

A large, stylized yellow chevron graphic pointing to the right, composed of two overlapping bands.

**DATA-DRIVEN COMPANY
LOYALTY & CRM
ANALYTICS FOR
OIL & GAS**

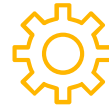
DATA-DRIVEN THROUGH LOYALTY ANALYTICS

BP selected Accenture to help transform customer experience at the fuel pump using digital and advanced analytics



CHALLENGE

The fuels and convenience retail business is changing, with increased competition and new products and services providing customers with a menu of choices that they never had before, so we need to ensure that our customer offering is relevant, tailored and competitive



SOLUTION

Accenture used digital tools and advanced customer analytics models to help BP transform the customer experience and improve its product and service offering



BENEFITS

By implementing a new customer relationship management model, powered by advanced customer analytics, BP has a much deeper understanding of its customers' needs & expectations


This helps BP increase its overall share of the fuels and convenience retail market, while improving its customer focus to deliver a more innovative and competitive experience that is tailored, differentiated and digitally enabled

HOW IS THE FUEL RETAILING INDUSTRY RESPONDING TO THE NEW

MARKET CONTEXT

GLOBAL MEGA TRENDS AND DIGITAL INNOVATION AFFECT THE FUEL RETAILING INDUSTRY

Changing Customer Base



The migration from rural to urban continues. With changing mobility trends like electric cars or car sharing; new customers appear while existing customers drop out

Behaviour Changes




Customers become more and more convenient, have access to an increased amount of information and show an increased focus on sustainability

Increased Competition & Margin Pressure



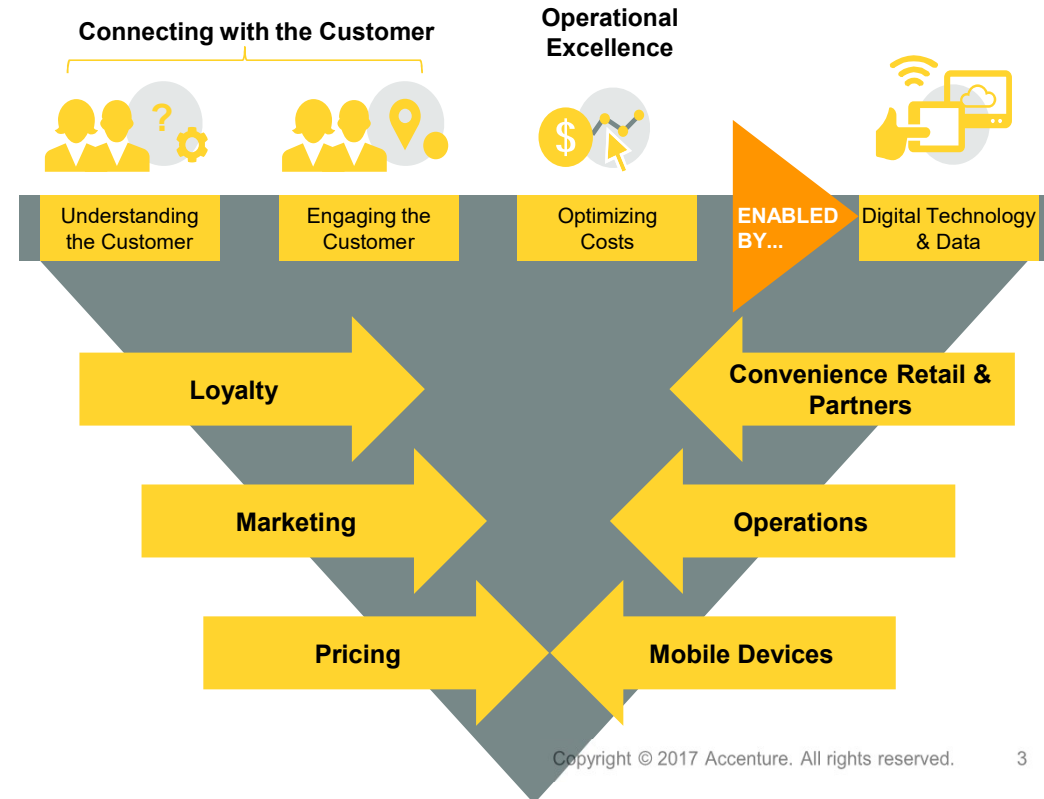
New offerings & players in the market are driving consumer choice. Increased costs of operation, and increased price sensitivity of consumers

Rapid Technological Change



Digital innovations are changing the way we live, work & play. The rise of mobile devices shaped the way we communicate and interact.

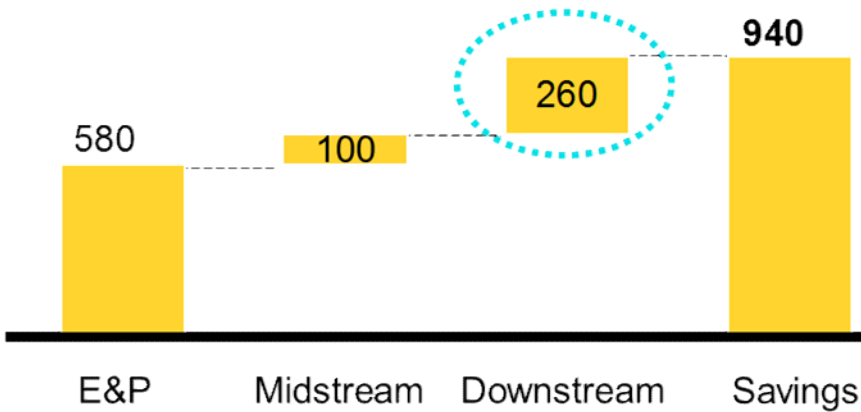
MEASURES ARE TAKEN BY THE INDUSTRY TO USE DATA AND ANALYTICS AS THE SOURCE FOR DECISION MARKING



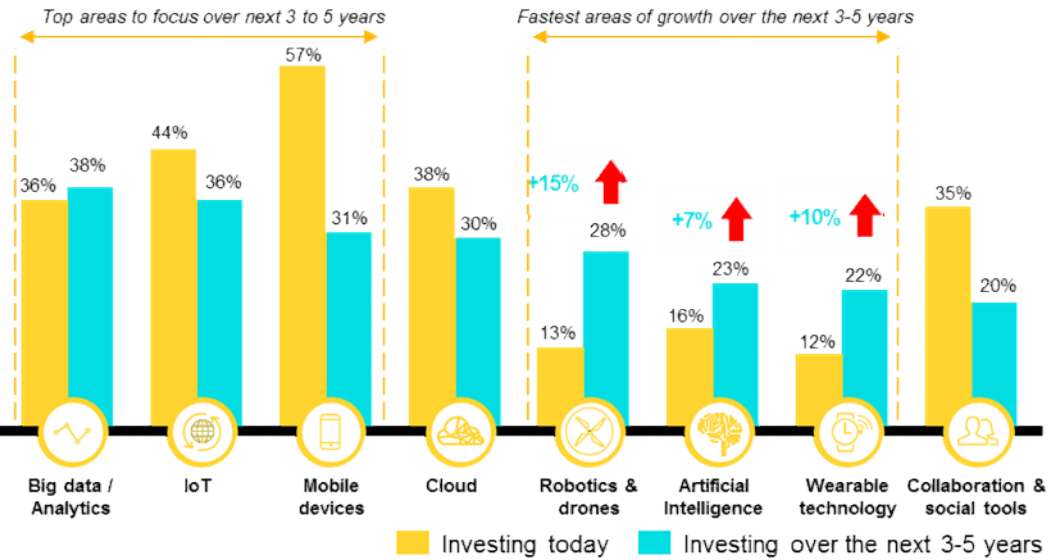
PREDICTED SAVINGS THROUGH AND INVESTMENTS IN DIGITAL

MARKET CONTEXT

VALUE AT STAKE FROM DIGITAL TRANSFORMATION IN THE ENERGY INDUSTRY
(BILLION USD, CUMULATIVE FOR THE PERIOD 2016 – 2025)



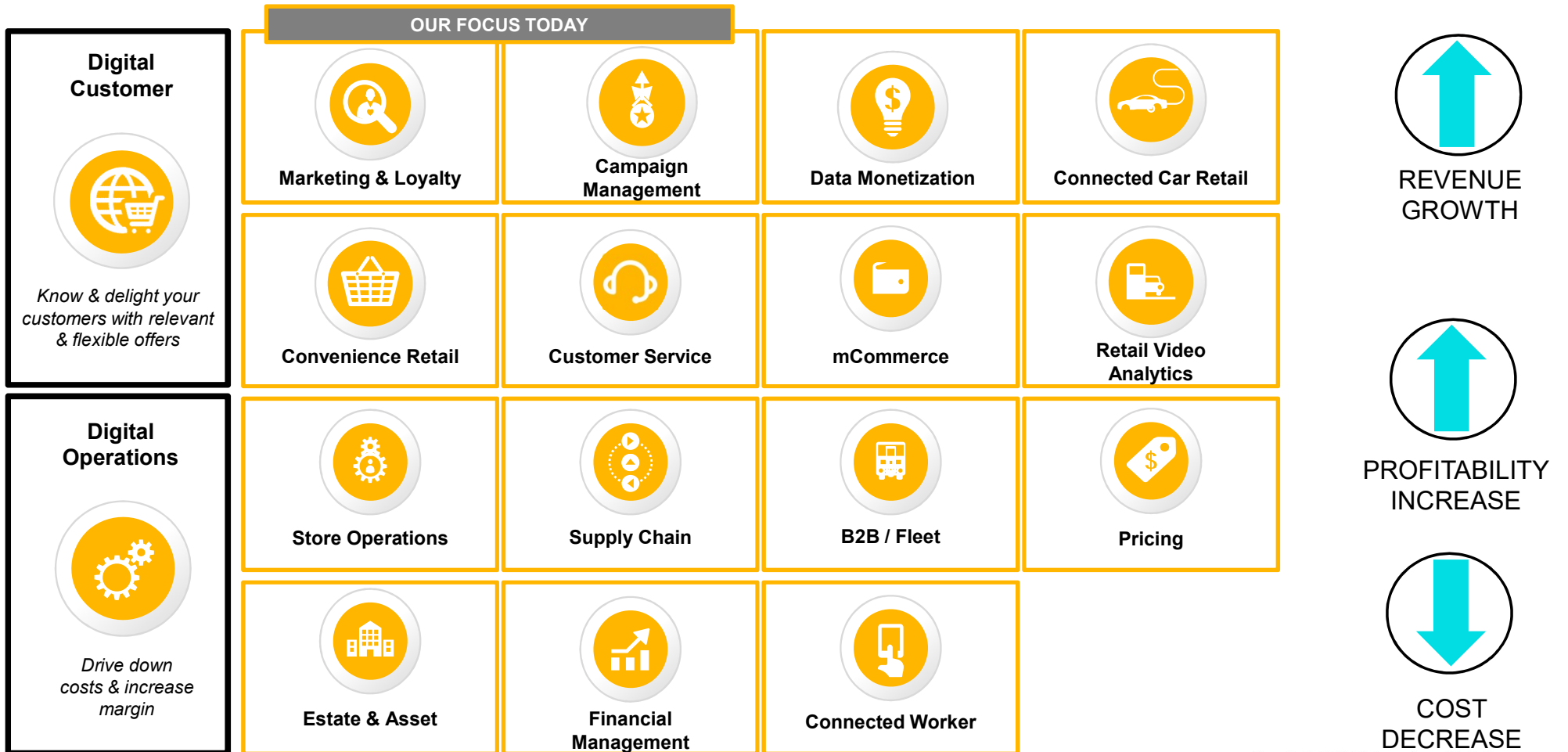
INDUSTRY INVESTMENTS IN ANALYTICS AND DIGITAL TECHNOLOGIES
(PERCENTAGES IN PROPORTION OF ALL COMPANIES SURVEYED)



Source: Digital Transformation Initiative: Oil and Gas Industry White Paper – World Economic Forum in collaboration with Accenture, January 2017; Accenture Strategy Energy

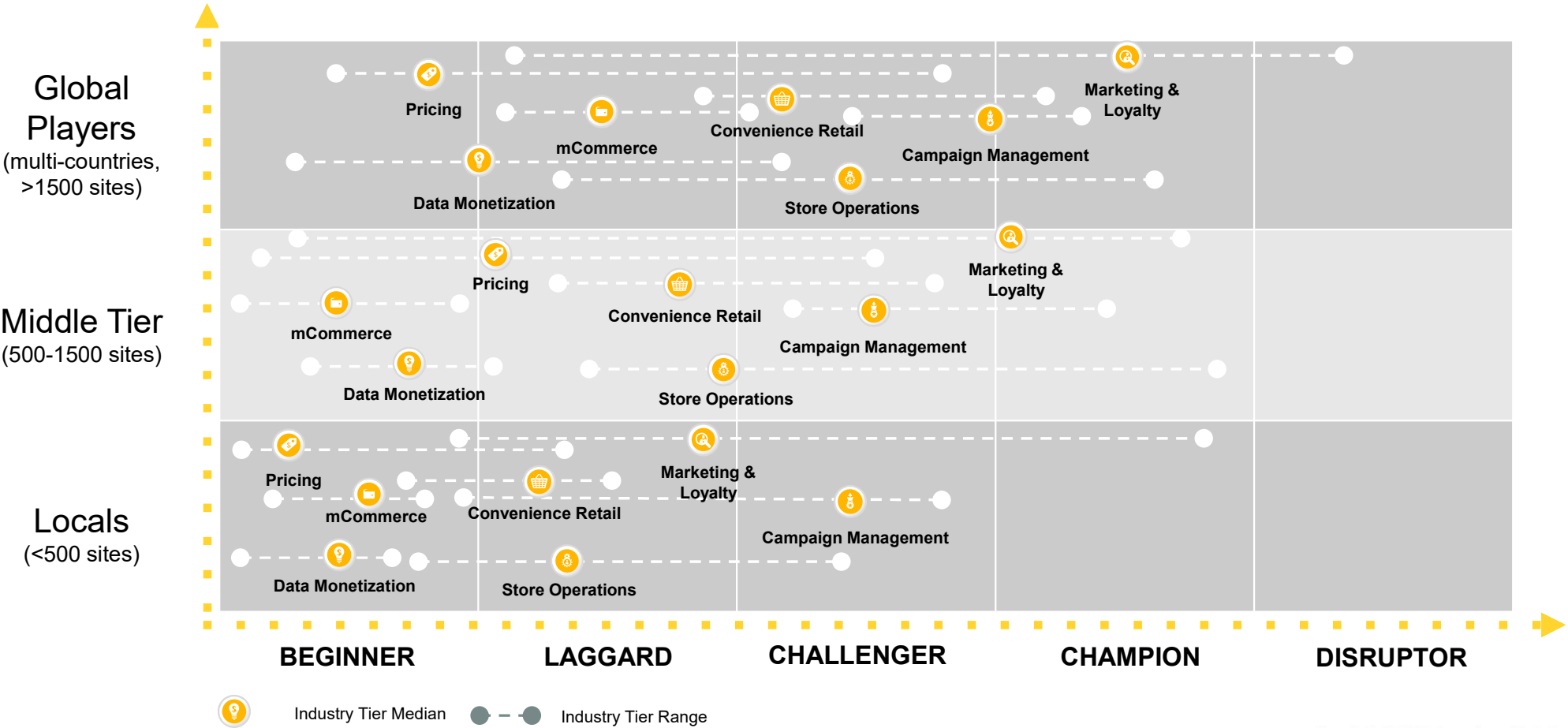
Source: 2016 O&G Digital Trends Survey by Microsoft and Accenture

GIVEN THIS MARKET CONTEXT, WHAT CAPABILITIES ARE REQUIRED?



HOW MATURE IS THE FUEL RETAIL INDUSTRY IN THESE CAPABILITIES?

BENCHMARKS VS INDUSTRY



HOW MATURITY LOOKS LIKE IN MARKETING, LOYALTY & CAMPAIGN MANAGEMENT

Marketing & Loyalty

Campaign Management

Who are my high value customers?

How can I measure engagement with my loyalty program?

Are my campaigns truly personalized?

Why do they visit my forecourt?

And how can I improve this engagement?

How many channels can I use to reach my customers?

Which are their top missions?

Are my rewards covering my customers' needs?

Do I take advantage of the additional capabilities of the digital channels?

Where else do they shop from?

If not, what additional rewards should I introduce?

Can my offer change real time based on what my customer just bought?

And how much headroom do they have?

And how can I further differentiate my loyalty offer proposition?

And are my campaigns tailored to the loyalty customer lifecycle?

... WHAT ANALYTICS ARE NEEDED

LOYALTY SEGMENTATION



CHURN ANALYSIS



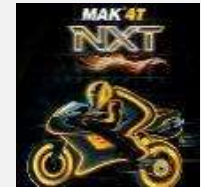
CHANNEL PROPENSITY



FUEL & NON FUEL UP SELL ANALYSIS



NON-FUEL CROSS SELL ANALYSIS



HEADROOM ANALYSIS



CROSS PROMOTION EFFECTIVENESS



FUEL PRICE SENSITIVITY



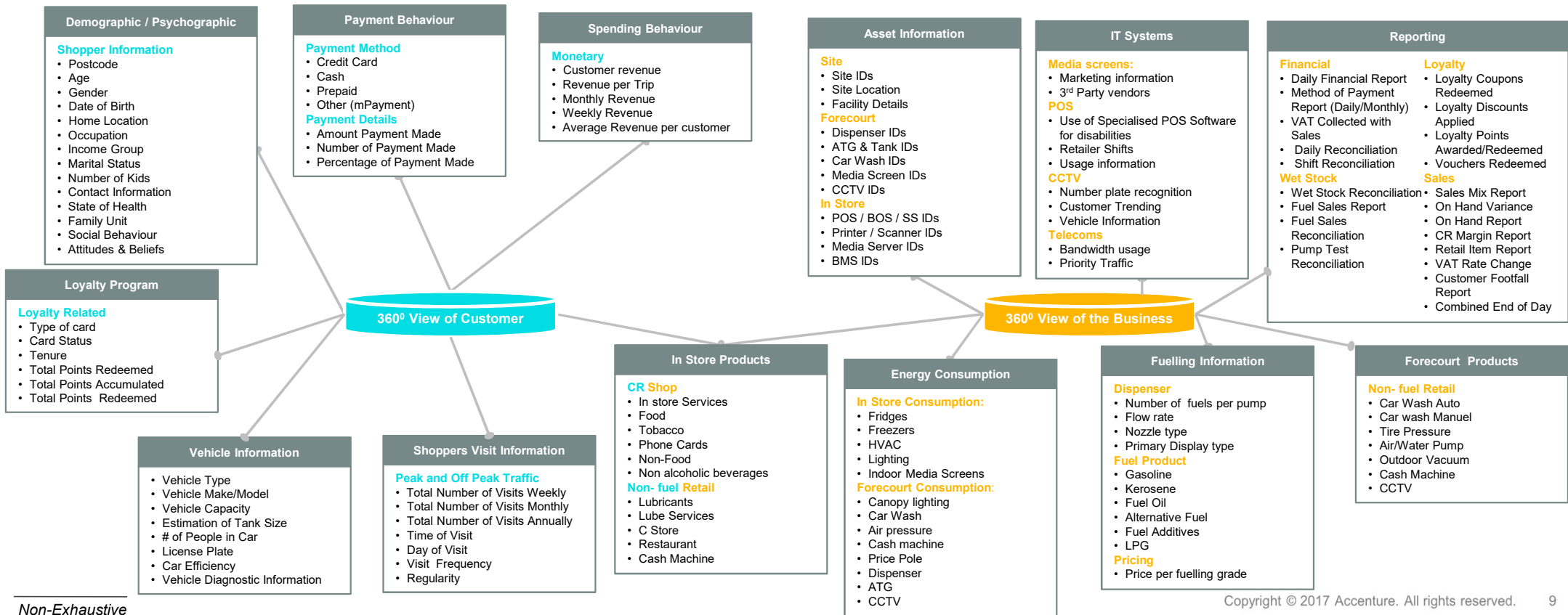
... WHAT DATA ARE REALLY NECESSARY

A Data Challenge...

Disparate sources and availability of data

...but a Data Opportunity

Multiple sources of insight to extract value



Non-Exhaustive

... AND WHAT DIFFERENCE DOES IT MAKE?

GLOBAL BENCHMARK RANGES

| Marketing & Loyalty | Campaign Management | Convenience Retail | Fuel Pricing | Mobile / mCommerce | Operations | Data Monetization |
|---|---|---|---|--|---|--|
| # of Loyalty customers: +10-15% | Campaign operational process costs: -20-30% | Basket size (cross-and up-sell): +10-15% | Margin per litre: +1-2% | # of customers: +5-10% | Operational cost: -5-10% | Additional turnover: 500k-1,5m€ per year |
| Loyalty fuel volume: +10-20% | Customer incentive cost: -15-35% | Shopper frequency: +10-15% | Fuel volume: +1-3% | Fuel volume: +5-10% | FTE refocus or elimination: +10-40% | |
| Churn rates: -15-20% | Campaign cycle time ("from planning to go-live"): -30-50% | Shop margin based on assortment optimization: +2-5% | Higher margin (premium) fuel products: +7-10% | App operational costs: -10-25% | Go-to-market time: -10-20% | |
| Avg. customer lifetime: +5-8% | Campaign ROI improvement: 50%-120% | | | | | |
| ATL Marketing ROI: +5-15% | | | | | | |