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Flashpoint
Analytics-aided personalization

Real one-to-one personalization is finally within reach. Here are the high points.

Analytics-aided personalization

By now, we're all familiar with the old "right message, right person, right time" formula—the holy grail of targeting. If anything, we've heard it so many times it may as well be meaningless. But in the arenas of technology, media, and telecommunications (not to mention the broader business world), it's an idea that is enjoying a major resurgence as companies begin to make use of a bevy of new tools, most of which build on or extend analytics capabilities.

For these companies, it's about personalization—communicating not with micro-audiences who share interests and demographic characteristics, but with individuals, on their terms.

Ten years ago, it was a good idea. Today, it's actually possible—at scale.

If you're looking to ramp up your personalization abilities, here are some of the hotspots you'll need to know about.

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- Apps
- Machine learning
- Data Management Platforms (DMPs)
- Event-driven communications

About *Flashpoints*
Every day brings new ideas and possibilities to the Technology, Media, and Telecommunications sectors. *Flashpoints* is your tool for gaining the context you need to make sense of these critical developments—as they emerge.

Key considerations

Hot topics on the road to personalization

Apps

Apps are used to serve up content— but they're also engines of data.

Machine learning

Analytics and automation are being used to give your people the insights they need to make smarter judgments on the spot.

Data Management Platforms (DMPs)

Data management platforms aren't just plumbing. They deserve to be understood and used by a wider range of executive stakeholders.

Event-driven communications

If you wait for batch data analysis to drive decisions, you're probably too late. You can be more nimble.

Apps

Planet of the apps

Content is still king—enabled by apps. We've always had the ability to develop specific, micro-targeted content, but haven't had the means to deliver it in an equally targeted way.

Marketers in tech, media, telecom are increasingly relying on apps specific to individual products or media properties, allowing consumers to self-select based on narrow (but often deep) interests. That's when things get really interesting. Because now the company has the benefit of hard data—data that can be used to better understand purchasing patterns and behaviors at the personal level. This information can feed decisions at the macro level, but it can also be used to deliver perfectly timed offers to individual consumers.

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Machine learning

Think in real time, act in real time

If a high-value customer has a specific problem, or is primed to buy a specific product, do you know about it? When? More important, do your people know what to do for that customer? Can they take the right action in time to actually make a difference? Unfortunately, the answer to these simple questions is often "no," because the capabilities and connectedness that need to be in place to competently answer them are anything but simple.

It takes an ability to make sense of massive data sets, often held in different places, within moments, for starters.

Of course, now we can actually do that with analytics and big data tools. But that's just the beginning. Those insights aren't worth much without a team that knows how to act on them, and that's where machine learning comes in. In a machine learning environment, delivering insights to humans occurs instantly, in an automated fashion. Imagine a mainframe with a direct connection to the synapses in the brains of your sales or service teams. The people on the front lines are able to make smarter judgments on the spot, aided by machine-generated insights. That's machine learning—and that's real power from customer analytics.

Analytics and automation are being used to give your people the insights they need to make smarter judgments on the spot.

Data Management Platforms

Under the hood

Data Management Platforms (DMPs) are playing an increasingly large role in personalization—and for that reason alone, they shouldn't be condemned to the darkest recesses of the IT department. Why do they deserve the spotlight? Let us count the reasons.

First, these centralized computing powerhouses are able to combine a wide range of information types from an equally wide range of sources, structured and unstructured, online and offline, mobile and ERP-generated, you name it. It doesn't just make different data types compatible, either. DMPs are also able to apply analytics to the data to get insights. And DMPs do it all in real time, so they can inform current decisions. While many tech, media, telecom companies have DMPs in place already, most have only scratched the surface of their potential.

Data management platforms aren't just plumbing. They deserve to be understood and used by a wider range of executive stakeholders.

Event-driven communications

Real-time insights and actions
Business solutions are increasingly designed to send data to one another as events, in small bursts of information. These events unfold in real time and contain a small subsection of information about customers and their interactions with the organization—powerful stuff. Marketers don't have to sit and wait to analyze large batch data jobs in order to mine information about a single customer so that they can then send a personalized offer. In an event-based context, they can use current insights to trigger a real-time analysis of consumer needs, combine that information with large, historical data sets, and then send relevant, contextual messages in real time.

Consider a telecom customer who's just exceeded her data usage for the third month in a row—a meaningful event. Using that information, marketing systems can analyze her personal data usage and recommend a personalized new rate plan and service to reduce overall data usage costs, as well as offer value-added services based on her needs. Even better, her rate plan is automatically upgraded for free on a trial basis. She's notified of the upgrade from an app or SMS, based on her preferences. A month later, she receives a follow-up message that highlights her resulting cost savings, along with an offer code for a permanent upgrade. All as the result of one event, identified and acted on at the right time.

If you wait for batch data analysis to drive decisions, you're probably too late. You can be more nimble.

In action

Persona identification and activation

While any of these capabilities are compelling in their own right, imagine how they could combine to create a breakout experience for individual consumers, rooted in a superior understanding of personas.

DMPs play a big role in two different ways. First, they're able to scour a wide range of data sources to inform the development of sharper, more nuanced personas. Second, those same DMP capabilities make it possible to identify individual consumers—say, a middle-aged father, Scott, who just tweeted that he rode a media property-themed rollercoaster with his daughter 10 times in a single day.

Imagine combining that insight with the knowledge that he doesn't currently own the movie title on which the rollercoaster is based. Now, you're able to push personalized content and offers to Scott based on that understanding, often in an automated manner. That's a level of personalization that is far beyond what most companies are providing today—and yet it's increasingly within reach.

Bringing it all together

Real one-to-one personalization is increasingly within reach with these elements in place.

Apps

Machine learning

Data Management Platforms (DMPs)

Event-driven communications

Let's talk

There's a lot more to personalization than this handful of developments—but it's difficult to think of a world-class personalization initiative that doesn't make use of these at some level. Want to know more about how to enhance your customer experience, create a more holistic relationship with your customers, and drive topline growth? We should talk.

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