ESET and Synetec: Towards Data-Driven Marketing

INTRODUCTION

There's a lot of chatter out there about automation, artificial intelligence, algorithms and machine learning.

That's great - these powerful tools really are available, and are adding great value to many projects.

AI's now in most homes and pockets in the form of Alexa and Siri. The problem is that when it comes to a real world organisation engaging with things like Big Data and Machine Learning for business, all this suddenly becomes much more intimidating.

It turns out that connecting online and offline customer behaviour is hard. Really spotting hidden patterns in a complex dataset is hard. Making your advertising work data-driven and predictable is hard.

The reality is that to harness AI in business is not a trivial job. Worse, there's a lot of hype and slick PR around how easy it is that it masks the complexity, and suggests that these advanced technologies are a lot more accessible than they actually are.

At Synetec, we're all about using the most advanced elements of data science, Artificial Intelligence and network statistics combined with totally unique, proprietary data manipulation techniques derived from natural science research.

What you see as a Synetec client is a really powerful recommendations platform that will identify the scientifically-appropriate marketing channel to most effectively target the right audience, reducing spend on ineffective campaigns channels, online and offline. That makes our platform completely unique in the market. It also means we've put in the hard work in really cracking hard data problems for customers.

In this document, we talk about what the impact of Synetec technology looks like at real world organisations, led by ESET.

We briefly detail the platform's unique points; data, social and physical science combined with 30+ years of skills and experience that the team have in this field, with one of the UK's leading data technical experts, Dr Tim Drye, leading our R&D.

But the main point of the report is to blow away some of the fog around AI in Marketing - and show how easy, and how much value-add it can offer, if your brand decides to work with a team of data science and application experts who actually know what they're talking about.

We hope you find our brief overview of the Synetec AI proposition useful, and we look forward to working with you as soon as you decide to break open your company's data and find new ways of achieving business advantage through our technology, too.

George Toursoulopoulos, CEO, Synetec

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ESET

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ESET & SYNETEC: AN INSIGHTS-BASED PARTNERSHIP

Headquartered in Bratislava, Slovakia, ESET (www.eset.com), founded in 1987, is a global Cybersecurity leader, protecting over 100 million users worldwide. While a major force in the market, especially in mainland Europe, it has so far been less visible in the UK market than the excellence of its solutions warrants.

To fix this, ESET's UK team approached Synetec with a request: could we identify a way to increase its brand recognition in the UK consumer market? Another consideration was if there was a way to better enhance and coordinate ESET's online and offline outreach and sales efforts.

A challenge here was that ESET had recently changed CRM platforms, so a time-constrained dataset of three months of Salesforce data was all we had to work on. Nonetheless, Synetec was able to come up with an effective plan, and our work together began in 2019 with the analysis of this quite limited ESET historical dataset, out of which we made what initially appeared as something of a counter-intuitive proposal: our network effect prediction was that by making B2B sales more visible, B2C sales would be positively impacted.

We summed our proposition to you up like this: "At the moment, we have looked at your actual data and uncovered that the way people buy your product is when there's a concentration of businesses in a set area, you all of a sudden have this referral effect; that's to say, people are asking their friends working in IT in a local business, "Which antivirus should I buy?" - or that individuals who are using it at work and so saying, "Well, work's already said this is a reliable product, it's also one I know now, so we're going to use it at home.

"In this 'cycle 1,' then, we agreed to three complementary programmes: to use online near 10 postcodes we had singled out for you, aligned with work with partners in promising geographic areas and direct B2B sales engagement in close proximity to these areas, too.

Initial findings were a 28% spike in website numbers from target areas, a 30% boost in page impressions from the same postcodes - and the appearance in the database of previously unknown customer profiles, proving that the outreach has started to succeed.

So the decision by ESET internal stakeholders to action a plan that on the face of it ran counter to the original business case as it was, it was worth a try - and the results have been dramatic.

Together, we have started to identify, at a very granular level, how direct communications with ESET can be compared to the hidden network of business and personal connections that actually trigger purchases in the real world - and shown a way to activate these hidden networks for you in a way that could obviate the need for extensive above-the-line ad spend and so quickly (and very cost-effectively) establish ESET as a much more visible brand in the UK.

How we're doing that: we have identified specific geographical areas that our results prove are nearing an accelerated growth phase (so-called 'tipping point areas').

When targeted properly, our analysis demonstrates these are expected to increase activity and sales in those areas by a significant amount: when B2B is active, we have seen 184% B2C uplift, and when B2C is active, we have seen 30% uplift in B2B - highly significant result.

In parallel, we have outlined ways for efficient orchestration of channels to the correct audiences to increase ROI, while we have also provided insights into better campaign tracking, linking the success of campaigns to relatable sales and Web success.

This can be thought of as evidencing to ESET stakeholders the strong connection extra business sales and would filter into consumer sales - delivering a 184% uplift in the business and an equally impressive 28% uplift in (Web) digital activity.

We now feel we have both successfully completed a proof of concept that shows that network science can and does work, is already helping ESET boost its consumer profile, and that the ground has been laid for even greater success with other projects going forward.

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THE MARKETING DATA CRISIS

Traditionally, we analyse customers and prospects as if they are a collection of rocks. To 'move' these rocks, you only need to think about what direction you want them to move, and how far you want them to go; with the correct force applied, in the right direction, given the odd mid-air collision they will arrive in roughly the anticipated location.

But a rock is actually not a very useful way to think about a social creature like a customer. Instead, think of moving a collection of birds. If we nudge birds in a certain direction, they can easily go elsewhere; they like to copy their neighbour's behaviour, and want to fly to an attractive location.

So with rocks, you only have to think about the initial conditions, but once you are aiming to treat your customers like birds, you have to think of the beginning, but also the context of the journey, as well as the desired end-point.

This would be hard enough already, were it not for recent changes in the way Marketers are legally allowed to use customer data. The UK's privacy watchdog, the ICO, has recently issued guidance that will soon very strictly limit the use of third party data, setting a cut-off point of December whereby firms need to make changes. In response, the industry realises it has to move to using first party and fully anonymised data.

The good news is that by working with data and privacy experts like Synetec, which has been working at the leading edge of social data and networks for 30 years, you can avoid all these tank traps, still engage and activate your network - and achieve strong market impact without passing third-party data in Marketing.

The changes that are on the way are actually much more profound than many participants in the Marketing sphere have as yet grasped, which is why understanding why the Synetec' approach to privacy is so distinctive and beneficial. Effectively, the Information Commissioner is going to rule out use of third party data in Marketing now.

This is compounded by the fact that many companies do not understand the full meaning of properly anonymised data, and how to therefore comply with GDPR and ICO strictures. In effect, too many line of business people think just dropping the name field from data is all that's needed to render it anonymous, but unfortunately this simply isn't the case.

Somewhat to add to the confusion, there is the concept of pseudonymised data, defined as replacing or removing all the information in a data set that identifies an individual.

Indeed, there are actually three classes of data in GDPR: c clearly personally identified data; pseudonymous, where you have stripped off some contact data, but still retain personally identifiable information; and fully anonymised. Anonymised data is really where digital Marketing needs to go because, as stated by the ICO, as far as GDPR is concerned, "Data protection law does not apply to data rendered anonymous in such a way that the data subject is no longer identifiable.

Fewer legal restrictions apply to anonymised data.The good news is that Synetec avoids all these issues by adherence to a very rigorous definition of anonymised data.

Twenty years ago, The Office for National Statistics (ONS) carried out extensive, pioneering work on summaries and findings in the 2001 UK national Census. Census data is not anonymous, and most certainly 'PII' (Personally Identifiable Information), so the ONS put great effort into devising techniques for fully protecting citizens' data.

The result was a dataset called Output Areas – a level of geography which is non-disclosive, and therefore anonymous, in size.

Ever since, our processes and outputs have been built to this very high metric for data protection, ONS-level. That means that when you work with us, we only work with anonymised data completely beyond GDPR and data protection legislation concerns.

Our clients tell us this is very valuable, as we can still gather insight without ever compromising privacy, in sharp contrast to many of the projects performed by similar companies.

Worse, these alternative approaches will struggle to produce properly actionable insight, as their processes are built around PII, and even third-party PII data.

The verdict's clear. To avoid any GDPR issues, you need to work with properly anonymised data. To be fully compliant with GDPR and follow the full anonymisation process and abide by Direct Marketing Code of Practice, you need to work with a data expert that is ahead of the game here and has extensive familiarity with all the dangers in using public data for Marketing: Synetec

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TOWARD A DIFFERENT VIEW OF THE CONNECTED INDIVIDUAL

Imagine having the ability to accurately forecast brand awareness - the interaction of real people in the real world. If you're going to go buy a car, you will certainly research websites, but you're really probably going to go with what your petrol head friend says. By the same token, if you're going to go upgrade your headphones, you've got a friend that has the latest Beats you'll ask.

There are all these people with specific product knowledge that we call our friends but the Marketing industry calls referrals: which is the highly desired basis for that magic thing, influence. That's really, really valuable to a brand, and so is when people are talking about you and you're not paying for that via earnt media.

The good news is there's no need to imagine. We can give that to you. Synetec is the ability to measure that. We can tell you what's happening in your market, what people are talking about you, and whether they're interested in your brand without doing any tracking. And really, really importantly, while fully respecting people's data privacy. How: because we use, properly, AI, Machine Learning, a rigorous approach to data hygiene beyond GDPR alongside practical applications of leading edge social, mathematical and physical science theories.

The way we do it: Synetec is a UK tech SME predictive analytics start-up, and all we do is specialise in helping clients unlock complexity. This is delivered for clients like you via the expert application of a unique fusion of network, hard and social science tools with the aim of surfacing hidden links in customer connections to help you better work with them.

Our primary application of these advanced tools is Sales and Marketing, where we help brands deploy the right audiences, at the right time, via the right medium, amplified by the right tone, to trigger increased activity, sales success and deliver campaign success and raised awareness.

To put the Synetec contribution to your Marketing success in context, we need to better understand some of the topline concepts that make our performance recommendation platform so unique.

A good starting point is the difference between the big and the small picture - between the mac-ro level and the microscopic. So when considering a container of solution, it is often sufficient to describe the solution by using measures such as the temperature, the state of matter or the mass, all of which are measured for the system as a whole - not the individual constituents. The field of Statistical Physics that Synetec is drawing on seeks to explain how macroscopic quantities of systems are linked to the state in which each individual part is found, the particular makeup of which is called a 'microstate'.

In network science, the microstate that forms a particular network is a great way to define the macroscopic qualities of that system.

Another application of physics concepts in our software is how we can apply statistical analysis to quickly map the 'spread' of a new phenomenon across a connected world, like predicting the distribution of something like coronavirus.

And by applying these scientifically proven techniques to a person's social connections, their 'network,' we can derive insights and make dependable predictions very easily.

Note that some non-traditional databases, such as graph (Neo4j) say they also help businesses make sense of complex social networks, but the Synetec approach is strategically superior, as we can achieve at least equivalent but typically richer insights without the need to map every individual connection, more reliably, faster and without the need for anything like as much data.

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How this specifically applies to Marketing: The key to really effective, data-driven Marketing is in maximising the ROI of any given campaigns. In order for your outreach to work, in other words, a prospect needs to be connected with at the right time, in the right place, with the right message.

Attribution marketing is often hailed as the only or most credible way to do this, based on the philosophy that, "As this type of person has been successful for me in the past, then they will continue to be my most successful going forward." However, this is not actually true; a superior prospecting heuristic uses the fact that people move in social networks, and that these networks have a huge influence on the individuals within them.

Thus, moving away from questions such as,"Where are my lookalike audiences?" and more in the direction of, "Where are the networks where our brand presence is strongest?" will see a much bigger, and more concrete, return on investment. The problem is that identifying (and so targeting for activation) these customer social networks is not trivial, however, and involves utilising the tools of complexity theory, network science and data science to shine a light on the hidden links in a population of individuals - the 'secret sauce' that is the Synetec approach.

Ultimately, we have to thank one individual for the power of the Synetec platform: Dr Tim Drye, our Chief Digital Officer. Working from high-level academic context - cross-links in entangled surfactant solutions research - and a strong background in statistical physics, Dr Drye decided some years ago to apply the study of complex systems into solving real-world business problems, based on ideas he sometimes has dubbed 'sociophysics'.

SYNETEC'S CHIEF DATA SCIENTIST, DR TIM DRYE

After a career as a research scientist, Dr Tim Drye moved into the IT world with the establishment of DataTalk as the leading UK statistical consultancy in 1996.

Since then, he has been providing statistical and analytical advice and product development to a variety of public and private sectors, both B2C and B2B. Subsequently, this physicist-turned-tech entrepreneur was named Data-IQ's Data Scientist of the Year in 2013.

Working for both commercial and not-for-profit organisations for more than 20 years, Dr Drye has allied his understanding of complex maths and causality with a belief that nothing in life is truly random so to develop a number of ground-breaking tools.

The software he's built as a result can predict future behaviour, work with huge value for a wide range of use cases across government, retail and The Third Sector.

Dr Drye brings world-class statistical analysis and big data skills to his role at Synetec, providing the team with ways to analyse huge amounts of data and use them to provide meaningful intelligence based on our unique, proprietary Intellectual Property.

A go-to person for data scientists when levels of complexity turn the need for complex mathematics, we're truly privileged to have him at the centre of our work.
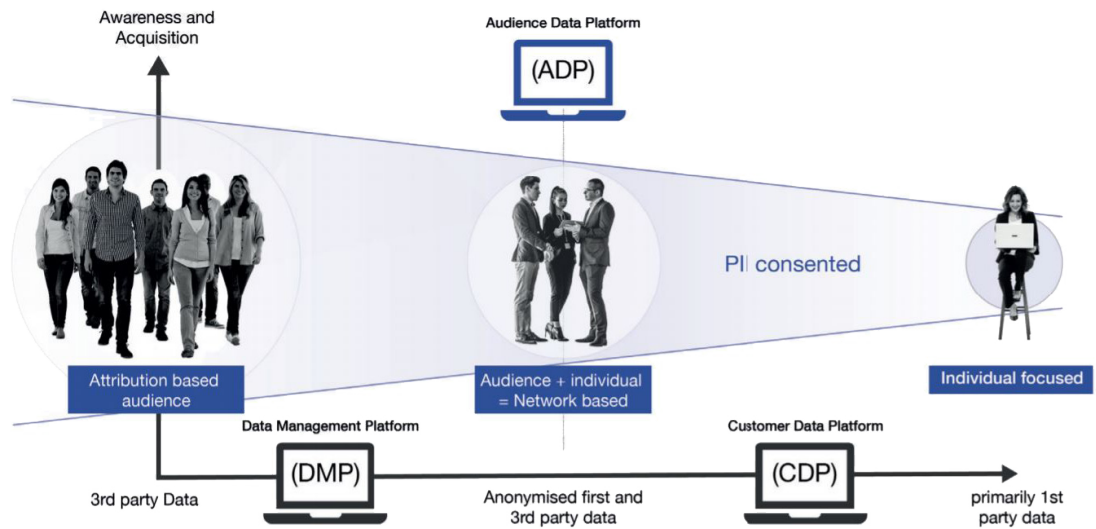
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MAPPING MORE USES OF PREDICTIVE ANALYTICS AT ESET

Going forward, the future of Synetec is to build the best in recommendation engine in the global marketplace for the use of marketing experts so as to help them orchestrate and manoeuvre the many available marketing channels via online- and most importantly, offline, help our clients deliver against their specific long-term business goals.

After our collaboration with ESET started, we've been able to create a tool that will not just provide recommendations, but integrate them so they can be delivered directly from the portal, allowing you full visibility and orchestration of your off- and online Marketing drive.

Even better, this can easily be rolled out across other geographies, leveraging ESET's already strong market visibility to even higher levels outside of the UK, if so desired.

CONCLUSION

Synetec places the highest value on our relationship with ESET, and we deeply appreciate the opportunity they have extended to us to help with their profile-building in the UK market.

We hope that some of the concepts identified in this short White Paper spark interest and curiosity about what else the Synetec value proposition and technology could do for any sales-focused brand.

George Toursoulopoulos, CEO, Synetec

ABOUT SYNETEC

We are the trusted partner for AI solutions and software services for operation-critical environments. We deliver highest quality services at speed, supporting operational growth by enhancing, modernising and scaling existing operations.

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