

Personalization and value creation

Clément Levallois

2017-31-07

Table of Contents

1. From segmentation to personalization	1
2. Beyond behavior: tracking individual bodies	3
3. The case of Nicholas Felton: constant data monitoring	6
a. The Feltron reports	6
b. Not just Feltron	7
4. Issues, limits	8
a. "personalization" has been blamed for reinforcing "bubbles" or "tribes" views of the world (paying version of the paper, free version here).	8
b. Personalizing the customer relationship, even when effective, is not inherently a good thing.	8
c. Does personalization always need technology?	8
The end	8



1. From segmentation to personalization

Segmentation helps refine the picture from a mass of data to meaningful subgroups of data points.

Why not go down to extreme segmentation: segments the size of an individual?

- Major websites do it (Amazon, Yahoo!, Netflix, etc.)
- Ads providers do it (Facebook)
- News feed do it (Prismatic, Pulse)

Advantages: pinpoint accuracy and relevance Inconvenient: operational complexity

They know my name!

From \$69 [Shop now](#)

Kindle Fire, from \$159 [Shop now](#)

They keep the cart active across sessions. Do this!

Just for me...

Glittering Gifts

Business In Plain English JEWELRY STORE

Shining ideas for Valentine's Day. [Shop Valentine's Day Gifts](#) [Shop All Jewelry](#)

New For You

I looked at a heart rate monitor watch last week. Looks like they haven't forgotten.

more items to Consider

They even let me know that they're always watching.

Free One-Day Shipping [Shop now](#)

Hello, Chris Your Account [Cart](#) [Wish List](#)

Valentine's Day Gifts [Shop now](#)

Streaming videos now included with amazon Prime

Gold Box Deal of the Day

Protect Your iPhone 5 for Less

Best Sellers

Video Games : PlayStation 3

Updated hourly

1. 1787 days in the top 100
PlayStation 3 Dualshock 3 Wireless Controller (Black)
PlayStation 3
\$64.99 **\$45.42**
2. 286 days in the top 100
Call of Duty: Black Ops II
PlayStation 3
\$69.99 **\$54.11**
3. 74 days in the top 100
Ni No Kuni: Wrath of the White Witch
PlayStation 3
\$49.99 **\$59.96**
4. 241 days in the top 100
Resident Evil 6
PlayStation 3
\$29.99 **\$19.99**
5. 134 days in the top 100
PlayStation Plus 12 month Subscription [Download]
PlayStation 3
\$49.99

See all Best Sellers in PlayStation 3

Best Sellers

Cell Phones & Accessories : Unlocked Phones

Updated hourly

1. Samsung i8190 Galaxy S III Mini Unlocked Android Smartphone...
Samsung
\$599.99 **\$335.00**
2. Samsung Galaxy S III Mini i8190 8GB Unlocked GSM Phone with...
\$338.95
3. BlackBerry 9650 Bold Unlocked GSM Smartphone with 3 MP...
BlackBerry RIM
\$249.99 **\$148.95**
4. Samsung Galaxy S i9300 GT-i9300 Factory Unlocked Phone ...
Samsung
\$899.00 **\$564.95**

This figure shows a screenshot of an old version of the Amazon.com homepage. The page is heavily personalized for a user named 'Chris'. At the top, there's a green circle around the 'Amazon' logo and another green arrow pointing to the 'Hello, Chris Your Account' link. On the right side, there's a large green arrow pointing to the 'Cart' and 'Wish List' links. The main content area features several promotional banners: one for Kindle devices, one for Valentine's Day gifts, one for streaming video with Prime, and one for a Gold Box Deal of the Day. Below these are sections for 'New For You' books and 'more items to Consider' products, both highlighted with green arrows. A prominent section in the center is titled 'I looked at a heart rate monitor watch last week. Looks like they haven't forgotten.' Another section below it says 'They even let me know that they're always watching.' The bottom of the page shows 'Recommendations for You in Kindle Store' with book covers for '15 Marketing Trends in 2013', 'The Hunchback of Notre Dame', '10 "Street-Smart" Secrets of an Entrepreneur...', 'Mrs. Fry's Diary', 'King Rail', and '57 Hot Business Marketing Strategies...'. The overall layout is cluttered with promotional content and personalized suggestions.

Figure 1. How is an Amazon page (old version!) personalized

2. Beyond behavior: tracking individual bodies

- Internet of Things
 - Quantified Self
 - Wearable tech
 - Smart cities
 - State surveillance ?
- More sensors, more data
created by or connected to individuals

Figure 2. The relation between connected objects and personalization

A list of bodily aspects being measured with examples:

Table 1. Location

Bodily Measurement	Device	Company	Product	Picture
Location	Mobile phone	Samsung, etc.	Apple, Phone	

Table 2. Movement

Bodily Measurement	Device	Company	Product	Picture
Movement	Wrist band	Nike	Fuelband	

Table 3. Gestures

Bodily Measurement	Device	Company	Product	Picture
Gestures	Arm band	Thalmic Labs	Myo	

Table 4. Weight, heart rate

Bodily Measurement	Device	Company	Product	Picture
Weight, heart rate	Body scale	Nokia	Smart Body Analyzer	

Table 5. Sleep

Bodily Measurement	Device	Company	Product	Picture
Sleep	Undermat	Nokia	Aura	

Table 6. Fingerprint

Bodily Measurement	Device	Company	Product	Picture
Fingerprint	Mobile Phone	Apple	iPhone 5	

Table 7. Facial recognition

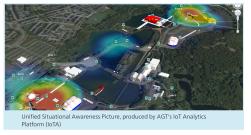
Bodily Measurement	Device	Company	Product	Picture
Facial recognition	Mobile Phone	Apple	iPhone 8	

Table 8. Emotions

Bodily Measurement	Device	Company	Product	Picture
Emotions	Camera	SightCorp	CrowdSight SDK	

► <https://www.youtube.com/watch?v=7V8jrdH5tAQ> (YouTube video)

Table 9. Behavior in public places

Bodily Measurement	Device	Company	Product	Picture
Behavior in public areas	Multiple devices	AGT International	Mega Events Management Solution	 Unified Situational Awareness Picture, produced by AGT's IoT Analytics Platform (IoTA).
Pedestrian traffic	Cameras	Placemeter	Placemeter	

A description of how AGT monitors large audiences in public events (click on the pic for the full document):

How it works

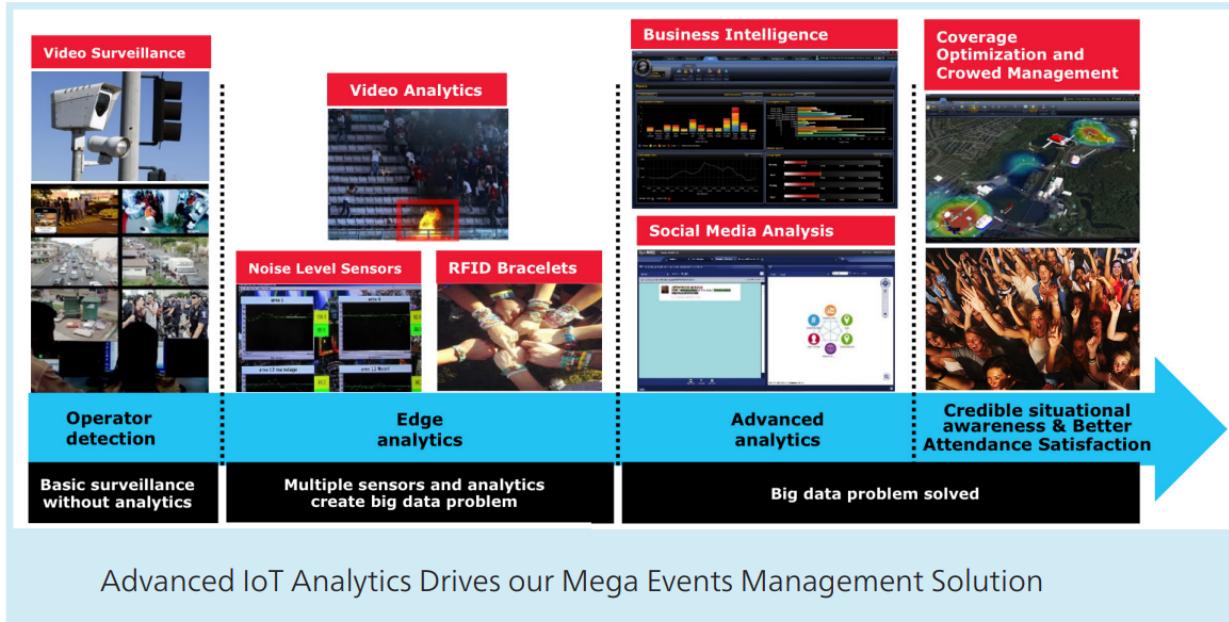


Figure 3. source: https://www.agtinternational.com/wp-content/uploads/2014/10/AGT_AAG_MegaEvent-02Oct2014-2.pdf

Video showing how Placemeter monitors pedestrian traffic:

► <https://www.youtube.com/watch?v=rpjJHoJixYA> (YouTube video)

3. The case of Nicholas Felton: constant data monitoring

a. The Feltron reports



Figure 4. Nicholas Felton

Nicholas Felton is a designer and data artist who produced printed annual reports from 2005 to 2014.

Reports on what?

Reports on his bodily data and social life, which he measures *constantly*

► <https://vimeo.com/145332585> (Vimeo video)

b. Not just Feltron

Insurance companies are interested in boosting individual health, using connected objects as monitoring devices

```
<a href="http://www.forbes.com/sites/parmyolson/2014/06/19/wearable-tech-health-insurance/">" tmp="false">]
```

Companies are looking to provide a 360 degree solution to health and well being through constant monitoring:

► <https://www.youtube.com/watch?v=E9jq6XpZjGo> (YouTube video)

Monitoring on health is also a B2B market to achieve "corporate welfare". See [Nokia's brochure](#) on

the topic.

4. Issues, limits

These technologies open a vast number of issues: from data privacy to the redefinition of well-being, and the grey boundary between monitoring and surveillance.

A full session of this series is devoted to discussing these issues.

For the moment, let us just repeat cautionary remarks already mentioned in a different session:

a. "personalization" has been blamed for reinforcing "bubbles" or "tribes" views of the world ([paying version of the paper](#), free version [here](#)).

Content personalization is also blamed for favoring political polarization via an "echo chamber effect": social media tend to show me content I already agree with ([paying version of the paper here](#), [free version here](#)).

b. Personalizing the customer relationship, even when effective, is not inherently a good thing.

It has been shown that the [Coca-Cola #ShareaCoke campaign](#) is effective at making more children choose a soda with a label to their name, over a healthy drink ([paying version of the study here](#), [free version not available](#)).

c. Does personalization always need technology?

Companies rated with the best customer service do personalization differently: with humans.

See how Zappos offers a great service to their customers:

► <https://www.youtube.com/watch?v=vApoQPISmvs> (*YouTube video*)

([another impactful version here](#))

or see (in French) how [Trainline makes its customers happy](#).

The end

Find references for this lesson, and other lessons, [here](#).



This course is made by Clement Levallois.

Discover my other courses in data / tech for business: <http://www.clementlevallois.net>

Or get in touch via Twitter: [@seinecle](#)