

Hyper-personalisation: Removing the Bottlenecks

DCS navigates through the issues that hyper-personalised Customer engagements present to a Business

AN OPINIONATED PERSPECTIVE
BORNE OUT OF OUR EXPERIENCE

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The Hyper-Personalisation we expect

We, as Consumers, set the bar for our complex business activities. We ultimately demand personalisation in our digital lives, and when we inflate that to personalisation for each-and-every customer, it leaves businesses with a headache.

When you think about personalised Customer Engagements, you'll most likely put yourself in the shoes of a Customer, reflecting on your own experiences with brands, whether that be organising your financial matters, retail shopping, booking holidays, or simply socialising with friends.

When you consider what makes engagements stand out for better or for worse, you probably have a mental scorecard, composed of a number of factors. For example, was it simple, was it appropriate to your objectives, was it flexible, was it fun?

Each one of us has our own objectives and our own needs, and our own viewpoint on what is right and wrong for us.

So, if we're a business with millions of customers, how can we deliver personalised experiences, ready-made, that meet all customer needs and commercial objectives, adapting in real-time to the touchpoint flexibilities? It's a hard ask.

We'll explore how personalised marketing has evolved over the years – from broader segmentation to the hyper-personalisation capabilities of modern technology - including the challenges and bottlenecks that have resulted, then see how it should be positioned in such a way to prepare businesses for the ever-increasing complexities of modern customer interactions.

"In the age of digital transformation, businesses must navigate a landscape where the pace of change is driven by the speed of our digital lives, adding unprecedented complexity to every strategic decision."

— Ginni Rometty

The March of Hyper-Personalisation

Business are getting more sophisticated in how they market to their Customers. Generic content is being replaced by tailored experiences and product bundling. This is leading to an explosion of artifacts along the business decisioning chain.

Back in the '90s, Marketers gained some control in how they conducted mass marketing. Database technology provided the means to expand from one-size-fits-all 'above-the-line' branded marketing to tailored 'below-the-line' 1:1 marketing, reaching Customers individually by email and text technology.

Personalisation techniques revolved around the ability to select sub-sets or Segments of Customers from the overall base, often using qualitative targeting rules, then hitting them with content that empathised more with their needs and spending power.


Even back then, marketers wrestled with how to 're-use' Segments, offers and treatments (the physical media sent out via the channels) to keep manual overheads down. Strategic shape would be constructed out of experience, helping to stem the build-up of one-off throw-away artifacts, but the continual tide of new dimensionality of relevance (e.g. customer needs, profiles, usage patterns, channel activity etc), especially as AI and communications matured, meant that any re-usable approach would often become obsolete.

Move on to the 2010s, and we see a rise in bundled products. Telcos, in particular, have seen the need to move Customers from single- and dual-play products such as devices and price plans, to more sophisticated bundles incorporating broadband and media, to help serve those value-add customer experiences, and consequently cement some brand loyalty or at least longevity. These have brought their own challenges in pricing, product and technology compatibility, activation and hyper-personalised content generation.

Add to that the explosion of self-serve eCommerce, and digital media. Customers are demanding richer personalised experiences, whilst, in the background, marketing and digital departments are busy re-imagining their brand, customer, data and content strategies.

Now, as we move into the mid 2020s, we bring generative (gen) AI into the mix. GenAI introduces black box creativity with efficiencies that have never been seen before, and that must be considered somewhere in the hyper-personalised content domain for fear of losing out against the competition.

The upshot of this is that an already-challenging domain continues to escalate in complexity, and the dimensional problem of 'personalisation' is not just a marketing problem, but has extended to the likes of content creation, user experience design, product cataloguing, activation and usage.



"Every added dimension increases the complexity exponentially."

— Michio Kaku

Kicking the can down the road?

If marketers simply threw away old segment and treatment definitions back in the '90s, are we simply kicking the 'personalisation explosion' can down the road to content management, product activation and beyond?

Marketers are becoming more customer-centric in how they approach the problem of matching product and service value-adds to true customer needs, maximising that perceived usage value.

Given the complexities of humans compared with the products and services that complement their very well-being, marketers are wrestling with far more dimensions of personalisation in order to hit that customer-centric sweet spot.

Although this has meant that marketers are getting a better grasp of how data reflects the needs and profiling of our customers, it's been more difficult to map that to underlying products and services. Broker companies that match customers and products may have the luxury of combining insight from both camps, but most businesses are generally constrained by their own product and service suite, even with bundling and partnerships to help bolster choice.

Back in the '90s, simplicity of product-centric 1:1 marketing meant that downstream consideration and purchase stages were fairly deterministic, with clean mappings to product consideration and purchase. These days, there needs to be a more sophisticated handshake of what personalisation means between the marketing domain, the persuasive downstream channel domains (e.g. digital self-serve and agent-assisted), and the product point-of-sale/activation systems. This is to maintain the integrity of meaning, else have it lost in translation, effectively becoming a marketing-personalisation-solution-turned-downstream headache.

Let's also step back a bit too, because we know that it's not just about marketing and channels working together to make personalisation happen.

Personalisation is part of the wider mechanisms of automated decisioning. As per any intelligence system, there must be insightful decisioning making, a feedback loop to understand the effectiveness of that decisioning, and some ability to deal with the unknown.

There is a decisioning chain, or loop in fact, that involves some key business areas:

- Data Management (providing the rich seams to mine/understand)
- Data Science (to do the insightful maths)
- Customer Services (to listen effectively and act on behalf of customers)
- Marketing (to help accelerate desired outcomes through persuasive interactions)
- Channels to help render user experiences and promote self-service
- Back-end product management systems to create and manage products & services

Each discipline needs to have a grasp of personalisation such that their data outflow is a combination of previous outflow plus a value-add.

"What looks like a marketing breakthrough often masks a logistical challenge—innovation for one is disruption for another."

— Clayton Christensen

A Chain of Personalisation Transparency

We should strive for transparent personalisation standards that embrace re-use whilst promoting local skill and creativity

There's transparency and there's black box. Transparency is all about clarity and collaborative understanding, stemming from the intelligence of simplifying uncertainty. Black box is more about less understood activities that hopefully add value.

It's a given that a business's effectiveness is a combination of the effectiveness of each of its key departments, with their own key objectives, ideally resulting in an aggregate that is more than the individual parts. Consequently, as per good design principles, we expect a strong cohesion of skills and outcomes within a given department, and loose coupling with others. Agile methodologies are helping departments work effectively together, putting these separate skills into collective use, especially around the cohesion of customer-related experiences, and enabling smaller and more cohesive internal decisions.

When we consider how personalisation runs throughout the business, we need to appreciate how we make intra- and inter-department conversations consistent and complete. Although our businesses rely on automation of processes and decisioning on a day-to-day basis, we also need to articulate problems, hypotheses, design options and solutions efficiently offline for humans to align their activities.

With Customer-centric solutions, we can play the end-user, and so we have the tools to articulate, transparently, what success looks like to us. We strive to optimise the economic KPIs that drive business success, but it's the transparent articulation of how personalisation benefits customer success that is a key process in achieving those business outcomes.

Coming back to transparency and simplicity, by articulating some re-usable framework around Customer experiences and needs concerning their relationships with products and services, the business will have a consistent, collaborate thread running through disparate business departments.

A great starting place is within Customer Services, at the heart of Customer needs and concerns, and even occasionally praise (given the well-documented statistical tendency towards negativity bias). Expand this outwards to encompass inferred customer behaviour through Data Science, helping understand and drive Customer-based outcomes, and then determining predictors for it to help fine tune data value-adds and data movement.

Expand further into Marketing to help with models for optimising messaging (offers, providing awareness, sharing knowledge etc), and real-time triggers where predictor data would otherwise decay in value.

Ensure that inbound channels listen in a consistent way, as per the dynamic hot topics of the Customer Services channels, whether directly or indirectly. Trained chatbots can base their decisioning trees around the Customer feedback that can help act as predictors for favoured Marketing and Customer Service next-best-actions and related outcomes.

Each expansion should harness the strategic data that resides underneath, understanding the chain of customer commonality across the data spheres, yet still nurturing local specialisms.

Closing the loop through success measurement, using skilled test/control mechanisms, ensures that failures and successes can be understood against the dimensionality of customer needs and behaviours, allowing for alternative/better actions, rather than suffering the constraints of uncertainty when black boxes fail.

Decisioning and DCS

By creating a line-of-sight from clearer business objectives, incorporating increasing Customer self-serve needs and experiences, down to the raw data expectations, investments will be more streamlined and built for change.

At DCS, we put shape to personalisation. This allows for optimisation against defined success criteria, and in an automated fashion, to cater for the millions of interactions (reactive and proactive) occurring each day.

We help our Clients put Customers at the heart of their decisions, quantifying explicit and inferred needs and behaviours, and balancing these forces with the constraints and goals of core product, service offerings and experiences.

We also consider macro and micro effects, that is, the trends across all the Customer base to establish distributions and realistic targets, as well as taking into account the live pertinent information for each-and-every customer.

As already discussed, the automated decisioning “brain” can be a victim of its own success – spawning ‘hyper-personalised’ content leading to an enormous downstream headache of artifacts, compatibilities and the like.

DCS are able to balance the strategic goals of decisioning at scale, with these real-world challenges of personalised product and service channel interactions.

We have worked with world-leading Clients, including telcos and banks, and appreciate the intricacies of combining customer service objectives with marketing objectives, delivering relevant sales-off-service, covering standard cross-sell, up-sell and deep-sell, and catering for the delicate two-way negotiations of service/product renewals - both self-serve and agent-led.

We build personalised pricing solutions to help control budget and/or to reflect more personalised product package offerings, especially when dynamically calculated in line with live customer needs.

It’s this expertise that allows us to help you make the right decisions for your business, so that your end-to-end systems optimise the value for you and your Customers.

DCS will provide your business and technical teams with the right tools to converse collaboratively, with taxonomies that can be mapped into automated decisioning systems making the hyper-personalisation goals clearer, simpler, and more achievable.

Often there is an obsession to focus on optimising 1:1 communications, neglecting the more holistic mechanisms to deliver the above-the-line branded campaigns. DCS help blend these into 360-degree comms programmes.

DCS are experts with data, utilising data science and data maturity management to streamline confidence and expected value through the entire decisioning process. We design feedback dashboards to measure success, right down to the drivers of each personalised, tailored engagement.

Personalising modern 1:1 communications is a complex business. If you're looking for support or guidance, DCS are here to help.

For more information on this article, please contact Stephen on smontgomery@wearedcs.com , or simply visit us at www.wearedcs.com

"Nothing is more difficult, and therefore more precious, than being able to decide"

— Napoleon Bonaparte