



THE BASICS OF REAL-TIME PERSONALIZATION

What It Is, How To Get Started, and Why It's Important
For Marketing Your Brand



Introduction

Real-time personalization of the customer experience has been described as the holy grail of digital marketing. And the race is on. Gartner believes that by 2018, businesses that excel in personalization will outsell those that don't by 20%. Though the benefits are clear, the path to get there is not.

Personalization is a hot topic in the world of digital marketing today. From product recommendations to friend suggestions, users want intelligent solutions that seem to know them and can provide the right content, at the right time, tailored to the right device.

So how can your company implement better content personalization on your digital platforms?

Effective digital marketing is about the intelligent use of technology to reach and convert leads into customers. This eBook will discuss the benefits of personalization, describe the technology required to implement real-time personalization, walk through the prerequisites to getting started with a personalization strategy, and discuss measurement guidelines you can use to improve your personalization results.

About FFW

FFW is a digital agency focused on creating digital experience platforms that ensure our clients' success, always moving forward at the speed of digital innovation.

Since 2000, the world's largest brands have relied on us to build accessible, creative, and user-friendly digital solutions that deliver results. We are more than 375+ people across 10 countries, with a track record of over 1,000 digital solutions delivered.

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Chapter 1: What is Personalization?

Personalization refers to the process of tailoring an experience to the interests and needs of an individual. The idea is simple: by delivering the most relevant content to each user, you can dramatically improve the level of engagement, conversion, and retention.

The use of personalization to enhance user experience is not a recent innovation. If we take a look back, we see that web personalization has actually been in practice for the last 20 years. As an example, consider My Yahoo! – the portal that launched back in 1997 – which enabled users to personalize listings of news and information to their interests and their region.



Personalization has come a long way since then. Now, personalization functionality uses data to make decisions on-the-spot about what content users see. This is called **real-time personalization**, and it's a critical component of any organization's digital strategy. Instead of having all visitors see the same thing, a personalization platform learns about each visitor as they interact with a company's websites, apps, and other services: it quite literally personalizes the site for each user in real-time. In this way, a profile of known and assumed attributes about a visitor is assembled and updated over time. Targeted content variations or personalized recommendations are then served to the visitor based on the data in their profile.

Personalization allows marketers like you to target content to different kinds of users (also known as **visitor segments**) based on a variety of criteria, contexts, and conditions. This might include a visitor's current click path, details about past site downloads, their physical location, the type of device they're using, or any preferences they've explicitly indicated. In this way, content can be personalized even for anonymous visitors or customers who are not signed in to your site.

Personalization profile data can also be integrated with customer data that lives in other systems, such as a CRM like Salesforce, or a social platform like Facebook – making it possible to personalize digital experiences like never before.

“ When you ask buyers what they want from their shopping experiences, they tell you they want to be recognized; they want to be valued; and they want to be known. ”

– Penny Gillespie, Research Director, Gartner Inc.

Source: EContent Magazine

Most businesses serve many types of customers – each of whom have different needs or are at different steps in a buying process. **With real-time personalization, you can deliver the most relevant content to a specific user at a specific time.** In doing so, you reduce unwanted distractions and help to guide them towards a desired action, which could be:



A PURCHASE



AN ACCOUNT
REGISTRATION



A DONATION



AN AD CLICK



AN INFORMATION
REQUEST



A NEWSLETTER
SIGN-UP



AN APP INSTALL



A SOCIAL ENGAGEMENT
SUCH AS A LIKE OR A FOLLOW



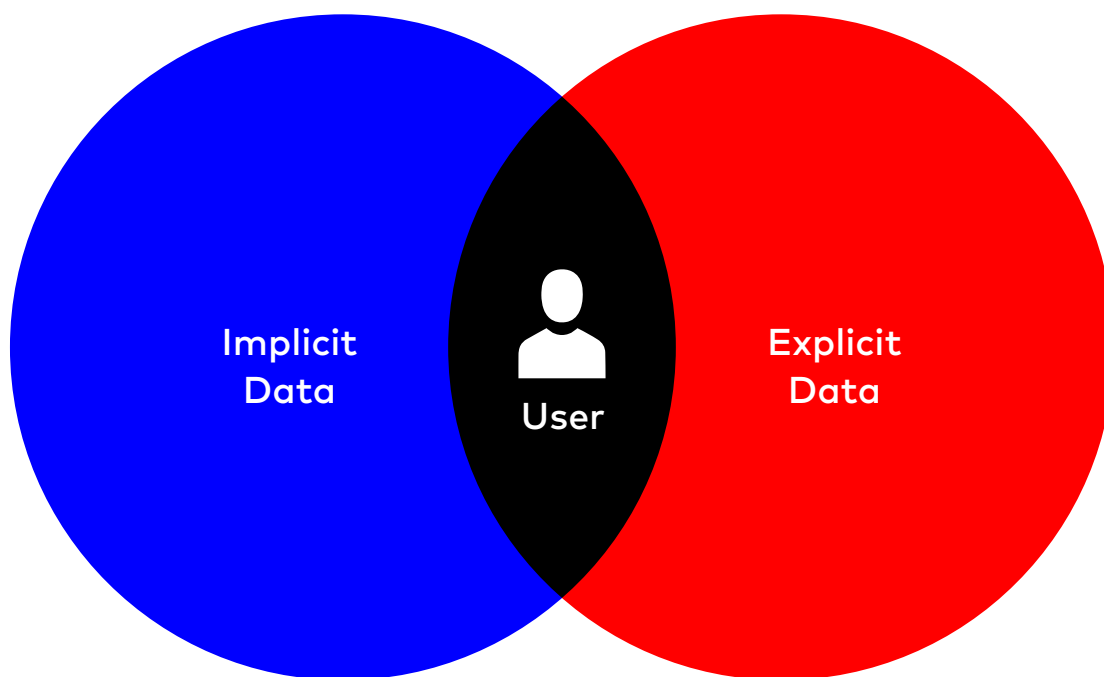
... OR ANYTHING ELSE
YOU CAN DREAM UP

This eBook will refer to all of these actions broadly as conversions – the points at which a user completes a desired action. Conversion-oriented thinking is important for any personalization strategy because it helps you to assess the effectiveness of your content in terms of measurable outcomes. Remember, **personalization is essentially a process of optimization**, and good optimization involves experimentation and making incremental changes that are informed by data.

Chapter 2: Identifying Audience Segments

In order to tailor content, you first need to define how you will identify the visitors that will receive personalized experiences. In a personalization strategy, this is accomplished through **visitor segmentation**, the process of dividing your audience into distinct groups based on specific data.

With real-time personalization, segments are typically based on criteria that can either be automatically detected, or determined from previously gathered user data. There are many different types of criteria that you can use to segment your audience, but most fall into one of two groups: implicit and explicit data.



Implicit data is information that's implied or assumed. It provides an indication of a user's intentions or needs, but is not plainly expressed by the user. Implicit data can be used to test a hypothesis, make a content recommendation, or to inform a content experiment such as an A/B test. Deriving a person's interests based on the pages they've visited is an example of using implicit data.

Explicit data is clear and specific, leaving no room for confusion or doubt. It can consist of automatically detected visitor attributes, or it can be data that a user has chosen to provide, such as their personal information or preferences. Tailoring an experience to the visitor's age, gender, location, or type of device are examples of personalization based on explicit data. Personalization based on explicit data is often referred to as **rules-based personalization**. This means that content is tailored when certain rules or conditions are met.

Many personalization products and enterprise CMS platforms also provide effective ways to leverage implicit data through a process known as **predictive personalization**. With predictive personalization, the visitor's behavior is analyzed and content is displayed in real-time based on that behavior.

In short, rules-based personalization displays content according to predefined If/Then-style rules that you, the marketer, have set. Predictive personalization, on the other hand, "chooses" the most relevant content for the visitor based on the best performing content variation – a landing page variation that has resulted in the most conversions for the visitor's segment, for example.

The most effective personalization strategies combine both implicit and explicit data to optimize the user experience. But what specific types of criteria can be used to personalize content? Here are the most common categories:



**DEMOGRAPHIC
CRITERIA**



**GEOGRAPHIC
CRITERIA**



**VISITOR
BEHAVIOR**



**SESSION
ATTRIBUTES**




**USER PROFILE
CRITERIA**

| Segmentation Criteria | It Could Include... | Personalization Examples |
|-----------------------|--|---|
| Demographic Criteria | <ul style="list-style-type: none"> • Age or Birth Date • Gender • Income or Salary Level • Job Title or Occupation • Professional or Employment Status | <ul style="list-style-type: none"> • A travel company who targets promotions for European tour packages to seniors. |
| Geographic Criteria | <ul style="list-style-type: none"> • Visitor's specific location • Visitor's general region (e.g. State/Province or Country) • Current local time or weather | <ul style="list-style-type: none"> • A media outlet who automatically displays news coverage that's relevant to the local region or country of the visitor. |
| Visitor Behavior | <ul style="list-style-type: none"> • The topic of content the visitor has viewed the most • The click path or order in which a user has viewed content • New vs. returning visitors | <ul style="list-style-type: none"> • A B2B company displays topical marketing messages on a website based on whitepapers that a visitor has downloaded previously. |
| Session Attributes | <ul style="list-style-type: none"> • Browser or Device type • Source or Referral type • Authenticated vs Anonymous | <ul style="list-style-type: none"> • The home page of a SaaS product displays personalized messaging depending on whether the visitor has arrived from a direct link, a search engine marketing campaign, a banner ad, an organic search engine result, or a partner/affiliate site. |
| User Profile Criteria | <ul style="list-style-type: none"> • Interests or preferences • Customer type or account history • Subscriber information | <ul style="list-style-type: none"> • A service displays a promotion for a customer to renew their membership based on account history data that indicates their membership is near expiration – while other visitors see promotions to become a member for the first time. |

The Difference Between Segments and Personas

Now that we've described various segmentation criteria, you might be wondering: What's the difference between a segment and a persona? These terms refer to very similar ideas and are often confused. In short, personas tend to describe the needs of distinct types of people, while segments provide a granular way to target content to subsets of visitors. Personas are developed through market research and take the form of a specific fictitious user profile that is representative of the motivations and goals of an audience group.

Here's an example of how personas describe distinct types of people who share common traits or needs. Consider a university's website and its distinct audience groups, such as prospective students, current students, faculty and staff, alumni, and parents. A prospective student might be interested in a campus tour or dining options, while a parent might be looking at tuition information. **Personas are useful tools for designing and organizing the site content by user needs, and are essential to information architecture.**



Amar
Undergraduate student

Engineering major
Prospective graduate student

Demographics:

- Age 22-26
- Reliant on loans, grants, or scholarships
- Urban location
- No spouse or children

Goals and Challenges:

- Exceed admissions criteria
- Receive financial aid
- Find a program that matches his career ambitions

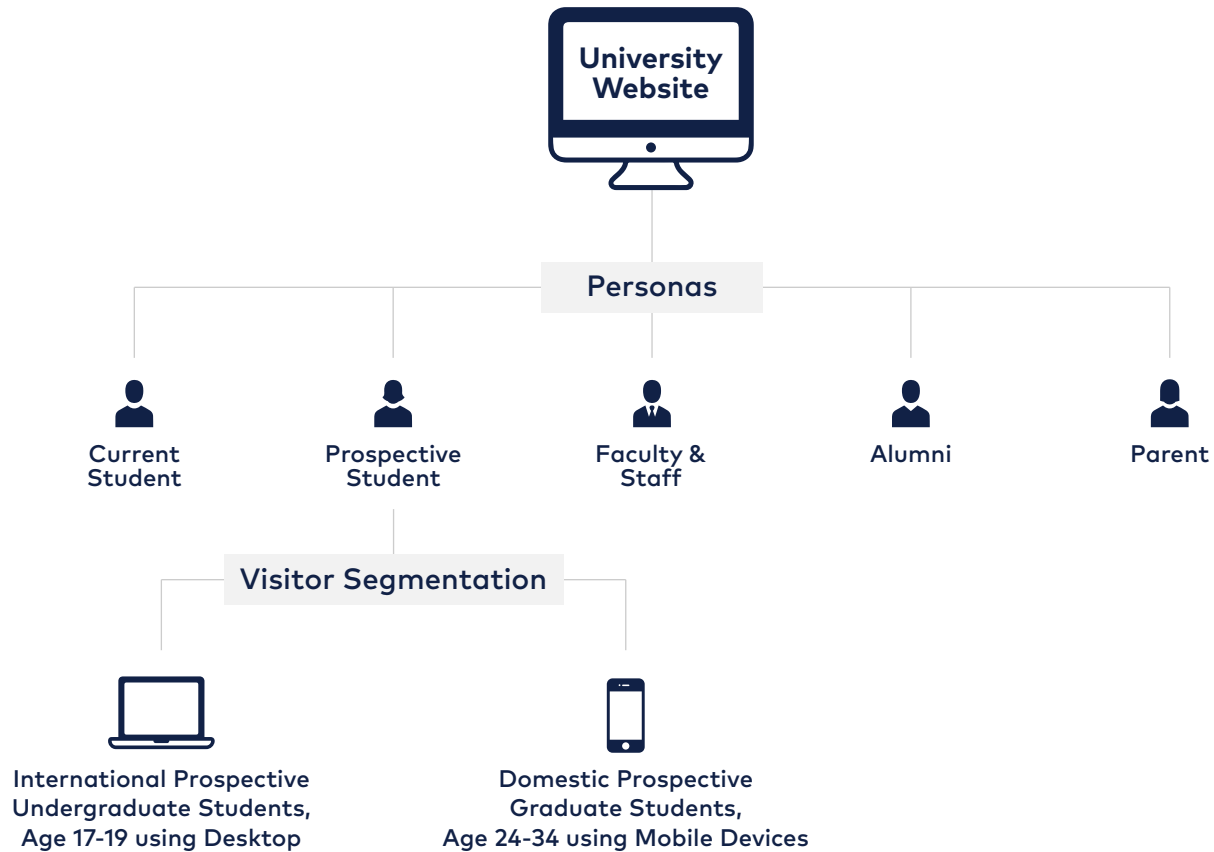
How We Can Help:

- Spotlight notable alumni who went through our MS programs
- Provide information about criteria for receiving financial aid

By comparison, **visitor segments** are ways of dividing your audience into groups based on a combination of details. Segments tend to be more specific and don't only involve demographic criteria.



A university might have a section of their site designed for the prospective student persona, but visitors who view content within that section can also fall into one or more other segments. For example, prospective students visiting the university site from other countries might fall into an "International prospective students" segment. Or prospective students who have visited the site previously and browsed graduate program information and might fall into a "Repeat visitor, graduate student prospect" segment.



Segmentation is the core of any personalization strategy. It allows you to gain valuable insights into how distinct subsets of your audience respond to different messages, offers, or recommendations—but like any approach, it's most powerful when informed by data and market research. A personalization strategy can only be effective if a business has developed a clear understanding of the needs, wants, and demands of its current and potential customers.

Chapter 3: Understanding How Your Customers Engage

Once you've drawn up your user personas, it's time to understand their various interests and needs. In a personalization strategy, we examine this by mapping out the steps that similar types of customers take as they engage with your business.

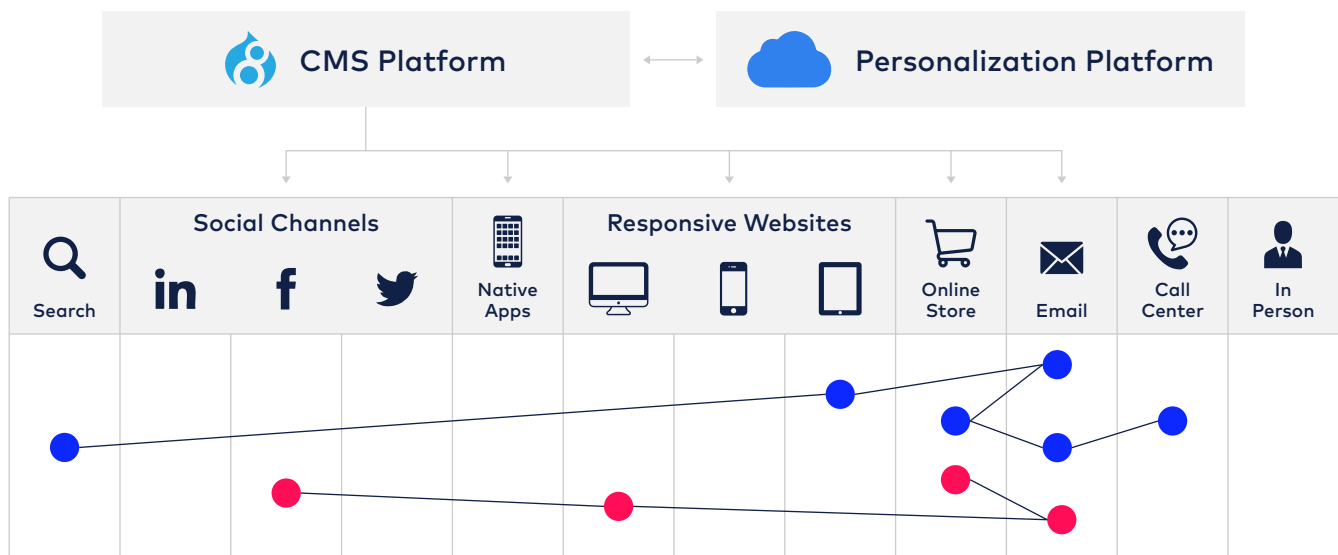
The Customer Journey

A customer journey describes the full set of steps that a specific type of customer takes as they move through the buying process and engage with your business over time. It's broader in scope than a simple conversion flow or funnel: it represents the full lifecycle view of a customer's interactions with your brand and encompasses all available channels through which they can engage with you.

In mapping out customer journeys, ask questions like:






- How do your customers find you?
- What do they want? What do they care about?
- Through what channels do they interact with you?
- What is their key evaluation criteria to make a purchase?
- What are their common pain points or frustrations?
- At what points are they dropping-off or bouncing?

The goal is not only to define the steps along the customer journey, but to also identify the key factors that motivate them to engage further or move to the next step in the process. The distinct steps are commonly referred to as touchpoints, which can be any kind of interaction on any channel or form of communication—such as a like on social media or even a conversation in-person.



Multi-Channel Strategy

Given that touchpoints exist across all of your channels, it follows that your personalization solution should be implemented in a multi-channel strategy for it to be truly effective. A customer isn't just visiting your website. The more complete picture likely looks something like this:

-  Customer does a search on Google and clicks through to a page on your website while using their tablet device.
-  They browse several pages which are formatted for their tablet and sign up to receive your email newsletter.
-  The following day, while checking their email on their phone, they receive an email from you which contains a link to a special offer. They tap the link which takes them to your online store.
-  They browse your store, add several products to their cart, and make a purchase, which results in an email receipt being sent.
-  Later, they call your call center to make an inquiry about their order.

Personalization is all about delivering the most relevant content to a specific visitor at a specific time. So, it's important for your personalization strategy to include a clearly defined customer journey which describes not only how they engage but the channels that they engage through.

Ultimately, the name of the game is to help customers make the right purchasing decisions based on their particular needs at a given time.

Once you've mapped out the customer journeys, you can begin creating the content necessary to address user needs. When it comes to implementing personalization, there are many types of challenges from practical to technical—and perhaps the most important challenge has to do with producing the content itself.

Chapter 4: The Importance of Content Strategy

Personalization involves tailoring your content to individual visitors in order to increase the relevance of their experience. But for a digital experience to be personalized in real-time, targeted variations of your content must be pre-written and intelligently mapped to one or more visitor segments.

The number of variations needed and the content formats required for each channel will vary from business to business, but no matter the scope of the project, it all comes down to one simple truth: a personalization solution can only be effective if it provides content that truly appeals to visitors. In other words, **effective personalization requires great content.**

Content strategy defines how you will provide valuable, findable, and meaningful content across channels. Personalization strategy builds upon this by defining how you will automatically identify and recognize your audience to deliver the right content to the right visitor at the right time.



Content Strategy for Personalization

In order to understand how your content strategy can supplement your web personalization efforts, it's important to first develop a strong understanding of how your customers engage with your business. Once you know how people are using your site, content can be developed to be relevant at each step of the user journey.

Equally important to knowing how people use your site is knowing who specifically each piece of content is intended for. Well-developed personas can be used to describe the needs of distinct types of customers and to inform how your visitors will be segmented. Once the audiences and user journeys are defined, it's time to tailor the user experience.

Several general considerations that can be applied to any content strategy plan include:

Editorial Planning: An important step of designing your content strategy is to begin creating an editorial plan. When will the content be produced? Who will produce it? How frequently will new content need to be created? Effective editorial planning should provide answers to these questions.

Content Reuse: Personalization allows content to be tailored at a granular level. Pages are not really "pages" anymore, but collections of modular content components that get swapped out as needed. How will components of your content be re-used across channels? How will the content format or design need to change to be effective across touchpoints?

Navigation and Content Hierarchy: Personalization technologies often leverage data based on an anonymous visitor's click path or browsing history to recommend new content. For this reason, it's important that navigation be optimized for usability and structured in a way that visitors are guided towards the next step in the customer journey.

User Flows and Calls to Action: An effective content strategy plans for not only what the content is about but also its purpose in terms of business objectives. In order to guide visitors towards conversion, it's important to have intuitively mapped user flows and clear calls to action. Content needs to be written to motivate the visitor to engage further.

Content Structure, Taxonomy, and Metadata: To facilitate the automatic delivery of content to a specific segment, a personalization solution needs to identify the best content for a specific visitor. This is largely accomplished through taxonomy and metadata. By enriching content with metadata, we enable content to be reused dynamically and to be more useful to other systems within the digital ecosystem.

Content Development and Production: Creating content that's relevant to each type of customer involves a lot of work and a deep understanding of the customer's needs and goals. Skilled writers or content development resources who can create new content will be required.

Multi-Channel Content Plan: Consider the variations of the same content you'll need for each channel. Mobile app vs responsive site, email newsletter vs Facebook page, etc.

Internationalization: Will your content need to be translated into multiple languages? Will you need to support multiple currencies? Is your digital experience based on the local timezone of the visitor? Consider how the content needs to be represented to serve users in different countries, regions, or markets.

| Component of Content Strategy | Example Tools and Frameworks |
|--|---|
| Editorial Planning | <ul style="list-style-type: none"> • A content inventory that describes all currently available • An editorial calendar or production schedule to define when content will be posted or updated across channels |
| Content Reuse | <ul style="list-style-type: none"> • A distributed content management strategy document that defines how content can be centrally managed • Responsive design guidelines to ensure content formatting is optimized across devices |
| Navigation and Content Hierarchy | <ul style="list-style-type: none"> • A detailed site map describing the overall structure of the content within the site and how it's prioritized and organized • An SEO analysis to identify the top sources of organic inbound traffic and which content visitors are engaging with |
| User Flows and Calls to Action | <ul style="list-style-type: none"> • A customer journey map that describes the touchpoints across channels as well as the intended paths in the buying process • Funnel configurations to ensure user flows can be measured |
| Content Structure, Taxonomy and Metadata | <ul style="list-style-type: none"> • A content model document that describes the taxonomy and structure of the content used within the user experience • A review of the meta tag configuration to ensure that editors can consistently enter metadata |
| Content Development and Production | <ul style="list-style-type: none"> • A modern CMS platform that enables users to easily draft, preview, and publish new content • A publishing workflow configured to ensure content gets staged, reviewed, and pushed to production |
| Multi-Channel Content Plan | <ul style="list-style-type: none"> • An inventory of all channels and touchpoints and how content gets published to each • An integration plan for enabling your CMS to exchange data with other channels for automated publishing |
| Internationalization | <ul style="list-style-type: none"> • A localization strategy to define how content will be changed for various geographic regions • A translation workflow document that describes how translated versions of content are tracked and updated |

Chapter 5: Defining and Measuring Success

When implementing content personalization, it's important for organizations to start with small changes that can be easily measured. And with every change you make, it's important to be able to track how the new content is or isn't serving your customers. Have users become more engaged, or are they getting confused and bouncing? **Metrics and measurements are key to understanding the results of your personalization strategy.**

Personalization initiatives often involve experimentation with tailored content and messaging. And not every experiment will deliver the results you want. Personalization is essentially a process of optimizing a customer's experience and, as with any optimization process, it's critical to be able to effectively measure outcomes and to compare results with previous data. Otherwise, how will you know if your investment is paying off?



When it comes to personalization, measurement becomes doubly important.

It informs key decisions. Good measurement is about providing the data necessary to make informed decisions. Within personalization, proper measurement reveals which content each visitor segment is engaging with the most. Effective measurement enables marketing managers to make decisions about how to best optimize experiences.

It aligns everyone on common goals. Personalization can be difficult to implement because of the large cross-section of skills and disciplines involved. To have a comprehensive personalization strategy, you'll need a combination of resources from across your organization, and measurement is critical to getting everyone on the same page. An effective personalization strategy aligns expectations in terms of the common goals of the project and, most importantly, how success will be measured.

It drives improvement. Measurement not only helps organizations understand what is and isn't working, but why. Successful digital marketing efforts drive growth of some kind. And businesses are almost always thirsty for something to be more or better. In order to gauge whether what you're doing is truly effective, you need a way to measure results, to quantify how things are improving. Without measurable outcomes, there is no way to map growth.

Setting Measurement Guidelines

When setting measurements for your personalization strategy, you'll need to follow these five steps.

1. Establish Benchmarks

How can you improve website conversions if don't know your current conversion rate? In order to measure improvement, it's important to begin the process with a set of benchmarks. Think of the benchmarks as your baselines. They're the starting points from which you will begin your process of optimization. In cases where you don't have reliable historical data to start from, you can establish benchmarks based on reasonable estimates of past results.

2. Define Metrics

Metrics are the standards of measurement by which the performance of your personalization campaign will be assessed. Useful metrics are quantifiable and not subjective. Many of the metrics involved will be key performance indicators (KPIs) that either describe the performance of the customer funnel or the effectiveness of the content. Examples include:



CONVERSION RATE



STICKINESS RATE



ENGAGEMENT SCORE TREND



AVERAGE SESSION DURATION



AVERAGE PAGEVIEWS PER VISIT



CLICK THROUGH RATE



TOP TRAFFIC SOURCES



NEW VS. RETURNING VISITORS



MOST VIEWED CONTENT



SEGMENT PERFORMANCE



VISITOR LOYALTY



BOUNCE RATE



WEBSITE TRAFFIC TO LEAD RATIO

3. Measure Consistently

In order for metrics to be truly useful, it's important to use consistent measurement processes so that results can be compared across segments and over time. Checking the same things in the same places regularly (such as every week or every month) will yield more complete, useful data, so you can better understand your visitors.

4. Know Where to Focus

Good metrics should be actionable. Unfortunately, it's easy to get overwhelmed with data and analytics when looking at marketing information. Google Analytics provides over 70 distinct reports, not all of which are important to making key business decisions. It's important to define which data will be the most important for you to collect and review, and for you to remain focused on that data.

5. Integrate Analytics

Most personalization solutions involve the use of a third-party platform, such as Acquia Lift, Optimizely Personalization, or Evergage. In order to get a clear picture of how a personalization campaign is performing, you'll often have to combine metrics that are tracked in your website analytics platform (e.g. Google Analytics) with metrics that are tracked by your personalization platform.

Personalization Platforms

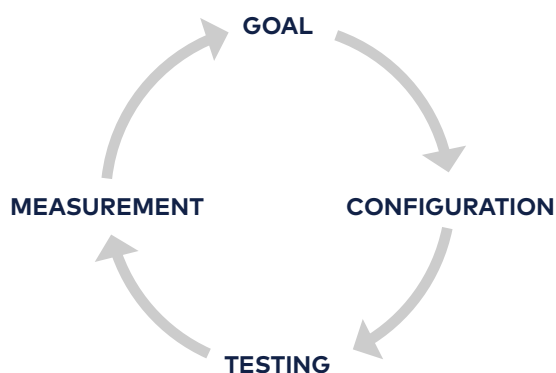
- Acquia Lift
- Optimizely Personalization
- Evergage

A best practice is to integrate these two systems wherever possible. Many personalization platforms allow you to send personalization interactions into your web analytics platform where they can be analyzed along with page views and other metrics about your traffic. This helps associate visitors with the personalization experiments to which they've been added—and this gives you critical feedback on what personalization methods are best with your audience.

What Comes Next?

A personalization strategy isn't something that you simply set and forget. Once you've set up your personalization engine, the real work begins.

Real-time personalization is ultimately about continuous improvement. It involves an iterative process of defining a clear goal, establishing a hypothesis for how to achieve that goal, configuring segmentation and targeting criteria, running an experiment, measuring results, and reiterating with new insights.



Today, customer data exists in many systems including marketing automation platforms, ad networks, data warehouses, call centers, CRM databases, social profiles, support portals, and analytics platforms. The most comprehensive personalization strategies incorporate information gathered from all available sources in order to provide marketers with a complete view of a customer.

Ultimately, the web and the broader global digital ecosystem is the most highly measurable medium in the history of humankind. But the amount of data being captured is growing at an exponential rate and it's easy to get overwhelmed or to lose focus.

Before architecting a personalization solution for your business, it's essential to understand your audience, pinpoint your user journeys, draw up a content strategy, and define how you'll interpret and integrate the available data to measure success.

For more information about different personalization solutions, or for help with any step of implementing personalization on your organization's website, feel free to contact our team. We're here to answer any questions you may have and help you decide how best to make meaningful connections with your customers through personalization.

Contact Us to Learn More