

<https://doi.org/10.52326/csd2024.48>

## THE ART OF PERSONALIZATION IN MARKETING STRATEGIES: TRENDS AND SOLUTIONS

Larisa TRIFONOVA

*Moldova State University, Chisinau, Republic of Moldova*

**Abstract.** This article examines the strategic role of personalization in modern marketing, highlighting its impact on customer engagement and brand loyalty. With consumer expectations for customized experiences at an all-time high, companies are leveraging popular techniques such as data analytics, artificial intelligence, and customer journey mapping to create highly customized interactions across digital and physical touchpoints. The author's research analyzes current trends including the use of real-time data, predictive modeling, and omnichannel personalization, while addressing the operational challenges of implementing these innovations at scale. Key solutions to overcome barriers such as data privacy concerns and integration complexities are discussed to guide marketers in developing effective personalized strategies that meet the dynamic needs of consumers in a highly competitive marketplace.

**Keywords:** *a adaptive content, customer focus, marketing solutions, marketing, personalized marketing, segmentation.*

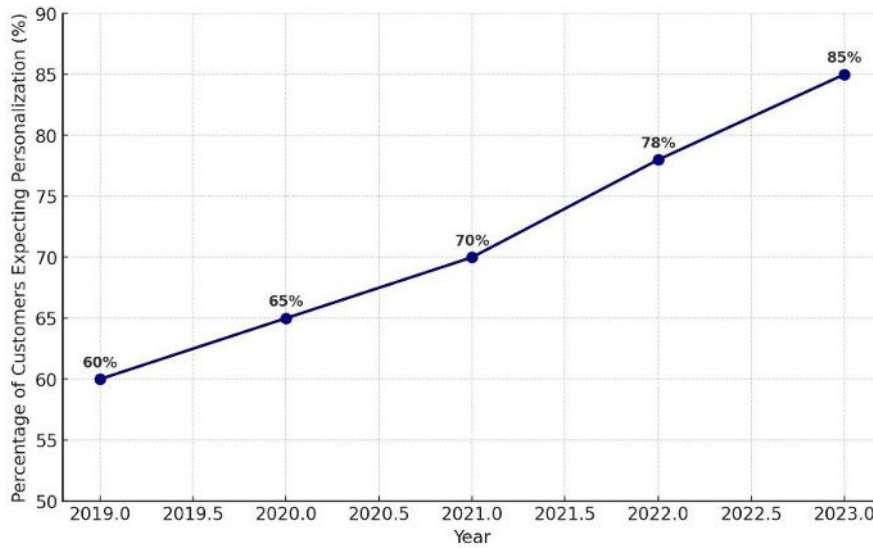
**JEL code:** *M31, D91.*

Modern marketing requires a deep understanding of individual consumer needs and preferences to create relevant and memorable interactions. With the shift to digital platforms and the growth of data, companies can develop more detailed and accurate profiles of their customers. With this approach, brands can tailor their communications to meet the unique expectations of consumers, increasing their engagement and strengthening loyalty.

Personalization has emerged as a strategic imperative for customer-centric marketing. Various techniques such as data analytics, artificial intelligence, and customer journey mapping enable companies to achieve a high degree of individualization. The author examines the strategic importance of personalization, innovative techniques, and cutting-edge solutions to overcome operational barriers, creating a benchmark for marketers in creating effective personalized strategies that meet the dynamic needs of the modern consumer.

From a marketing perspective, there is a general interpretation of the concept of personalization - it is the adaptation of a company's product or service to the needs and expectations of the target audience, their preferences. However, even in the context of marketing, the concept of personalization is quite broad. Since not only advertising can be personalized, but also a product, a company's offer, discounts and much more. In fact, this is all that is relevant for the user, that is, it meets his expectations and needs. Personalized complex offers evoke a much greater response from users than mass advertising mailings. This is explained by the fact that consumers no longer notice the same type of slogans and appeals in the information noise, but react to new advertising addressed to them personally and taking into account personal desires.

The idea behind personalization, then, is to move away from a one-size-fits-all approach and offer each user a product, service, or experience that meets their needs. Personalization has become a strategic pillar of modern marketing as companies strive to create unique and memorable experiences for each customer. Today, consumers expect brands to understand their preferences and expectations, and companies that successfully adapt their approaches gain a significant competitive advantage. Increase in customer expectation for personalized experience from 2019 to 2023 presented on Figure 1.



**Figure 1. Increase in customer expectation for personalized experience (2019-2023)**

The graph below illustrates the rise in customer expectations for personalized experiences over the past five years. This is supported by several recent studies - the growing demand for personalization driven by the use of data, artificial intelligence technologies, and improved customer insights. According to a 2023 Statista survey, around 75% of consumers worldwide expect improved personalization when they share more personal information, and over 70% expect customized experiences as technology advances [13]. The Salesforce report also notes that 88% of consumers consider the experience a company provides to be as important as its products, highlighting the growing demand for customized interactions [12]. These findings suggest that personalized customer experiences have become a strategic priority, with expectations continually rising as consumers become accustomed to real-time and omnichannel interactions.

Despite its popularity, the body of knowledge on personalization is diverse, fragmented, and interdisciplinary. For this reason, it is necessary to consider the views of various authors on the problem of personalization in marketing activities.

Personalization is defined as offering the right product and service to the right customer at the right time and place [11]. Various terms such as “individualization” [9], “segmentation” [10], “one-to-one marketing” [8], and “customization” [3] are used interchangeably with personalization for customer-focused, customized offerings. The author presents several concepts of personalization and highlights their features in Table 1.

**Table 1. The concept of personalization from different points of view**

Concept	Peculiarities
The personalization concept entails presenting and using customer information to create an individualized customer experience [1].	Individualized customer experience Customer information
Personalization is the use of technology and customer information to tailor a particular product to the specific needs of an individual customer [4].	Technology enabled Customer information Tailoring products
Personalization is offering the right product and service to the right customer at the right time and the right place [11].	Product/service Right time Right place
Personalization is the adaptation of products and services by the producer for the customer using information that has been inferred from the customer's behavior or transactions [6].	Customer behavior/transaction Producer driven

The small number of research views presented regarding the definition of personalization allow us to state that personalization is aimed at increasing customer satisfaction by improving the

quality of decisions, thereby stimulating loyalty. When implemented thoughtfully, personalized marketing can increase customer value by expanding the breadth of relationships [8]. According to another author, personalization facilitates access to information, achieves work goals, and takes into account individual differences [2].

Personalized marketing is a practice that presents and uses personal information to customize interactions and transactions to improve customer experience and marketing effectiveness for competitive advantage in a knowledge-based world [1]. This definition emphasizes the importance of customer experience, competitive advantage, and customer information. Thus, personalized marketing is a critical element of the marketing mix, and our innovative system identifies potential and existing customers by focusing on each individual customer through a combination of marketing activities [4]. This view is supported by another personalization researcher who argues that personalized marketing is a comprehensive concept that includes database marketing, relationship marketing, and mass customization. It may involve tailoring all or some aspects of the marketing mix.

Understanding the importance and relevance of personalized approaches in marketing activities, companies use such advanced technologies as: data analytics, artificial intelligence, customer journey mapping, and others. This allows you to build interactions with the client based on their behavior and preferences. The features of using personalization methods are presented in Table 2.

**Table 2. Features of the application of personalization methods**

Personalization method	Terms of Use	Tool
Data Analytics	Access to big data, expertise in analytics, availability of necessary technical resources.	Analytics platforms, DMP, CRM, DSP
Artificial intelligence	Availability of IT infrastructure, prepared data, constant updating of data.	Platforms analysts, CRM, DSP
Customer Journey Mapping	Availability of data on customer behavior, competence in UX/UI design and user experience analysis.	CRM, DMP, analytics platforms
Email Marketing with Personalization	Segmented contact base, click and interaction analysis tools.	Email Marketing Platforms, CRM
Contextual personalization	Access to customer behavioral data, setting up DMP and DSP for relevant advertising delivery.	DSP, DMP, platforms analysts

The presented personalization methods allow companies to create targeted and effective interactions with customers, adapting marketing messages to their preferences and behavior. The use of tools such as analytical platforms, Customer Relationship Management (CRM) and systems based on artificial intelligence provides flexibility and accuracy of the personalized approach. However, each method has its own limitations - from high implementation costs to difficulties with data processing. Successful implementation of personalization requires not only technological solutions, but also comprehensive analytics, competent data management and compliance with the conditions for the optimal use of each approach. For example, data analytics helps to identify trends and behavior patterns, which are then used to create personalized recommendations. Artificial intelligence speeds up the processing of large volumes of data, automatically adapting marketing messages. Customer journey maps allow you to determine where and how the customer interacts with the brand, which helps to customize communications depending on the stage of their journey.

Modern personalization methods rely on key tools: analytics platforms for collecting data on user behavior; Data Management Platforms (DMP) to create target audiences and dynamic content; CRM systems for storing information on customer interactions; email marketing platforms for sending personalized offers; and Demand-Side Platforms (DSP) for purchasing ad placements on external resources to reach the right audience. Together, these tools enable more precise and tailored marketing campaigns.

The approach presented is generally accepted, but it is necessary to take into account the

specifics of personalizing interactions with the client at digital and physical points of contact. In the digital environment, this may include personalized recommendations, tailored advertising campaigns, and interactive chats that take into account customer behavior and preferences. Tools such as behavioral analytics, CRM systems, and analytics platforms help companies build personalized offers and services in real time, tailored to the needs of each customer.

At physical touchpoints, such as stores, restaurants, or banks, personalization can be delivered through service based on a customer's purchase history, habits, and preferences. Using technology such as mobile apps and queue management systems, companies can create seamless experiences—without the customer having to fill out forms or provide explanations because the system already “remembers” their preferences. Personalization in both environments thus enhances the customer experience, strengthens brand loyalty, and allows businesses to create a holistic and personalized experience at all levels of interaction.

Despite the obvious advantages, the availability of a large number of methods and approaches to personalizing various aspects of marketing activities, the implementation of this process is associated with certain challenges, including data privacy issues and problems with integrating new technologies. Data privacy, associated with customer concerns about the security of personal data and compliance with the privacy standards that the company applies, can lead to a number of problems. One of the key difficulties is the decrease in customer trust, which potentially reduces their loyalty and willingness to provide information for personalization. In addition, non-compliance with privacy requirements can entail legal and financial consequences, including fines and reputational losses in the event of data leaks or violations of privacy policies.

Integrating new technologies such as artificial intelligence (AI), data management platforms (DMPs), and customer relationship management systems into a company's existing IT infrastructure poses significant barriers. This can result in difficulties in ensuring compatibility between new technologies and existing systems, increasing adaptation costs and requiring additional resources for technical support and updates. It can also slow down the personalization process, reducing its relevance to the customer.

The lack of specialized skills among staff, such as the ability to work with data analytics, AI, and automation, threatens to reduce the quality of personalization and the ineffective use of technology. This barrier is dangerous because, without the necessary competencies, employees may misinterpret data or make mistakes when creating personalized offers, which will worsen interaction with the client and reduce their engagement.

The difficulty in assessing the effectiveness of personalization due to blurred KPIs and multiple influencing factors is also a significant obstacle. Clear performance metrics may not be obvious because personalization affects multiple channels and customer touchpoints. This makes it difficult to measure the impact of personalized marketing strategies on bottom lines, such as return on investment (ROI), and difficult to understand which personalized actions are having the greatest impact.

Thus, one of the most common mistakes is excessive intrusiveness and failure to respect consumer privacy, which can not only scare off the client, but also cause serious damage to the company's reputation.

To overcome these barriers, companies are increasingly turning to solutions such as:

- implementation of personalization, strictly observing the stages of implementation in the general marketing activities of the company;
- training the company's marketers in personalization techniques and methods that are particularly relevant for a given company;
- development of comprehensive solutions to overcome barriers to the implementation of personalization, such as data privacy issues and integration difficulties;
- creation of a transparent data management system.

The main marketing solution in the context of personalization is its implementation in stages:

1. Setting goals. At this stage, it is important to determine what tasks personalization will be used to solve (for example, increasing website conversion or developing new products). Selecting

personalization KPIs that directly depend on the personalization goal (for example, if the goal is to increase engagement, the result is measured by the number of registered users, the number of pages viewed, the time spent on the site, the number of users who subscribed to the newsletter; another example could be increasing loyalty is analyzed through an increase in the number of program participants, an increase in the number of repeat orders, which shows interest in the product).

2. Data collection. The second stage involves methods that can be used to collect the necessary information about customers.

3. Drawing up a portrait in the third stage will be the key to understanding his behavior.

4. Development customer journey. At the fourth stage, it is necessary to understand at what points the consumer comes into contact with the brand in order to organize the most effective interaction there.

5. Creating personalized content based on previously collected information about consumer behavior.

6. Preparation of individual personal offers for users.

7. Quality control of all personalization activities and correction of actions.

Very often, these stages are violated, which leads to an inconsistent and ineffective personalization process. Violating the stages can cause mismatches between offers and real customer needs, loss of trust in the brand, low response to personalized campaigns, and even a deterioration in the customer experience.

Also, as a marketing solution to overcome personalization barriers, personalization marketer training is aimed at helping specialists develop effective personalized strategies that meet the dynamic needs of consumers. According to the author, the training process should include mastering data analysis and audience segmentation methods, developing skills in working with modern technologies such as artificial intelligence and machine learning, as well as knowledge of approaches to maintaining data privacy. In addition, important elements include the practice of creating targeted content and knowledge of the features of various channels of interaction with the client. Such an integrated approach helps marketers be flexible and quickly adapt strategies to changes in consumer behavior and preferences.

The third solution may be the creation of a transparent data management system associated with the development of a policy for the protection of personal information of clients and a data processing system that meets modern privacy requirements. This allows increasing client trust and minimizing the risks associated with the use of personal data in marketing personalization.

Implementing integrated solutions helps ensure data consistency and minimize risks when applying personalized approaches to marketing activities. Moreover, integrated solutions allow marketers to create a cohesive customer journey by synchronizing data across multiple platforms and channels. This seamless integration enables real-time data updates, which not only enhances the accuracy of customer insights but also facilitates timely adjustments to marketing strategies. Additionally, using integrated systems streamlines the process of managing customer preferences and interactions, ultimately leading to a more personalized and responsive approach. This efficiency in data handling reduces redundancies and enhances the scalability of personalization efforts, making it easier to adapt as consumer needs evolve.

When viewed from a strategic perspective, personalization is a strategy for gaining competitive advantage that involves educating, matching, and delivering products and services to customers. Customers benefit from personalization because it reduces confusion by focusing on options that meet their needs [7].

The author proposes a combined approach of strategy with approaches and tools for the implementation of effective personalization, adapting them to specific tasks and customer preferences. Key strategies, such as differentiation from competitors, communication with customers and creation of useful content and others, are integrated with personalization tools and supported by specific approaches. The possibility of integrating strategies, approaches and tools for the effectiveness of a personalized approach in marketing is presented in Table 3.



**Table 3. Integration of strategies, approaches and tools for effective marketing personalization**

Strategy	Characteristic	Personalization approaches	Personalization tools
Differentiation from competitors and market leaders	Formation of unique offers based on the analysis of competitors' actions and customer preferences.	Behavioral	Personalized pages, recommended products, customer databases
Multichannel communication with clients	Using email newsletters, chatbots, social networks and SMS to collect and analyze information about clients, which helps to adapt interactions to the needs of the client.	Behavioral, Demographic	CRM systems, databases, targeted advertising campaigns, automated mailings
Useful content	Creating content that helps customers solve their current problems, which increases loyalty and commitment to the brand.	Personal, Temporary	Recommender systems, analytics platforms, video content, lead generation pop-ups
Temporary personalization	Time-based personalization (day of week, time of day, seasonality) to provide customers with relevant offers at the right time.	Temporal	CRM systems, databases for time activity analysis, personalized payment and delivery terms

The table below illustrates key strategies for personalizing marketing activities and ways to integrate them comprehensively with approaches and tools aimed at maximizing the accuracy and relevance of customer interactions. In scientific marketing practice, it is common to distinguish four main approaches that facilitate the creation of highly tailored offers that correspond to individual consumer characteristics [5]:

1. The behavioral approach involves using data about consumer activity, such as purchase history, browsing history, or interactions with content. This approach allows companies to develop highly effective personalized pages, recommend products, and launch advertising campaigns that match the customer's behavior patterns.

2. The demographic approach is based on the physical and social characteristics of the target audience, such as age, gender or location, which allows segmenting consumers and offering them relevant offers. This approach is widely used in targeted campaigns, as well as in differentiated mailings, ensuring high accuracy of communication.

3. The personal approach uses individualized data collected from the customer, such as preferences stated in questionnaires or lifestyle characteristics. Thanks to this approach, companies can create individually tailored content that helps solve specific customer problems, which helps to strengthen emotional attachment and satisfaction with the product.

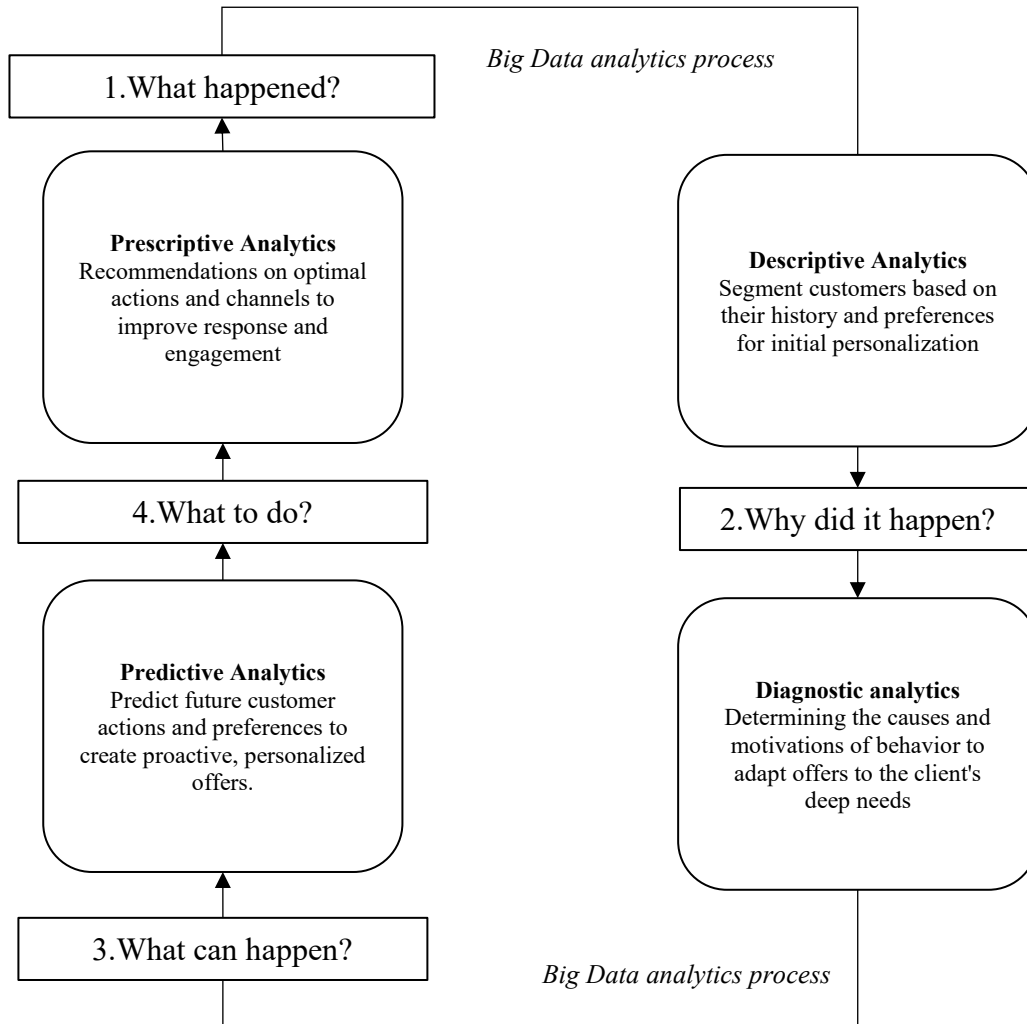
4. The time-based approach is based on time parameters, including seasonality, days of the week and periods of the day, which allows us to offer the most relevant offers taking into account the customer's time preferences. This approach is used in personalizing the terms of delivery, payment and the implementation of promotions tied to certain time intervals, which allows companies to quickly respond to the current needs of customers.

Thus, the synergy of these approaches and personalized tools allows us to develop flexible and scientifically based personalization strategies that specifically meet the requirements of target groups and stimulate their involvement in marketing processes.

By supporting a comprehensive approach to personalization with modern personalization trends, you can focus your marketing strategy on dynamically accounting for changing customer preferences and behavioral characteristics. The most interesting trends, according to the author, are

those based on the collection, analysis and use of big data in real time, as well as a multi-channel approach.

Using big data for personalization in marketing relies on the application of different types of analytics, each of which makes a unique contribution to understanding and predicting customer needs. Big Analytics Data in the context of personalization of marketing strategies is presented in the form of a diagram in Figure 2.



**Figure 2. Big Analytics Data in the context of personalization of marketing strategies**

Descriptive analytics, based on the analysis of historical data, provides an overall picture of customer actions and preferences, allowing you to identify key audience characteristics for initial content personalization. Diagnostic analytics delves deeper into the reasons for customer behavior, analyzing the factors that influence their decisions. This data allows marketers to identify motivational aspects of behavior and adjust personalization strategies to strengthen the factors that contribute to conversion or avoid potential errors. Predictive analytics is based on forecasting likely future actions, preferences and requests of customers, which allows you to create personalized offers based on anticipated needs. As a result, predictive models help increase customer engagement and loyalty through timely offers aimed at satisfying their potential needs. Finally, prescriptive analytics provides recommendations for optimal marketing actions, allowing you to effectively adapt interaction strategies with each audience segment. The combined use of all types of analytics allows companies to form deeply personalized marketing strategies relevant to the current and potential needs of customers, which ultimately ensures high accuracy and timeliness of interaction.

Thus, the art of personalized marketing is an integral part of a successful strategy aimed at modern consumer expectations. The introduction of innovative technologies and overcoming the

barriers associated with them allow companies to maintain customer loyalty and increase their competitiveness in the market. In the context of constantly changing customer needs, sustainable marketing trends, personalized marketing strategies will provide businesses with long-term benefits in the form of stability in the market niche, revenue consistency and recognition among consumers.

### References

1. AKSOY, N. C., KABADAYI, E. T., YILMAZ, C., ALAN, A. K. A typology of personalization practices in marketing in the digital age. In: *Journal of Marketing Management*, 2021, 37(11–12), pp. 1091–1122.
2. BLOM, J. Personalization: A taxonomy. In: *CHI'00 extended abstracts on human factors in computing systems*, 2000, 3, pp. 313–314.
3. DAVIS, S.M. Future Perfect. In: *Human Resource Management*, 1989, 1, pp. 145–153.
4. DAWN, S.K. Personalized marketing: Concepts and framework. In: *Productivity*, 2019, 54(4), pp. 370–377.
5. LIM, W.M., RASUL, T., KUMAR, S., ALA, M. Past, present, and future of customer engagement. In: *Journal of Business Research*, 2022, 4, pp. 439–458.
6. MONTGOMERY, A.L., SMITH, M.D. Prospects for personalization on the Internet. In: *Journal of Interactive Marketing*, 2022, 23(2), pp. 130–137.
7. MURTHI, B.P., SARKAR, S. The role of the management sciences in research on personalization. In: *Management Science*, 2014, 49(10), pp. 1344–1362.
8. PEPPERS, D., ROGERS, M. A new marketing paradigm: share of customer, not market share. In: *Planning review*, 1995, 2 (23), pp. 14–18.
9. RIEMER, K., TOTZ, C. *The many faces of personalization: An integrative economic overview of mass customization and personalization*. Berlin: Springer Berlin Heidelberg, 2003.
10. SMITH, W.R. Product differentiation and market segmentation as alternative marketing strategies. In: *Journal of Marketing*, 1956, 21(1), pp. 3–8.
11. SUNIKKA, A., BRAGGE, J. Applying text-mining to personalization and customization research literature—Who, what and where? In: *Expert Systems with Applications*, 2021, 39(11), pp. 10049–10058.
12. Official site of Salesforce. [Access 01.10.2024]. Available: <https://www.salesforce.com>
13. Official site of Statista. [Access 03.10.2024]. Available: <https://www.statista.com>