Retailers, are you meeting personalization expectations?

Meta Description: The future of retail personalization aligns new technology and new strategies to offer a seamless and individualized omnichannel customer experience.

Retail is one of the more advanced industries when it comes to personalization, with almost every retailer offering some degree of personalization to enhance the customer journey.

Gone are the days of delivering the same campaign to all of your customers, relying on inserting their name to personalize the experience. Today's customers demand more, and retailers understand the power of data-driven personalization and proper customer segmentation.

Customers agree. When it comes to personalization, 27% of people surveyed said that brands are doing well in providing recommendations.

Online retailers are doing especially well, and within websites and mobile apps, online retailers are nailing personalization. 81% of consumers say that online retailers are doing "very/somewhat well" at delivering personalized experiences through websites and mobile apps.

Customers shop three times as often with companies they believe do personalization very well, and younger customers, in particular, want retailers to offer them more personalized experiences. In fact, when <u>surveyed</u>, 65% of customers aged 18-37 said they wanted to receive personalized recommendations from retailers.

Customers have high expectations of retail personalization

Although retail is ahead of the curve as an industry, forward-thinking retail marketers can't afford to rest on their laurels. Effective personalization is more than just using the customer's name and presenting the best offers. It's about engaging the customer in a meaningful way.

Customers are looking to retailers to provide a seamless and highly personalized omnichannel customer experience. They value their time and want their retail experience to be effortless. By delivering enhanced personalization, you're making their lives easier.

Personalization can go beyond customer behavior and incorporate contextual data. Using elements like location and weather to personalize your website experience means you can offer the most relevant products at precisely the right time.

Taking personalization to the next level means taking it offline too, and into your brick and mortar stores.

Proximity marketing using <u>location-based</u> technology allows you to identify when an opted-in mobile app user enters your store. With near-field messaging capabilities, you can welcome them to the store via in-app SMS and even deliver personalized offers.

With the strategic use of data, machine learning, and other technology, more and more retailers are delivering a deeper personalization experience to enhance and support the customer journey. The future of retail personalization aligns new technology and new strategies to offer a seamless and individualized omnichannel customer experience.

Personalized email enhances the customer journey.

With 72% of retail consumers preferring to receive personalized experiences through email, this is *the* channel where customers want and expect to see personalization. From customer acquisition to customer retention, personalization in digital messaging isn't just welcomed—it's expected.

Like many retailers, <u>Coach</u> has always emphasized delivering personalized emails with great success. Recognizing an opportunity to improve customer connection further, they partnered with us to deliver an even deeper level of email personalization.

We matched each customer profile to modeled attributes and data-driven insights. <u>Agility Harmony's</u> machine learning and decisioning engine provided customized recommendations for individual subscribers and delivered 1:1 inbox content.

The result? A lift in site visitors, revenue per recipient, and the average order value both online and offline.

Personalized digital messaging to the customer's preferred device increases conversions

Delivering the best customized offer to the customer's preferred device provides an outstanding personalized experience. With the right technology and strategic vision, it's possible to personalize at an astounding level.

With <u>Conversant's</u> Retention and Acquisition solutions, Hot Topic found, messaged, and converted the right people by delivering personalized conversations on the right device at the right time.

Site visitors received personalized messages featuring the most popular products within their viewed categories that also aligned with their known individual profile preferences. Lookalike models based on the attributes of Hot Topic's best customers allowed us to identify quality, in-market prospects while accurately suppressing current customers.

Focusing particularly on delivering custom messages highlighting relevant images and products that would resonate with that particular prospect, we were able to drive better outcomes, at scale.

Use data-driven personalization to attract more profitable customers

<u>JustFab</u> has built an entire retail business based around the power of personalization. Each month, members of their subscription eCommerce site can shop customized selections of fashion, footwear, and accessories based on their own personal style.

Looking to reach new customers in a more personalized way, they partnered with us to implement a direct mail marketing strategy to acquire new VIP customers. With our <u>Data</u> product, we were able to identify exactly which customers in our database to target with direct mail for the best results.

These hyper-targeted direct mail customers delivered a 163% higher Lifetime Value than customers acquired through other channels.

Loyalty and personalization go hand in hand

"Personalization... is a chance to differentiate at a human scale, to use behavior as the most important clue about what people want and more important, what they need." <u>Seth Godin</u>

<u>Loyalty members</u> can spend up to 3x more than non-members. Segmenting loyalty members allows retailers to deliver a personalized loyalty program that capitalizes on what really matters to their customers.

One of our retail clients assumed that free shipping was important to all their loyalty program members. However, value proposition research revealed that higher-tier members didn't value free shipping.

They valued quality and service and had much more interest in benefits like free alterations, early access, and members-only experiences. The client modified the benefits for each tier and personalized each tier's communications accordingly.

At its core, personalization is about delivering a powerful, human experience at every stage of the customer journey. Approached holistically and applied to the entire customer experience, including your loyalty program, it builds trust and shows your customers you value them.