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Delivering a Personalized Customer Journey

A Step-by-Step,
No Nonsense Guide
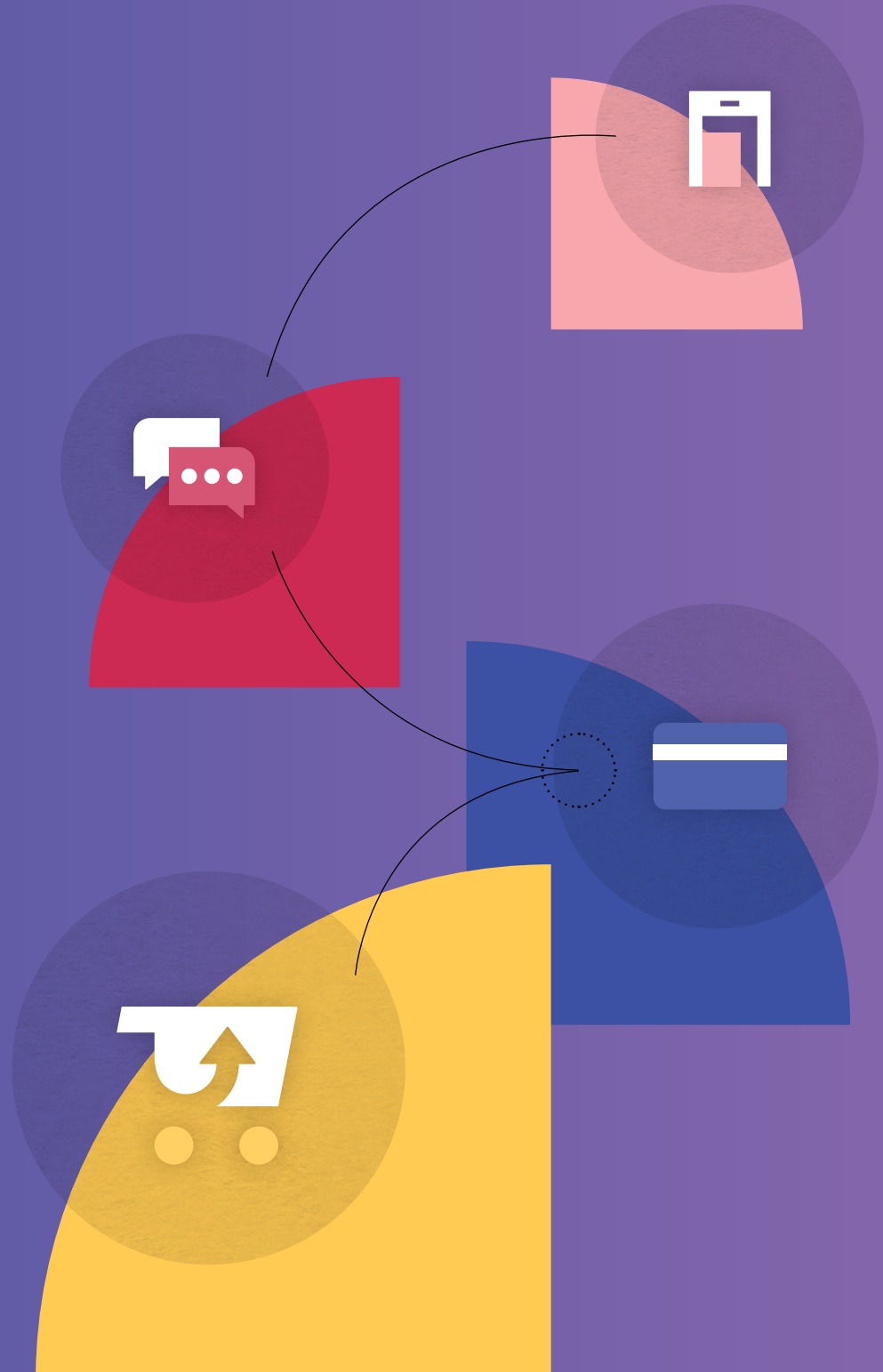
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Introduction

The need for an *integrated approach* to personalization at every stage of the customer journey

Personalization has become a major part of every serious eCommerce brand's strategy. Knowing who your customers are, where they are, what they want, and how best to give it to them is something that all online retailers need to do.

According to McKinsey, personalization **adds 40 percent to revenue** when compared to companies not using personalization strategies[1].

But understanding this need for personalization and delivering a digital experience specifically tailored to each and every customer are two different things.

A staggering 78 percent of customers wanted a more personalized customer experience when surveyed in 2021[2]. 89% of companies surveyed also consider the customer experience to be a key factor in driving both customer loyalty and retention[3].

Many digital and marketing leaders are trying to develop their personalization in a way that caters to the individual site visitor across the customer journey. But their progress is hampered by an overwhelming amount of advice, gimmicks, buzzwords, and excited talk about full-journey personalization.

This can be frustrating when looking for serious solutions to the real problems brands face. Attempting to craft individual experiences at a scale that caters to thousands, or even hundreds of thousands of customers and site visitors is no easy task.

Every online brand is different, and so the personalization challenges they face are unique. But there are some common factors that hamper eCommerce businesses in their attempts to deliver personalized experiences across the customer journey:

⊗ **A lack of an integrated approach**

⊗ **An inability to scale solutions**

⊗ **Use of multiple, disparate personalization tools**

⊗ **Siloed data**

⊗ **Lack of access to data for non-technical teams**

⊗ **Misaligned goals across your business**

The solution lies in integrating machine learning, merchandising, and experimentation to create genuinely individualized experiences at scale.

With the right personalization software that brings together all the elements needed to gather data, test at scale, and produce actionable insights, it's possible to provide a consistent, individualized experience at all stages of the customer journey, regardless of channel or touchpoint.

1 McKinsey & Company, The Value of Getting Personalization Right—or Wrong—is Multiplying, November 2021, https://www.mckinsey.com/business-functions/growth-marketing-and-sales/our-insights/the-value-of-getting-personalization-right-or-wrong-is-multiplying

2 Netcore, Ecommerce Personalization Benchmark Report 2021, https://www.slideshare.net/hoangduy203/netcore-ecommerce-personalization-benchmark-report-2021?from_action=save

3 Ivesp, Customer Acquisition Vs. Retention Costs - Statistics And Trends, https://www.invespcro.com/blog/customer-acquisition-retention/

What you'll get from this guide

This guide is intended as a no-nonsense, step-by-step guide to creating personalized experiences for every one of your customers. We'll not only cover what type of experiences to deploy and when to deploy them, but we'll also show you how to join the dots between customer interactions, creating a **complete customer journey**.

Today's customer expects a digital experience that caters to their particular circumstances, understands their history, and gives them what they need quickly.

And they expect this level of service at every stage of the customer journey.

This has never been a straightforward task, but with the proliferation of channels and touchpoints in our omnichannel world, it has become even harder to serve up consistent individual experiences.

But there are still some general features of the customer journey that can be applied whatever device or channel you engage with your customers on.

The main stages of the customer journey are still:

Landing - How do you take account of who the customer is and where they've been before they get to you?

Engagement - How do you show your customers you understand them as soon as they start to engage with your brand, products, or services?

Purchase - How do you take all the information you have about a customer and use it to create the biggest impact at this crucial stage?

Re-engagement - How do you intelligently retarget the visitors that didn't make a purchase the first time around?

What you do at each stage matters.

And using each stage as a way to propel your customers onto the next is an important technique to master. It isn't always easy, but with the right data, analysis, and actions at each step, your personalization game, and therefore your sales, will improve dramatically.

Landing
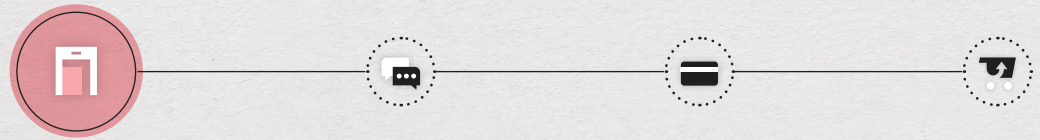
When a customer lands on your site for the first time, it's vital that you make a great first impression. But, while this might be the customer's first meaningful interaction with your brand, a good personalization strategy will mean that you already have a good idea about who the customer is and what they want when they first arrive on your site or one of your channels.

You should know in advance:

Location - You can choose different versions of landing pages to display based on geographic location.

Device - Mobile customers behave differently from desktop ones, so different messaging or layouts will pay dividends.

Traffic source - Whether your visitors have reached you through a search engine or clicking through from an ad or link will give you valuable information about their intent.

What ad campaign has brought them - Specific promotions should be highlighted to create continuity between the ad they engaged with, and their experience upon landing.

Past behavior - Has the visitor browsed your site before? Have they added to and/or abandoned cart? Have they purchased from you before or are they a completely new customer? What brands or categories have they shown an affinity towards?

1st or 3rd party data - Does your customer data come from your own CRM? Or has it been gathered by your personalization software provider?

What page they are currently on - Have they gone straight to a product page? Are they on your homepage?

Any or all of these contextual variables and data points can be used as rules based targets (i.e., you can set an experience to target customers who have come from a certain location or browsed a particular brand.) And they can also be fed into a personalization engine to create more individualized experiences, where more context and data equals more accurate decisioning.

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Data Ready From Day One

First-Party Data + Out-of-the-box Targets

Having comprehensive customer data is important. But if you're not at the stage where your data is easily accessible and ready to be fed into your personalization software, there's no need to panic.

Monetate Personalization allows you to get started straight away with pre-defined behavioral targets that let you hone in on your customers' wants and needs without the requirement of rich first-party data.

You can get up and running with these targets right away: testing, analyzing, and iterating to create better personalization from the get-go. Then, when you're ready, you can feed in your own data.

It's an approach that means immediate ROI, and the capacity to improve and scale your learnings as you go.

It's possible to build up quite a detailed picture of the visitor right from the start of the customer journey. This can be a challenge for brands who don't have ready access to data points. But if all your teams, from developers to marketers, have equal access to customer data it will allow you to take some meaningful actions at the start of their journey that will go a long way to providing a meaningful, personalized experience from the outset.

For example: If you can see that a new customer based in France has clicked through from an Instagram ad on their mobile device during a holiday season, you'll be able to make a much more informed decision about what welcome banners to display on the landing page, what products to promote in search, and what discounts or promotions to highlight to them.

You can also use this integrated view of the customer to test what works best, working out the most finely-personalized strategies as you progress.

Making sense of several different data points and variables, and being able to derive lessons about which messaging options work best with different types of customers is something that human teams alone cannot do.

A personalization strategy that incorporates machine learning to test site variations on different customers will result in a much more personalized experience. And you and your teams will become smarter about your customers. However, testing different banners, promotions, page versions, etc., on different customer segments will only get you so far.

Machine learning can integrate data from different sources and apply it to individual customer sessions, meaning you're not allocating traffic to customer segments anymore, rather you're allocating experiences to individuals.

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Slotted Recommendations

Slotted recommendations are a great way to bring together behavioral targets and customer data to create individualized experiences.

Let's say a brand has four recommendation slots on their category page:

- One of the slots is filled with a product from the ad campaign the customer clicked through from.

- One is filled with an item they have previously searched for.

- Two are filled with products from a line trending with customers like them.

The end result? The customer sees more relevant product lines and adds two items to their cart instead of one.

There's more on the role machine learning plays in creating 1-to-1 personalization in a later chapter. For now, let's look at how personalization at the landing stage of the customer journey can work in practice.

Messages to display at landing:

Welcome back
We've saved your items in the shopping basket

VIEW BASKET

CHECKOUT NOW
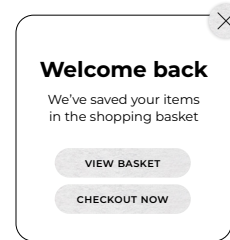
Personalized banners
With messages tailored to customers based on what stage of the customer journey they are at.

You may also like:
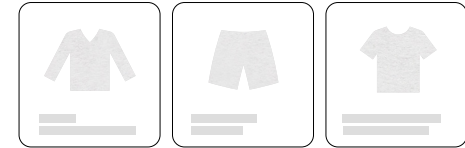
Slotted recommendations
Combining data on the individual customer with the results of testing on customer segments.

Landing stage enhancements:

Find the perfect gift for the woman in your life.
Take a short quiz to find the perfect gift.

START
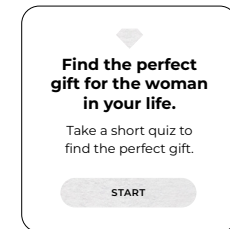
Personalized banners
Target messages to the ad campaign a visitor has clicked through from.

Our customer's favorite women's products:

ADD TO CART   ADD TO CART   ADD TO CART   ADD TO CART

Slotted recommendations
Increase the likelihood of recommending a suitable product with individual containers housing different recommendation algorithms.

Personalized layout
Use automated personalization to decide which layouts to display to different customers.

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4 Variants Total

When Reebok wanted to revamp their personalization strategy, they focused on making their landing and product pages more attractive to customers.

They were aware that their product pages were in effect landing pages for many site visitors. Increasingly, customers land on a product page straight away after searching for items online.

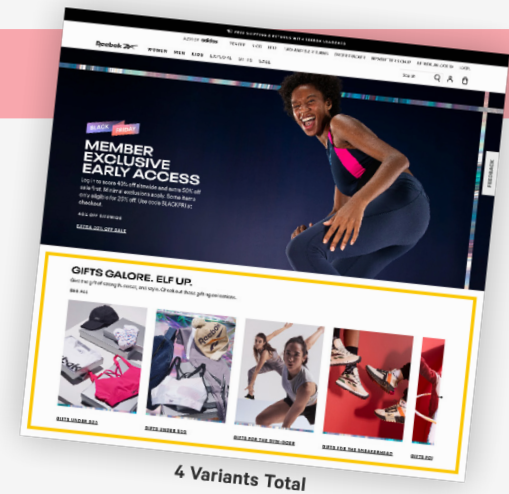This presented a challenge: they needed to display different versions of their product pages to those customers who had just landed on their site and those who had clicked through from their homepage.

As a solution, their design teams created different versions of their pages. They tested these versions on their entire customer base, using AI to learn which combinations worked best.

They then empowered their machine learning personalization platform to decide on the layout of their pages.

It was able to make intelligent decisions about what recommendations, branding, and reviews to display to visitors because it had been fed a wealth of Reebok's own first-party data, in combination with a selection of out-of-the-box behavioral targets that came with the personalization platform.

Putting a machine learning engine at the heart of Reebok's personalization means they have the capability to dynamically test their marketing efforts. They (or their decisioning engine) could make increasingly accurate choices about what to display, reducing risk and maximizing revenue, all the while learning more and more about what makes their customers tick.

The results:
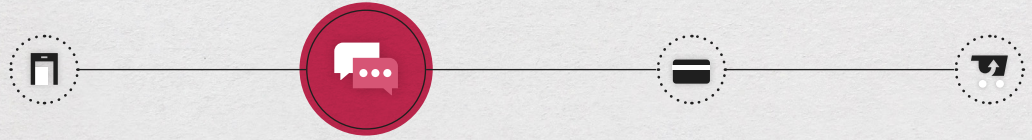
5.5%
increase in ATC (Add-to-Cart Rate)

12.2%
improvement in CTR (Click-Through Rate)

4.2%
lift in RPS (Revenue per Session) on Black Friday 2021 over Black Friday 2020

Engagement

As your customers move through the customer journey, you can start to build up a fuller picture of who they are and what they want.
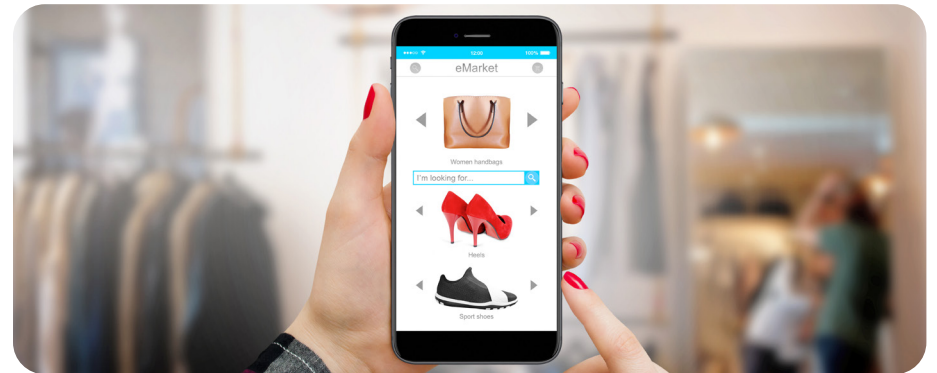
After a customer moves from homepage to product description page, they're interacting with your brand more. We can add this information to what we know about how they've previously interacted - looking at what products they search for and view, as well as the pre-click data we already had.

We can intelligently engage with them, tailoring the things we display to them based on their behavior up to this point. It means we can present products and experiences with a high degree of certainty that they will be of interest.

We can go beyond simple, one-dimensional product recommendations to create a more rounded and satisfactory customer experience, drawing the visitor on through the customer journey.

For example, if the visitor has arrived via an ad, an intelligent personalization system will display an item or creative asset linked to the ad campaign in one recommendation slot - using a frequently bought together algorithm, for example, and recommend a new product or line in another slot.

An advanced personalization engine integrates all the data available for a customer and has the ability to carry over and deploy this integrated view at the next stage of the customer journey. It allows you to make smarter decisions about what recommendations to make and in what combination, increasing the likelihood of conversions.

And the layering of data is not confined to the individual customer visit.

Insights gained from observing how a customer responds to a particular combination of marketing messages can be built up over time to give you a much better understanding of what messaging resonates with particular types of customers.

It means that you can improve your approach to customer segments in general, at the same time as fine-tuning your personalization efforts to the individual visitor.

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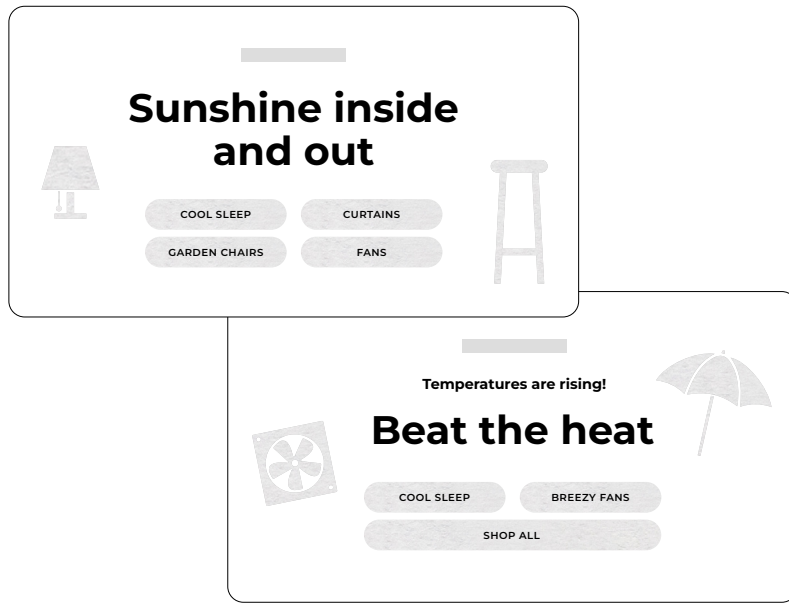
Automated Personalization

Using machine learning in this way is called Automated Personalization. It doesn't just display experiences based on what type of customer is visiting your site, it combines insights from customer segmentation testing with data points on the individual site visitor, tailoring a digital experience to the customer's unique profile.

By combining customer data with out-of-the-box behavioral targets, Automated Personalization can present much more relevant, hyper-personalized experiences to the customer, increasing revenue per session and add-to-cart rates.
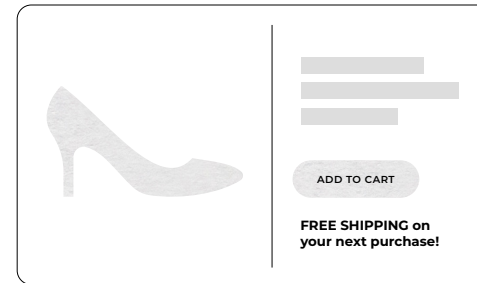
Engagement stage enhancements

Personalized search
Display tailored search results in real-time based on current and past session behavior.

Slotted recommendations
Combine different algorithms together in one container, so 'popular' or 'best selling' sits next to 'relevant based on products viewed.'

Frequently bought together algorithm
Test the performance of a 'frequently bought together' algorithm vs a 'frequently carted together' algorithm and go with the best performing.

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Norwegian outdoor apparel retailer, Helly Hansen, realized they needed to craft a more personalized experience for their varied customer base. With customers visiting their site from across the world, they needed to tailor their messaging to different visitors in different countries.
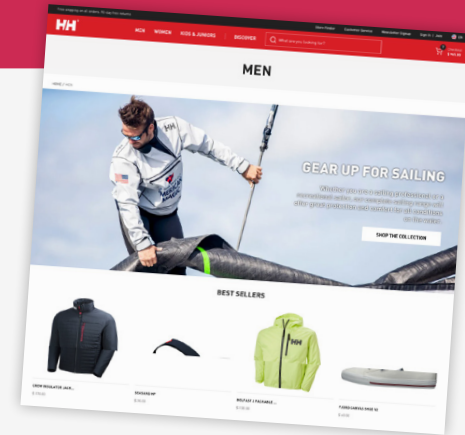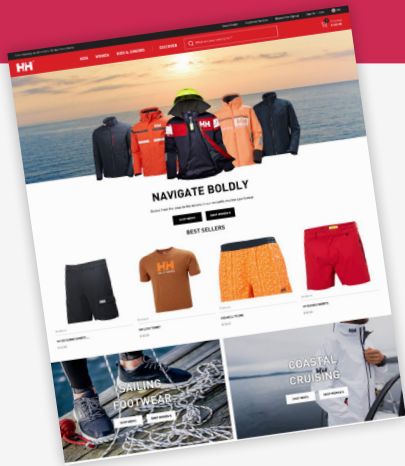
Before Helly Hansen turned to Monetate Personalization, they were displaying static images and promotions on their site, relying on standard seasonal messaging to entice visitors into the customer journey.

But because the needs of fashion-conscious shoppers in Paris are very different from semi-professional mountaineers in the US, they were failing to maximize revenue and conversions.

They decided to orient to a data-driven approach, letting machine learning algorithms decide what to display to different customer segments.

With this approach, they were able to display much more relevant recommendations and personalized banners on their homepage for new and returning customers.

Past session behavior, seasonality, age, gender, and geographic location were among the data-points Helly Hansen used to fill slotted recommendations for returning customers, serving up much more relevant products as soon as their visitors hit their site.

For new customers, the recommendations were chosen according to trending and popular items.

Operating internationally, with different languages, currencies, and cultures to consider, delivering this degree of personalization was only made possible by the use of AI and machine learning. It helped their eCommerce teams make changes quickly, keeping them on top of trends and customer data insights.

The results:

100%
increase in revenue per session (RPS) on their product details pages

28%
increase in RPS in the mens' section with recommendation slotting

50%
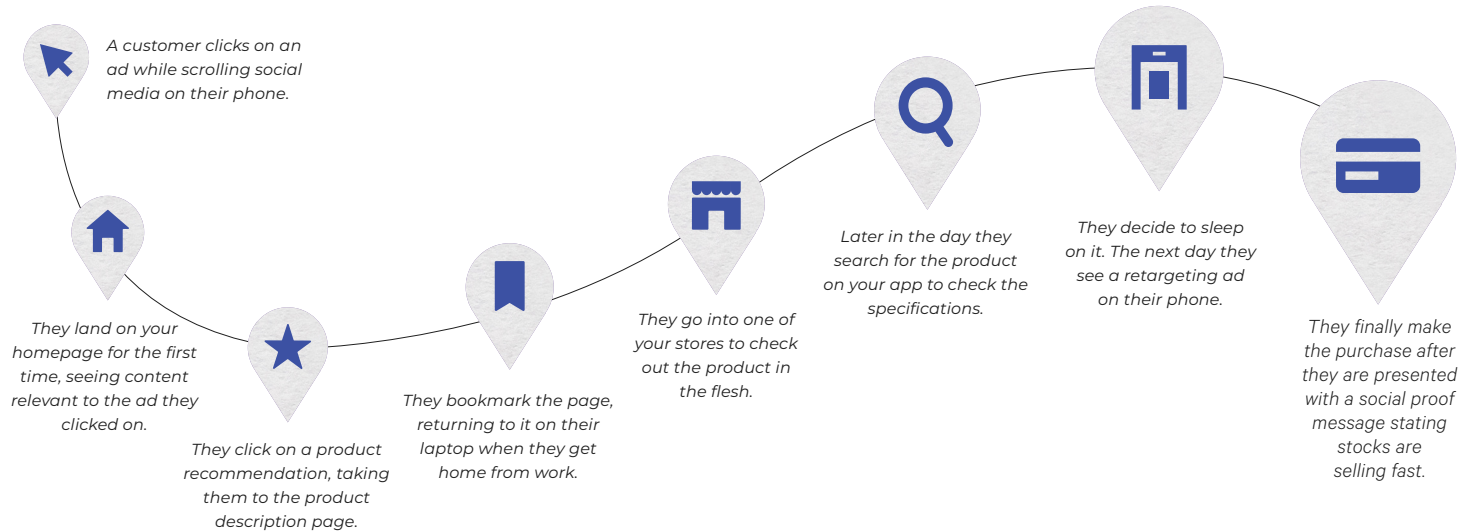more clicks after employing Monetate Product Recommendations

Purchase

As the customer reaches the purchase phase, we now have a much fuller picture of who they are. Alongside what we already knew about the customer, their previous session behavior has been added into the mix: we know what items they've added to cart, what they browsed for but didn't add to cart, and what else they've searched for.

Notice that at each stage of the customer journey we are carrying the insights and data from the previous interactions into the next.

Data is not getting stuck at one particular point or with one specialized team. It adds up to a deep understanding of who is interacting with your brand across channels.

To take just one example:

A customer clicks on an ad while scrolling social media on their phone.

They land on your homepage for the first time, seeing content relevant to the ad they clicked on.

They click on a product recommendation, taking them to the product description page.

They bookmark the page, returning to it on their laptop when they get home from work.

They go into one of your stores to check out the product in the flesh.

Later in the day they search for the product on your app to check the specifications.

They decide to sleep on it. The next day they see a retargeting ad on their phone.

They finally make the purchase after they are presented with a social proof message stating stocks are selling fast.

This is a very particular type of journey that will require specific messaging.

In addition to this, standard segmentation categories like where the customer is, what time of year it is, what age, gender, etc., will all affect customer behavior.

If you can stitch together this information, joining the dots between the interactions and data points, you can create an individual customer profile for each site visitor.
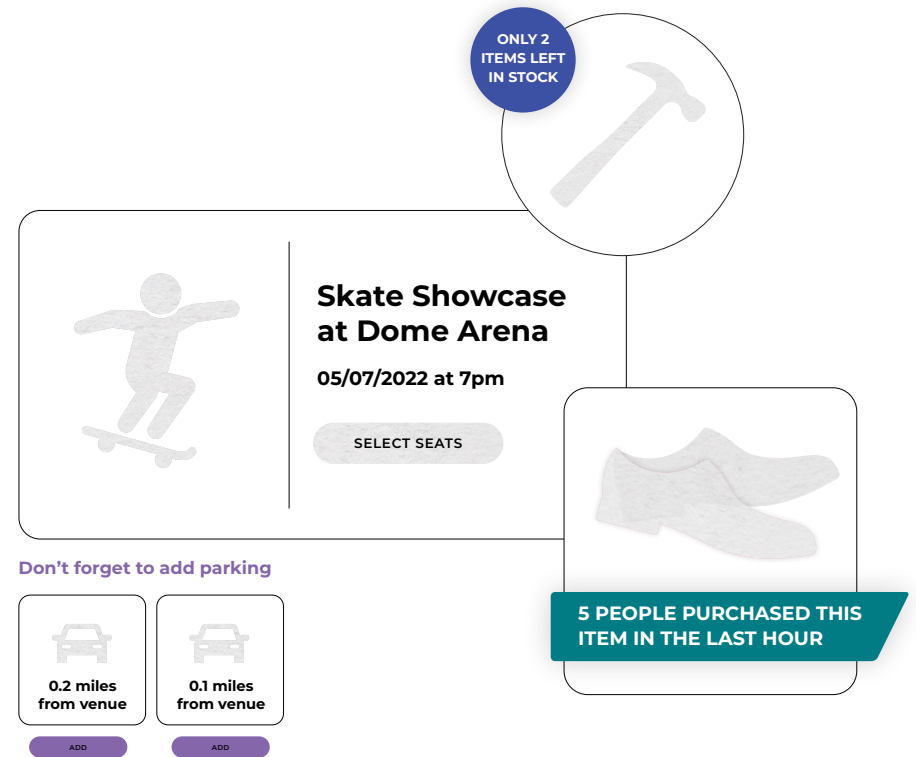
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So at the purchase stage, a personalization strategy that integrates all these factors will allow you to see:

- Past information on the individual customer, giving you a full picture of where they are in the customer journey.

- How they've interacted with the past experience.

- Whether they've purchased or added to cart previously.

Having this information at your fingertips becomes critical at the purchase stage. The customer has done their research and is ready to make a buying decision. The messaging you use here will have a decisive impact on your conversion rate.

So what you do with the information you've gathered makes a huge difference at the purchase stage. A single, integrated personalization solution that gives you the ability to test, target, merchandise, and personalize each and every interaction with your brand offers businesses huge opportunities to improve the customer experience and drive uplifts.

The purchase stage of the customer journey is a great time to display social proof messaging. A sophisticated personalization strategy will allow you to go beyond showing the same customer reviews to all visitors, instead, using machine learning to make decisions about what kind of social proof will be most effective with each customer. With some visitors, scarcity messaging highlighting how few items are left in stock will help seal the deal, with others, alerts that showcase the popularity of a product will nudge customers towards conversion.

ONLY 2 ITEMS LEFT IN STOCK

Skate Showcase at Dome Arena

05/07/2022 at 7pm

SELECT SEATS

Don't forget to add parking

0.2 miles from venue

0.1 miles from venue

ADD

ADD

5 PEOPLE PURCHASED THIS ITEM IN THE LAST HOUR

Purchase stage enhancements

Scarcity social proof

Alert customers to declining stock levels with 'limited stocks left' or 'only 5 left in stock' messaging on the product page.
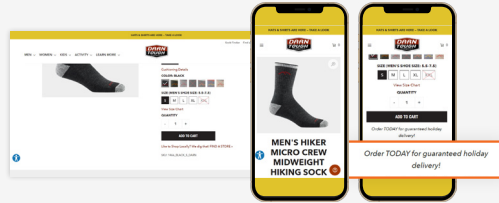
Popularity social proof

Highlight how well an item is selling with '15 sold today' or 'best seller' badges next to your products.

Purchased recommendations

Display recommendations at checkout to increase the likelihood of increased revenue per session.

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Before Monetate, Darn Tough were using testing and analytics software that was primarily in the hands of its technical teams. It meant that business decisions about what messages to display to which customers were hard to make, and genuine personalization was out of reach.

After focusing their efforts on A/B and dynamic testing to see what messaging worked best, they found that displaying banners with time-limited offers was a great way to create a sense of urgency.

They used dynamic testing to reduce risk on what is a key part of the funnel. They were able to test hosting Apple Pay and Google Pay on their checkout, with the machine learning algorithm automatically allocating traffic. This meant they could see if this feature would work without exposing themselves to the risk of reduced sales if results were not as expected.

The results:

12%
....
increase in AOV

3.3%
....
uplift in new visitor conversions

8%
....
increase in conversions

HALL Wines, a Napa-based winery and online wine retailer, also used dynamic testing to work out what social proof messaging to display to which customers on their site.

Being a retailer of a luxury product, they knew that their customer base was well educated about their product and eager to get their hands on vintages new to the market. They also suspected that scarcity messaging - highlighting when particular wines were about to sell out - would work well with their customers.

But they didn't know exactly how to apply this intuitive understanding of their customers, so they used Monetate's dynamic testing capabilities to find out what social proof messaging would work best, and when to deploy it.

Through the process of testing different messaging, analyzing the results, gathering insights, and testing again, they were able to strike exactly the right balance with their scarcity messaging, creating a sense of urgency without disappointing too many customers when their limited, luxury product sold out.

The results:

55%
....
increase in add-to-cart (ATC) rate on hallwines.com, their main website

80%
....
increase in ATC rate on WALT Wines, their sister website

5%
....
increase in conversion rate on mobile

Re-engagement

Retargeting is one of the most important things to concentrate on when you want to boost your conversions. Despite your best personalization efforts, only a small percentage of initial site visitors will end up buying a product on their first visit.

The vast majority (around 98 percent) will have a look around your site, maybe adding one or two items to their cart, before moving on to something else without completing a purchase.

But all is not lost at this stage. Retargeting previous site visitors with ads based on their browsing behavior, for example, with ads for products left in their cart, will help you lure them back.

And if you have a well-developed personalization strategy that links up engagements across all your channels, you're much better placed to deliver meaningful messages that will boost your chances of converting the ones that got away.

Being able to intelligently retarget customers and deliver meaningful site experiences to them will let you develop a stronger relationship with them, creating much greater lifetime value for each customer.

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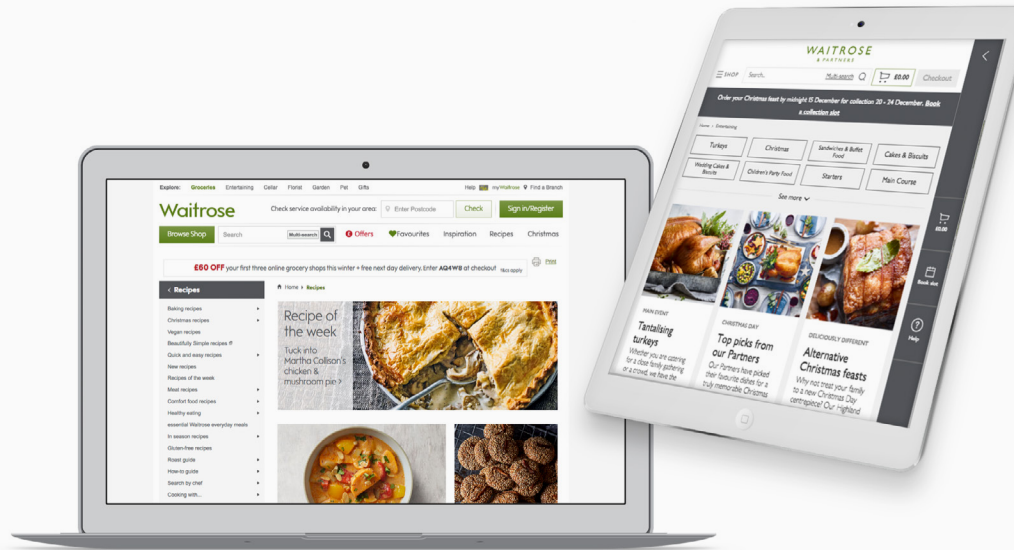
Waitrose

UK grocery retailer Waitrose has a mature personalization capability that allows them to drive visitors through the journey in a way that maximizes engagement and conversions. The automated personalization experience starts on the homepage, with machine learning deciding on how best to entice customers to click through to their recipe pages.

They combined their own CRM customer data with over 150 out-of-the-box behavioral targets from the Monetate Personalization platform to create a winning formula for customer engagement.

As a result, they saw their **engagement levels increase by 67 percent**. They also learned a lot more about their customers in the process.

For example, they found that young professionals in London were engaging more with quick, simple recipes during their busy working week, and so were better able to target this customer segment with more relevant messaging.

This process of learning about what motivated their customers meant that Waitrose has been better able to re-engage with them throughout the customer journey, tailoring experiences to the individual visitor, which has seen them returning to their site much more frequently than was previously the case.

Getting Under the Hood

UNDER THE HOOD

Monetate Personalization solves the common pain points that we outlined in the introduction:

- ✔ The ability to test, target and personalize every digital interaction.
- ✔ Access to best-in-class capabilities within an all-in-one solution.
- ✔ Becoming data ready for personalization from day one.

In this chapter, we'll take a look at the mechanics of how the personalization platform works and how you can use it to drive ROI faster.

Easy to use AI lets you scale while learning

Easy-to-use tools that are accessible to all teams help remove barriers to scaling your results.

Monetate uses a reinforcement learning model to provide easy to interpret results that can be applied across your customer base.

Following the below four steps when making personalization decisions and carrying out testing means anyone on your team can use these insights to make business decisions.

It's an approach that allows you to carry over insights from one area to another, making the personalization platform flexible and scalable.

Making business decisions in one place

If the above feels a little bit abstract, let's take a closer look at how Monetate's AI-powered decisioning engine helps you make 1-to-1 personalization a reality.

1 Through the easy-to-use admin panel you select a goal metric (eg. bounce rate) to optimize.

2 You then use out-of-the-box 'context variables' (like location, etc.,) to decide who to target and create 1-to1 experiences for them.

3 Decide what to deliver in the experience (it can be anything from banners, recommendations, and page layout, to site search, social proof variables, and other merchandising capabilities.)

4 Select how the experience should run - what data to use to create this experience, including any data your own teams have been working on.

It's as simple as that to personalize any digital element.

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It also means personalization is not broken up into different chunks across the customer journey. Rather, data streams can feed into one place where AI and humans can get an overview, build up a fuller picture as more information comes in, and use it to 'layer on' personalization as the customer moves through their journey.

Getting smarter about customers: Democratized access to insights

At the heart of Monetate Personalization is a decisioning engine. This machine learning-powered tool gathers data together in one place, analyzes it, and provides actions for you to take, giving you more informed options and greater control over what messaging you present to customers and when.

When business users are able to see for themselves how their customers are behaving, they can make quicker and smarter decisions about what kind of experiences to serve. If your customer data resides solely with your technical teams, it means it gets stuck before it reaches the people who need it most - your marketers and business teams.

If your data and analytics are siloed off into separate areas, it can not only be hard to apply the insights across individual customer journeys, it is also all but impossible to use these learnings at scale.

Data points on which customers are reaching your site, where they are coming from, and what they are doing when they get there are only of value if they are combined into a meaningful whole and presented in such a way as to give a clear indication of how to incentivize customers to take the next desired step.

From testing to messaging - all aspects of personalization should sit in one place that everyone can access and understand. An integrated approach sees different data points feeding into actions like personalized search and targeted recommendations.

With an AI-powered decisioning engine, actions can be made automatically and by marketing and business teams.

Integrating analytics, testing, merchandising, and personalization actions has a two-fold advantage:

Firstly, everyone in your business is empowered to make decisions about customer messaging.

Secondly, automated decisions can be made based on business rules that you set, meaning you can make increasingly smarter decisions while constantly driving revenue and continuing to scale.

Monetate Personalization also makes it easier to add third-party functionality for data-mature businesses, so if you already have the data you need to make intelligent personalization decisions, Monetate's open architecture lets you plug in the solutions you need so you can quickly gain extra insights into how your customers behave.

How an integrated approach creates actions

At every stage of the customer journey, there are multiple things that you can test and make better, creating more personalized experiences. With each step along the journey we can perform actions:

- ✅ Displaying product recommendations,

- ✅ Offering personalized search & discovery,

- ✅ Deciding on which kind of social proof to display

But this is an ever evolving process. While marketers and business teams' main concern is what to change or improve on your channels, these decisions need to be informed by a thorough understanding of the data.

Deciding to change the wording on your homepage banner is at best an educated guess if you don't know what customers have responded well or badly to before. To make informed decisions, your marketing and business teams need a thorough understanding of data points and session behavior analytics.

Monetate Personalization lets you take actions from a well-informed vantage point:

Analytics, insights & reporting that everyone can understand

Test & target based on your insights

Automated 1-to-1 personalization engine that can iterate and re-test against behavioral targets and data. It provides you with the fullest picture possible and means you can take recommendations and merchandising actions confidently.

Understanding the data and analytics means informed decisions can be made about what to display to each individual customer at each stage of the customer journey.

1-to-1 Personalization at Scale

Everything we've covered in this guide, from what messaging to display at each stage of the customer journey, to the mechanics behind the tools you need to get you there, is driving towards one objective: to be able to provide genuine 1-to-1 personalization at scale.

There are so many different tools, platforms, and software solutions on the market that claim to offer enhanced personalization solutions to eCommerce brands. And some of them are very good at what they do.

But Monetate Personalization is the only personalization platform that offers an integrated, all-in-one solution for analytics, testing, and customizable personalization actions to create a complete customer journey.

Far too many companies are struggling with disparate personalization technologies that only cater to one particular aspect of the personalization journey.

Different tools that sit in different departments, often with separate log-ins and their own specific UIs to navigate create siloed data and siloed teams.

Having a whole view of your customers, in their specific situations and with all their unique needs, will put your business on a much firmer foundation from which to craft genuinely personalized, 1-to-1 digital experiences that will power your brand to the next stage of your own journey.

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POWERFUL PERSONALIZATION

Monetate is shaping the future of digital customer experiences. Powered by patented machine learning, Monetate empowers organizations to use relevant data to make the most intelligent and personalized decisions across touchpoints. Capabilities such as testing and experimentation, recommendations, and automated 1-to-1 experiences give brands the ability to deliver the right experience at the right time to their customers. Monetate has incorporated powerful capabilities from Certona to provide the most comprehensive personalization solution, all within a single platform. Founded in 2008, with a presence in the U.S. and Europe, Monetate is trusted by leading organizations around the world and influences billions of dollars in revenue every year for top companies such as Reebok, Office Depot, and Lufthansa Group.

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