

Understanding mass personalisation and why your brand needs it



8 Dec 2016

Mass personalisation is not just a buzzword or international trend making waves overseas. It's here and already making its presence felt in the local consumer market. Here's what you need to know...



(c) everythingpossible - 123RF.com

Imagine an app so intuitive it allows you to select the brands you want to interact with and block the ones you don't, that rewards you for your opt-in engagement, and then uses that information to provide you with store-specific sales offers acutely tailor-made to your specific needs the moment you're in physical proximity to those outlets.

Mass personalisation might sound like a contradiction in terms, but this rapidly growing global phenomenon simply refers to marketers' ability to personalise their marketing initiatives for individual customers across a large audience. Products are still mass-produced, but are now uniquely personalised to appeal to individual tastes based on insights generated through that holy grail of 21st century marketing, smart data.

For mass personalisation to be truly effective, a number of factors must combine to create this perfect marketing storm: the brand must have opt-in permission from the customer (and never abuse this sacrosanct pact); must have collected sufficient accurate, current data on the customer that reflects recent purchases, and must have access to geospatial targeting to know the customer's exact location at any given time. Most importantly, customer data must go beyond mere transactional and interactional data to include broader demographic and psychographic data.

Behind the scenes, the brand also needs to have the right skills to harvest the data and process it to accurately align exactly what the customer wants with what you have to offer at a specific time.

And of course, the right technology. While mobile apps are key, advances in everyday technology like digital printing are also enabling products like wine, for instance, to be personalised or uniquely labelled for special events.

Overseas, brands have been leveraging the mass personalised trend for the last few years, mostly in the digital space. Amazon and Netflix, for example, have long targeted their latest product and media releases based on customers' previous purchases, product searches and specific interests.

Consumer packaged goods (CPG) have increasingly been playing in this space – a move that started with Coca-Cola's 'Share a Coke' campaign, which saw regular Coke cans bearing people's names flooding markets across the world. Although technically more an exercise in customisation than personalisation, the campaign had the desired effect: in the UK alone it single-handedly reversed declining Coca-Cola sales to deliver a 4.93% increase in value sales year on year in 2015.

Given this success, it's hardly surprising other CPG brands have followed suit. In some countries, you can now visit the brand's website, enter your name and receive your customised product proudly bearing your unique name. This is paving the way for true personalisation, as these fun, consumer-centric campaigns essentially work to build trust and sustain loyalty. To enhance this trust, it's preferable that the data shared by customers is stored in self-curated data platforms that are directly managed by the customer.

This points to two fundamental pieces of legislation driving mass personalisation: the Protection of Personal Information Act (POPI) in South Africa and the EU General Data Protection Regulation abroad, which are necessitating opt-in consumer interactions. Trust and loyalty make it much easier to secure that permission, because without it, all forms of personalisation are dead in the water.

Does this mean we have to reinvent the marketing rule book? No, we believe the opposite is true. To make mass personalisation work, we need to return to our old-school marketing roots. We need to build a deep granular view of each customer, using the appropriate technology and enable the customer to share data in exchange for anticipated relevant and meaningful products or services. This philosophy will accelerate personalisation on a mass scale.

Like the app mentioned earlier – it will apply the principles of a Personal Information Management System (PIMS) and will be marketed as 'mibbuble', enabling customers to self-curate important personal data about themselves to share with brands of their choice, in exchange for personalised products or services in a POPI-compliant manner.

Mass personalisation marks the end of mass marketing and a return, albeit within the context of rapidly advancing technology, to the personalised interactions of yesteryear.

What sustained those interactions was the perceived value the customer received from their corner store merchant who knew their name, their needs and everything from their preferred brand of soap to their favourite chocolate.

This should be the mainstay of all customer engagement, whether under the guise of mass customisation, mass personalisation or its big brother that's still to come, bespoke customisation.

Because every customer values something, and as long as you as a marketer know what that it is and can deliver against it in a meaningful way, your mass personalisation efforts will bear fruit. This is mass personalisation in action, and it's just made landfall in South Africa.

ABOUT GARETH PEARSON

Gareth Pearson, CEO and shareholder of BM Research (www.bmi.co.za), is a market research specialist with particular focus in the industrial and FMOG markets in various sectors, including the retail market. He serves as a member of the South African Institute of Packaging's Regional Committee and is involved with the South African Packaging Council. Gareth was responsible for the merger of BM Foodpack and Adcheck Research during 2008. Contact Careth on tel +27 (0)11 615 7000.

#BizTrends2019: From mobile e-commerce to AI - the top 5 trends driving SA consumers in 2019 - 7 Jan 2019

#BizTrends2017: Say hello to the new South African shopper - 25 Jan 2017

Understanding mass personalisation and why your brand needs it - 8 Dec 2016
 Personalised multi-sensory experiences: the next level of retail theatre - 29 Jun 2016

View my profile and articles...

For more, visit: https://www.bizcommunity.com