razorfish™

Thank you!

We are excited at the opportunity to work with Microsoft US Digital Marketing & Visual Merchandising team on this strategic commerce project.

As we have yet to work together, our response begins with a brief introduction to Razorfish and our expertise in driving better commerce solutions. We then provide the information you requested to begin this project exploration, included estimated pricing. We have outlined a modular approach to this assignment and are confident we can deliver a solution to meet your business needs.

We look forward to continuing the conversation so we can refine our approach and get started.

Here are a few reasons we think Razorfish is well positioned for this assignment:

e-Commerce expertise. Razorfish is recognized as a top e-commerce agency by Forrester and Gartner. Commerce is our biggest practice area: 35% of revenue is directly related to commerce; we've completed 150+ engagements with IR500 retailers; and our clients represent over 40% of the revenue on the IR500. We're staffed with experienced e-commerce practitioners who have previous P&L responsibility at major retailers, a seat on the shop.org board, and are recognized industry thought leaders.

Ubiquitous commerce: Recognizing that shopping and buying happens everywhere today, we're working to digitize commerce to create more opportunities to sell that are frictionless for customers. Our teams work from a data-driven customer journey to uncover opportunities to provide value to customers and find solutions that change/influence behavior across all touchpoints.

Microsoft partnership. Razorfish has been a partner to Microsoft since 1998. We have completed hundreds of online and marketing projects across all product groups. This work includes site design and development, online ad campaigns, desktop apps, and online demos.

Introducing Razorfish

Founded in 1995, Razorfish was among the first agencies dedicated to digital. We have since grown into a global agency with approximately 4,500 employees, and have been recognized by industry analysts such as Gartner and Forrester as a "Leader" among global digital marketing agencies and commerce service providers.

We are privileged to be a trusted partner to some of the world's greatest brands, including Microsoft.

Our clients challenge us to help them see the world differently—in ways that will transform their business to effectively compete in an economy that grows more connected every day. They engage us to help them differentiate their brands, overhaul and innovate experiences that exploit the possibilities of digital connectivity, and build new platforms that integrate deep data intelligence for more personalized customer relationships.

Our mission is to help our clients become higher performing, customer obsessed enterprises. We connect rich data, engaging experiences, and robust technologies to forge meaningful relationships with customers that drive business growth.

Gartner

"A Leader"

4 consecutive years

Gartner Magic Quadrant for
Global Digital Marketing Agencies,
March 2016

FORRESTER®

"A Leader"

Forrester Wave™:
B2C Global Commerce
Service Providers, 2015

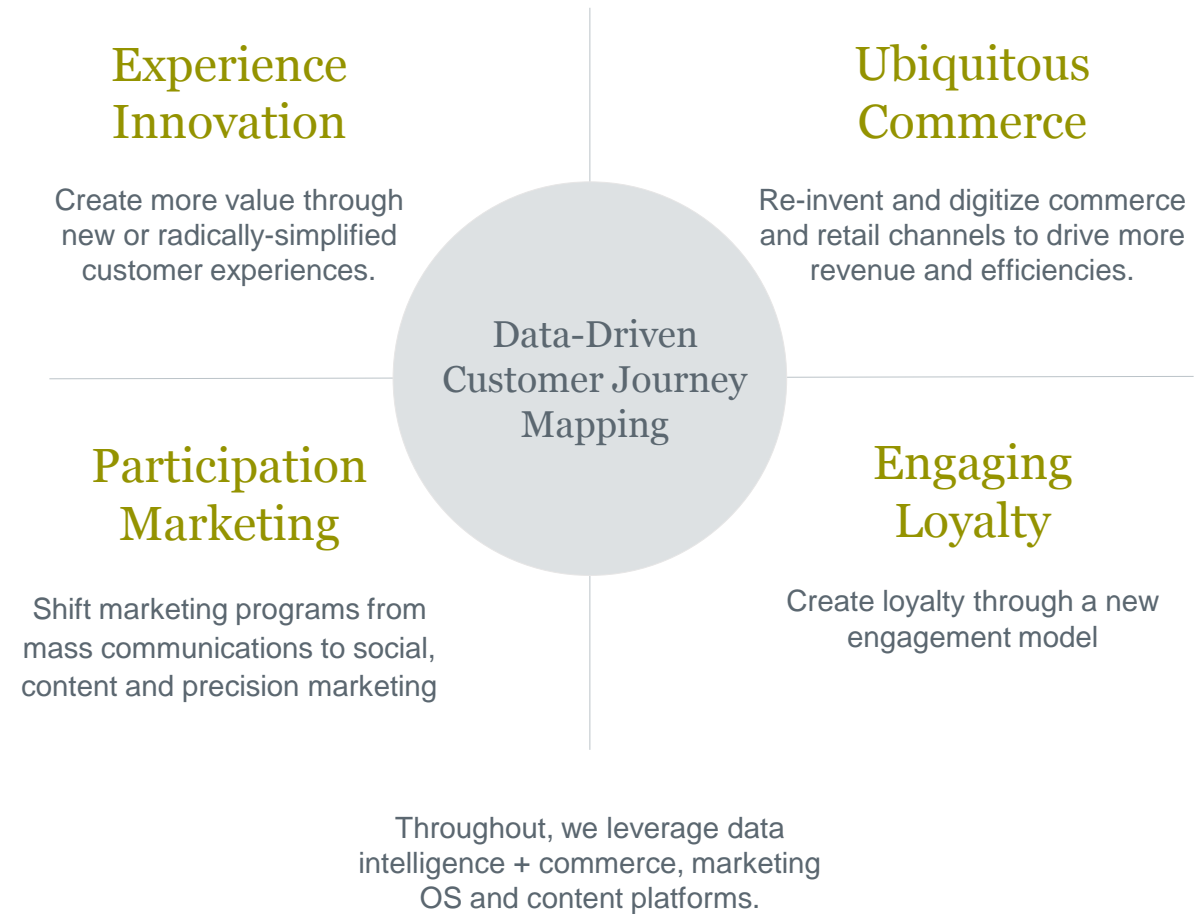**Linked in**

"Most in-demand employer"

100 Most In-Demand Employers
2013, 2014, 2015

Customer-Obsessed Solutions

Razorfish offers the breadth and depth of talent and services to help brands deliver digital experiences where and when it matters most to their customers. Our unique business model puts top talent in strategy, analytics, UX, creative, technology, and media side-by-side to create innovative, holistic solutions across the full range of digital touch points—no matter where your client is in the customer journey.

Razorfish has the strategic and technical expertise to develop actionable playbook strategies across digital channels. We focus our approach and actions around delivering customer value, and offer four key solution areas as indicated at right.

We anchor all engagements with customer analysis and data-driven journey mapping to unlock new customer insights and opportunities. Then we identify the levers that will move customers from initial brand awareness to brand loyalty and advocacy.

.

Experience Innovation

Create more value through new or radically-simplified customer experiences.

Ubiquitous Commerce

Re-invent and digitize commerce and retail channels to drive more revenue and efficiencies.

Data-Driven Customer Journey Mapping

Participation Marketing

Shift marketing programs from mass communications to social, content and precision marketing

Engaging Loyalty

Create loyalty through a new engagement model

Throughout, we leverage data intelligence + commerce, marketing OS and content platforms.

Leader in Commerce

Razorfish has built a commerce offering with subject-matter-experts and resources dedicated to understanding, applying and predicting commerce trends and best practices.

A core approach from this group is Ubiquitous Commerce. It is based on the premise that you "no longer go shopping, because you simply always are shopping"—as the shopper now has an unlimited number of always-on touchpoints where he/she may choose to complete any stage of the shopping journey. Today, more than 50% of all purchase decisions are digitally influenced, and in the near future we believe it will be 100%.

This shift to ubiquitous commerce has fundamentally changed the shopper's expectations and the psychological triggers that influence purchase decisions. Our customer-centric approach to commerce design starts with the shopper journey in mind and applies experiences and technology to remove friction.

We have completed more than 150 retail and commerce engagements and delivered work for 15 of today's top 20 online retailers. Forrester has recognized us as a Leader among B2C Commerce Service Providers, highlighting our digital business transformation focus, broad commerce consulting services, and quality of customer engagement and experience design services.

Relevant Experience

Razorfish recently engaged in a project with a Global Electronics Product Manufacturer to create consistency and best-in-class experiences for their products across eRetail sites. This was a global project with the output being a Playbook to be used by each region and country to build more consistent and effective online experiences at retail. The premise was to create a global framework based on universal shopping principles but to include flexibility for regions and countries to build bespoke experiences infused with local insights and shopping behaviors... a global system where each and every execution was a custom combination of country nuance + retailer functionality.

For the brand, we created a global strategic framework to guide design and UX experiences centered around the principles of Trust, Curation and Content. The process started with comprehensive audits across top customers (eRetailers), competitors and best-in-class eRetail experiences. Qualitative consumer research and pilot programs were created for four global markets (Southeast Asia, Latin America, UK and China), all resulting in a global Playbook that will be launched September 1 of this year.

We understood that universal KPIs could not be applied in such a dynamic ecosystem of eRetail partners, so we aligned on success principles and a data measurement framework that would allow customized KPIs to be developed on a retailer-by-retailer basis. This data framework mirrored the audit structure, which provided five main shopper behaviors we were trying to affect within the experience; Encounter, Explore, Experience, Purchase and Loyalty.

Our Proposal

razorfish™

The Vision

The Microsoft digital retail team wants to:

- Better understand the customer journey and how to engage/influence along path to purchase

- Identify and fix gaps in shopper experience via eRetail

- Create ongoing, repeatable roadmap and reporting processes

- Create a playbook to document best practices

  Across both mobile and desktop experiences

Why?

There are many business benefits to improving eRetail connections with consumers.

Increase reach and awareness

Drive interest and demand for your products before consumers are shopping for them by connecting with them upstream.

Drive engagement and consideration

Push retailers to work harder by having defined best practices, recommendations and measurement plan. Hold them accountable.

Improve conversion and ROI

Prioritized action plan and roadmap will focus efforts based on impact to bottom line and level of effort.

Our Assignment

Using 30-40 representative SKUs for Xbox and Surface, create and evaluate the shopper path to purchase on each of three top eRetail sites (Amazon, Best Buy and Wal-Mart), as well as top websites consumers use to learn about gaming and tablet products.

Benchmark this path against best-in-class from in-and-out of category to determine gaps.

Create a plan to prioritize and fix gaps and document process for future use.

Our Process

Phased Approach

We recommend approaching the assignment in multiple phases:

Phase 1 - Audit and Gap Analysis (Deliverables 1 and 2 in brief):   4-5 weeks

Phase 2 - Roadmap and Playbook (Deliverables 3 and 4 in brief): 4-5 weeks

Phase 3 - Reporting framework and approach (Deliverable 5 in brief): 3 - 4 weeks

Optional continued reporting support on retainer.

Razorfish can kick-off project at any time

Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 1

Audit + Gap Analysis

Roadmap + Playbook Development

Data Analysis Framework

Ongoing Reporting (1yr) - >
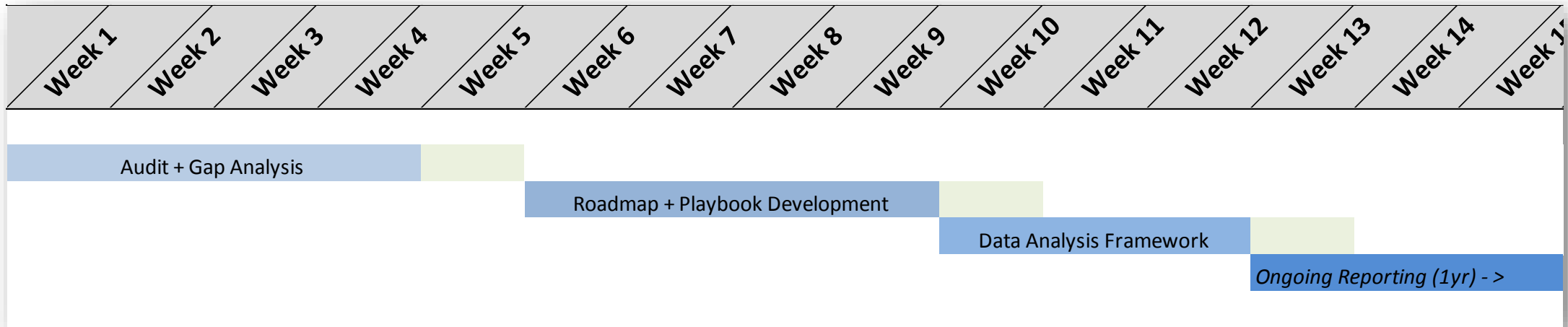
1. Audit / Gap Analysis

Activities

- Audit and document shopper's path to purchase through eRetail sites (Walmart, BestBuy and Amazon), as well as top third party websites, for Xbox and Surface products.

- Evaluate and identify UX, Design and Functionality improvements across key areas:

Encounter	Explore	Learn	Purchase
• SEO • Onsite traffic attraction strategy	• Brand consistency / trust • Quick and easy path to purchase • Filters • Curation tools • Flexible merchandising • Build shopper confidence • Brand store link	• Info to drive purchase (basic) • Info to drive purchase (enhanced) • Inspirational storytelling • Ratings & Reviews	• Drive larger baskets • Why to buy

1. Audit / Gap Analysis (cont'd)

Output

- Audit findings (benchmark against best-in-class)
- List of gaps and requirements
- Prioritization of tactics by impact vs. resources

Optional

- Qualitative research to confirm shopping path tenets
- Data Analysis, depending on the quantity and depth of the data we get for the analysis

Team

- Strategy + Planning
- UX
- Search
- Data Analytics
- Social

Timing

- 4-5 weeks

Sample: Prioritized Audit Recommendations
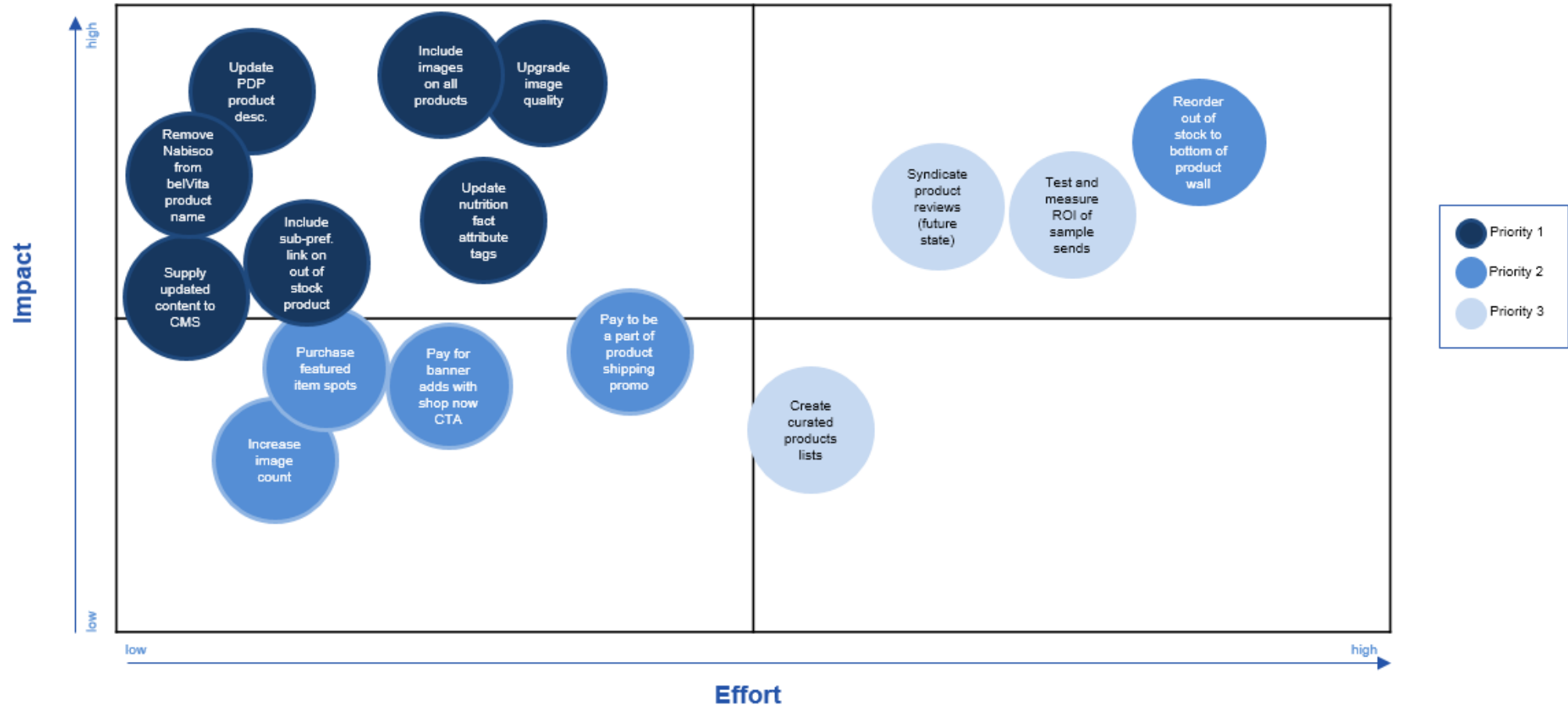
Above is a graph that shows our approach to closing gaps we find during the audit experience. It shows opportunities that one eRetailer provides to shoppers, effort vs impact, and priorities. We often create these graphs together with our client so we can infuse organizational knowledge and be sure to identify resources required to make things happen.

A benefit to this process is that it provides a longer-term framework for our client, where they can add additional initiatives on an ongoing basis and items can move or change priority as funding and resources change within the organization.

2. Roadmap & Playbook

Activities

- Build schedule of how to roll out action plan (prioritized tactics)

- Document best-in-class UX, Design and Functionality by retailer using audit findings against key areas

- Outline replicable process for launching new products

- Outline global principles vs. retailer-specific recommendations

Output

- Roadmap in PowerPoint. Detailed schedule of key milestones.

- Playbook in Word or PowerPoint. Outlining best in class approach (what to do, not how to do it) for future efforts

Team

- Strategy

- UX

- Design

Timing

- 4-5 weeks

Samples

Roadmaps

Playbook

3. Reporting Approach and Framework

Activities
- Create measurement framework for ongoing evaluation of site performance
- Document current state with available data for bench marketing
- Set goals, KPIs and a process for on-going measurement with each retailer

Output
- Data Measurement Framework
- Recommendation of data analysis partners (i.e., Clavis, DataLogix, etc.)

Team
- Data Analytics
- Strategy

Timing
- 3-4 weeks

Samples

Data Inputs by Retailer

		Blibli	Tmall	Falabella	Currys
Encounter	eSIS page visits	Have all data	Have all data	Have some data[3]	Have no data
	Total site visits	Have some data[1]	Have some data[2]	Have some data[3]	Have no data
	Page visits by traffic source	Have all data	Have no data	Have all data	Have no data
Explore	Bounce rate from eSIS main page	Have all data	Have no data	Have all data	Have no data
Experience	Interaction with product features & content	Have no data	Have no data	Have no data	Have no data
	Click-thru rate to PDP pages	Have no data	Have no data	Have no data	Have no data
Purchase	Total orders	Have no data	Have no data	Have no data	Have no data
	Conversion rate	Have no data	Have all data	Have all data	Have no data
	Drop-off rate by step	Have some data[4]	Have no data	Have all data	Have no data
	Cart actions	Have no data	Have no data	Have no data	Have no data
	Cart abandonment rate	Have no data	Have no data	Have no data	Have no data
Loyalty	Repeat visit rate	Have no data	Have no data	Have no data	Have no data
	Percent of repeat purchasers	Have no data	Have no data	Have no data	Have no data
	Customer lifetime value	Have no data	Have no data	Have no data	Have no data

Have all data	POC to collect missing data	(name)			
Have some data					
Have no data					

[1]has page views not page/si√" (unique visitors √e visitors, not page/site visits

[4]has exit rate

Dashboard Example
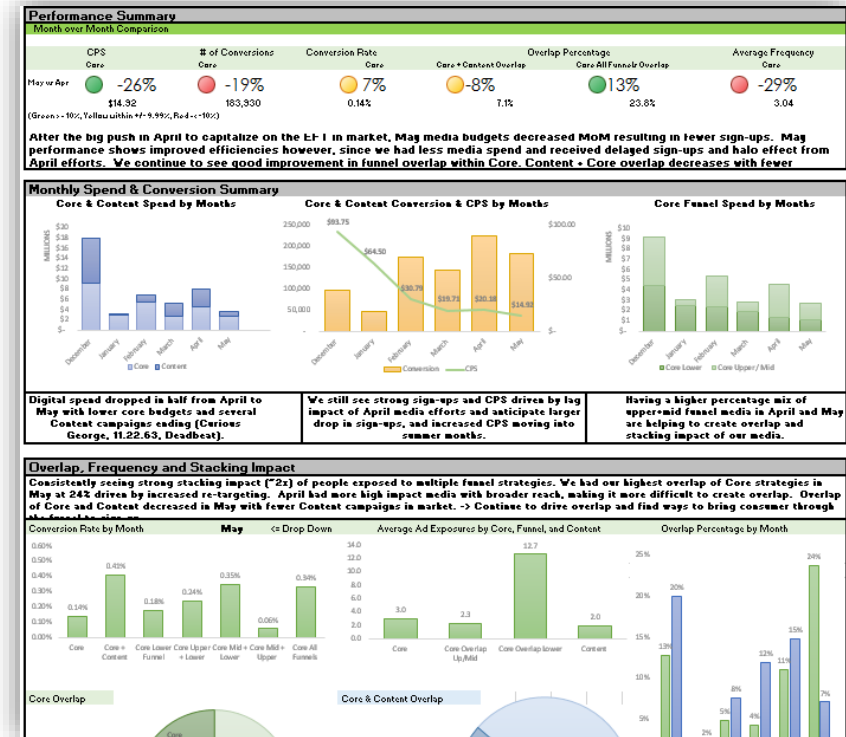
Ongoing Reporting / Analytics Support

If Microsoft desires, we could provide on-going reporting support on a retained basis.

This could include:
Pulling data, building reports, updating dashboard views, insights and recommendations

Output
- Monthly reports, insights and recommendations for each retailer for Xbox and Surface products, against key measures

Team
- Data analytics
- Strategy

Timing
- 1 year retainer

What We'll Need from Microsoft

- List of SKUs for evaluation

- Current traffic drivers to site + landing place (including "handoffs" from Microsoft owned digital properties)

- Paid or free brand stores or promotional microsite affiliated with each retailer

- Data sharing relationship and access to recent data provided by each retailer

- On-site (for each retailer) paid merchandising initiatives

Potential roadblocks

- Data availability and access from the retailers.

Our ability to base insights and recommendations in data driven approach, will depend on the quality of the data input.

Estimated Pricing

razorfish™

Initial Pricing

At this point, we can provide the high-level pricing estimate outlined here.

We can adjust our deliverables in many ways, and we look forward to working with you to learn more about your needs so we can provide a more specific estimate.

Phase	Estimate
1. Audit & Gap Analysis	$86,000
2. Roadmap & Playbook	$83,000
3. Reporting Framework	$38,000
Total	$207,000

Optional Work	Estimates
Additional Data Analysis depending on level of data available	$20,000
Qualitative Research	$30,000
On-going Reporting (1 year)	$300,000

We look forward to continuing the conversation!

CONTACT:
Nathan Oliver
Senior Director, Business Development
+1 415-369-6822