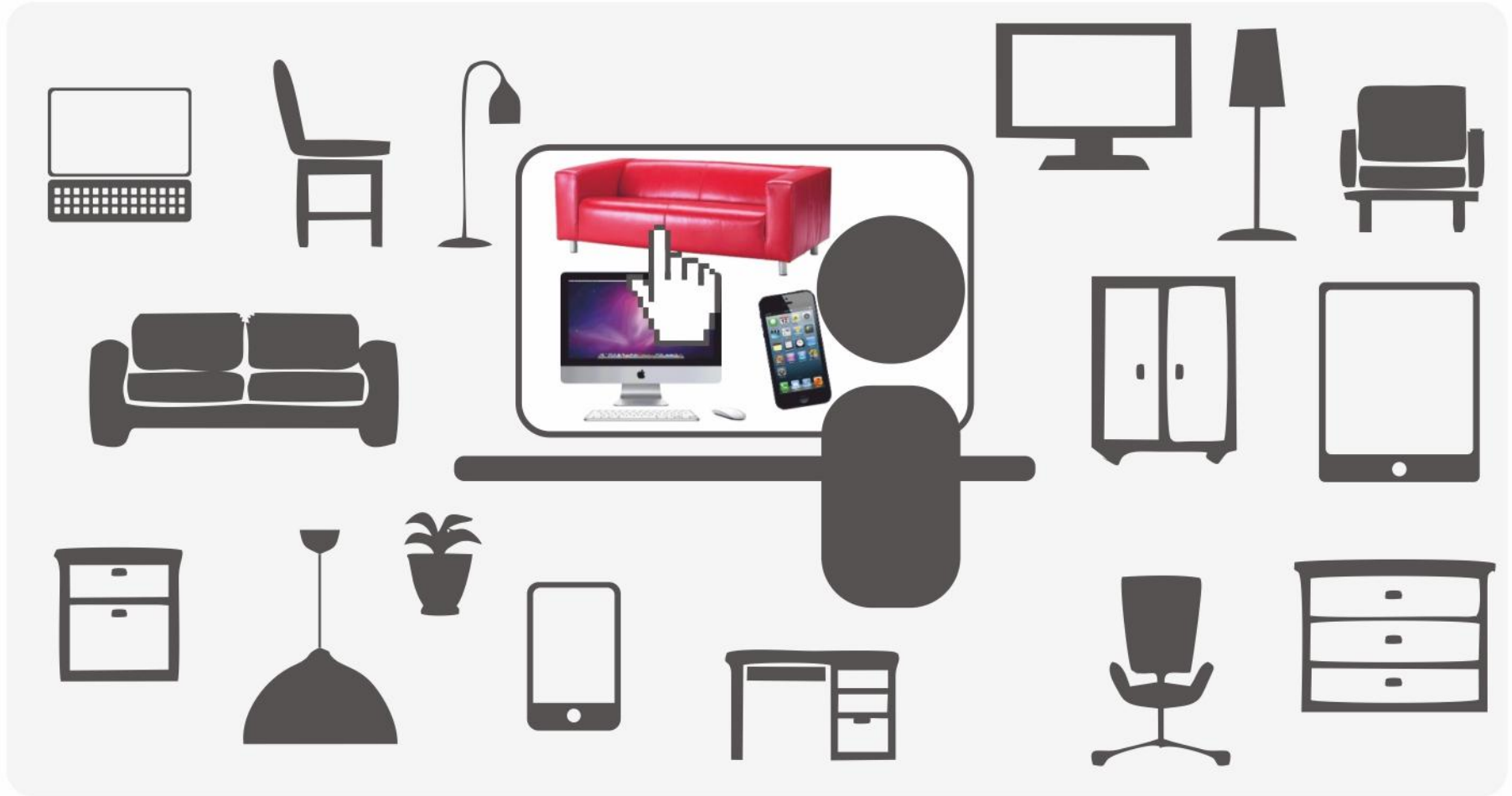


*Innovation Award
at ICMA 2012*



THE CHALLENGE

1,000,000+ ads, 1000s of different visitor dreams, but only one screen.



Do you have the same ads for everyone?

PROJECT GOALS



Goal #1: “personalize the user-experience”

- **engage** those visitors that are already on the website
- **keep them on the site longer**
- motivate them to **view more ad detail pages**
- generate **more interaction between buyers and sellers**
- **decrease the exit rate** of certain types of pages
- provide better navigation and content discovery

Goal #2: Jofogas.hu wanted to be seen as an innovative, fast-growing company

PROJECT MILESTONES

May 2011 START OF PROJECT

- Business requirements specification
Personalization plan with placement suggestions

Aug 2011 – Jan 2012 A/B TEST

- a learning period for both companies
- Gravity R&D fine-tuned the algorithms of its engine to the specifics of the classifieds business model

Feb 2012 FULL DEPLOYMENT

- 6 million recommendations were served daily (10,000 per minute in peak time).

WHAT IS RECO?



A platform that
boosts visitor engagement
by **personalizing ads**
for each person

HOW IT WORKS



ON-SITE ACTIVITY

VISITOR BEHAVIOR

click, search, product viewed, page viewed, email clicks, past purchases, etc.



PRODUCT-RELATED INFORMATION

PRODUCT DETAILS

product info, meta-data, inventory information, ratings

CONTEXTUAL INFORMATION

referral url, location, device

SOCIAL EVENTS

facebook likes and recommendations, tweets, shares, re-pins, etc.

CURRENT SESSION STATS



SOCIAL BEHAVIOR



HOW IT WORKS



ON-SITE ACTIVITY

**COLLABORATIVE
FILTERING**



PRODUCT-RELATED
INFORMATION

PRODUCT DETAILS

product info, meta-data,
inventory information, ratings

**CONTEXTUAL
INFORMATION**

referral url, location, device

CURRENT SESSION STATS



SOCIAL EVENTS

facebook likes and
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shares, re-pins, etc.

SOCIAL BEHAVIOR



HOW IT WORKS



ON-SITE ACTIVITY

**COLLABORATIVE
FILTERING**



PRODUCT-RELATED
INFORMATION

**CONTENT-BASED
FILTERING**

**CONTEXTUAL
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referral url, location, device

CURRENT SESSION STATS



SOCIAL EVENTS

facebook likes and
recommendations, tweets,
shares, re-pins, etc.

SOCIAL BEHAVIOR



HOW IT WORKS



ON-SITE ACTIVITY

**COLLABORATIVE
FILTERING**



PRODUCT-RELATED
INFORMATION

**CONTENT-BASED
FILTERING**

**CONTEXT
AWARENESS**

CURRENT SESSION STATS



SOCIAL EVENTS
facebook likes and
recommendations, tweets,
shares, re-pins, etc.

SOCIAL BEHAVIOR



HOW IT WORKS



ON-SITE ACTIVITY



PRODUCT-RELATED
INFORMATION

**COLLABORATIVE
FILTERING**

**CONTENT-BASED
FILTERING**

**CONTEXT
AWARENESS**

**SOCIAL
RECOMMENDATIONS**

CURRENT SESSION STATS



SOCIAL BEHAVIOR



RECOMMENDATIONS GET SMARTER WITH EVERY CLICK



FIRST CLICK

THIRD CLICK

FIFTH CLICK

KEY RECO FEATURES



Expansion capabilities

Multi-screen potential

Cross-domain personalization

Decision support and Business intelligence

Powerful management dashboard

Advanced reporting interface

Expansion
capabilities
Multi-screen potential
Cross-domain personalization

Decision support
and Business
intelligence
Powerful management dashboard
Advanced reporting interface

Expansion
capabilities
Multi-screen potential
Cross-domain personalization

Decision support
and Business
intelligence
Powerful management dashboard
Advanced reporting interface

AIM GROUP CASE STUDY



Sponsored By
Gravity R&D

A publication of the AIMGroup

classifiedintelligence report

Case Study

June 2013

Jofogas in Hungary shows terrific growth with Gravity R&D tool

Jofogas.hu, the general classifieds platform of Schibsted Classifieds Media in Hungary, has been on a steep growth path since its launch in 2010. It accelerated from zero to 2.1 million listed ads in less than three years, opening a comfortable gap with its main competitors, Allegro's Aprod.hu (1.6 million ads) and Expressz.hu of Trader Media East (325,000 ads). According to Jofogas, it receives more than 7.5 million page views per day.



When the AIM Group enquired what was behind this performance we got a rare glimpse in the management intelligence of this Schibsted platform, just enough to know the growth story was about more than listed ads and page views. Jofogas also grew much more efficient as a business in the past year.

For instance, in the 15 months from September 2011 to December 2012 the percentage of users clicking on product recommendations on the platform doubled. And click-through rates from product pages and search results pages doubled, pushing up page views and, in turn, boosting revenue from Google AdSense.

Chart 1 - Recommendations hit their targets



© 2013 Advanced Interactive Media Group LLC

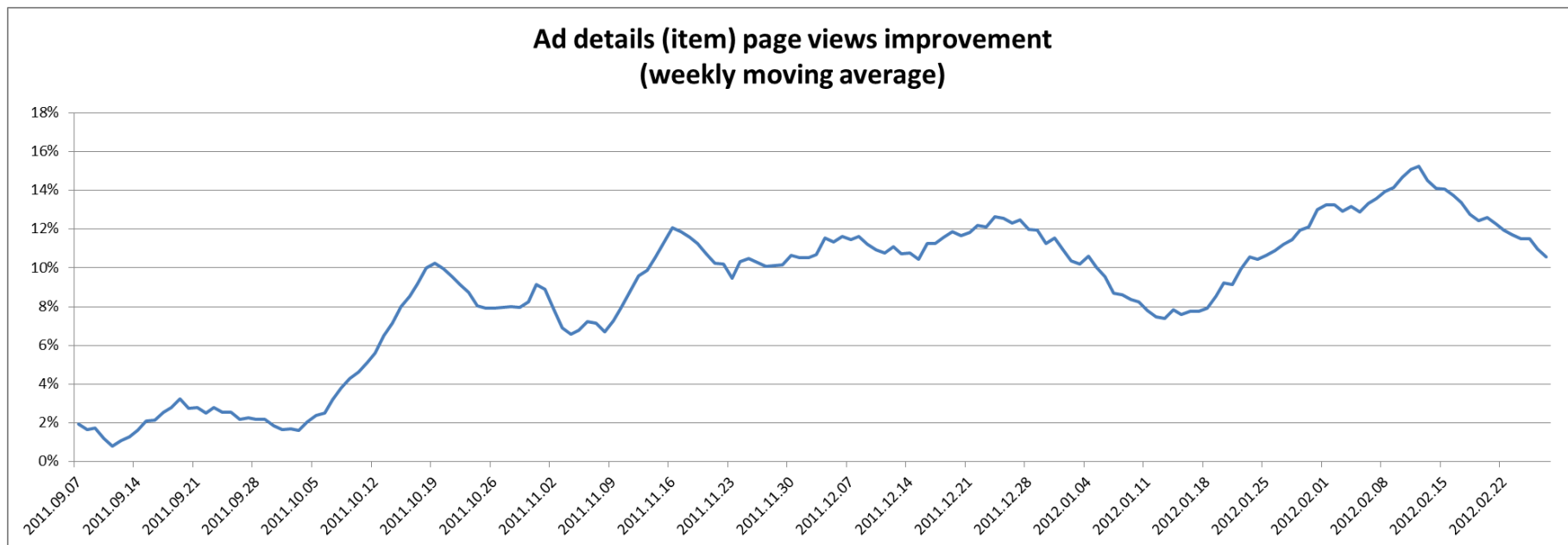
info@aimgroup.com +1-407-788-2780

[\(link to pdf\)](#)





Increase in Ad Detail Page Views (A/B test vs. no recommendations) **10.57%**



AD DETAIL PAGE

Telefonszáma (nem kötelező)

Szöveg

☐ Másolat kérése az üzenetről

☒ Feliratkozom a jófogás.hu hírlevelére

Küldés

nem védi meg attól, hogy becsapják.



Ha lehetséges, kérje el az eredeti számlát, és kérjen egy írásos nyugtát a vásárlásról.



Ha az eladóval találkozik, ezt nyilvános helyen tegye.



Hirdetés mentése a kedvencek közé



A hirdetés ajánlása ismerősének



Twitter



Like < 0

További ajánlataink a Jófogásról:



**Volkswagen Passat Variant
1.9 TDI Highline**

Ár: 679 000 Ft



Volkswagen passat eladó

Ár: 250 000 Ft



**Volkswagen Passat V 1.9 TDI
Variant**

Ár: 570 000 Ft



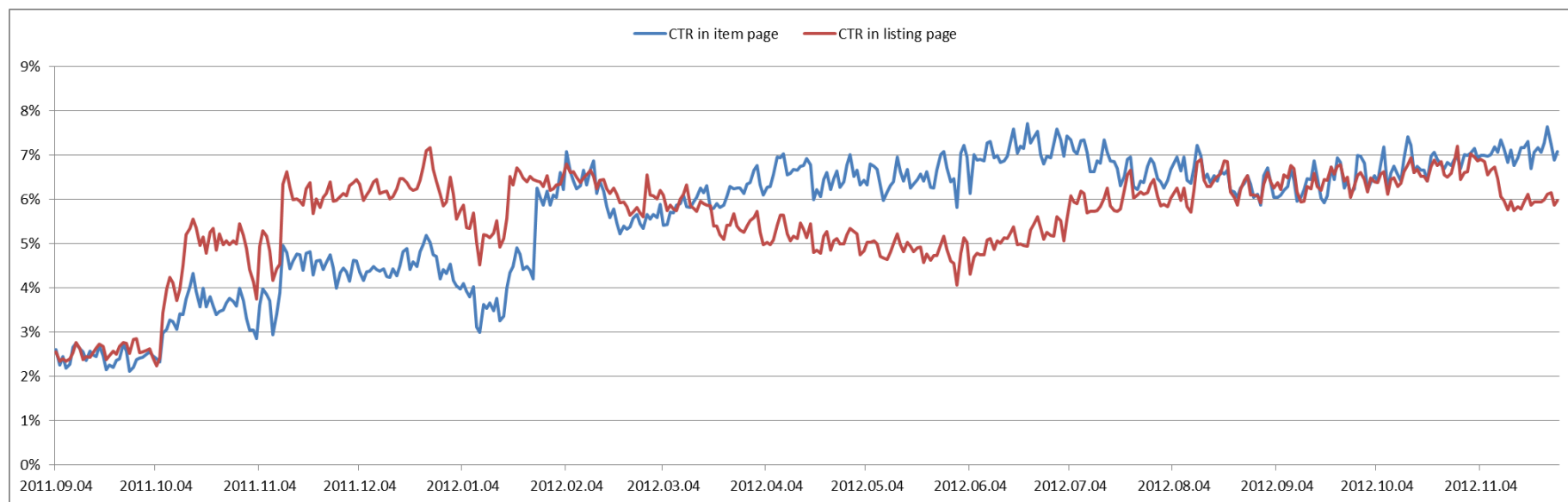
GRAVITY









Click-Through Rates (CTR)

6.36% (on Ad Detail Page)

5.84% (on Result Page)



RESULT (LISTING) PAGE

Ma 10:55		VIII. Kerület Hock János utca, 2+3 szoba, 120 m2 26 500 000 Ft	Eladó Lakás Céges hirdetés
Ma 10:55		XIX. Kerület (Lakótelep) Fő utca közelében 10 190 000 Ft	Eladó Lakás Céges hirdetés
Ma 10:55		XIV. Kerület (Törökőr) Kerepesi út, 1+1 szoba 14 699 999 Ft	Eladó Lakás Céges hirdetés
Ma 10:55		Budapest 9. kerület, eladó 71 m2-es iroda 15 990 000 Ft	Eladó Iroda, Üzlethelyiség, Ipari Ingatlan Céges hirdetés
Ma 10:55		Városligetnél 1 szobás lakás kiadó 50 000 Ft	Kiadó Lakás Céges hirdetés
Ma 10:55		Budapesten Új 32"-os LED tv garanciával eladó 59 900 Ft	Eladó Foto, Video, Audio Eszközök Céges hirdetés
Google Hirdetések Csökkenő törlesztőrészlet Ha csökkentené a havi törlesztőt, válassza az Egyenlítő Hitelt! www.budapestbank.hu/EgyenlitoHitel Last Minute Karintia Ossiachi-tó, Magyar szálloda 3 éj+wellness=114 € (34.000 Ft) www.hotelsissi.com Eladó Amerikai ingatlanok Gyönyörű Floridai lakások már 15 millió Ft-tól, bérlettel együtt. bric-investment.hu/USA-Ingatlan			

További ajánlataink a Jófogsárról:



Nissan Almera 1.4 Gx
Áron Alul eladó

Ár: 249 990 Ft



Volkswagen Passat V 1.9
TDI Variant

Ár: 570 000 Ft



Mitsubishi Carisma

Ár: 120 000 Ft



Eladó 165 ezer Ft ért egy
szép opel vectra vizsgás

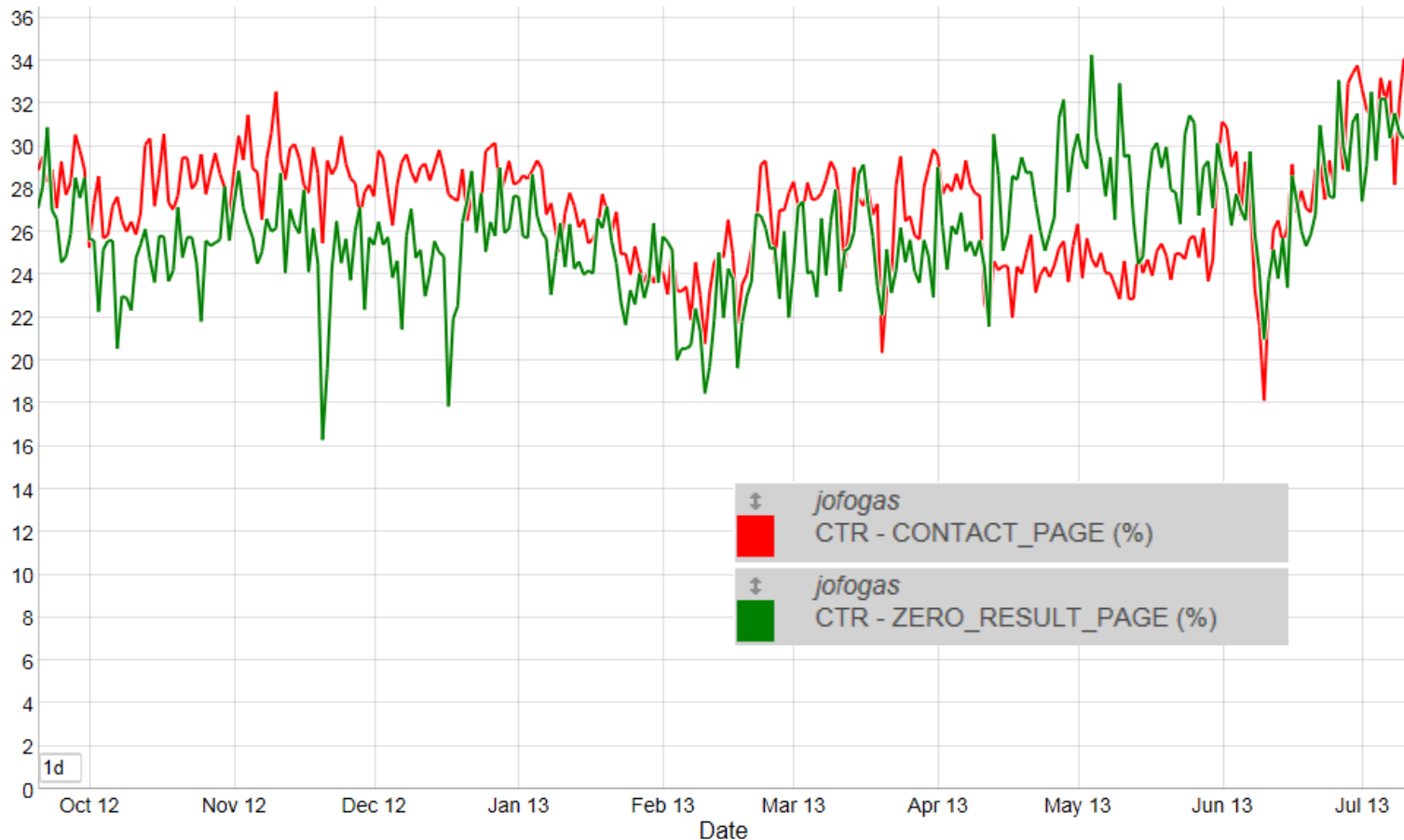
Ár: 165 000 Ft



GRAVITY



CTR on After Ad Reply and Zero Result Pages



ZERO RESULTS PAGE

 **jófogás.hu**

[Kezdőlap](#) [Hirdetésfeladás](#) **Hirdetések** [Ügyfélszolgálat](#) [Fiók](#)

[KERESÉS](#)

További ajánlataink a Jófogásról:



Raklapnyi játék Jó befektetés
Ár: 140 000 Ft



ELC rögzíthető babakormány, szimulátor
Ár: 3 500 Ft



Bútorkészítés



Luxlash 3D műszempilla + ajándék
Ár: 5 990 Ft

 **Nem találtunk hirdetést!**
Próbálja meg a * segítségével kibővíteni keresését, pl.: *kiskutya vagy *szék*
További tippek

 Like  Demjanovich Nebojsa, Judit Stramszky and 138,745 others like this.

 +1  3.8k

INGATLAN
Lakás
Ház
Garázs
Telek, föld
Iroda, üzlethelyiség, ipari ingatlan
Nyaralók, üdülők
Szoba

JÁRMŰ
Autó
Motor, robogó
Haszongépjármű
Vízijármű
Egyéb jármű
Alkatrész, felszerelés

OTTHON, HÁZTARTÁS
Bútor, Lakáskiegészítő
Háztartási gép, felszerelés
Kert, növény
Szerszámok, eszközök
Építőanyag



GRAVITY

AFTER AD REPLY BOX

[Kezdőlap](#)[Hirdetésfeladás](#)
Ingyen[Hirdetések](#)[Ügyfélszolgálat](#)[Fiók](#)

Levelét sikeresen elküldtük a hirdetés feladójának!

További ajánlataink a Jófogásról:



Volkswagen Passat V 1.9 TDI
Variant

Ár: 570 000 Ft



Volkswagen passat variant
1.9 PD TDI

Ár: 699 000 Ft



Volkswagen Passat Variant
1.9 TDI Highline

Ár: 679 000 Ft



Volkswagen passat eladó

Ár: 250 000 Ft



Volkswagen Passat 1.6

Ár: 650 000 Ft



Volkswagen passat 1.9 TDI

Ár: 570 000 Ft



Volkswagen Passat 1.9 TDI

Ár: 1 200 000 Ft



Eladó, Volkswagen Passat
Variant 1.9 Pdti 129Le 20

Ár: 1 450 000 Ft

[Vissza a hirdetéshez.](#)

KEYWORD SEARCH RESULTS


 **jófogás.hu**

[Kezdőlap](#) [Hirdetésfeladás](#) **Hirdetések** [Kedvencek](#) [Ügyfélszolgálat](#)

[KERESÉS](#)

[Keresési tippek](#) [Like](#) [Judít Stramszky, Dózsa György and 101,103 others like this.](#) [+1](#) [2.6k](#)

További ajánlataink a Jófogásról:



Bmw e60 kormány kormánylégszák
Ár: 60 000 Ft



BMW E39 Légszűrőház
Ár: 4 000 Ft



BMW alkatrészek





Bmw önindító
Ár: 6 000 Ft

Apróhirdetés
1 - 50 / 900


Magán
791

Céges
109

[Képek elrejtése](#) | [Ár szerint](#)

Ma 08:22	 ³	Bmw e36 belső 20 000 Ft	Eladó Alkatrész, Felszerelés
Tegnap 21:39	 ⁴	Teljesen Gyári Állapot 4Es Golf (1998) 649 000 Ft	Eladó Autó
Tegnap 15:00	 ³	Intra 15-ös alufelni gumikkal 4X100 25 000 Ft	Eladó Alkatrész, Felszerelés
Tegnap 13:04	 ⁵	Ford focus ablakemelő szerkezet, javítószet,műa	Eladó Alkatrész, Felszerelés Céges hirdetés

GALLERY (PAID ADS)



[Kezdőlap](#) [Hirdetésfeladás](#) [Hirdetések](#) [Kedvencek](#) [Ügyfélszolgálat](#)

[KERESÉS](#)




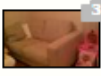



[Keresési tippek](#) [Like](#) [Judith Stramszky, Dósa György and 101,103 others like this.](#) [+1](#) [2.6k](#)

Apróhirdetés
1 - 50 / 438407


Magán
343968


Céges
94439


[Képek elrejtése](#) | [Ár szerint](#)

Ma 11:21		Babaruha Kupon -50% C&A	Eladó Baba-mama
Ma 11:20		IKEA karnis eladó 60cm+60cm-vel hosszabítható 1 500 Ft	Eladó Bútor, Lakáskiegészítő
Ma 11:20		Ügyvédi szerződéssel átadó Suzuki Swift 1.3 GC (2007) 145 000 Ft ↓ -12%	Eladó Autó Céges hirdetés
Ma 11:19		Kétszemélyes világoszöld kanapé 28 000 Ft	Eladó Bútor, Lakáskiegészítő
Ma 11:19		Bp.lakás bérletijogát,vidéki családlházra cseréle 8 000 000 Ft	Eladó Lakás
Ma 11:19		Gyári állapotú Vaillant vízmelegítő, gázbojler 26 500 Ft	Eladó Háztartási Gép, Felújítás
Ma 11:19		Ügyvédi szerződéssel átadó Skoda Fabia 1.2 (2004) 130 000 Ft	Eladó Autó Céges hirdetés

KIRAKAT

**Sürgős**
Veszprém, Stadion u.
Egyetem közelében
Eladó Lakás
Ár: 7 500 000 Ft


Silver Cross babakocsi
Ár: 25 000 Ft


Női bunda (eredeti)
Ár: 20 000 Ft

[HIRDESSZEN ITT!](#)

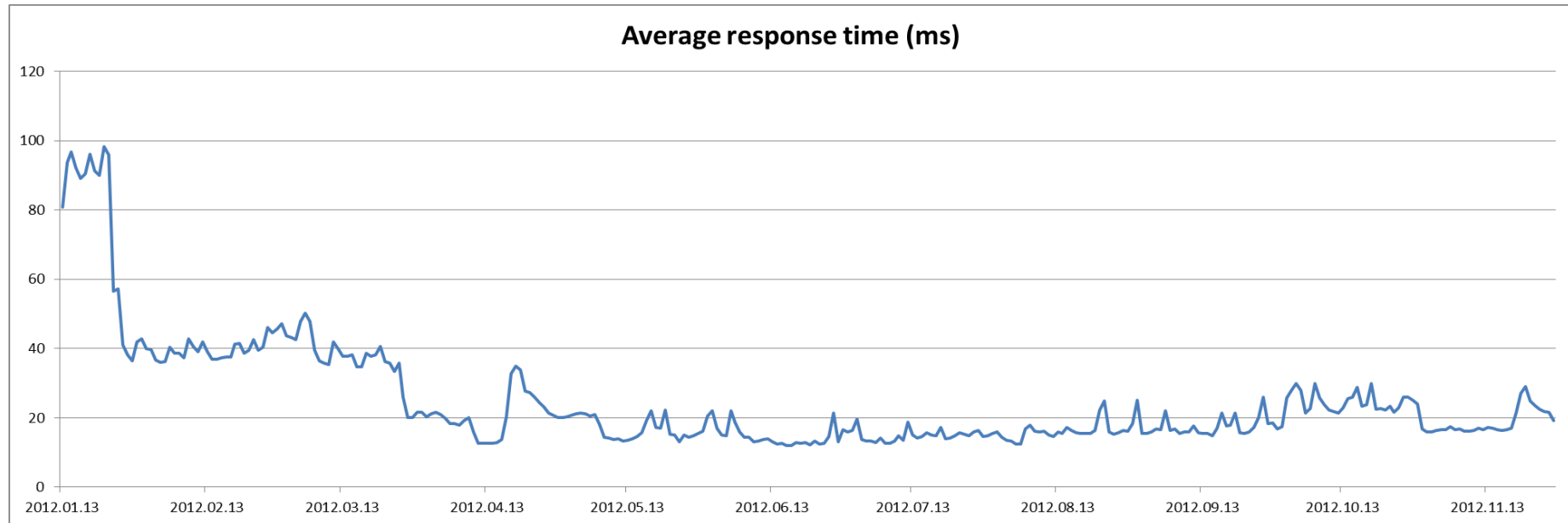


% of visitors clicking on recommendations
from the starting 20%, it went up to 35-40%
(a 75-100% improvement!)





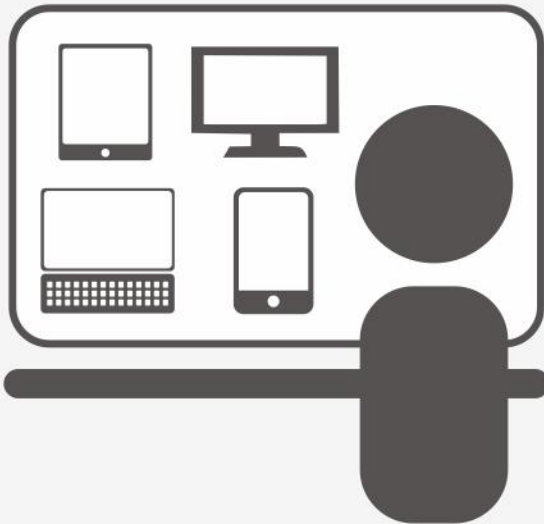
Average response time
20ms





POTENTIAL EXTENSION OPTIONS

PERSONALIZED RETARGETING



Your prospect visits
your site but doesn't
convert and leaves



The personalized
ad brings the visitor
back to your site's
Ad Detail page



Visitor is targeted with
a personalized ad on
the third party site

**Re-engage and convert high-intent prospects
with personalized banners on sites you advertise on.**

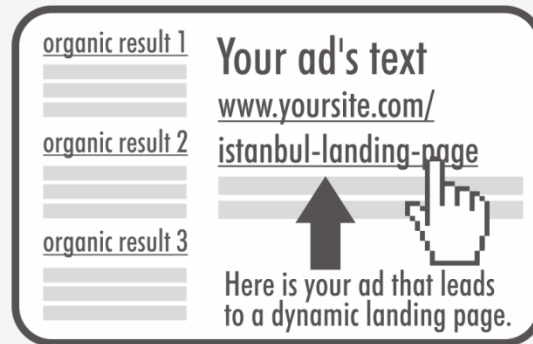
DYNAMIC LANDING PAGES

1



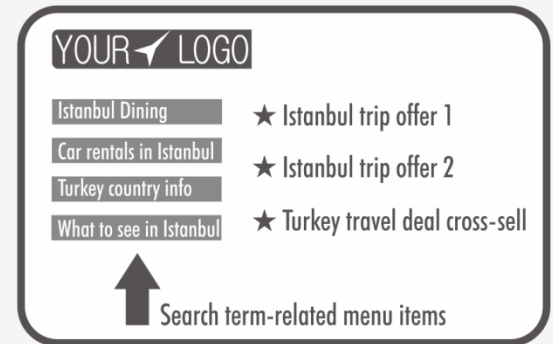
visitor searches

2



visitor clicks your PPC ad

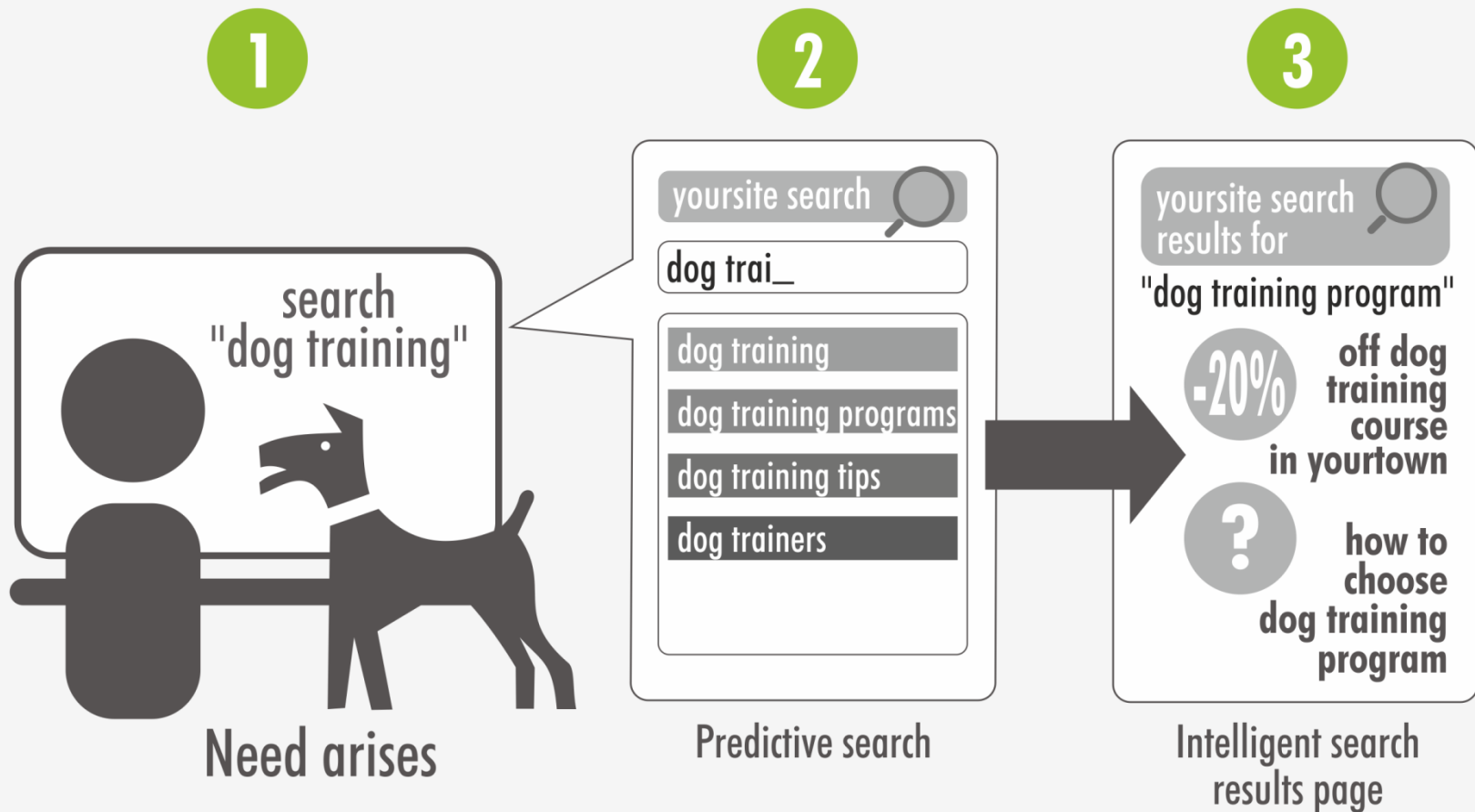
3



visitor arrives to
your landing page,
content is personalized
for the search term

Unlimited number of custom landing pages generated real time,
automatically – the moment a visitor enters your site from a search engine.

SMART SEARCH

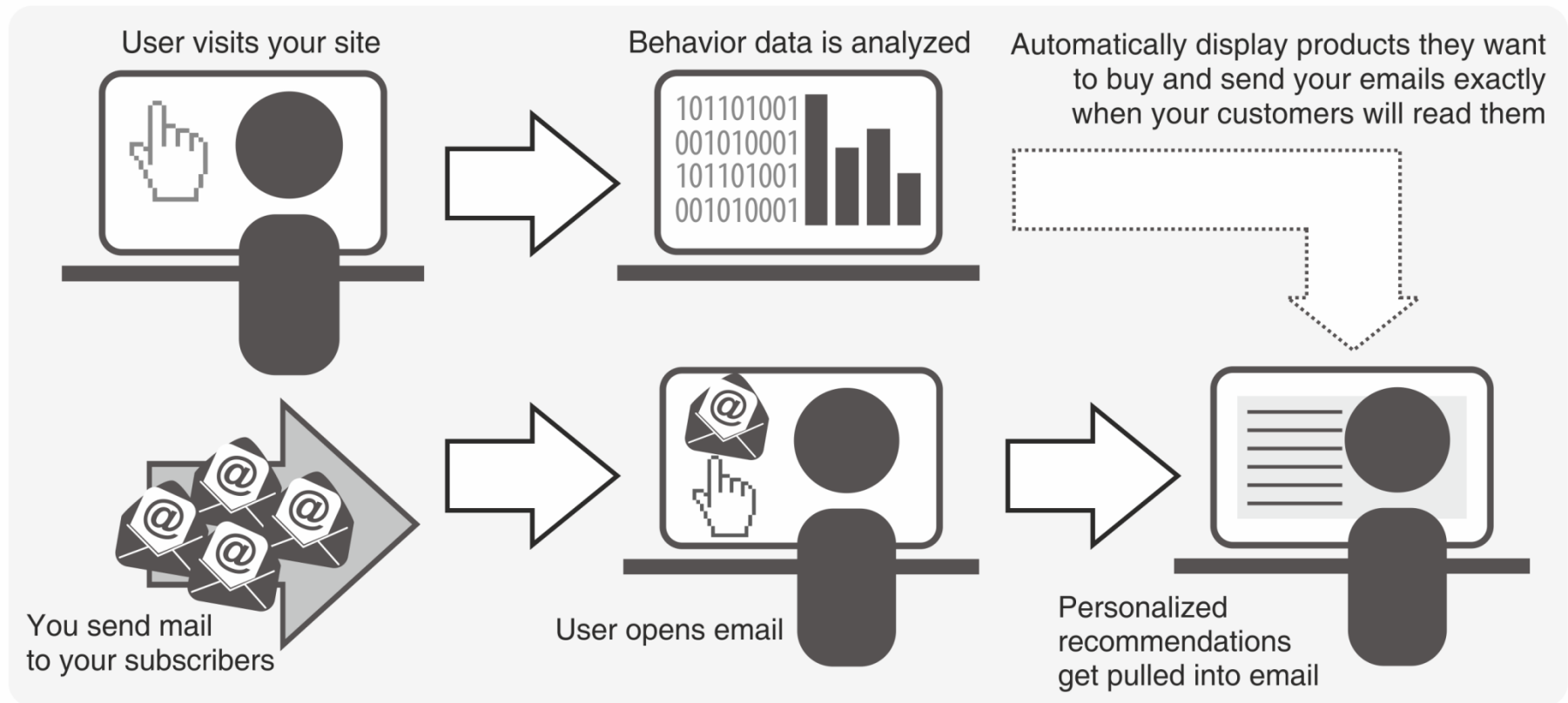


Site search that maximizes sales

Guess visitors' queries as they begin to type them,
rank search results based on what they are most likely to buy.

EMAIL PERSONALIZATION

easy integration with:



Integrate to your email marketing software, send emails exactly when your customers will read them, with the exact products they want to buy - without involving IT.



INTEGRATION PROCESS AND TIMELINE

INTEGRATION DESCRIPTION



**Step 1.: DEFINITION of business requirements
and KPI objectives**

Step 2. Fine-tuning

Step 3. Operations and maintenance

**INTEGRATION: 1 – 2 days per page,
altogether 5 – 10 man-days**

FINE-TUNING PERIOD up to 2 months

TECH DETAILS



Integration options

- server side
- client side

SaaS vs. Appliance

Location of servers

Europe → SaaS

Overseas → Appliance

THE GRAVITY GUIDE FOR PERSONALIZING THE CLASSIFIED EXPERIENCE

[link to pdf](#)



PERSONALIZE
THE CLASSIFIED EXPERIENCE

Profiting from Personalization
A Guide from Gravity

June 24, 2013

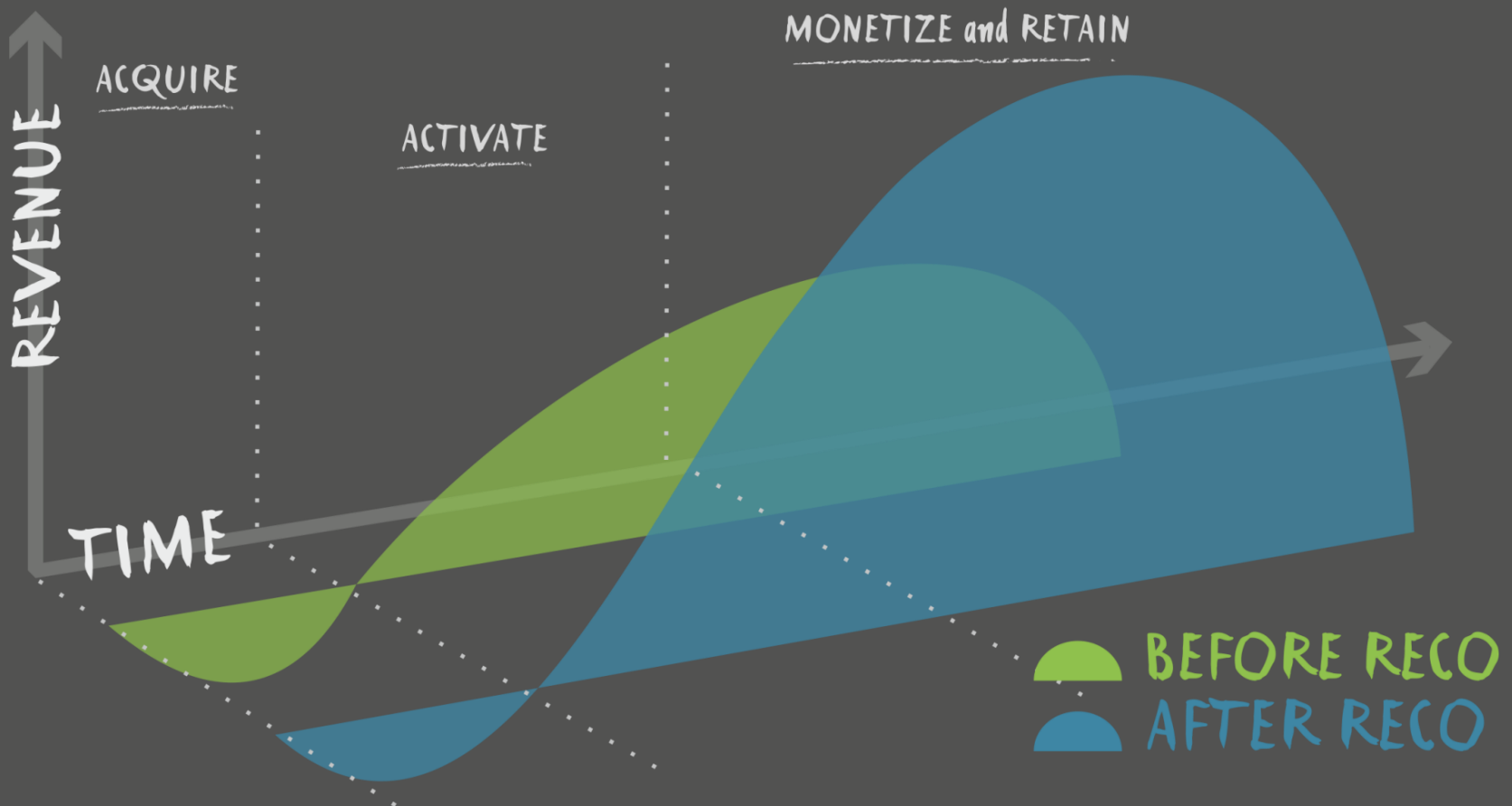
CLASSIFIED PILOT RESULTS



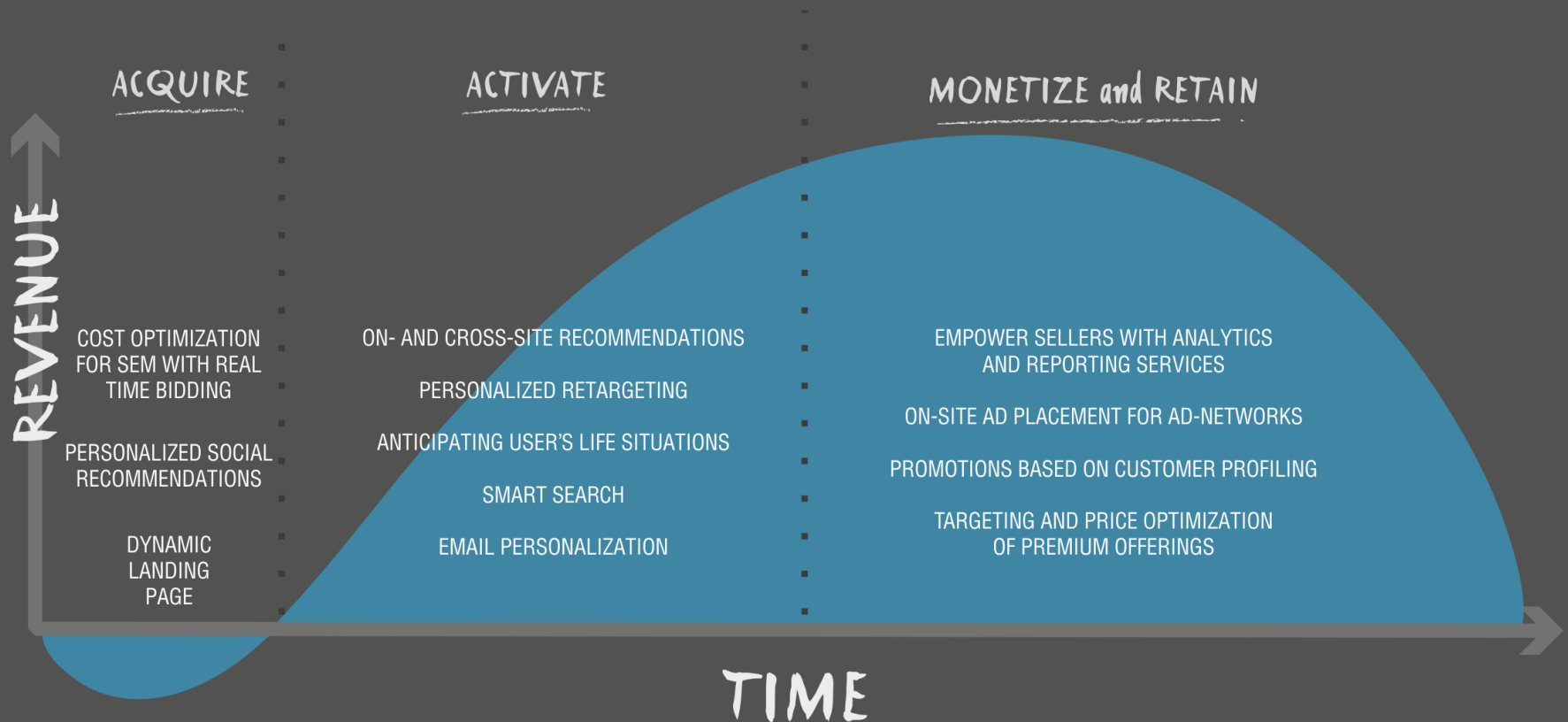
Key Performance Indicators			A.com	B.com	C.com
CTR on	Ad Detail Page	→	16%	8%	14%
	Result Page	→	12%	N/A	7%
	After Ad Reply box	→	N/A	16%	16%
	Zero Results Page	→	14%	N/A	N/A
Increase in	CTR on Ad Detail Page	→	368%	235%	N/A
	CTR on After Ad Reply box	→	N/A	320%	N/A
	Ad Detail PV/EV	→	16% - 18%	8%	18%
	Total PV/EV	→	3%	2.5% - 3%	1% - 1.5%
	Time Spent on Site	→	3%	N/A	N/A
	Ad Replies	Total	N/A	7%	15%
		"jobs" only	N/A	N/A	25%
Proportion of Ad Replies that go through Gravity recommendation boxes		→	N/A	8%	15%

THE CLASSIFIED LIFECYCLE

DIFFERENT STAGES WITH DIFFERENT GOALS



EXTENSION OPPORTUNITIES TO ASSIST THE LIFECYCLE STAGES



Boost Visitor Engagement

with the winner of ICMA Innovation Award 2012

**Ad
Replies**

**Ad Detail
Page Views
per Visit**

CTR

10%

18%

368%

NEXT STEPS



Contact us to discuss how you will benefit from RECO:

sales@gravityrd.com

Or call +36 (1) 799 5260

+1 (408) 351 3400 (PST)

+1 (203) 794 4384 (EST)

+1 (845) 664 3157 (EST)

Let's set up a demo: experience RECO live!



BACKUP SLIDES

PRICING



Pricing is based on **Unique visitors**

MAN-HOURS DEPENDING ON number of UV

Few Euro cents per UV

OUR CLIENTS



GRAVITY

Results: Social Shopping



www.bonuszbrigad.com

Industry: daily deals/social shopping



11.37%

Revenue increase using RECO onsite



11% Revenue increase in newsletters using RECO

The screenshot shows the Bonus Brigád website interface. At the top, there's a navigation bar with links like 'Szolgáltatás', 'Utazás', 'Termék', 'Piacrét', 'Karácsony', and 'Exkluzív'. The main content area features a deal for a gun: '25.700 Ft helyett 9.900 Ft: „Zombik a lakásban” - 80 lövés a Gemini Lötér taktikai házában Glock 17-tel, MP5-tel, vagy Colt M4-gyel'. Below the title is a photo of a woman holding a gun. To the right of the photo, a yellow box displays the 'Brigád ár' (Brigade price) of 9.900 Ft, with a 'MEGVESZEM' (I buy) button. Below this, a table shows the original price (25.700 Ft), the discount (61%), and the final price (9.900 Ft). Further down, a green box indicates '289 vásárló' (289 buyers) and a 'JÓFEJ LESZEK' (Good Deals) button. The bottom section contains a detailed description of the deal, including the date range (December 14, 2013, to February 28, 2014) and the number of shots (80). On the right side of the page, there are several promotional banners for other deals, such as 'MIT VEGYEK KARÁCSONYRA?' (What do I buy for Christmas?) and 'Gastro-Card Erőn Kártya'.

Personalization success at Ivi



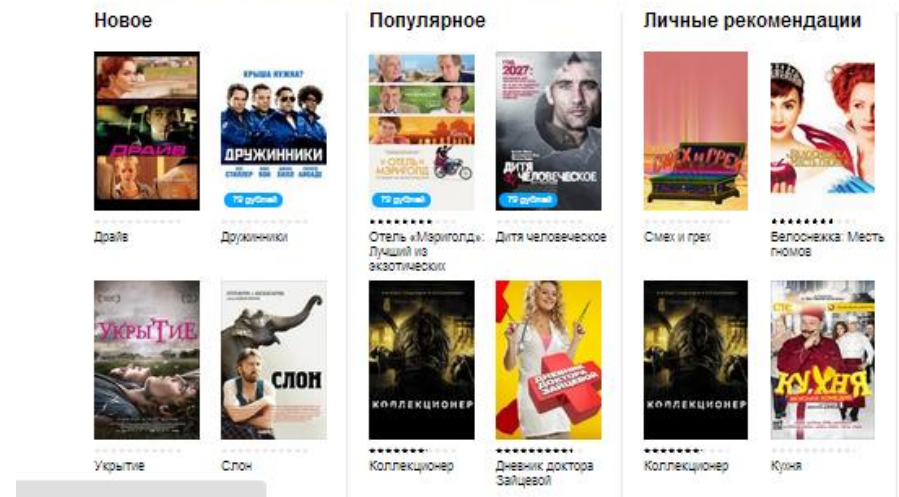
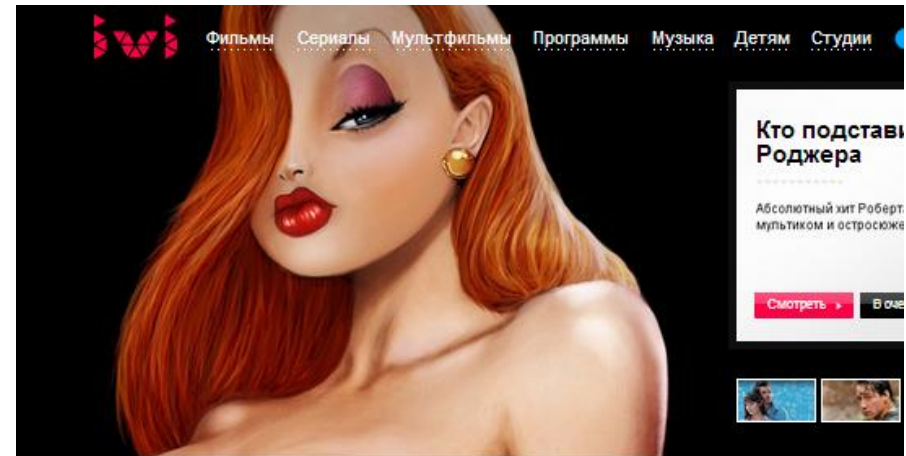
www.ivi.ru

Industry: Online Video
Streaming Largest Hulu-type
Russian website with over 20M+
unique visitors.

Russian-language interface with
cyrillic characters



300% Increase in
Main Page and Item
Page CTR



Personalization success at GRANDO



Industry: e-commerce

Member of Allegro Media Group

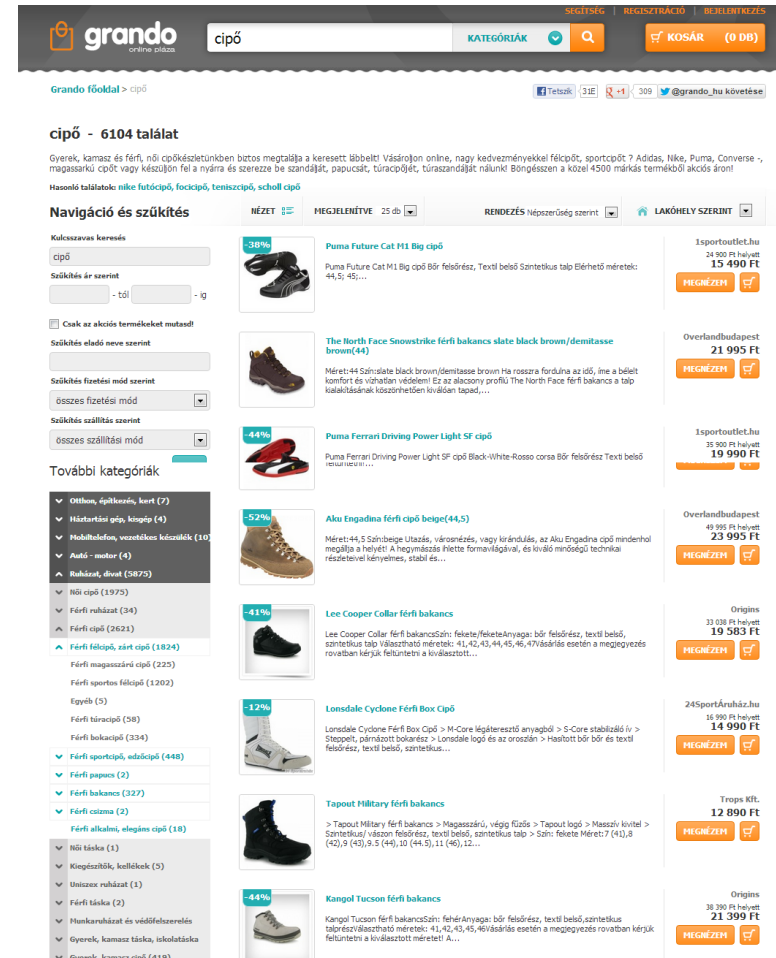
Newest online retail shop
with 1M products



7% Income coming
through RECO



7% Item Page CTR
thanks to RECO



Personalization success at RANDIVONAL

Randivonal  www.randivonal.com

Industry: online dating site with 1M registered users.

Member of Holtzbrinck Group



143% Banner CTR



2.5x More conversations between people



25% Premium Subscriptions

