

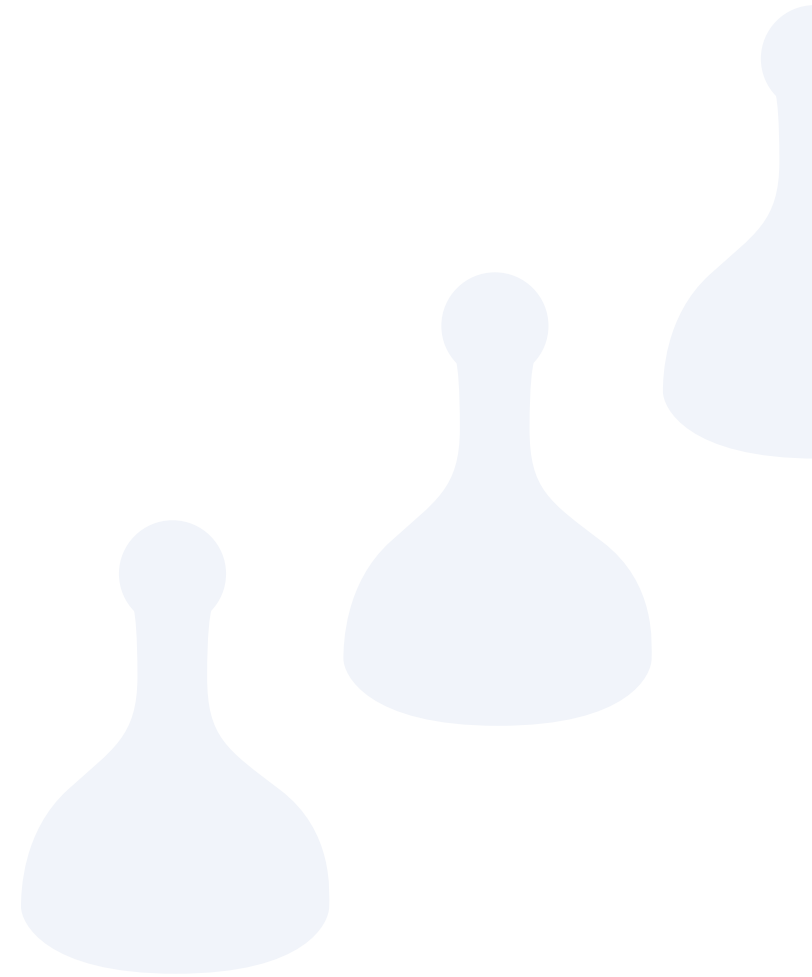


# The Amplitude Guide to Personalization at Scale



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# Why you should read this guide

In a few short years, personalization has gone from a promising trend to a permanent fixture of the digital landscape.

Indeed, there's little debate that personalization is here to stay. [Nearly half of all respondents](#) in a recent survey of CMOs reported that they plan to personalize their marketing efforts over the next year.<sup>1</sup>

And why wouldn't they? More than [70% of consumers](#) want companies to deliver bespoke digital experiences, and with marketing departments under increasing pressure to do more with less, the competitive advantage of personalized experiences is clear.<sup>2</sup> As one report found, companies with the fastest rates of revenue growth also [tend to prioritize personalization](#).<sup>3</sup>

As organizations shift from collecting third-party data to first-party data to comply with new privacy regulations, personalization using first-party data has emerged as a powerful alternative to targeted advertising made possible by third-party data tracking.

However, many organizations still struggle to efficiently personalize marketing and in-product experiences at scale. Marketing leaders in another recent study [cited personalization as one of their top challenges](#).<sup>4</sup>



Now that early adopters have tested and reaped some rewards for personalized experiences, customers demand it more than ever. We are seeing a desire to short-cycle the process of personalization, but in doing this, companies seem to default to traditional demographic or other profile-based targeting and use metrics like click-throughs or time on site. By not taking a step back to clearly understand what personalization factors will be meaningful to customers, companies struggle to show the downstream return on investment of their personalization efforts.”




**Heather Roth**

Director, Digital Strategy, [Slalom](#)

When done right, personalization creates a cohesive customer experience, which requires reorienting your organization and its structure around your customers. This means greater collaboration between engineering, marketing, and product teams to share and unify data across the entire customer journey—and across devices and platforms.

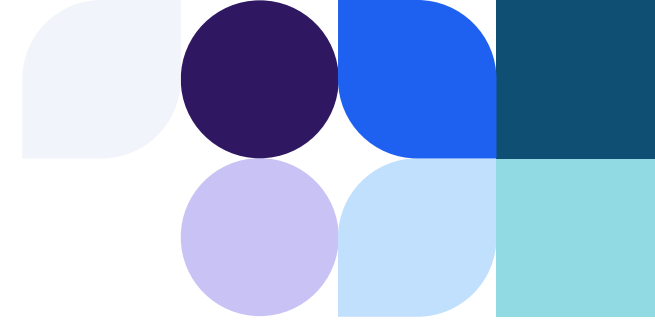
That’s a tall order considering that many teams operate in silos, using disparate tools and data sets that don’t seamlessly communicate with one another. Plus, the move to first-party data, while a boon to more personalized customer experiences, comes with its own set of challenges.

Fortunately, with the right [digital analytics platform](#) and strategy, any company can efficiently and effectively achieve personalization at scale, forging better customer relationships and driving better business outcomes. This guide will explore best practices to take your personalization efforts to the next level.



Throughout this guide, we’ll reference several worksheets designed to help you align your personalization efforts with your growth and experimentation strategies.

**Get the marketing worksheet bundle →**



# What is personalization?

What do organizations mean when talking about delivering personalized experiences? Simply put: Organizations want to provide unique experiences based on their customers' preferences and behaviors.

Delivering tailored experiences empowers you with new ways to achieve your business goals at every stage of the customer journey. From customer acquisition through retention and monetization, there are countless opportunities to personalize the customer experience—including marketing, in-product experiences, and even pricing.

## Personalization tactics by customer journey stage

<b>Acquisition</b> Attract and acquire customers.	<b>Retention</b> Keep customers and boost loyalty.	<b>Monetization</b> Increase or accelerate revenue.
Customized ads	Specialized content marketing campaigns	Dynamic pricing
Dynamic landing pages	In-product messages	Pop-up discount offers
Bespoke onboarding flows	Loyalty programs	Upsell recommendations based on product view and purchase history

## What are the stages of personalization?

Personalization ranges in complexity and can be categorized into three key stages.

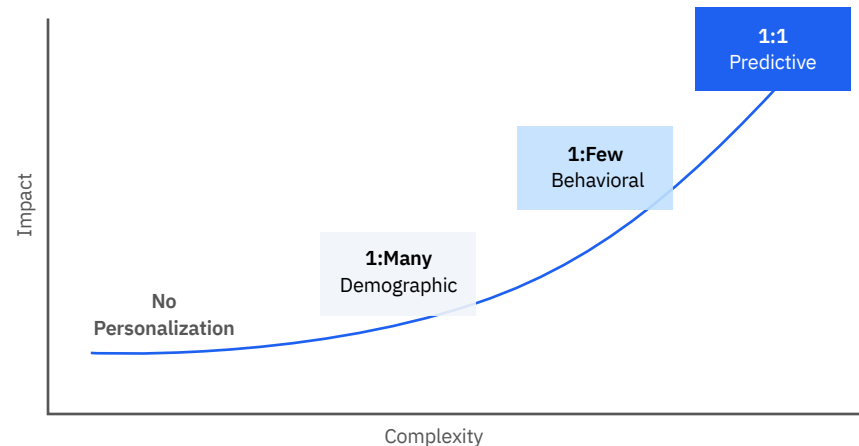
Stage	Definition
<b>One-to-many (1:many)</b>	Uses broad <b>demographic</b> characteristics like age, title, industry, and geographic location
<b>One-to-few (1:few)</b>	Uses <b>behavioral</b> data like visit frequency, purchase history, and affinities
<b>One-to-one (1:1)</b>	Uses artificial intelligence (AI) and machine learning (ML) to <b>predict</b> behavior, spending, messaging, and product recommendations likely to resonate with customers based on their interactions with marketing campaigns and digital experiences

For many organizations, personalization efforts start and end at the simplest stage—one-to-many—due to the complexity of more advanced stages, which demand real-time data and greater resources. However, one-to-one is the gold standard of personalization

and distinguishes leading organizations with the most mature personalization programs.

Throughout this guide, we'll share six tactics designed to help you scale your personalization to include bespoke, one-to-one experiences.

### Personalization stages



Given their complexity, 1:1 experiences require more time and resources to create but have a greater impact on customer satisfaction and business outcomes.



#### TAKE ACTION:

Evaluate your organization's personalization strategy with our Personalization Scorecard worksheet.



# Six best practices to scale personalization

Personalization requires a solid foundation built on technology and best practices. But it's an ongoing process that evolves with your customers' needs, preferences, and demands. The following are strategies to stay ahead of the game as you scale your personalization program.

## 1. Design your data blueprint

Personalization is only possible with a thorough understanding of your customers' journeys across your digital experiences. The best way to achieve this is by collecting data across every step in the journey to truly understand what the customer experience looks like. However, it's essential to be deliberate about what data you gather—both to maximize efficiency and to mitigate the risk of collecting data you won't need but will still be liable for—and to be strategic about how you use your data once you have it.

- **Determine where to focus your personalization efforts:** acquisition, retention, or monetization. Home in on the questions that help you better understand customer behavior at that stage and the data you need to track to answer those questions.

### Start with the right questions

Asking the right questions about your customer journey is essential to providing a more personalized experience. You can ask the following questions to better understand your customer experience at every stage.

- **Acquisition:** What's the impact of personalized campaigns across different acquisition channels? How are personalized landing pages influencing new user sign-ups?
- **Retention:** How does a personalized onboarding flow influence new user engagement and retention? Do customers who interact with personalized experiences in your product have a higher two-week retention rate?
- **Monetization:** What percentage of users who receive personalized recommendations or discounts make a purchase? What types of user behavior and personalized experiences tend to lead to paid subscriptions?



- **Create a [data taxonomy](#)** to organize and classify data into a hierarchy to help you properly manage all the information you collect. As you scale your personalization program across your organization, a taxonomy is especially important to ensure everyone operates with the same definitions, strategies, and metrics. Use Amplitude's free [tracking plan template](#) to get started with your taxonomy.
- **Automate your data collection** to maximize efficiency and scalability. A manual approach is guaranteed to give you out-of-date and inaccurate data, impairing your ability to inform your personalization strategy and meet customer needs as they arise. And while it's important to [collect only the information you need](#), be sure you're not overlooking any data sources.

For example, if sales and marketing rely on a customer relationship management (CRM) platform but product data is stored in a data warehouse, those teams will miss key insights that together make up a more complete picture of their customers. Each of these data sources has information to help enrich your understanding of your customers and how you can better personalize their experiences.

- **Establish a [data governance framework](#)** to ensure the integrity, security, and quality of your data as you scale. This includes outlining protocols and responsibilities for managing your data, such as controlling data access, updating your tracking plan with new products and features, and regularly removing outdated or irrelevant data.



The days of shuffling spreadsheets around a room and spending hours debating the fidelity of customer data are over. Automating data collection must be done in real time. It cannot take place after the fact because if you look at your report three days later, it's too late. That's why using a digital analytics platform that collects data in real time and works with other tools that do the same is critical."



**Ted Sfikas**

Field Chief Technology Officer, Amplitude



## 2. Create a trustworthy and complete customer profile

Today's customer relationships are increasingly digital. The average U.S. household has [20 connected devices](#).<sup>5</sup> So it's no surprise that customers interact with your brand via a complex web of touchpoints, from web browsers and apps to social media and email.

Yet the bar for customized experiences only continues to rise; today's customers expect the same personalized experiences whether they visit your app or website, and they want each interaction to pick up where the other left off. In this omnichannel reality, connecting data from various sources into a single view of the customer is key to cultivating meaningful relationships. It's also potentially the only way companies can compete with brands like Amazon and Google, as the *Harvard Business Review* [observes](#).<sup>6</sup>

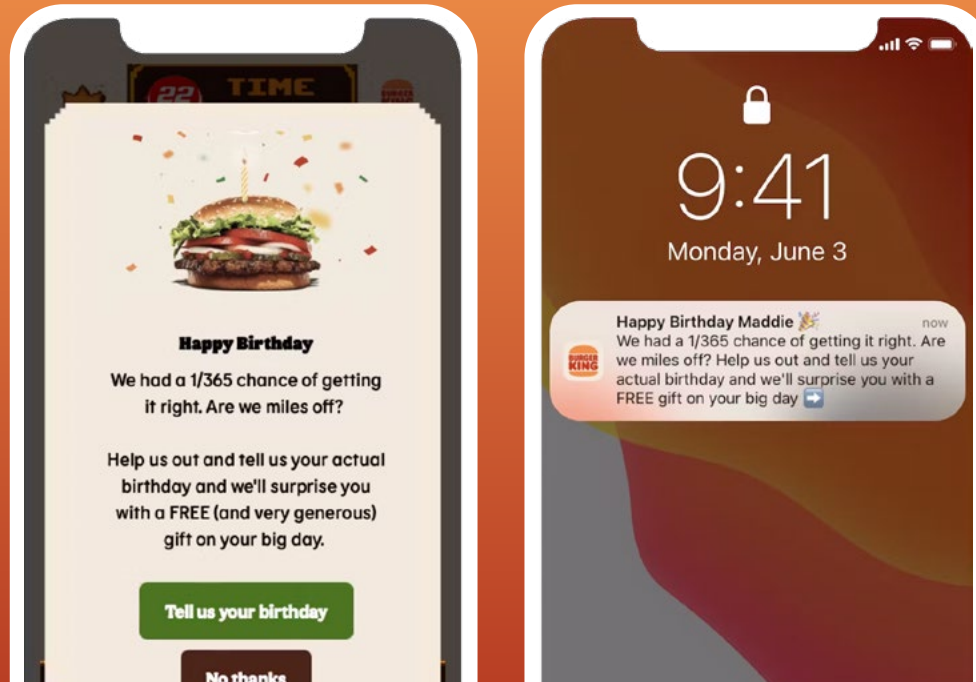
- Use [identity resolution](#) to stitch together a customer's behavior and interaction with your business into a unified customer identity or profile. This practice takes on additional importance as you scale personalization across devices, platforms, and channels. Identity resolution enables you to understand and improve the customer journey across these surface areas, regardless of whether the customer is logged in or not.

- Supplement your first-party, [behavioral customer data](#) with second-party data—essentially another company's first-party data—purchased from trusted brokers. This can add depth to your understanding of your customers, providing insights that reveal opportunities for new personalized marketing strategies or in-product experiences, such as cross-promotions or collaborations. Think of the way credit cards such as [Chase Sapphire offer rewards programs](#) featuring your favorite brands. The best way to do this? Ensure your data taxonomy is portable, secure, and can be easily interpreted by other brands.

“When I'm on a website, I want it to greet me like it knows me—in the moments that matter, not afterward. If I'm browsing Nordstrom's website to look for jeans and switch to the app three hours later, I expect the app to know that I was on the website. That's a unique omnichannel experience.”



**Ted Sfikas**  
Field Chief Technology Officer, Amplitude



Burger King UK used Amplitude and Braze to send a humorous message encouraging users to report their birthdays.

## PERSONALIZATION IN PRACTICE

### Burger King drives surge in conversions with cross-channel campaign

Every day, more than 11 million guests visit Burger King restaurants. Its popularity is a testament in part to the fast food phenomenon's legendary marketing program. But when Burger King UK discovered its birthday discount was underused, it turned to Amplitude to understand why.

What did Burger King UK find? More than half of its customer database hadn't provided birth dates when they signed up for Burger King's app,

limiting Burger King UK's ability to offer special offers and personalize based on age. In just one day, Burger King UK launched a cross-channel messaging campaign encouraging users to report their birthdays.

First, it used Amplitude to create a segment of users who had not provided their birthday information, along with additional segmentation based on opt-in status and customer channel preference. Then it used Braze to deliver emails, push notifications, and in-app messages to customers at 11 a.m., just before peak app usage time, with a humorous prompt. The result? The campaign achieved an 800% increase in the daily number of users self-reporting their birth date.

### 3. Go beyond demographics

Basic demographic data, like a customer's age or location, only tells you so much about them. Creating a more targeted user experience that drives your desired business outcomes requires more granularity. Ground your personalization efforts in your customers' behaviors and preferences, not just their demographics.

- **Prioritize [first-party data](#)**, the information you collect related to your customer's interactions with your brand throughout the customer journey. This includes all touchpoints from acquisition through monetization and across channels, devices, and products, along with any data you collect via other direct engagement, like surveys. This data will help you build the 1:1 experiences that customers have come to expect.
- **Segment customers by their behaviors** to design and deliver highly personalized messages and experiences through the channels most likely to reach your target audience.

Suppose, for example, you want to move subscribers from your free software plan to a paid one. You could analyze the behavior of customers who upgraded in the past 60 days, and create a cohort of customers whose recent behavior indicates they are likely to do the same, targeting them with personalized upgrade emails and text offers.

- **Use AI and ML to analyze trends** in real time, supercharging your forecasting efforts. This enables you to develop 1:1 experiences that anticipate customer needs and prevent churn before it's too late—giving you a considerable [advantage](#) over the competition.<sup>2</sup>

A business with a subscription model, for example, could use AI- and ML-driven [predictive customer analytics](#) to determine whether users have a high, medium, or low likelihood of signing up for a monthly subscription. They could then create three user segments to target with personalized campaigns. A simple email reminder or in-app notification might be enough for those most likely to sign up, but it might take a free first month for those with a low likelihood.

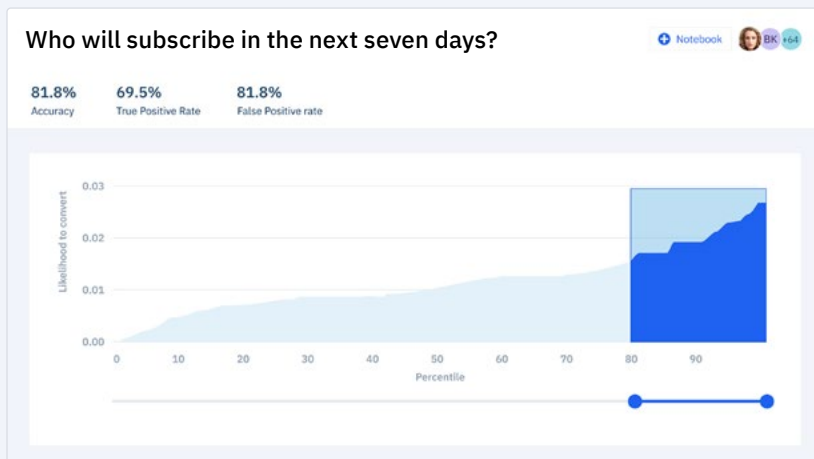
“ It feels like it goes without saying, but the leaps in generative AI in the last few years have unlocked the next gear for personalization. Companies can use large language models (LLMs) or LLM-powered software as a service (SaaS) tools to make their personalizations much richer and less robotic with essentially no increase in effort. That said, data cleanliness still matters. LLMs extrapolate from whatever data they're fed. If it's not clean, the personalization will be off and have the opposite effect. Additionally, competitors can access the same tools and apply the same techniques. Keeping a quirky and human-like brand voice will be necessary to break through the increased noise.”



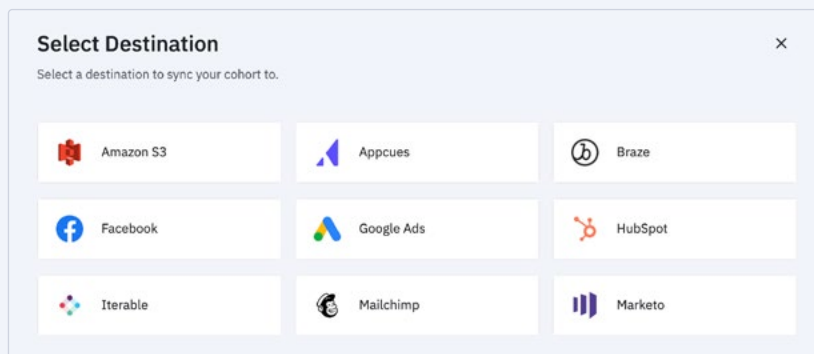
**Lars Osterberg**  
Senior Product Manager, [HubSpot](#)

# Build a personalization campaign using AI and ML

**Step 1** Use a digital analytics platform with [predictive capabilities](#) like Amplitude to create a segment of users predicted to reach a desired outcome, such as purchasing a monthly subscription.

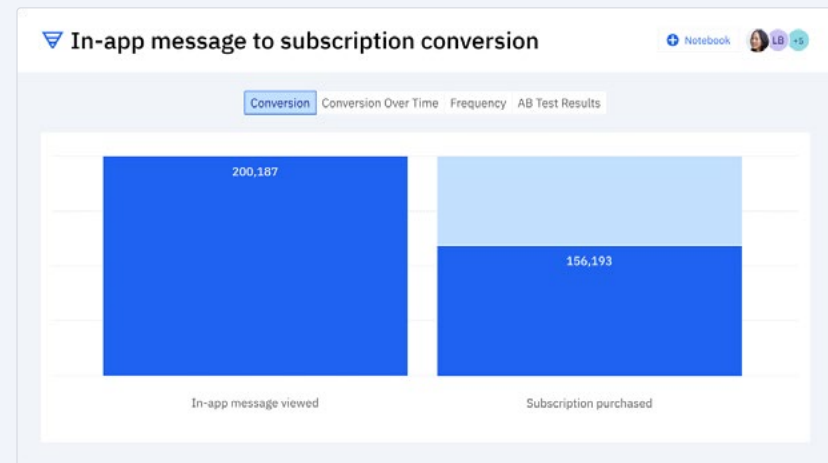


**Step 2** Send the segment—also known as a predictive cohort—to a customer engagement tool in real time.



**Step 3** Use the customer engagement tool to send a personalized email, SMS, or in-app message incentivizing users to subscribe.

**Step 4** Measure the outcome of your personalization campaign in your digital analytics platform. For example, evaluate how the in-app message to your predictive cohort affects their subscription conversion.





## PERSONALIZATION IN PRACTICE



### Jumbo Interactive drives revenue with customized recommendations

Jumbo Interactive runs Oz Lotteries, a platform that resells Australian National Lottery products like Oz Lotto, Powerball, and Lucky Lotteries' Super and Mega Jackpots. With Amplitude Analytics and Audiences, Jumbo created cohorts based on customers' on-site behaviors. It then generated personalized recommendations and messages encouraging them to further engage with the platform.

Within two months of introducing these personalized recommendations, Jumbo experienced a 158% lift in conversions on one checkout page. That translates to an extra \$500,000 in new revenue opportunities annually.

## 4. Orient your organization around personalization

Personalization spans nearly every aspect of your offerings, from advertising to pricing, and demands a cohesive approach across the organization. After all, no customer wants to receive conflicting or uncoordinated messages from the same company.

Let's say you just paid your bill online but then receive a text message reminder five minutes later to pay the same bill. You'd be confused or annoyed, right? Avoiding situations like this requires rethinking your organization's culture, operations, and technology to ensure you can provide seamless experiences.

“ Our golden rule is around being customer-centric, not business-centric. You don't want to impose your internal structure on your consumers because they really don't care about it. What they care about is having a really coherent, relevant experience. You have to break down those internal silos to create that experience.”



**Sam Miller**

Lead Strategic Consultant, Braze

- **Empower non-technical teams** with the ability to easily access and analyze customer data without the help of developers or analysts, speeding up the time to action on personalization strategies. This typically requires a digital analytics platform with self-serve capabilities, such as easy-to-use charts and dashboards, [out-of-the-box starter templates](#), and [AI-powered assistance](#).
- **Unite teams behind common data and goals** to better understand the impact of their actions on the full customer journey, across channels and platforms. This makes it easier to scale your personalization efforts and collaborate on personalization strategies across departments, breaking down traditional silos.
- **Prioritize measurement** to gauge the success of your personalization strategies. Knowing what works and what doesn't enables you to better allocate your resources and time. Consult our [Product Metrics Guide](#) to see how your personalization efforts measure up.
- **Test and iterate** on your organization's personalization strategy as you go, building measurement into cross-functional team plans so everyone can learn as fast as they ship, double down on what works, and drop what doesn't.



#### TAKE ACTION:

Align your team on how personalization serves your growth strategy with our Marketing Strategy worksheet.



#### PERSONALIZATION IN PRACTICE



### MySwimPro changes its culture—and how it communicates with customers

The rapidly expanding swim coaching and tracking app [MySwimPro](#) wanted to use data to better understand its customers—and drive growth. Since implementing Amplitude, the company has undergone a major cultural transformation. With [reliable, self-serve data](#), the company is faster and more collaborative, enabling it to make good on its mission to provide customized swim coaching.

“[Having all the data in one place](#) makes it much easier to use a dataset to personalize communication to members using our communication platform, Braze.”—[Nick Newell](#), VP of Engineering, MySwimPro.



## 5. Deliver the right experiences to the right users at the right time

Personalization means tuning your messaging, content, product recommendations, and more to your users' tastes. But it's also about getting the time and place right.

For example, SaaS companies commonly use popups to direct website visitors to product demos. However, this tactic probably works better on a bottom-of-funnel, high-intent comparison page than on a top-of-funnel blog post. Or to take another example, an ecommerce company wouldn't want to prompt a user to join its loyalty program if that user just left a bad review.

- **Consider when it makes sense to personalize your customer interactions.** Some moments call for personalizing your outreach in real time. If you're an online gambling site, for example, you might personalize users' in-product experiences or send text messages during sporting events. But that real-time approach won't always make sense. Some personalization efforts might be more seasonally timed. For example, an ecommerce beauty brand might want to promote sunscreen at the start of spring.
- **Be deliberate about who receives your personalization efforts.** What does that look like? The online gambling site from our previous example might base its game-time personalization on users' favorite teams or players—sending several custom messages to multiple user segments based on their team affinity. Meanwhile, the beauty brand selling sunscreen might send its promotions to its most outdoorsy segment of customers.

- **Imbue your personalization efforts with value.** As the push for market share becomes increasingly fierce, the right experience is one that users find useful. Think of the way [Spotify's year-in-review](#) analyzes users' listening preferences to deliver a playlist of their favorite hits and an engaging way to share with their friends on social media.

“We're seeing more year-in-review campaigns. They work really well at monetizing free-to-paid users, retaining existing customers, and boosting customer lifetime value because they make that value trade-off clear for customers. People are terrible at understanding the value that's being delivered over time. Reviews add a utility of sorts by reminding them of it.”



**Sam Miller**  
Lead Strategic Consultant, Braze

- **Get creative with your messaging and delivery.** Abandoned cart and back-in-stock emails are ubiquitous. To break through what Braze Lead Strategic Consultant Sam Miller describes as the “sea of sameness” and win customer loyalty, try an approach based on surprise and delight. Immediately following Argentina's World Cup



## PERSONALIZATION IN PRACTICE



### Rappi reduces activation costs with tailored customer communications

Rappi, the Latin American online delivery service, wanted to tailor communications to new customers based on their interests. Using personalized recommendations from Amplitude Audiences, the Rappi team programmatically pushes audiences of new users on an hourly basis to Braze, segmented by the types of services they are likely to use. Each audience is then served an email with content that matches their interests. The team has seen a 30% reduction in acquisition costs since launching these campaigns and increased their activation rates for all new users.

win in 2022, one food- and beverage-delivery customer of Braze sent users in that South American country an email alerting them that their order—the trophy—was on its way. The campaign went viral, boosting the company’s brand awareness and relationship with its soccer-loving customers. This approach could be further personalized by targeting the highest-value customers or those most likely to churn.

## 6. Embrace experimentation

Experimentation goes hand-in-hand with personalization. After all, segmentation is at the heart of both practices. Tests are critical to validating the hypotheses you draw from your analyses and continually iterating on your personalization efforts. The trick is to know what kind of tests to run and how to deploy them and measure their results. Using a platform that combines digital analytics and experimentation goes a long way here.

- **Choose your test model wisely.** A/B tests are a great choice for changes to the customer journey, such as personalized landing pages or onboarding flows. On the other hand, multi-armed bandit tests (MABs) are the way to go for time-sensitive personalization scenarios, such as holiday promotions or event-themed collaborations.

MABs use an algorithm to automatically shift to the experiment’s better-performing option, so you can quickly adapt to user responses and maximize conversions. For example, you might



choose MABs over A/B tests to experiment with your personalized Black Friday landing page, ensuring you can quickly switch to the winning variant and capitalize on sales.

- **Prioritize your testing efforts** among the segments that matter most, such as your most engaged or [highest-value customers](#), rather than rolling out a test to everyone. For example, you might hypothesize that sending a big one-time discount leads to higher conversion rates than sending three smaller discounts. Testing this hypothesis among your most loyal customers enables you to discover if the tactic resonates with the customers who matter most to your bottom line.
- **Test one version at a time** to ensure you're not confounding variables, and then incorporate your findings into future versions. Consider how long it will take for a potential test to yield insights, factoring in the build time. You may want to break big personalization strategies into smaller testable hypotheses to get feedback more quickly and increase your experiment velocity.



#### TAKE ACTION:

Align your experiments around business strategy and customer problems with our 7-Step Experimentation Framework worksheet.



## PERSONALIZATION IN PRACTICE

# evaneos

## Evaneos finds the messages that resonate with users and boosts conversion rates

Personalization is at the heart of travel planning platform [Evaneos's](#) business model: The certified B Corp offers 8,000 customizable, 100% carbon-neutral itineraries. That makes understanding its customers and their needs essential.

Enter Amplitude, which Evaneos uses to uncover important insights for driving growth. For example, Evaneos wanted to understand why the booking conversion rate for one market was lower than others. Evaneos suspected that its call to actions (CTAs) didn't resonate with that market due to cultural differences. It used [Amplitude Experiment](#) to determine whether a change in wording would land better. It did—so much so that [Evaneos's CTA clickthrough rate increased 2X](#), increasing conversions by 20%.



# Power personalization with Amplitude

In an increasingly crowded digital marketplace, it's essential to set your personalization program up for scale, but it's not easy to pull off. It requires not only a deep understanding of your customers but also the ability to make them feel understood whenever and wherever they encounter your brand.

Your success in doing this largely hinges on access to trusted data that provides clear insights into user behavior—and your ability to quickly act on those insights.

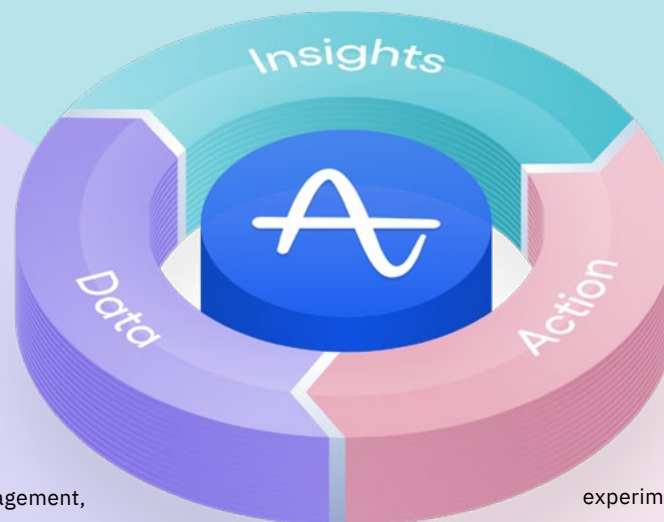
Amplitude's unified solution combines the capabilities of digital analytics, experimentation, audience management, and data management. It cuts through the technology sprawl and data silos and enables you to customize experiences in real time. Because one moment can make or break an experience—and today, every interaction counts.

## Get started with Amplitude

Activate personalized experiences in the same place you get insights, so you can rapidly respond to customer needs.

[Try Amplitude for free today](#)

Gather **clear insights** about the customer journey to confidently make data-driven decisions.



Access **trusted data** with built-in customer data platform, data management, and identity resolution capabilities.

**Quickly activate** your data with experimentation, audience management, and marketing integrations.

## Endnotes

1. Gartner: "[Critical Capabilities for Personalization Engines](#)" (2023)
2. McKinsey & Company: "[The value of getting personalization right—or wrong—is multiplying](#)" (2021)
3. McKinsey & Company: "[The value of getting personalization right—or wrong—is multiplying](#)" (2021)
4. Gartner: "[Gartner Says 63% of Digital Marketing Leaders Still Struggle with Personalization, Yet Only 17% Use AI and Machine Learning Across the Function](#)" (2021)
5. Forbes: "[Smart Home: Apple is the Fastest-Growing Connected Device Company](#)" (2022)
6. Harvard Business Review: "[Customer Experience in the Age of AI](#)" (2022)
7. Harvard Business Review: "[Customer Experience in the Age of AI](#)" (2022)

## About Amplitude

Amplitude is a leading digital analytics platform that helps companies unlock the power of their products. Over 2,700 customers, including Atlassian, NBCUniversal, Under Armour, Shopify, and Jersey Mike's, rely on Amplitude to gain self-service visibility into the entire customer journey. Amplitude guides companies every step of the way as they capture data they can trust, uncover clear insights about customer behavior, and take faster action. When teams understand how people are using their products, they can deliver better product experiences that drive growth. Amplitude is the best-in-class analytics solution for product, data, and marketing teams, ranked #1 in multiple categories by G2. Learn how to optimize your digital products and business at [amplitude.com](https://amplitude.com).

