Deloitte. Digital

The Path to Personalization
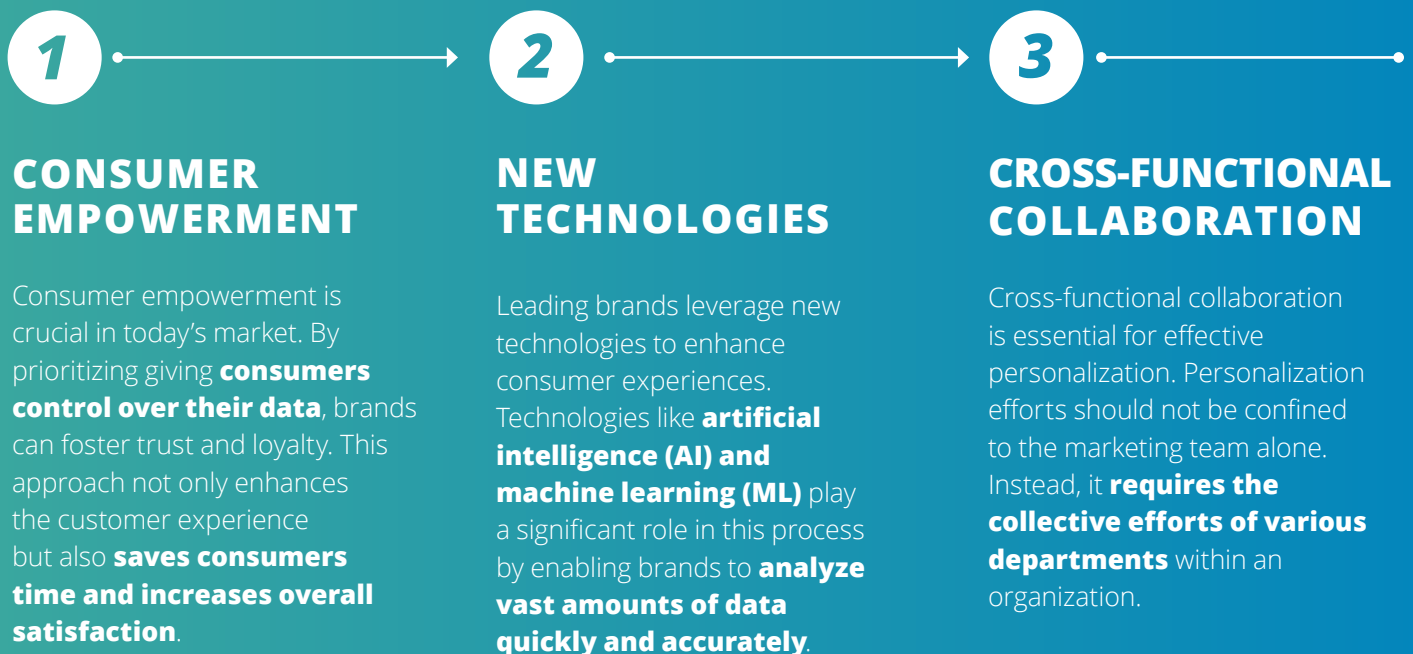
STRATEGIES FOR MARKETERS

∞ Meta

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INTRODUCTION

People are increasingly drawn to brands that make them feel understood. Personalization – the practice of tailoring products, services and experiences to meet individual preferences – is one of the most effective ways to do this. For brands, those that excel in personalization within their industry or market often experience more frequent engagement and enhanced loyalty over time. For customers, personalization enriches the overall experience by providing relevant and meaningful interactions that anticipate their needs and wants. In addition, as the importance of marketing personalization grows, the enabling technologies that go along with it continue to evolve as well. Keeping pace with expectations will be crucial as brands, customers and technology continue to transform together.

This whitepaper will cover:

1 CONSUMER EMPOWERMENT

Consumer empowerment is crucial in today's market. By prioritizing giving **consumers control over their data**, brands can foster trust and loyalty. This approach not only enhances the customer experience but also **saves consumers time and increases overall satisfaction**.

2 NEW TECHNOLOGIES

Leading brands leverage new technologies to enhance consumer experiences. Technologies like **artificial intelligence (AI) and machine learning (ML)** play a significant role in this process by enabling brands to **analyze vast amounts of data quickly and accurately**.

3 CROSS-FUNCTIONAL COLLABORATION

Cross-functional collaboration is essential for effective personalization. Personalization efforts should not be confined to the marketing team alone. Instead, it **requires the collective efforts of various departments** within an organization.

CONSUMER TRUST IN PERSONALIZATION

Personalization Today

In today's digital landscape, personalization is a pivotal strategy for brands aiming to gain a competitive advantage, improve loyalty and drive better business outcomes. Brands can use personalization to create more meaningful interactions with their customers by matching products, services and experiences to individual preferences, needs and behaviors. When consumers encounter marketing efforts that feel familiar and relevant, they're more likely to take notice, driving not only feelings of value, recognition and exclusivity that foster loyalty but also boosting conversion rates and overall customer satisfaction. According to a 2024 study by Deloitte, 80% of US consumers are more likely to make a purchase when brands offer personalized experiences.[1]

Personalization touches many parts of an organization, bringing a fresh approach to how we connect with our customers. In marketing, crafting personalized content and offers can significantly increase engagement, conversion rates and sales by speaking directly to each consumer's unique interests and needs.

80%

of US consumers are more likely to make a purchase when brands offer personalized experiences.[1]

Imagine targeted social campaigns that suggest products based on what someone has purchased before—these can lead to higher click-through rates and more sales. Customer support teams can use personalization to provide tailored solutions by accessing a customer's history, with their permission, reducing resolution times and increasing satisfaction.

UX teams can create digital experiences, like personalized websites or tailored app interfaces, that make users feel valued and understood. For example, a website that remembers a user's preferences and interaction history can offer a more seamless and engaging experience, encouraging users to spend more time and engage more deeply with the brand. Even product innovation teams can leverage personalization insights to develop new offerings that better meet the evolving desires of the market. For instance, analyzing customer data can reveal trends and preferences that inform the creation of new features or products.

Why Now?

The industry is currently at an acceleration point, and brands are investing unprecedented budgets toward AI technologies. This surge in investment is driven by the recognition that artificial intelligence, machine learning and data analytics can significantly enhance personalization for brands. The compound annual growth rate of the AI market is projected to increase 42.2% from 2020 to 2027, reaching $733.7 billion by 2027.[2] By leveraging these advanced technologies, brands can create more engagement with fewer resources at faster speeds, ultimately driving better outcomes and fostering loyalty. Consumers are increasingly experiencing the benefits of personalization, such as seeing more relevant product recommendations, and spend 50% more with brands that offer personalized experiences compared to those that do not.[1] Additionally, a study found that 66% of consumers expect companies to understand their needs and expectations,[3] and 59% say tailored engagement based on past interactions is very important to winning their business.[4] These trends in consumer behavior underscore the urgency for brands to adopt AI-enabled personalization strategies. While on the journey for greater personalization, businesses must also continue to comply with laws, regulations and industry guidelines.

Increased Awareness of Personalization Benefits

Today's consumers have high expectations because they are more informed about the advantages of personalization across a range of touchpoints. For example, 78% of consumers want personalization that saves them money,[1] and 73% of EU consumers responded positively to seeing an ad with useful information for a product/service they intended on buying.[5] They want to be rewarded for the time, money and loyalty they invest in a brand, and many brands excel at rewarding this behavior with better marketing and more tailored experiences and useful services.

However, there is a gap between consumer expectations and what brands deliver. Many brands fall short in providing the level of personalization necessary to meet demands and improve customer experiences – including convenience, customer service responsiveness, as well as privacy and transparency.

When brands deliver on these expectations, they are significantly rewarded with stronger brand loyalty, increased purchase values and higher engagement frequencies. Marketers offering greater personalization see a 16-percentage-point increase in conversion rates, compared to those with low personalization efforts.[1] Additionally, Customer Lifetime Value (CLV) can increase by 20 percentage points.[1] Therefore, brands must gather relevant information, such as preferred channels and communication frequency, to deliver personalized experiences effectively. By addressing consumer concerns and providing tailored interactions, brands can build trust and loyalty, leading to positive brand sentiment and increased data sharing, ultimately creating a virtuous cycle of value exchange and customer satisfaction.

Brands Need Customer Information to Deliver on These Types of Use Cases

To effectively deliver on personalization use cases, brands require relevant information about their customers. This may include demographic data, behavioral insights, purchase history and real-time interaction data. Relevant, engaging consumer experiences are fueled by better information brands have about their customers. This involves not only gathering first-party data but also leveraging consumer preference data. By integrating advanced analytics and AI-enabled insights, brands can find opportunities in the white space. This is only an opportunity when data is available.

In the example below, we show how more information about shoppers provide greater benefits for consumers, helping save time, money and missing ingredients, through personalization. However, the challenge lies in collecting, managing and analyzing this data in a way that respects privacy and complies with regulations, while still enabling the deep insights needed for effective personalization. Brands that successfully navigate this balance can significantly enhance customer satisfaction and build stronger, more enduring relationships. Ultimately, this cycle of trust and personalization drives long-term customer loyalty and business growth.

Information & Grocery Store Personalization

HIGH

Shoppers buying taco shells and black beans, who haven't purchased salsa in the last 45 days, **receive a timely reminder** about their last purchased salsa and loyalty status specialized deal for salsa to complete their meal.

MEDIUM

Shoppers missing their weekly favorite buys from their cart receive **a checkout popup** suggesting these missing items.

LOW

Every shopper gets the **weekly local deals in their inbox.**

LEADING BRANDS EMBRACE TECHNOLOGY TO DELIVER PERSONALIZATION

Leading brands are harnessing the impact of cutting-edge technologies to deliver unparalleled levels of personalization to their customers. By leveraging advancements in artificial intelligence, machine learning and big data analytics, these forward-thinking companies can create highly tailored experiences that resonate with individual preferences and behaviors. Embracing a culture of innovation, these brands are not afraid to take risks and understand that failure is often a stepping stone to success. The next section will explore how brands are innovating to meet the growing demand for personalized interactions and the transformative impact they're having on their business and customers.

Building Trust with Consumers

To build long-term trust and strengthen data fidelity, marketers should focus on providing consumers with transparency into how their data is used and shared, with clear communications around data permissions and preferences. Trust fosters a positive relationship and encourages further engagement, enabling brands to leverage customer insights effectively while maintaining transparency and respecting privacy, ultimately enhancing the personalization experience.

Steps to Build Trust

Increase Transparency

Clearly communicate your data collection practices, including who will have access and usage for enhanced experiences. This can be achieved through straightforward privacy policies, avoiding legal jargon by using easy-to-understand user permissions, and regular updates on data usage.

Create User-friendly Settings

Do not bury your data intentions and controls on your website. Users should be able to readily access information about relevant data choices, just as they can for profile information, purchase history or payments.

Provide Regular Communication and Updates

Brands are keeping consumers informed about any changes to their data practices through regular updates and communications. Also, educating consumers about data privacy and the steps the brand takes to protect their information helps build trust.

Measuring Tech Maturity

Leading brands are increasingly turning to AI, ML and advanced analytics to deliver enhanced personalized experiences. These technologies make it possible for vast volumes of data to be analyzed at unprecedented speeds, enabling brands to tailor their offerings to individual customer preferences with greater precision.

The advancement of AI and ML tools allows brands to easily analyze and act upon billions of data points, identifying patterns, trends, anomalies and correlations far more quickly and accurately than ever before. This capability not only drives innovation but also ensures that brands can meet the growing demand for greater personalization and shift strategies with changing trends.

However, not all brands are at the point where AI and ML can be utilized for personalization efforts. Personalization maturity levels vary across industry, organization and geolocation. While there is no simple way to identify your brand's maturity, the following framework can enable your brand to systematically evaluate and plan your personalization capabilities. It's very common for brands to find their capabilities high in one category but low in another. These gaps can provide a clear roadmap for future investments in personalization, technology and practices, ensuring all efforts are aligning to business goals and customer expectations.

Data is the foundation of all personalization efforts and necessary for any technology implementation.

1PD

First-party data

Information collected directly from customers by a company through their own channels, such as website interactions, purchase history and customer feedback.

3PD

Third-party data

Information collected by external organizations, which is shared with other companies for broader audience insights and advertising targeting.

PERSONALIZATION MATURITY

	LOW	MEDIUM	HIGH	CHAMPIONS
OWNERSHIP	Marketing	Siloed across Marketing, IT and Sales	Partnership across Marketing, IT, Sales and Customer Service	Executive buy-in and cross-functional across all departments
DATA	Siloed 1PD	Single Customer View	1PD Enriched with 3PD	Unified, 360° Profiles
PERSONALIZATION RATIO	Most touchpoints are generic	Limited tailoring across touchpoints	Some touchpoints are uniquely tailored	Most touchpoints are uniquely tailored
TECHNOLOGY	• Analytics	• Analytics • Data Governance • DMP or CDP	• Analytics • Data Governance • Identity Resolution • CDP • Consent Management • Privacy Management • CMS	• Analytics • Data Governance • Identity resolution • CDP • Clean Rooms • Consent Management • Privacy Management • CMS
AI & MACHINE LEARNING	• Chatbots • Content Curation • Simple Analytics & Optimizations	• Advance Analytics & Optimizations • Propensity Modeling • Churn Prediction • Predictive Modeling • Recommendation Engines	• Next Best Action • Natural Language Processing for Sentiment • Virtual Assistants & Agents • Predictive Modeling	• Personalized Shopping Experiences • Real Time Personalization • Content Generation
AUDIENCE SEGMENTATION	• Demographic • Lifestyle • Contextual	• Demographic • Lifestyle • Contextual	• Demographic • Lifestyle • Contextual	• Demographic • Lifestyle • Contextual
DECISIONING	Rules-based	Trigger-based	Journey-based	Predictive
CHANNELS	Single Channel	Owned and Paid	Multichannel	Omnichannel
CONTENT CREATION	Manual	Dynamic content	Content at scale	Generative AI
CUSTOMER BENEFITS	• Basic customer segmentation	• Improved customer engagement	• More relevant content and offers	• Holistic, omnichannel personalization • Predictive and proactive experience
BRAND BENEFITS	• Initial data collection and analysis	• Enhanced targeting and segmentation • Increased conversion rates	• Significant uplift in customer satisfaction and loyalty • Higher customer retention rates	• Industry-leading customer experience • Competitive advantage and market leadership

# Strategic Integration of AI and Generative AI: Key Considerations for Successful Implementation

When considering the integration of AI and Generative AI (GenAI) into an organization, several key factors need to be discussed to ensure a successful implementation.

First and foremost, strategic alignment is crucial. Organizations must ensure that AI initiatives align with their strategic goals and objectives by defining clear objectives for AI implementation. This involves identifying specific business problems or opportunities that AI will address, such as improving operational efficiency, enhancing customer experiences or driving innovation. Additionally, establishing key performance indicators (KPIs) and metrics to measure the success and impact of AI initiatives is essential for tracking progress and ensuring that AI efforts deliver tangible value.

Data management is another critical consideration. Organizations need to evolve their data strategy to include how data will be collected, managed and utilized for AI purposes. Ensuring data privacy and security, including compliance with relevant regulations such as GDPR and CCPA, is also paramount. Assessing the quality and availability of data required for AI models is vital, and measures to improve data quality may be necessary. Furthermore, selecting the appropriate technology stack, deciding on the deployment environment (e.g., cloud, on-premises or hybrid) and planning for the integration of AI systems with existing IT infrastructure and business processes are key steps in building a robust technology infrastructure. By addressing these factors, organizations can better prepare for the integration of AI and GenAI, ensuring that these technologies deliver meaningful value and align with their overall strategic vision.

Identifying Which Type of Personalization Is Better for Your Brand

There are various approaches to personalization for customers, including **customer-based, cohort-based and aggregated data personalization.** Some brands will experiment with just one approach, while others might try out all three.

TRUST AND COMPLIANCE

Customer-based

Cohort-based

Aggregated data
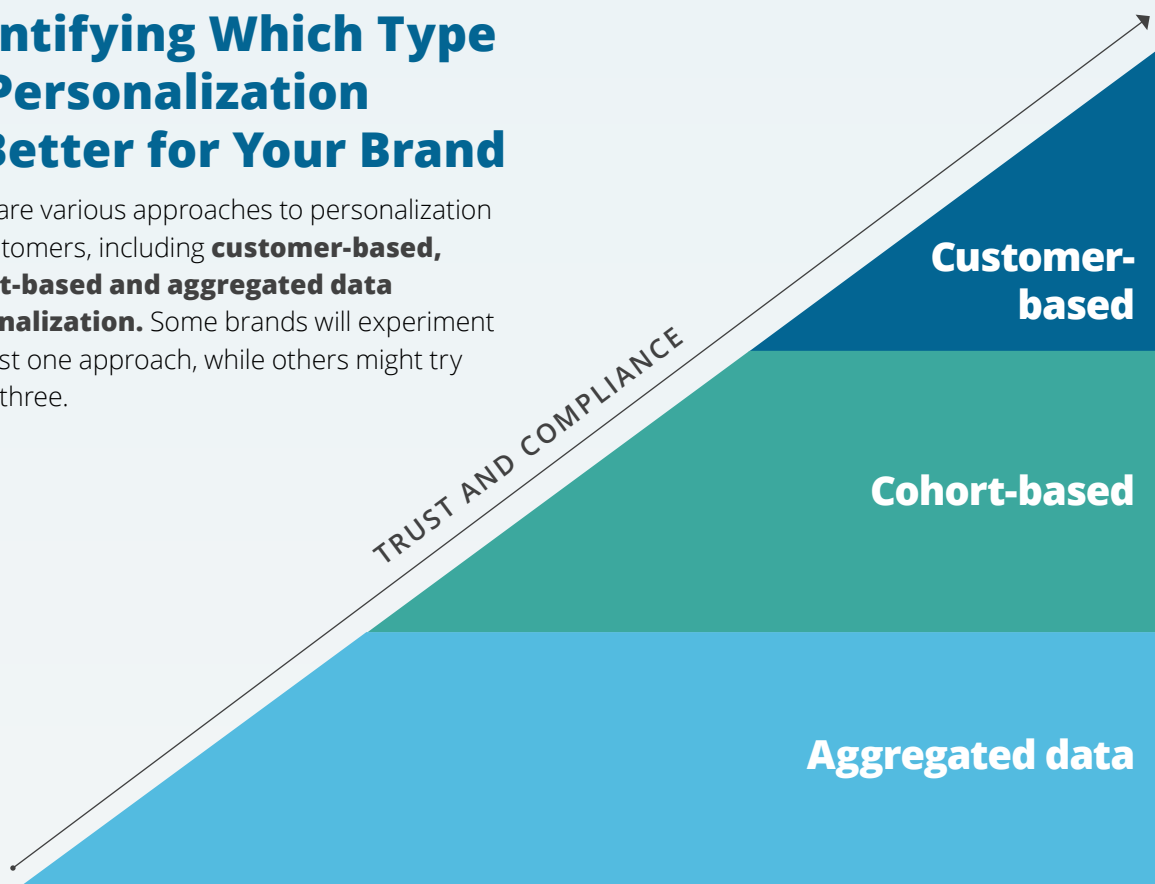
Customer-based Personalization

focuses on delivering highly specific and relevant recommendations by tailoring experiences and content to users based on their unique data and interactions. The foundation of this approach is built on transparency, data security and privacy. By ensuring users have clear insight into how their data is used and protected, brands can foster trust while creating personalized journeys that resonate with users' preferences and behaviors.

Cohort-based Personalization

groups customers into segments or cohorts based on shared interests or behaviors, such as being health and wellness enthusiasts or being in the market to buy a car, allowing brands to craft targeted messaging and offers that appeal to each distinct group. This approach helps in addressing the needs and interests of different customer segments effectively.

Aggregated Data Personalization

leverages insights from large datasets to identify broader trends and patterns, informing strategies that enhance the overall customer experience. By understanding these trends, brands can make data-driven decisions that improve engagement and satisfaction across their entire customer base. Together, these personalization strategies enable brands to create more meaningful and impactful interactions with their customers.

Customer-based
Engaging with consumers based on their unique needs and preferences.

Customer-based personalization is about creating a unique experience for each consumer. This approach leverages data and insights gathered from various touchpoints and interactions to create these highly customized and relevant experiences.

CLIENT STORIES:

🌲 Global Outdoor Brand

An outdoor brand aimed to leverage their first-party data to better understand customer behavior and increase purchase frequency. By taking advantage of extensive online shopping data, they built a robust data foundation and developed scalable machine learning models to predict repeat purchases. These models distilled customer behaviors into actionable insights, enabling the brand to run data-driven experiments to scale personalization efforts for improved customer engagement and decision-making. The pilot surfaced actions that resulted in a 30% decrease in cost per acquisition and a 19% increase in repeat sales.

💧 Multi-national Beauty Retailer

This retailer offers personalized beauty and skincare experiences both online and in-store. They provide tailored product recommendations based on customers' purchase history, browsing behavior and beauty preferences. Customers can create beauty profiles that include their skin type, concerns and preferences. The brand uses this information to suggest customized products, skincare routines and beauty tips. In-store digital tools further enhance the shopping experience by recommending products that match the customer's product ingredient preferences and skincare needs. Additionally, the retailer's targeted marketing campaigns send personalized emails and notifications with product recommendations, exclusive offers and beauty tips. This ensures a highly personalized and satisfying shopping experience, fostering customer loyalty.

🖥 Global Streaming Service

A popular streamer has revolutionized the entertainment industry by offering a vast library of content tailored to individual user preferences. Central to their success is the sophisticated use of consumer data to enhance personalization, driving user engagement, satisfaction and retention. By using aggregated consumer viewership data to determine recommendations, this service tailors content recommendations for individual users based on their viewing history and preferences. Dynamic thumbnails for each title select imagery most likely to attract the specific user, and they also send targeted communications to users, highlighting new releases and recommendations based on their interests.

Cohort-based
Indirect ways of improving consumer experiences via personalization

By pooling data from multiple sources, brands can identify patterns and correlations, allowing them to tailor products and services, enhance customer experiences and anticipate market demands for a variety of different customer segments. This also supports advanced analytics and machine learning models, helping predict future behaviors and optimize efficiencies, resulting in more personalized and competitive market offerings.

CLIENT STORIES:

🔨 Large Hardware Brand

This brand demonstrated how companies can use consumer data to optimize store layouts and enhance customer experiences. By utilizing tools like beacons and heat maps to track customer movement, then implementing test layouts in various markets while overlaying purchase data, the brand gathered valuable insights into traffic patterns and shopping behaviors. This data-driven approach led to several strategic changes, like relocating cleaning products to the first aisle for easier access.

Large CPG Brand

This CPG brand leverages consumer data and advanced analytics to optimize its supply chain. By analyzing sales data, demand patterns and inventory levels, the brand accurately forecasts demand, reduces inventory costs, minimizes stockouts and ensures timely product delivery. Predictive analytics and real-time data monitoring enable efficient and agile supply chain management, enhancing operational efficiency and customer satisfaction by ensuring product availability.

A Travel Brand

The company collects data from various sources, including user search patterns, booking histories, reviews and interactions on their platform. To optimize their pricing strategies, advanced analytics and machine learning models help them predict demand trends and adjust pricing dynamically to maximize occupancy rates and revenue. To improve host and guest matching, data insights enable the travel brand to better match hosts with potential guests, ensuring a higher likelihood of positive experiences and reviews.

Aggregated data

Pooled data can drive larger insights for consumer benefits.

Aggregated data is a collection of vast numbers of data points combined and summarized to provide a broader view of trends and patterns. Data may be anonymized, meaning any personally identifiable information is removed or obscured to protect individual privacy. This approach helps in understanding overall behaviors, trends and preferences.

DATA SOURCE EXAMPLES:

Healthcare Research

Analyzing anonymized health data with AI could significantly advance research efforts in healthcare, uncovering patterns and insights. For example, AI algorithms could process vast amounts of anonymized

patient records to identify correlations between lifestyle factors, genetics and onset of chronic diseases. These correlations could lead to the development of prevention programs, treatments and management therapies or even cures. Additionally, AI could help with medical trial analysis by offering methodology or dosage changes, predicting side effects and minimizing complications.

Financial Services

Anonymized financial data can be a powerful tool for banks, credit unions and mortgage companies aiming to identify and address inequalities in financing. By leveraging AI and advanced analytics, these organizations can analyze anonymized loan applications, approval rates, interest rates and repayment histories across different demographic groups. This analysis can reveal patterns of disparity, such as higher denial rates or less favorable loan terms for certain ethnicities, genders or income levels. By uncovering these hidden biases, financial institutions can develop more equitable lending practices, create targeted financial education programs and implement policies that promote fair access to credit, ultimately fostering a more inclusive financial system.

THE IMPERATIVE OF CROSS-FUNCTIONAL COLLABORATION IN PERSONALIZATION AND DATA STRATEGY

Personalization in marketing is a multifaceted endeavor that extends beyond the boundaries of the marketing department. While marketing teams often spearhead personalization initiatives, the responsibility for successful implementation and execution lies across multiple groups within the organization. To achieve the desired outcomes, the entire organization must engage in a collaborative effort, working cross-functionally to shape the structure and processes necessary to remain compliant, secure and aligned with customer expectations. This holistic approach ensures that all departments contribute their unique insights and expertise, creating a cohesive strategy that leverages the strengths of the entire company.

> A cross-functional collaborative environment better helps the organization improve their business maturity and gain a competitive advantage.

The need for a cross-functional approach to personalization is underscored by the limitations of traditional data management practices. Historically, data management has been siloed within specific departments, resulting in fragmented data governance and inconsistent practices. This compartmentalization hinders the ability to gain a comprehensive view of data, leading to inefficiencies and potential compliance risks. When an organization fails to achieve cross-functional collaboration, they risk enabling data silos to persist, delivering inconsistent customer experiences that create friction in the customer journey and impede loyalty and fostering inefficient operations that limit the ability of organizations to evolve to harness advanced technologies like AI solutions. A cross-functional, collaborative environment better helps the organization improve their business maturity and gain a competitive advantage. By breaking down these silos, organizations can foster a more integrated and effective data governance framework, ensuring that data is managed consistently and comprehensively across departments.

A cross-functional approach addresses these challenges by promoting collaboration and integrating various perspectives into data governance processes. This collaborative model ensures that data governance is not only more robust but also more adaptable to the evolving needs of the organization and its customers. By involving stakeholders from multiple departments, companies can leverage a broader range of expertise and insights, leading to more innovative and effective personalization strategies. Ultimately, this approach enhances the organization's ability to deliver personalized experiences that meet customer expectations while maintaining compliance and security standards.

# Cross-Functional Practices from Leading Brands

Leading brands that have successfully implemented cross-functional practices in personalization and data strategy have done so by defining clear objectives and securing executive support. By establishing a cross-functional team or steering committee from the start, these organizations ensure that roles and responsibilities are clearly delineated, fostering accountability and ownership across departments. Open communication is paramount, as is leveraging technology to facilitate seamless collaboration and data sharing among team members. Regular monitoring of progress and encouraging a collaborative culture are also critical components, as they ensure that the team remains aligned with the organization's goals and can quickly adapt to any challenges or changes in the business environment. This holistic approach not only drives the success of personalization initiatives but also strengthens the overall data governance framework, ensuring that the organization remains compliant, secure and customer centric.

Define clear objectives and gain executive support	▶	Create a cross-functional team (steering committee) and establish roles	▶	Foster open communication and leverage technology	▶	Monitor progress and encourage a collaborative culture
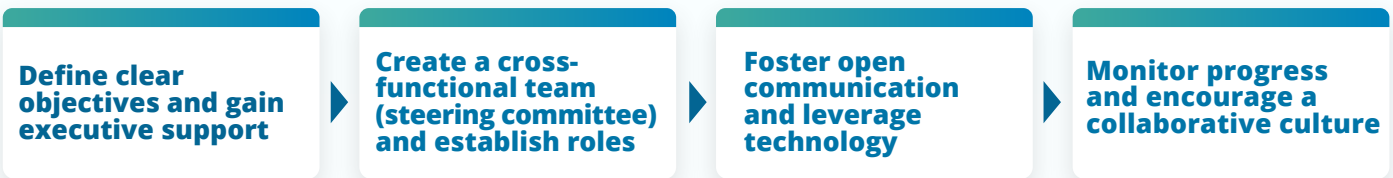
ORGANIZATIONAL ROLES AND RESPONSIBILITIES CHART

TEAM	RESPONSIBILITIES
EXECUTIVE SPONSORS	• Ensure alignment with company vision and goals • Provide executive support • Secure necessary resources
OPERATIONS	• Ensure the operational execution of personalization strategies, focusing on operational efficiency, and aligning internal processes to deliver personalized experiences effectively
MARKETING	• Oversee, develop and lead personalization strategy • Allocate budget and resources • Ensure alignment with marketing goals • Own all brand expression and creative assets used within personalization
DATA, TECHNOLOGY & ANALYTICS	• Implement and maintain personalization technology • Ensure data security and infrastructure • Support technical integration • Oversee data governance and strategy • Ensure data quality and compliance • Leverage data for personalization insights
SALES & PRODUCT	• Champion customer-centric culture • Oversee customer experience initiatives • Ensure customer feedback informs personalization efforts • Incorporate insights into product design
RISK, COMPLIANCE & SECURITY	• Oversee and mitigate internal and external risks • Ensure privacy, security and ethical considerations are addressed

The executive-level individuals each play a role in shifting an organization to focus on personalization. This top-down approach supports the commitment to personalization becoming ingrained in the organization's culture and operational practices.
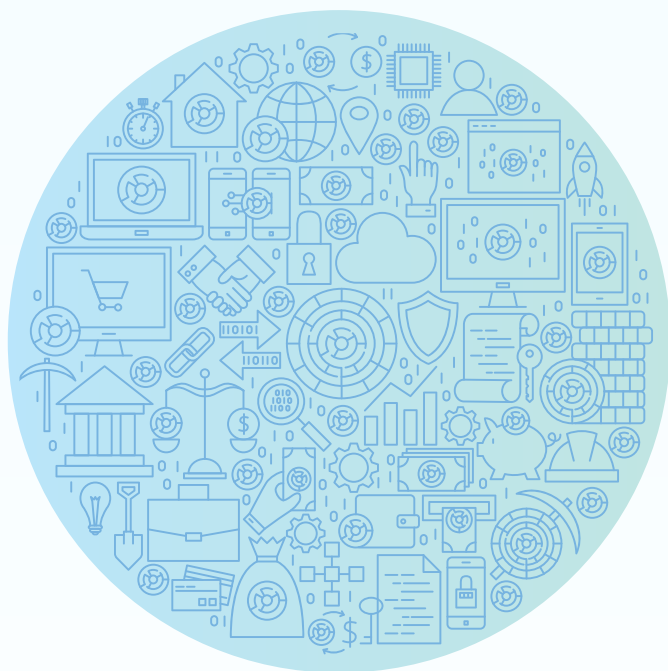
How to Jumpstart Your Steering Committee Conversations

Embarking on a personalization journey requires careful planning and strategic execution. To help, here are four essential considerations to kickstart your brand's personalization discussions: creating a business case for personalization, analyzing your brand's maturity, developing a strategic rollout plan and collaborating with the AI Committee, which often includes cross-functional leaders overseeing the responsible adoption and governance of AI initiatives. Its objectives range from establishing the AI strategy, enhancing operational efficiency, managing AI-related risks and instilling a mindset of ethical AI use.

By leveraging the leadership and vision of the executive team, these steps can be implemented effectively, fostering a culture of personalization that permeates throughout the organization and drives meaningful customer engagement.

1 Create a Business Case for Personalization

Creating a compelling business case for personalization is crucial to secure buy-in from key stakeholders and justify the investment. Start by clearly defining the

objectives and goals of your personalization initiative, such as improving customer engagement, increasing conversion rates, enhancing customer loyalty and driving organizational efficiency. Emphasize how personalization can provide a competitive advantage by differentiating your brand and delivering superior customer experiences. Highlight current market trends and consumer expectations that support the need for personalization, using industry reports and research to back up your claims. Gather supporting data and case studies that demonstrate the success of personalization in similar organizations or industries, showcasing metrics such as increased ROI, higher customer satisfaction and improved retention rates. Finally, provide a detailed analysis of the expected return on investment (ROI) from implementing personalization, including projections of revenue growth, cost savings and efficiency gains. This comprehensive business case will help to articulate the value of personalization and secure the necessary resources and support.

2 Analyze Your Brand's Maturity

The next step in a personalization journey is to analyze your brand's maturity through a comprehensive personalization assessment. This involves evaluating the current state of your organization across three critical dimensions: people, processes and technology. By assessing your team's skills and capabilities, you can identify areas where additional training or hiring may be necessary. Evaluating your processes helps to pinpoint inefficiencies and areas for improvement, ensuring that your personalization efforts are streamlined and effective. Lastly, examining your technology stack allows you to understand the sophistication and integration of your tools and platforms, identifying gaps that need to be addressed to support advanced personalization strategies. This holistic assessment provides a clear understanding of your starting point and helps in developing a strategic roadmap to enhance personalization efforts, ultimately driving better customer engagement and business outcomes.

3 Develop a Strategic Action Plan

Once you have created a compelling business case and analyzed your brand's current maturity, the next step is to develop a strategic action plan. This plan should outline the progress and dependencies of your personalization initiative, providing a clear roadmap for implementation. Start by defining the key milestones and deliverables, ensuring that each phase of the rollout is well documented and aligned with your overall objectives. Identify the resources and capabilities required at each stage and establish a timeline that accounts for potential challenges and contingencies. Foster collaboration and communication among cross-functional teams, ensuring that everyone is aligned and working towards the same goals. Regularly monitor progress and adjust the plan as needed, maintaining flexibility to adapt to changing circumstances and new insights. By developing a strategic action plan, you can ensure a smooth and effective implementation of your personalization initiatives, driving meaningful results and achieving your business objectives.

4 Collaboration with the AI Committee

Collaboration with the AI Committee is crucial for successful personalization initiatives. Comprising data scientists, AI specialists, risk & compliance and executive leaders, this committee guides the technical and strategic facets of successful AI adoption in an organization. Engage the Committee early in the process to leverage their expertise in data analytics, machine learning and AI technologies. This collaboration will help in identifying and prioritizing the most effective algorithms and models to use, ensuring that your personalization efforts are data driven and optimized for performance. The AI Committee can also provide valuable insights into potential risks and ethical considerations, helping to navigate challenges related to data privacy and bias. Executive leaders can set guardrails to ensure strategic alignment with business objectives and resources.

CONCLUSION

The evolution of personalization is a transformative force reshaping the way brands engage with their customers. It's imperative for brands to leverage advanced technologies to manage and analyze significant amounts of data and create and operate more relevant customer experiences. No matter your brand's maturity, effective personalization at scale demands a comprehensive approach that encompasses consumer empowerment, cross-functional collaboration and robust data management practices. Brands that embrace these tactics can prosper in a competitive marketplace where informed consumers appreciate personalized interactions. Now is the time for organizations to align on their personalization efforts across every customer touchpoint to improve the customer experience and drive loyalty and retention.

ENDNOTES

[1] Deloitte Digital, "Personalizing Growth: It's a value exchange between brands and customers," June 11, 2024.

[2] ReportLinker, "Artificial Intelligence Market Size, Share & Trends Analysis Report By Solution, By Technology, By End Use, By Region And Segment Forecasts, 2020 – 2027," August 06, 2020.

[3] Salesforce, "State of the Connected Customer," October 2020.

[4] Salesforce, "State of the Connected Customer," June 2018.

[5] IAB Europe, "Optimisation over reform: Understanding EU consumers' perception and knowledge of the ad-funded internet and related privacy rights issues," April 2025.