The Retail Transformation in OCBB

WoTA Webinar

Grace Liang
Oct 22, 2020

連結
connect

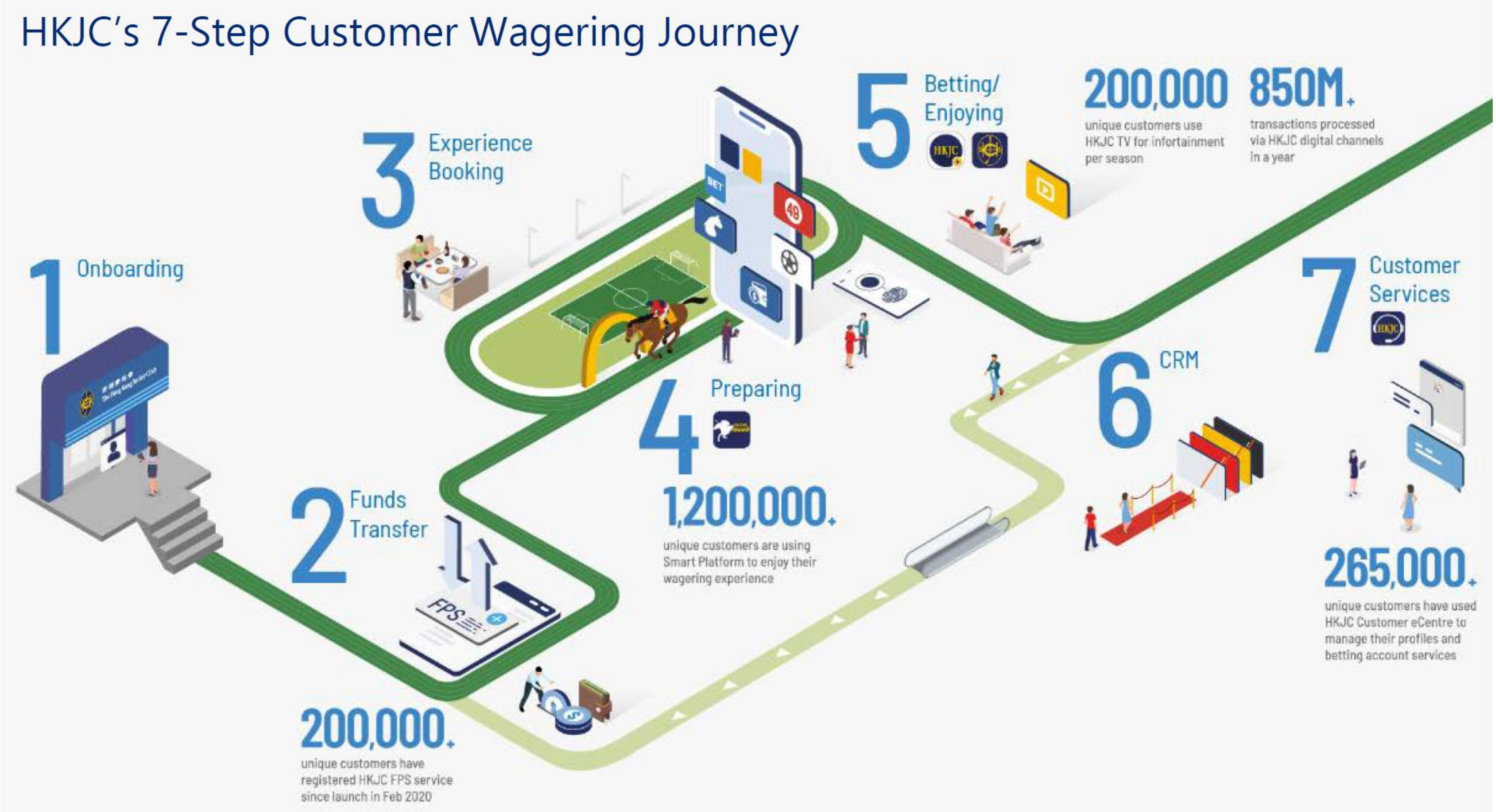
Agenda:

1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
    - Retail Makeover
    - Retail Digitisation
    - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Conclusion

Agenda:

1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
    - Retail Makeover
    - Retail Digitisation
    - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Conclusion

Retail has been an integral part of the 7 –steps Digital Journey



HKJC's 7-Step Customer Wagering Journey

1 Onboarding

2 Funds Transfer

3 Experience Booking

4 Preparing

5 Betting/ Enjoying

6 CRM

7 Customer Services

200,000+
unique customers have registered HKJC FPS service since launch in Feb 2020

1,200,000+
unique customers are using Smart Platform to enjoy their wagering experience

200,000
unique customers use HKJC TV for infortainment per season

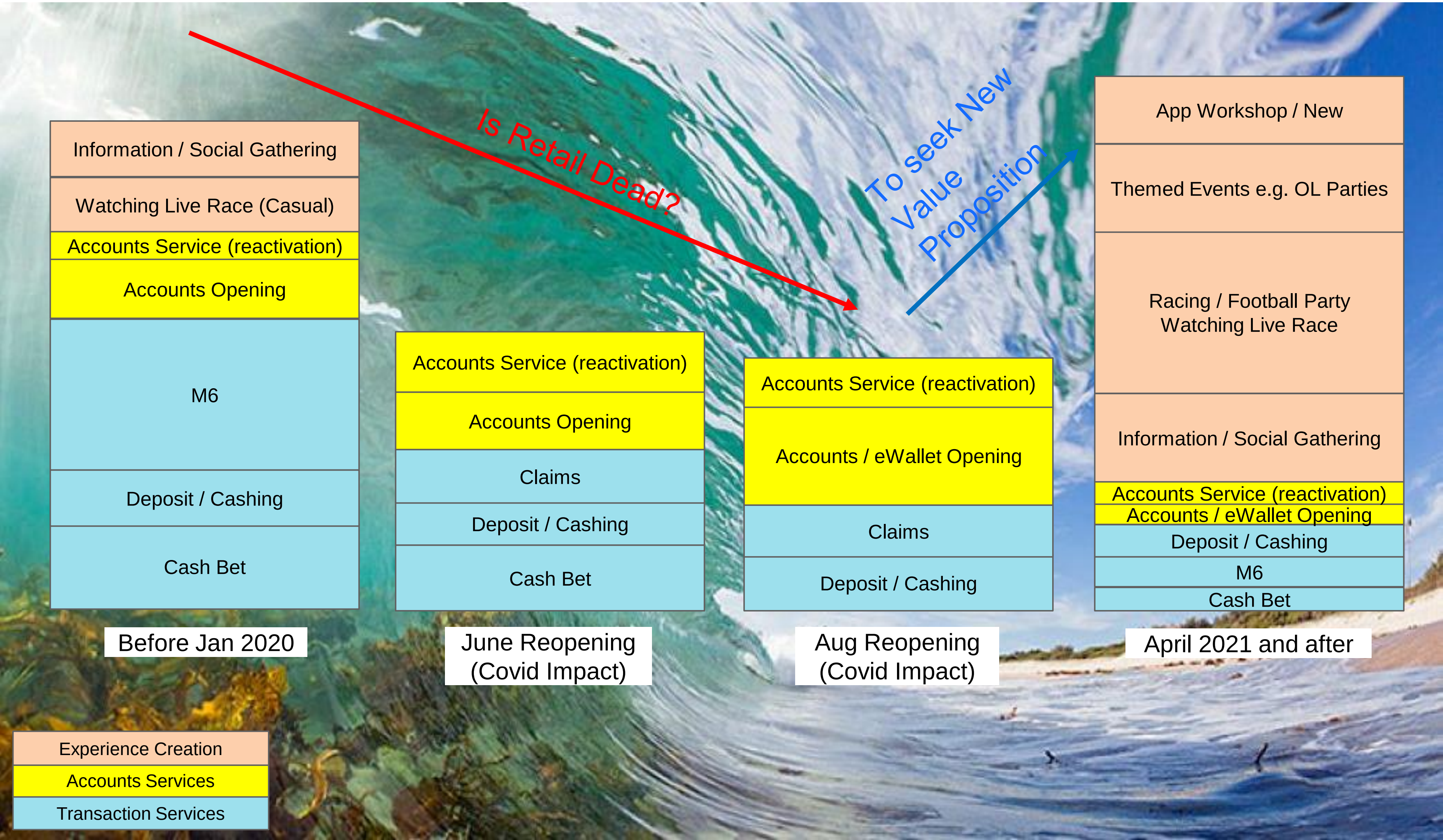
850M+
transactions processed via HKJC digital channels in a year

265,000+
unique customers have used HKJC Customer eCentre to manage their profiles and betting account services

Agenda:

1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
    - Retail Makeover
    - Retail Digitisation
    - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Conclusion

However Retail Transformation is never fast enough



Is Retail Dead?

To seek New Value Proposition

Before Jan 2020
- Information / Social Gathering
- Watching Live Race (Casual)
- Accounts Service (reactivation)
- Accounts Opening
- M6
- Deposit / Cashing
- Cash Bet

June Reopening (Covid Impact)
- Accounts Service (reactivation)
- Accounts Opening
- Claims
- Deposit / Cashing
- Cash Bet

Aug Reopening (Covid Impact)
- Accounts Service (reactivation)
- Accounts / eWallet Opening
- Claims
- Deposit / Cashing

April 2021 and after
- App Workshop / New
- Themed Events e.g. OL Parties
- Racing / Football Party Watching Live Race
- Information / Social Gathering
- Accounts Service (reactivation)
- Accounts / eWallet Opening
- Deposit / Cashing
- M6
- Cash Bet

Experience Creation
Accounts Services
Transaction Services

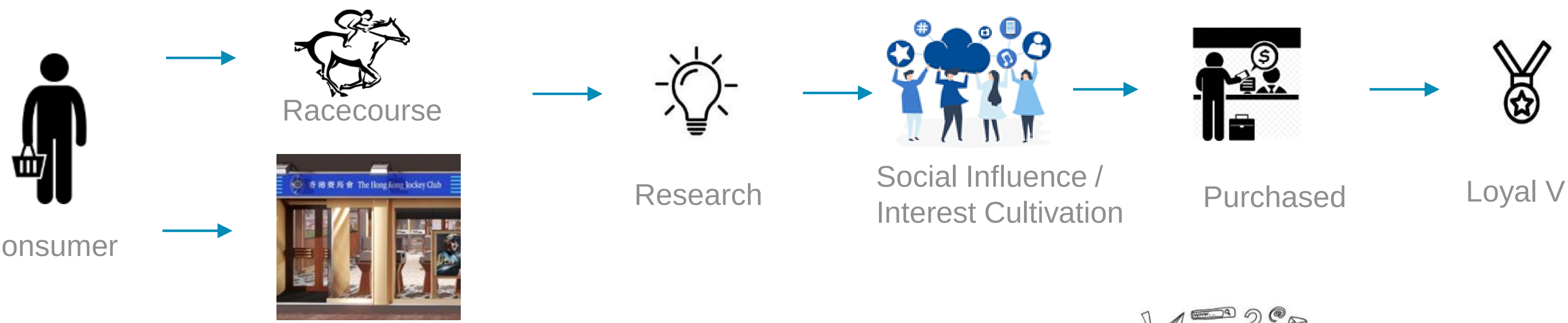
New Retail Model

Challenges

1 ☹ Traffic Issue

2 ☹ Conversion Issue

3 ☹ Engagement Issue



Consumer

Racecourse

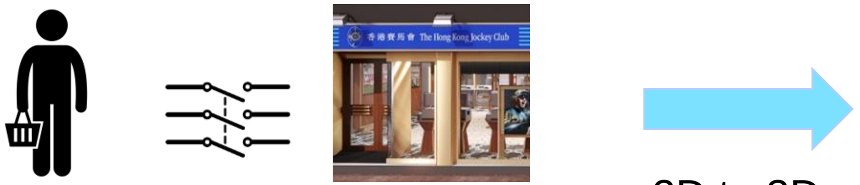
Branches

Research

Social Influence / Interest Cultivation

Purchased

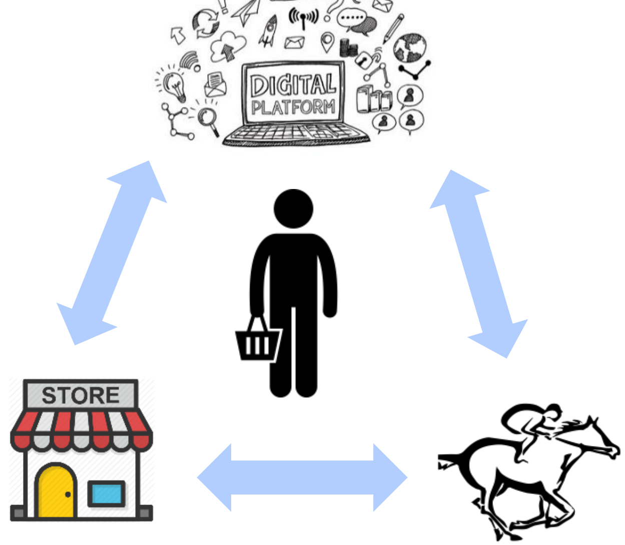
Loyal VIP



Branches

2D to 3D

Traditional Offline



New Retail

What is our New Beat for Retail?

One Size Fits All

✗

OCBB standardization
Transactional Service
Crowding

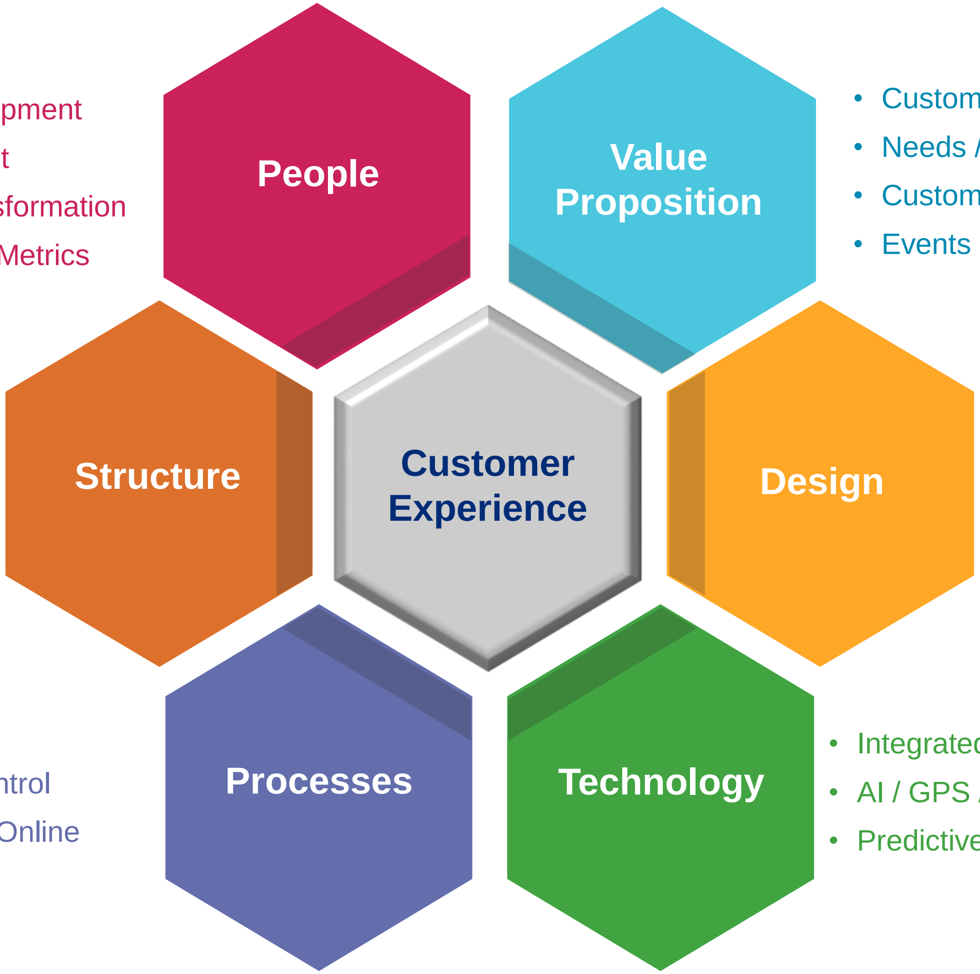
A Revamped OCBB Value Proposition

✓

Each OCBB has its own Story
Customer-focused Experience and Engagement
Offline / Online Experience Integration – Personalisation and Convenience

Relevance and Value

Building Blocks of our Transformation


People
Value Proposition
Structure
Customer Experience
Design
Processes
Technology

- Talent Development
- Empowerment
- Cultural Transformation
- Performance Metrics

- Customer Demographics Study
- Needs / Lifestyle analysis
- Customer Journey Crafting
- Events

- RASCI
- Collaborative Structure
- Integrated / Synergised Decision

- Network Optimization
- Purpose-driven Design and Zone
- Consistent HW and SW→ Image

- Policies
- Procedures and control
- Integrated Offline / Online Customer Process

- Integrated Offline / Online Digital Experience
- AI / GPS / Big data analytics
- Predictive Behavioral Modelling

Agenda:

1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
    - Retail Makeover
    - Retail Digitisation
    - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Conclusion

Our Destination: The New Retail Story

Mission : To Share, To Learn and To Have Fun

Purpose	**Awareness**	**Information / Interest / Influence**	**Betting**	**Loyalty & Ongoing Engagement**
Customer Value Proposition	To revamp a **Chic Lifestyle Image** to attract different customer segments	To arouse interest in racing & football via information **sharing, networking and expert advise**	**Enhanced fun and excitement** through OCBB activities and engagement	Feel **Belongingness** in a Chic Lifestyle
Channels / Touchpoints	New Shop Experience Right Targeting Customer Analytics & Appeal App Lab Events / Campaign	Racing Academy Social Hub Customer Journey Design TED Ideas worth spreading KOL / Jockey Talks	Cross Sell Strategy Cash Bet → Account Account → Full Service Themed Events Racing Specialists	HKJC Priority Customised Service Online Appointment Booking Rewards & Redemption Social Media (Instagram) OCBB RC Synergy Peers Networking
Competence Building	**Shop Network Optimization** • Shop Positioning, District Strategy • Customer Prioritisation, Service Strategy • Riding ahead of Demographics • AI Traffic Analytics	**Shop Design** • Customer Journey Design • Experience Tracking • Space Utilization • Customer Feedback • 360° tour	**People Upskill & Empowerment** • Roles & Responsibility Transformation • Proactive Service Ambassador • Image revamp • Empowered to enhance Customer Engagement / Revisit • GPS based sales	**Management Competence** • New Performance Metrics: BPMS / Scorecard • Data-driven Management • Customer-Focus Decision • Leading Cultural Transformation • Wow, Its not an OCBB anymore!
Business Goals	✓ Brand Building ✓ Customer Reach	✓ Space Utilisation ✓ Event Engagement Rate ✓ Customer Acquisition	✓ Sales / turnover / Profit (OCBB vs app) ✓ Self service usage	✓ Customer Economic Value ✓ Customer Retention Rate

Agenda:

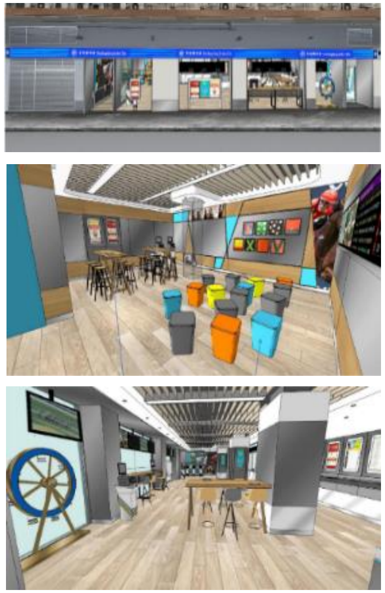
1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
    - Retail Makeover
    - Retail Digitisation
    - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Conclusion

Retail Format Transformation: A Place to Share, to Learn and to Have Fun

Our retail branches are renovated with **brand new design**, **upgraded facilities**, **efficient and convenient services** and **customized digital features** to enhance the betting experience for different customer segments and rejuvenate the Club's brand image.

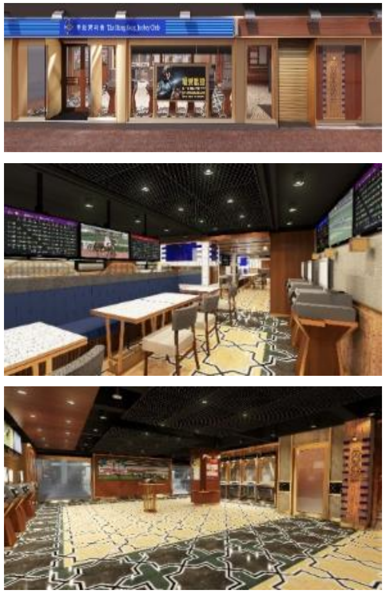
Transactional Branch

Digital Service Oriented



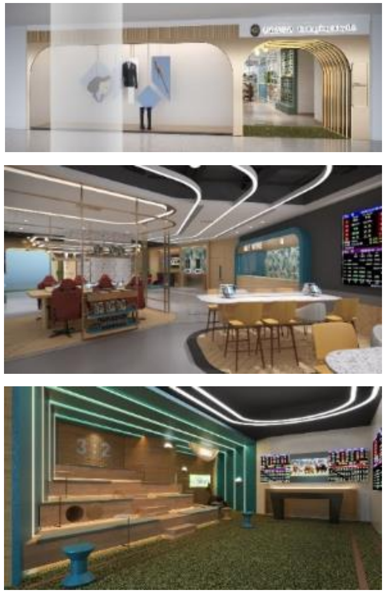
e.g. Mong Kok, Dundas Street

Specialty



e.g. North Point, Electric Road

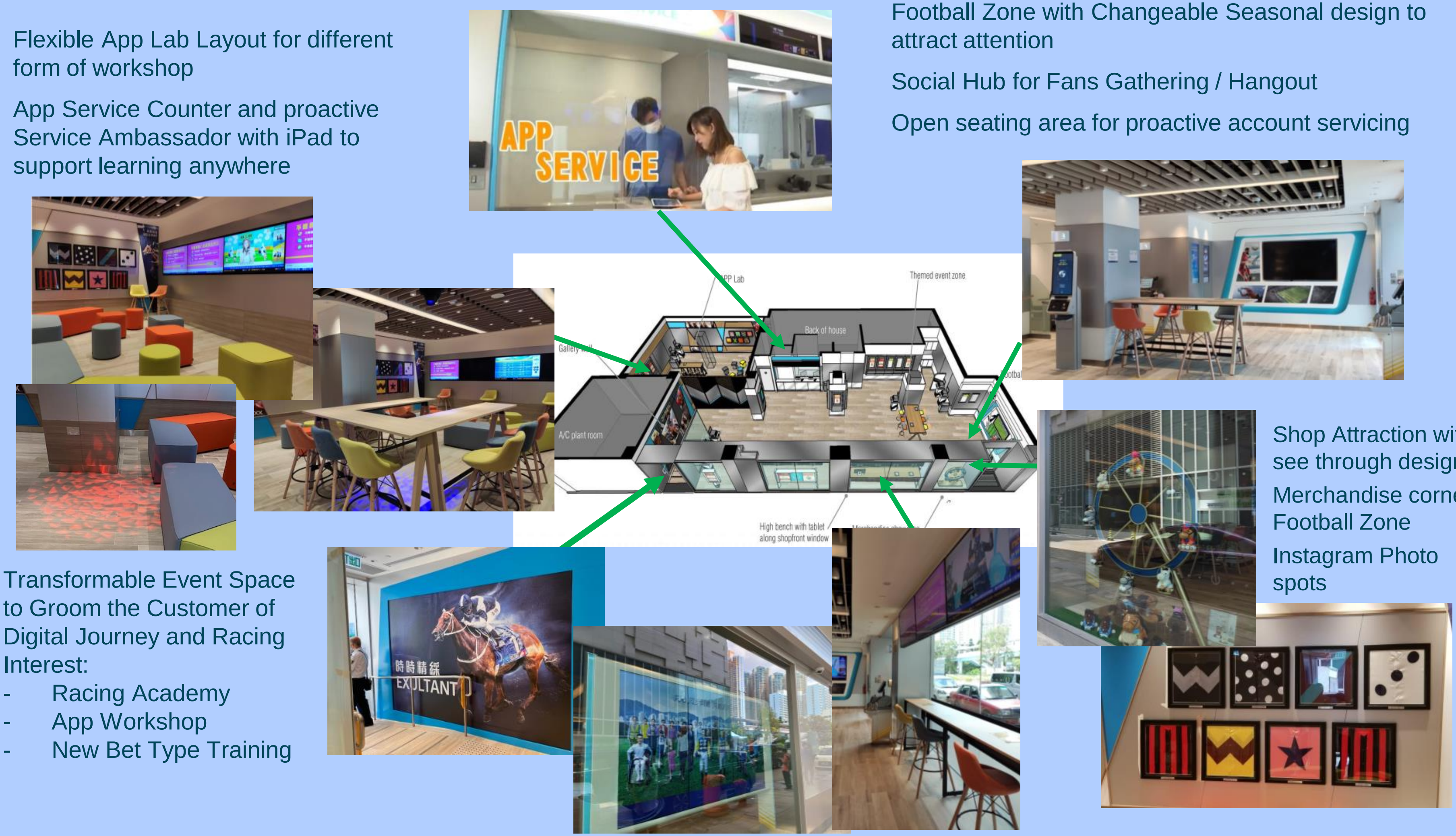
Gen Z Experiential



e.g. LOHAS Park New Branch

Retail New Look: A Place to Share, to Learn and to have Fun

Mong Kok Dundas St (Sep 2020 launched): Go Digital


APP SERVICE
PP Lab
Themed event zone
Back of house
Gallery
A/C plant room
ootbal
High bench with tablet along shopfront window
時時精綵
EXULTANT

Flexible App Lab Layout for different form of workshop

App Service Counter and proactive Service Ambassador with iPad to support learning anywhere

Football Zone with Changeable Seasonal design to attract attention

Social Hub for Fans Gathering / Hangout

Open seating area for proactive account servicing

Shop Attraction with see through design:

Merchandise corner, Football Zone

Instagram Photo spots

Transformable Event Space to Groom the Customer of Digital Journey and Racing Interest:
- Racing Academy
- App Workshop
- New Bet Type Training

Retail New Look: A Place to Share, to Learn and to have Fun

North Point, Electric Rd (Oct 2020): Café experience to bring in new Customers

A brand new merged experience of F&B with sportainment in OCBB. Nostalgic ambience brought back good racecourse memories and promote interest.

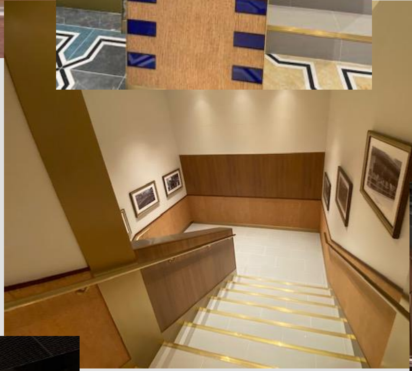
香港賽馬會 The Hong Kong Jockey Club
最受歡迎

永
勝
WINS CAFE
冰
室

A Nostalgic Local HK Tea House design that appeals to Racing Fans

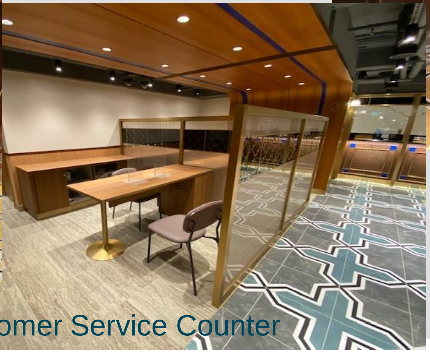
Wins Café – a brand that is well loved by many racing fans of both racecourse

A Merged Concept that allows racing fans to enjoy racecourse excitement into the neighborhood.



A separate Café Entrance that brings in Food Lovers to create a new wagering experience

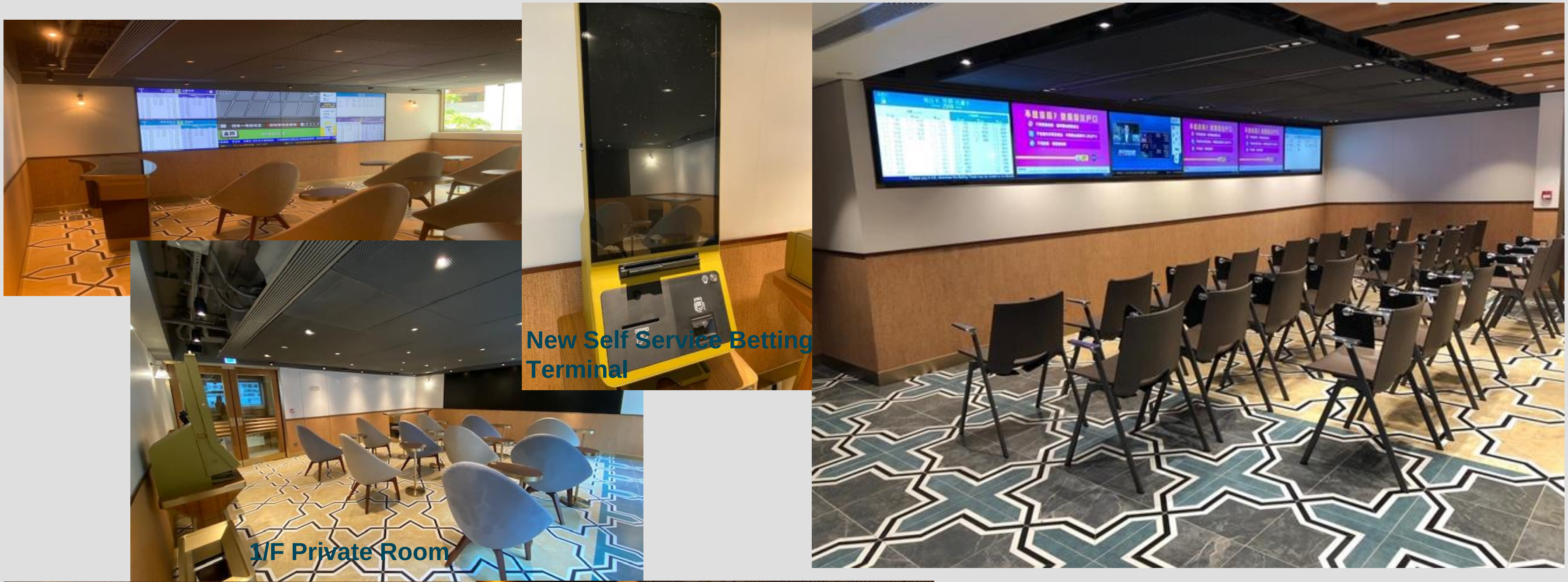
A consistent betting hall design



Customer Service Counter

Nostalgic Café Experience at North Point Store

North Point Electric Road (Oct 2020): Bring the Racecourse Experience to Neighborhood



1/F Media Hall

Multi-function rooms can be used to run Live Events like Racing / Football Parties, or can be booked for private functions.

Football Zone and TV Walls for better visual experience and enjoyment during race meetings and major football matches

Gen Z Experience at Brand New Store At Lohas

Lohas new store (Feb 2021): Interest Cultivation and Fun for a Brand New Community

香港賽馬會 The Hong Kong Jockey Club

A totally new design of shop front to bring out the Professionalism of Horse Racing and Equestrian Sports

A well-equipped workshop area to bring new rotating elements to appeal to a brand new group of customers

Local and Overseas Magazines on racing and sports for study

TV Walls on raceday and non raceday mode for information sharing

A New Store that opens at a New Developing Community Lohas (Land of Health & Sustainability) -- A community with Young Families and Gen Z customers

Rested in a District of high demand

Shop design to fit with the Community Vision – Health & Sustainability with recycling element.

Enjoy every moment

Multi-function room to be used for Live Racing / Football Events

Equipped with eGames and Racing Sports Machines for Fun and Social Gathering

Could be rented out to local communities for meetings to benefit residents collaboration

Agenda:

1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
    - Retail Makeover
    - Retail Digitization
    - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Conclusion

Retail Digitization – Objectives

Attract Young Segments

- Self Service
- Anytime, Anywhere
- Combat Covid Challenges

Customer Engagement

- Information Sharing
- KOL drives emotional impact

Create New Relevance

- Personalisation
- Targeted promotion
- Product / Behavioral Modelling

Enhancement of O2O experience

- Strengthening of value proposition
- Human Interaction to enhance Interest Cultivation

A Fast Track Digital Transformation / Self Service Migration

S1920

① eWallet launch with Self Service Terminal support

② Retail eDisplay for web-based content

S2021

③ Upgraded eDisplay and TV Wall for enhancement of Digital Journey in Branch

④ Full eWallet support in all Self Service Terminals

⑤ OCBB Dashboard for centralized control

S2122

⑥ Self-served account opening via AI Identification verification

⑦ AI Traffic Count

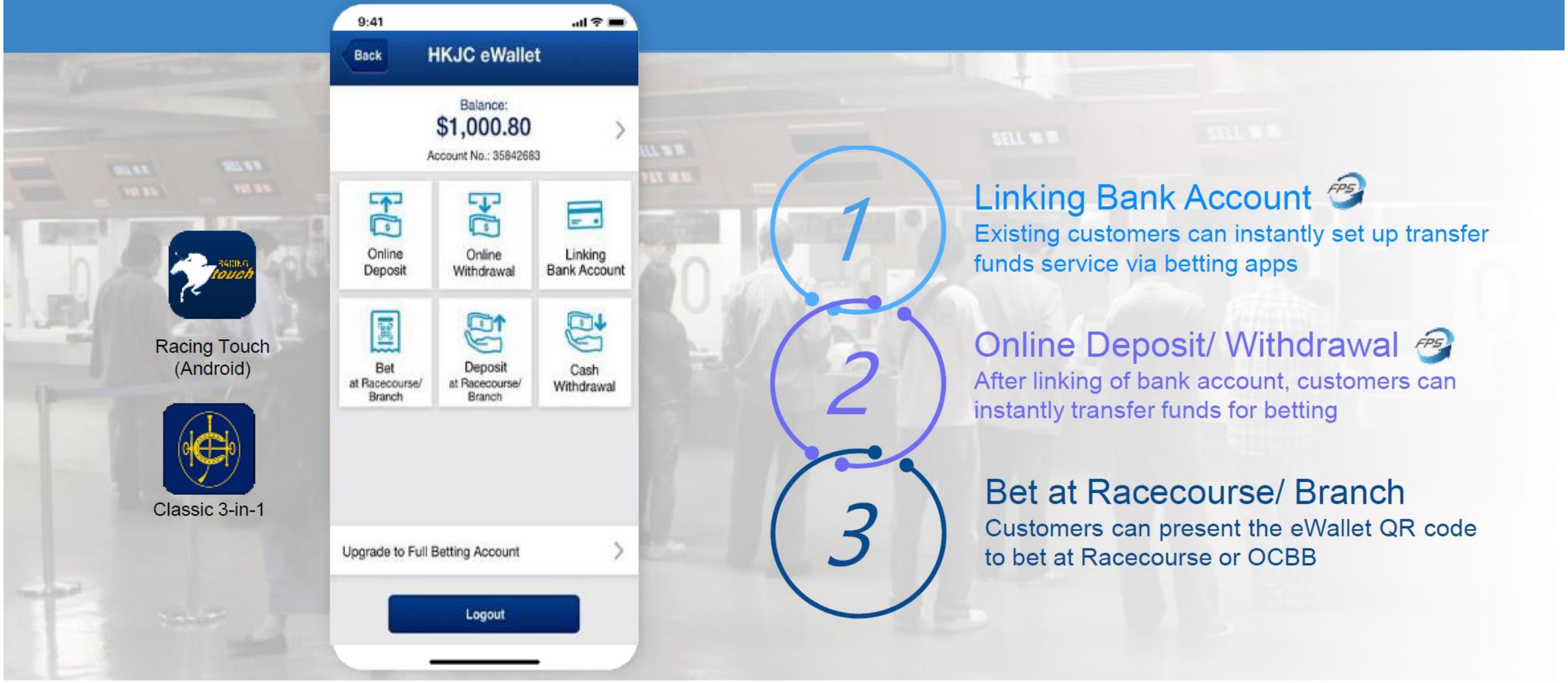
⑧ GPS Tracking of App Usage and Promotion Push

More Efficient Digitisation Onboarding Approach

	Existing	2020 Aug	2021 April
	17 mins	***6 mins***	***4 - 5 mins***
Account opening	Open account at OCBB	Open eWallet at OCBB Further Upgrade to Full Account (self service)	Remote account / eWallet opening
Funds transfer	Set-up funds transfer via Bank card at OCBB	Bank account linked, can activate FPS	Bank account linked via FPS during account setup

Retail facilitating faster adoption of O2O and cashless transactions

HKJC eWallet introduces O2O and cashless mobile payment betting experience at racecourse/ branches (Q1 2020)



HKJC eWallet

Balance:
$1,000.80
Account No.: 35842683

Online Deposit	Online Withdrawal	Linking Bank Account
Bet at Racecourse/ Branch	Deposit at Racecourse/ Branch	Cash Withdrawal

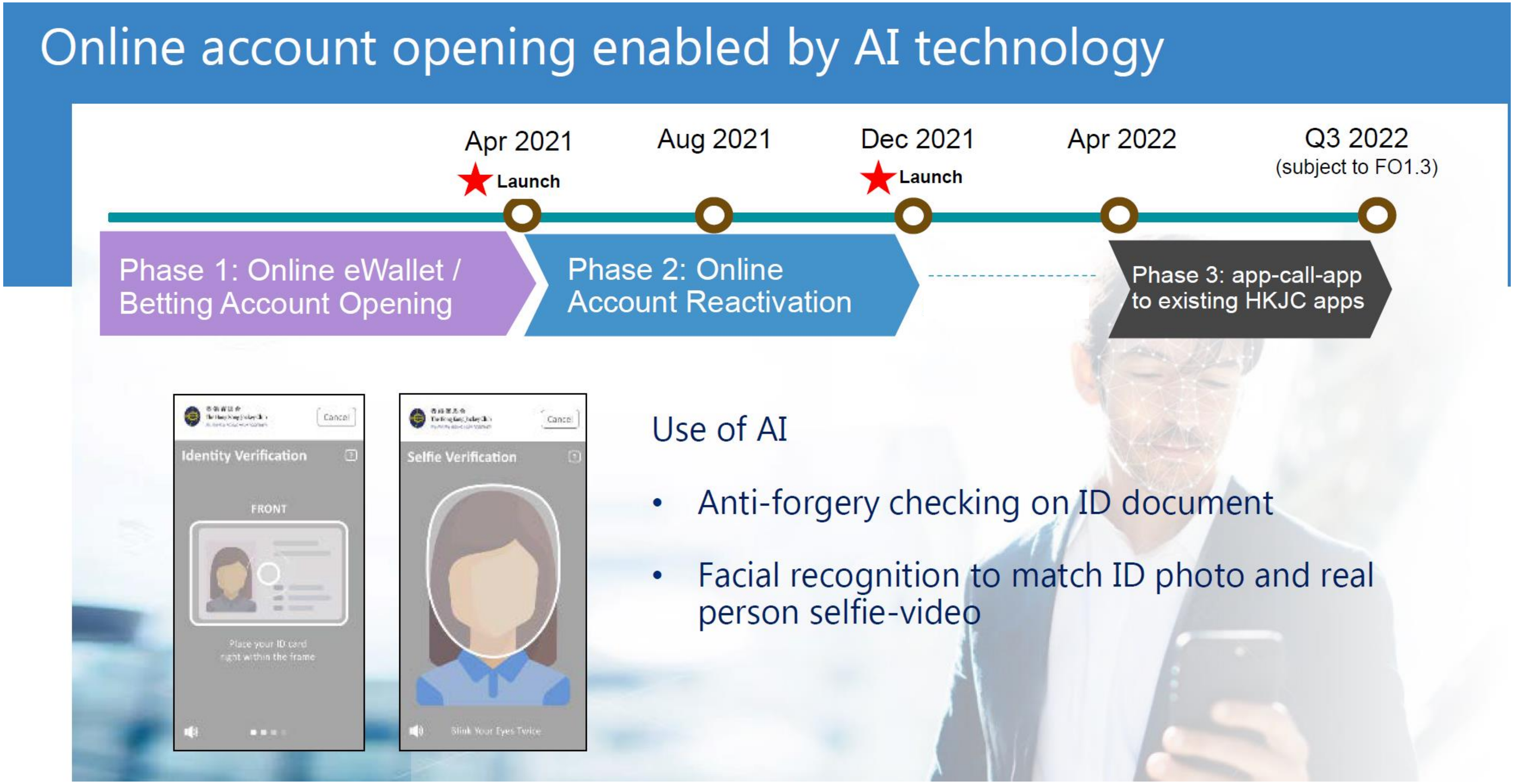
Upgrade to Full Betting Account

1 **Linking Bank Account** FPS
Existing customers can instantly set up transfer funds service via betting apps

2 **Online Deposit/ Withdrawal** FPS
After linking of bank account, customers can instantly transfer funds for betting

3 **Bet at Racecourse/ Branch**
Customers can present the eWallet QR code to bet at Racecourse or OCBB

The Next Step—Full Digitized Online Account Opening Experience



Online account opening enabled by AI technology

Apr 2021	Aug 2021	Dec 2021	Apr 2022	Q3 2022 (subject to FO1.3)
★ **Launch**		★ **Launch**		

Phase 1: Online eWallet / Betting Account Opening

Phase 2: Online Account Reactivation

Phase 3: app-call-app to existing HKJC apps

Cancel
Identity Verification
FRONT
Place your ID card right within the frame
Cancel
Selfie Verification
Blink Your Eyes Twice

Use of AI

- Anti-forgery checking on ID document
- Facial recognition to match ID photo and real person selfie-video

Agenda:

1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
    - Retail Makeover
    - Retail Digitization
    - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Control Digitized
6. Conclusion

Integrated Offline / Online Interest Cultivation

1. Thematic Events

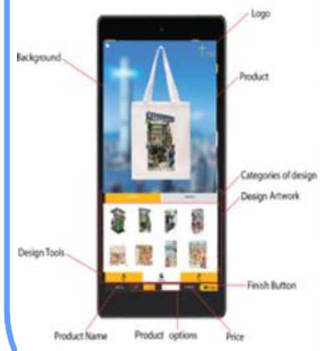
- To drive synergy experience between OCBBs & RCs through Thematic Events
- Examples:
  - FB Nights x Notable Hosts
  - KOL / Jockey Sharing x Major Race Meeting
  - Afternoon Makeover Party x Happy Wednesday

2. App Workshop

- To enhance proficiency of customers in using Club's betting applications and new product/ services
- Trained App Expert/ Racing Specialists will be stationed at the HKJC App Lab to explore the Apps usage or new bet type with customers
- Account ambassadors will assist in the channel migration process

3. Gift Customization

- GAR Collaboration
- To create personalization experience for customers to design own gift with 3D printing
- Young local designers can be invited to create new souvenir theme


Logo
Background
Product
Categories of design
Design Artwork
Design Tools
Finish Button
Product Name
Product options
Price

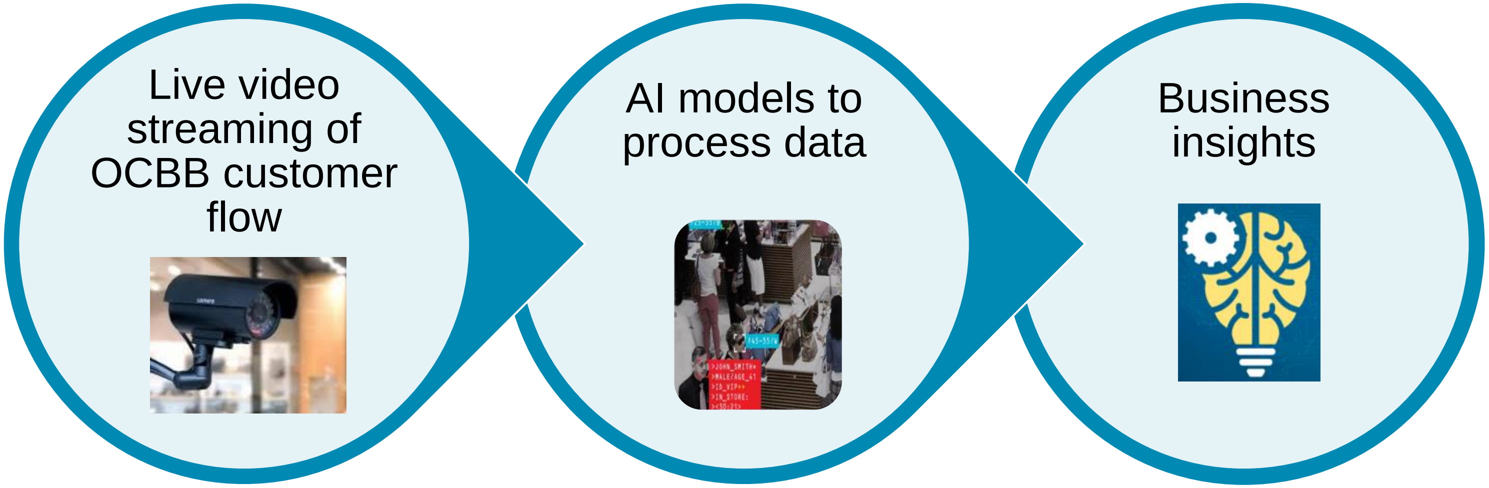
Live GIFT hot product lists
Thermal Water Bottle
Stainless Steel Flask
Fiber Quick Dry Towel
Coaster
Metal Card Holder
MousePad
Ceramic Mug
PU Notebook
Passport Holder
Card Holder
Luggage Tag
Tote Bag
Metal Luggage Tag
T-Shirt
Leather Luggage Tag
Laptop Bag
Cutlery Bag
Aluminium Pen Case
PU Laptop Bag
Cap

Agenda:

1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
    - Retail Makeover
    - Retail Digitisation
    - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Control Digitized
6. Conclusion

Customer Traffic Analytics at Shops using AI

To understand customer profile and in-store behavior in OCBBs, customer traffic analytics project is to be introduced to datary customer flow information in OCBBs. The key project deliverables are live video streaming captured at OCBBs, reports & dashboard display of analytic data and customer data to be stored in enterprise data warehouse for further analysis.



Live video streaming of OCBB customer flow

AI models to process data

Business insights

- Customer traffic count
- Customer demographics
- Time of visits
- Dwell time

- Formulate business plans based on customer profile and traffic
- Enhance space utilization at OCBBs
- Enhance customer service level
- Enhance operation/reporting efficiency

Proposed Timeline:

Q4 2020

Proof of concept implementations by shortlisted vendors

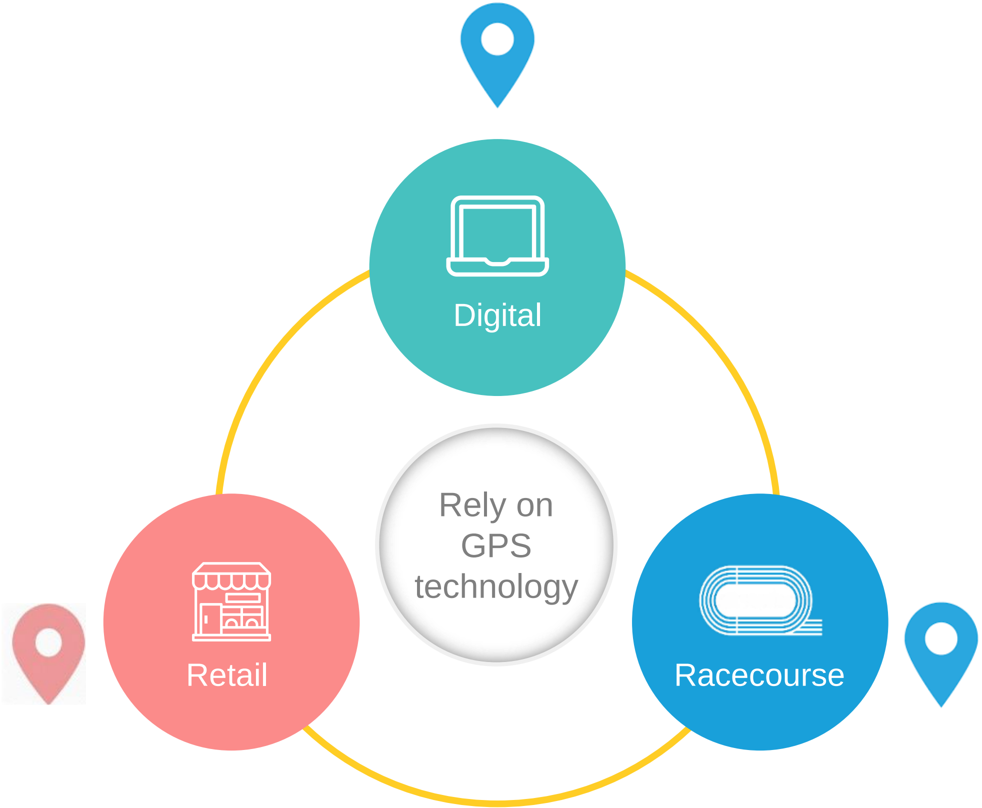
Feb 2021

Pilot implementation in selected OCBBs

Jun 2021

Commencement of full implementation

With Experience through Shops, we expect higher Customer Engagement that brings higher Turnover (2021)


Digital
Rely on GPS technology
Retail
Racecourse

Track customer location for visitation data

Better measure of value for OCBB and Racecourse venues

Basis for O2O marketing/ experience enhancement

Situation: More customers are using Apps in OCBB/ Racecourses

Enriching Overall Understanding of Customer Behavior

Improve capabilities on tracking and customer experience analytics

(a) Extend EDW to include betting app analytic data (Q2 2020)

Identify correlation of app usage with betting behaviour

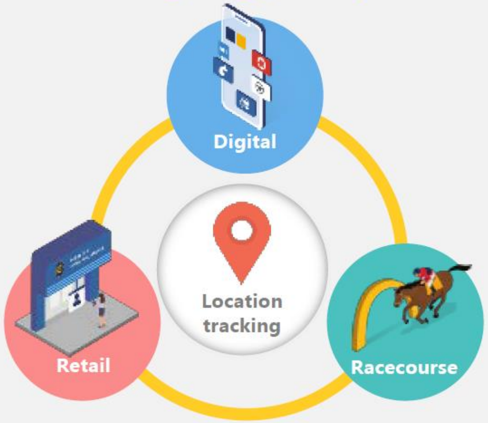
(b) Implement analytic tool on app usage flow (Q2-Q4 2021)

Analyse customer experience on app to improve design

Journey map

(c) Track customer location on app usage (Q2-Q4 2021)

Understand O2O customer wagering journey

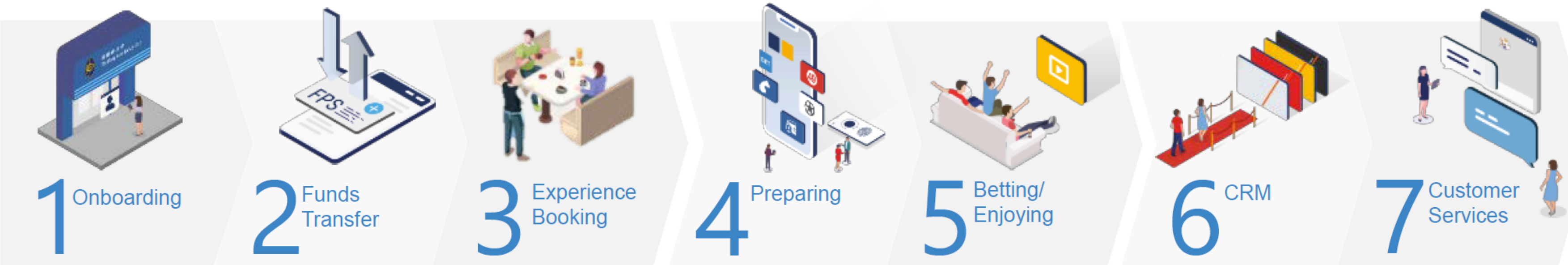

Digital
Location tracking
Retail
Racecourse

Agenda:

1. Retail as an Integral Part of the 7-Steps Digital Journey
2. The Retail Challenge
3. The Retail Story
   - Retail Makeover
   - Retail Digitisation
   - Integrated Online Offline Interest Cultivation
4. AI / Data Analytics
5. Conclusion

Digitization Empowered by Retail Experience

HKJC's end-to-end customer journey and digitalization initiatives for the future



Year 2019-2025

1 Onboarding

2 Funds Transfer

3 Experience Booking

4 Preparing

5 Betting/ Enjoying

6 CRM

7 Customer Services

Digital Assets and Capabilities

1 Onboarding:
- Betting A/C opening
- Online account setup
- Funds transfer setup
- Customer profile mgmt

2 Funds Transfer:
- Betting account digital top-up

3 Experience Booking:
- Entry and table booking

1–2: HKJC eWallet and FPS

1–2: Streamlined Digital Onboarding

1–2: Remote Account Opening (AI)

3: HKJC Customer mobile eCentre

4 Preparing:
- Pre-recorded TV programs
- JCBW site

5 Betting/ Enjoying:
- Bet placement
  - Cash
  - Telebet
  - PC website
  - Mobile app
- OTT TV program
- AI Tracker

4–5: HKJC TV

4–5: Racing Touch | Classic 3-in-1 Betting App

4–5: New Sports Betting App | Voice Recognition Betting

4–5: Artificial Intelligence

6 CRM:
- Direct mail and eDM
- Loyalty platform
- Big data CRM

7 Customer Services:
- Betting claim
- Customer enquiries
- Feedback and complaints

6–7: HKJC mobile Customer eCentre

6–7: Machine Learning | AI Chatbot

Cross Sell Strategy

5G, Cloud, Shareable Data Layer

Retail Capabilities

New Shop Experience

Customer Journey Design

Events / Campaign

App Lab

Racing Academy

KOL / Jockey Talks

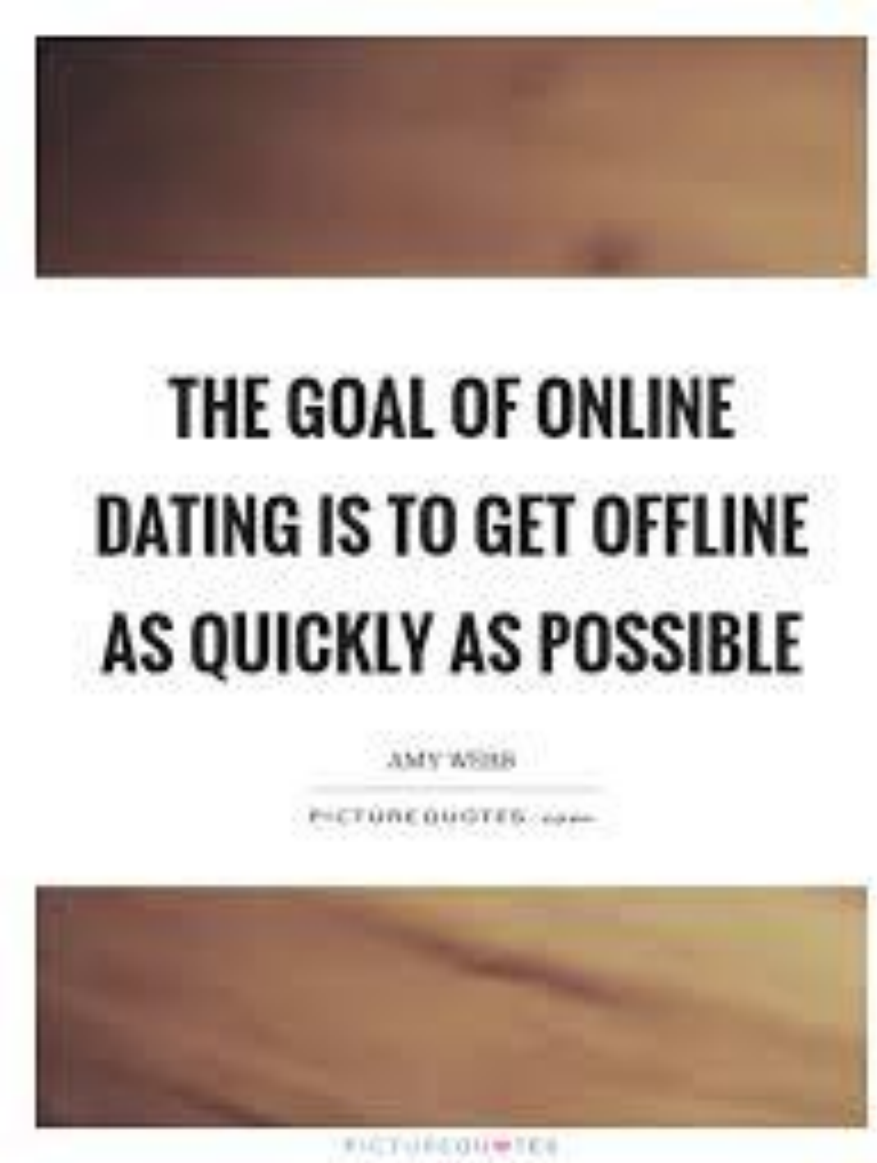
Racing Specialists

Peers Networking

Themed Events

Social Media (Instagram)

Rewards & Redemption



THE GOAL OF ONLINE
DATING IS TO GET OFFLINE
AS QUICKLY AS POSSIBLE

AMY WEBB

PICTUREQUOTES

PICTUREQUOTES