# Hyper-Personalization

## It's Time to Truly **Meet Your Customers**

dot**cms**

2018

# Hyper-Personalization Introduction

Every marketing team worth its weight in social shares knows what personalization is.

Centuries ago, local grocery store owners would have come to remember the names, preferences and life stories of their most loyal customers, leveraging all that information to provide a more welcoming and memorable service.

**Today, technology empowers brands to remember customer details** like names, birth dates, and past purchases at scale, which leads to personalized customer experiences. It's now common for our favorite online retailers to digitally greet us by name and recommend products based on our purchase history, gender, and geographical location.
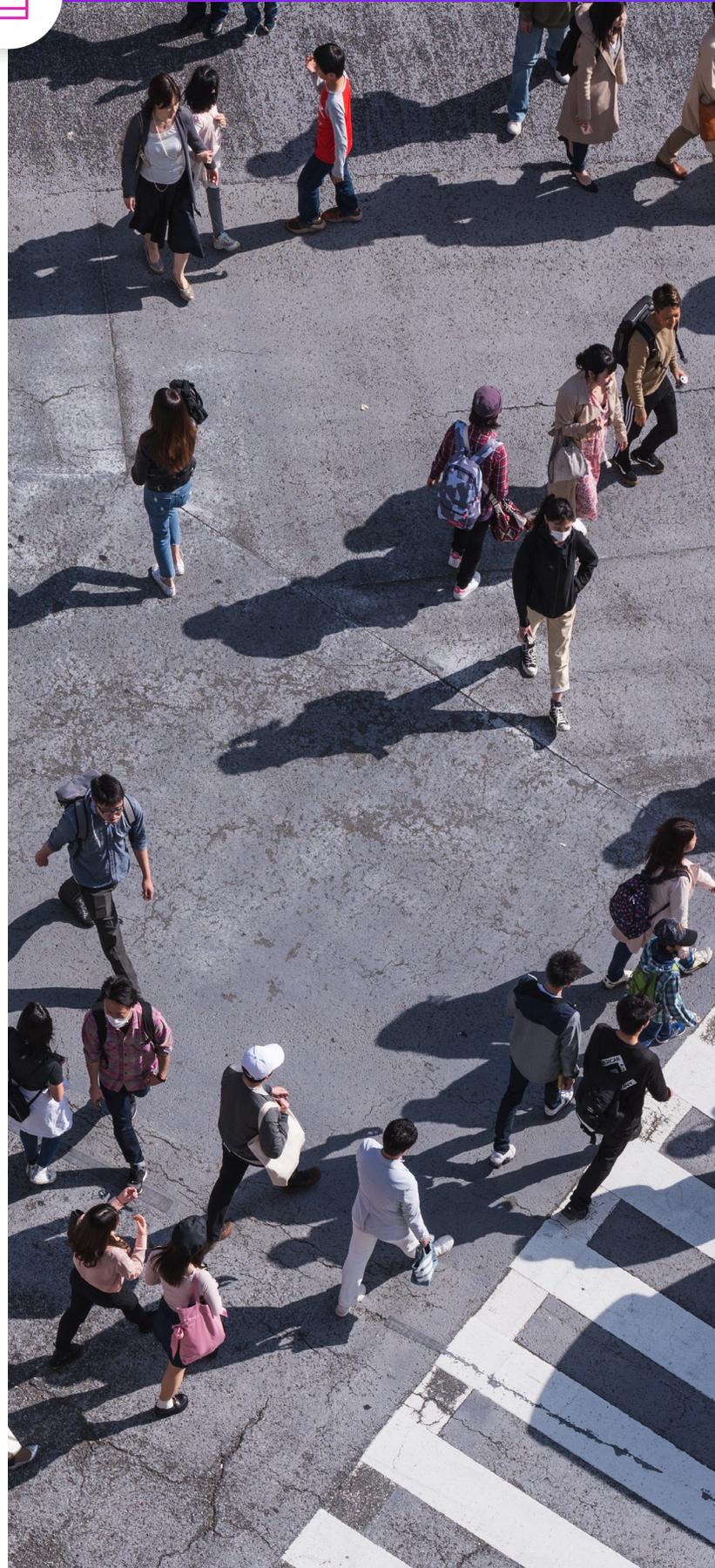
In fact,  you could argue that personalized marketing isn't just common, it's  now  the expected norm for an ambitious brand — most likely because the **data proves that personalization works superbly well:**

**88%**

**78%**

**of U.S marketers** reported seeing measurable improvements due to personalization — **with more than half reporting a lift in business results greater than 10 percent**[1].

**of U.S internet users** said personally relevant content from brands **increases their purchase intent**[2].

Subject:   **Add the email recipient's name**

Simply adding an email recipient's name in the subject line of an email **can boost the open rate by 29.3 percent**[3].

In an attempt to capitalize on this clearly lucrative marketing strategy, we're now seeing modern marketers stepping up their game in the form of hyper-personalization.

# What Is Hyper-Personalization?

There isn't a consensus on any precise definition of hyper-personalization, but we can plainly say that **hyper-personalization takes traditional personalization techniques a step further.**

Whereas before, using the customer's name in an email would suffice, a hyper-personalized campaign uses browsing, purchasing, and real-time behavioral data from multiple channels and touchpoints to tailor content, products, and services to each user.

The goal of hyper-personalization is to:

**"[maximize] opportunities to customize the content that fits your customer's needs [4]."**

When paired with artificial intelligence (AI) and machine learning (ML) powered algorithms, the mind can easily boggle at the potential of hyper-personalization — particularly when you consider that, on top of all the big data at the fingertips of global brands, over 40 percent of consumers said they were comfortable having a retailer monitor their shopping patterns and purchases [5].

# Hyper Personalized campaign

Uses these types of data:

**Browsing**

**Purchasing**

**Behavioral**

From **channels & touchpoints** to tailor:

**Content** — **Products** — **Services**

# Personalization vs. Hyper-Personalization

Before you can understand the intricacies of hyper-personalization, you need to first understand what personalization is and how it affects marketing campaigns.

## The Key Differences

**Hyper-personalization is more involved, more complex, and more effective** than personalization.

If personalization is advertising back-to-school supplies for individuals who purchase soccer balls online in August, hyper-personalization is advertising these same school supplies with optimized advertisements based on the location the customer purchased, the time of the purchase, whether or not the customer used a credit card, whether the customer mentioned soccer and related activities on social media, and more.

**"Through hyper-personalization, brands can identify the subtle details about their customers that traditional personalization and profiling fails to catch, which in turn helps them to provide highly targeted and personalized products, services, promotions, and content."**

**Traditional personalization deploys profiling techniques to make assumptions about the user based on certain traits,** allowing the marketer to tailor messaging, products, or services based on these traits. But this is a far less detailed approach than using specific customer history and real-time context to truly understand the user's needs and intent.

## Through hyper-personalization, brands can identify the subtle details about their customers

that traditional personalization and profiling fails to catch, which in turn helps them to provide highly targeted and personalized products, services, promotions, and content.

Hyper-personalization can even go beyond customer data. You can use hyper-personalization to tailor future shopping experiences based on: which elements of a website have been clicked on, which advertisements have been engaged with, which coupons have been applied at the time of purchase, and so forth. Removing elements of your website that interact poorly with customers can lead to a better, more streamlined shopping experience and, therefore, more sales.

You can even extend hyper-personalization to the means of communication you have with your customers. If you have social media help desk accounts, or a corporate account on Twitter, Facebook, or Instagram for example, you can tailor customer's interactions with your company online. You can do this by using popular hashtags, using particular tones of voice, and publishing material that your customers engage in actively and positively. **Engaging with your customer base online is key, not only for brand awareness, but for your hyper-personalization efforts as well.**

# A Heightened Sense of Context

One way a hyper-personalized campaign goes a step further is through additional context. In fact, you could say that context and hyper-personalization go hand-in-hand.

For example, a hyper-personalized marketing campaign will take contextual data — like whether a customer is using an Android phone or an iPhone — into account. That data matters, because the demographics for Android and iOS users are different, and these different factors, like gender and age, will affect your marketing process on even the most basic of advertising campaigns[6].



**Further factors that are affected by the phone platform customers use include:**



**01. How willing a customer is to spend money** (Apple products are much more expensive than Android products, so a correlation exists).
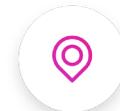


**02. The country a user lives in** (Android leads the market share worldwide, while Apple leads the market share in the United States).



**03. The type of industry a customer works in** (statistically, white-collar professionals are more likely to use Apple products due to their standing as a luxury device when compared to cheaper Android products).

By taking all of that data into consideration, you leave the realm of personalization and enter the kingdom of hyper-personalization. And yet, the context of a hyper-personalized marketing campaign can also rely on further context-providing **factors and data points including:**

**01. Name & gender**

**02. Time, season, & location**

**03. Profession**

**04. Marital status**

**05. Device**

**06. Price point**

**07. Products previously purchased**

**08. Web pages visited**

**09. Time spent on web pages or apps**

All in all, there is no official benchmark or dividing line between personalization and hyper-personalization — just a **growing set of parameters, data points, and touchpoints** that brands can use to take their personalized marketing campaigns into hyper mode.

# 3 Ways
# To Collect Data For
# Hyper-Personalization

With customer engagement in general, you need to find ways to tailor your marketing to your customers. Personalizing the shopping experience is key to providing a simpler, more streamlined process for customers to purchase items from you. With all the hype of hyper-personalization floating around, it can be difficult to know where to start, and how to start personalizing the shopping experience for your customers.

**Here are three ways to collect the right kinds of data to power your hyper-personalization campaign:**

## 01. Social Listening

Social listening is the **act of using publicly-available data points on social media and social media platforms to personalize marketing content** that you send to your customers[7]. You can use hashtags on Twitter and Instagram, comment sections on Reddit, viral videos on YouTube, popular posts that customers share on Facebook, and so much more. You are only limited by the data points that each social media website and platform provide for public consumption.

Social listening is vital for businesses that occupy the public sphere, as well as businesses that are politically or socially aligned with specific causes. On a regular basis, you can analyze data points from your choice of social media websites and platforms using social listening, consider the public and social response to your causes, and then incorporate these developments into tailored hyper-personalized marketing campaigns. **All of this information is readily available and easily collected using the many software options** that are available on the market.

**The key to social listening is to define who your customers are and what they want.** This is a similar process to creating customer profiles, but much more targeted and using readily accessible data points. You may even be able to isolate "pain points" that a customer experiences during the shopping process [8].

Pain points are areas of frustration that customers experience when using an online shopping platform. An example of a pain point would be the need to login to save a shopping cart locally. If a user has forgotten his or her login credentials and is on a public computer, this experience is frustrating and may cost the company a sale.

Eliminating these pain points will help a business convert more sales and provide an easier purchasing process for future customers. The quicker and the simpler the process is to purchase items online, the more leads you will nurture.

## An Example of Social Listening in Practice

Social listening through the lens of hyper-personalization enables a company to directly cater marketing materials to a customer. If a specific customer posts on social media about an upcoming party they are having for a big sports event, a hyper-personalized ad may feature a popular pizza restaurant advertising to them closer to the event. This could surface through paid advertisements on websites and social media platforms, or it may take it a step further and suggest that the customer needs to have a few large pizzas for the upcoming game.

When it comes to hyper-personalization, the possibilities really are endless due to how deep and personal these advertisements can get.

# 02. Attribute Analysis

**Attribute analysis is a marketing tool that will help you break down associations between individuals in your customer base[9].** Using attribute analysis to research your customers' data will help you consider new ways to personalize the shopping experience for your customers, both as individuals, and collectively as a pool.

With attribute analysis, you plot down every single attribute that you can find concerning your customers. You then use these attributes to tailor the shopping experience, based on your marketing goals, concerning hyper-personalization. A few examples of these attributes include:

**01. Activities**

**02. Interests**

**03. Opinions**

**04. Behaviors**

**05. Values**

One example of attribute analysis is dating site questionnaires, which use a similar process to match two individuals based on commonly shared data points like whether an individual smokes or has a pet. Using attribute analysis, these companies match you based on the data points they collect about you. You can extrapolate this technique and use it in your own marketing campaigns to enable you to reach your target audience.
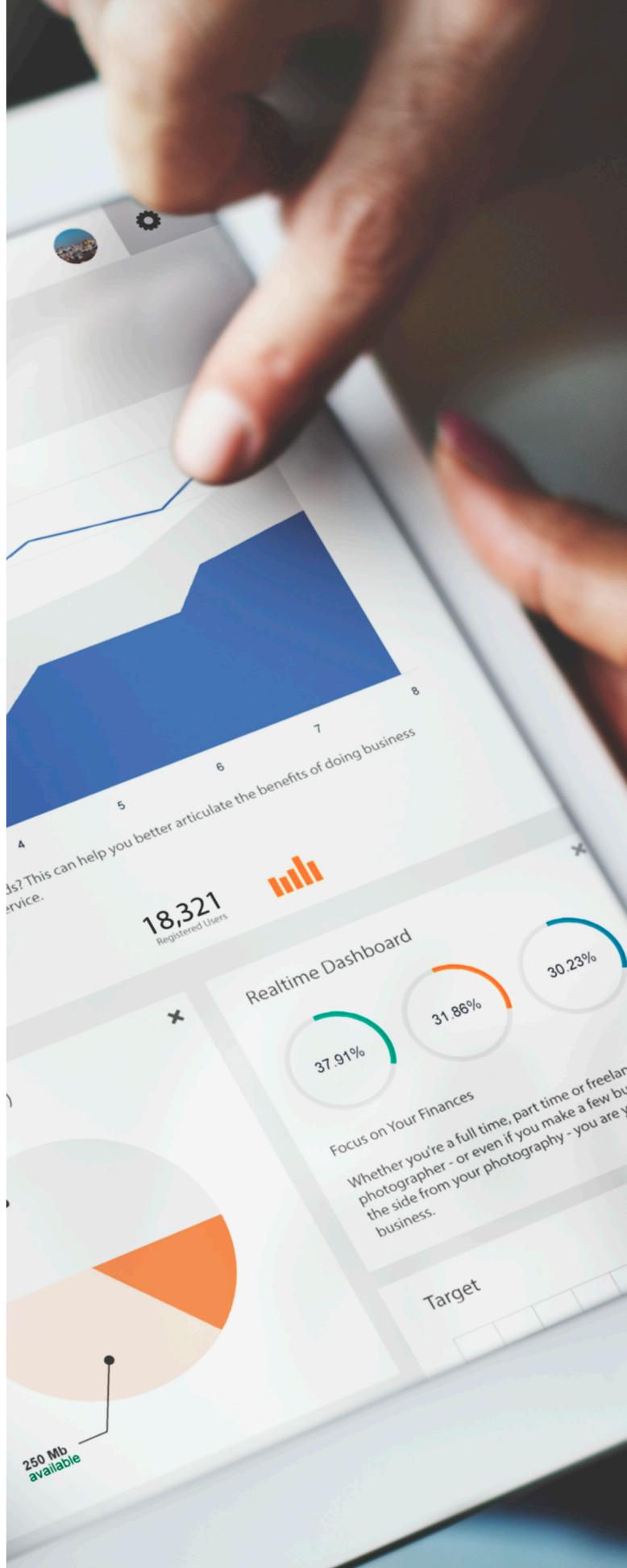
## 03. Behavioral Segmentation & Event Sequence Analysis

Event sequence analysis — which can be part of a broader behavioral segmentation strategy which identifies user types based on their browsing behavior — **is the process of collecting data from a customer while he or she is purchasing a product from you**[10]. That could include everything from the use of a coupon, whether or not the customer logged in, how quickly a customer made a purchase against the average purchase time of all customers, and so forth.

Event sequence analysis can indirectly benefit customers, allowing your hyper-personalized marketing plans to become even more effective if implemented correctly. An online store that requires members to login to save their cart, rather than use locally-stored cookies to save a cart and then apply their membership data at the checkout stage of the purchasing process, will be slower and more cumbersome to use.

If you notice that members are abandoning their online shopping carts, or not making as many purchases as you expected, simplifying the shopping process based on these data points can lead to increased revenues for your company. Traditional personalization strategies saw companies send cart abandonment emails, while a more hyper-personalized approach revolves around discussing the specific items they abandoned, offering incentives for those items, and creating limited time offers that cater to the customer.
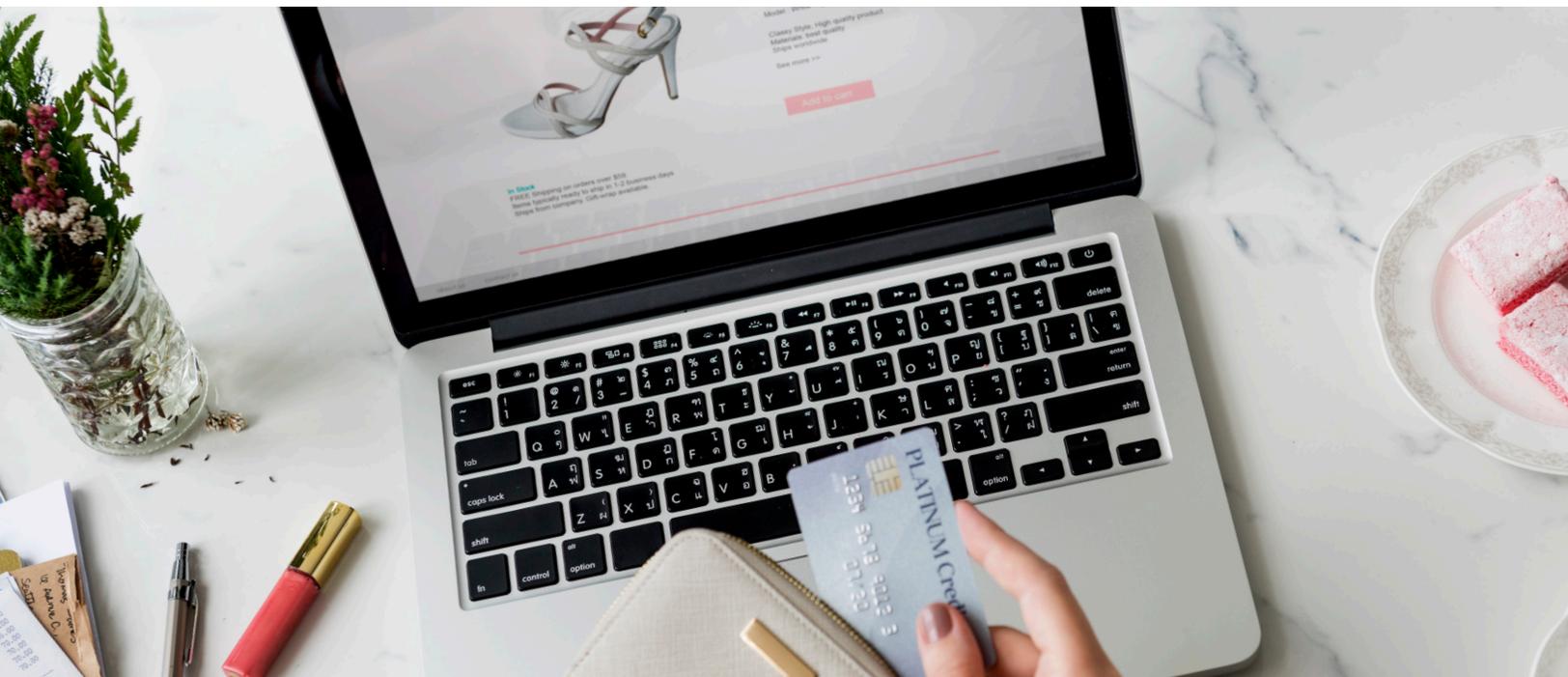
# Technology Needs to be the Backbone of Hyper-Personalization

Hyper-personalization comes with its own unique set of challenges, **but the biggest challenges by far relate to data collection, management analysis and usage.** Data is a huge part of the hyper-personalization process, and the likelihood is, you already have plenty of it — but you're part of the 71 percent of brands that feel overwhelmed by the amount of data they already have to hand[11].

Being able to distinguish between signals and noise, being able to parse through all the collected data, being able to determine which data points to focus on in general — and specifically for each customer — requires an aptitude with data science. **There is no way to manually sift through all of the data you will collect.**

The solution lies in the technology underpinning your hyper-personalization strategy. Like any form of heavy data collection, companies will have to automate their hyper-personalization efforts if they want to pursue them at scale.

**Two main forms of data analysis within the context of hyper-personalization are attribute analysis and event sequence analysis.** You should use both to flesh out your marketing campaigns — but that will only be possible with a platform that allows you to house all your content and assets in one place and automatically tailor its delivery based on bespoke personalization rules in line with your data.

With the right technology stack in place, brands can fashion a more efficient strategy to parse through available customer data points and to implement those data points in your various marketing campaigns.

**Some automated methods** you can use
to hyper-personalize a marketing campaign include:

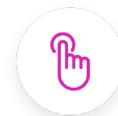**01.** **Showing different messaging or landing pages** to website visitors depending on the referring website.

**04.** **Automated analysis of social media** data collected by your brand's social media handles.

**02.** **Recommending products** to a visitor based not only on recent purchases, but also on the season in their location.

**05.** **Analyzing the click rate** of various advertisements on your website to cull any advertisements that are unpopular.

**03.** **An automated drip email campaign** to send additional marketing to customers who interacted with specific online advertisements on your website.

**06.** **Mailing out a survey to customers** who have completed a purchase, with the intention to collect voice of the customer data and improve the shopping experience for customers individually and collectively.

A quick look at those hyper-personalization efforts should be enough to convince you that a capable suite of technologies need to be drafted in to help make those ideas a reality.

dotCMS has been finely tuned[12] to be in line with the demands on consumers in relation to hyper-personalized experiences. As a result, global **brands trust dotCMS to be the content hub that manages and headlessly delivers targeted content and tailored customer journeys.**

For example, dotCMS empowers marketers with the following capabilities:

### 01. Automatically Set Visitor Language Based upon Country and Browser Language:

dotCMS Rules can be used to geolocate a visitor's country and based upon that, automatically configure a visitor's selected language. Or, dotCMS Rules can be used automatically sniff the visitor's browser language and set the language based on that. Or both.

### 02. Redirect a User Intelligently Based on their Device:

dotCMS lets brands create rules that can sniff the device and viewport of your visitors. Based upon that and other information, you can intelligently redirect your visitors to a mobile app or optimized version of your site. Or you could just use the rule to set properties on the visitor's session which can be leveraged when designing responsive templates. Using dotCMS Rules is a simple way for marketers to serve optimized content to digital consumers.

### 03. Intercept a Site Search Query To Send a Visitor To a Landing Page:

Another way dotCMS helps brand deliver targeted content is by allowing them to create a rule that can "listen" to site search queries. It then matches certain criteria, say for instance, it contains the word "pricing", you can redirect the user to a specific landing page that has content or an offer directly related to a pricing request.

### 04. Assign a Persona to a Visitor Based on Browsing Behaviors:

For example, you could assign a Visitor the Persona of "Prospect" if they have come to your site more than 3 times and have browsed the "pricing" page for your product. Based upon that Persona, you could choose to display a modal popup window that presented the visitor with special offer that they could use to engage with your product.

### 05. Leverage External Data to Personalize Experiences:

dotCMS boasts interactive tools to hyper-target geographic location-based experiences. External data can be instantly leveraged to personalize experiences in real-time by automatically segmenting users based on their behavior and delivering segment-specific targeted content[13].

### 06. Personalization via a "NoCode" Rules Engine:

Using a "NoCode" rules engine, new segments and personas based on items like pre-configured characteristics, sessions data, or even external data from adjacent systems, can be easily created and used in targeting strategies.

# Hyper-Personalization Case Study: Amazon vs. Target

Whenever brands collect big data, privacy concerns closely follow.

As companies continue to collect more and more personal data for their hyper-personalization marketing efforts, the line between personalized experiences and creepy experiences becomes finer. **While some customers love the personalized offers they are receiving, many see them as a breach of their privacy. The difference is mainly in the context of how that hyper-personalization experience is delivered**.

Here is both a good and bad example of major brands that used hyper-personalization in their marketing efforts.

## Target's Hyper-Personalization Mistake

Andrew Pole, a statistician working for Target, successfully determined whether a Target customer was pregnant, even before she knew herself, based on her personal shopping history. **The issue arose when Target was anything but subtle when applying this data.** Once Pole was able to determine which female Target shoppers may have been pregnant, Target shared their data points with marketers.

In this case, the father of a teenage girl complained to Target that his daughter was receiving "advertisements for maternity clothing, nursery furniture, and pictures of smiling infants[14]."

At that point in time, the father and the daughter did not know she was pregnant, and Target's marketing campaign shocked them.

Although Target was using a form of personalization with good intentions (to create a better, more personalized shopping experience), Target did not consider the issue of applying their data to all female shoppers. If Target had applied their data to only women over the age of 21, it is likely that this type of hyper-personalization would have been more well received. We can easily contrast this scenario with an example from Amazon where they used better hyper-personalization practices.

## Amazon's Hyper-Personalization Win

A good example of hyper-personalization can be viewed in **Amazon's suggested items that you see on product pages and during the checkout process.** Amazon logs the products that you see, even if you do not purchase them. Based on your browsing history, not just your purchasing history, Amazon recommends similar products that you may be interested in based on what other customers with similar viewing habits have seen.

Over time, the end result is a highly-tailored, highly-personalized shopping experience that Amazon's competitors cannot match. 35 percent of Amazon customers purchase items that are recommended to them[15]. **These recommendations are automated using predictive modeling to consider which products customers will be interested in based on their previous purchase history and data collected from social media.** Whether you agree with the way the data is collected, this is an example of hyper-personalization done right and being implemented correctly.

# Data Collection & Usage in Light of GDPR

Expanding your horizons when it comes to data collection is recommended, but you should also beware of GDPR, an emerging legal hurdle standing between brands and hyper-personalization.

**The GDPR (General Data Protection Regulation)** will be implemented across the European Union on May 25, 2018. It will change the way that you can legally collect data from customers if you are an organization or business that interacts with the data of EU citizens, wherever the data is present, and wherever your company is based in the world.

It doesn't matter if you run a server farm located in Russia, a smaller business in the United States, or a data processing company in China. All of these businesses are expected to become GDPR-compliant if they handle the data of EU citizens. If you avoid GDPR compliance while being required to comply, you could be hit with a fine of up to 20 million euros, or 4 percent of annual revenues (whichever is higher), depending on the severity of the breach based on current GDPR guidelines.

**"GDPR is an emerging legal hurdle standing between brands and hyper-personalization."**

Under the GDPR, customers have ownership over their data. This differs from the current understanding that customer data is a corporate asset, and one that can be used as a company sees fit without consulting with the customers whom the company collected the data from in the first place. With the GDPR in effect, this will change.

Customers will be able to revoke your use of it, they can force you to delete it, and you will be required to ask for permission to use their data for specific uses. Consent is not a one-time affair either, as it needs to be ongoing and explicit. You may find yourself asking customers for their data over and over again, depending on how you plan to use it [16].

While you can still collect customer data, you will need to follow a few extra steps in order to do so, and the data that you can use may be limited based on any restrictions your customers place on your business. A 2017 survey showed that "82 percent of European consumers plan to exercise their new rights to view, limit, or erase the information businesses collect about them [17]."

Naturally, this impending regulation has major implications for brands seeking to establish hyper-personalization campaigns.

Learn More About GDPR Compliance →

> "IoT devices can uncover the physical locations consumers visit, the items they purchase, and the frequency of their interactions with a brand, revealing far more about their preferences than any survey or poll question ever could."

## How IoT Devices Can Aid Hyper-Personalization

Even in the age of Big Data, many companies still get their customer data from web forms, surveys and other traditional channels. But in light of hyper-personalization, data collection the traditional way will be slow — not to mention vague. These methods rely on the consumer to manually input their data into text fields, which leaves marketers with limited information which they can only supplement with data gleaned from analytics engines monitoring their websites and applications.

On the other hand, when customers use IoT devices over any prolonged period of time, previously untapped information can appear. Depending on the device, information about the physical locations a consumer visits, the things they ask Alexa about, and the frequency of their interactions with a brand, can all come together to reveal more about a user's preferences than any survey or poll question ever could.

Ben Rossi, Editorial Director for Information Age magazine, wrote that companies that use **a combination of traditional surveys and IoT data "can build a far more insightful understanding of their customers' perceptions, expectations and needs to optimize the customer experience[18]."**

# Ushering in the Normalization of Hyper-Personalization

The process of deeply rooted hyper-personalization will continue so long as companies are able to convince their customers that personalization is good for them. **For nearly two decades, Google has been collecting data based on our daily searches, our profiles, and other information which most people freely supply to them** — simply because they know their user experience will improve as a result.

Just as personalization swept across the marketing landscape over a decade ago, it is likely that hyper-personalization will become the new standard when it comes to marketing. As ever, the first movers will be the first to benefit, and among those who benefit the longest.
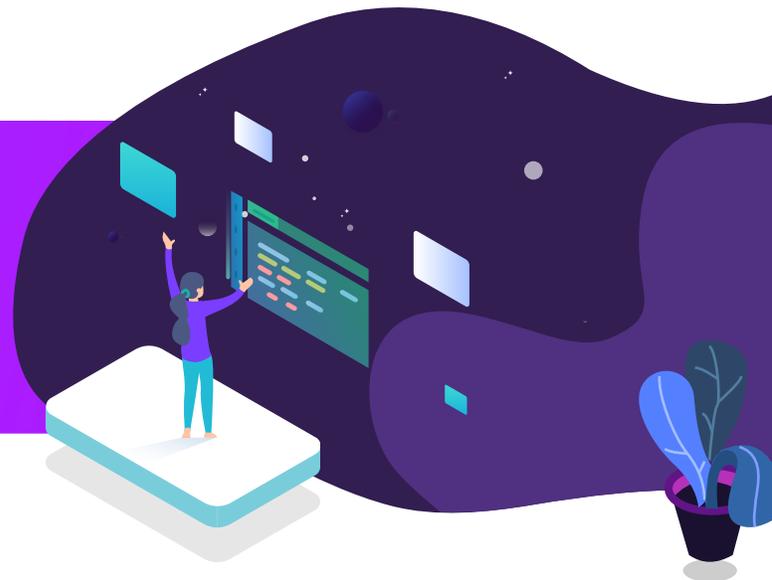
# About
## dotCMS
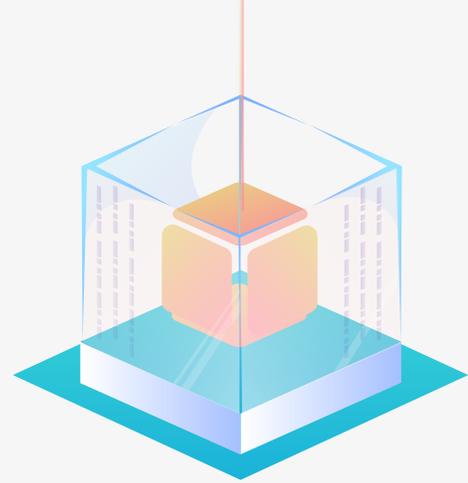
dotCMS is an open-source Java, customer experience orchestration hub for companies that want to drive business outcomes with their websites and other content-driven applications. dotCMS provides the technology to deliver connected and continuous customer experiences that business teams can orchestrate.

Extensible, scalable, and with headless content management capabilities, organizations can rapidly build their Digital Experience Platform and drive innovation while their marketing and business teams drive customer experiences for every touchpoint, in every customer journey, on any device — all from a single system

Founded in 2003, dotCMS is a privately owned U.S. company with offices in: Miami, Florida, Boston, Massachusetts, and San Jose, Costa Rica. With a global network of certified implementation partners and an active open-source community, dotCMS has generated more than a half-million downloads and over 10,000 implementations and integration projects in over 70 countries. Notable dotCMS customers include: Telus, Standard & Poors, Hospital Corporation of America, Royal Bank of Canada, DirecTV, Thomson Reuters, China Mobile, and DriveTest Ontario.

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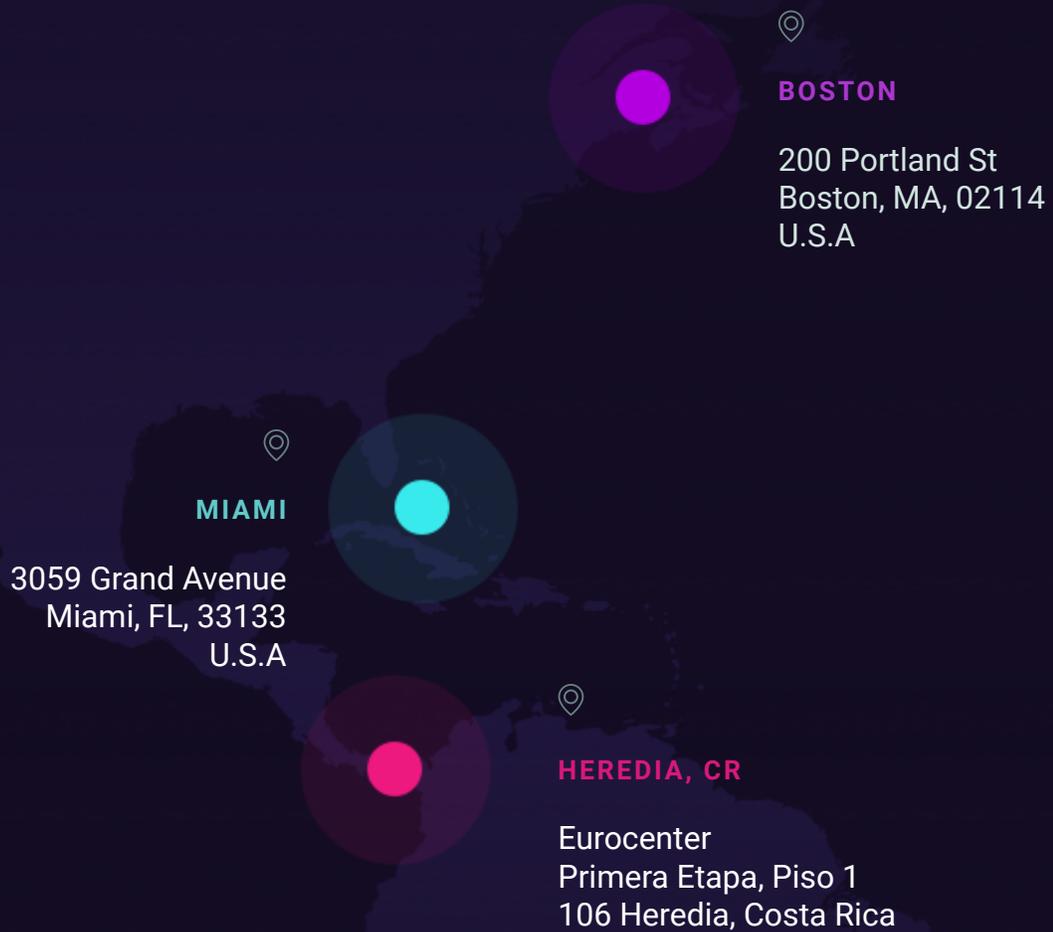
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