



Breakout | 1:1 Customer Engagement

Community Forum

The evolution of NBA Decisioning and Personalization into a Gen-Ai Era



NEXT BEST ACTION DECISIONING AND PERSONALIZATION WITH MERKLE

HOW WE GOT HERE AND
WHERE WE MIGHT BE GOING NEXT

PEGA COMMUNITY FORUM '23



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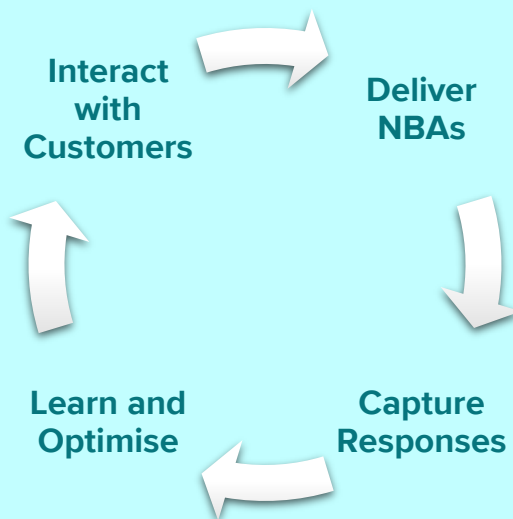
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What is Next Best Action (NBA) Decisioning?

The aim of NBA Decisioning is *'to maximise the number of positive responses at each point of interaction.'*

We do this by:

- Testing different approaches,
- Learning what works and what doesn't and
- Continually optimising the Decisioning process.



An NBA consists of four Personalisation Decisions and a Call to Action



What to present to a Customer? *(Right Action)*



Where to present to the Customer? *(Right Channel)*



How to present to the Customer? *(Right Treatment)*



When to present to the Customer? *(Right Time)*



What response options are available to the Customer?

NBA Personalisation Maturity Model



Right Action

Right Action
Right Channel

Right Action
Right Channel
Right Treatment

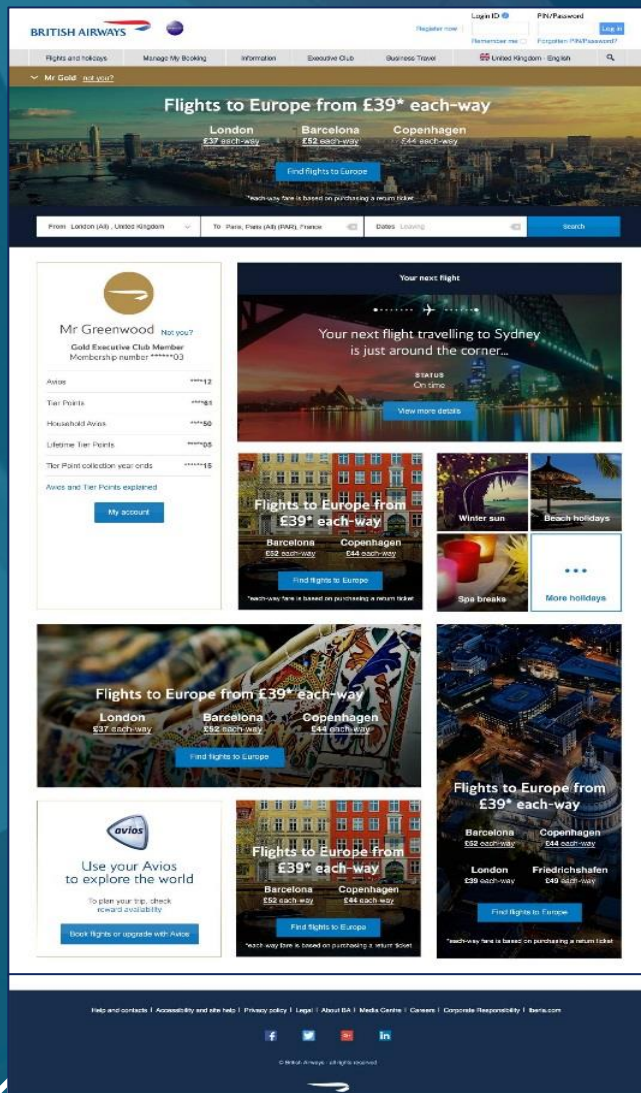
Right Action
Right Channel
Right Treatment
Right Time

*GenAI-Driven
Personalisation*

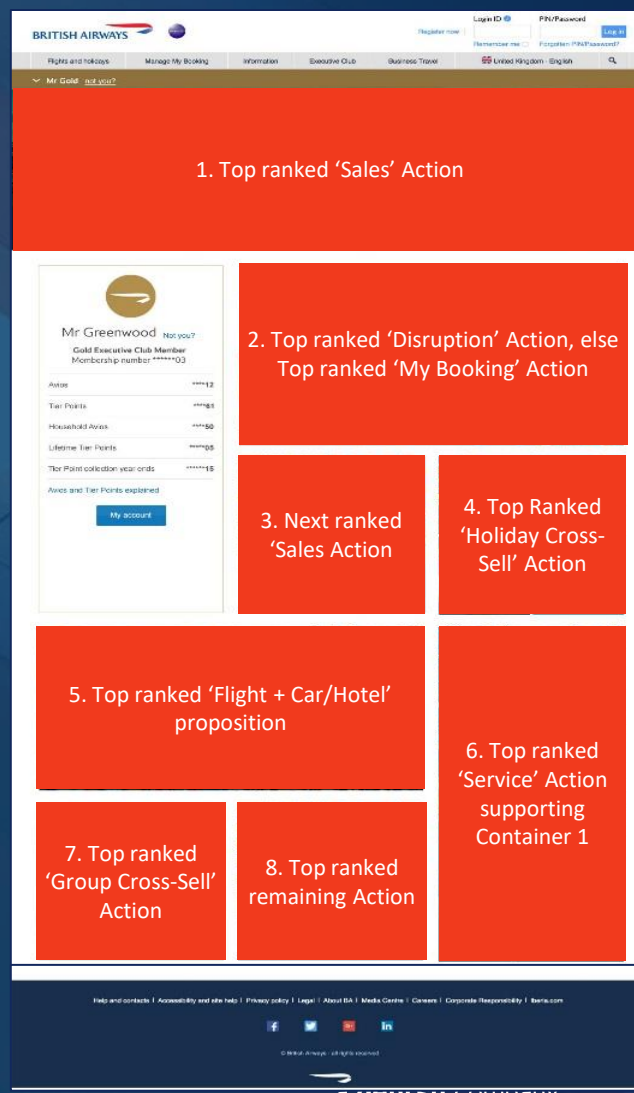
Time

1. 'Right Action' Personalisation

NBAs render in Content Blocks



Content Block Logic drives Personalisation



NBA Decisioning Engagements often start here.

A good first 'Minimum Lovable Product' might be:

1. Delivery

- Select one Business Issue, e.g., Cross-Sell
- Select one Channel, e.g., Web
- Define 50-100 Actions that support of the Business Issue
- Identify success criteria
- Take the capability live in circa 90 days

2. Live



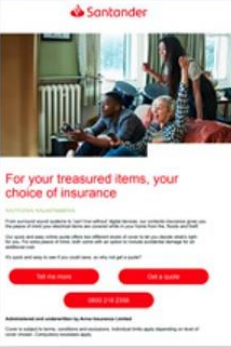



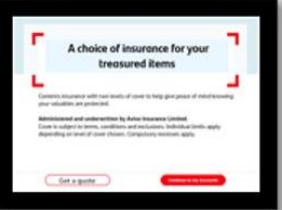





- Present the Actions to Customers
- Watch the Responses
- Learn from the Responses
- Get better and better at match Actions to Customers
- Measure activity against success criteria.

It is not unusual to have 500 to 1000 Actions in a mature system (British Airways have 9 million)

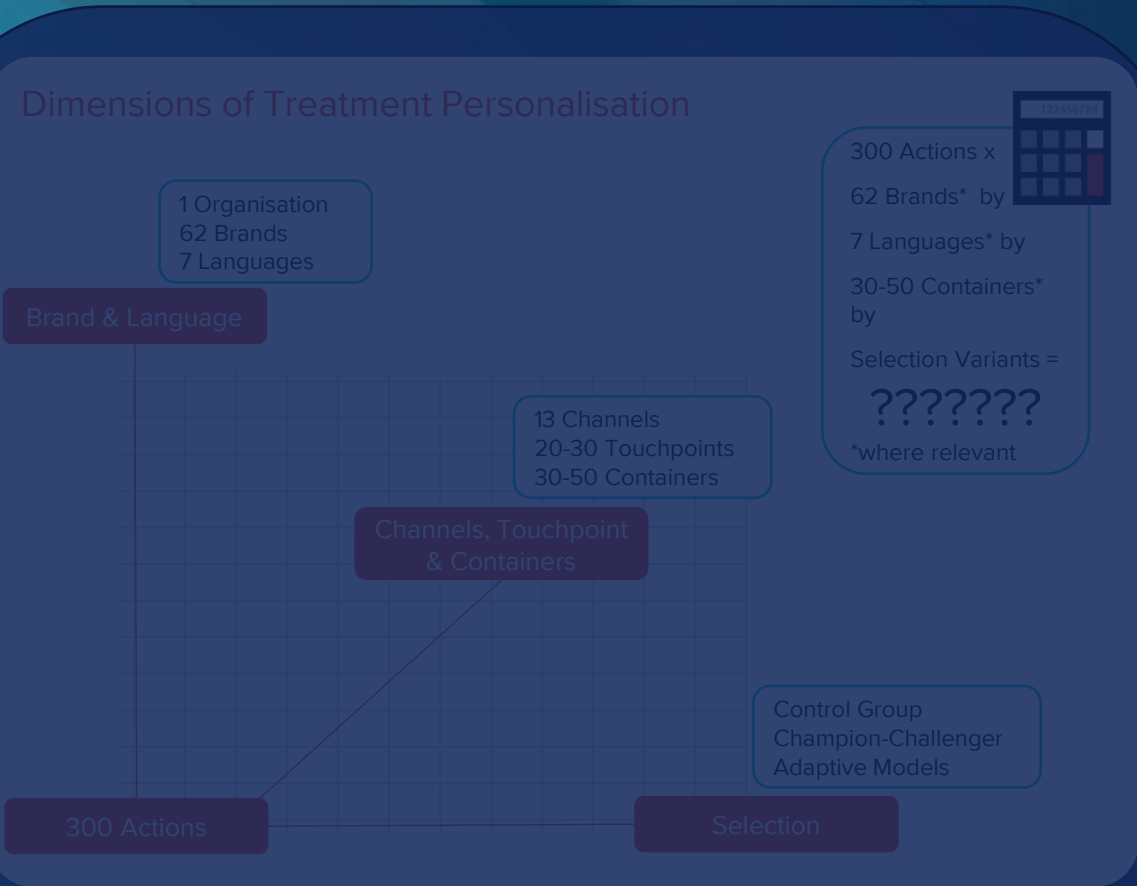
2. 'Right Action, Right Channel' Personalisation

Home Insurance Refresh

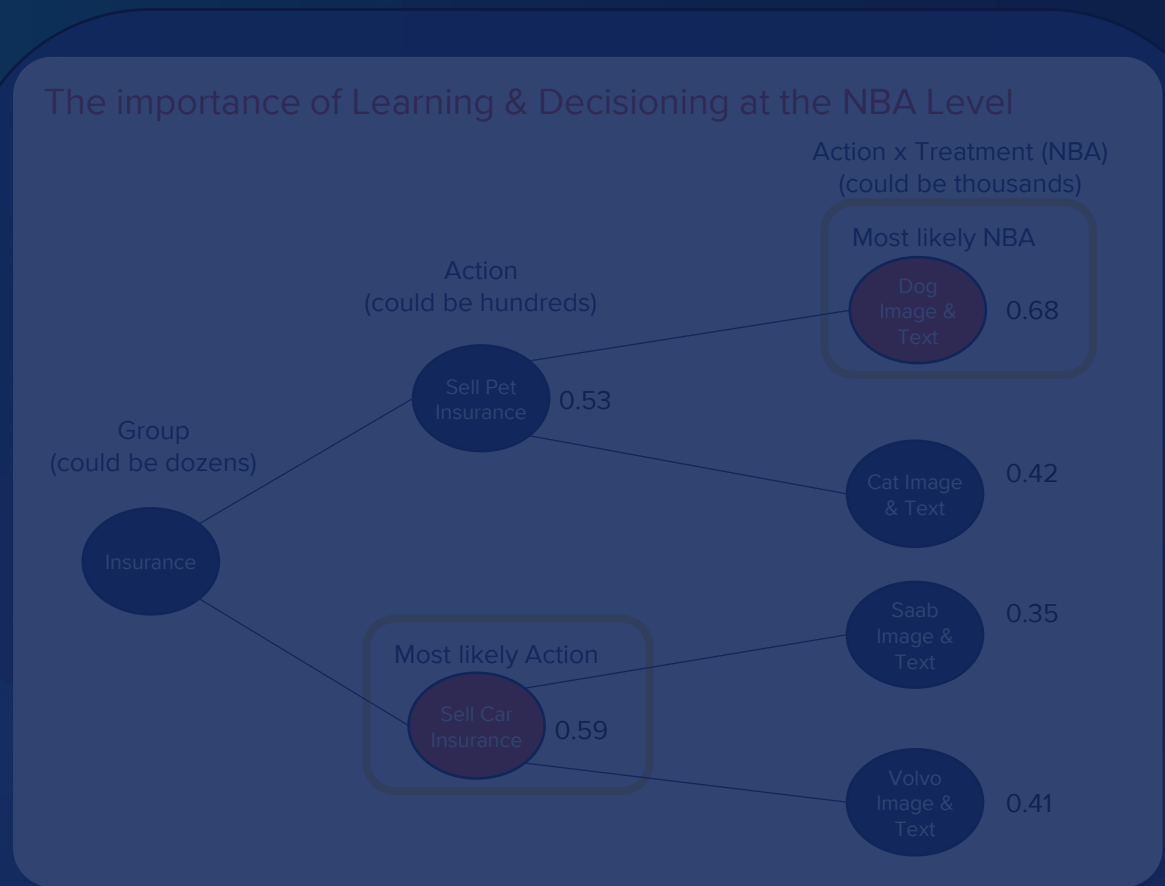
- A suite of digital collateral to target customers who we believe are approaching their home insurance renewal date, leveraging previous quotes, transactional & other data.
- Designed with the aid of a Behavioural Psychologist, four behavioral levers have been identified to shape and determine the content.
- Delivers a consistent, omnichannel experience.

Daisy Chain	1. Value	2. Social	3. Control	4. Retargeting
Email				
OLB Interstitial				
Mobile Banner				

3. 'Right Action, Right Channel, Right Treatment' Personalisation



- There are a potentially high volume of Treatments per Action, meaning we need to plan the solution carefully in advance
- Pega Adaptive Models can be deployed against hundreds of Actions and Thousands of Action/Treatment combinations.



- NBA Personalisation allows us to learn based on what the Customer specifically sees and responds to.
- Learning and modelling at the NBA (Action x Treatment) level provides more valuable Models & more positive Responses

4. 'Right Action, Right Channel, Right Treatment, Right Time' Personalisation

OPTIMISING & LEVERAGING THE ADOBE DMP WITH PEGA DECISIONING

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Representative 3.4% APR for loans between £7,500 - £19,950.

Other amounts available at alternative rates. Our rates depend on your circumstances and loan amount and may differ from the Representative APR.

37%

Apply now

Over 18s and existing NatWest current account customers only.

A

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B

NBA Personalisation Maturity Model



BRITISH AIRWAYS



Right Action

Right Action
Right Channel

Right Action
Right Channel
Right Treatment

Right Action
Right Channel
Right Treatment
Right Time

GenAI-Driven
Personalisation

5. Single Decisioning Brain + GenAI-Driven Personalisation

Autonomous Customer Engagement

Merkle Predictions

The Brain can be educated to understand and report on the Action, Channel, Container, Treatment, CTA variations and combinations. (Swedbank example)

1. The Brain could tell GenAI what Text, Images including variants etc are required but it will still learn, decide and predict.
2. GenAI will provide libraries of elements to support all Treatments
3. Humans will validate the body of Treatments and still play a key role within the process.
4. The Brain will combine Treatment elements from the libraries rather than have significant volumes of pre-combined Treatments
5. BAU Resourcing via Pega NBA Personalisation will become very streamlined.

Customer Decision Hub (CDH) – THE BRAIN

