

Amplitude Unveils the Industry's First Digital Optimization System

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New Amplitude Recommend product applies machine learning for behavioral-based personalization; integrates with and extends industry-leading analytics capabilities to optimize the end-to-end digital journey

SAN FRANCISCO, April 26, 2021 – <u>Amplitude</u> today introduced the industry's first Digital Optimization System, to manage, measure and optimize the business value of digital product innovation. Building on its <u>#1 rated digital product analytics suite</u>, Amplitude also announced the general availability of its new personalization product, Amplitude Recommend. Recommend is the first personalization solution which leverages customer behavior data in the digital product and machine learning models to determine which behaviors result in the optimal business outcome, such as conversion to purchase or average order size. The system then adapts each individual experience based on these insights to optimize the desired outcome.

The world has moved to digital-first, with digital products at the center of the innovation agenda. According to a 2021 IDC report, by 2023 more than 500 million digital applications and services will be developed and deployed — an explosion of apps in just two years that equals the number developed over the previous 40. Yet even with digital at the forefront of innovation, businesses lack the ability to connect products to measurable business outcomes such as revenue and lifetime value. Amplitude is the first unified system that connects products to business outcomes and arms every team with common visibility and data, so they can answer the strategic question: "How do our digital products drive our business?"

The Amplitude Digital Optimization System helps digital teams, including product, marketing, engineering and beyond, deeply understand customer behavior in the digital product, predict which features and actions lead to business outcomes, and adapt each experience in real time to maximize its business impact. Amplitude customers are among the most loved and valued brands on the planet, from digital-native companies that are upending entire industries to 100-year-old trusted brands that are disrupting themselves through digital.

"When we started Amplitude, we had a vision to help every company build better digital products through an understanding of how people interact with them," said Spenser Skates, Amplitude CEO and co-founder. "Today, this vision has never been more important in a world where digital is business survival. We don't need more 'digital experiences' by delivering more features and content measured by ad clicks and web visits. It's time for a new way. The winners in the next era will be the companies that understand their customers and use these insights to transform experiences from the place value is created: the digital product. That's why we built the Digital Optimization System. With Amplitude, now every company has a fighting chance to be a digital disruptor."

The Amplitude Digital Optimization System unifies the data, analytics, and infrastructure required to deeply understand which customer product behaviors lead to business outcomes — and to quickly and intelligently transform each experience based on these insights. Key components and new innovations include:

- Amplitude Behavioral Graph is the brain of the system. It is the deepest, fastest and smartest database of customer behavior, built for the complexity of
 modern digital products. Its native query engine and machine learning algorithms correlate every individual action taken across every digital product to
 understand and predict which behaviors are indicators of outcomes such as engagement, retention and loyalty.
- Real-Time Data Management is the foundation of the system, with data pipelines, identity resolution and data governance all built in to help ensure data is complete, trustworthy and secure. New proactive data-auditing workflows significantly improve data quality while dramatically reducing the time spent in planning and troubleshooting data issues. Amplitude surfaces data anomalies, unexpected events, and incomplete taxonomies so you can fix them quickly and get to insights faster.
- Amplitude Analytics is the industry's #1 digital product analytics product based on G2 user rankings, bringing behavior data directly to digital teams so they can ask questions, get answers, and share findings instantaneously. For example, Amplitude Analytics can tell you which actions are the greatest predictors of retention or churn, and what behaviors are creating conversion degradation. New Executive Reporting capabilities bring every digital team and business leaders together with common data and visibility.
- Amplitude Recommend is the first self-service personalization engine powered by machine learning, behavioral data, and product analytics. With Recommend, every digital marketing and product team can deliver product experiences in the moment of business impact that are tailored to each user, without having to depend on engineering or data scientists. Before Amplitude Recommend, only digitally-native companies with vast data science resources could craft experiences that adapt in the moment based on each customer's past and anticipated behaviors. Now with Recommend, this same level of behavioral-driven personalization is immediately accessible to any team.

"Delivering a more relevant experience through personalization is a key driver of growth, but traditional manual or demographic approaches don't scale. A company could have millions of combinations of customers, content, and offers — it's just not possible to know exactly which to present to each customer at any given time without machine learning," said Justin Bauer, EVP of Products at Amplitude. "With Amplitude Recommend we are bringing behavioral data and machine learning to personalization for the first time. We believe this is the key to removing the obstacles to make personalization work, at scale, without requiring an army of expensive technical resources."

Powered by the Amplitude Behavioral Graph, Recommend intelligently adapts and personalizes each customer's experience across any digital product or touchpoint in real time, based on their behavior or the behavior of customers that act in similar ways. Machine learning algorithms and predictive models enable teams to understand the drivers of specific outcomes. For example, gaming service Jumbo Interactive used Amplitude to understand the preferences of customers who recently purchased. With Recommend, they instantly created Amazon-style recommendations across channels tailored to each users' unique behaviors, resulting in a 158% increase in checkout conversions.

Recommendations Shar Overview Performance Syncs				✓ ◆ Notebook Save UB
	150K # OF USERS CONSIDERED	23 # OF ITEMS INCLUDED	1.2M # OF EXPERIENCES CREATED	762K COMING SOON
	ITEM		% OF USERS WITH THIS ITEM	# OF USERS
1	Global Top 40		70%	65,000
2	Rising Indie Rockstars		62%	52,500
3	Coffee & Jazz		55%	48,250

Amplitude Recommend powers real-time product and content personalization.

The Amplitude Digital Optimization System and Amplitude Recommend are generally available today. For more information:

- Explore the Digital Optimization System
- See <u>Amplitude Recommend</u> in action

Amplitude is hosting its inaugural Digital Disruptor Summit, a half-day virtual event, on June 3, 2021. Amplitude will showcase its Digital Optimization System to empower every digital team to be digital disruptors, and will be joined by Amplitude customers and industry leaders, including Sue Cho, Head of Lifecycle Marketing, Calm, who will talk about their journey as a digital disruptor. To learn more and reserve your spot, register here.