



PERSONALIZATION

Tailoring customer experience through mobile apps

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Personalization is more crucial than ever, according to Deloitte Digital's latest research.* Since our foundational study two years ago,¹ consumer interest in personalization has increased 20%, and 50% more brands consider it a core component of their customer strategy.

Yet despite heightened attention, only a quarter of brands are delivering the kind of personalization consumers recognize and want. How do these standouts do it? They recognize personalization as a mutual exchange in which customers share information about themselves—and brands reciprocate by delivering spot-on experiences that bring value to customers' lives.

In a new series of articles Deloitte Digital is delving into ways that personalization that can help brands flourish by driving a positive, reciprocal exchange. Personalizing consumers' mobile app experiences is one of those ways.

PERSONALIZATION ON THE GO

Mobile apps are our indispensable digital sidekicks. In 2023, people spent nearly 25% more time on mobile apps than the previous year,² underscoring their growing importance. Their appeal? Just ask any smartphone user: apps are convenient, speedy and user-friendly. Plus, our recent research uncovered another compelling reason: they're an ideal medium for the kind of personalized experiences that brands seek to deliver.

Better yet, consumers themselves are craving more app-based, personalized interactions with brands. Over half of surveyed consumers said they frequently

purchase products and services through apps—with Gen Zers and millennials strongly favoring apps over websites. Apps are well suited to personalizing the kind of features that consumers want, including seamless ways of adding to wish lists and dynamic recommendations based on past purchases.

Consumers' zest for personalized app experiences isn't limited to shopping—they like customer service through apps too. Most surveyed consumers said they prefer to receive personalized service through apps, ahead of other options like web chats or call center interactions.

CONSUMERS HAVE AN APPETITE FOR APPS

51%

frequently purchase products and services through apps

57%

prefer apps for personalized customer support / service

* This report highlights results from a January–February 2024 survey of 500 business executives who are responsible for personalizing the customer experience at US business-to-consumer companies, plus 1,000 adult consumers who had interacted with a brand online or through an app in recent months. Unless otherwise noted, the statistics and insights highlighted in this article are based on that research survey.

GO BEYOND CUSTOMIZED

Apps make it easy for users to tweak settings and notifications to their liking. However, brands shouldn't stop at mere customization. Doing so would mean missing out on opportunities to harness everything brands can learn about customers based on their app interactions—their age and gender, the time of day they typically use the app, the screen gestures they prefer, the product category they looked at for the first time, and more. By leveraging this kind of data, brands can deliver content and design that is truly attuned to each customer's unique interests or needs.

To make your brand's app experiences more personalized, consider these actions:

- Win over customers from the get-go by understanding their initial goals when they download your app. It can be valuable to directly ask about their favorites or preferences to immediately make their time on your app more convenient and bespoke. By knowing what they like, you can calibrate the right level of in-app

recommendations, offers and push notifications for each customer, making them feel connected but not inundated.

- Adapt and experiment with different content and design based on actual user behavior. For instance, consider where customers land when they first open the app. Some may prefer seeing the home screen with several options of where to go next, while others may want to dive deeper in the shopping, service or delivery experience. By analyzing user profiles, you'll take customers to the places that align with their demonstrated and implied interests.
- Be transparent upfront about the benefits customers will see by enabling location services for your app. By gaining their trust and permission, you can adjust and improve the app experience based on customers' whereabouts. You can design the app interface to change, for example, when someone approaches your store or restaurant location for an order pickup, speeding up the process.

You can also offer special deals when customers use your app while shopping in-store. All of this gives *you* valuable information about how your customers actually shop, and it gives *them* the kind of tangible benefits they want from personalization: Our research found that 78% of consumers expect money-saving insights, and 84% said personalized discount offers or bundles significantly influence their purchase decisions.

- Drive ongoing engagement by creating an in-app community where users can share ideas, ask questions and gain access to unique offers and opportunities. A robust in-app community means users spend more time on your app and are less likely to forget about it or uninstall it. Best of all, the community conversations can help you get to know customers better so you can curate more impactful content and recommendations.



APP + PERSONALIZATION = BUSINESS RESULTS

Two powerful trends are converging: People are spending more time on apps and they're seeking out personalized experiences— together giving brands more opportunities to shine. Our research showed that customers richly reward brands that deliver resonant personalized interactions, spending 37% more on average. Better yet, this boost can translate directly to the bottom line. We found that brands with the strongest personalization capabilities exceeded their 2023 revenue goals by nearly 10%, compared to just 1.7% for brands with less robust capabilities. Those exceptional results are possible for your brand when you harness the winning combination of apps and personalization.

To learn more about Deloitte Digital's holistic services across strategy, experience design, engineering and more, reach out or explore deloitte.com/digital.



GET IN TOUCH

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Download our full report on personalization [here](#).

ENDNOTES

1. Leala Shah Crawford, *Embrace meaningful personalization to maximize growth*, Deloitte Digital, July 2022, p. 2, <https://www.deloittdigital.com/content/dam/digital/global/legacy/documents/offerings/offering-20220713-personalization-pov.pdf>, accessed August 6, 2024.
2. Laura Ceci, *Cumulative global hours spent on mobile apps 2020–2023*, Statista, April 8, 2024, <https://www.statista.com/statistics/1446684/cumulative-time-spent-on-apps/#:~:text=In%202023%2C%20mobile%20users%20worldwide%20spent%20almost%2016,apps%20experienced%20a%20constant%20increase%20among%20global%20users>, accessed August 16, 2024.

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