



PERSONALISATION:
FUTURE-PROOFING YOUR
ECOMMERCE STRATEGY



JULY, 2015

THE FOUND DIGITAL LANDSCAPE SERIES

PAPER 2

@found_online #FoundLandscape



FOUND. +  **monetate[®]**

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FOUND.

Found is an industry-leading digital performance agency that delivers data-driven, content-rich and ROI-focused campaigns that smash our clients' goals. We believe in pushing boundaries and driving sustainable and incremental growth for all of our clients, including AIG, Randstad, Canterbury of New Zealand and Red Letter Days.

As an innovative and passionate agency, we have earned a reputation for delivering great returns across all digital channels; including paid search, natural search, display, social media, video and marketing automation. Our aim is to help our clients grow and flourish in a measured and cost-effective manner that always adds value to their brand story.

Countless media channels touch billions of people every day and throw off an endless surge of marketing data. From this sea of information we filter the connected narratives that will drive the right mix of paid and earned campaigns with a precision that will always deliver and results that will always be accountable.

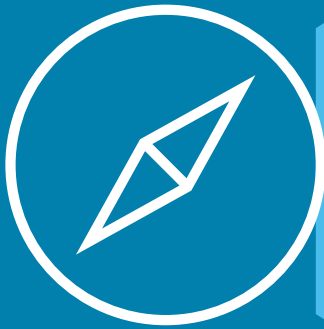


Founded in 2008, Monetate influences billions of dollars in revenue every year for the world's leading brands. Hundreds of world-class companies like QVC, Office Depot, Celebrity Cruises, Radley and Jack Wills use Monetate to grow revenue by boosting their conversion rates through multi-channel personalisation – on the web, mobile and email.

Monetate powers multi-channel personalisation for the world's best retail brands. The Monetate Platform empowers marketers to create, deliver and measure personalised marketing campaigns across touchpoints – at scale.

The Monetate Platform is built for speed, with an easy-to-learn interface that allows marketers to build personalised experiences for their customers, quickly. The proof? Monetate customers grow revenue 39% faster than their peers.





NAVIGATING OUR DIGITAL MARKETING LANDSCAPE



TINA JUDIC

MANAGING DIRECTOR,

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Our digital marketing landscape continues to change at lightning speed. With clever integration of new channels, exciting technologies and ground-breaking thinking, we're seeing a plethora of brilliant digital campaigns catapulting sales revenue forward for many new and existing brands.

The coming together of creativity and design expertise to work more harmoniously with technological agility has equally meant marketers have never had such a broad and diverse marketing mix from which to pick and choose their campaign activity. However, amidst all this frenetic and often remarkable creativity and innovation, we've also started to see a significant change in the way these campaigns are physically delivered.

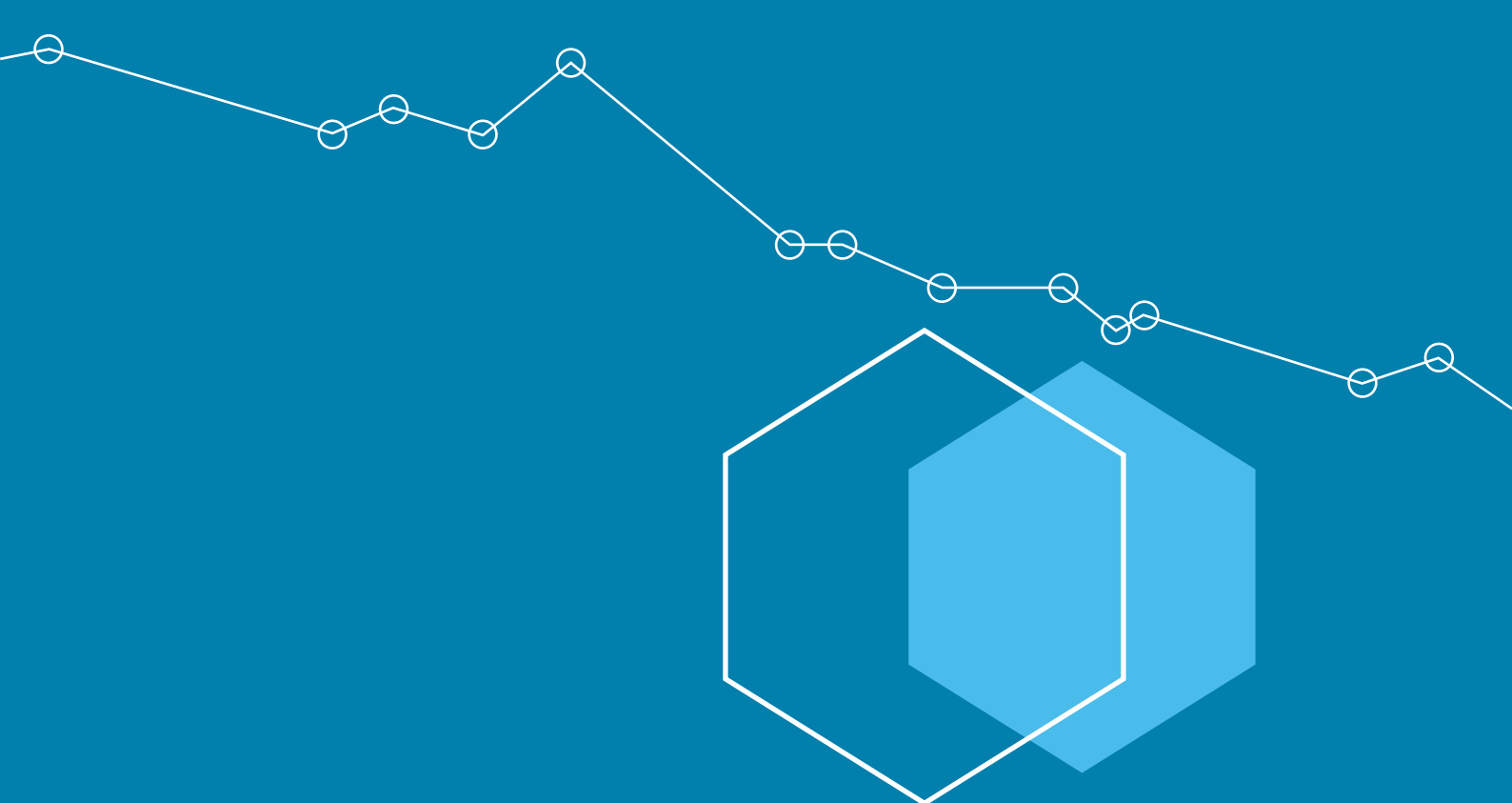
As an industry, we're swiftly moving away from static and heavily scheduled campaign planning and delivery to, instead, embrace more instant and often agile activity which enables us to intuitively respond to customer need. And it's this customer need that is the driving force behind this major shift.

In this age of the always-on customer, we're

witnessing a resurgence in customer service expectation. Similar to the old local shopkeeper style of retailing, consumers are now increasingly requiring a more personal level of service. In fact, with the ever-growing reliance on digital across entire lifestyles, more and more are expecting every web, mobile or tablet interaction to acknowledge their preferences and treat them as individuals. And, more worryingly, if they don't get this level of service, then the chances are they will quickly move on to find a company that does give it.

Personalising a customer's valuable relationship with a brand is no longer a choice for marketers looking to achieve long-term brand loyalty. If they are going to succeed in achieving both brand stand-out and return on investment, marketers need to be carefully considering customer-centric strategies which provide consumers with the very best level of customer experience.

With performance at the core of everything we do, we're only too aware of this need to keep customers front of mind. Alongside our ability to push the boundaries to deliver outstanding results for our clients, our focus also remains



WE'RE
WITNESSING A
RESURGENCE
IN CUSTOMER
SERVICE
EXPECTATION.

on always ensuring we respond to market need. This approach enables to us to integrate the latest software and technology platforms and to work with some of the sharpest best-of-breed businesses out there. At Found, we like to think of ourselves as a compass to aid advertisers, helping them navigate through the digital landscape to ensure they reach and engage their target audiences effectively.

Recognising the enormous emphasis now being placed on managing optimum customer experience, we're delighted to be collaborating with specialists Monetate to lift the lid on personalisation in this white paper. The second in our Digital Landscape series, we explore the technology, the impact and adoption of personalisation. We'd like to thank Monetate for sharing their knowledge and expertise to enable us to give you a thorough understanding of the role of personalisation within digital marketing.





WHY PERSONALISATION? WHY NOW?



MIKE HARRIS
VICE PRESIDENT, EMEA
MONETATE

Online retailing is changing. According to eMarketer, ecommerce growth will be in single digit figures by 2018. Email effectiveness is dropping and PPC rates are skyrocketing. In short, the days of easy, double digit ecommerce growth are at an end. Marketers will need to work increasingly harder and spend more to maintain the same levels of growth that they have enjoyed over the past few years.

So how do CMO's and Heads of Ecommerce plan to ensure that the meteoric rise of their online businesses continues? The answer is personalisation - providing more relevant and targeted experiences to customers that will drive increased online sales and conversion rates. Personalisation seems like an obvious win to drive online growth yet according to a survey by Econsultancy, whilst 96% of retailers believe personalisation makes good business sense, only 6% have a plan in place. Why does such a large gap exist?

Retailers are often delaying their personalisation efforts because of two misconceptions. The first is that launching a personalisation programme is too hard and will create a lot more work for their already overworked teams. The second

misconception is that delivering personalisation is complex; shattering a single customer experience into multiple different customer experiences is going to be hugely difficult and time consuming.

The reality is that getting started with personalisation has never been easier. Agile personalisation platforms like Monetate empower non-technical marketing and ecommerce users to deliver personalised experiences across web, mobile, app and email channels at scale.

Personalisation is not a fad, it's a very real trend that is gaining momentum as a key strategy to win more customers and outperform the competition. The time to personalise is now.

As Monetate's first Solutions Partner in the UK, we're delighted to support Found's personalisation paper, as part of their Digital Landscape's series.



INTRODUCTION



WORLDWIDE
ECOMMERCE
SALES ARE
EXPECTED TO
INCREASE FROM
\$1.3 TRILLION
LAST YEAR TO
\$1.6 TRILLION
THIS YEAR AND
ARE EXPECTED
TO REACH AN
INCREDIBLE \$2.5
TRILLION BY 2018.

- EMARKETER

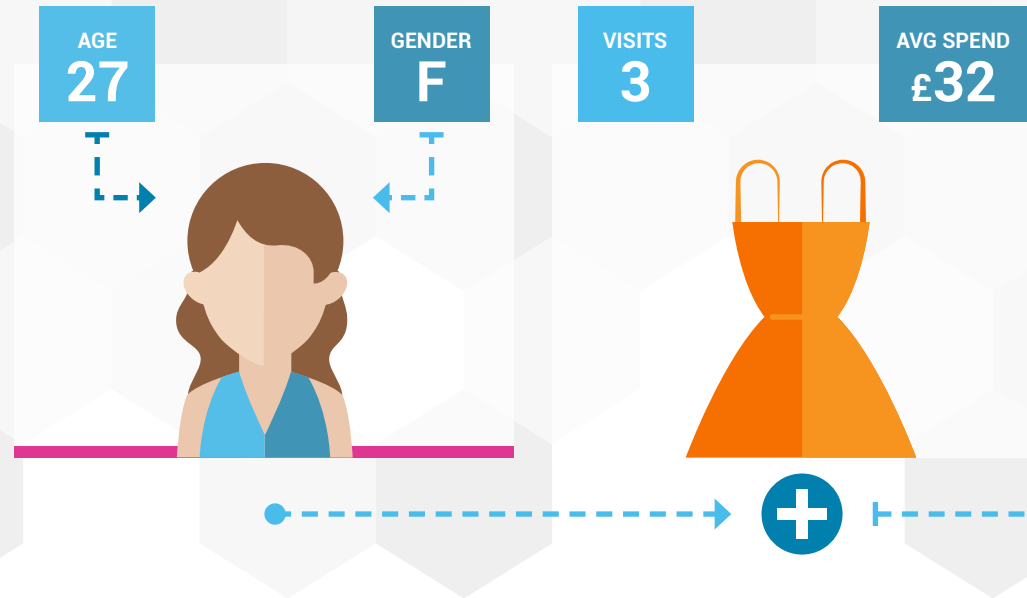
Before shopping complexes, superstores and shopping online became the norm, local corner shop retailers would know each of their customers by name. Grocers, newsagents and butchers would know where their customers lived, what their households resembled, what their preferences were, right down to what football team they supported. It was with this knowledge that they were then able to tailor their services and offerings to each shopper, ensuring that their preferred products were in stock and new goods could be recommended based on the insight they had into their customers' lives.

Those days are now gone. Today, we might still venture to a shopping centre or supermarket but, for the majority of our purchases, we rely on the internet to source new products, check out reviews and then compare best prices before eventually purchasing online. As a result, shopping has become one of the most popular activities online, with the web broadening retailers' reach and, at the same time, giving consumers quick and easy access to the products they want without having to leave their sofas.

To put this into perspective, worldwide ecommerce sales are expected to increase from \$1.3 trillion last year to \$1.6 trillion this year and are expected to reach an incredible \$2.5 trillion by 2018, despite a predicted slowing in ecommerce growth over the next few years (eMarketer).

The impact of digital is plain to see. However, its rapid growth has also brought about the demise of much of the intimacy and personal service that used to be the norm when shopping locally, something many online retailers have tried to address through product recommendations, onsite optimisation and marketing automation platforms.





79% OF SHOPPERS
ARE ACTUALLY
NOW DEMANDING
AN INCREASINGLY
PERSONALISED
APPROACH.

- RETAIL WEEK

Whilst many retailers can lay claim to increasing customer engagement, conversion and retention onsite, there is still so much more to do if a business is going to future-proof itself against other contenders for their customers.

It's no surprise that ad spend figures, as reported in the latest Advertising Association/Warc Expenditure Report, highlight that digital continues to receive the lion's share of many brands' marketing budgets, with the biggest increases in 2014 coming through digital - with internet advertising rising 15% and mobile ad spend climbing 58.9%.

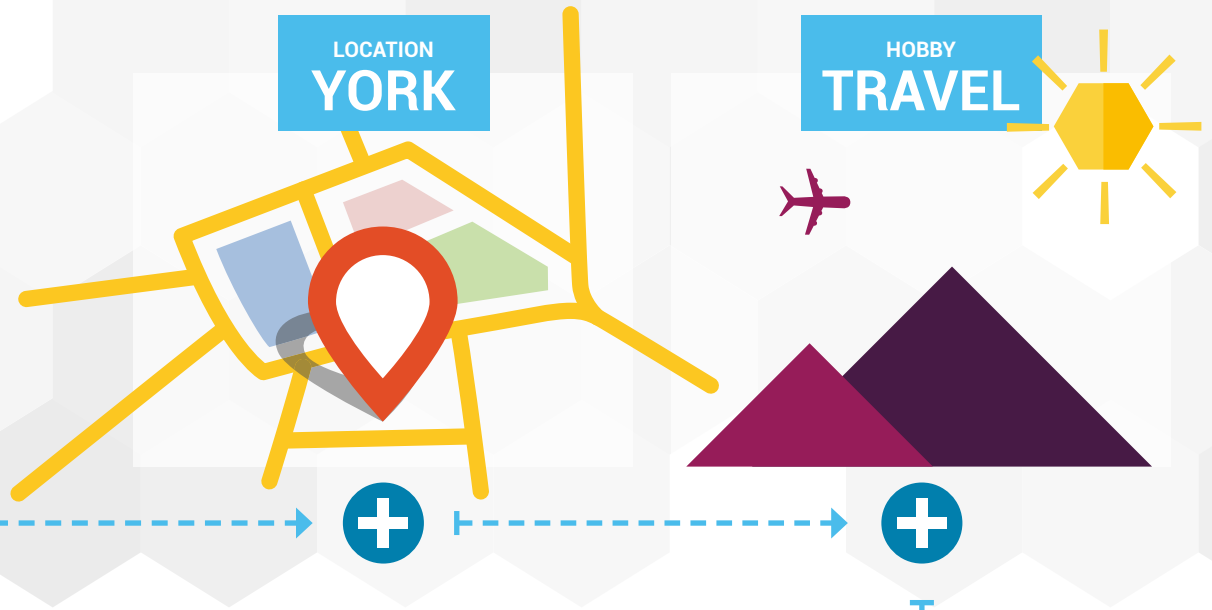
In a nutshell, our playing field has become much more cluttered and it's getting much harder to optimise or expand return on investment due to increased competition as well as easier and cheaper access to game-changing technologies. It is, therefore, imperative that businesses look beyond broadening their marketing activity and focus on making every visit to their websites count.

Looking at the broader picture, and supporting eMarketer's warning of slowing ecommerce growth globally, Forrester Research also warns

of a marked reduction in year-on-year growth for European online sales over the coming years. The retailers who continue to succeed will be those that not only tailor their digital efforts to maintain sales growth but who also respond to online consumers' needs. And it's consumers' needs that provide the greatest opportunity.

Consumers are now increasingly expecting businesses to provide relevant information, products and understanding across digital marketing channels. They are also increasingly expecting businesses to provide these, regardless of their device. However, what's more pertinent here is that a rapidly growing number of customers are also expecting their online experiences to be tailored to their specific wants and needs.

Illustrating this trend, Retail Week recently discovered that a substantial 79% of shoppers are actually now demanding an increasingly personalised approach. In fact, its survey's findings clearly demonstrate how consumers now expect retailers to fully understand who they are, how they shop, what they want to buy next and to then use this information to engage with them in an interactive and personable manner.



"PERSONALISATION IS SOMETHING ORGANISATIONS NEED TO START EMBRACING. IT'S VITAL TO BUSINESS PERFORMANCE."

- LINUS GREGORIADIS, RESEARCH DIRECTOR, ECONSULTANCY

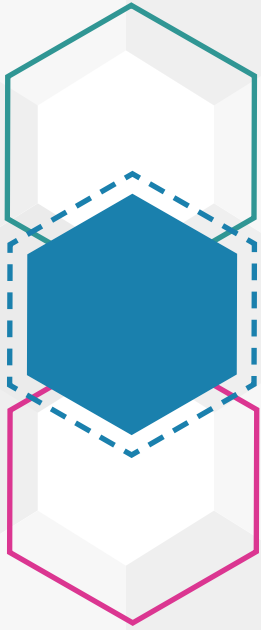
In effect, they're looking for something similar to the way we used to shop before the arrival of shopping centres, superstores and the internet. In this age of the always-on customer, the expectation that every web, mobile or tablet interaction acknowledges their preferences and treats them as individuals is fast becoming the norm. The challenge now is for retailers to build customer-centric strategies that provide their customers with the very best level of customer experience that meets this expectation.

In essence, there is a growing desire for personalisation from customers and their demands are now shaping the future of multi-channel retailing.

SELECTED OFFER



HAYLEY
2 FOR 1 ON SHADES



WHAT IS PERSONALISATION?

Customers who feel as though they are being treated as individuals are, without doubt, going to be more satisfied with their experience with a brand and more inclined to remain loyal. Loyal customers buy more, purchase more often and will act as advocates for a business.

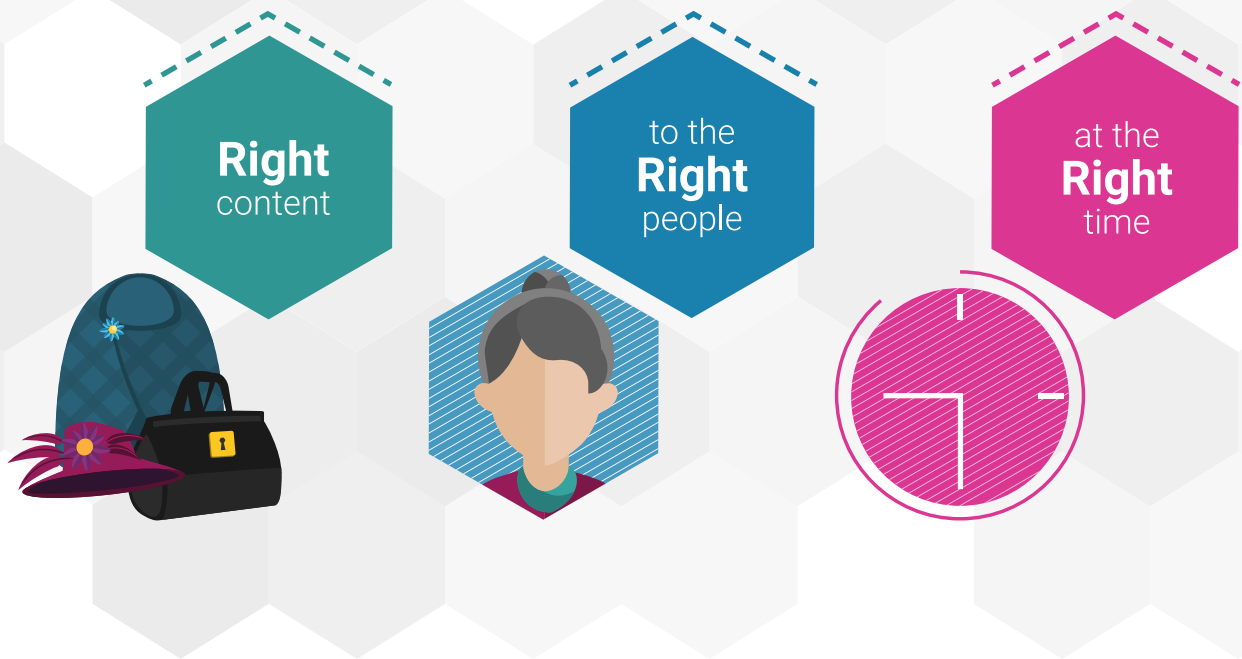
Personalisation answers the growing consumer expectation for brands to understand who their customers are, how they buy and what they want to buy next. And this is not purely a static state of understanding. People change; they access content from multiple devices; they take advice through multiple channels and their interactions with a brand will evolve over time as their needs, interests and circumstances change. A personalised approach identifies with the individual, not simply with a site landing.

However, many companies often confuse personalisation with optimisation or product recommendation, and believe they are already providing their users with a personalised service. Whilst they are, no doubt, making moves in the right direction by improving user journeys, these methods are not personalisation.

Optimisation focuses on finding new ways, new technologies and new processes to test and deploy improved user interfaces and journeys that work for all – effectively creating the best possible experience for anyone who lands on a specific page by serving the optimum content that will encourage conversion. It's adding a Father's Day message to a website's homepage; testing and changing the layout of a page or a call to action. Product recommendation is a means of promoting products based upon a user's search history or by highlighting products that other customers also viewed.

Personalisation, on the other hand, is knowing that whilst it might be close to Father's Day, a user's wife's birthday is only a week away, therefore the content served is dynamic, changing for that specific user by showing relevant birthday gifts and messaging to tempt them to purchase.

The difference is clear, yet many businesses believe that simply topping an email with a customer's name is all it takes to personalise communication with their customer base and, more worryingly, that this single action is enough to drive more bespoke consumer interactions



with their brand. Likewise, businesses who just rely on the one-size-fits-all approach for their site and email optimisation are equally missing out on not only delivering the very best customer experience but, more importantly, the opportunity of making every visit count.

Personalisation is about combining knowledge of the customer with the ability to take action in real-time. It is about tailoring the experience to each individual and their needs as opposed to making general improvements. It's how marketers use what they already know about their customers; deep-diving into the insight from their CRM data to create real-time, personalised experiences for their customers throughout the purchase journey.

In summary, personalisation allows marketers to significantly move beyond the generic customer journey; to create, deliver and measure more effective customer-centric campaigns for traffic that's already there.

“ Everyone has a different definition of personalisation. When most people talk about it they often mean product recommendations. Some might have sent out some segmented emails, or done some A/B testing, but only a tiny percentage are looking at the whole experience.”

- ALEX HENRY, DIRECTOR OF
CLIENT SOLUTIONS, EMEA,
MONETATE



HOW DOES PERSONALISATION PROVIDE VALUE?

73% OF GLOBAL CUSTOMERS LIKE TO BUY FROM BRANDS THAT PERSONALISE THEIR SHOPPING EXPERIENCE.

We all like a personal touch, whether it's a handwritten thank you note, a specially compiled mix tape or a latte from the barista who always remembers our order. When someone listens to our specific desires and makes an effort to cater to them, it makes us feel special.

From a business perspective, the same is true. Recent research conducted by Econsultancy revealed that 75% of US customers like it when brands send personalised messages and offers. Accenture Interactive substantiated this even further with its own study which showed 73% of global customers like to buy from brands that personalise their shopping experience. But, what's more interesting is that Accenture Interactive also found that 61% of US customers said that getting more relevant offers was more important than keeping their online activity private from companies.

Over-protective privacy shields appear to be coming down with more and more consumers realising the benefits of sharing their data to receive more relevant products and services. The once Holy Grail that was data is now being freely offered on a plate and the opportunity to

have closer and more relevant relationships with customers is now achievable for any business looking to take personalisation seriously.

Arguably, five years ago, we might have thought personalisation wasn't worth the investment. But today, as a result of the convergence of increasingly cost-effective technology, accessible customer data that can be used to tailor the online experience and the growing desire of fast-moving organisations to stand out amongst fierce competition, it's now an accepted fact.

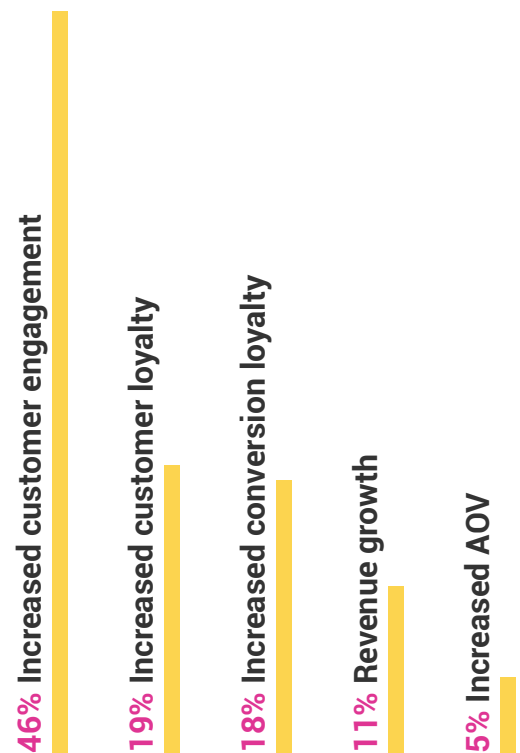
Every business knows that a more relevant, personalised experience is better than a generic, one size fits all approach. Better still, customers know it too and expect companies to take account of what they know about them, as illustrated by both Econsultancy and Accenture Interactive.



Personalisation enables businesses to reach customers more succinctly and, as companies like Monetate have proven, by delivering better, more relevant customer experience, companies will achieve:

- Improved conversion rates.
- Greater customer retention.
- Increased average order values.
- Higher margins on real-time offers.
- Reduced bounce rates.
- Better brand perception.
- Longer lifetime spend.

The bottom line is if you take what you know about someone and use it in your interactions with them, you'll get much better results than if you ignore what you know and treat them like everybody else.



What is the main benefit of personalisation to your business?

- RETAIL WEEK PERSONALISATION REPORT



CASE STUDY



HELLY HANSEN USES REAL-TIME INSIGHTS TO SHIFT CONSUMER PERCEPTIONS.

THE CHALLENGE

Helly Hansen is most well-known for sailing and watersport products in southern Europe, and for skiing and rainwear in northern Europe. In order to best serve these two distinct audiences, it wanted to deliver personalised homepage experiences based on the region in which the customer resided. It also wanted to factor in real-time weather conditions, to create an even more engaging, in-the-moment customer experience.

THE SOLUTION

Helly Hansen used advanced geo-targeting technology to deliver customised experiences based on local weather conditions. When the forecast called for rain, tailored homepage experiences to promote weather-appropriate gear, such as raincoats, sou'westers and waterproof footwear, were deployed.

THE RESULTS

During a particularly rainy five-day period, Helly Hansen was able to measure the impact of a geo-targeted campaign in Germany. The automated geo-targeting feature enabled it to replace the default homepage promotion (winter ski-wear) with a banner promoting rainwear. The campaign was highly effective, with an overall conversion rate increase of 170% and 52% for new visitors.





CASE STUDY

Office DEPOT

OFFICE DEPOT INCREASES
CONVERSION RATES BY 3% WITH
PROJECTED INCREMENTAL
REVENUE OF £2.5MILLION.

THE CHALLENGE

As the number one reseller of workplace products and services in Europe, Office Depot needed a personalisation solution that would enable it to track the behaviour of customer segments and easily target experiences without using IT resources.

THE SOLUTION

Previously Office Depot had relied solely on its legacy ecommerce platform which made it impossible to target customers in real-time - even the smallest site change had to be processed by its internal IT department. Using Monetate's platform, it was now able to create tablet-specific navigation, add countdown timers to drive urgency on time-sensitive promotions and execute multiple campaigns in real-time for relevant customers at relevant points in time.

THE RESULTS

Office Depot launched 44 campaigns in the first four months, increasing conversion rates by up to 3% and generating more than £2.5 million in projected annual revenue. Its tablet-specific navigation also produced a 22% increase in revenue per session and over £1.3 million in projected annual revenue was achieved through the use of a *free next day delivery* countdown timer.





CASE STUDY



RANDSTAD UK BUILDS ON PERSONAL AND EXPERT RECRUITER SERVICE OFFERING TO ACHIEVE 40% UPLIFT IN CONVERSION.

THE CHALLENGE

Having successfully merged eight independent, niche recruitment websites into a single super-site whilst also increasing SEO value and search performance, the need to differentiate Randstad UK against its competitors in a highly competitive market was crucial.

As the UK's largest specialist recruiter, renowned for its personal and expert service offering, it was also more important than ever that Randstad UK wasn't just seen as another job listings board (widely recognised as offering little value for job seekers) and, instead, was able to tailor visitors' onsite journeys based on their job and experience.

THE SOLUTION

Finding the right career move is a considered journey. Filtering thousands of different jobs listed on a recruitment site that match a job seeker's skills is also a daunting experience. Found worked with Randstad UK to deploy a personalisation platform consisting of over 50 different experiences and hundreds of complex rules in order to bring the site in line with the client's business ethos; reflecting its niche, sector-focused approach with real consultants.



Found worked with Randstad UK to adopt an approach that would include such elements as notifying visitors how close they were to a local branch to making complex changes that completely rearranged site navigation, page layouts and content based on the jobs searched for or interacted with previously. Personalisation was truly embraced by the business and marketing functions to deliver outstanding results across all channels.

THE RESULTS

Before Found introduced Randstad UK to Monetate's personalisation tools, it had begun to generate incremental revenue from ongoing optimisation efforts. A more sophisticated and targeted approach through personalisation resulted in a dramatic improvement to conversion rates and time spent on site. With clear, measurable performance through the adoption of holdout tests, the results spoke for themselves, resulting in a 40% uplift in job application and CV submissions across the test groups. In turn, this enabled reinvestment into top-of-funnel activities to continue to grow traffic and brand awareness.

“ We saw the potential to take optimisation of our customers' online experience to the next level by working with Found to create an end-to-end personalisation programme. 3 months in and the return and insight has already been incredible.”

- SENIOR DIGITAL MARKETING MANAGER,
RANDSTAD UK



HOW DOES PERSONALISATION WORK?

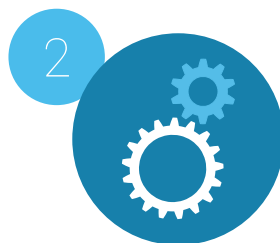


Personalisation is all about powering real-time brand experiences across multiple channels, including web, email and mobile, that are based on your knowledge of your customers' behaviour, context and intent. It's simply about creating the optimum experience for every customer interaction with your brand.



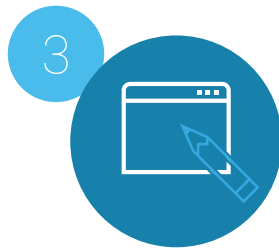
Collects actionable data about your users.

Using your overarching segmentation and optimisation activity as a foundation, a personalisation platform, such as Monetate, will really drill down into the data you have on your customers' interactions with your brand. They will then overlay this with additional data drawn from the platform tool so you can enhance your basic segmentation activity into more enriched and granular activity tailored to each unique visitor.



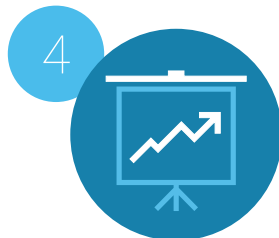
Powers actions based upon your insights.

You now have the power to construct innovative, granular brand experiences for each and every one of your customers. Use this rich level of understanding to make smart and human-led decisions, instantly.



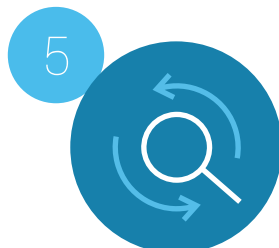
Makes tailored changes to your website.

Put your understanding to work. Make quick and easy changes to your site by: switching images, changing offers and adding new content that is directly relevant to your customers' behaviours and preferences. You now have infinite control of the relationship your customers have with your brand.



Provides detailed performance analytics.

Gather the results and data from your actions, in whatever metric works best for you, and then evaluate your activity. Don't worry, there will be things that haven't worked, but that's the beauty of personalisation as you simply fine-tune and try again.



Facilitates continuous improvement.

There's no right or wrong way to personalise your websites or customer communications. Trial and error are all positive actions so don't be scared to modify, discard, test or re-adjust as many times as you need to reach your optimum outcome.



WHY SHOULD PERSONALISATION FORM PART OF AN INTEGRATED STRATEGY?

Delivering effective marketing campaigns has always been a balancing act between opportunity and return. Personalisation is no different – if a company is going to adopt personalisation as part of its marketing strategy then there needs to be an understanding of the opportunity it presents, the investment to deliver and the likely return. Thanks to the coming together of creativity and design expertise to work more harmoniously with technological agility, marketers have never had such a broad and diverse marketing mix from which to pick and choose their campaign activity.

Personalisation is something that users have come to expect, thanks to the eBays and Amazons of the world, so the further consideration is whether personalisation is a nice-to-have investment or whether it will be a necessity to future-proof business. Platforms, like Monetate, have made personalisation far more accessible than ever before so it's now an easier choice that advertisers can make rather than a costly wish list item. This doesn't mean that all companies should be diving into personalisation with immediate effect as it does have to be a valid consideration that works within the remits of the business goals.

However, all companies should now be aware that they're not just competing with direct competitors in their market. Businesses are now also competing with the last great experience or interaction a user had online – whether this be a retail site, travel site or social site. Users are savvy and demanding more.

Users are demanding that companies appreciate them more as individuals and want brands to help them navigate the landscape with the digital data footprints they've already left. And users are happy to share data with companies if it's going to benefit them. According to a study conducted by Janrain, 74% of consumers get frustrated when website content appears that has nothing to do with their interests. 57% of those surveyed were okay with providing personal information on a website, as long as it was for their benefit and used in a responsible way. Further, 77% of customers were willing to trust businesses more if they explained how personal information was being used to improve their online experience.

If a company is going to truly reap the benefits of personalisation then the approach needs to be all-encompassing - multi-channel, multi-



“PERSONALISATION OF THE WEB EXPERIENCE IS CRITICAL TO CURRENT AND FUTURE SUCCESS”

- ECONSULTANCY & MONETATE

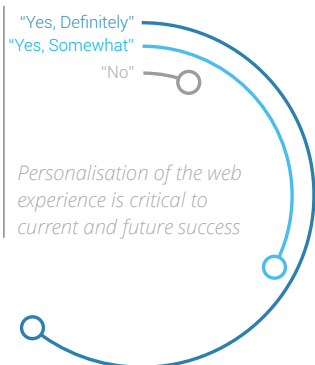
platform, multi-layered. This doesn't need to be difficult but it will require a well-thought-out strategy that focuses on delivering against a core set of objectives. Everything doesn't have to change at once but if one aspect of onsite personalisation is reaping benefits then the logical next step is to adapt and apply it to other channels – from email and ad creatives to nurturing the prospective customer at every touchpoint with your brand.

and, ultimately, increasing conversions of new and returning customers. Transparently measureable, the impact of successful personalisation strategies should then be clear across all digital channels.

If that's not enough, the world is evolving, with individuals willingly playing out their life experiences online; being journalists, photographers and commentators, all thanks to social media. As a result, there is more data available than ever before - to users and companies alike - meaning we have the armoury at our fingertips to create even more emotive and connected digital approaches that engage and reach both existing and prospective customers.

By integrating personalisation into their digital marketing toolset, brands can significantly transform their marketing activity and deliver highly personalised, super-relevant experiences that maximise the value of each *always-on* customer.

To understand in more detail how companies approach personalisation, survey respondents, to a study conducted by Econsultancy and Monetate, were asked to specify the extent to which various statements were true for their organisation or clients. On both the client (94%) and agency (90%) side, the vast majority of those surveyed said that, “Personalisation of the web experience is critical to current and future success”. Marketing campaigns should be created to not just drive traffic to websites but to also deliver converting customers. The power of personalisation is the ability to work with the traffic that is already engaging with a business, landing on the site and interacting with the content. The focus is on enhancing this experience, increasing the relevancy





WHY SHOULD YOU CARE?

Watching someone do something even when they know it's going to end badly isn't anything that many of us relish. It's frustrating and disappointing. Now apply this thought to an entire industry. Companies are continually not getting the most out of the customers who visit their sites. Yes, they're optimising pages to try and make some improvements to conversion but much of the activity undertaken is actually counter-productive. This is because optimisation is focusing on the performance of a page, not of an individual.

Every single retailer, brand manager, ecommerce head knows that a personalised experience is better than a generic, same-thing-for-everyone experience. And the biggest news? Customers know it too. They expect you to take account of what you know about them. Customers are now demanding more engagement with them, better understanding of their needs and a satisfying experience with your brand.

So it is sobering to hear that companies, on average, lose 20% of their revenue annually to poor customer experience (Oracle). A recent study by Retail Week also revealed that a

near-majority of 46% of retailer respondents ranked *better engage with the customer* as the number one benefit of personalisation to their business, with 19% and 18% citing to *drive customer loyalty* and *conversion rate improvement* respectively. Yet more than a third of companies do not currently implement any form of personalisation in their marketing activities despite the vast majority of those who do achieving an uplift in conversion after implementing it in one form or another.

“ Personalisation is a huge growth opportunity and can make an immediate impact. If you're not doing it by the end of 2015, you're too far behind.”

- ALEX HENRY, DIRECTOR OF CLIENT SOLUTIONS, EMEA.
MONETATE



96% of retailers think
personalisation is awesome but
only 6% admit to actually doing it.

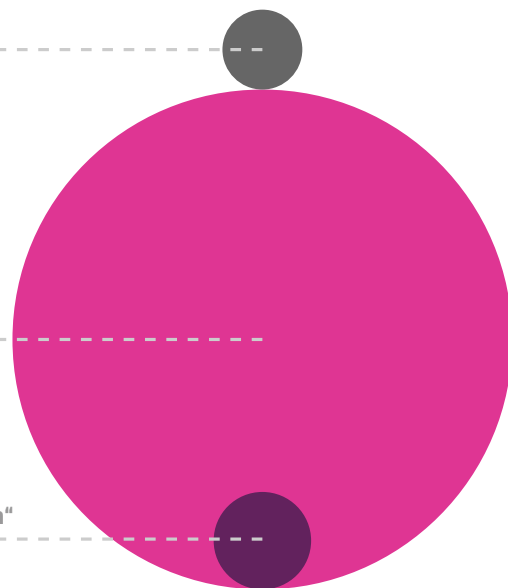
- ECONSULTANCY

The fact of the matter is, if you segment your audience and treat the segments differently, you improve every metric that matters: engagement, traffic, conversions or loyalty. And there's proof in the pudding too. Econsultancy's Conversion Rate Optimisation Report found that whilst 38% of marketers had not used personalisation, for those who did, 95% of companies said there was some kind of uplift in conversions when personalising offline channels, whilst 93% saw results from personalising their websites - 92% from SEM activity and 90% from email activity.

"Not yet convinced"

"Personalisation is awesome"

"We actively use personalisation"



So, why should you care? Put simply, the gap between what every retailer, brand manager and ecommerce head knows and what they do is a huge opportunity for any company to close the gap and truly grab hold of personalisation. Today, it's still seen as a new development, a new platform, a new toy to try. In the future, it will be a reality.

EIGHT COMMON MISCONCEPTIONS ABOUT PERSONALISATION

Every part of a customer's interaction with a brand can be personalised, whether it's a web page, email or mobile interaction. With the growing amount of data at our fingertips, alongside increasing technological advancements, everything and anything can now be personalised. There's no excuse now for pure generic experiences, however a number of misconceptions are preventing more companies from benefitting from taking the next steps to personalisation.



✘ *Personalisation is hard and will create more work for the team, especially if creating lots of individual experiences.*

✔ Personalisation is quick and easy to action - it simply requires a solid strategy and KPI measurements. If you're working with a digital agency, they will be able to help you choose the best platform, assist with strategy and act as an extension to your in-house resource. At Found, we work as an extension of our clients' teams to help facilitate personalisation tests.



✘ *Personalisation is complex and needs significant IT involvement to integrate and action.*

✔ Personalisation platforms overlay all of your existing technology so integration is simple. Setting up on a personalisation platform normally takes no more than a week and then you're able to make changes in minutes without having to call in the skills of your IT team or agency.



✘ *Personalisation needs an army of marketers and is resource-heavy.*

✔ It doesn't need a team to action personalised experiences. Instead, a single marketer, armed with the right data, can personalise website, email and mobile interactions instantly.



✘ *Personalisation is only for the big players.*

✔ This is probably one of the most damaging misconceptions about personalisation and will only lead to smaller companies being left behind. With technologies, such as Monetate, available, not being a big player should never be a reason to write it off – many of Monetate's most successful clients are small, niche brands who understand their customer segments and the need to deliver relevant personalised content.



✘ *Personalisation is an expensive investment.*

✔ If you were to build your own tools then personalisation would be an expensive investment. However, with technology platforms, such as Monetate, personalisation is accessible at an affordable cost. With return quantifiable through data, results should speak for themselves.



I don't have enough data or it's not all in one place.



Every company has data on its customers and personalisation also allows you to cleverly pool all of the data held throughout your business. Every time a customer visits your site they will leave even more information about their preferences and behaviours for you to action.



Continually optimising will eventually provide the perfect customer interaction anyway.



Even if you spent ten years optimising a landing page for all audience segments, you'd actually only end up making it sub-optimal for every specific segment. Optimisation focuses on perfecting single page interactions for all visitors whereas personalisation focuses on perfecting single visitor interactions on any page.



Personalisation is simply merchandising more effectively.



Machine-learnt merchandising is no more intelligent than that. Automated product recognition will not take into account the user's size, location, colour preference or even the weather outside their door. Personalisation lets marketing and merchandising teams use their inherent customer knowledge to go beyond algorithms to deliver what they know customers want.

“ The perception of personalisation is that it's a digital thing, but it's a bricks-and-clicks thing. We need to make sure the customer is taken care of, everywhere. We have some amazing ideas in development, but we need to collaborate with staff in our flagships, concessions and regional stores to persuade everyone in the business that personalisation is the future.”

- OLIVIER VAN LAER, DIGITAL MARKETING EXECUTIVE,
GIEVES & HAWKES

SIX KEYS TO SUCCESS

"The key to personalisation is not thinking about a person in terms of segmentation, based on the fact that, for example, they are female and like to look at pink tops online. We need real personalisation based on the shopper as an individual."

- SARA LEWIS,
MARKETING MANAGER,
HARRODS



Have a clear strategy in place.

Establish your goals for implementing personalisation and then put a solid strategy in place. This ensures that you are personalising with purpose and not for the sake of constant testing.



Join up your personalisation across all touchpoints.

It's all well and good creating a personalised journey on your website for customers but joining onsite activity and communication with your email correspondence will be so much more impactful. Your customers see you as one brand, as one entity and personality. You should return the favour by ensuring the same voice and treatment no matter what the channel.



Focus on high impact segments.

As with any programme, it's important to focus on the big wins first. Insights gained can also be applied to the programme as experiences get more granular with time.



Review data and results frequently.

Unlike optimisation, we are looking at changes on a user level so what may work one month may quickly stop working the next month. These are not just test and deploy type activities, personalisation is a moving feature of your website and needs to be managed accordingly.



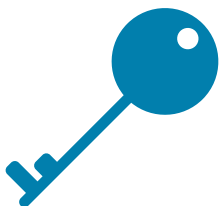
Track your success.

It's important to understand the impact you are making to the customer journey and, importantly, to your bottom line. Monitor and report personalisation – if you can measure it, you can manage it.



Be brave.

Sometimes actions you think will be successful won't be. Conversely, actions that you believe will have limited or no impact will surprise you. To be brave, you don't need to apply huge changes to large segments, you simply need to be willing to test.



CONCLUSION

With growing numbers of consumers expecting, and deliberately looking, for more relevant and tailored customer experiences, it's clear that personalisation is no longer optional for any business looking to maximise all that digital has to offer.

2015 is the year personalisation will come of age and if your competitors aren't already using it then the chances are they are thinking about it, so now's the time to act. As with anything new, being first to market will steal a march and, as ever, it's all about gaining that crucial competitive advantage.

Interestingly, personalisation is already very much part of the marketing fabric for the fashion, travel and food shopping sectors. Perhaps the natural evolution of traditional retail customer service and the benefits of building brand loyalty from the moment a customer walks into a store has made the transition to online easier? An effective personalisation strategy that targets consumers across channels in a multitude of ways is now an undeniable reality for many of today's leading retailers. The brands in these particular first-mover sectors are all too aware that a scattergun, one-size-fits-all approach is

no longer acceptable to visitors or of benefit to their conversion strategy.

A recent study by Infosys of 5,000 consumers worldwide (including 1,000 in the UK) substantiates this further, finding that 78% of British respondents would be more likely to buy from retailers if they were served with targeted, relevant offers. The study also found that these customers are equally more than happy to supply their personal data to get it too. Being bombarded with ad hoc marketing messages in the form of generic online promotions and bland emails is clearly just not good enough now. As Samson David, Chief Operating Officer at Infosys EdgeVerve stated, "Consumers want to be addressed by name and they expect brands to understand what they are looking for, often before they know themselves."

So the foundations are there. Consumers are hungry for more intimate brand experiences and, as technology develops, so too does our ability to glean much deeper levels of information into customers' lifestyles and preferences to help us construct more targeted contact points. However, retailers need to be mindful of the real value of this data and respect it by ensuring

the benefit for the consumer either equals or surpasses the cost of sharing their data.

True personalisation is, therefore, not just about providing convenience to the customer and the retailer but also providing value to them both too. Getting the combination of the right data, the right message, the right time and the right response will be the ultimate reward as companies begin to realise that investment in personalisation does indeed pay off.

FURTHER READING & RESOURCES



Accenture Interactive: Personalisation Over Privacy

<http://www.accenture.com/gb-en/Pages/insight-shopper-preferences.aspx>

Advertising Association: WARC Expenditure Report

<http://expenditurereport.warc.com/>

Econsultancy: Conversion Rate Optimisation

<https://econsultancy.com/reports/conversion-rate-optimization-report/>

Econsultancy: Realities of Online Personalisation Report

<https://econsultancy.com/reports/the-realities-of-online-personalisation-report/>

eMarketer: Global Retail Market & Retail Ecommerce Sales

<http://www.emarketer.com/Article/Retail-Sales-Worldwide-Will-Top-22-Trillion-This-Year/1011765>

Infosys: Digital Consumer Study

<http://www.infosys.com/newsroom/features/Pages/digital-consumer-study.aspx>

Janrain Consumer Research Study

<http://janrain.com/about/newsroom/press-releases/online-consumers-fed-up-with-irrelevant-content-on-favorite-websites-according-to-janrain-study/>

Retail Week: Personalisation Report

<http://www.retail-week.com/research-centre/>

GET IN TOUCH

If you'd like to find out more about personalisation and how it could improve your existing digital marketing activity, please do get in touch with us. We're always happy to discuss ways to help brands navigate their digital landscape.

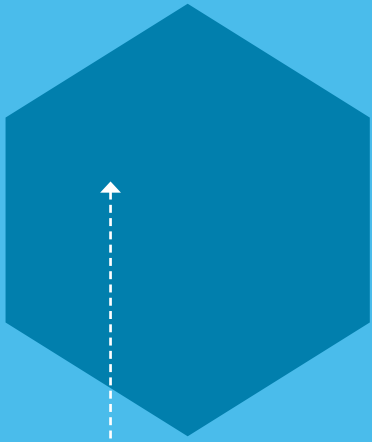


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