A Guide to
Personalization for Digital Agencies

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According to a [2021 McKinsey and Company](#) survey, personalized marketing leads to better customer outcomes. Fast-growing companies derive 40 percent more of their revenue from personalization than their slower-growing counterparts.

So what is personalized marketing? Personalized marketing is the process of using customer data to deliver individually targeted brand messages. Consumers have now come to expect personalized marketing experiences in exchange for the personal information they share on the web and with companies.

Because there is exponentially more data available for companies to personalize their marketing with, it's a lot more complicated than putting 'Hi [first name]' in email greetings. Effectively planned and executed personalization can help increase engagement and improve satisfaction by delivering contextually relevant and personalized [customer experiences](#) in real time.

Personalized marketing is about thoughtfully tailoring your customer's experience with your brand through the entire lifecycle of their interaction with your company. It's important to use every piece of data possible to get insights about your customers, to show that you truly know them and what they need from your brand. Each customer should have a detailed customer profile, a designated place in your system where their entire history with your brand lives. And that information allows you to target them at the right times and maximize the value of your marketing efforts.

How Do I Utilize Marketing Personalization Effectively?

Every customer is different and every business is different. But there are some basic tenets for effective marketing personalization that almost every company can take advantage of.

1. **Know the customer's needs.** Consistently ask yourself what the customer wants; ask them directly via surveys and questionnaires.

2. **Remember what they've done across channels and devices.** Siloed communication drives customers nuts (rightly so!). You need to know that a customer chatted with customer service on your website, got an email, and then phoned your company and how all of those communications relate to each other.

3. **Anticipate the customer's future needs**. Use what you know about the customer's buying and browsing behavior to predict what they will need next. An upgrade? An add-on?

4. **Dig into your data.** Thoroughly examine the full customer lifecycle and leverage customer segments/microsegments, behavioral, transactional, and engagement trends.

5. **Only enter clean data into your systems.** If you are entering data into a CDP (customer data platform) the info you get out is only as good as what you put in. So before it's even processed, your data needs to be flawless. This goes for your CRM, too!

6. **Invest in Activation and Analytics tools.** Technology that allows you to respond to customers' needs in real-time is essential for any successful marketing personalization strategy.

7. **Invest wisely in quality Marketing tech.** A good CDP is an invaluable tool you can integrate into your marketing personalization strategy.

8. **Make sure the left hand knows what the right hand is doing.** Operate agilely across teams and channels in your company to drive collaboration and eliminate data silos.

It's okay to start with baby steps when it comes to marketing personalization. You have to crawl before you can walk.

Start with little wins, like email personalization, to give your customers a more inviting experience of your brand. Then, you can tie actions customers take in person into digital messaging. For example, when someone buys an item via your online store, or even places something in their cart but doesn't purchase it, you could follow that action up with an SMS or email welcoming them to your company's e-commerce platform. Eventually, you'll develop omnichannel capabilities, integrating each customer's experience with your brand across platforms so that each interaction enriches their buying journey.

# Why Digital Marketing Personalization Matters

Both your company and your customers get a variety of benefits from personalized marketing.

Your customers get relevant content. No one likes being sold items or services that don't apply to them. What's more, when they put items in their cart but abandon them (a phenomenon appropriately named cart abandonment), personalized marketing will retarget customers and remind them of things they may have meant to purchase but didn't follow through with. And data has shown that remarketing makes customers more likely to buy your products. A 2022 study showed that web traffic can increase by 700% with retargeting.

Customers also receive valuable suggestions. This relates to the point about relevant content above. A customer receives a suggestion to buy something they actually want or need, and even if they don't buy that particular product, they may take notice of it and make the association that your company knows what they like.

Personalized marketing is also time sensitive, so customers get information when they need it. According to a study on lead response time, the chance of converting a lead is 100 times greater if you contact them within five minutes. When you meet them where they are with relevant information, they're going to be more responsive.

When marketing personalization is successful, you will be able to predict the next steps a customer will take with your brand. You'll build a deeper relationship with your customers, bring them further into your brand experience, and, consequently, drive sales.
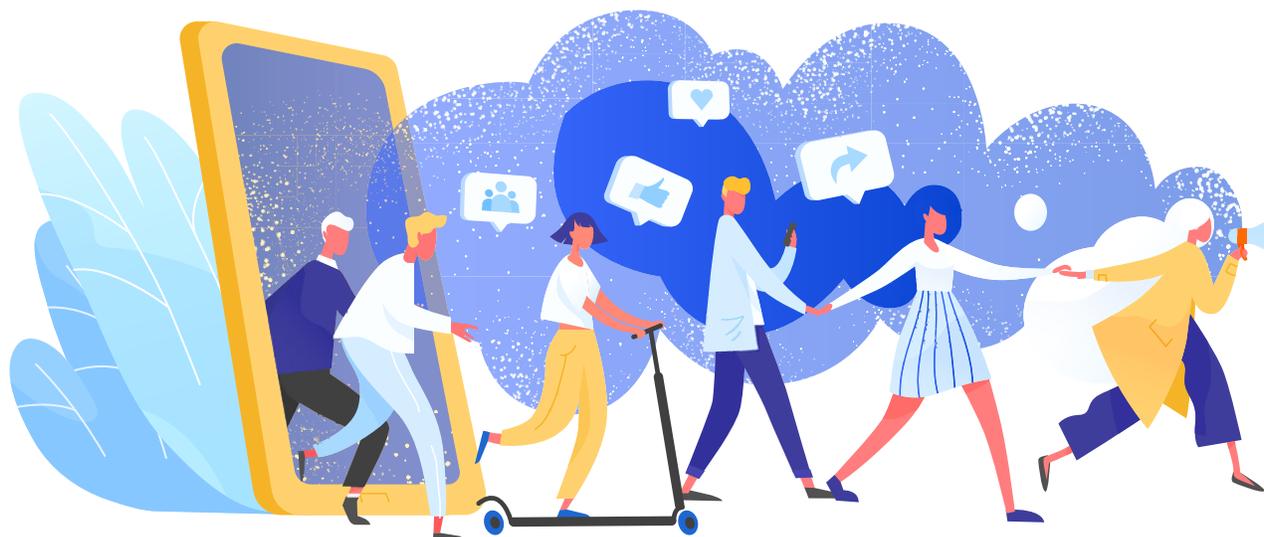
Marketing Personalization Tools and Technology

It's important to understand all the touchpoints of your customer's journey with your brand, from prospect to customer. To do that, you need to understand all of the tools and analytics that go into mapping that journey, what information they gather and how, and how all of the tools relate to one another.

Here are some examples of the kinds of tools you may need for successful marketing personalization implementation:

- Analytics platform
- Data management platform
- Customer relationship management software
- Post-click landing page platform
- Email marketing platform
- Tag management platform
- Demand-side platform

One of the most important tools for success when it comes to marketing personalization is an engaged team that knows what tools are available and how best to use them. And this goes for every department, from marketing to IT. A knowledgeable and experienced team is ultimately the key to success.

Consult with a Marketing Tech Expert

[Consult with an Engine Room Marketing Tech Expert](#) today to get your company started with personalized marketing.

About Engine Room

WE DESIGN, BUILD, AND SECURE DIGITAL MARKETING SOLUTIONS

At our core, we're seasoned technologists with decades of experience building complex solutions of the highest quality. We code, we test, and we tweak until everything is airtight. This leads us to security, the other half of our bread and butter. We take it seriously and build it into everything we do. It's never an afterthought, and it's always rock solid. We could talk all day about what we do. But we'd rather show you.