

INFINITE PERSONALIZATION: **AI MAKES IT POSSIBLE**

What if marketers could create a highly personalized communications plan for every individual in a database? What if the personalization was reflected across more than just content, but also cadence, preferred channel, layout, offers, and more? Further, what if your brand's marketing plan could adapt in real time to meet each customer's evolving preferences and needs? That's infinite personalization.



NOT LONG AGO, HIGHLY DETAILED PERSONALIZATION

—the ability to implement deeply individualized marketing messaging at scale—seemed like a preposterous aspiration, even for the largest marketing teams.

For decades, communications and marketing professionals labored through an intensive annual process to craft an organization's marketing plan. As mass-marketing capabilities evolved to allow for content tailored to unique audiences, communications plans adopted customer persona-led segmentation in tandem with small-scale content personalization.



TODAY MARKETERS CAN ACTUALLY ACHIEVE LARGE-SCALE, HYPER- PERSONALIZED COMMUNICATIONS WITH THE USE OF AI MARKETING TOOLS.

While AI is the high-octane engine driving this capability at scale, deeper data curation and sophisticated content adaptivity are vital to this new era of infinite personalization. In fact, according to a recent report, 70% of brands agree that AI adoption will bring personalization to new heights and build deeper, more meaningful connections with their audiences.¹ But few have been able to mobilize efforts to achieve those outcomes, often due to a lack of understanding about what's involved.

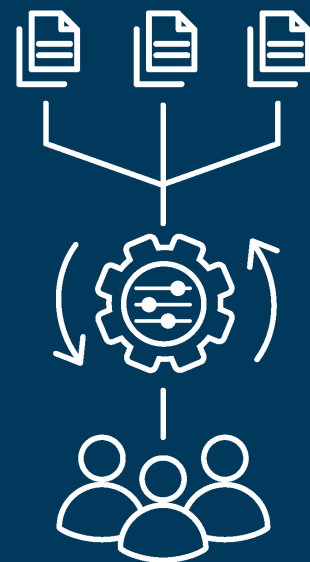
This white paper explores **four key steps to putting infinite personalization into practice** and spotlights several best practice examples already in the market.

1

CREATE DATA FUSION TO CURATE CUSTOMER INSIGHTS AT SCALE

When it comes to applying data analysis to campaigns, context is a critical part of honing personalization efforts.

Consider the scenario of shoppers who only use a retail brand's app to locate items in stores and get product recommendations based on shopper reviews. Traditional analytics would classify these customers as a low priority for app marketing efforts because they're not making direct online purchases. Yet brands could view this unique behavior as a key engagement signal to monitor in their customer data platform (CDP) or customer relationship management (CRM) system. Then brands would have an opportunity to leverage the context of this specific use case to create differentiated messaging aimed at maximizing store visit experiences with this group of app users.



This is one of many insights unlocked by home improvement goods leader The Home Depot. Its use of a real-time CDP optimized its experience design efforts. "We realized customers' shopping behaviors are not solely focused on shopping a single department or season," says Melanie Babcock, The Home Depot's vice president of Integrated Media. "When they're focused on a project, they can be inspired to look beyond an initial search whether they're online or in store."² As a result, the retailer can offer relevant, timely recommendations at each stop in a customer's shopping experience.

Similar contextual insights can be derived by fusing multiple data sources into a singular view of customer activities. These sources can include content engagement reporting, purchase history, profile preferences, and more. Additionally, weighting can be applied to those key signals to determine the ideal blend of messages and tailored offers to deliver to each individual.

This method extends beyond the current standard of categorizing customers into persona types and tailoring messaging to those personas based on data-informed but still quite broad assumptions. The persona approach doesn't consider that many individuals exhibit aspects of multiple personas. Assumption-based marketing often fails to resonate, and it limits true personalization. In fact, McKinsey reports that companies that get personalization right have 40% more potential revenue.³



2

USE ADAPTIVE CONTENT TO ENRICH PERSONALIZATION

Achieving deep personalization in communications requires the capacity to recognize evolving preferences of each customer and then to adapt content to reflect their views, needs, and behaviors. This is where AI takes content personalization to the next level. Not only does predictive AI expand traditional data model views to leverage real-time insights, but its counterpart generative AI allows unique content versioning for every individual. These capabilities form the core of infinite personalization—i.e., the potential to seamlessly deliver completely unique content to every individual at every new interaction.



Here's a great example: Formula 1 (F1) taps into its ecosystem of connected racing fans to leverage generative AI for hyper-personalized content experiences. Using Salesforce's Einstein GPT platform, F1's marketers can now speak directly to the most relevant engagement points for each fan at any specific moment—e.g., while attending a live racing event, playing F1 video games, streaming F1's popular Netflix docuseries, and much more.⁴

Now major customer marketing platforms can generate copy and creative content at scale in a matter of minutes. (Although that content, at least at present, probably won't be ready to send without being reviewed by a human. AI-generated copy can repeat errors from online sources, and it sometimes produces copy with a tone that's slightly off.)

Still, imagine going from Mad Libs-style dynamic content to a truly blank-page personalization approach. Generative content experiences have the potential to evolve well beyond the traditional content template. Instead, everyone could receive uniquely crafted content that best meets that person's preferences for layout, length, styling, and message. With the rapid advancement of generative AI creative tools, it's already possible—if not quite perfect.



3

INDIVIDUALIZE THE DELIVERY CADENCE

Knowing how and when to deliver a message is as important as determining what to say. Poor cadence management often leads to an abundance of unengaged communications, oversaturation of key messages, or frustrated customers unsubscribing in droves.

Today's predictive AI campaign capabilities can drastically enhance the effectiveness of communications delivery. Now it's easier than ever for marketers to precisely align the frequency, send time, and prioritized channel to each customer's demonstrated preferences.



One of the most beneficial AI capabilities is engagement frequency, which is now part of all major CRM platforms. This tool proactively sets the pace of communications for each recipient to the cadence that will drive the highest engagement level, preventing over- and undersaturation of messages. Additionally, send-time optimization, another common campaign AI tool, allows marketers to deliver communications on the specific day of week and hour of day when each recipient is most likely to engage. Lastly, predictive campaign AI can determine the best channel split for delivery of key messages to each contact by measuring historical and recent channel engagement.

Clothing retailer Lands' End has fully optimized its communication cadence using AI-driven campaign tools with its martech partner, Movable Ink. "We were over-messaging with multiple blasts a day," says Sarah Rasmusen, chief innovation officer, "without really knowing how to extract ourselves from that pattern."⁵ Movable Ink helped the company maximize relevant content for each individual at an improved cadence.

Keep in mind that AI tools are best used to deliver relational content—i.e., messaging directed toward discrete groups of customers based on situational factors. That's because AI tools can hinder the performance of mass sends for limited-time promotional offers. But with the possibility of infinite personalization now at our fingertips, we can deliver messages (at a new and exciting level of precision) that are even more relevant and timely with enriched content personalization. The future of personalization will embrace a fully individualized communications cadence for every customer through AI decisioning and automation capabilities.

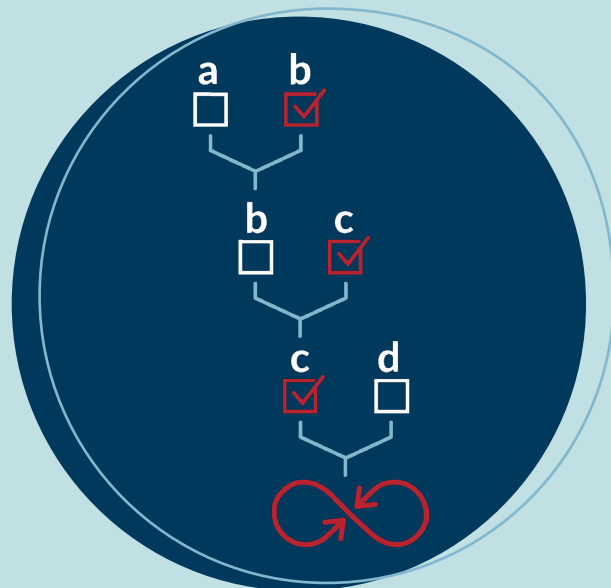


4

TAKE SPLIT TESTING TO THE NTH DEGREE

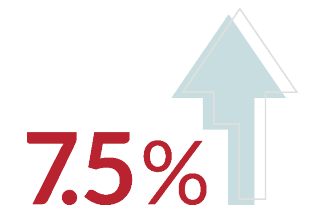
Split-testing analysis has been a great way to fine-tune marketing content attributes, lifting engagement and conversion rates. Brands that have successfully deployed multivariate testing have been able to fast-track their optimization efforts even further. Yet, with each test result, an either-or decision is the only possibility—which means those customers in a test’s minority group must adapt to the preferences of the majority.

Like other personalization efforts, predictive AI tools can now pinpoint split testing for each customer. Rather than testing across entire contact groups or smaller cohorts, A/B testing is run at the individual level. It can also be scaled to go far beyond a series of tests to consider an unlimited number of testing scenarios. Then, illustrating incredible content adaptivity, changes can be made instantaneously.

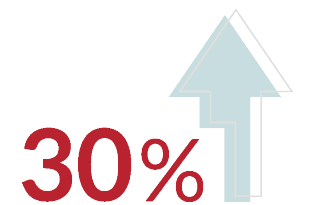


The outcomes of this kind of robust testing are impressive. Braze, a major customer relationship platform, reports a 7.5% increase in open rates from campaigns that use personalized variants over the winning options in traditional A/B test scenarios.⁶ Even better, those singular personalized campaign variants can be connected to a larger journey personalization, increasing sales in Braze and other major CRM platforms today.

For example, Pizza Hut leveraged Braze’s machine-learning capabilities for ongoing multivariate testing. These personalized marketing efforts resulted in a 30% increase in transactions.⁷ As part of this effort, the Pizza Hut team connected their machine-learning platform to customer journey and personalization tools to deliver targeted emails with hundreds of unique variants. As the multivariate testing efforts progressed, the learning automatically enriched the personalization outcomes.



7.5%
INCREASE IN OPEN RATES
from campaigns that use
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30%
INCREASE IN TRANSACTIONS
thanks to personalized
marketing efforts from
machine-learning capabilities

IF YOU CAN DREAM IT, YOU CAN DO IT.

As marketers, we know every customer interaction is an opportunity to deliver new value to the customer relationship. Properly connected data and strategically deployed AI open limitless possibilities to enhance communications for individual customers.

New capabilities stand ready to replace segmentation as a personalized approach—e.g., The Home Depot’s in-store personalized recommendations, Lands’ End’s perfectly timed individual emails, and F1’s content that flexes to rapidly changing preferences.

The primary skill that AI marketing tools lack (at present anyway) is imagination, but that’s where marketers should be leading the way. Let’s dream big to achieve and implement greater personalization experiences for customers. Begin with this four-step process to work toward infinite personalization for your brand’s marketing communications.

NOTES

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2. “In Store. Online. The Home Depot Inspires the Entire Experience.” Adobe Experience Cloud. <https://business.adobe.com/customer-success-stories/the-home-depot-case-study.html>.
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For more than 30 years, The Lacek Group has been innovating the art and algorithms of brand devotion. We help world-class brands identify their highest-potential customers, engage them across channels throughout their lifecycles, personalize each relationship for optimal long-term results, and measure the true effectiveness of those efforts.

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Todd brings over 15 years of experience in managing CRM and digital campaign strategies to help drive engagement marketing performance across the financial, healthcare, hospitality, and quick-service restaurant industries.



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