

The Guide to Making Personalization Possible

Personalization has been an elusive goal for all but the most advanced products.
With the right foundation, any product can deliver individualized experiences at scale.



Personalization Has Not Delivered on Its Promise

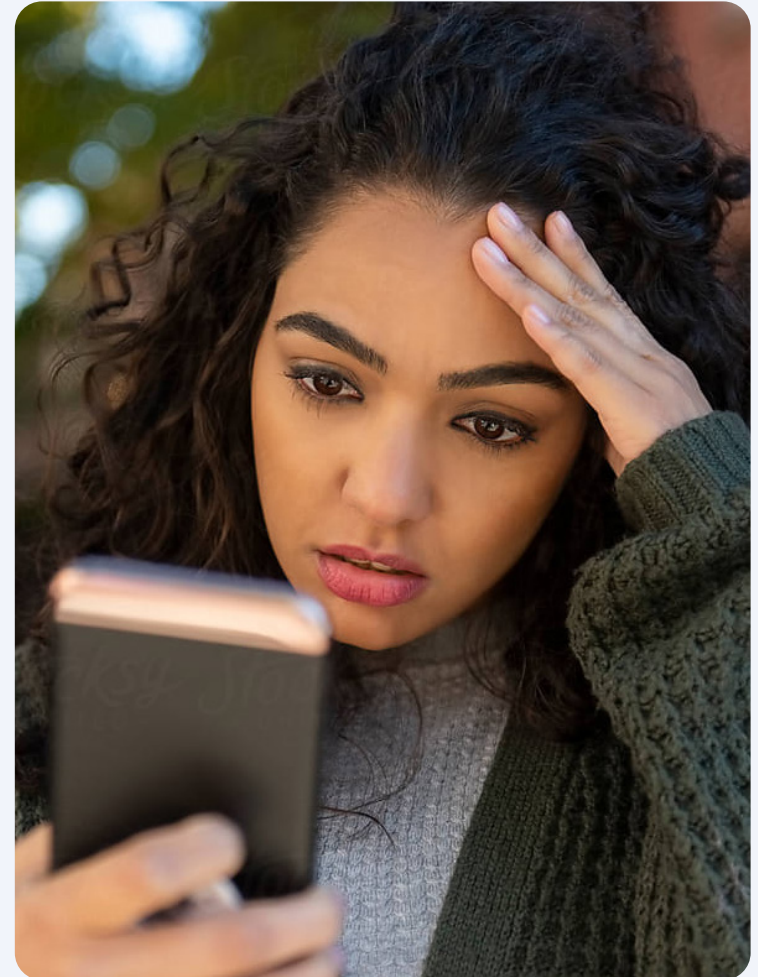
The market has been talking about personalization for over two decades. Yet through all of that time, buzz and expectations only a handful of companies have anything to show for it. You can actually plot the hype of personalization from a nascent idea in 1998 to its peak in 2017 to today, when executives are questioning the very investments they touted.

Organizations are right to wonder if at the end of the millions of dollars and months they have spent trying to deliver personalization, whether they will have anything to show for it. Personalization is a lot more complex than building a model or hiring a data science team.

In this book, you will learn why personalization fails and how companies that are winning take an approach that emphasizes agility and measurability.

Source: **[“Amazon Gets Personal with E-Commerce”](#).

Source: ***[“Recommended For You: The Power Of Personalization”](#).



Customers Demand Better Experiences. Businesses Don't Have a Choice.

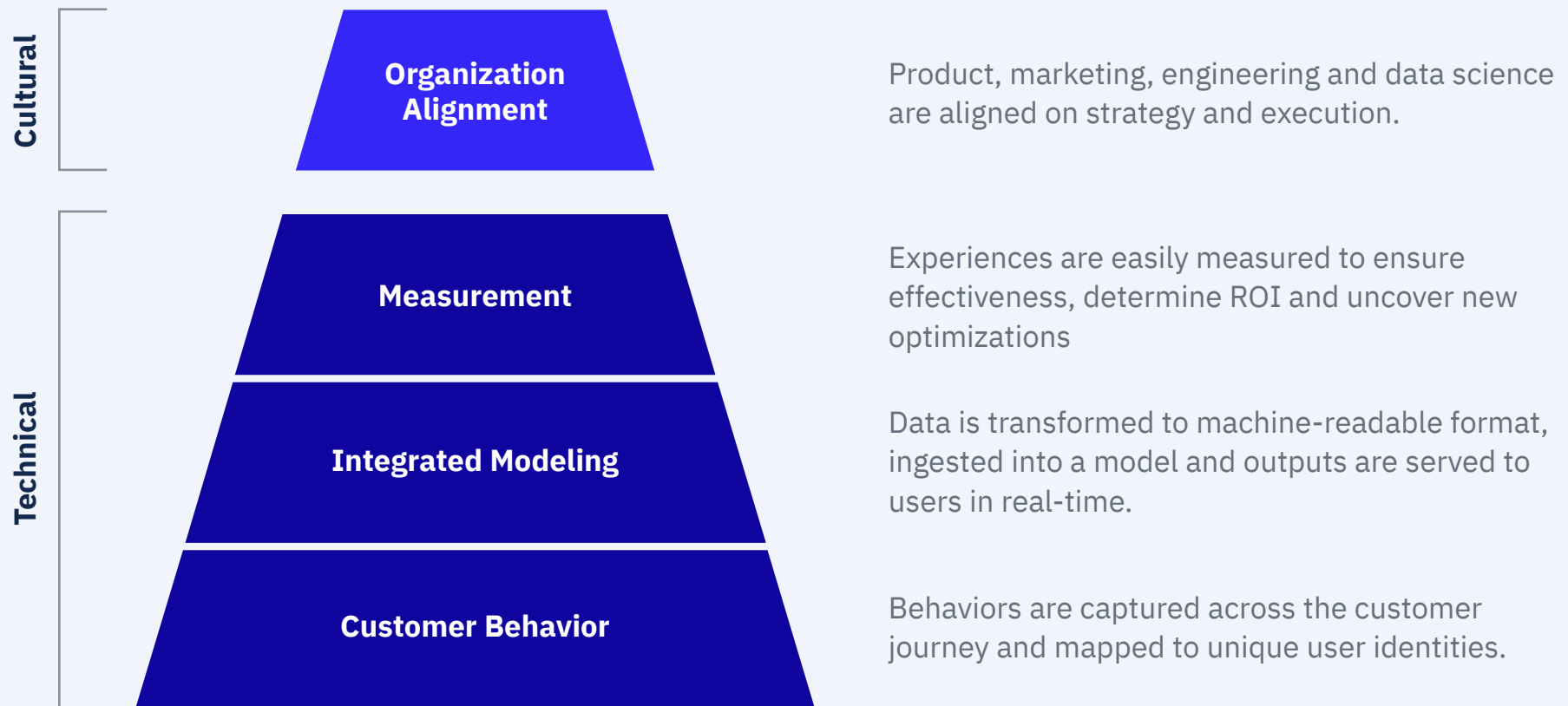


While companies compete for customers' wallet share and time, it's hard to ignore the trend that their expectations—for both products and experiences—are growing. More than four in five (84%) customers say being treated like a person, rather than a number, is very important to earning their business. While 73% of buyers say that an extraordinary experience with one company raises their expectations of others. In fact, a staggering 89% of business buyers now say the experiences provided by a company are as important to them as its products and services.¹

If you do not make your customers feel understood, you risk losing their business. This puts organizations between a rock and a hard place. They know they must deliver on personalization, but the pitfalls standing between them and success are numerous.

Source: ¹ Salesforce, "State of the Connected Customer," Second Edition

Personalization Fails Without the Right Foundation



A Tale of Two Outcomes

Businesses end up in one of two states: those who have conquered personalization and those who were conquered by it.

While a few are accelerating their growth and grip on their customers, many more find their efforts have been in vain.



15%
revenue¹



30%
marketing efficiency¹

Source:

¹[Mckinsey Insights](#)

²[Gartner 2020](#)

³[Gartner 2020](#)

⁴[KPMG](#)



Ad

Ad



80%
of personalization
initiatives will fail²



85%
of Marketers deprioritizing
personalization³



58%
of CEO's said investments in
data driven personalizations
have under performed⁴



4 Steps to Winning the Personalization Game



1

Design for Speed

Optimize for learning quickly by focusing on one use case at a time.

Consider effort before committing resources

Prioritize building experiences that don't require extensive technical intervention.

Find the right mix of tactics

Not every experience needs to be driven by machine-learning; behavioral segmentation can be extremely powerful.

Test and iterate

Build measurement into your plan so you can learn as fast as you ship and double down on what works.



2

Gather Behavioral Data

The quality and completeness of your data is the biggest factor in determining the success of personalization.



Go beyond demographics

Prioritize behavioral data to personalize based on what customers do, not just who they are.

Capture a complete picture

Track behaviors throughout the customer journey - across channels, devices, and products.

Account for identity

Resolve user identities across apps to ensure they receive a consistent experience.

3

Prioritize Measurement

Understanding the impact of your investment cannot be an afterthought, it must be part of your strategy.

Obtain clear answers on performance

Know what is working and what is not so you can allocate resources and attention appropriately.

Utilize automated reporting

Look for ways to automate analysis; adding measurement should not require significant effort.

Collaborate on shared insights

Keep key stakeholders informed, while empowering product, marketing, growth, and analyst teams to make better decisions by working off of the same data.



4

Put Digital Experience Owners in Control

When marketers and product owners have direct management over personalization execution it is more likely to be successful.



Empower your team

Put personalization decisions in hands of those who directly manage the customer journey for better alignment, smoother experiences and higher ROI.

Make adjustments on-the-fly

Set aside time to make tweaks as you uncover gaps and fine tune the experience.

Use self-serve solutions

Be wary of personalization products that require extensive technical implementation and upkeep; it will slow you down and limit your agility.

Putting Personalization to Work

The standards for personalization have changed. It's not enough to just greet a customer by name. Your customers expect the entire experience to revolve around them, to anticipate their needs and to simplify their workflows.

To deliver these tailored experiences at scale you need a system that helps you match the right level of personalization to each use case - whether that is customizing offers for their location, curating content by affinity, or recommending a product using machine learning.





Introducing

Amplitude Recommend

The first self-serve personalization engine



Amplitude Recommend

The first self-serve personalization engine

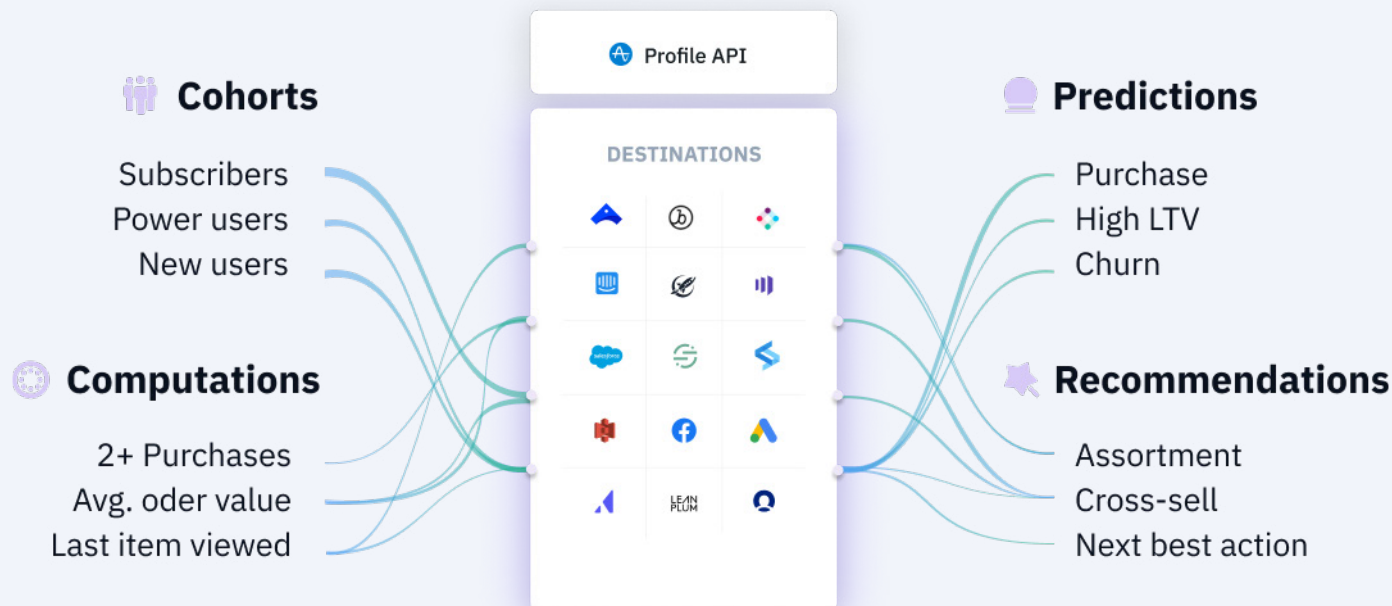
Recommend is the only solution that makes personalization simple, fast, and free of technical constraints. Built on top of product analytics and automated machine learning, Recommend powers Netflix-like experiences in a matter of days, not months.

Recommend has everything you need to deliver the right mix of personalization for your product.

Behavioral Segmentation for the right user.

Predictive Personalization for the right message.

Real-time Delivery for the right time.



Why Recommend is Like No Other Solution



Time-to-value

Recommend delivers Netflix-like experiences in days, not months because it leverages existing data used for product analytics.



Behavioral data

Power world-class personalization with data that captures how customers behave, not just who they are.



Built-in measurements

See the value you are creating with automated lift analysis and downstream impact on conversion, retention and engagement.



Self-serve

Build one-to-one recommendations, predictions, and custom audiences without tapping the data science team.

[Learn more about Amplitude Recommend](#)

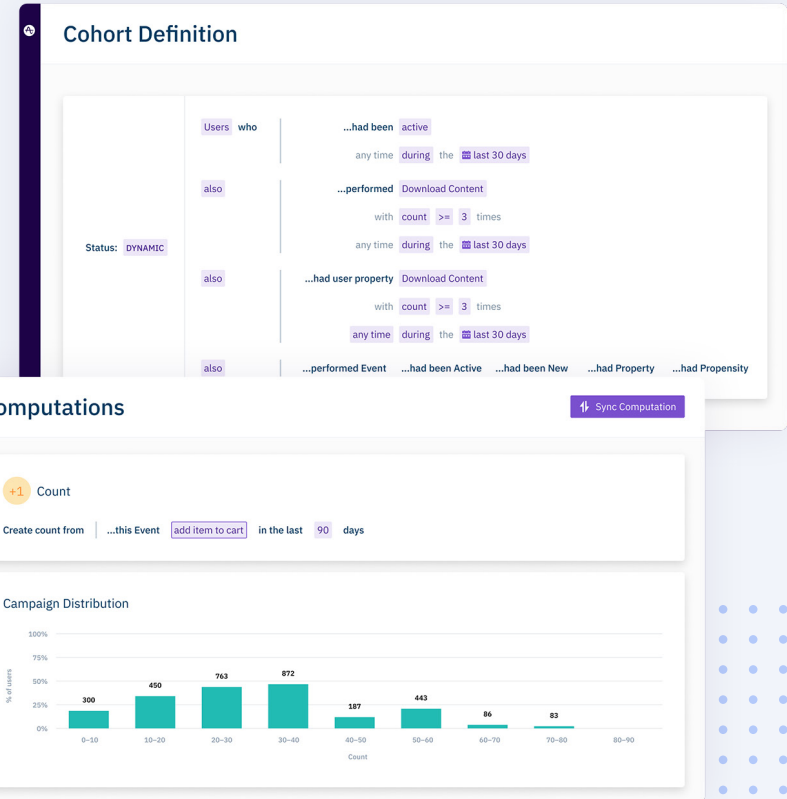


Create behavior-based audiences

Segment users by any combination of behaviors and traits from engagement frequency, lifecycle stage, funnel step, plan type, purchase frequency and more. Use these audiences in marketing tools to build custom campaigns, offers and engagement strategies that perform better than demographic-only approaches.

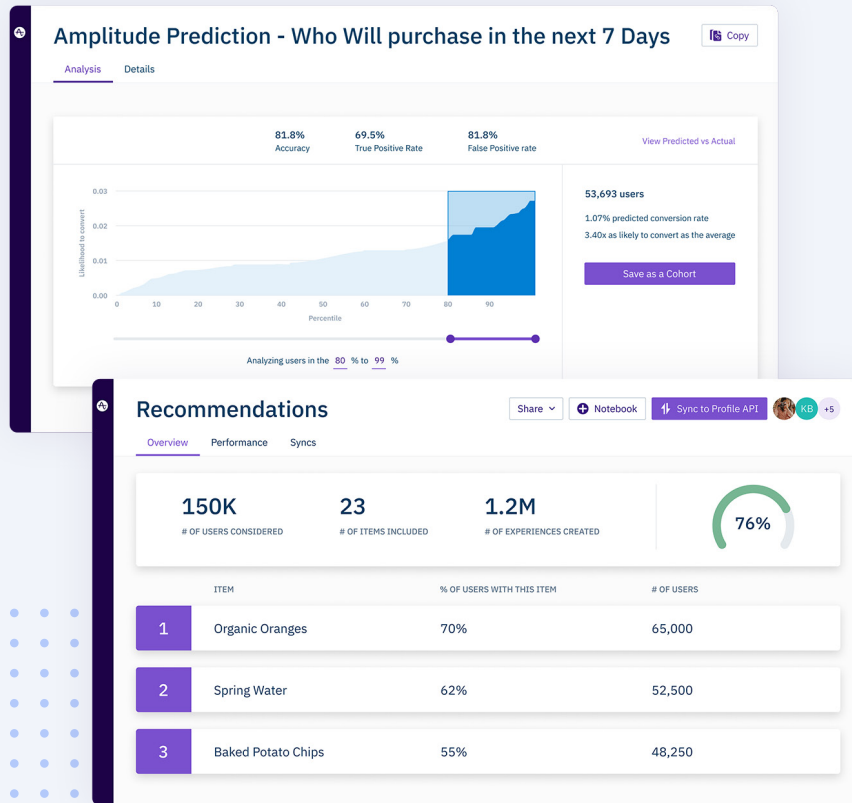
Centralize audience management

Audiences built in Amplitude can become always-on lists that automatically sync to your stack for destinations like ad networks, marketing platforms, feature flagging and more. A single audience can be pushed to multiple destinations to create consistency and reduce targeting errors.



[Learn more about Amplitude Recommend](#)





Anticipate future behavior

Predict customers' likelihood to churn, activate, upsell and more to tailor campaigns or messaging accordingly. For example, send purchase reminders to those with the highest propensity to convert while pushing those with lower likelihoods into a reengagement campaign.

Create one-to-one experiences

Give every customer an individual experience with recommendations powered by machine learning. Grow engagement, lift conversion, and improve satisfaction by surfacing the right article to read, add-on to their purchase, or offer in an email.

[Learn more about Amplitude Recommend](#)

USE CASE	CAPABILITIES	DESCRIPTION
Assortment Optimization	Recommendations Computations API	Rank items to be displayed on a homepage or within a category page; items are SKUs, articles, etc.
Next Best Action	Recommendations Integrations / API	Rank a second item in the checkout or carousel flow, or in an email after purchase; items are SKUs, articles, shows, etc
Cross-Sell Optimization	Recommendations Computations Integrations / API	Rank items that signify discrete stages of a customer lifecycle they haven't yet achieved; items are categories, products, or subscription types
High LTV User Engagement	Predictions Computations Integrations / API	Build audiences of users with predicted High LTV to target with special offers, experiences, etc.
Offer Optimization	Predictions Integrations / API	Build audiences of users based on their propensity to purchase to customize offers, discounts, etc.
Content Engagement	Predictions Computations Integrations / API	Build audiences based on users' propensity to engage with a specific content or type of content
Category-Based Audiences	Segmentation Integrations	Build audiences based on items viewed or searched for
Power User Optimization	Computations Segmentation Integrations / API	Target power users with special experiences, offers and products in campaigns
Affinity Engagement	Segmentation Integrations	Build audiences based on users interest in a specific category or type of content.
Churn Reduction	Predictions Computations Integrations / API	Build audiences based on users' likelihood to churn in order to re-engage

[Learn more about Amplitude Recommend](#)



	E-COMM	QSR	FINTECH	MEDIA	B2B	B2C
Assortment Optimization	✓	✓		✓		✓
Next Best Action	✓		✓	✓	✓	✓
Cross-Sell Optimization	✓	✓	✓			
High LTV User Engagement	✓		✓			
Offer Optimization		✓	✓	✓	✓	✓
Content Engagement	✓		✓	✓	✓	✓
Category-Based Audiences	✓		✓	✓		
Power User Optimization	✓				✓	✓
Affinity Engagement				✓	✓	✓
Churn Reduction			✓	✓	✓	✓

[Learn more about Amplitude Recommend](#)





Personalization Stories

Real examples of how product and marketing teams are utilizing Amplitude Recommend to power better customer experiences.



Assortment Optimization

An online checking and savings brand at one of the most popular banks in the U.S. wanted to improve financial literacy among its mobile banking customer base.

Recommend helps the team responsible for user engagement select the right article based on each users' unique behavior patterns and relationship with the bank. When customers log in to the app they see a suggested article matched to their needs and history.

The team has seen a 15% increase in engagement since using Amplitude Recommend.

Capabilities Used:

Recommendations, Profile API



[Learn more about Amplitude Recommend](#)





Next Best Action

Australian gaming service provider, Jumbo Interactive, wanted to strengthen customer loyalty by serving customers individualized suggestions.

Using Amplitude Recommend and Braze, the Jumbo team built Amazon-style recommendations into emails and push notifications sent to customers who recently made a purchase. The follow-up communications included up to four games tailored to the unique behaviors and patterns of each customer.

The team has been able to improve checkout conversion by over 158%.

Capabilities Used:

Recommendations, Profile API, Braze

[Learn more about Amplitude Recommend](#)



Cross-Sell Optimization

A top-5 quick-service restaurant wanted to help customers pair the right sandwich, sides and drink based on their preferences.

The mobile app team used Amplitude Recommend to deliver rank-ordered lists of menu items unique to each customer. When customers select a sandwich, they receive a personalized selection of sides, drinks and treats. Customers spend less time looking for their ideal meal and the restaurant delivered one-to-one recommendations months faster than the team expected.

The team has seen a 20% increase menu add-ons using Amplitude Recommend.

Capabilities Used:

Recommendations, Profile API



[Learn more about Amplitude Recommend](#)





Offer Optimization

Dave, a banking app, wanted to target a select group of customers as a way to drive growth in a new product that helps them find extra work.

The team at Dave used behavioral audiences in Amplitude Recommend to target users who would be interested in trying this new product. The target audiences were then synced to Braze, where they were directly engaged through one of the 10-15 targeted messaging campaigns. Before Recommend, it would have taken a data analyst at least a week to do the segmentation that a product manager now does in “five seconds.”

The team has seen an 8% month-over-month improvement since launching the targeted campaigns.

Capabilities Used:

Behavioral Segmentation, Audience Syncs, Braze



[Learn more about Amplitude Recommend](#)



Category-Based Audiences

Rappi, the Latin American “Super App”, wanted to tailor communications to new customers based on their interests.

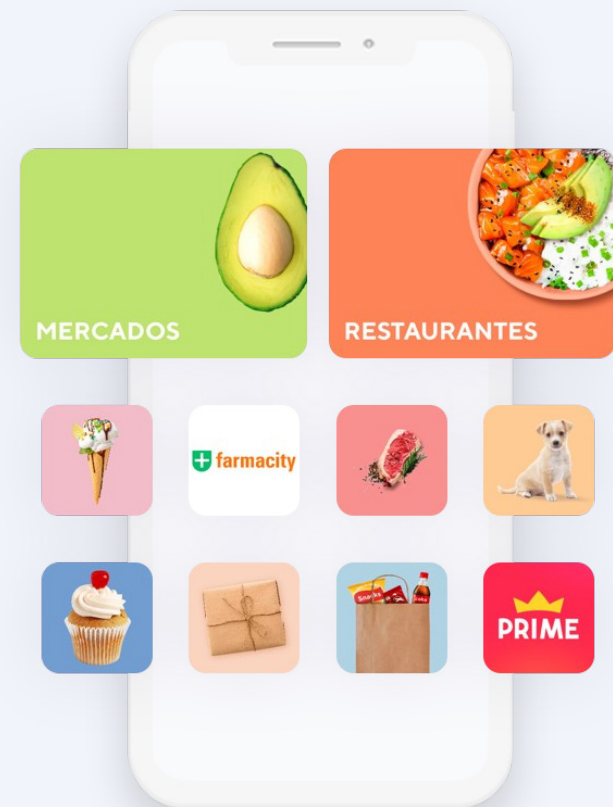
Using Amplitude Recommend, the Rappi team programmatically pushes audiences of new users on an hourly basis to Braze segmented by the types of services they are likely to use. Each audience is then served an email with content that matches their interests.

The team has seen a 30% reduction in acquisition costs since launching these campaigns by increasing their activation rates for all new users.

Capabilities Used:

Behavioral Segmentation, Audience Syncs, Braze

Rappi



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Offer Optimization

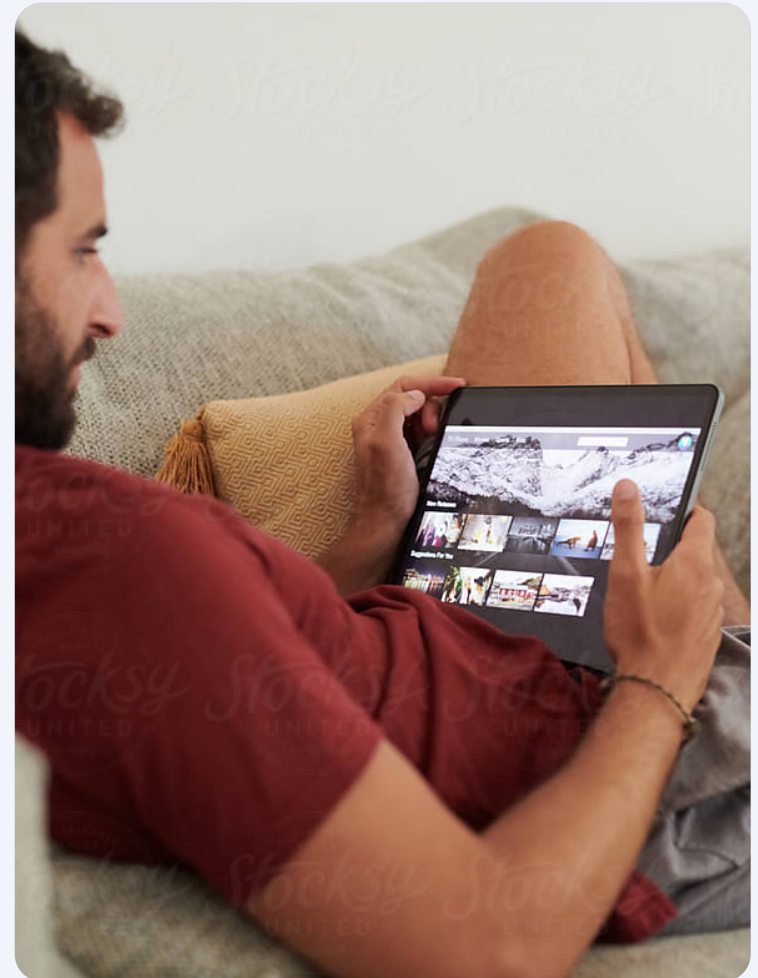
A global subscription video provider wanted to improve trial conversion for its over-the-top service.

Amplitude Recommend's predictive segmentation has enabled the marketing engagement team to segment trial customers by the likelihood to convert after seven days. With this knowledge, the team built custom campaigns aligned to each customer's likelihood to convert. Those with the highest propensity were sent subtle reminders and those unlikely to upgrade were put into a reengagement campaign.

The team has seen a 5% increase in trial conversions since employing the predictive segmentation strategy.

Capabilities Used:

Behavioral Segmentation, Audience Syncs, Braze



[Learn more about Amplitude Recommend](#)



**See how Amplitude Recommend can help
you build personalized experiences in a
fraction of the time.**

info.amplitude.com/recommend-demo

