

PERSONALIZATION AS A MODERN TRADE DRIVER

In the modern world when millions of sellers interact with millions of buyers on online platforms the time spent on searching for the necessary goods and placing an order plays a huge role. Therefore, companies have to look for new ways to attract customers and retain them. With the help of technologies and data companies can learn more about their customers' habits and adapt their offers accordingly. To achieve a positive effect companies are increasingly resorting using personalization.

The research objective is to study the peculiarities of personalization in trade, how businesses can tailor their products and services to individual customers in order to enhance customer satisfaction and drive sales and identify the problems that companies may face when implementing personalization.

Personalization is a feature of a company's customer relationship management (CRM) by which the company gets consumer data into the interaction between consumers and the company. And use this data to provide products that will meet the interests of the buyer. Personalization matters more than ever with COVID-19 and the surge in digital behaviors raising the bar. Three-quarters of consumers switched to a new store, product or buying method during the pandemic [1].

The essence of personalization is to achieve a goal. Thus, the goals that companies set for their personalization efforts should be customer-oriented. It's not about providing what the business wants. The offer should be relevant to the consumer, meet their needs and make sense for the purchase. Site search, viewing data, product recommendations, landing pages and all other points of interaction should work together to create a complete picture of each visitor throughout their journey.

Although personalization is becoming an increasingly relevant topic, most companies are still in the early stages of understanding how to best use it.

Researches show that personalization most often drives from 10 to 15 % revenue. The more skillful a company becomes in applying data to grow customer knowledge and intimacy the greater the returns. For digitally native companies that forge a data-backed direct-to-consumer model personalization isn't just how they market, it's how they operate [2].

Although personalization in e-commerce has many advantages, there are also some potential drawbacks to consider. Some of these include:

1. Data privacy concerns. If a company does not provide reliable data protection it can lead to a loss of trust from customers.
2. Risk of personalization errors. For example, if a company sends unwanted personalized offers it can alienate customers.

3. Resource costs. Implementing personalization requires significant investments in technology, analytics and staff training.

Hence, while personalization has many benefits, companies should be mindful of the potential risks and limitations when implementing it.

And in conclusion, the use of personalization in e-commerce has a significant impact on the trade development, allows businesses to create personalized and enjoyable shopping experiences for customers. This feature can help businesses better understand their customers and drive business growth and success in the increasingly competitive e-commerce landscape.

References

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