Hyper-personalisation can elevate CX through tailored engagement

By Boris Maric   9 Nov 2023

Hyper-personalisation has revolutionised customer engagement by tailoring experiences through data analysis and thus enhancing the Customer Experience (CX) - from in-store to in-app - by enabling retailers to create immersive encounters aligned with preferences.

However, despite market research showing that well-suited messages can make or break a brand's image, with more than 60% of surveyed online shoppers stating that brands delivering non-personalised content would lose their loyalty, only a small percentage of retailers currently use hyper-personalisation at all.

Thus, with the shopping season about to come into full, many retailers should strongly consider moving away from one-way bulk communications, such as SMS, to promote their deals.

Understanding the behavioural patterns of customers is key to creating an engaging retail experience, whether in-store or in-app. For example, for customers using an e-commerce app, retailers can leverage past purchases and preferences to navigate the user to a specific product page that might be of interest to them.

Boris Maric, senior customer growth executive at Infobip. Image supplied

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Similarly, for in-store engagement, brands can use geolocation and trigger a welcome message once a customer has engaged with the store in some way, and then guide them to relevant promotions and discounts based on history and the preference that they selected while browsing the retailer's website or the app.

Triggering actions

To achieve real hyper-personalisation, retailers must ensure that they tailor all product recommendations and promotions to specific customers' preferences and needs, with the goal of triggering certain actions by the consumer.

Retailers should consider deploying a Customer Data Platform (CDP), which should serve as the cornerstone of hyper-personalisation by centralising customer data and analysing customer behaviour patterns. This allows organisations to develop an understanding of customer interaction history and allows them to tailor marketing campaigns that only include the products based on past purchases or those the end user has expressed interest in.

Essentially, a CDP allows retailers to easily segment its customer base and preferences, enabling it to trigger actions and push effective promotional campaigns using any type of channel that is preferred by the end user customer.

Technologies such as Artificial Intelligence (AI) and Machine Learning (ML) have also emerged, playing a crucial role in driving hyper-personalisation. A lot of advancement has been witnessed in the areas of AI and ML, especially in terms of AI-driven chatbots. AI has the capability to effectively analyse the vast volumes of data collected by retailers and recognise

the patterns within this data.

Enhancing the entire CX

Ultimately, AI enables retailers to push the products that are of interest to the customer instead of just offering generic items. It is all about tailoring solutions to enhance the entire CX and thus retain and attract new customers.

However, there are several challenges that retailers should be aware of when implementing hyper-personalisation strategies – mostly revolving around data. While organisations are typically able to collect huge amounts of data about their customers, they have to ensure that they can effectively analyse it and use the insights to enhance the customer journey. Hence businesses must always ensure that the data they collect is accurate and that it gets updated regularly to ensure it remains current.

Hyper-personalisation has the potential to enhance customer loyalty by creating memorable experiences, and while different approaches and options exist, the success of a hyper-personalisation strategy will largely depend on a retailer's ability to effectively use data to send out the right message, at the right time and via the right channel.

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