Nurturing Customer Relationships in the Era of Hyper-Individualisation

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'Personalization at scale' is a phrase that has been prominently featured in virtually every marketing strategy deck in the last five, if not, 10 years. It's a phrase containing a tantalizing promise: individually tailored communications that have the potential to reach millions.

But for many, the reality has been fraught with disappointment, largely because 'Personalization at scale' stretched across channels requires 'orchestration at scale,' and over the last five to 10 years, the truth is that not all the all the instruments of that orchestra have been able to maintain the same tempo.

Today, however, I'm more convinced than ever that these instruments can now play in concert, and in some cases, with virtuosic ability, thanks to AI.

Personalization at scale is now within reach

Marketing technology stacks have quickly evolved from an assortment of loosely coupled, use-case specific applications, to being underpinned by unified data layers, serving as control centers that enable the 'data benefits' to be spread around more freely in the form of audiences, insights, performance metrics and predictive model scores. In turn, this has enabled AI-based models to simplify decision making through AI agents, trained to operate both within and across these newly connected applications.

Therefore, we should no longer be in doubt that 'Personalization at scale' - and perhaps even hyper-individualisation as a marketing objective—is now realistically within reach.

That said, hearing from the CEO of one of the world's most iconic CPG brands last week at Adobe Summit gives me some pause. In his talk he questioned our true readiness as consumers to see ourselves literally reflected as the protagonists in the communications we receive from brands. Think about that for a second. Extreme as that may sound, it does seem a critical aspect of hyper-individualisation left unchecked.

So, it begs the question: when is the right time – and the wrong time – for brands to start to test (and maybe even rely upon) hyper-individualized experiences to build the enduring customer relationships that they want to have with consumers? The answer isn't exactly black and white.

Consider your 'relationship status'

As in life, new relationships are fragile and overstepping is easily done, even if well intended. On the other hand, long-standing relationships are based on trust, earned by meeting certain expectations. The same notions should be applied in marketing when considering the level of personalization readiness among customers. Lifecycle-based segmentations are commonplace but are often based on marketing KPIs (RFM, LTV et) or business-outcome metrics (sale volume, revenue etc.). Along with other engagements and interactions, these signals help markets progressively profile relationships, nurturing from early-stage to high-value. However, we should also be using these signals to predict 'personalization receptivity'. For instance, customers who spend less but interact more, especially outside of purchase occasions, might be more receptive to highly personalized communications, versus those that spend more but are purely transactional in their relationship.

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Ensure AI feels 'invisible'

Creating a model for 'personalization receptivity' feels like an excellent use-case for an AI agent, trained on a brand's customer data. This can be drawn from CRM databases, web and app analytics platforms, CDPs and other technologies that parse and organize customer interactions for measurement and optimization.

But while that happens on the backend, it's important to make sure AI's role on the frontend is equally as invisible. This is not about obfuscation – but about ensuring that the use of AI in content creation and optimization is 'right sized' for the level of personalization receptivity.

Anchor personalization in your brand's core proposition

Ultimately brands that succeed fulfil an unmet need among large segments of global populations. Communicating the benefits of those products or services is done best when it's done with empathy and authenticity. Personalized experiences should be the doors in and out of a corridor of a consistent and core brand experience that fulfils consumer needs in a way that feels personal, not just personalized. That's the nuance and the magic.

Today, the reality of 'Personalization at scale' looks like to meet the promise. Marketers should be intentionally experimenting with the enabling machinery to test with speed, but scale with care. As with any other aspect of marketing strategy, the opportunity to leverage AI in this process should be well planned for, applied judiciously, and always with consideration for the current state of any customer relationship to ensure these endure deep into the next phases of marketing personalization.

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Jon is Global Chief Data Officer at MRM, where he leads a worldwide team of data strategists, audience specialists, analysts, and data scientists dedicated to helping clients build enduring customer relationships. With two decades of experience in data-driven marketing, he has played a hands-on role in the evolution of the field— shaping platform-based media, establishing global programmatic networks, creating new audience data products, and building high-performing teams that serve some of the world's most valuable brands.

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About MRM

MRM is a modern relationship marketing agency that builds enduring relationships between people and businesses.

MRM's core capabilities help grow relationship lifetime value, and span across CRM & Loyalty, Customer Experience, Commerce and MarTech, underpinned by Data & Analytics.

MRM operates in a borderless, integrated way, to allow for greater collaboration and velocity. MRM is part of McCann Worldgroup and the Interpublic Group of companies (NYSE: IPG), and spans 35 offices across North America, Latin America, Europe, the Middle East, and Asia Pacific.

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