Cost-Effective Personalization: Relevance the Smart Way
For the modern marketer, personalization is key to developing sustaining customer relationships, brand loyalty, and financial strength.

In The Value of Personalization Optimization for Retailers, Liveclicker and The Relevancy Group examine the current state of personalization at digital commerce companies. The result? We find an ROI of more than $20 for each dollar invested in personalization.

The report examines:
- The specific tactics retailers use most
- The tactics most likely to make an impact
- How retailers budget for personalization
- Significant challenges to effective personalization
- Personalization in the age of Amazon

The deep dive that follows examines the strategies that retailers are using to make sure their personalization initiatives are as cost-effective as possible.
With the right partner, you can actually leapfrog the early stages of your brand’s personalization journey.

Personalization, like many technology advances, has come to mean many things to many people. But to get real results from personalization, marketers have to treat it as much more than a buzzword. Brands that are just dipping their toes in the water with basic personalization tactics, such as putting customers’ first names into emails, aren’t necessarily seeing the results they’d like. But brands that are using more advanced tactics are seeing an ROI of more than $20 for each dollar invested.

That presents a dilemma for brands that are just starting their personalization journeys. As with any technology initiative, it helps to get some quick wins on the board right at the beginning. Those wins help convince the naysayers and build support for a more extended strategic personalization push. But if those simple, smaller tactics aren’t necessarily driving great results, how does the modern marketer get started on the personalization journey they so desperately need? Can a brand really jump right into the advanced personalization techniques that drive the most value?

To answer that question, we turned to The Relevancy Group, a leading market research and advisory firm. We asked them to survey more than 400 retail marketers, in sectors as varied as furniture, grocery, and apparel, to learn more about the state of the art of personalization. One primary goal: To better understand which personalization tactics are most effective, and how marketers are implementing personalization to achieve breakout results.
The Relevancy Group divided personalization tactics into three types: basic personalization, purchase-based personalization, and advanced personalization. Brands that used advanced personalization reported better key performance indicators overall, including higher deliverability, open, click, conversion, and average order value metrics. Most important, retailers who used advanced personalization reported monthly revenues 17% higher than those who only used basic personalization.

Even within a range of tactics that could be considered advanced, results varied substantially. Personalization based on real-time data drove 9% higher revenues than personalization based on click behavior, and 6% higher than personalization based on inventory.

From these findings, it’s clear that every brand needs to be using advanced personalization techniques, no matter their current level of personalization efforts or technology sophistication.

To make sure that personalization yields the best results, brands should start with a clearly defined goal, then work closely with a partner to find a path to achieve that goal. Throughout, it’s important to remember that technology now gives marketers the ability to know exactly what is working and what could stand to be improved. Whether or not you’re wholly satisfied with your initial efforts, it’s imperative to test and keep testing. Those incremental improvements add up – and pave the way to more engaged, loyal, and profitable customers.

Both Torrid and Stella and Dot have followed this playbook to achieve impressive and measurable results.
Torrid Gains Highest Revenue Hour Ever With Advanced Personalization

Torrid blew through its holiday sales goals by leveraging personalization and adding urgency to its email campaigns.

Torrid offers its customers trendy plus-size clothing and messaging designed to help them feel young, sexy, and great about themselves. Its stores and online shop stock everything from party-ready dresses to jeans and swimsuits.

Torrid’s immediate goal for its advanced personalization strategy was to get the most out of its upcoming holiday season. That meant kicking off with extremely strong Black Friday and Cyber Monday promotions. To boost the effectiveness of its email during this crucial time, Torrid needed a partner that could help it produce highly personalized, uniquely relevant content with an added sense of urgency.
Torrid chose Liveclicker to help it incorporate countdown timers into select holiday emails. The timers counted down to the end of each live promotion. When the promotion expired, the hero image disappeared and was replaced with a message telling customers they could visit the Torrid site for the latest promotions and deals.

These emails successfully increased both sales and traffic. Customers clearly paid attention to the timers, because they made purchases just before the promotions ended, even for campaigns that had been sent weeks earlier. After the sales ended, Torrid continued to see additional traffic: 37% of traffic came after the promotions were over, and the clickthrough rate continued at 3.6%.

By using a countdown timer in personalized email, Torrid significantly exceeded its revenue goals and even hit the highest single revenue hour in the company’s history.
By integrating its email and web experiences, Stella & Dot engineered a better experience for both its sales people and its customers.

Stella & Dot sells unique jewelry and accessories using a network of independent stylists. These stylists work – and support each other – both in real life and online. That makes it imperative that Stella & Dot remain a technology-forward company.

Stella & Dot relies heavily on email marketing to engage current and prospective customers. In many ways, email is an ideal channel for Stella & Dot: It has low operating costs, can tell a story over time, and can generate immediate revenue impact.

But Stella & Dot’s email platform had technical limitations that were hampering its effectiveness. On the Stella & Dot website, a customer could easily choose from items that had been posted by Stella & Dot’s stylists. But email messages featuring those same items quickly went out of date as newer items were added to the website. Worse, by the time some customers opened their emails, the featured promotional offer had sometimes ended. Often the product was no longer available at all.
Stella & Dot Keeps Customers—and Stylists—Happy and Engaged With Real Time Personalization

When Stella & Dot took a fresh look at the current technology available for email marketing, they quickly found that many of these problems could be solved. “We found Liveclicker’s features to be easy to use, easy to customize, and easy to launch,” says Stephanie Barbour, email marketing coordinator at Stella & Dot.

The first order of business was to more tightly integrate the web site and email experiences. Thanks to Liveclicker, Stella & Dot is now able to scrape live images from its web site, put those images into customer emails, and make them shoppable. “We use Liveclicker so we can drive more engagement with our emails and make our customers feel like they’re part of our family,” says Stephanie Barbour, email marketing coordinator at Stella & Dot. That contextually-relevant experience has become a key part of the company’s program strategy. Emails that are enabled with live images boast a click-through rate of 6.25%, compared to rates of just 1.89% for those without real-time functionality.

Stella & Dot is also using Liveclicker’s behavioral profiles to feature personalized, behavior-based content in more of its campaigns. Says Barbour: “We are seeing a lift in our click-through rates as a result of adding this capability.”

Both Torrid and Stella & Dot were able to get dramatically better results from their email marketing programs by leveraging the advanced personalization tactics most suitable to their goals, and most likely to resonate with their particular audiences. Now that these brands have discovered how easy to use and flexible advanced personalization technology can be, they are well-prepared to build on that foundation and continue reaping the returns on investment that only advanced personalization can deliver.
Cost-Effective Personalization: Relevance the Smart Way

See how RealTime Email can bring advanced personalization tactics to your brand:
- Fast Ramp Up
- Easy Integration
- Proven Results

Request a Demo