1. **Subject Name: E-Commerce (BBAA405SE2)**

2. **Semester / Year: Semester IV**

3. **Name of the Teacher: Pinaki Dey**

4. **Name of the topic: Personalization (in Digital Marketing)**

Personalization:

Personalization (*broadly known as customization*) consists of tailoring a service or a product to accommodate specific individuals, sometimes tied to groups or segments of individuals. A wide variety of organizations use personalization to improve customer satisfaction, digital sales conversion, marketing results, branding and improved website metrics as well as for advertising. Personalization is a key element in social media and recommender systems.

In the same way, digital personalization is the process of tailoring web-pages to individual users' characteristics or preferences.

Commonly used to enhance customer service or e-commerce sales, personalization is sometimes referred to as *one-to-one marketing*, because the enterprise's Web page is tailored to specifically target each individual consumer. It is a means of meeting the customer's needs more effectively and efficiently, making interactions faster and easier and consequently, increasing customer satisfaction and the likelihood of repeat visits. There are a number of personalization software products available, including those from 'Broadvision', 'ResponseLogic', 'Autonomy' etc.

Personalization in some ways back to an earlier day, by making consumer relationships more closely tailored to the individual. If we ever have bought a book from Amazon, for example, the next time when we visit they will - like a friendly and helpful sales clerk - greet us by name and tell us about products in stock that they think we might like (such as more books by the same author, or books purchased by other people who also bought the book that we purchased). Many portal sites, such as Yahoo allow site

visitors to customize the page with selected news categories, local weather reports and other features.

In addition to use of the **cookie**, the technologies behind personalization include:

- *Collaborative filtering*, in which a filter is applied to information from different sites to select relevant data that may apply to the specific e-commerce experience of a customer or specific group of customers.

- *User profiling*, using data collected from a number of different sites, which can result in the creation a personalized Web page before the user has been formally.

- Data analysis tools used to predict likely future interactions.

Because personalization depends on the gathering and use of personal user information, privacy issues are a major concern. The Personalization Consortium is an international advocacy group organized to promote and guide the development of responsible one-to-one marketing practices.

Here, we have *four types* of digital marketing personalization:

- *User-triggered personalization:* In this first, most basic form of digital marketing personalization, the digital platform responds to actions taken by visitor.

- *Behavioral and contextual personalization:* In this second personalization type, our visitor is offered content based on his/her click-stream data (*behavioral personalization*), or the time or location at which s/he visits (*contextual personalization*). For instance, if someone has read an article about India, they are then offered information about travel packages to this country.

Both of these types of personalization are rule-based: segments are created and content is shown based on previously set rules. As these rules are relatively easy to implement, they are excellent first steps in offering personalized content.

▪ *Data-driven personalization:* Linking CRM-systems or Data Management Platforms to digital management platform will result in an ability to make more relevant offers. An example is a product suggestion based on previous purchases.

Although we are now indeed personalizing the digital experience of our customers, data-driven marketing still requires a lot of manual work. When, over time, our platform grows and the amount of data increases, the complexity of manual management will increase exponentially.

Machine-learning digital marketing personalization: This highly advanced technology uses self-learning algorithms to continuously make optimizations. As more data is collected, the size of the segments will decrease, allowing for true personalization on an individual level. This is a level that can never be reached manually.

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