



Retail case study

# Ocado Retail grows sales with hyper-personalized marketing

A new data platform and marketing suite enable the online grocery retailer to attract customers with personalized offers and recommendations.

## The challenge

Ocado Retail's advertising strapline is "There's an Ocado just for you"—and it means it. The online grocery company, a 50-50 joint venture between UK retail giants Ocado Group and Marks & Spencer, aims to provide every customer with a hyper-personalized experience, so the company can understand their likes and preferences and recommend products they'll appreciate.

That's the key to achieving long-term loyalty and growth, according to Kieren Johnson, Head of IT at Ocado Retail. But to achieve that level of personalization, Ocado Retail needed a new set of foundational IT systems—from a real-time data platform to a marketing suite—to deliver the right message to the right customer at the right time.

## Finding a digital transformation partner

Starting afresh in its joint venture with M&S meant Ocado Retail could go cloud-first from the outset. That would enable it to scale up fast to meet customer expectations, but it would need help from a digital transformation partner with proven cloud skills and experience.



## At a glance

**Industry**  
Retail

**Location**  
United Kingdom

**Challenge**  
Leverage data to deliver a hyper-personalized customer experience

**Products and Services**  
Google Cloud, MuleSoft, Adobe Campaign, DLP

- Success Highlights**
- New foundational IT platforms delivered on time and to budget
  - Supported a 17% growth in customer base in H1 2022
  - 26%–34% lower three-year total cost of ownership (TCO) than alternative cloud platforms

## Our approach

Ocado Retail asked its technology vendors to recommend a partner who could offer the right skills, and Cognizant's name came up several times. Initial conversations went well. "We felt it would be a real collaboration—that they would be a partner who would work with us, not for us," says Johnson.

### Delivering a future-proof data foundation

Ocado Retail and Cognizant set to work to design and build the data and technology foundation for the new, hyper-personalized customer marketing experience. Core elements of the solution included:

- **An enterprise data platform built on Google Cloud.** The platform includes an enterprise data warehouse and multiple data marts, and extracts data from internal and external sources to create a 360° view of each customer to enable highly personalized marketing. Machine learning capabilities in Google Cloud will help the data platform continually grow in value.

- **A new marketing suite that combines 360° customer data with Adobe Campaign modules.** Using an agile delivery approach, Cognizant built a platform that brings data, campaign assets and analytics together, giving Ocado Retail the tools to deliver automated, hyper-personalized campaigns via email, SMS and push notifications.
- **A workforce scheduling tool to optimize productivity and resourcing in Ocado Retail's contact center.** Featuring predictive analytics to forecast busy and less-busy periods, the tool helps to ensure agents in the Customer Hub are always available to assist customers, while keeping a lid on contact center costs.

## Business outcomes

A collaborative partnership between Ocado Retail and Cognizant saw the platform delivered on time, to budget and with minimal scope change. Ocado Retail now has a powerful, scalable platform to support its ambitions to grow online sales and customer loyalty.



“The impact of these projects has been profound. We have far more data going through the customer platform, allowing us to do much more targeted marketing.”

Kieren Johnson, Head of IT, Ocado Retail Limited

## Early cost and revenue benefits

Since Ocado Retail went live with its transformation, the retailer has reaped early benefits including an uptick in customers and a comparatively low three-year total cost of ownership (TCO) for its data and analytics platform:

- **Ocado Retail's customer base grew by 17% year on year** in the first six months, with churn expected to be lower due to Ocado Retail's newfound abilities to tailor its products and contact center experience to the needs and preferences of each individual customer.
- **TCO of the data architecture is 26%–34% lower** than with other cloud alternatives, due to the favorable pricing structure of Google Cloud. Ocado Retail has gained a highly scalable data and analytics platform with cutting-edge machine learning capabilities at a significantly lower cost than other options. "We need a platform that can scale up as we scale as a business, so choosing Google Cloud was a pretty natural decision for us," notes Johnson.

## Building "an Ocado just for you"

The new platforms overcome issues of data fragmentation. Now, the platforms deliver a flexible, scalable technology foundation that supports future growth and delivers timely, relevant and targeted communications through customers' preferred channels.

This makes it possible for Ocado Retail to live up to its brand promise, "There's an Ocado just for you".



## About Ocado Retail Limited

Ocado Retail (ORL) is one of the world's largest dedicated online grocery retailers, delivering to over 745,000 customers in the UK. For more information, please visit [www.ocado.com](http://www.ocado.com).



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