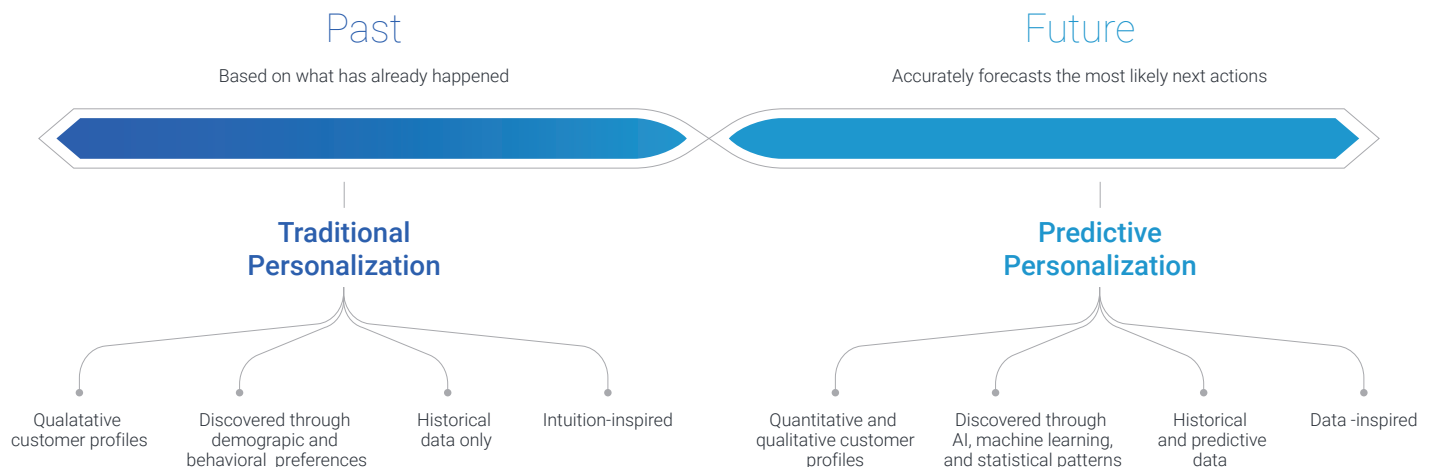# Predictive Personalization Strategies
to Boost Engagement and Revenue

Predictive Personalization is the ability to predict customer behavior, needs, or wants and then precisely tailor offers, products, and messages to each recipient across channels and touchpoints. These messages differ greatly than traditional manual segmentation and personalization tactics as they are based on insights revealed through automated data-driven algorithms, not just past behavior, and are continually optimized through machine learning and Artificial Intelligence.

Past
Based on what has already happened

Future
Accurately forecasts the most likely next actions

Traditional Personalization

Qualatative customer profiles

Discovered through demograpic and behavioral preferences

Historical data only

Intuition-inspired

Predictive Personalization

Quantitative and qualitative customer profiles

Discovered through AI, machine learning, and statistical patterns

Historical and predictive data

Data-inspired

While traditional personalization tactics will boost conversion rates 10% on average, we've seen Predictive Personalization **lift revenue 22%** and increase **Click-to-Open-Rate a whopping 83%**. Here are five proven Predictive Personalization tactics to implement that will drive a significant increase in engagement and revenue

Predictive Segmentation

Called "the future of marketing" by Forrester, Predictive Segmentation provides customers with highly precise, contextually relevant messages at machine learning speed and scale. As your customer base evolves, predictive models automatically retrain to provide the best assessment of what future actions each customer will take.

- Quickly build your highest-performing customer micro-segments, uncovering hidden opportunities by identifying subscribers who may have been left out of previous segments that used traditional activity filters

- Segment based on predicted lifetime value, likelihood to purchase, brand or category affinities, discount affinities, and much more

- Acquire new customers using lookalike audiences based on predicted customer lifetime values and affinities

- Save customers who are at risk of churning using enhanced, automated post purchase and loyalty campaigns
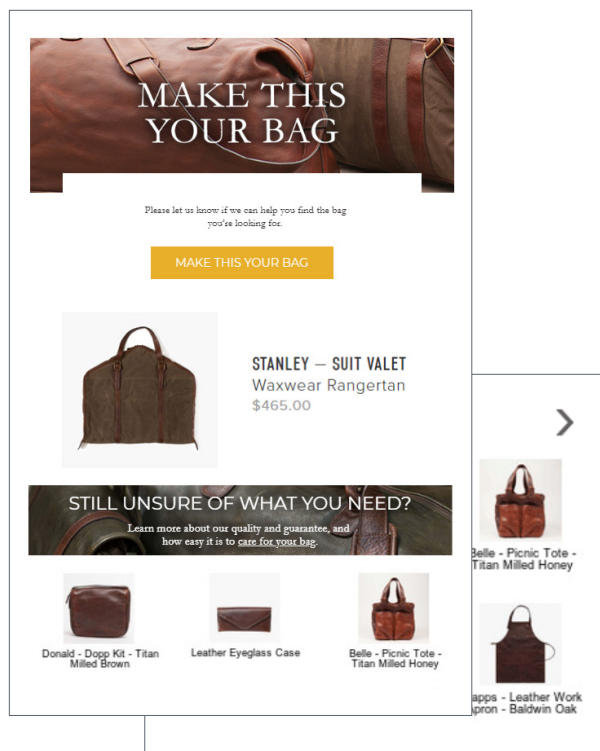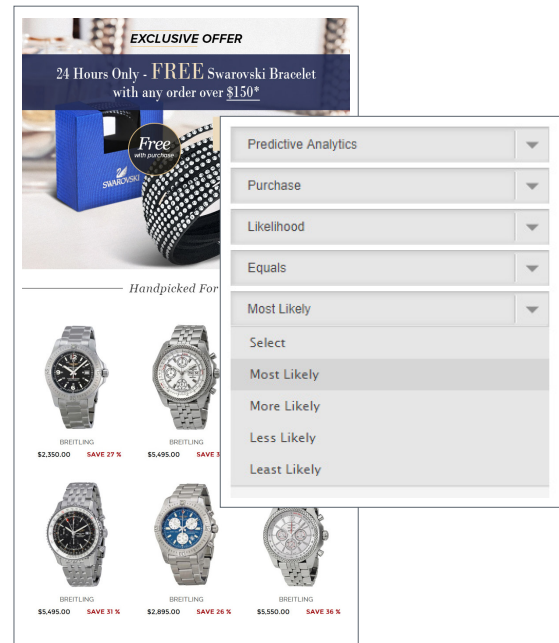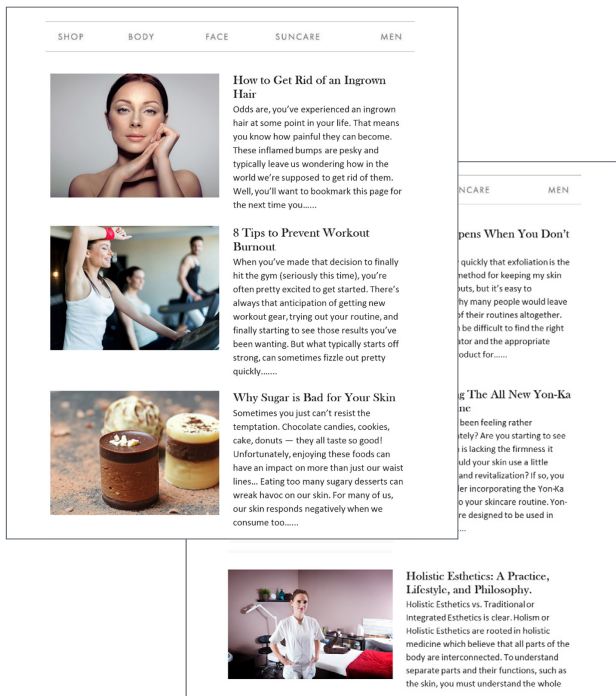

Predictive Product Recommendations

Quickly lead customers to the merchandise they'll love the most – and they're most likely to purchase – through Predictive Product Recommendations on your site, in your email campaigns, and in your targeted display ads. Advanced machine learning algorithms provide the ability to layer deeply customizable merchandising decisioning, predicting the most relevant, data-driven, and personalized products to influence the unique customer journey toward the path to purchase.

- Leverage anonymous browse data to personalize recommendations

- Show products that haven't been purchased or previously suggested with intelligent recommendations

- Open time optimization ensures you never recommend an out-of-stock item

- Use across multiple campaigns and channels: email, on-site, display ads

Listrak processes millions of rows of data per second. This allows you to segment, mine, cross-reference, and overlay customer data in real-time to create the most targeted and personal campaigns across every channel and touchpoint.

Predictive Content Recommendations

Strengthen readership and improve engagement through context-aware content recommendations. This is a game-changer that enhances customer experience by identifying and delivering the exact content that will make the biggest impact while helping customers remain engaged and active during the sales journey.

- By applying natural language processing, artificial intelligence, and machine learning algorithms to your website content, Predictive Content automatically interprets and understands the context of your content

- Dynamically-adapt and personalize your recommendations to each user's preferences, brand or category affinity, and real-time intent

- Automatically discover new content

- Maximize your content investment

Predictive Send Time Optimization

Using machine learning, send time optimization allows a sender to make sure every customer receives an email at the time they are most likely to engage. Predictive algorithms determine the right time to deploy messages based on previous email engagements and measuring the type of interaction, including opens or clicks, mobile or desktop, whether or not a purchase was made, etc. Knowing when a customer is most likely to buy will not only help you deliver more timely email messages, but can also help drive other marketing decisions, such as when to send direct mail.

- Use machine learning and probabilistic modeling to determine the best time, personalized to each subscriber, for optimal engagement activity

- Could also base deployment on subscriber's time zones for specific, time-sensitive messages, such as flash sales

- Replenishment Campaigns are also driven by predictive delivery algorithms in order to determine the re-purchase cadence of individual products across your customer base

AI-Powered Customer Journey Automation

Marketers have been challenged with understanding the connected customer journey across all channels and touchpoints and how to use that information to maximize interactions on a personal level. As CRM platforms continue to break down the data silos and put more insights directly into marketers' hands, the entire customer journey has shifted. For instance, the welcome message is no longer the first step of the sales cycle as anonymous customer data captured during visits prior to the opt-in can be used to create a fuller, more accurate picture.

Other improvements include the ability to accurately capture and use data across multiple devices, channels, and touchpoints. You're no longer limited to past page views, email metrics, or purchase data to inform your campaigns. You can now use data collected from apps, mobile engagement, social sites, stores, customer service centers, display ads, and literally any other data point. This complexity is the reason why AI can unleash so much value across the customer journey.

Artificial Intelligence can do more than find the next action a customer will take and when it will take place. It can deliver the touchpoints and tactics to shape each customer's journey to increase loyalty, engagement, and conversions.

- Observe, collect, and synthesize data from disparate data sources and at every touchpoint across the customer journey to capture critical customer signals, link them to a single, unified 360° customer profile and create highly-actionable customer data

- Uncover new business opportunities by identifying trends and relationships that were previously unnoticed

- Deliver highly-personal retargeting campaigns across multiple channels, or specifically in the customer's preferred channel

- Deploy winback and loyalty campaigns designed to recapture latent intent before a customer churns

Putting It All Together

Intelligent prediction and personalization will make customers feel as if every product or brand experience was tailored just for them. Artificial Intelligence will enhance every aspect of customer engagement and is an investment that you can't afford to miss.

The ability to send hyper-personalized, micro-segmented messages empowers marketers to achieve deeper customer understanding and develop more effective customer experiences across every channel. These campaigns will drive loyalty, revenue, and growth.

Listrak's Enterprise Marketing Automation and CRM platform makes all of this possible in just a few clicks. You don't need a team of data scientists on staff to analyze metrics and create actionable insights. **Learn how at www.listrak.com.**