



Highlights

- Directly engage in offer design and creation to reduce costs, time to market, and dependence on IT
 - Maximize all types of inbound, real-time customer engagement across channels and coordinate personalization across those channels
 - Analyze behavior to optimize decisions in the context of customer interactions to automatically deliver relevant offers and increase conversion rates
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Real-Time Personalization

The personalization mandate

Personalization is on the rise as companies strive to meet customer expectation for a more customized and relevant experience. Customers no longer respond to mass marketing, instead preferring a personal, one-on-one experience. When used effectively, the rewards of personalization can be enormous: increasing sales and revenue, enhancing online conversion rates, boosting average order value, driving cross-sell and up-sell initiatives, and strengthening customer loyalty and retention. Companies must now understand how to market to a “segment of one.”

Marketing executives realize that today’s customers are omni-channel shoppers. They engage online, via mobile devices, and in person. In order to accommodate those dynamics, systems must learn from behavior across multiple channels, and update messages and offers regularly to keep customers engaged. An efficient system for real-time personalization has to flexibly support complex processes and handle large data sets with short delivery cycles and limited resources.

Successfully managing the “Customer Experience Gap”

Marketing departments face a number of challenges, and satisfying customers’ high expectations tops the list. And marketers are being tasked with designing the entire customer experience. According to a McKinsey 2013 Customer Journey Study, 51 percent of customer interactions happen during a multi-event, multi-channel journey. But studies show that there is a gap—an experience gap—between what customers want and what they get. 81 percent of marketers say they have a holistic view of the customers across segments/channels¹, yet 78 percent of customers stated that the average brand doesn’t understand them as individuals²—making this gap very real.



In order to successfully manage this “experience gap” marketers need to design customer experiences with a deep understanding and planning across the entire customer journey. And then marketers must execute that coordinated plan seamlessly across channels. By understanding the customer’s buying cycle, their channel preferences and how they learn across online and offline channels, marketers can deliver campaigns that engage customers with the most relevant content. Marketing organizations are challenged to coordinate a holistic experience across channels and that requires having the right data, people and technology connected.

Customers are empowered like never before and are constantly connected to a company, through mobile, social and other digital channels. These multiple channels provide both a challenge and an opportunity. The challenge for some marketers may originate from focusing on only one dimension, such as solely targeting outbound communications or aiming marketing efforts at only one channel, such as email, mobile or web. This singular focus precludes organizations from developing and executing a holistic real-time personalization strategy. The IBM® Real-Time Personalization solution provides the opportunity for marketers to connect with customers on their own terms—during those moments when customers initiate contact.

Delivering on the promise of real-time personalization

The timeless imperatives of the marketing profession have changed. It’s no longer enough to know the customer, to determine what to market and to protect the brand. Now marketers must extend these enduring core tenants to knowing the customer in context in every interaction, innovating and scaling personally relevant and rewarding experiences, and creating an authentic brand experience with customers, employees and partners.

Understand the customer

With every search, “like,” tweet and click, customers are revealing themselves to you. Identity information, such as personal data, demographics and purchase history, gives marketers a preliminary look at a customer—like an outline sketch of a portrait.

However, this is only a preliminary representation of the customer’s picture. Interaction information, such as website visits, recent searches, mobile location and call center contact, completes the portrait. Only through a thorough understanding of a customer’s wants, needs and preferences can real-time personalization be fully exploited. A customer-oriented, context-sensitive approach is essential to real-time personalization.

Engage across channels

Websites, call centers, kiosks, points-of-sale, email, social media, mobile devices—a customer’s inbound communication choices seem endless. In addition, customers do not usually choose a single channel. For example, a customer might purchase a backpack from his favorite retailer’s online store. He will receive an email when the order is accepted, when it is confirmed and when it is shipped. He may check the shipping status on his mobile device and he may return the backpack, in person, to the retail store. Each of these interactions is an opportunity to engage with the customer. Companies must be able to engage with customers through the channel(s) they choose and provide the same intimacy and personalization regardless of the channel.

Optimize each touchpoint

Personalization is not a one-time event; instead, it is a continuous journey of assessing, evaluating, determining and learning. Real-time personalization technologies are only effective if they can learn from prior customer interactions and responses. By blending multiple decision algorithms into the real-time personalization decision, marketers can leverage both structured rules and predictive models to ensure that each customer interaction is optimized to maximum success.

The personalization imperative

Simply put, personalization works. IBM empowers companies with the technology to meet the multi-dimensional aspects of real-time personalization.

Imperatives:

- Enhance one-to-one conversations with each customer by understanding their unique needs and past behaviors
- Collect profile and contextual data to gain deep insight into each customer’s interests and lifetime interactions

- Deliver highly personalized marketing offers in a customer's preferred communication channel
- Ensure that only business beneficial communications and offers are made to customers
- Track patterns of customer behavior, to trigger opportunities for customer engagement
- Provide relevant and personalized recommendations to drive higher conversion rates and overall site revenue
- Create an engaging customer experience that will keep customers engaged and increase lift and loyalty
- Deliver rich, engaging, personalized content to mobile consumers in the form of permission-based, mobile messaging and push notifications

The Real-Time Personalization solution

The IBM Real-Time Personalization solution can help you take better advantage of moments when your customers and prospects choose to interact with your company. During these “inbound” contacts, IBM can determine in real time the most relevant messages and content to deliver to an individual given who they are, their responses to previous interactions, and the context of the current interaction. Unlike other personalization solutions, IBM offers a true omni-channel marketing approach, integrating inbound marketing interactions with your other outbound marketing efforts to ensure a consistent and relevant customer experience.

The IBM Real-Time Personalization solution can help your organization enhance the one-to-one customer conversation and create opportunities for conversion, higher lifetime value and greater retention over the full customer lifecycle.

In an age of highly pervasive marketing, the best engagement will be relevant, timely and contextual to individual customers. The IBM Real-Time Personalization solution improves the customer experience by giving your business the ability to quickly recognize and deliver what customers want. By achieving this connection at each interaction, your business can provide marketing so effective it feels like a service.

IBM Real-Time Personalization provides:

- Personalized, real-time customer interaction with websites, call centers, and other inbound marketing channels
- Robust pattern recognition integrated with real-time decisions to ensure personalization is based on the context of live and historical interactions
- Optimized product and content recommendations across multiple channels that are behavior-based, relevant, and timely
- Rich, engaging, personalized content to mobile consumers in the form of permission-based mobile messaging and push notifications

Why Real-Time Personalization is important

The ability to connect with customers on their own terms—during those moments when customers and prospects contact you—can dramatically improve the effectiveness of your marketing efforts. With real-time personalization you can:

- Increase response rates in inbound channels by maximizing the relevancy of messages presented in real time
- Improve each customer's experience by personalizing their interaction with your company
- Maintain a consistent dialogue with customers across all channels
- Achieve better overall marketing results, including increased sales and revenue, improved online conversion rates, and strengthened customer loyalty and retention

Conclusion

IBM empowers companies with the technology to meet the multi-dimensional aspects of real-time marketing personalization. The IBM Real-Time Personalization solution can help you take better advantage of moments when your customers and prospects choose to interact with your company.

About IBM Marketing Solutions

IBM Marketing Solutions helps you attract, delight and grow the loyalty of customers by enriching the ways you engage each of them. IBM Marketing Solutions provides a set of integrated customer engagement solutions that empower marketing, commerce and customer service teams to identify the customers and moments that matter most, and to rapidly apply those insights to develop and deliver personally rewarding brand experiences. IBM Marketing Solutions ignites innovation by leveraging patterns of success from more than 8,000 client engagements, original industry research, and products consistently recognized as industry leaders in major analyst reports. IBM Marketing Solutions are delivered in cloud, on premises, and in hybrid options.

For more information

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1. IBM 2013, State of Marketing, IBM's Global Survey of Marketers.
2. IBM 2015, eConsultancy Study



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