THE MAGENTO USER'S GUIDE TO

PERSONALIZATION
MARKETING AUTOMATION
AND ANALYTICS

PRESENTED BY **HubSpot** + **MAGIC LOGIX** INTEGRATED MARKETING AGENCY

About the Author

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Hassan Bawab is the founder and CEO of Magic Logix, a Dallas, Texas based agency specializing in customized marketing automation solutions for businesses worldwide. Born in Lebanon, Mr. Bawab arrived on the automation scene in 1999 by way of Fedex, where he was Sr. Technical Analyst and Engineer in charge of fedexkinkos.com, and where his passion for all things digital was sparked.

After the successful launch of Magic Logix in 2004, Mr. Bawab's entrepreneurial ambition continued. He has since developed several other businesses that will debut in 2014. Key to Hassan Bawab's success is his passion for innovation and his ability to incorporate trend-setting technology into the field of web development and marketing automation. Mr. Bawab has been named one of Dallas' "40 Under 40" top business executives by the Dallas Business Journal in 2011.

Mr. Bawab is a trusted resource in the industry and often spends his free time as a consultant for Top 1000 Fortune companies. He has been honored as a guest lecturer at global events and conferences, and locally at The University of North Texas, The University of Texas at Dallas, and Southern Methodist University. He is the author of "How to Work with a Digital Marketing Agency" and has written numerous articles on automation technologies that have become industry dogmas.

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Introduction

The undisputed master of ecommerce personalization is Amazon.com. Did you browse through patio furniture on Amazon this week? Expect an email to come your way with patio furniture recommendations. Did you just finish reading *War and Peace*? Amazon will ask you to post your review soon.

RECOMMENDED FOR YOU

The biggest online store on the planet uses personalization and dynamic contextual content for one simple reason: It works. The days when ecommerce sites show the same content to every visitor are drawing to a close, and buyers can now expect a personalized shopping experience, along with personalized emails and personalized shopping carts.

Ecommerce giants like Amazon and Wal-Mart aren't the only ones learning to use personalization. Medium- and small-sized businesses can learn how to effectively implement personalization on their ecommerce sites, too—without the tech budgets of Amazon.

That's what this ebook is all about. We'll walk you through implementing personalization for your own online business, one step at a time. The tips contained within this guide will apply to every ecommerce website, but we'll be focused especially on sites built on Magento, the open-source ecommerce content management system that eBay recently acquired. The platform has been steadily gaining in popularity as web masters realize how powerful it is.

Are you ready? Let's start at the beginning.

What is Personalization?

"Personalization" and "dynamic contextual content" can refer to a broad range of things, both on your website and in your marketing. For example, you can personalize your website so that when a customer logs in to his or her account, s/he's immediately greeted with product recommendations tailored according to past purchases. You can personalize your emails, as well, with marketing automation techniques that make people on your email list more purchase-ready. Social media messages can also be personalized, such as by (1) targeting specific sub-groups of your fans or by (2) learning more about your fans and creating content that they'll be more likely to like, share, retweet, or comment on.
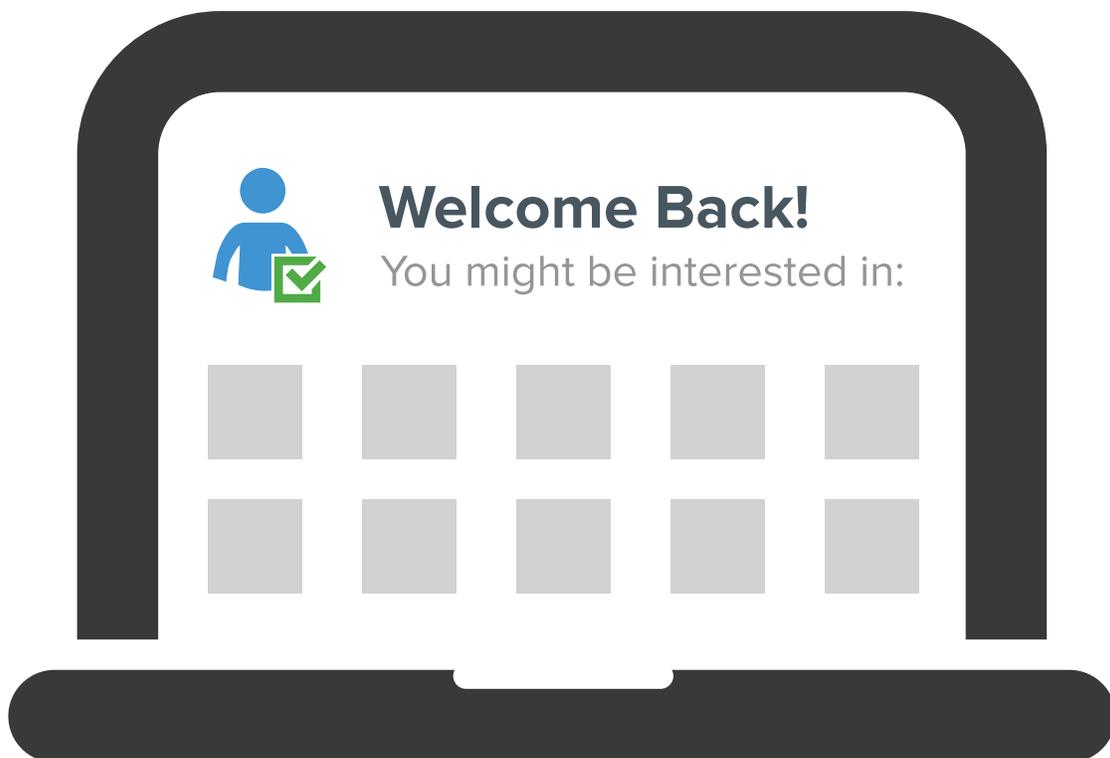
Over the course of this ebook, we'll cover all these different types of personalization, along with learning how to track the results of your personalization efforts. We'll look at personalization from two different angles:

1.   **The Marketing Angle**

What types of personalization should you use? How can you make your personalized marketing more effective? What are some proven methods of using personalization across different marketing channels?

2.   **The Tech Angle**

How do you actually implement personalization for your ecommerce site? What software do you need? What extensions for your website should you think about? How do you set up tools like Google Analytics to track your results?

All along the way, we'll provide you with additional resources that expand upon our points and will help you with your efforts.

Why Use Personalization?

"Ok, so Amazon and Wal-Mart use personalization, great. But they're multi-billion-dollar-per-year corporations. I'm just a small business. My customers don't care about personalization."

You might have an objection like this one in mind. Your concerns might be that personalization will be:

✕ **Too expensive to implement**

✕ **Too much of a headache to keep up with**

✕ **Not right for your business or organization**

Let's address these objections one at a time.

Personalization is too expensive

Some types of personalization *are* expensive and won't be right for every business. However, plenty of inexpensive ways to provide personalized content to your customers and prospective customers exist.

Personalization requires too much effort

Again, there are simple ways to create personalized content that are really not difficult. Even segmenting your email list into just two or three parts, for example, is a much better long-term strategy than sending out huge email blasts to your whole list every time. Furthermore, while personalization does take some more effort, includes a learning curve, and will be something you'll need to keep up with and track over time, you'll be well rewarded for all your hard work. See the next point on this list.

Personalization isn't right for my business

Now that's where you're wrong! When "personalization" first started gaining attention a few years ago, Search Engine Watch published a post stating that personalization was increasing conversion rates by up to 70%, while at the same time reducing the cost of pay-per-click campaigns by up to 50%. Those are some impressive numbers. The numbers suggest that everyone can benefit from personalization, even if they only implement a little.

Here are some other statistics that should catch your interest:

74%   of people say that they get frustrated when they repeatedly see content that's not relevant to their interests

57%   say that they would leave a website if it showed ads for a dating site but they were already married

67%   say they would leave a site if they saw ads for a political party they dislike

Source: Janrain/Harris Interactive

Understand a New Buzzword: Context Marketing

Before you narrow your view of personalization and think that it only has to do with those emails that say, "You bought X? Buy Y for half-off!" or cookies that show certain products when a customer logs back into your website, you also should learn about the term "context marketing."

Lately, the marketing world has been abuzz talking about "content marketing." In a nutshell, content marketing is any content provided to customers or fans that is designed to be useful, humorous, or otherwise adds value to the customer's life. A free white paper is a great example of content marketing, as is a blog post, an infographic, or a Facebook meme. Nowadays, content marketers are adding another new term to the mix: context marketing.

Context marketing says that content marketing is only effective when it's in the right context. You may have a great blog post about dealing with a break-up in a healthy way, but additional research might show that women, ages 25 - 34, with a college degree and during the winter, are most likely to read and respond to such a post. In other words, it's not just the content you think about, but also the context that makes the content work. "Context marketing," then, is really just another way of talking about and thinking about personalization.

Why Ties Are Great

TIE SALE

Four Great Examples of eCommerce Sites That Do Personalization Right

To get you brainstorming and inspired, take a look at these sites that really do personalization right.

Amazon.com

Yes, we've already mentioned the giant here, but Amazon is worth mentioning here again. Some of the personalization tricks that Amazon uses:

- *Customers who bought X also bought Y:* When you browse through products at Amazon, the site is always looking to upsell you. At the bottom of a product description, you'll see buying suggestions based on what you're looking at.

- *Shopping cart abandonment reminders:* Have you ever loaded your Amazon shopping cart with products, then decided to sleep on it? You might forget that there are items in your cart, but Amazon doesn't. A few days later, expect to see a reminder email letting you know that you've still got those products in your cart and that there are some other great deals on similar items.

- *What did you think about X?* Amazon has found that product reviews really help to move merchandise. For that reason, they'll ask you to review your purchase a few days after you buy it.

- *Welcome back! Personal recommendations for you.* As soon as you get to the site, Amazon tailors what you see on the home screen with products that are similar to your past purchases. Do you read science fiction? Your Amazon home page will likely remind you to pre-order the next book from your favorite sci-fi author.

Air New Zealand

Unless you're a Kiwi, you probably haven't heard of Air New Zealand. If you do fly this airline, though, you've probably been treated to emails that are much more personal and friendly than the standard "It's time to check in" email you're used to getting from an airline.

The email that Air New Zealand sends to its customers includes far more than just gate numbers and boarding times. The company's emails are tailored based on your destination, suggesting cultural sites to take in, restaurants to visit, pictures from the locale, and weather updates. (See? That's "context marketing" in action!) The emails get a 69% open rate and a 38% click rate—numbers that make most marketers drool.

Paramore

Paramore is an American rock band that has fans all over the world. Their site is no Amazon or Wal-Mart, but they still use simple personalization techniques to make buying their merchandise easier. When you shop Paramore T-shirts and music, you'll see prices in your own country, with shipping rates based on your location. Using geo-location is an example of personalization that's easily accessible to everyone.

L'Oreal

Make-up seller L'Oreal, meanwhile, thinks it can figure out what color eyes you have based upon your browsing history and previous interactions with the site, and will then serve you make-up advice based on that data. Although that's a little creepy in an Edward Snowden/NSA kind of way, think about the implications for the cosmetics business.

The first thing a visitor to LOrealParisUSA.com sees is the temperature and the weather in the local area; the second thing the visitor sees are beauty tips related to the forecast. On the day we visited the site, for example, it was cloudy and cold on the East Coast of the U.S. L'Oreal suggested a "Cloudy Day Pick-Me Up" nail polish tip. What's that called, class? If you said "context marketing," give yourself a point!

These four sites make up just a sample platter of the types of personalization that ecommerce sites large and small are implementing. With a little effort, you can learn from their successes.

Low-Hanging Fruit: Easy Ways to Add Personalization Without Much Work

One of the reasons ecommerce website owners have avoided adding too much personalization is that it sounds like a lot of work. Indeed, some types of personalization, such as relying upon marketing automation software, can get expensive and complex. However, there are ways in which websites and marketing messages can be changed easily and immediately without too much effort. Here are four low-hanging personalization fruits that you can implement right now.

Change your email sign-up form

Ecommerce sites struggle between the extremes of asking for too much information as part of their email sign-up process and asking for too little. It's a well-known fact that short email sign-up forms build email lists faster, and that's important for every ecommerce site. However, when all you ask for is an email address, the only data you get is an email address. An email address by itself doesn't tell you anything about how to personalize a marketing message to your new subscriber. What you want to do is to create an email sign-up form that accomplishes two tasks: (1) It allows you to personalize the messages you send to your new subscriber, while (2) not turning off potential subscribers by asking for too much information.

Start by eliminating all the optional fields from your sign-up forms that aren't really necessary. For example, do you really need someone's first and last name? The truth is that you probably don't need their last names, so eliminate that field. Do you need their mailing address before they ever make a purchase from your site? No, you don't really need that yet, so eliminate that, too. Are they actually going to take the time to fill out your list of fifteen different checkboxes naming their interests? As soon as they see that pile of checkboxes, they'll already start to get annoyed. Instead, keep it simple and ask them what they're going to use your content for. For example, if you're offering a free guidebook on tools, ask them what they plan to build. If they say "a deck," then you can send them information on hammers in the future, not jackhammers.

Finally, why are you asking them how they heard about you? You should already have tracking code in place on your website that will often answer this question, so they shouldn't have to answer it for you.

Furthermore, you don't need to know their life story when they sign up for your email list. Just start by capturing that email address. Later on, you can add more information about them that will help you better segment your list. This technique is called "progressive profiling."

Here are two suggestions for what should go on your email form: email address and zip code. That's it. Another alternative that keeps sign-up numbers high while still gathering valuable customer data is what the UK shoe retailer Schuh has done. Enter your email address on the homepage and click "Sign Up." A pop-up box then appears with three simple checkboxes to learn about the new subscriber's interests, with a "Confirm" button underneath. By making the pop-up box invisible until the user presses "Sign Up," Schuh certainly increases the number of people who enter their email addresses and still give them additional information about themselves.

Armed with an email address, a zip code, and an interest or two of your new subscriber, you can already start personalizing the information you send.

Thanks for signing up!
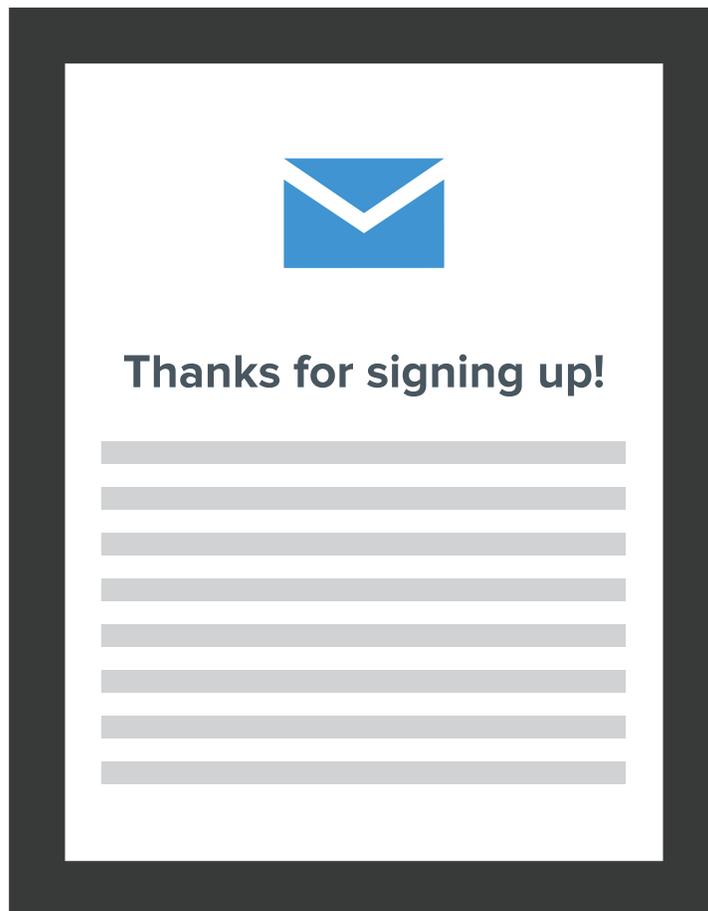
Use marketing automation processes

The second low-hanging personalization fruit is to design marketing automation processes that will move your subscribers, fans, and followers down the sales funnel a step at a time.

In the previous tip, you changed your email sign-up to help you gather a small amount of personalization data from new subscribers. The data you gather should automatically sort your subscribers into list segments. For example, let's say you sell unicorns and unicorn supplies and your email sign-up form is designed like Schuh's to help determine whether new subscribers are interested primarily in Unicorns, Unicorn Saddles, Unicorn Feed, or some combination of those three.

Someone who signs up to your email list and checks only the box for "Unicorns" should then automatically be added to an email list that focuses mostly on selling unicorns, not unicorn supplies. The first email this new subscriber receives might be something like, "Look at the baby unicorns we just got in!" Once they've purchased a unicorn, *then* you can start sending them messages about unicorn supplies.
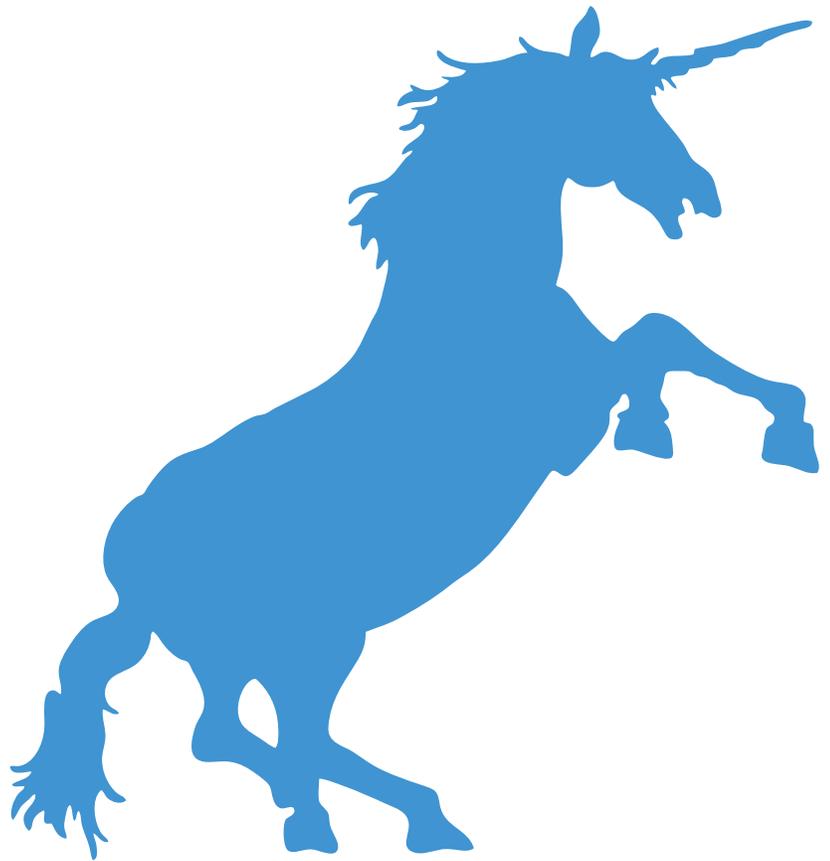
Your marketing automation process shouldn't stop there. Whatever software you're using to send emails, you should be able to see what subscribers do with each email they receive. For the next step of your marketing process, separate out the people who opened the email about the baby unicorns and the people who didn't. The group who opened the email might get a second email a few days later that says, "These baby unicorns are going fast. get yours today," whereas the group who didn't open the first email might get a second message that says, "Did you see these pictures of our baby unicorns?" And so on. Each message you send should be personalized based upon the subscriber's previous behavior, rather than a generic message that you send the whole email list.


Did you see these pictures of our baby unicorns?

By the way, marketing automation software will make this process much easier on you. You can segment your lists by hand if you want to save money, or shop around for affordable marketing automation software if you'd rather save time. We'll talk a lot more about marketing automation and automation software in the next chapter.

Find plugins, extensions, or code that redirects visitors based on their location

In the introduction, we mentioned how the American rock band Paramore changes its merchandise pricing based upon the location of the viewer. This type of personalization change is another that's relatively easy to make with just a little bit of code. There are both free and also inexpensive extensions and plugins that will allow your site to show two different versions to viewers based upon their location. This customization, in turn, will make your website "stickier" and show visitors what they are most interested in seeing.

For example, if you have a location in Massachusetts, a location in California, and a location in Florida, you can show slightly different versions of your site based upon your viewers' zip code. The website viewer from Florida might be greeted with an appropriately sunny banner, the California viewer might see a mention of the Golden Gate Bridge, while the Massachusetts viewer might start on a page that has a reference to Beantown. Even without geo-location, you can extrapolate geographical data based upon their user profile.
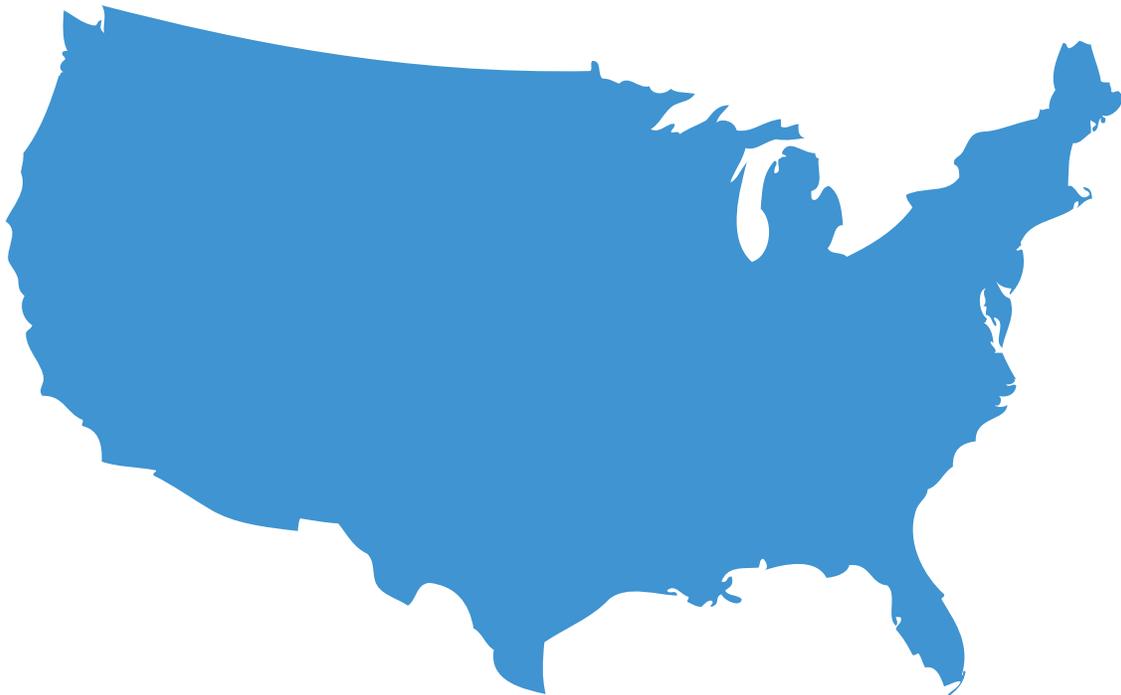
Reduce shopping cart abandonment

Simple personalization tricks can help you both reduce your shopping cart abandonment and also upsell your customers. Here are five easy ways to reduce shopping cart abandonment through personalization:

- **Include a thumbnail of the product in the checkout list.** Help customers feel assured that they have added the item they meant to add to their shopping carts. Include a small thumbnail of each item in their cart.

- **Send a follow-up email to customers who have abandoned their carts.** Sometimes shoppers don't change their minds; they just forget that they were going to make a purchase. A quick email reminder a few days after the shopping cart has been abandoned will often solve this problem.

- **Don't offer a coupon once the customer is inside the checkout process.** Adding a chance to sign up for a coupon might seem a good way to upsell a customer during the checkout process, but actually this is a very bad idea. Why? Customers leave the checkout process to investigate the coupon offer and then forget about their purchase.

- **Don't cross-sell inside the checkout process.** The time to upsell your customers is while they are still adding items to their carts. Once they've started the checkout process, however, take away all distractions, like coupons and cross-selling, and focus on getting them across the finish line.

- **Make sure you're clear about what's in stock and what's not before the customer gets to the checkout process.** There's nothing more frustrating to a customer than adding an item to a shopping cart and <i>then</i> finding out the item isn't available. Make sure you have a way to display the quantity available for each item in your store on the product page.

Summary: Start Now

The four points mentioned above are easy ways to personalize your ecommerce site for your customers without requiring a massive overhaul. The tips listed above are all about working smarter, not harder. The next few tips we cover will expand upon the tip of marketing automation, showing just how much detail and laser-sharp personalization you can add to your site.
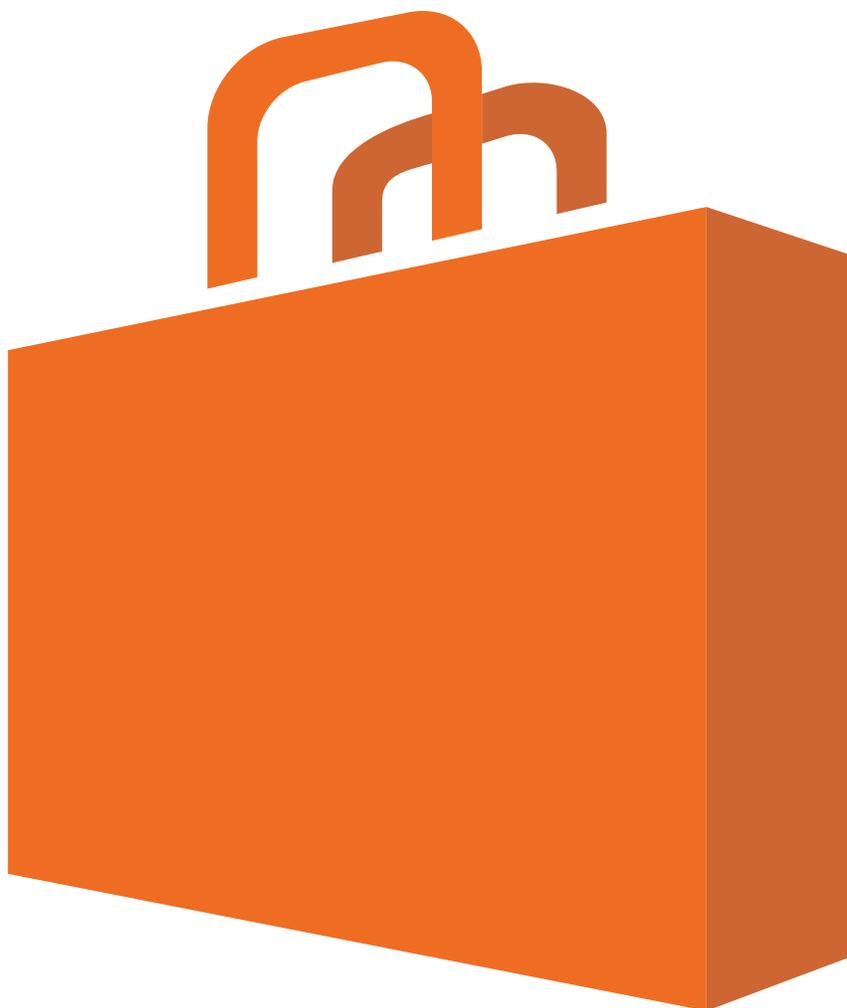
Adding Marketing Automation to Your Ecommerce Site

We've already addressed the basics of marketing automation in the second point of the previous chapter. If you need to get a feel for what a marketing automation process is and how it can benefit your business, go back to that point to refresh your memory. It's ok. We'll wait.

In a nutshell, marketing automation lets marketing departments and sales departments deploy automated online campaigns. These campaigns are designed to nurture prospects by delivering highly personalized, useful content that converts those prospects into happy customers.

Marketing automation and personalization go hand in hand. In fact, the whole field of marketing automation can be considered to be a subset of personalization.

What Marketing Automation Does

Well-executed marketing automation accomplishes the following four tasks:

- **It moves the prospective customer step by step through the sales process.**

- **It makes prospective customers more purchase-ready.**

- **It upsells customers and creates repeat business.**

- **It accomplishes all of this without constant hands-on work by the marketer.**

Let's now address these points one by one.

Marketing automation moves the prospective customer step-by-step through the sales process

As many as 95% of your website visitors come to your site simply for research purposes. What that means for you as a website owner is that most of your visitors, especially your new visitors, are on your site just to learn more about you and see what you have to offer. You need to devise a strategy whereby you can move them from their initial interest level to a point where they are ready to buy from you.

You might already be familiar with the concept of the sales funnel or sales pipeline. In case you're not, the sales funnel is a way of visualizing the process by which people move from being prospects to leads to customers to repeat customers. For example, everyone who visits your website might be considered a "prospect." This is the broad end of the funnel. People who sign up to get your newsletter can be considered a "lead." People who eventually buy from you are customers. This is the narrow end of the funnel.

Since most of your initial leads are still in the research phase of their relationship with you, meet them where they are. Don't go for the big sale right away, but instead move them through the stages of the sales funnel.

How does marketing automation move prospects through these various stages?

Let's imagine that you're selling an info product called "The Complete Guide to Raising Giant Squids for Fun and Profit." Through a lot of time, effort, and creativity (which we don't have space to cover here, but which a company like Magic Logix could help you with), you get a lot of traffic to your website and, by offering a free ebook called "Fun Squid Facts," you've also managed to capture a good number of email addresses, turning your prospects into leads. But now what? How do you move these leads further down the sales funnel?

In your years of talking to people about giant squids, you've learned that people have the same doubts and ask the same questions over and over again. Therefore, the first email you send to your new leads, which you've set up to send automatically two days after they download your free ebook with your marketing automation software, answers the most common question they ask: "How do you feed a giant squid?" In the second email you send, which goes only to the people who opened the first email, you answer the second most common question: "Are giant squids good with children?" If they open that email, too, then you know you have someone who's very interested in squids at this point. To those people, you send a third email offering a 20 percent discount if they buy your info product before the week is over. Two days before the discount period ends, you send one more email to everyone who hasn't purchased yet to remind them that the discount is about to end.

Marketing automation makes prospective customers more purchase-ready

As you can see from the examples given above, the lead that opens up the offer for a 20% discount after already reading two previous emails is much more ready to hear your sales pitch than they were before. You've started to build a credible relationship with this prospective customer, showing off your expertise with giant squids and proving you can anticipate and answer their most important questions.

This process of making prospective customers more purchase-ready is what good salespeople have always done. If you walk into an electronics store and start browsing through the section where the shelves are lined with computer printers, what does the salesperson that approaches you say? Does he or she say, "Our digital cameras are on sale today"? No, because you're in the printer section. Are the first words out of her mouth, "Leave today with a brand new printer"? No. A good salesperson might start with, "Do you have any questions about those printers?" or "Are you looking for a particular kind of printer today?" Only after she finds out more about what you're interested in will she start suggesting certain models or nudge you toward the laserjet instead of the inkjet. The sales rep is making you more purchase-ready, walking you through the stages of the sales process. Marketing automation does the exact same thing, but it does it online.

Marketing automation upsells customers and creates repeat business

Sorry to keep going back to Amazon, but their gently insistent emails are a perfect example of marketing automation that upsells customers and creates repeat business. Was your last purchase from Amazon a memoir? Expect suggestions for ten other best-selling memoirs coming your way. Did you browse through earbuds the other day? If you were logged into your account, then Amazon knew it was you doing the browsing, and will soon send you an email highlighting the best earbuds on the market.

Rate your recent squid purchase!

You can use marketing automation to be just like Amazon. For example, let's imagine you get 200 people to buy your info product on raising giant squids for fun and for profit. Is that it? Is your relationship with them done? No, your relationship with them is just beginning. They're starting to become your friend now. You send them an email immediately to thank them for their purchase and encourage them to rate your product when they're done. Your next step might be to send them an email a week after inviting them to try out your personalized squid breeders' coaching service for one week at no charge. You continue to cultivate your relationship with them, turning them into advocates for your brand and encouraging them to see what else you have to offer.
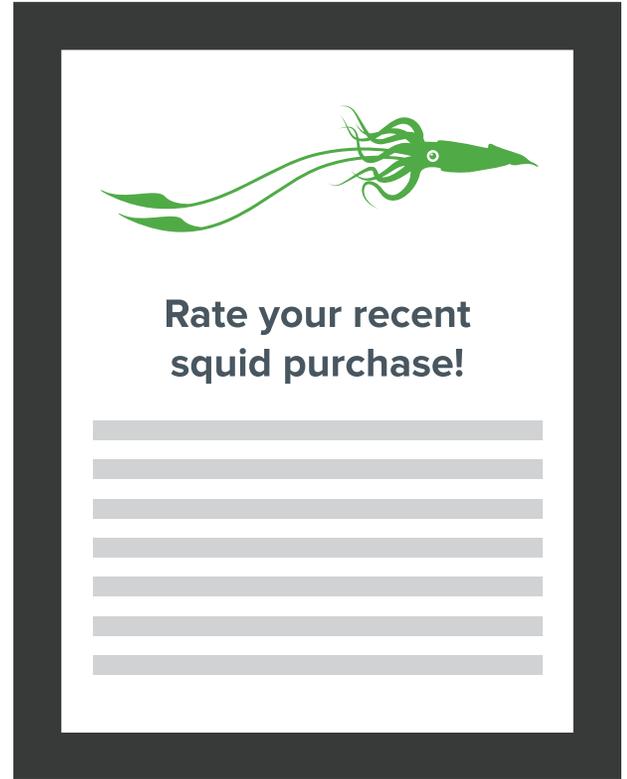
Marketing automation accomplishes all of this without constant hands-on work by the marketer

You might read the three points above and think to yourself, "Whew, that sounds like a lot of work!" If you don't have the right tools, then you're right: It is a lot of work. You'll spend a lot of time segmenting your list, writing new emails constantly, and sending the right emails out to the right segments.

When you invest in marketing automation software, however, all of the tasks described above can be set up ahead of time and done automatically. You'll have to decide what emails go out when and to whom, and you'll have to write the emails, but once that's done, your part of the job is done. The software takes care of the rest of it for you.

Most marketing automation software is offered as software as a service, or SaaS. That means you'll create an account online and work with web-based software that links to your own ecommerce website.

Where to start with marketing automation

If you're not sure how to begin the marketing automation process, start with a welcome email that thanks potential customers for joining your list and includes an offer and a call-to-action immediately. For example, J. Crew has one welcome email that says, "We're so happy you signed up... We're giving you FREE SHIPPING on your first purchase of $100 or more." Now there's a welcome email that entices potential customers to become paying customers right away. Remember that the moment people sign up for your email list is probably the moment at which their interest has reached its first high point with your brand. Take advantage of that and reel them in right away. You don't necessarily have to "sell" in your first email, but offer the potential customer something that makes them glad they opted in.

And at the very least?

At the very least, even if you're not ready to shell out the big bucks for marketing automation software, segment your list. Learn enough about your customers that you can start to personalize your emails, instead of sending out the same tired old email blasts to your entire list every time.

Introduction to Magento

One of the reasons ecommerce website owners have avoided adding too much personalization is that it sounds like a lot of work. Indeed, some types of personalization, such as relying upon marketing automation software, can get expensive and complex. However, there are ways in which websites and marketing messages can be changed easily and immediately without too much effort. Here are four low-hanging personalization fruits that you can implement right now.

What is Magento?

From the official Magento FAQ page:

"Magento is a feature-rich eCommerce platform built on open-source technology that provides online merchants with unprecedented flexibility and control over the look, content and functionality of their eCommerce store. Magento's intuitive administration interface features powerful marketing, search engine optimization and catalog-management tools to give merchants the power to create sites that are tailored to their unique business needs. Designed to be completely scalable and backed by Varien's support network, Magento offers companies the ultimate eCommerce solution."
(Source: http://www.magentocommerce.com/product/faq)

Why is Magento a Great Ecommerce Tool?

There are many reasons why Magento is perfect for ecommerce websites. Here are four of those reasons:

1.   **It's SEO Friendly**

You can't sell anything at all if people can't find your website, and people won't find your website if it isn't optimized for search engines. Magento is SEO-friendly right out of the box because it:

- **produces search engine-friendly URLs**

- **those URLs can be completely customized to your liking**

- **automatically creates a Google Site Map**

- **automatically generates a "popular search terms" page**

- **and Magento makes it easy to enable caching features, which in turn speeds up your site's page load time.**

2. **If You're Selling Internationally, Magento Will Support You**

Earlier in this ebook, we talked about how the band Paramore personalizes its website for international visitors with different currencies for its products. Magento makes it easy to display different currencies and languages on your site. It also helps you pass through the EU cookie laws with ease.

3. **It's Flexible, Customizable, and Comes With a Huge, Supportive Community**

Like other popular open source CMSs, Magento has a big community of users who regularly help each other out, show new users the ropes, and who are constantly creating new extensions that further Magento's capabilities. Because Magento's architecture is modular, both the front end and the back end of the site are easy to tweak based on your particular site's needs

4. **Right out of the box, Magento has more ecommerce features than almost any other open source CMS**

Currently, WordPress is the most popular and common open source CMS. WordPress, however, was originally designed for bloggers. As a blogging tool or as a tool for creating websites primarily designed to provide information, WordPress is great. Furthermore, even though WordPress wasn't designed for ecommerce, certain plugins make it a competent ecommerce platform.

The difference between Magento and WordPress is that Magento was designed to be an ecommerce platform from the get-go. In fact, many of the personalization techniques that we've already discussed in this ebook are already included within Magento's basic out-of-the-box set up. These include:

- **Customer groups**

- **Recently viewed items**

- **Related items and other cross-selling tools**

- **Flexible coupons that can be restricted to certain customer groups, certain time periods, certain categories, etc.**

- **"Send to a friend" tools**

- **Persistent shopping carts**

Why is Magento Well Suited to Personalizing Your Customers' Experience?

In the last point mentioned above, we mentioned "customer groups" as one of the out-of-the-box features of Magento that makes it a great ecommerce platform. When you create a customer group, you can show particular information to a pre-defined group of your customers. For example, you could create a customer group made up of everyone who lives within a particular zip code, and then give only that group a time-sensitive coupon. You could also use a customer group to automatically add a VAT tax to all your European checkouts, or display one set of prices for your wholesale customers and another set of prices for your retail customers.

Furthermore, Magento programmers have created a number of fabulous personalization extensions that expand the power of Magento's ability to personalize each customer's experience. We'll take a closer look at those personalization extensions in the next section of this ebook.

"Gah! I'm no web design guru and Magento sounds complicated. I just want to sell unicorns and giant squids!"
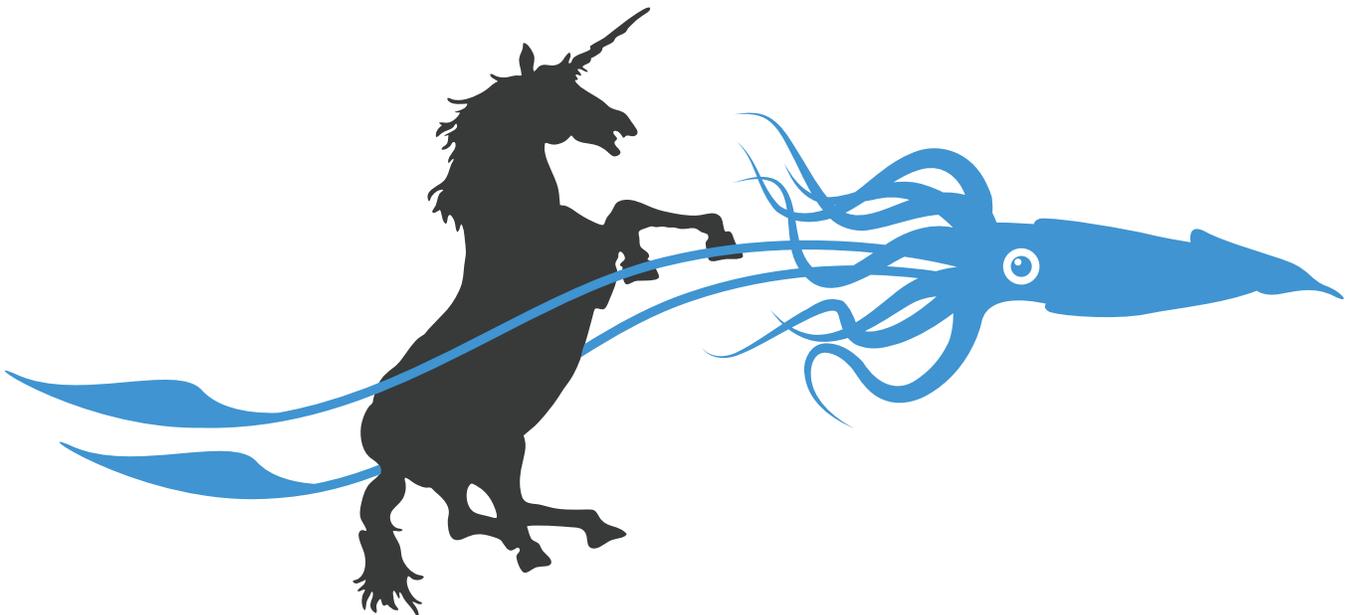
It's true: Magento is more complex than some other open source CMSs, like WordPress. While WordPress has made strides in being ecommerce-ready in the last few years, it's still not the right tool for the job, as mentioned earlier. However, learning to use Magento is not impossible, even if you're not a programmer. Because the back-end of Magento is as customizable as the front end, a good digital marketing company should be able to give you easy access to customizing, editing, and adding your products and categories without accidentally breaking your site.

If you're just a little bit more tech savvy and have the ability to maintain your ecommerce site yourself, you can start with one of the Magento templates available online from places like Envato Marketplace.

Ten Magento Extensions for Personalization

Besides the great out-of-the-box features that make Magento well suited for personalization, programmers from around the world have also created Magento extensions that expand your ability to personalize your ecommerce website. Here's a brief sketch of eleven of these extensions that you can add to a Magento ecommerce site.

1. **Personal Bar**

Personal Bar is a floating footer for the bottom of your ecommerce website. You can customize the Personal Bar to show different messages to different customers. For example, first-time visitors to the site might see a coupon for 5% off their first purchase, which is automatically redeemed at the time they check out. Returning visitors might see a different message on the Personal Bar encouraging them to buy their next product. In addition to displaying customized messages, Personal Bar also includes a search bar, links to social media sites, and an option for Live Chat if your ecommerce store offers that service. For ecommerce stores with less than $500,000 in annual sales, Personal Bar is free. An enterprise edition is available for larger ecommerce stores.

2. Product Personalization

What if you want to give customers the option to customize the products they buy? For example, you might want to let your customers choose their own delivery date or add special instructions about how they want their product. The Product Personalization extension makes it easy to do just that.

3. Personalized Products

Now, don't get confused! Like the "Product Personalization" extension, the "Personalized Products" extension allows prospective customers to choose certain options for your products, such as colors, sizes, etc. Then the customer will see a preview of that item with the options that he or she selected.

4. Automatic Cross-Selling

Have we mentioned Amazon enough times in this ebook to get you excited about operating your ecommerce site more like the retail giant? If we haven't, here's one more mention: Cross-sell products on your site just like Amazon does. Automatic Cross-Selling will automatically calculate which items to display to your customers based upon their past orders. This isn't a cheap extension, but it could very well pay for itself in a short period of time.

5. **Related Products Manager for Magento**

Like the Automatic Cross-Selling extension, the Related Products Manager extension automatically generates cross-sells, up-sells, and related products, based upon both buying history of the customer and page-view behavior. The Related Products Manager automatically places related items and cross-sells upon every single page in your ecommerce store. The simplest version of this extension is free, but the free version picks related products at random. The free version also allows for only 10,000 page views per month. For stores with 50,000 page views or less per month, try the Basic extension. The Basic level of the extension is about $30 per month and uses buying behavior to generate related products. The Pro version allows for unlimited page views per month.

6. **LiveChat**

Adding the ability to chat with a customer service rep in real time on your site is not difficult at all with Magento. LiveChat, a $36 extension, is one easy way to do this. In addition to allowing your reps to speak with customers online, LiveChat also gives you chat statistics, including how many customers have recently queued to speak with a rep and what your customer satisfaction rating with the chat is.

7. **Zopim Live Chat**

Zopim is similar to LiveChat, but it's free. It also enjoys higher overall reviews than LiveChat.

8.   **Abandoned Carts Alerts Pro**

Abandoned Carts Alerts is essentially a marketing automation tool, because it will automatically send a reminder to customers who have left items in their shopping carts but have not completed their purchase. This simple email reminder can be all it takes to nudge the customer across the finish line. One reviewer of this extension says that it increased his ecommerce sales by 10 percent. The extension is $89.

9.   **Follow Up Email by aheadWorks**

Follow Up Email is essentially a more robust, more expensive version of Abandoned Carts Alerts. For $199, you can not only send a reminder about an abandoned shopping cart, you can also send customers other kinds of reminders, such as a happy birthday message that includes a coupon, or promotional emails based upon a customer's wishlist. You also get clear data about where the shopping cart was abandoned and which email reminders worked to get customers to return to the site and complete the purchase.

10. **Sweet Tooth Loyalty and Rewards Program**

One of the best ways to personalize your customers' ecommerce experience is to offer a loyalty or rewards program. Sweet Tooth, which starts with a free trial and can be purchased for $58, provides Magento sites with just such a rewards program. First, ecommerce site owners decide how customers will earn points. For example, they might earn one point for every purchase or one point for everything they share on their social media sites. Next, site owners decide how customers can spend those points. Do they get discounts? VIP access to certain products or services? According to statistics quoted by Sweet Tooth, when businesses increase customer retention by just 5%, they can increase overall profitability by up to 75%. That's a good incentive to try out this loyalty program extension.

Summary: Mix and Match Based Upon Your Site's Unique Needs

We could go on and on highlighting unique personalization extensions for Magento, but it would take up the rest of the ebook if we did. The bottom line is this: If you can imagine a way to personalize your visitors' experience on your ecommerce site, there's probably already a Magento extension that allows you to implement it. You might not be able to afford every single extension listed above, at least not right away, but you can get started by using the extensions that make the most sense for your ecommerce site.

Improving Personalization With Customer Data and Analytics

All right, we've made it to the final chapter! If you've been following along with the suggestions in this ebook so far,

- you are planning a Magento ecommerce site, and you're ready to take advantage of the many personalization tools that Magento has to offer

- you've started thinking about ways you can use marketing automation, either in terms of marketing automation software or website extensions, that will make your marketing easier, more personal, and more effective

- and you have already "plucked" low-hanging fruit like segmenting your email list and improving your checkout process to reduce shopping cart abandonment.

Now what?

Now comes the most interesting part of all: Tracking the results of your personalization efforts and tweaking your marketing accordingly. There is a great saying in the digital marketing world that sums up the importance of gathering data, analyzing it, and making changes based upon that data: "You cannot optimize what you do not measure."
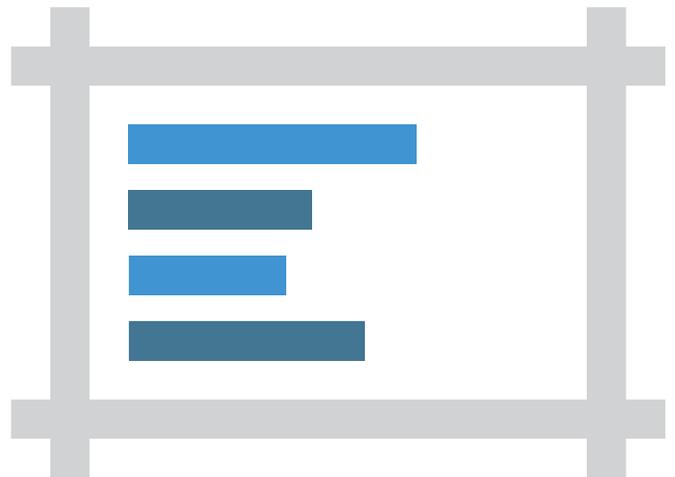
Tracking data might sound boring if you're not a data head. Some people are naturally inclined to drool over pie charts and bar graphs, spreadsheets and percentages. Other people's eyes glaze over when they start looking at data. You need to take the middle road. You need to track enough data that you are gleaning valuable insights about customer behavior, but you don't need to become so obsessed with data that you spend all your time examining data and no time improving your marketing process.

What is the best tool for tracking ecommerce data? There are many great tools for tracking ecommerce data, each with their own benefits and drawbacks. For this chapter, we are going to briefly touch on Google Analytics (GA) and the key metrics you can use GA to measure. For more extensive help with Google Analytics, try the Google Analytics support pages online. It's pretty technical stuff, so unless you're already a tech expert, you might wish to just hire a techy friend or a [digital marketing company](#) to do this part for you.

When we finish talking about Google Analytics, we're going to talk about another free tool that can provide you with a wealth of insights into your customers but which hardly anyone is talking about yet. What's that tool? Read on to find out.

Three Metrics to Measure with Google Analytics

Google Analytics provides you with so much data about your site that it can be downright overwhelming (and a big time-waster!) if you don't know what you're looking for. Therefore, instead of looking at everything, configure and monitor these three metrics so that Google Analytics is providing you with the data you actually need.

1.   **Use the Link Builder tool to learn more about the traffic coming to your site.**

Your first task is to create links that tell you how your various marketing campaigns are doing. For example, you posted a link in a Facebook post last week about your spring sale on baby unicorns. Did anyone actually click that link? Of the people who clicked it, did anyone actually buy anything?

Usually, Google will tell you that a click came from Facebook and, with a little more research, you'll even be able to tell if those Facebook clicks led to sales. However, what if you want to track the different conversion rates between the Facebook post you targeted just to people in Minneapolis and the conversion rates from a post one week later targeted to people in Boston? To achieve this level of detail from Google Analytics, use the URL Builder tool. It's here.

⭐ **Note:** When you use marketing automation software, most of the data you can track with Google Analytics will be tracked automatically. That's one of the great advantages of marketing automation software: It makes the analytics process much easier.

2.   **Set up Goals to find out what happens once people reach your site.**

You now know which campaigns and marketing channels are driving traffic to your site. The next question is: Which campaigns convert? Which campaigns fall flat?

Let's say that when a customer completes a sale, they are taken to a /thank-you page. You want to know how many people reach that /thank-you page when they click through from your latest email campaign and how many reach that page when they start from Facebook or Twitter.

GOAL PROGRESS

Set up a Goal in Google Analytics to measure this. For the URL, enter the /thank-you part of the URL that you want people to eventually get to (do not enter the entire URL here). Now you'll be able to see not only how many people clicked through from your latest email campaign, but also how many of those people actually made it to the /thank-you page. This will tell you which campaigns have high conversion rates and which ones are performing poorly and need to be changed.

You can set up many different Goals. For example, you might want to know how many people are making it through your email sign-up process. Again, you might find that a higher percentage of people who click through to your site from Twitter are signing up for your email list than people who click through from a search engine. This insight can help you make sure that you are optimizing for the right search terms.

3.   **Look at different landing pages in Google Analytics.**

One basic ecommerce metric you can track in Google Analytics is how different landing pages compare. You might discover that people who first enter your site on the baby unicorn category are less likely to immediately leave the site than those who enter on the unicorn saddle category page. Why? Again, that's where you tweak, personalize, and optimize to make your pages better.

The World of Google Analytics Deserves Several eBooks!

We could go on and on about all the neat and valuable things you can do with Google Analytics, but it would take at least one or two additional ebooks to cover it all. For now, the three points listed above should give you lots of valuable information about how your personalization efforts are coming along and what you can do to make them better. Now let's look at a second tool that hardly anyone has started using effectively yet, but which has a world of possibilities for people who want to personalize their ecommerce sites: Facebook GraphSearch.

What is GraphSearch?

In March 2013, Facebook announced its latest and greatest toy to keep Facebook junkies using their site: GraphSearch. GraphSearch wasn't designed to help businesses personalize ads and improve their ecommerce websites; it was designed to help Facebook users answer questions like, "What kinds of restaurants do my friends recommend in San Francisco?" and "Which of my friends like to play tennis?"

Businesses can use GraphSearch to answer a critical question that will help them immensely with personalization: "What do fans of my page like besides me?"

For example, type into Facebook GraphSearch "Favorite interests of people who like [My Page Name]." You might be surprised to know that people who like learning about raising giant squids for fun and profit also like hiking in disproportionately large numbers. How does this help you with your personalization efforts?

1.   Provide Facebook fans with content they're interested in.

Do you want to know how to turn off your Facebook fans? Keep posting images about your products incessantly. Instead, personalize your content to what your fans like. Post a picture of your company on a hike in the mountains, with a caption that reads, "After a long day of raising giant squids, we like to relax with a hike."

"Hey!" your Facebook fans will say. "That's cool. I like hiking, too." Click. Your post just earned a like, boosting your EdgeRank and getting your page in front of more people.
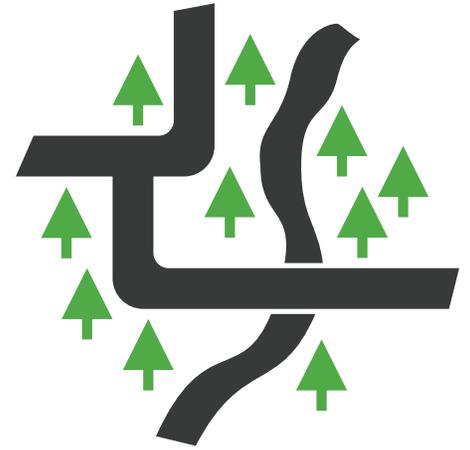
2.   Get better at targeting Facebook ad campaigns.

Once you know that people who like your page also like hiking, you can add "hiking" as an interest that you're targeting in your next Facebook ad.

3.   Write better content on your blog.

You might have written what you think is a slam-dunk blog post that uses hip hop music as an analogy, but GraphSearch might reveal that virtually none of your Facebook followers listen to hip hop. They're all fans of bands like The Allman Brothers and Kansas. The chances are that if GraphSearch reveals a disproportionate trend among your existing fans, it's quite likely that trend will hold true for your people who aren't fans yet. Tailor your content both on your website and in your social media channels to reflect the interests of your best prospects.

4. **Create timely sales promotions.**

Now that you know your fans love The Allman Brothers, the next time you hear about an Allman Brothers cover band coming to town, you can design a promotion around it.

"Taking your baby unicorn to The Allman Brothers concert this weekend?" your email might read. "So are we! Be sure to protect your unicorn's ears with these unique noise-canceling headphones. Click here for a 10% discount. Offer expires on Saturday night."

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5. **Get even more specific by adding other qualifiers.**

"Favorite interests of people who like [My Page]" is one place to start with GraphSearch, but you can get even more specific by adding qualifiers such as, "Favorite interests of people over 40 who like [My Page]" or "Favorite interests of men over 40 who like [My Page]." You also don't have to use "favorite interests." You could try "favorite musicians," "favorite foods," or "favorite movies." It also doesn't have to be about "favorites." You can use GraphSearch to find out which of your competitors your fans are following to gain a competitive edge over them. Do most of your Unicorns R Us fans also follow the Unicorns & Beyond page? Keep an eye on Unicorns & Beyond to see when they're offering special deals, and then make your deal even better.

Do you see how GraphSearch can provide a wealth of information that will help you to tailor your content, social media pages, and website to your demographic's interest? Using what you've learned about your customers from GraphSearch, build campaigns and content that will be relevant and interesting to them, and you will be rewarded with higher conversion rates.

Conclusion

We hope you've enjoyed reading this ebook. We did our best to take a potentially heady, technical topic and break it down into practical (and hopefully entertaining!) steps. More than that, we hope you've found actionable personalization tips that will help you build your business, improve your marketing, and boost your bottom line.

Key Takeaways

To summarize everything we've covered in this ebook, we hope you'll consider these five points as your key takeaways:

- Personalization is critical for creating a successful ecommerce business today.

- You can add a lot of personalization nuances to your ecommerce site, but even just adding a few basic personalization touches will make a difference to your business.

- Marketing automation makes personalization a smooth and automatic process. You can add marketing automation features to your marketing processes with or without spending a lot of money.
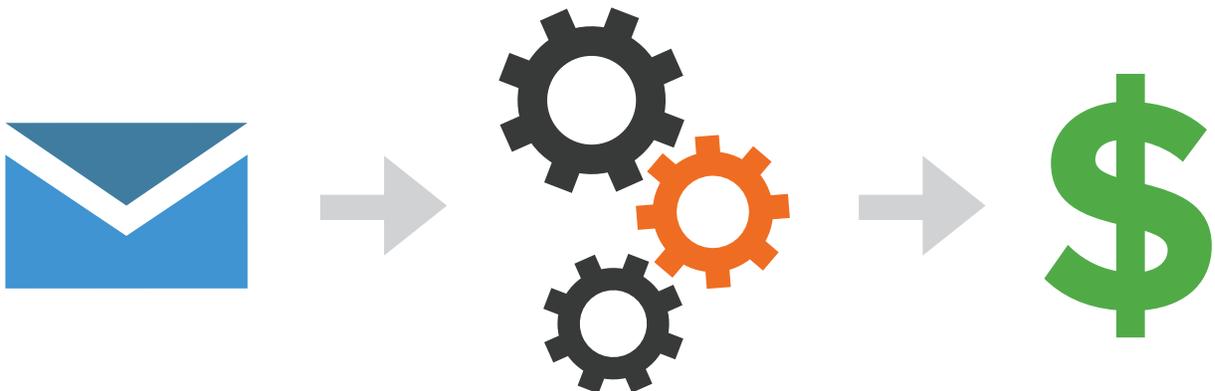
- We think Magento is the ecommerce platform/CMS that makes personalization organic and easy. There are so many out-of-the-box features to Magento that enable personalization, and there are a ton of great extensions out there, both paid and free, that allow you to personalize your site even more.

- No matter which personalization tactics you try, you need to track your results and then tweak your marketing accordingly. If you don't use tools like Google Analytics and Facebook GraphSearch to learn about your customers and prospective customers, how can you really say that you are "personalizing" your site?

Tell Us What You Think

We would love to hear your feedback about this ebook! What points did we get right? What important points did we leave out? How has this ebook helped your business? What questions are still lingering in your mind? Surf over to MagicLogix.com and let us know what we can do to help.