

# PERSONALISATION

How future-proof is  
your personalisation?

**CLOSE THE GAPS**  
**NOW!**

KPS





## Uplevel your CX to drive higher business volumes.

Personalisation is a megatrend of the digital age. The sociologist Andreas Reckwitz speaks of the “society of singularities”, meaning a culture of uniqueness in which individuality is increasingly lived out, demanded, supported, offered and rewarded.

**Companies that offer their audience a seamless, personalised customer experience across all channels also stand to be rewarded.** Mastering this, however, is no coincidence, but the result of a holistic, strategic approach.



**In this ebook you will learn how Instant Personalisation enables your company to profitably exploit the personalisation trend.** Read on and learn how you can optimise your company’s digital maturity – based on a realistic self-assessment in order to meet the requirements of personalisation. In order to accomplish this, KPS provides you with access to an innovative process based on Business Composability. This enables you to achieve a digital transformation that is as individual as the user experience you want to offer your customers.

**Instant Personalisation by KPS strengthens your competitive position and will assist your company in successfully mastering even unexpected market developments.**



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## Individual offerings: A long familiar business model

In today's business world, personalisation has long featured as a familiar business model.

From products of everyday life with selectable features such as colours and sizes to one-off products in plant engineering or in the luxury segment, companies have been winning and retaining customers with the strategy of tailoring products and services to meet individual requirements well before the emergence of digitisation.

I want  
**THIS one!**





## Personal customer dialog: Vital for survival in modern markets

The difference between the pre-digital era and the present is nevertheless most striking. Today's markets are globally linked and decidedly volatile. In a competitive environment that is constantly changing, market players must establish themselves sustainably and position themselves distinctively. How well this succeeds depends on the quality of the personal customer approach. And this does not mean responding to individual wishes only when the customer explicitly expresses them.

Far more, a **proactive assessment of the customer's intentions** is called for. The focus is on a customer dialog at eye level that not only meets expectations but also arouses them and does justice to the customer's personality without irritating or offending.



Stronger customer loyalty and thereby  
**Customer Lifetime Values (CLV)**

an increase in the relevance of offerings, and  
consequently of **Average Order Value (AOV)**

an enhanced customer experience and, correspondingly,  
the **Conversion Rate (CR)** and turnover

as well as greater customer satisfaction and thereby  
the optimisation of the **Net Promotor Score (NPS)**

**These are the positive effects of a targeted individualised customer approach that differentiates a company from its competitors and secures its future viability.**



## Optimising the customer approach: a continuous process

”

*Seamless personalisation is crucial for commerce companies to compete. Only holistic solutions will master the complexities of the task.*

“

**Philipp Krueger**  
Partner, KPS AG



Against the backdrop of continuous change, personalisation requires a professional commitment that extends far beyond the provision of a technical platform.

- **Diversified distribution channels,**
- **Cross-media, increasingly sophisticated customer interaction and**
- **More technologies to support the sales processes**

are aspects of a transformation that is driven by individualisation while promoting it at the same time. This continuously generates data, which in turn serves as the basis for further optimisation of approaching and addressing customers - a continuous process with a recursive effect that only works in a consistently structured environment. In order to implement this demanding process, isolated measures interspersed here and there will not suffice.

**Only the precise interplay of strategy and technology ensures that the information obtained can be processed seamlessly in smooth business processes to create an accurately and targeted personalised customer journey.**



## The difficulties of addressing users: common problem areas

**Critical to success and complex at the same time: personalising the user dialog is a demanding challenge.**



Problems with the realisation of an individual customer approach can arise for a variety of reasons. Regardless of the causes, however, a bumpy customer journey always leaves a bad impression.

Deficiencies that, at worst, raise doubts about a provider's trustworthiness usually lurk in the

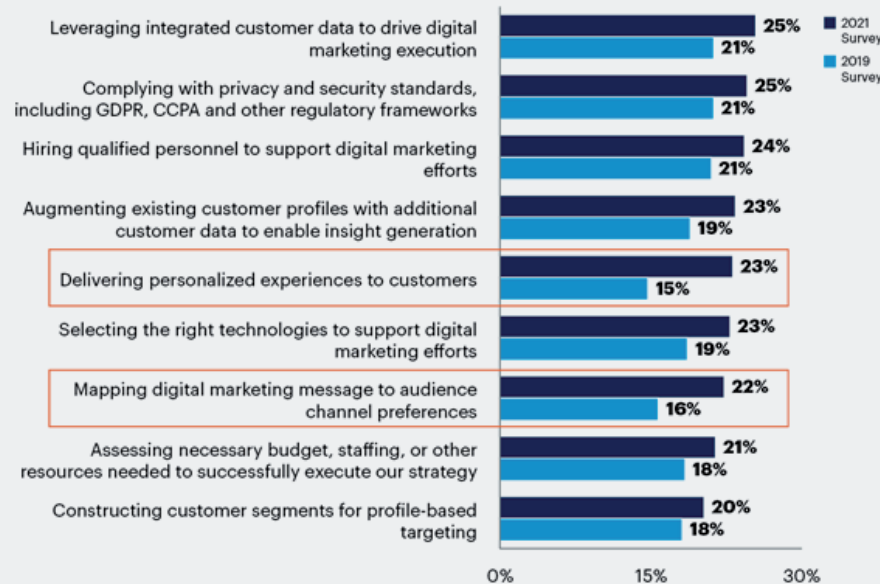
- **Process organisation,**
- **technological equipment and coordination,**
- **data management and utilisation,**
- **distribution of the user experience across all distribution channels, media channels and country borders,**
- **lack of competence and professionalism in dealing with the subject of personalisation.**

The analysts at Gartner were able to confirm the problem areas in a survey\* from 2021. In addition, they were able to show that companies' difficulties with consistent personalisation increased even more between 2019 and 2021.

\* Gartner: <https://www.gartner.com/en/newsroom/press-releases/-gartner-says-63--of-digital-marketing-leaders-still-struggle-wi>



## → Challenges in Executing Digital Marketing Strategy







## → Weaknesses in process organisation

Weaknesses in process organisation usually occur when different business units approach the topic of personalisation separately from one another.

### **A lack of coordination prevents a seamless view of the entire customer journey.**

For example, if the customer switches between different sales channels, the user experience can become fragile (a problem for 23% of the companies surveyed according to the Gartner study).

On the other hand, inconsistencies can make overarching marketing planning and a differentiated evaluation of individual measures more difficult (cited as an obstacle to end-to-end personalisation in 25% of cases).

Gaps in customer dialog also occur when there is a lack of technological equipment or different organisational units in the company each use their own technologies to provide personalisation functions (identified as a disruptive factor by 23% of study participants). The lack of integration on a common platform can lead to information loss and misunderstandings that cost time, money and business success.

**25%**

of all companies state that a consistent personalisation is a hurdle for them.

**23%**

of all companies have a problem with providing a user experience across different sales channels.



## → Weaknesses in process organisation

When data is collected in an uncoordinated manner, isolated in silos, and not correlated with each other, its transformative potential is lost. Unreliable data interpretation can lead to problematic misconceptions, preventing future-relevant insight from being gained in the first place and putting development goals at risk. According to the Gartner analysis, 23% of respondents attribute personalisation shortcomings to data inconsistencies.

The incomplete distribution of the personalised user experience across all sales channels, media channels, and country borders is another reason for an unsatisfactory customer journey in branched omnichannel environments, which puts off potential customers.

**According to the survey, however, 22% of all companies have difficulties in addressing customers in a uniform manner across all sales channels.**

**In addition to technical deficits, many companies are also grappling with a lack of know-how and experienced personalisation experts. Up to 24% of the 350 participants in the Gartner study cite a lack of resources as a problem.**





## Intelligent personalisation: An absolute user requirement

The fact that consumers adapt their consumer behavior quickly and resourcefully to changing conditions has been impressively demonstrated by the reactions to the restrictions imposed by the Corona pandemic. In this context at the latest, the **great importance** of a **personalised user experience** has also become clear.

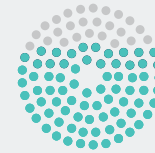
In the publication *Next in Personalization 2021 Report*, McKinsey's business and strategy consultants were able to show that

- **71 % of consumers expect personalisation**
- **and 76% are disappointed if they do not feel individually addressed in the course of their shopping experience.**

### Nonpersonalized communications pose a business risk in a low-loyalty environment.

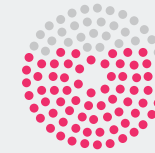
Loyalty is up for grabs...

...and consumers expect personalization from the brands and businesses they choose.



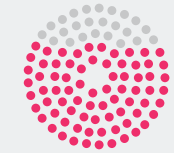
75%

of consumers tried a new shopping behavior during the pandemic<sup>1</sup>



71%

of consumers expect personalization<sup>2</sup>



76%

of consumers get frustrated when they don't find it<sup>2</sup>

The study also reveals a high share of 75% of consumers who have responded to the adversities of the pandemic with new shopping habits without hesitation.

**This flexible behavior indicates an impulse to change at short notice – a reaction that has been practiced in the meantime and with which consumers are increasingly acknowledging an unsatisfactory user experience.**

Figure 2McKinsey & Company: The value of getting personalization right-or wrong-is multiplying;  
Source: <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-value-of-getting-personalization-right-or-wrong-is-multiplying>



## The customer's wishes: an individual relationship comes first

”

*When asked to define personalisation, consumers associate it with positive experiences of being made to feel special. They respond positively when brands demonstrate their investment in the relationship, not just the transaction.*

“

McKinsey & Company: The value of getting personalization right – or wrong – is multiplying;  
Quelle: <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-value-of-getting-personalization-right-or-wrong-is-multiplying>

McKinsey not only examined the importance of personalisation in general, but also **user expectations** in particular. The result: when it comes to an individualised customer journey, **uniqueness** at the relationship level plays a decisive role. Consumers want to be **treated individually**, even if the primary objective is not to close a deal.

**They place particularly high value on,**

- ▶ finding their way equally well in stationary and online sales channels (75%),
- ▶ receiving relevant product and service recommendations (67%),
- ▶ being kept up to date with individually tailored notifications (66 %)
- ▶ being specifically addressed as part of advertising campaigns (65%).

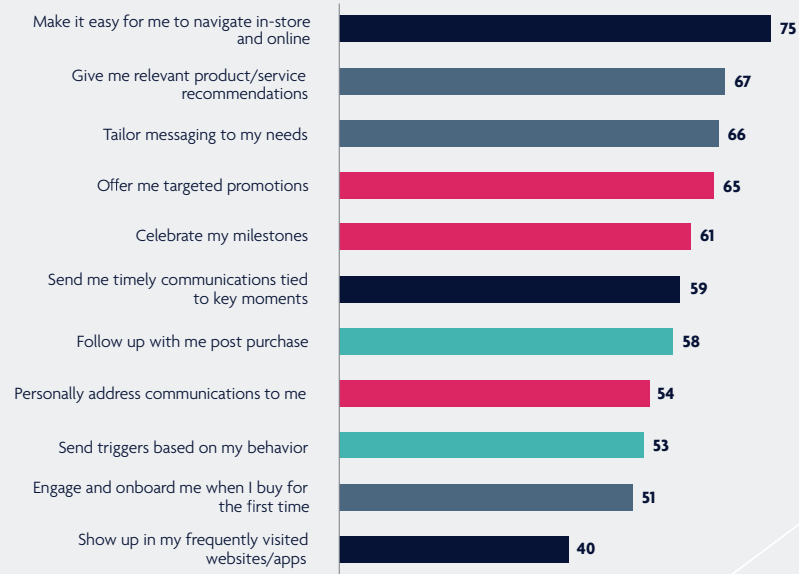
**75%**

of consumers attach importance to being able to find their way around both online and in-store.



## → Consumers expect brands to demonstrate they know them on a personal level

Importance of personalization actions for consumers purchasing for the first time, % of respondents <sup>1</sup>



Meet me where I am

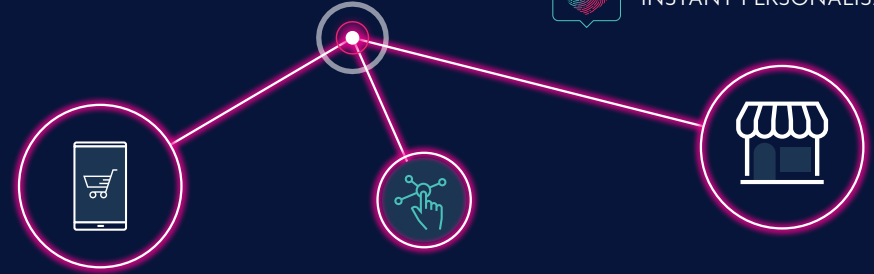
Know my tastes

Offer something just for me

Check in with me



## The optimal customer interaction: An example



The look behind the scenes gives an impression of the closely managed interaction between consumer and marketing actions. The comprehensive interweaving of data, processes and technologies in the marketing manager's area of responsibility makes it clear which prerequisites must be met for a smoothly unfolding customer journey.

- In order for the marketing manager to be able to take responsibility for **campaigns across all channels**, mature organisational structures and an overarching process design must enable consistent sequences and workflows.
- **Consistent data management** is essential in order to ensure that all product attributes are continuously available in real time in the same status and in all systems, and that customer segments can be shared company wide.

- **AI and machine learning** are responsible for automating large parts of production and campaign targeting, and scaling the effort of controlling interventions so that human operators only need to worry about outliers and perform random QA.
- **The networking of all software products** on a common platform determines the efficiency of the processes and enables a smooth and seamless customer journey.

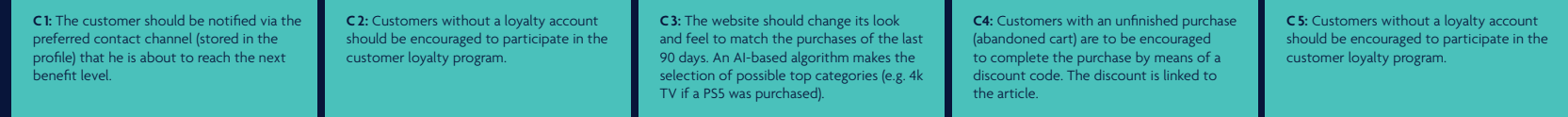
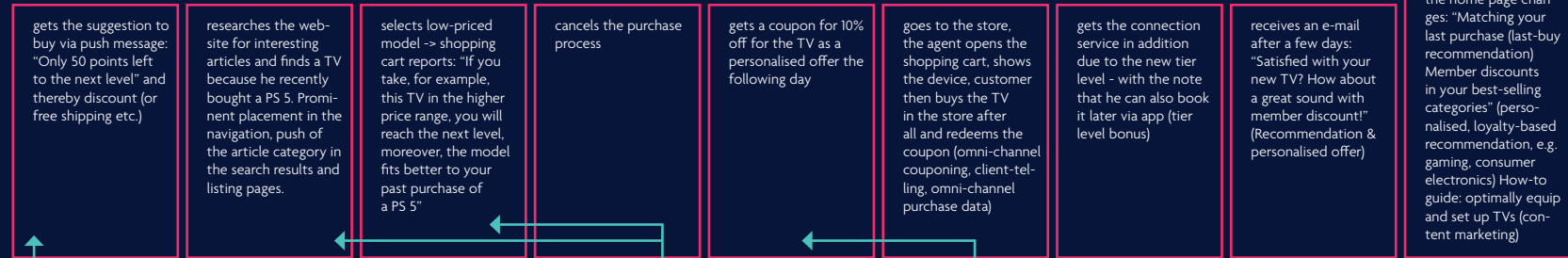
**In view of the complexity of the scenario a well-considered approach to the topic of personalisation is advisable. This is no reason for resignation – especially if companies seek competent support for the necessary strategic and technological transformation measures.**



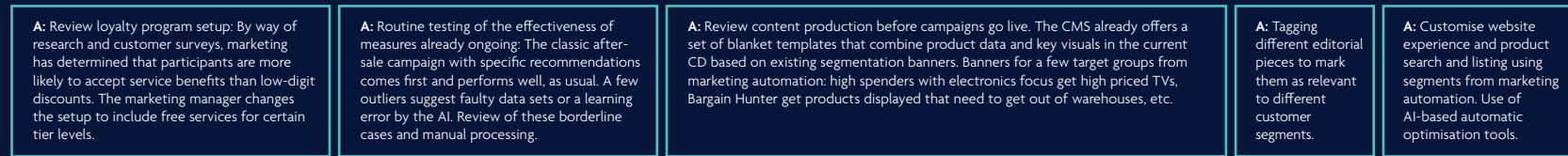
# The optimal customer interaction: An example

The study of consumer expectations proves the business-critical importance of targeted personalisation. The following example shows how building a customer-centric, individually designed user experience can work in a strategically and technologically optimally equipped environment.

## THE CUSTOMER



Defines contextual campaigns



Completes tasks to optimise user experience: prerequisite for tailoring campaigns.

## THE MARKETING MANAGER

- Has access from all data sources in the company to generate differentiated target group segmentation for various use cases
- Is able to access all accounts under which the customer interacts with the company via a common identity



## The direct course to the perfect user experience: Instant Personalisation from KPS

If you have neglected the topic of personalisation up to now or you know that deficits still lurk in your customer processes, Instant Personalisation by KPS will provide you with the means for the **differentiated and secure optimisation of the customer journey**.

The innovative process is based on **Business Composability**. In order to be able to address your requirements in a targeted manner, KPS structures and bundles its comprehensive competencies in all areas of Digital Customer Interactions.

**The result: customised transformation measures that precisely factor in your pain points and pave the way to a personalisation solution tailored to your requirements.**

# PERSONALISATION

**CLOSE THE GAPS**

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→ **Business Composability:**  
**The method behind Instant Personalisation**

**Business Composability is an agility booster.** The system design is based on expediently tailored action modules that can be flexibly combined. This results in customised business solutions that can cope with any application situation.

Instant Personalisation by KPS uses Business Composability to build multidimensional modularity.

**Customised functional modules enable targeted interventions in the customer journey and unfold precisely where the optimisation of the underlying processes stagnates.**





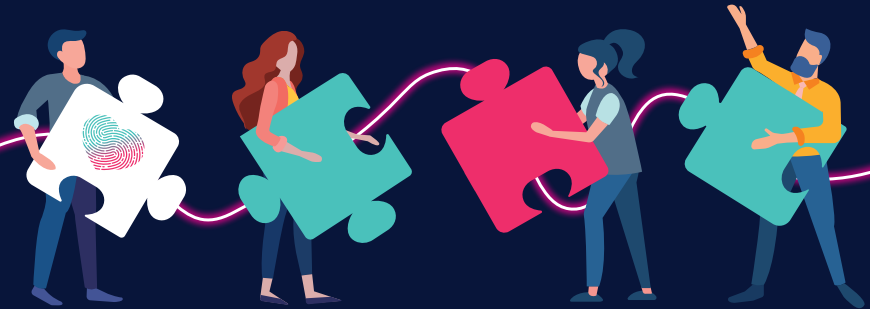
→ **The impact of Instant Personalisation:  
precision thanks to multidimensional modularity**

The modular effect of Instant Personalisation is based on functional bundling. The competence areas of strategy, tactics, and technology are superordinate modules, each of which is assigned specific transformative services.

- **The strategic area** is about methodical and operational support for all change management activities.
- **The tactical level** includes the provision of prefabricated software components and tools that go live immediately and can be used for extensive personalisation.
- **The technological level** includes the integration of all Digital Customer Interaction (DCI) platforms such as customer relationship management (CRM), customer services, call centers, digital marketing or customer loyalty programs.

**A further, finely granular modularisation takes place within the competence fields. In each competence field, a large number of different solution components are available that can be individually selected and designed.**

Moreover, the modular combinatorics are furthermore extended by best practices. They can be deployed as ready-to-use and/or linked with individually tailored building blocks. In order to achieve holistic transformation, the combination of solution modules from different areas of expertise as needed is possible at any time.

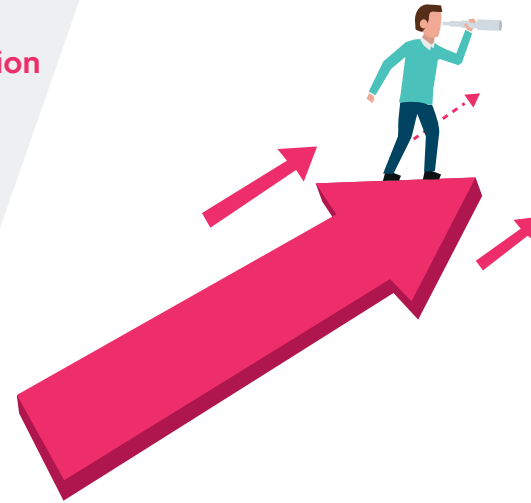




→ Quick and sure success:  
**the power and performance of Instant Personalisation**

Instant Personalisation is suitable for companies of any industry, sector and any size and generates positive effects in two respects.

- On the one hand, **modularisation offers** the opportunity to tailor interventions in customer processes to a specific environment and to a high degree of precision. This emphasizes the unique character of the customer approach that sets your company apart from its competitors.
- On the other hand, proven **best practices** help to significantly accelerate the transformation process and guide it safely to success.



With Instant Personalisation based on Business Composability, KPS **reaches all aspects of the customer journey.**

The result: a holistic solution that optimises your customer acquisition, improves customer satisfaction, strengthens customer loyalty, and thereby bolsters and consolidates your competitive position.



→ **Putting it to the test:  
Success with Instant Personalisation**

**With the modular approach of Instant Personalisation, KPS can sustainably strengthen your company's market position.**

The optimisation of the omnichannel user experience at Elkjøp provides impressive proof of these capabilities. In competition with e-commerce specialist Amazon, Scandinavia's largest electronics retailer was only able to leverage the advantages of its omnichannel strategy by way of a consistent and consistently personalised user experience.

”

*We want to offer our customers a genuine omnichannel experience. In doing so, we don't want to favour one channel over another, but rather cater to our customers' needs and make sure we support them in everything they want to do.*

“

**Julia Paulsen**

Director of E-Commerce Nordics bei Elkjøp

**KPS proved the experienced partner that paved the way for successful transformation.**



→ The correct self-assessment:  
prerequisite for Instant Personalisation

The premises of Business Composability entail a logical consequence: **the modular optimisation of the customer relationship only works if there is clarity about the initial situation in your company**. Consequently, KPS has defined assessment criteria that help to objectify the individual level of strategic, tactical and technological maturity prior to the transformation measure. On the basis of our **self-assessment** you will **here** gain valuable insights into your **company's personalisation maturity** in just a few minutes without any obligation.





→ Find out in 5 minutes where your “Personalisation” stands:  
**The Personalisation Readiness Check**



**The Personalisation Readiness Check to determine your “personalisation maturity”** is designed to show you the current status of your company and inform you with which measures and in which timeframe you can catch up with the top group in your industry. **In order to ensure that the survey provides you with the most accurate result possible, please note the following:**

- For each question, select the answer option that best outlines the status quo in your organisation.
- In order to achieve the most accurate self-assessment possible, it can be helpful to answer the questionnaire together with colleagues from other areas of the company that are also involved. Different perspectives and divergent views can sometimes lead to valuable insights.



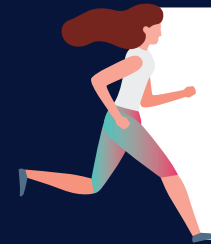
- Do not interpret the result of the assessment of where you stand as criticism, but see it as an opportunity to identify the starting point for optimisation as precisely as possible.
- If you have any questions, contact the expert who will be automatically assigned to you along with your assessment result
- The self-assessment locates your company in one of four digital maturity spaces. Instant Personalisation from KPS uses the mapping to create solution packages that take you on the shortest and surest course to a comprehensively personalised customer experience.



→ **Instant Personalisation Roadmap:**  
The solution for comprehensive orientation

If you are familiar with the term personalisation, but it does not play a role in your customer processes, your company has a **level 1 maturity**.

The **Instant Personalisation Roadmap** then offers you a solution that is individually tailored to your requirements and provides you with comprehensive guidance on all issues relating to personalised user targeting. An implementation plan designed specifically for you provides you with concrete recommendations for action on how to expand your expertise in the individual areas of competence and achieve a personalised user experience in the shortest possible time in a reliable and secure manner.



**INSTANT  
PERSONALISATION**



→ **Instant Personalisation Platform:**  
For a comprehensive quick start

You have reached **maturity level 2** if you have already explored the idea of personalisation and are already fully convinced of a personalised customer approach.

You would like to optimise your customer processes as quickly as possible, but don't know where to reach out first to implement your plan as soon as possible. If you lack the appropriate tools for strategic and technological transformation, the **Instant Personalisation Platform** has all the software, hardware and process building blocks you need to get to where you want to be quickly.



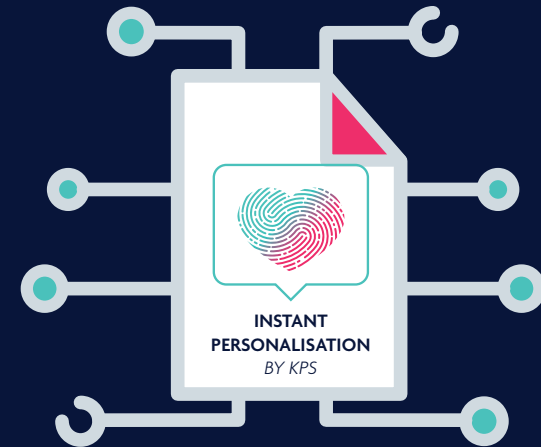




→ **Instant Personalisation Tactics:**  
Best Practices for the smooth and  
seamless user experience

Isolated tools that are used in an uncoordinated manner and generate selective personalisation without synergy effects characterise **maturity stage 3**.

With **Instant Personalisation Tactics**, you will receive turnkey solution modules based on best practices that complete your end-to-end processes and enable an end-to-end personalised user dialog.

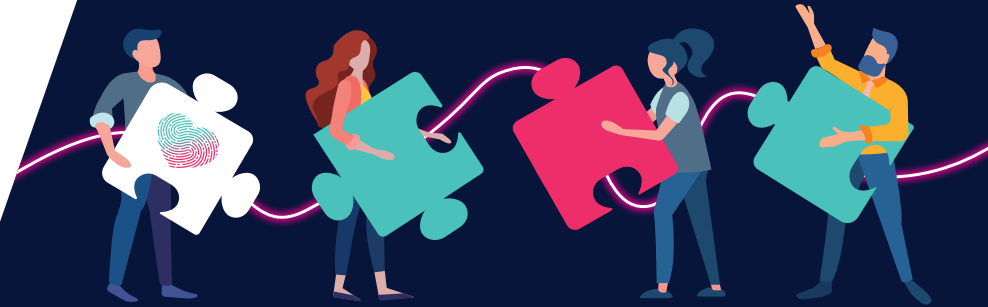




→ **Instant Personalisation Enabling:**  
Connecting measures for greater efficiency

At **maturity level 4**, intelligent customer targeting is already well established in your company, but the efficiency of your system could be enhanced even further by taking some connecting measures.

**Instant Personalisation Enabling** gives your system the methodical and practical efficiency boost it is still lacking if your company is already professionally set up for personalising the customer journey, but is not yet achieving the optimal results.



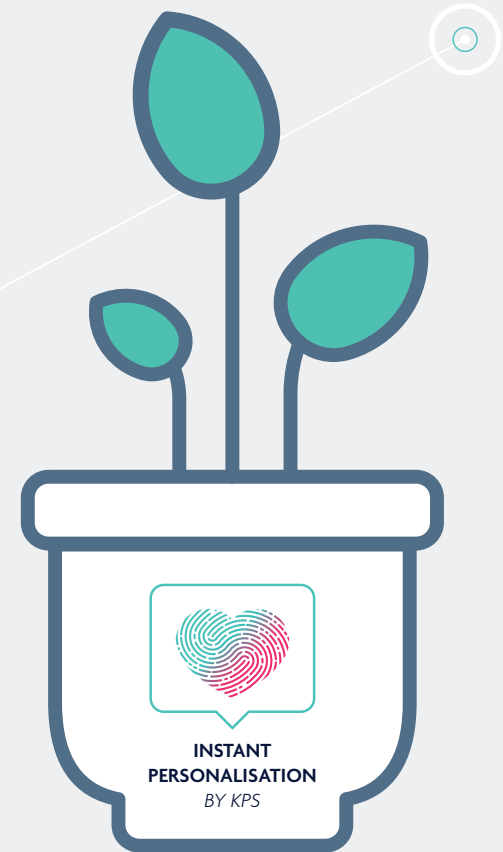


## The personalised user experience at the top level: **Attainable in a direct way with KPS**

**Your self-assessment forms the basis on which you can work with KPS to build a user experience that perfectly matches the character of your company and your customers' requirements.**

Experienced strategy and technology experts are at your side at every stage of the transformation.

Together with the result of the self-assessment, you will receive information on how to contact us quickly and conveniently.





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KPS Experience Studio 56/2021

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