What’s inside:

▶ THE VALUE OF PERSONALIZATION IN CHECKOUT
Learn how experience driven commerce can help you improve the conversion rates on your online store.

▶ PERSONALIZATION STRATEGIES
Unlock the personalization strategies to help you create winning experiences and convert shoppers into lifelong fans.

▶ PERSONALIZATION 101
Uncover the basics of personalization and the privacy aspects you need to consider.
INTRODUCTION

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INTRODUCTION

The Value of Personalization in Checkout

Websites operate as a leaky bucket, so to speak. Many retailers focus on getting a lot of traffic to their site, but only a very small percentage of this traffic ends up converting. The majority of visitors unfortunately leave without making a purchase. Successful retailers understand that getting shoppers to visit their site is only half the battle, and that unless they patch their leaky bucket issue, they’ll continue to struggle to capture shoppers.

That’s why personalization is such an important tool for conversion-focused retailers. The ability to keep shoppers highly engaged with your offerings and speak to them in a way that resonates will heavily influence whether you successfully capture a sale or not.

And there’s evidence to support this claim. According to research by Google, 85% of online shoppers are more likely to shop from brands that offer highly personalized discounts and exclusive offers. What’s more, 74% of online consumers get frustrated when content (e.g. offers, ads, promotions, etc.) has nothing to do with their interests.

As competition for consumer attention grows exponentially, online retailers must focus on delivering personalized shopping experiences to stand out from the crowd and ultimately drive more sales online. To help you succeed, we’re outlining 7 personalization strategies you can use.
Ecommerce personalization is all about creating dynamic shopping experiences tailored to your shopper's unique expectations and shopping habits.

Instead of a blanket approach designed to cover a variety of personas, retailers focus their personalization strategy on creating fine-tuned shopping experiences for each shopper that lands on their site. A few examples you’re probably familiar with would be Amazon’s recommendation engine on their product page or a website that automatically localizes to display in a user’s preferred language.

You’ll need to make sure you have a few things in place before you can start delivering these tailored shopping experiences.

- A process for collecting a range of data (behavioral, transactional, demographic) from visitors who land on your site.
- The ability to clearly segment visitors based on shared data points.
- The ability to serve unique experiences to each shopper segment in real-time.

Navigating your shopper’s privacy concerns

Retailers looking to implement a robust personalization strategy need to be careful to strike a fine balance between respecting consumer privacy and tailoring experiences. A Salesforce survey revealed that 57% of shoppers were willing to hand over their information if it meant they could receive more personalized offers or discounts. But of the 27% of shoppers who reported that a brand experience was too personal, almost two-thirds cited it was because the brand had information about them that they didn’t knowingly share.

To circumvent this situation, retailers should focus on being as transparent as possible around how they are collecting data and what exactly they are using this information for. To build trust with your customers, we highly recommend you allow your shoppers to opt-into information sharing and give them complete control over their data profiles. This way you have their consent and can continue to offer them hyper-personalized shopping experience without appearing invasive.
Online shopping isn’t an excuse for retailers to provide customers with a less-than-stellar shopping experience. Your shoppers are expecting the same level of care and attention they would receive in a traditional brick and mortar store.

While there’s no silver bullet for ecommerce personalization, these 7 tactics can serve as the foundational strategies for your business. Each of the chapters outlined below will include comprehensive tips to help you create winning experiences and convert shoppers into lifelong fans.

- Personalize to Your Shopper’s Local Realities
- Offer Tailored Product Recommendations
- Remove the Guesswork with Progressive Profiling
- Move Shoppers Down-funnel with Retargeting and Time-sensitive Promotions
- Up-leveling Your Loyalty Programs with Dynamic Discounts
- Optimize Web Experience for Each Shopper Segment
- Increasing AOV with Cross-selling
Localization: Personalize to Your Shoppers’ Local Realities

Why localization matters

International commerce presents a lucrative opportunity for retailers looking to expand to new markets. To succeed globally, your website and checkout need to deliver seamless shopping experiences that accommodates a broad range of language and local preferences.

Speak your customer’s language

Imagine trying to checkout from a website written in a language that you don’t understand. Which button would you click? Where should you put your shipping address? And most importantly, would you feel comfortable sharing your payment information? What was once a quick and painless process has now morphed into a less than stellar checkout experience.

To earn the sale, you need to speak your customer’s language. Don’t just settle for auto-translated words, focus your efforts into truly localized content that matches the unique dialects and jargons of each region.

Support local payment methods and options

According to research by Baymard Institute, approximately 6% of shoppers cite unsupported payment methods as a key contributing factor for cart abandonment. Since payment preferences vary from country to country, you’ll want to make sure you’ve done your research around the most frequently used payment methods or risk turning away perfectly good customers. To save your shoppers some additional legwork, you should also consider localizing prices to display in their native currency.

Popular payment options by market:

- Europe - real-time online bank transfers
- China - eWallets like WechatPay and AliPay
- North America - credit and debit cards, along with digital wallets like Samsung and Apple Pay
Why personalized product recommendations matter

Much like how an in-store salesperson might try to connect with shoppers who come into a brick and mortar store, retailers must also identify with their online customers on a 1:1 basis. Having a clear understanding of your customer’s likes and dislikes, expectations, and their unique shopping habits is an essential part of any robust personalization strategy and will also be instrumental in helping you foster personal connections with your shoppers.

The case against blanket promotions

Most individuals tend to ignore messaging and advertisements that aren’t relevant to them. This also applies to product recommendations and promotions on your site that fail to meet a similar level of personal attachment. Tailoring messaging that resonates with each shopper conveys your commitment to understanding your shoppers and helps maximize the purchase likelihood.

Data points to consider to guide your product recommendations

- **Browsing & Purchase History**: Items your shoppers have added to their shopping cart, completed purchases, and the category and product pages frequently visited by your shoppers.
- **Product Attributes**: Preferred sizes, colors, brands, and styles.
- **Site-Interactions**: Mouse hovers/clicks on on-page elements and call-to-actions.
STRATEGY 3

Progressive Profiling: Remove the Guesswork

How and why to build shopper behavioral profiles

There are a lot of insights you can learn from your shoppers from just looking at their behavior on your site. A look into your shopper’s purchase history can reveal brand loyalties and a deep dive through their search history can reveal the products that are top of mind. But sometimes retailers need to accept that they can’t possibly know everything about their customers from just looking at behavior or transactional data.

In some situations -- like when a new shopper visits your online store--there isn’t readily available information for your business to base your personalization tactics off of. In this case, your best approach to learning about your shoppers is just to ask them. Consider using chatbots or a well-timed survey to get to know them better. You can then take this information to personalize their experience and encourage them to continue exploring your site.
# STRATEGY 4

## Move Shoppers Down-Funnel With Retargeting and Time-Sensitive Promotions

### Foreward

Today’s buyers shop in different ways. Some have very straightforward shopping habits, moving from product discovery to checkout in a very linear manner. Others may require two or three touch points across multiple channels before deciding to make a purchase. As a result, online retailers should focus on building agile checkout flows that combine retargeting tactics and time-sensitive promotions to win back customers and influence purchase completions across channels.

### Moving beyond the traditional conversion funnel

Most individuals tend to ignore messaging and advertisements that aren’t relevant to them. This also applies to product recommendations and promotions on your site that fail to meet a similar level of personal attachment. Tailoring messaging that resonates with each shopper conveys your commitment to understanding your shoppers and helps maximize the purchase likelihood.

<table>
<thead>
<tr>
<th><strong>1) Retargeting Campaigns</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Make use of cookies and behavioral data to automatically retarget users who have shown a considerable interest in your products. For shoppers who aren’t quite ready to purchase, retargeting provides a fairly unobtrusive way to keep your products top of mind until they are ready to buy.</td>
</tr>
</tbody>
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<table>
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<tr>
<th><strong>2) Abandoned Cart Emails</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>From finding a better price elsewhere to experiencing unexpected costs, there are a variety of factors that might cause a shopper to abandon their shopping cart. But don’t count these shoppers out yet. Try winning back these customers with promotional emails that include the items they abandoned. Occasionally “sweeten the deal” by including a one-time discount code in your emails.</td>
</tr>
</tbody>
</table>
Create urgency with time-sensitive promotions

Online shoppers are not only looking for the right item but the perfect deal to accompany it. Inadequate product offerings (this includes price and shipping costs) can also cause shoppers to abruptly leave your store and look for deals elsewhere. Convincing visitors to stay and continue shopping is a matter of employing behavioral targeting algorithms that identify exit intent in real-time. Once you detect a visitor is about to leave, automatically re-engage these shoppers with personalized pop-ups and notifications.

A few promotions that result in high engagement rates include: free shipping and returns, BOGO coupons, and Member-only discounts.

STRATEGY 5

Up-leveling Your Loyalty Programs With Dynamic Discounts

Today’s buyers shop in different ways. Some have very straightforward shopping habits, moving from product discovery to checkout in a very linear manner. Others may require two or three touch points across multiple channels before deciding to make a purchase. As a result, online retailers should focus on building agile checkout flows that combine retargeting tactics and time-sensitive promotions to win back customers and influence purchase completions across channels.

Retailers have frequently turned to loyalty programs as a viable solution to help them nurture these customer relationships and convert shoppers into lifelong fans. Shoppers are usually enrolled in a point based system that rewards customers for each purchase they’ve made. Once shoppers have reached a certain threshold, they can redeem these points for additional items or discounts on their next purchase. Both sides are rewarded; shoppers get recognized for their business and retailers enjoy the stability a loyal customer base provides.
But as we’ve learned, today’s savvy shoppers are craving more from their favorite brands. It’s no longer enough to offer shoppers a discount for a percentage off their purchase; shoppers want to feel known, and this is especially true at checkout. Uplevel the experience through automation and set up smart rules to automatically convert these loyalty points for products your customers already love.

This is useful since it eliminates a lot of the legwork on the customer’s end. Shoppers wouldn’t have to worry about keeping track of points knowing that the loyalty program will populate a dynamic discount once a certain point threshold is met. Additionally, because your business already has access to past purchase history, it’s even easier to add a bit of personalization to the experience by mapping the discount offer to their favorite brands.

In the example to the right, Starbucks members earn two “stars” for every dollar they spend. After banking enough, they can exchange them for coffee, baked treats, merchandise and more.
STRATEGY 6

Optimize Web Experience for Each Shopper Segment

Foreward

We’ve already established the way shoppers purchase online can vary person-to-person. Oftentimes this is influenced by factors like their individual spending habits and product affinities, which is usually out of your control. But what online retailers can easily impact is the overall look and feel of their store. Even small tweaks to your category pages or subtle changes to your checkout modal can affect your KPIs and customer experience.

Since most category pages incorporate a variety of design elements, the most effective way to optimize these pages is to run a multivariate test on elements like color, product ratings, image dimensions, price tags, and font size. Instead of optimizing towards one winning variation, we recommend that you take your experimentation one step further and segment out your test across the different customer profiles. For example, your older demographic may prefer to see larger copy and images since it makes it easier for them to find the right products or compare items easier. Once you’ve determined a variation that resonates best with each segment, you can push those variants to your targeted cohort in real time.

5 shopper segmentation ideas

1. **Known Visitors**
   Shoppers become “known” when they finish signing up for an account or subscribe to your newsletter. Since this cohort already has some familiarity with your brand, focus on personalized product recommendations and pushing discounts and promotions their way to move them down the funnel.

2. **High AOV**
   Shoppers who regularly checkout with high average order values (AOVs). Offer this segment the option to split their transaction into micro payments instead of forcing them to pay a large payment up front. Doing so could increase the likelihood that they keep coming back to shop on your site.
One-Time Shoppers
Shoppers who have completed only one transaction on your site. To maximize the value of your customer acquisition efforts and marketing dollars, consider pushing account creation or enrollment in your loyalty program to this segment to help convert them into habitual shoppers.

Product Loyalist
Customers who have frequently purchased different products from the same brand or have made multiple purchases in a single product category. These shoppers know what they want and can benefit from personalized product recommendations or discounts.

Frequent Shoppers
These are the customers who frequently purchase products from your site over a given time period. To continue to entice these shoppers to visit your store, consider enrolling these shoppers into a loyalty program and offering them exclusive access to new launches, premier events, or other VIP perks.

Increasing AOV With Cross-Selling

Foreward
Most retailers have products that pair well together. A shopper looking for brown dress shoes may also be interested in a brown belt to match. A customer who has recently added a grill to their shopping cart might also be interested in purchasing a grill cover or other grilling accessories. Cross-selling is all about identifying the products that can help satisfy additional or complementary needs that would otherwise be unfulfilled by the original item. For our grilling enthusiast above, a relevant cross-sell might be an offer to purchase charcoal or barbecue sauces.
In many ways, cross-selling is very similar to the product recommendation strategy outlined in the previous section. We’re leveraging what we know about a visitor’s shopping intent, combining that with information about their preferences and affinities to ultimately offer them a recommendation that we feel would go well with their current purchase. One thing to note as well, cross-selling isn’t just limited to your product detail page. Some retailers have gone as far as offering complimentary recommendations right before a shopper completes their order.

**Benefits & example of cross-selling**

In many cases, cross-selling points shoppers to products they would have purchased anyway. But by offering these recommendations at this strategic point in this purchase experience, your business is increasing the likelihood that they actually add the item to their shopping cart. The benefits aren’t just reserved for retailers.

This personalization tactic is incredibly useful for demonstrating the breadth of your product catalog to shoppers. These recommendations can alert shoppers to products they didn’t previously know you offered, further earning their confidence as the best retailer to satisfy their shopping needs.

*Wayfair: Shopping-Cart Cross Selling*
SUMMARY OF LEARNINGS

7 Strategies to kickstart your Ecommerce personalization

STRATEGY #1

Personalize to Your Shopper’s Local Realities

Make shoppers feel comfortable with your site content by translating it in their native language, displaying the prices in their local currency, and accepting their preferred payment methods.

STRATEGY #2

Offer Tailored Product Recommendations

Use first and third party data (such as browsing data and site interactions) to drive product recommendations, as shoppers are more likely to engage with offers that they feel are relevant to them.

STRATEGY #3

Remove the Guesswork with Progressive Profiling

Leverage chatbots and surveys to gather the information about your shoppers that is not readily available. Remember that personalization is an ongoing process, so don’t feel pressured to know everything about your shoppers when you’re just starting out.

STRATEGY #4

Move Shoppers Down-funnel with Retargeting and Time-sensitive Promotions

Retargeting and cart recovery emails provide retailers with additional opportunities to convert shoppers. Use urgency (time-sensitive) and scarcity to help spur purchase decisions and persuade shoppers to buy now rather than later.

STRATEGY #5

Up-leveling Your Loyalty Programs with Dynamic Discounts

Customers today are more savvy than ever before, offer them personalized discounts and loyalty programs based on the products they love, not just for the products that you want to sell.

STRATEGY #6

Optimize Web Experience for Each Shopper Segment

Deliver truly tailored shopping experiences by optimizing the overall page design (image size, text size, font color, font weight...etc.) of the site on a per-segment basis.

STRATEGY #7

Increasing AOV with Cross-selling

Leverage cross-sells to increase the value of each shopping cart. Remember to take into account your shopper’s individual preferences to create one-to-one recommendations that are relevant to each customer.
CONCLUSION

Shopper preferences are evolving. In addition to a fast and secure checkout, today’s shoppers also demand stellar shopping experiences to match. Ecommerce personalization is an absolute must for any retailer looking to increase their average order value, drive more sales, and convert lifelong shoppers.

As competition in the ecommerce space continues to grow, your business must rise to the occasion. By implementing the seven personalization tactics outlined in this ebook, you’ll be taking the first step towards crafting personalized and engaging shopping experiences that are necessary for converting today’s shoppers.
ABOUT US:

Bolt is the world’s first checkout experience platform. Our checkout is optimized for any device and platform, and has seamless fraud-detection built in. We enable customer-obsessed brands to delight shoppers, elevate their brand experience and mitigate the number of fraudulent transactions. We currently support retailers on Magento, WooCommerce, BigCommerce, Salesforce Commerce Cloud and custom-built sites.