Billionaires   Featured   Money   Industry   Innovation   Leadership

Opinion

Is Time Running Out On Personalization?

By **Andrew Pearson** Contributor   Aug 10, 2020, 1:00 AM

| Add to Bookmarks   🔖 | Play Sound   🎧 |

The amount of personal customer data out there is enormous, growing exponentially each year. Image by SFIO CRACHO /Shutterstock.

IT affairs of the companies Gartner had surveyed.

There is, certainly, something to the Gartner study. Have IT departments become too complicated to utilize their data properly? Are today's software offerings missing the mark on personalization? Perhaps. But with a technology offering so much potential, throwing in the towel on personalization seems like an epic failure of both imagination and technological enterprise.

Of course, COVID-19 hasn't helped. In-person data is unavailable when your customers no longer visit your mall, or come into your bank branch, or patronize your restaurant. Without physical customers, how are you supposed to collect data on them? How can a business develop that coveted 360-degree view if almost 180 degrees of that customer behavior – the physical, in-person contact – is unavailable?

Well, there's more information out there than most businesses realize. Truth be told, there's actually a staggering amount. Combining a company's CRM, marketing management system, clickstream, internet of things (IoT), and social media data with information purchased from data brokers and tech companies like Facebook, Google, LinkedIn, amongst others, will allow companies to create rich, comprehensive, and highly predictive user profiles. Businesses can easily connect the dots of personality by linking the disparate data in their systems with social, contextual, geolocation, and sensor data.

The amount of personal customer data out there is enormous, growing exponentially each year. Most of us have no idea how the data being collected on us is being used, or even how much is even being collected. Bonchi and Wang give the troubling example of a German politician who "went to court to find out how often and what kind of data was collected by his cell phone company. The results were staggering. In just a six-month period, his coordinates were recorded and stored over 35,000 times."

And it can be more granular than that: several researchers at the University of Texas, Austin were able to infer a lock's combination from motion information

when reaching for his valuables the next time. These are two examples in an ocean of billions.

Obviously, that watch sensor data wouldn't be easy to capture, but every business with a customer-facing website is sitting on a goldmine of personalization data that can be used for website morphing. Hauser et al. claim that website morphing – the automatic matching of a website's basic 'look and feel' to make it more personalized for the individual browsing to the website – is one of the best ways a brand can hyper-personalize the customer experience. By analyzing a user's clickstream data, website morphing can help a business infer a user's cognitive style, which might seem like a subtle differentiation. But, with personalization, nothing is really subtle. Everything has significant value.

According to Hauser et al., cognitive style dimensions might include impulsive (quick decision maker) versus deliberative (in-depth explorer), visual (prefers images) versus verbal (prefers text and numbers), or analytic (detail-oriented) versus holistic (bottom liner). For example, with someone who prefers images, a webpage would change the ratio of graphs and pictures to text on its site. A website might also transform by adding or deleting functional characteristics such as column headings, links, tools, persona, and dialogue boxes. These might seem like a subtle touches, but when added with personalized stories, tailored products, and/or customized images that reflect the user's personal shopping or browsing history, sales will surely come.

Beyond a business's website, vast amounts of customer data are available if one knows where to look. In its 'Artificial Intelligence in Logistics', DHL Customer Solutions & Innovation describes the IBM Watson Personality Insights tool that allows users to develop a highly specific understanding of a person's character. Input a user's Twitter handle into the system and a 'deep ocean' personality profile comes up. Since this is based on public Twitter data, there are no privacy concerns.

As per DHL, "The tool can be used for the creation of novel and personalized services. For example, in the wealth management industry, IBM Watson Investment

In addition, the system provides "financial advisors with a highly efficient and personalized way to serve clients, while indicating how to deepen relationships through other channels in their firms, such as lending solutions."

For those traversing the rocky road of personalization, Gartner recommends working with a vendor on a pilot project or a POC before purchasing expensive personalization tools. Go back to the basics, "test tailored recommendations at the segment level to avoid unnecessary or premature investment in a personalization engine", it suggest. This is great advice and, having worked in this industry for over a decade now, I've never seen a time when software vendors are more open to this idea.

We've worked with clients to rip out expensive siloed software that might handle one aspect of a personalization process and then replace it with a cheaper component that did exactly what the other software did at a fraction of the cost. With data integration, CRM, analytics, and marketing tools becoming more of a Swiss Army Knife-type of product these days, businesses would be surprised to learn how versatile software actually can be. I believe many companies would be surprised to find both just how far they can push the software they already have in-house, but also how the personalization puzzle can be augmented by lower cost or even open source software. It really is a buyer's market right now.

The bottom line is that personalized marketing is noticed by the customer. It has helped some of the biggest companies in the world not only succeed but become the richest businesses in the world. Amazon started the modern-day personalization trend and it's now one of the most valuable companies in the world. Facebook, too, is a master of personalization and it has seen its value rise exponentially because of the marketing potential behind its platform and technology. Starbucks, Cadbury's, Netflix, Coca-Cola, and even Easyjet have also mastered the art of personalization and now enjoy great financial and reputational success.

now ticking on personalization, as Gartner warns. Just don't let it run out on you.

marketer   Marketing   Opinion   COVID-19

By **Andrew Pearson**   Contributor

Andrew Pearson is the managing director of Intelligencia Limited, an AI and analytics company working in the retail, manufacturing, and hospitality sector. He is also the author of several books on AI, data integration, and predictive analytics technology as well as a writer and editor for The Journal of Digital and Social Media Marketing.

Related Articles

Opinion

Corona Marketing: An Insight into Cultural Disruption

By **Ahmed Al-Ansari**   Contributor

Opinion

Disruptive Technologies And Futuristic Ways To Market Their Products

By **Nitish Shaw**   Contributor

Opinion

3 Tips To Improve Your Marketing Strategy

By **Abdul Rahman Saeed**   Contributor

How To Find A Balance Between Feature Marketing And Value Marketing

By **Bilal Bin Saqib** Contributor