

# Understanding **INTENT**

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Elevating CX through intent-driven  
journeys and micro-moments

**LiveArea**  
A Merkle Company



# Understanding INTENT

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## INTRODUCTION

**B**rands have been in search of the holy grail of personalization for many years: delivering the right message, to the right person, at the right time. It speaks to the individual and can be used as a tactic to achieve relevance in people's lives, as well as create solid business outcomes.

But many brands are still stuck at square one, doing things very simply, such as personalizing communications in a rudimentary way – a name in an email header, or 'we know you bought that, so you might like this'.

However, vast tranches of data are now allowing companies to understand user journeys and do a lot more. Some businesses are a lot better at understanding customer needs and can provide content, inspiration, or products that are increasingly relevant. Intent-driven marketing and user experiences are reaching new heights. This is the next stage of personalization and comes at a time when consumer choice is infinite, especially online.

Today, the top priority for brands is to make themselves relevant and present within people's lives. Customers want a smoother shopping experience and increased convenience. Understanding the different touchpoints, or "micro-moments", and delivering the right message or positive experience is a sure way to boost loyalty.

In some sectors, from luxury fashion to high-end travel, delivering personalized content or experiences is a highly seductive, if not essential component, for winning and retaining business, as shoppers increasingly clamor for unique and individualized products and services to bolster their individuality. It works particularly well when it's aimed at a digitally savvy, time-poor, younger global consumer.

But for many companies this is not an easy process, otherwise more would be doing it. Get it right, and it should feel seamless. Get it wrong and customers see themselves reduced to a transaction or a number in a sales report.



Therefore, the ability to understand intent on a one-to-one level, and effortlessly deliver at scale will define those brands that thrive in the future. If businesses automate communications wrongly, they can harm their interactions with customers, creating a robotic service.

**It's a shift from campaign-based thinking: 'we want to sell you this, so how, where, and when do we communicate that offer?' – to customer-driven 'you want to buy this, through this channel, at this time, so how can we help you do that?'**

Yet this doesn't simply come from collecting a load of sales information and applying a bit of data analytics and AI. It involves a change in company ethos and a move towards greater customer-centricity.

This eBook aims to help brands cut through the hype, summarize the various components needed, and understand how to define meaningful journeys that truly resonate with their customers.



# What's changed, why now?

Consumers increasingly demand brand experiences that resonate with their lifestyles. Combined with the rapid proliferation of technologies, expectations have never been higher.

Leading digitally-focused brands are delivering true, one-to-one personalized experiences across their channels, whether it be through emails, websites, apps, SMS, or social networks. For example, Amazon's product recommendations come as a result of tracking customer behavior across their digital activities, and offering products personalized to what they've been searching or viewing.

They're using machine learning algorithms, combined with marketing data and insights. They've shone a stark light on the ineptitude of some legacy brands.

Newer digital players are unworried by outdated systems, cultures, and siloed mentalities. They're relentlessly focused on customer-centricity, encompassing all touchpoints along the customer journey.

Also, the investment needed is now less than what it was a few years back. Companies are implementing technology in a more unified way, cutting across all parts of a business and joining the gaps in the customer journey and those in corporate processes.

There is also increasing realization that retention of existing loyal customers can drive better value than new ones, considering the rising costs of advertising and new customer acquisition.



**“The winners in retail are those who embrace data, whether structured or unstructured, to create personalized experiences at scale and in real-time.”**

**Carrie Tharp, Vice President of Retail  
at Google Cloud**

# Do you really know your customers?

Understanding intent is a tricky business. Orchestrating journeys and offerings to individual customers based on their habits and behavior is now a lofty goal for many marketers. It requires lots of quality data and the right strategy, as well as continuous testing and optimization.

Many brands are segmenting their audiences, essentially delivering mass customization. But this is still less of a customer-driven practice, where there's a tailored solution or service offered to a consumer's specific tastes and preferences. Instead, it's about pushing relevant content and products to a group of people with similar data profiles.

Yet knowing what your customer wants and delivering intent-driven journeys requires significantly more data. This is why the vast majority of brands haven't been able to go beyond the mass-customization or the segmentation stage.

As a consequence, most companies are still reactively using any personalization drive to engage customers, rather than being proactive. Convincing consumers to share their data is probably the single biggest challenge stopping companies from moving beyond mass customization.



**“The next level of personalization shouldn't always seem personalized, instead it should be fortuitous.”**

**DuBose Cole, Head of Strategy, [VaynerMedia London](#)**

# Intent – The next stage of personalization

The next phase of personalization is around understanding intent. Intent-based journeys mean a move away from just selling people something relevant, to being able to anticipate a very discrete need, and at this exact time make a highly relevant and curated offer with supporting content and an experience, not just a product.

Intent goes beyond reactive personalization based on what a consumer has done, to a proactive and anticipatory science. This next iteration is all about "know me and engage me", instead of "doing" personalization to a customer. The goal is to turn every customer experience (whether we are talking about a purchase, an inquiry, or a complaint) into a value-adding servicing opportunity.

Previous personalization can be best understood through product recommendations. "I know that consumer X purchased Y so we can now serve them Z". It is focused on past buying behavior.

Understanding intent goes far beyond this. It relies on data from multiple sources, ideally with a 360-degree view of the customer. It not only encompasses past shopping data, but also looks at personal preferences, propensity modeling, and anticipatory shopping techniques, to inform

companies what the consumer is likely to do in the future – all at scale and lightning speed.

This then allows companies to understand more about the customer and deliver actionable insights that marketers can use to make decisions, such as proactively offering products to customers before they think they may need them. Not only should you consider the positive or neutral aspects of a customer's journey, but also factor in any negative experiences they may have had. For example, if a customer has had a negative experience with unusually high call center waiting times, it's unlikely they'll want to use that method of communication with the business again. If you log this in their customer record, it'll be easier in the future to know to offer them alternative methods of communication.

Delivering intent-based marketing also moves beyond personalizing a message, to additionally personalizing the context in which it engages the consumer. Context is the crucial bit. It's like a good waiter, they know the customer's tastes and needs, they are there when needed, but invisible when not. An important aspect of managing an intent-driven journey is being able to monitor the customer's experience, to respond to 'motivation change' very quickly.



**These journeys should appear fortuitous – delivering value to a consumer at the right time, in the right place, in the right way. It is less about selling consumers products and more about complementing their life experiences.**

Delivering upon intent is an authentic, one-on-one engagement. But at no point can it appear disconcerting, intrusive, or annoying. Brands will win by curating good experiences that utilize personalization, without solely relying on it.

This next phase is also about delivering messages consistently across multiple channels and at crucial times during the customer journey. This involves a new level of sophistication for marketers. They need to be able to learn quickly and optimize their strategies. They also need a great deal of data, insight, and knowledge of when to engage. In the process, brands need a customer engagement strategy that is second to none.

### **Today's consumer will now be asking brands:**

- Are they listening to me, and do they care?
- Do they understand my needs?
- Do they anticipate and respond to my needs?
- Do they do what they say they will?
- Are they there for me at the right time with the right message?

# Data is everything

Data is vital when it comes to personalization. The organizations that will win are those that have access to the most amounts of actionable data. What digital-first brands have done is curate a customer journey that generates vast tranches of data that can be collated, understood, and acted upon.

Look at Amazon and Google, they have embedded themselves into consumers' lives, whether it's through voice assistants, mobile search, online shopping, or media platforms, to generate the data that informs them.

If you have data across a wider range of customer touchpoints you can achieve a lot more. If you own the interface, you understand the customer. If you understand the customer, you understand the data. If you understand the data, you command the future.

However, your customer data mustn't exist in silos. According to Marketing Week, 93% of marketers feel that KPIs supporting customer-led journeys are hampered by departmental structures. If your customer service department has data on customers (call-handling times, cost-to-serve, etc.) that they aren't sharing with the digital team, or vice versa (conversion rate, etc.), you aren't able to create a full picture of the customer. Those metrics shouldn't operate in isolation or else it becomes detrimental to the end customer.

## Intent & personalization – what customers expect and how brands are reacting

**82%**

Of customers say personalized customer care influences loyalty, according to a survey of 6,400 consumers and business buyers globally. (Salesforce)

**80%**

Of marketers who invested in personalization will abandon their efforts by 2025 due to lack of ROI, the perils of customer data management, or both. (Gartner)

**33%**

Of consumers globally expect brands to anticipate their needs before they arise

The likes of Nike and Starbucks have invested massively in their digital ecosystems, particularly apps. Accumulating huge amounts of data around their customers' daily lives – how, when, where, and how often people exercise; when, where, and what coffee people buy – this is the kind of data that enables brands to shape intent-driven journeys around consumers' lifestyles.

There is a massive opportunity in the digitally-driven era for marketers to embrace data with a clear aim of cutting through the noise and resonating with people's lives. But how do you turn terabytes of consumer-generated interactions into actual real-life micro-moments for each individual? That's the crucial question.

The big mistake many companies make is to personalize their offering before they've collected enough data. A data set needs to be large and detailed enough to generate insights. You also need to understand what data you are collecting and why. You can collect all the information in the world, but without the ability to understand it you are going to achieve very little.

**70%**

Of consumers think it's important that brands understand a consumer's situation – but timing and context are crucial. (Selligent)

**12%**

Retail marketers feel very confident in their personalization capabilities. (Forrester and Bluecore)

**1-2%**

Increase in sales for brick-and-mortar retailers when AI is used on customer data to deliver personalized offers (McKinsey)



# Data difficulties

We live in a post-GDPR world. Data regulations have led customers to take control of their data and how it is used to personalize experiences. New technologies also run the risk of impinging on people's privacy.

Storing personal information is now a big issue. It creates legal minefields for digital marketing teams. This goes way beyond unsubscribing from a newsletter or turning on an ad-blocker. Data leaks and hacker stories have heightened awareness around this issue. And, the fact is, nobody wants to feel like they're being spied on.

It's a delicate balance for brands. Any excitement around new tools is tempered by data breaches, trust, and data protection issues. Data use when it comes to personalization raises many questions in the minds of consumers, such as: What was the personal data they used to come to that conclusion? How did they come to that conclusion? Can I change this?

It's all about trust and creating an environment where consumers provide data to benefit from a positive, seamless, convenient experience. Today's consumers are savvy, they will only entrust businesses with their information when it's being used to improve their experience, not to interrupt it with irrelevant content.

## Surveys on data misuse:

**64%** Of people worldwide have concerns about personal data being misused. (Digital Society Index 2019: Dentsu Aegis Network)

**32%** Of customers would abandon a brand altogether after one bad experience. (PwC)



## Four pillars to intent-driven journeys

**Identify** where there is an opportunity to add value both to the consumer and to the company. Every interaction or touchpoint is a chance to develop a relationship and build trust.

**Isolate** the consumer as an individual. If they buy one product, why offer them the same via an ad or an email the following week, or a discounted offer on a similar product they no longer need? Consumers want to be remembered intelligently and intuitively.

**Deliver** that fortuitous moment that improves the customer experience, not degrades it. It can be based on previous activity, data, and preferences. It doesn't have to be something to buy, it can be an experience, video, or blog.

**Relevance** is so important. The more relevant a blog, a message, a product, or service is, the more likely it is to build trust and loyalty. Anything irrelevant degrades the customer experience.

# The personalization journey

## Like a human relationship

For brands, enabling intent-driven engagement should not be instant. It's not just a case of flicking a switch. It's a journey, approached as a human relationship. The process is about taking time to get to know the customer and is continuous. This involves data sharing bit by bit, allowing brands to build up a picture of the customer and trust to develop gradually.

Like a human relationship, your full knowledge of a person is not instant. You don't ask your friends 20 questions at once, nor should brands bombard consumers. The drip-fed mutual sharing process then generates trust over time – this is especially true for older online shoppers.

To design great customer experiences, too often companies forget to be human and fail to invest in the craft of experience and narrative. What looks great in research, workshops, and meetings does not always translate to success. The intangible and storytelling are as important, especially when you want to create experiences that stick.

The focus is on forging a connection with the customer, whilst slowly sowing the seeds of your unique proposition, and why it should appeal to this customer at this time. This is a

two-way process and involves brands attempting to get to know consumers better, while at the same time telling them more about the brand.

It is also worth having a very strong welcome period with customers. First impressions count, and all channels should be considered, whether via email, live chat, in-store, social media, or push notifications on apps. These days, consumers know no boundaries when it comes to communications, and consistency across different touchpoints is an excellent way of nurturing loyalty.

Brands should also consider a customer's negative experiences. If your customer's first impression of you is negative, you should take note of why and use that to guide your marketing in future.

## Authenticity

Authentic brands are the most engaging. They have a story to tell and can create deep connections with consumers, who buy into the story and therefore react positively to interactions. Authenticity needs to be weaved into all functions of an organization's ecosystem, from marketing and customer service, to supply chain and fulfillment logistics. These are transmitted through transparent communications and consistency across touchpoints.



Intent-driven journeys are not just about sales and marketing; they need to demonstrate the authenticity and integrity of a brand that shows a true understanding of customer needs. The good thing is that if a brand has a strong authentic message, consumers want to be associated with this, which makes it easier for any communications to resonate.

### **Co-creation with consumers**

Delivering upon intent becomes a lot easier when it's viewed as a joint exercise with consumers. This is where the customer is given the ability to proactively define what they want to experience with a brand or how they want their data used. For example, if a customer can input data such as their dietary choices or allergies into a supermarket's website when ordering delivery, the supermarket knows not to offer future discounts on the products the customer isn't going to want.

Co-creation empowers consumers, makes for more meaningful relationships, allows better data sharing, and more precise journey mapping. Customers are more likely to supply more data to an organization when they know it is being used to improve their experience – for example, if it's more likely to result in receiving offers on products they're interested in. This can help build customer loyalty, as they're more likely to go back to a brand that knows their preferences, rather than having to forge a relationship with a new organization from scratch.

Listening to consumers is a major imperative in this process. This goes beyond tailoring the customer experience around needs and preferences. Proactive listening allows businesses to engage with a broader audience. It's worth listening to all voices in the marketplace and not just the loudest, the influencers, and the prolific social media posters.

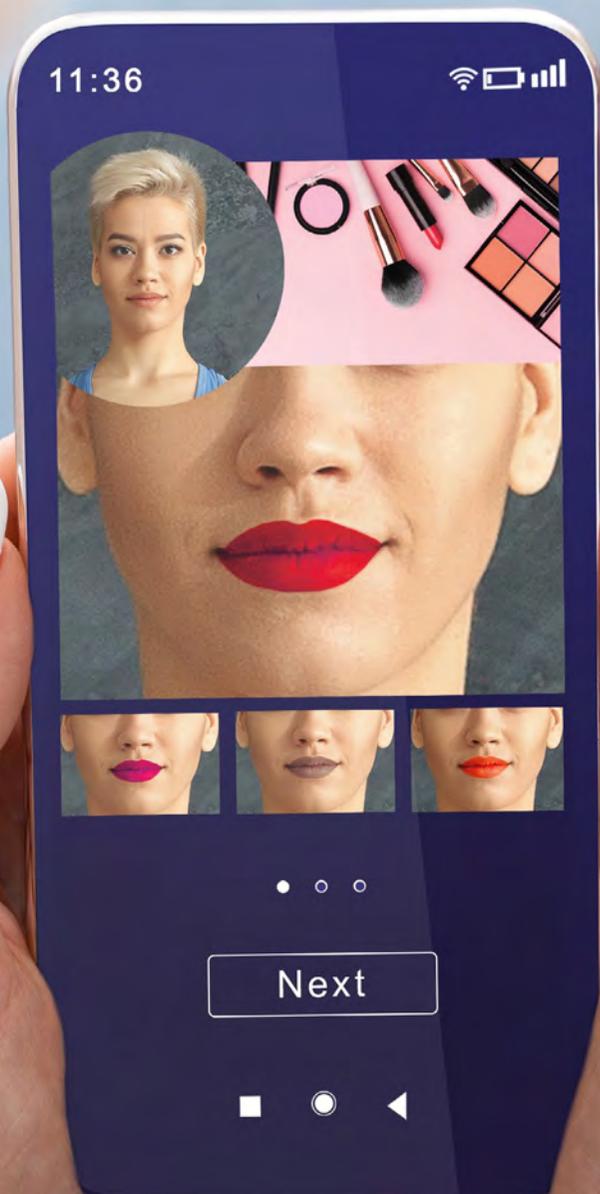
## **Examples of good intent-based journeys**

**Amazon:** Have filed a patent that relates to their Alexa devices, which can detect if you are ill. If Alexa thinks you have a cold, it will recommend that you order certain medicines.

**Westfield:** A shopping mall in West London has an AI-powered pop-up store, stocked exclusively with trending products based on real-time social media data.

**Netflix:** Have numerous levels of personalization – members; taggers who understand everything about content; and their machine learning algorithms that crunch data and provide suggestions.

**Spotify:** Using AI to curate the best recommendations for consumers. This now includes a 'mood' filter, so your favorite songs will now be the best representation of you in any given moment.



# A focus on algorithms

Predictive algorithms and data analytics are helping with personalization. They are now being used on a wider net of touchpoints, from in-store and real-time data, to call centers, social media, and interactions with apps. The idea is to build a 360-degree view of the customer.

Most eCommerce companies applying algorithms are using them to show consumers product ranges that have a higher chance of being relevant. This is because other people who have exhibited similar purchasing behavior went on to browse or purchase them.

When these algorithms reach a level of sophistication where they're able to say "this is what you like or need, as a specific individual, you just don't realize it yet", this is the next stage, driven by intent. This is based on the following questions – what do we know about you and how can we use that information to give you the most relevant, accurate, and engaging micro-moments?

To reach this level, algorithms need to be smart and bring on board many more data sources. They also need to make decisions on your behalf, predict and tell you things you don't know, rather than just remember things.

# Merging data sources

We live in an age where appliances, speakers, mobile phones, and smart televisions can all now generate vast tranches of data about consumer behavior. The ability to merge data sources, leverage iterative learning, and use a network of touchpoints to personalize brand communications, a new frontier.

Brands can also augment their data sources by partnering with other organizations or purchasing it from third parties. When this information is merged with first-party data, a more robust picture of the customer emerges.

Take a travel trip as an example: The airport, airline, and hotel all offer the customer a siloed experience. They each gather data on the business traveler. Yet the executive sees this as one business trip. If we can break down the barriers and share data to create "chained experiences" – you buy your favorite coffee at the airport, the airline now knows this and serves you the same coffee during the flight, the hotel the same coffee for breakfast – this will make the experience better and allow data to be shared.

# AI: What can it achieve?

Let's not forget that AI, machine learning, and even data analytics, only deal with known data. It therefore develops a predictive model that doesn't expand a world of possibilities; it shrinks it. This is worth remembering. AI never gives a radical departure from what you may already know, it will never offer a highly creative solution either.

While AI is incredibly efficient, it lacks empathy and communication skills. It offers insight, can crunch vast amounts of data, look for patterns, it can learn from your behavior, and remember preferences. But poor data in equals poor insight out. Also, what it cannot do is replicate the emotive experience that a lot of retail and brand experience is dependent on.

Use AI with human insight wisely – when it comes to personalization, artificial intelligence does not come with a built-in moral compass, and is not intrinsically good or bad either. It entirely depends on how it is developed and deployed. It's used powerfully when it is coupled with human insight.

AI brings great potential for improving personalization metrics, but any organization using it needs to examine the foundations of how it configures AI-based tools. This is to ensure it offers fair, inclusive, and relevant recommendations.





# Going too far

Tailoring communications without being creepy is crucial. This is the paradox, and it's making companies think about how empathetic, or personal they are towards customers.

Suggesting music choices based on past listening habits is one thing, bombarding customers with constant push notifications or personalized ad banners is another. No one wants a hard sell on their digital doorstep or wants to be creeped out by an over-familiar SMS.

How far to go is a crucial question. However, some people are already willing to share their DNA in exchange for make-up selections or swap data for curated wine choices; even empty their lives onto social media. So, there's a rainbow of consumer attitudes out there. Hence, it's even more important to understand not just what consumers consume and buy, but how much, and how often they engage with brands.

New AI and machine learning technologies are allowing brands to deliver personalized communications at scale for the first time in history. However, this also poses a risk of putting customers in their own bubble, their own echo-chamber of experience. This could limit the scope for surprise, serendipity, or creativity.

If you only use data to serve people products and content they like, it doesn't allow consumers to discover radically new product ranges or experiences beyond their comfort zone. All technology does is reinforce existing habits and choices, not new ones. The next stage for brands has to push the boundaries further.

# The human touch

This next stage will involve melding human insight with highly complex journey mapping and curated content. AI, machine learning, and data analytics will provide insight, not decisions. There is certainly an art to personalization beyond data and the information age.

Therefore, it's about machines assisting humans, not the other way around, especially in retail. Algorithms understand nuances that humans can't and remove any selection bias. They also provide the science and objective opinion, and humans can provide the artistic element and subjectivity.

Sense checking what's going in and coming out of machines and using human intuition to interpret results is therefore crucial. Real people embody trust and boundaries. Computers don't. Human intervention at all points is vital.

This involves human intuition, questioning what the data is telling you. This can sometimes allow for decisions that go against the norm but still find success. Brands that simply hand more off to technology and black boxes will be the ones that also lose a connection to their customers.



# Placing intent at the center

Those at the forefront of intent-driven experiences are reconfiguring the whole customer journey to align with the data they produce and the technologies they utilize. They are training staff for this operational and behavioral change, and aligning UX, analytics, and creative teams with strategy and leadership, instead of in siloes. Teams are beginning to have shared KPIs based around customer intent, so the whole organization is working towards common goals with the customer at the center. There's enormous value in organizational change.

By breaking down siloes, organizations can elevate their levels of customer-centricity. It involves rallying stakeholders, different divisions, and supply chains, and getting them all on board. It involves reconfiguring corporate processes and business functions that put the customer at the core.

By doing this it means that data and technology can be focused on customer and consumer insights in the process. It can also then deliver greater customization and journey mapping at scale. This reaches way beyond digital marketing and into products, services, and content.

This realignment also allows brands to reimagine the types of engagement they'd like to have with their customers and then feed relevant propositions into this.



## ABOUT

# LiveArea

A Merkle Company

LiveArea, a Merkle Company is an award-winning global customer experience and commerce agency. We bring the full potential of digital business to life, helping brands create meaningful and lasting customer connections. Fusing creativity, strategy, and technology, our services include product innovation, connected commerce, service design, performance marketing, and orchestrated services.

We bring together world-class commerce technology, building and launching innovative products and services powered by data-driven insights to elevate customer relationships – online and in-store. We deliver B2B, B2C, and D2C solutions to clients in health and beauty, fashion and apparel, luxury, consumer packaged goods, retail stores, healthcare, and automotive. LiveArea, a Merkle Company has business units in Dallas, Los Angeles, New York, Raleigh, Seattle, Bangalore, Liège, London and Sofia.

For more information, visit [www.LiveAreaCX.com](http://www.LiveAreaCX.com)