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Introduction

Creating a personalized customer experience is essential to satisfying consumers and improving retention rates.

With the right tools and approach, you can effortlessly unite online and offline marketing efforts to create a personalized customer journey that is consistent across channels.

In this guide, you’ll see how important it is to focus on delivering cross-channel personalized experiences to your customers, get a better idea of the science behind personalization, and learn how MoEngage can help.
The Importance of Personalization:
Why It Matters

Customers are constantly searching for relevant information and messages. Personalization is the gateway to connecting with them and building a relationship that increases conversion rates. For example:

Personalization has a major impact on costs. It can reduce acquisition spend by 50%, increase revenue by as much as 15% and increase marketing spend efficiency by as much as 30%.

According to a McKinsey study, personalization has a major impact on Customer Lifetime Value (CLTV) as it can amount to 20% higher customer satisfaction rates and increase sales conversion by up to 15%.

Successful personalization meets customers where they are, creating a consistent brand experience across multiple touchpoints.
What Does Successful Personalization Look Like?

There's a fine line between relevant and invasive messaging — the difference could make or break your ability to connect with customers. Here's a bad and a good example of personalization:

**Bad example**
A customer searches for hotels for an upcoming trip to California on their laptop but ends up putting the search on hold and doesn't make a booking. A few days later, they receive a promotional email for hotel discounts in Maine.

**Good example**
A customer searches for hotels for an upcoming trip to California on their laptop. A few days later, after not having booked a room, they receive a push notification on their phone with an offer for 30% off a hotel stay in California if they book within the next 24 hours.

The good example shows that you're in tune with the customer's journey, while the previous example shows inconsistency in messaging. This can be a major letdown for potential customers.
How Segmentation Can Assist in Personalization

What frustrates you the most about an experience you have with a brand?

- 26.8% When the same brand says different things depending on how they communicate with me (web, mobile, social)
- 24.0% When a brand sends you too many or too few messages
- 25.1% When a brand sends you irrelevant content or product recommendations
- 15.3% When a brand doesn’t understand you or remember your preferences based on your previous encounter or purchase
- 8.8% When a brand doesn’t personalize an experience for you

Personalization Pulse Check Report: Shopping Behavior and Consumer Preferences in North America and Europe

25% of customers get frustrated when a brand sends irrelevant content or product recommendations. This makes segmentation a critical step to leveraging personalization with your customers.

Segmentation differs from personalization but is a foundational step in order to see success with your personalization efforts. Segmentation takes a look into user data and puts them into groups that display similar behaviors.

Segmentation groups relevant users based on demographics, key insights, preferences, behaviors, and more. This helps marketing and product teams know things like: What type of content a customer would like to see, what channels are preferred for communications, and which up-sell or cross-sell opportunities resonate best with each individual to create opportunities for effective personalization.
4 Keys to Successful Segmentation

As you start to segment your audience, it’s important to know that not all information you find will be equally valuable. Here are some key considerations to ensure success with your segmentation efforts:

1. Are Segments Identifiable?
Ensure you can identify your segments through clear and defined criteria for demographic or behavioral attributes. Confirm this data is easy to understand and accessible.

2. Is the Size Substantial?
Your segments should be large enough to make the efforts and investment worthwhile.

3. Are They Differentiated?
To avoid redundancies, different segments should have varying needs and behaviors so that you can communicate with each group through tailored messages.

4. Are They Actionable?
It’s important to validate that you can actually reach the segments you’ve identified and that you can communicate with them on the channels you planned. For example, you’ll need to identify which customers have opted for specific channels.
Marketing personalization takes time to grow and succeed. Starting at a slow pace allows you to nurture your strategy over time until it’s strong enough to craft meaningful experiences that drive customer value.

Just keep in mind, these guidelines aren’t exclusive. You may be in between stages or implementing strategies from multiple stages. The idea here is that you should implement personalization at your own pace and analyze results to ensure success.

**Stage 1: Foundational**
It’s important to lay a strong foundation in the early stages of personalization. Content optimization, broadcast messaging, and A/B testing based on user properties and geolocation is best.

**Stage 2: Aware**
Taking on two channels means shifting focus to content recommendations, rule-based segmentation and multivariate testing. This allows you to personalize based on user or campaign interactions.

**Stage 3: Repeatable**
Three channels mean creating cross-channel preferences, behavior profiles, and dynamic segmentation opportunities. This level of personalization involves enriched data and affinity.

**Stage 4: Predictable**
When you make it to the fourth stage, you’re dealing with a handful of channels at once. This involves AI-driven segmentation, predictive analytics and one-on-one customer journey orchestration.
MoEngage brings together online and in-store data to help retailers create a comprehensive, unified customer profile. The platform delivers actionable insights through its powerful AI engine, helping retailers to determine the optimal customer journey path, channel of choice, frequency, time of messaging, and more. MoEngage was built with multichannel in mind, empowering teams with real-time access to customer insights and the ability to craft contextual, cross-channel engagement campaigns for each individual - in just a few clicks.

Customer engagement shouldn’t be limited to one channel. It should flow effortlessly between your brand’s communication channels, whether it’s your mobile app, website, or email - or even in-store.

Below, we highlight some success stories of cross-channel personalization.
Case Study Example 1: Cocomelody

Bridal brand Cocomelody offers haute bridal and wedding couture at affordable prices with stores and an ecommerce presence across the United States, Europe, and Asia.

A focus on paid marketing plateaued, and steep user drop-offs at various stages of the purchasing journey led Cocomelody to understand the need for dynamic messaging and a more intuitive experience.

By creating a more personalized user experience with MoEngage’s insights-led engagement platform, Cocomelody was able to understand drop-off points and users’ preferences and behaviors. As a result, they put a personalized, omnichannel customer journey in place, which boosted conversion rates, improved CTRs on various campaigns, and more.³

Further results of cross-channel personalization with MoEngage include:

- 30% more sales under the Try at Home category
- 27% increase in repurchase rate
- 69% boost in return on online ad spend
- 5% higher cost value reconciliation
Case Study Example 2: 1Weather

Labeled one of the top-rated weather apps for Android on Google Play Store, 1Weather provides real-time local weather predictions to more than 8 million active users worldwide (with 95% of its user base residing in the U.S.).

While 1Weather followed basic user engagement practices for its regular weather updates, it still noticed lower page sessions on the app because of its lack of personalization.

With help from MoEngage, 1Weather gained access to critical data like location that let it better understand user app behavior and geolocation preferences. With this information, the brand was able to create relevant content using mobile push notifications to increase app open rates and overall engagement rates.

Results of mobile personalization with MoEngage include:

- 25 million incremental app opens
- 10% increase in CTRs
Conclusion

Before you can improve CTRs and retention rates, you have to be more mindful of your audience on a deeper level.

Creating a personalized experience that caters to customer preferences is essential. MoEngage can help you engage with each customer in a unique way across multiple channels. Contact us today to learn more.

About MoEngage

The modern consumer is different. While their lives revolve around their mobile phones, they also hop between devices, locations, and channels. They expect brands to always be “in step” with them and deliver personalized experiences across all physical and digital touch-points.

As one of the first mobile-first customer engagement platforms, our mission is to support the digital growth for user-centric brands across media & entertainment, E-commerce & retail, banking & financial services, media & entertainment, telecom, travel & hospitality, healthcare, and more.

More than 1,000+ brands across 35 countries use MoEngage to send 50 billion messages to 500 million consumers every month. With offices in nine countries, MoEngage is backed by marquee investors such as Eight Roads, F-Prime Capital, Matrix Partners, Helion Ventures, Exfinity Ventures, and Venture East.

MoEngage is recognized as a Leader in the 2020 Gartner Magic Quadrant for Mobile Marketing Platforms, a Strong Performer in The Forrester Wave: Cross-Channel Campaign Management (Independent Platforms), Q3 2021, a Strong Performer in the 2020 Forrester Wave for Mobile Engagement Automation, and as a Leader in G2 for Fall 2020 Grid® Reports.

To learn more, visit www.moengage.com.