SAP Customer Experience



The days of status-quo, one-size-fits-all marketing are over.

When it comes to customer engagement, delivering personalized one-to-one experiences is now table stakes; if you can't personalize your content to the customer and deliver it consistently and effectively, you can't drive the customer growth and revenue your business demands.

To build a truly powerful personalization strategy that not only satisfies and delights customers but also drives tangible business results, you'll need to incorporate these six essential pillars:

- 1. Get your data right
- 2. Think relevant, real time, and right now
- 3. Meet customers where they are
- 4. Personalize for the customer, not the channel
- 5. Use AI to make true one-to-one personalization scalable
- 6. Measure your results (so you know what works)





"91% of retail marketers cite preparing and segmenting data as their most time-consuming task, while 27% of marketers fail to achieve their personalization goals because they can't act on their existing customer data."

-"Retail Roadblocks: The challenges holding retail marketers back in 2021", Emarsys, 2021

If your goal is to deliver meaningful one-to-one experiences to your customers, you need to know your customers, which requires rich first- and zero-party customer data.



First-Party customer data is the data about your customers your business owns and collects.



Zero-Party customer data is any data openly and intentionally shared or told to you by the customer.



Have a Strategy for Capturing Data Do you have a plan for capturing the data you need for personalization? Remember, you'll be relying on your customers to provide this data. Whether you ask for it upon newsletter signup, upon completion of a new user registration, in a survey, or at the point of sale, keep these three things in mind:

- 1. Provide value in exchange for the data
- 2. Be up-front about how you intend to use the data
- 3. Use the data with care and consideration for the customer

Determine different points in the customer's journey where it's appropriate to ask for data. And after you capture it, deliver on your end of the deal: **offer a superior experience uniquely tailored to the customer,** one that your competitors can't provide.



Unlock True Personalization By Removing Silos For truly powerful personalization, your data needs to be freely accessible at every touch point, across any and all channels. **Your data cannot be siloed.**

Instead, unify all your data sets (product, sales, and first-party customer data) into a single platform. Ideally, you want an integrated tech stack with an open architecture that connects to any system, any data source, and every digital and physical customer touch point. Then you can fully leverage the data for consistent omnichannel personalization, placing the customer at the center of your marketing.



"When consumers feel appreciated by a brand, **76%** of them say they'll keep doing business with the brand."

- "CX Is A Critical Driver Of Emotional Loyalty", Forrester, 2021

With personalization, it's critical to get the right message to the right person. But delivering it at the "right time" is what makes it truly memorable. To ensure your brand creates the most impact, you need to consider **relevance plus timing.**

When customers are engaging with your brand, regardless of channel, seek out ways to connect with them in real time. For example, if you have an app, provide users with personalized communications via in-app messages or push notifications that correlate with actions they take while using your app. These live reactions can include a specific offer (such as a free trial period), request for feedback, or instructions that help them get more value from the app

The same goes for customers browsing or taking actions on your Web site. In-the-moment, one-to-one communications should be **contextual**, based on what that specific user is doing, and **relevant**, based on that user's individual data. This is what creates that personal feeling – one that will captivate your customer and lead to a more satisfying experience.



Contextual

What message makes the most sense based on what your customer is doing at that moment?



Relevant

What message makes the most sense based on your customer's data and history?

Relevant Personalization and the Right Marketing Tech Stack Is Reviving JOY

As Swedish retailer JOY looked to revive its retail business and boost its e-commerce offering, the company knew it needed to provide timely, relevant, one-to-one shopping experiences to engage its discerning customer base – and it needed to do it at scale. To enable personalization that would scale with the business, the brand used the SAP Emarsys Customer Engagement solution.

Watch the video





- "55% of marketers feel that an inability to execute across different channels is holding them back."
- -"Retail Roadblocks: The Challenges Holding Retail Marketers Back in 2021," Emarsys, 2021

Real-time omnichannel personalization can happen only when you put yourself (your brand) out there on all the channels your customers prefer. Instead of waiting for customers to come to you, meet customers where they are, so you never miss an opportunity to connect.

The Benefits of An Omnichannel Approach

Simply put, more channels mean more flexibility in how you reach customers, as well as more opportunity to capture the data that drives personalization. Customers want the convenience of shopping and engaging with a brand on their own terms – when, where, and how they prefer. They don't just value choices and flexibility; they **demand** them.

By following an omnichannel approach where your channels and data are fully connected, you give customers the choice and flexibility that they expect. Plus, the multichannel data you receive from your customer can then allow you to provide more-relevant recommendations, accurate product information, and personalized content that reflects their individual channel, purchase, and product preferences.

Multi-Channel Shoppers are More Valuable

Customers that use multiple channels to interact with a brand not only spend more money than single-channel shoppers, but also will most likely end up having a significantly higher lifetime value than single-channel shoppers. Long story short: more channels equal more revenue.

When you broaden your breadth of channels, you increase the likelihood that you'll have more than one channel that any given customer will prefer. The more channels you use for your omnichannel marketing strategy, the more opportunity you have to convert customers, drive a purchase, and increase revenue.

As shown in Figure 1 below, once you adopt omnichannel processes, your customers and your business can benefit.

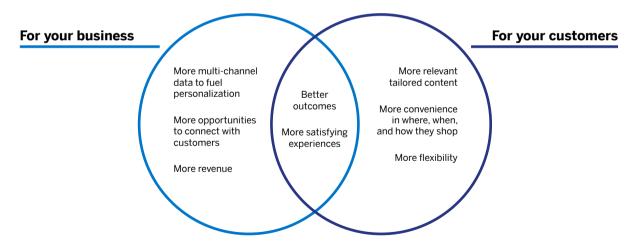


Figure 1: Benefits of being omnichannel

Personalize for the Customer, Not the Channel

"Data shows that all agile CX organizations tailor customer interactions across all channels using connected views of client data – enabling them to truly hyper-personalize all elements of these conversations."

Omer Minkara, CX Agility: The Path to Customer Loyalty and Profitable Business
 Growth, Aberdeen Strategy & Research, October 2021

You might view each and every channel as having its own special place in your integrated one-to-one marketing strategy, but to the customer, it's all one brand – no matter which channel they choose. So, if your personalization efforts differ noticeably from one channel to the next, you can create a fragmented shopping experience for the customer.

To avoid this problem, you need the right technology. By having all your data and channels unified and fully integrated within your customer engagement platform, you can create one-to-one experiences that are consistent and frictionless.

As you're building out your cross-channel personalization strategy, here are a few channels to keep in mind. Consider how they can work cohesively to create a unified, consistent experience for the customer.



- Most popular channel among customers.
- Biggest revenue driver for your marketing.
- Foundation for entire one-to-one omnichannel strategy.







- Highly interactive channel.
- · More-focused and self-contained UX.
- Content delivered based on in-app behavior and preferences.



Web

- · Ability to define your brand.
- Channel closest to the in-store experience.
- Personalization enabled with targeted offers and content for visitors.



- Unique channel to re-engage or inspire action.
- Ability to add value when relevant and timely.
- Channel requiring caution poorly timed, irrelevant push notifications are intrusive.

Use **Artificial Intelligence** to Make True Personalization Scalabl

- "33% of marketers say the inability to scale content is holding them back from being able to fully personalize."
- -"Retail Roadblocks: The Challenges Holding Retail Marketers Back in 2021," Emarsys, 2021

Marketers who are scaling their marketing are mostly doing so in a **depersonalized way**. That's what makes scaling possible; it isn't really customized to one person. But depersonalized marketing won't be tolerated by your customers. The expectation for personalized experiences remains.

Thus, to scale your marketing while still delivering relevant one-to-one content to every customer, every time, artificial intelligence (AI) is the answer.

Let AI Do the "Heavy Lifting" to Scale Your Marketing

Al allows you to collect large amounts of rich customer data and create highly personalized marketing that you can automate. Having Al automate one-to-one communications at pivotal times in a customer's journey can be the difference between a one-and-done shopper or a loyal, lifelong customer.

Plus, with AI, you can do this **at scale**, as your database grows. If your brand engages with global audiences, no problem: AI can help you scale across multiple regions and in different languages.

Go From Reactive to Proactive

Al uses self-learning algorithms and predictive analytics to project events in the future. It also accurately predicts customer behavior. In addition, Al can help enrich customer profiles with predicted scores that tell you when a customer is most likely to convert, churn, or simply remain inactive. This makes it essential for determining which content will be most relevant to a specific customer, and when and where it should be delivered to have the most impact.

AI Tips

To deliver one-to-one personalization consistently as your business grows, use AI to:

- Analyze customer data to determine critical patterns and opportunities.
- Identify the right customer segments to engage based on lifecycle.
- Deliver personalized content in real time.

Use predictive AI to target the right customer with the right one-to-one message:

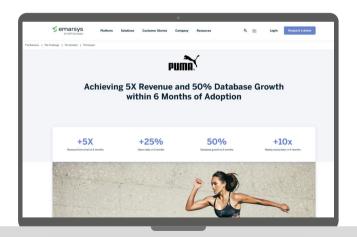
- Customers most likely to buy and convert.
- Customers most likely to remain inactive.
- Customers at risk of defecting.



How PUMA Europe Achieved 5x Revenue Growth with Targeted Personalization and Customer Lifecycle Insights

With a large, loyal customer base spanning multiple countries and languages, PUMA Europe GmbH knew it had a massive opportunity to deliver superior one-to-one experiences that would activate its audience and drive revenue. The brand used the SAP Emarsys Customer Engagement solution to identify and target the right customer segments, scale its personalized marketing, and grow its database.

Read their story





"**61%** of marketers reported accurate measurement of performance as the most essential element in executing a successful multi-channel strategy."

- "The State of Multi-Channel Marketing," Ascend2 and Research Partners, 2022

When it comes to marketing, your ability to measure your results is just as important as your ability to execute. Personalization for the sake of personalization isn't the goal; **you're trying to increase revenue.** You need to know what aspects of your one-to-one marketing strategy are (or aren't) generating results so that you can continue to optimize and adjust.

Attributing purchases to specific programs allows you to identify the highest-performing endeavors, as well as the campaigns that aren't working. This level of analytics can also indicate where opportunities with a campaign might lie: Is it the creative content? Is it timing or execution? Which variables can be adjusted for better results?



An even better setup includes having your analytics **built directly into your customer engagement platform.** This way, you can see the sales generated by personalized e-mail, push, and SMS campaigns – down to the individual campaign level – as a percentage of your total revenue. This leads to better allocation of resources over time and proves to the C-suite that your one-to-one marketing efforts are driving results for the business.



Having analytics built directly into your platform lets you track how your one-to-one marketing is impacting revenue.

Measure sales generated by personalization as a percentage of total revenue, focusing on these key channels.

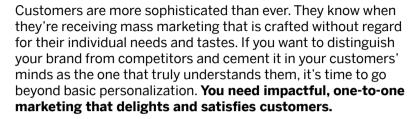
- E-mail In-app
- PushIn-store
- SMS
 Cross-channel

Power Up Your Personalization Today

For More Information

Want to see what a customer engagement platform built for impactful one-to-one marketing looks like?

Visit us online.



As you evaluate your strategy to power up your personalization (and seek out the technology solution that can get you there), remember the six key pillars:

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- 3. Meet customers where they are
- 4. Personalize for the customer, not the channel
- 5. Use AI to make true one-to-one personalization scalable
- 6. Measure your results (so you know what works)

By fine-tuning your personalization strategy, you can provide the exceptional one-to-one experiences your customers deserve at scale and deliver the results and growth your business demands.

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