

Welcome to The Power Lounge, your go-to place for engaging conversations in the digital world. In today's episode, we explore data-driven personalization with the insightful Zontee Hou, a leader in digital marketing. Discover how top brands like Kay's Jewelry and Cole Haan use personalized experiences to enhance customer connections. From machine learning to practical tips on team knowledge sharing, Zontee covers it all. Learn from her expertise in her book, "Data Driven Personalization," designed for marketers seeking a strategic edge. Join us for a deep dive into the world of personalized marketing.

## **Featured in the Episode**

### **Zontee Hou**

#### **Marketing Advisor & Speaker, Managing Director**

Zontee's LinkedIn

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### **Amy Vaughan,**

#### **Owner & Chief Empowerment Officer**

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## **Takeaways**

- Building Customer Relationships Through Data
- Data Utilization Strategies
- Balancing Personalization with Privacy
- Tech Advances in Marketing
- Framework for Data-Driven Approaches
- Cultivating Learning Culture
- Privacy-Personalization Navigation

## **Quotes**

*"The essence of effective personalization lies in understanding our customers' desires and challenges." - Zontee Hou*

*"Data literacy empowers team members to craft dynamic strategies, fostering innovation collectively and breaking free from traditional analytical confines." - Zontee Hou*

## **Chapters**

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**Transcript:**

**Amy Vaughn:**

Alright. Hello, everyone, and welcome to our weekly power lounge. This is your place to hear authentic conversations from those who have power to share. My name is Amy Vaughn, and I am the owner and chief empowerment officer of Together Digital, a diverse and collaborative community of women who choose to share their knowledge, power, and connections. You can join the movement at [www.togetherindigital.com](http://www.togetherindigital.com). In exceeding customer expectations, delving into the challenges that brands face in data collection and the holistic strategies that data driven businesses can embrace to cultivate customer relationships. Zontee is a renowned digital market. Let's try that again. Zontee is a renowned digital marketing consultant, speaker, and author, and she is set to unveil her forthcoming book, data driven personalization, which will launch this May.

**Amy Vaughn:**

Very exciting. And with an illustrious career spanning nearly 2 decades, Zontee has made a memorable mark on the marketing world, shaping strategies for esteemed organizations such as IMF, UN Food and Agriculture Organization, and Caesar Entertainment. As the founder of a Brooklyn based digital marketing agency, MediaVolverie, and a managing director for Convince and Convert, Zontee stands at the forefront of industry innovation. She has earned accolades as one of LinkedIn's 16 marketers to follow in 2021. She has consistently been recognized as one of top ranks most influential content marketers and b to b marketers for the past 5 years. She is a Zontee 's profound insights and strategies prowess have garnered multiple awards, including several PR news platinum awards and prestigious Forrester Groundswell Awards. Her impact extends beyond accolades as she enriches the minds as a lecturer at Columbia University and the City College of New York, where she also serves as a board member, shaping the future of communication professionals. Zontee, we are so excited to have you here with us today.

**Amy Vaughn:**

Welcome.

**Zontee Hou:**

I'm thrilled to be here. I love being a part of the Together Digital community, so it's wonderful to be able to speak to folks today.

**Amy Vaughn:**

Absolutely. Absolutely. We appreciate you showing up and sharing your power. One thing we love to dig right into when we have our guests here with us is to share a little bit about your journey and experience and what got you into digital marketing and where you are today.

**Zontee Hou:**

Yeah. Absolutely. I've actually been in digital marketing my entire career. Right from undergrad, I knew that I wanted to go into marketing. My first job out of college was actually at an arts and crafts organization, and one of the oldest, knitting and yarn brands in the US. And being on the brand side for 7 years was a really fantastic experience because it allowed me to really focus on the early age of digital marketing entirely. We were some of the first brands that were really doing social media campaigns. I launched my first podcast in 2008.

**Zontee Hou:**

We did our first blog in 2007. We were doing influencer marketing before there was such a term. Back then we were just calling it blogger outreach. And so I've really spent my entire career in this space. You know, about 10 years ago, I moved over to opening my own agency and then joining a consultancy. And that was a really powerful experience for me to really help people do the work at all different levels, right? With our agency we're working with small and medium businesses to convince and convert. We're working with major brands and organizations across the world. And in both cases, I think that it's really all been about taking the lessons that I've learned both from brand side as well as in grad school at Columbia to really make marketing and particularly digital marketing more accessible, but also more strategic.

**Amy Vaughn:**

I love that. I love that. And I think we have that in common, this whole growing up digital and getting to see the evolution and, like, the terms and the abilities and the roles and the opportunities. And I think that's what I love about it. And then, like, your approach to it and our community's approach to it is that it has this ability that you can just always be learning. Right? Always be learning and always be growing because it's ever evolving, and it's ever changing.

**Zontee Hou:**

Absolutely. I mean, I feel like what's interesting about growing up in digital in that time and space is just how hands on we were, right? I tell people all the time. Like I work with really huge brands now and yet, if you ask me a question about how to build a podcast, how to start a blog, what Mhmm. Is the troubleshooting that you need on the back end of your WordPress, how to do an email automation. Like I've had to learn every single one of those things hands on because at the beginning of all of those different phases we didn't really have anybody else to guide us. We actually had to build those things. And at the same time, I think part of what makes digital marketing exciting is our ability to really continue to experiment. I say to people all the time, I think what's cool about marketers is our willingness to just dive in.

**Zontee Hou:**

So, you know, I'll be out there making a TikTok video. I'll be out there learning how to put threads together. Right? And one of the things that benefits me is that even though we're thinking at a high level now day to day, being in it every day, I think makes you more nimble and makes you more aware of what is the actual interaction that your customer has on those platforms every day.

**Amy Vaughn:**

Yeah. I agree. I agree. Yeah. We we all get nice and nerdy within our community, and it is that matter of, like, getting in, figure it out, get your hands dirty, test and learn, but at the same time, yeah, it gives you that chance that way you can get that 30,000 foot view, you have that understanding of how the inner workings are. Right? You know,

understand how it works, and it helps you guide those who are doing the work along to do the work better. On that note of learning, I wanna remind our live listening audience who's with us today that you all have the chance to do our favorite thing, which is ask questions. So please don't be shy.

**Amy Vaughn:**

Use the chat, live listening audience. If you have questions, ask them, and we will make sure that we get those asked either during the conversation or at the end. My next question for you, again, on the continuing topic of learning, books outside of podcasts. We love our podcasts, but also books. Zontee, you have a book coming up, data driven personalization. What inspired this, and what can readers expect to gain from it?

**Zontee Hou:**

Oh my gosh. Amy, I'm so excited about the launch of this book. It comes out May 28th in the US and Canada. It'll be available May 3rd, everywhere else. Data driven personalization is really about two things. 1 is why it is so important in today's environment where your customers are expecting a more customized, more personalized experience than ever. Why it is important for marketers to have a seat at the data table and be involved in both the collection, the analysis and the usage of that data. Oftentimes I speak to marketers who are really removed from that process.

**Zontee Hou:**

And so they are getting some information, but it's not really the right information that actually helps them make strategic business decisions that really impact and grow the business. If we are involved from every stage of that decision making process, then we can produce more usable data that gives that really highly personalized experience to the customers that they're expecting. So that's number 1. Number 2, one of the things that I hear from my clients and from my colleagues in the marketing business all the time is their challenges around actually selling this kind of work within the organization and building an internal team or culture around it? And so this is really a very hands on tactical handbook for marketers to actually build this strategy. Figure out what's the strategy and then actually build that team, build that culture and sell it through to the

rest of the organization. So it's not just about how to reach the customers, where to reach them and how to really bring them forward with you to build that relationship. It's also about why this matters to your organization. How do you connect the dots from a reporting data analysis perspective about the value of your customers, and identify your best customers? And how do you build a culture of curiosity within your organization so that people are really empowered to actually not only find and uncover these insights but then really use them within your team. And the reason that I wanted to write it I think was really because I have gotten so many questions over the last 10, 15 years from marketers who say, I know what the strategy should be.

**Zontee Hou:**

I can't really make the case for it. Or I wanna know more about my customers but we don't really have the tools and the processes within our organization to get that information out so I can validate what it is that I believe is true. So I think that, in some ways, this book is the culmination of a whole lot of thinking that I've been doing with my clients in the classroom, out in the world, and just making sure that you've got the tools and resources to actually act upon that. Right? I think we've all read books where the ideas are interesting, the case studies are interesting, and then you're like, what the heck do I do with that? Right. I really have our roadmap forward. So I wanted to avoid that by making this a book that really speaks to some of those key concerns and key challenges that we face as marketers.

**Amy Vaughn:**

I love that. And I can only just imagine some of our listeners and marketers and members, like, kind of standing up and celebrating, like, hallelujah. Because, you know, personalization and data collection, all very much a buzzword. It's a hot topic in our industry, and it gets asked of a lot of us. And then you're kind of stuck in the space of going, okay. But if I need to, we need to put a finer point on it. We need some thought leadership on it. And that's a very daunting thing for some folks if you're kind of, like, only within a marketing department.

**Amy Vaughn:**

Right? And you don't have, like, the tools and the resources and the ability to then sort of have to educate everyone or the ability to spend all of your time coming up with the data and the resources and the strategy and the plan or the playbook on how to put all this into play. So I love, love, love that this is kind of coming out into the world. I think it's going to help a lot of us sort of shape, make create those conversations, have this as a playbook, and like you said, to, you know, put that thought leadership out there to help create that culture of curiosity, but then also to take action, which is amazing because that's what we want. Right? We want to see some results come out of it. How would you define effective personalization, and what would be some common misconceptions that I put that brands have about it? But I just wanna say folks in general, because, I mean, this, I think, kind of comes into the play of, like, why it's a hot topic. It becomes a bit of a buzzword and it can feel overwhelming.

**Zontee Hou:**

Yeah. That's a great question. I think that ultimately effective personalization is about really understanding what it is that your customers want and need. What are the pain points that they are actually trying to solve for and what matters in that journey to them. Right? Now the things that matter to you when you are shopping for shoes, it's going to be really different from the things that matter to you when you are shopping for say a car. In those different situations, the kind of personalization that is going to matter is going to be different. But what is shared among those and not just b to c products, but on the b to b side is the expectation. We did new research specifically for the book where we asked American adults, what is your expectation around brands to remember you when you interact with them? And more than 80% of people said that it is very important for them that brands remember and personalize or deliver an experience based on those past interactions.

**Zontee Hou:**

In the digital age, we all know that data is being collected about us. And therefore, we want the brands that we interact with to give us information that's highly relevant based on what they should already know about us. Mhmm. What we're disappointed about as customers is having our time wasted. Right? And so I think that that's the expectation that we're walking in the door with. And again, our research finds that this is true b to b, b to c. People feel very strongly that brands should care about those past interactions. I'm sure we've all had that experience.



**Zontee Hou:**

Right? When you go online and you've just purchased a product and the next time you go on Facebook or Instagram or some other platform, you see an ad for the product that you literally just purchased. Mhmm. Not only is that a waste of money for that brand because those are ad dollars that they could have been spending on new people, but it also demonstrates to you that they weren't paying attention. And that actually feels irritating to you as a customer. So part of what I want to address is that this concept isn't about delivering, let's say, highly highly tailored content in a way that is overwhelming. It is about not wasting time. And I think that's the piece of it that people get wrong. I think that people spend a lot of time focusing on, you know, I don't wanna be in the uncanny valley of being creepy and acting as if we're following people.

**Zontee Hou:**

I think nobody wants that experience. Right? I'm sure, you know, 10 years ago sometimes you would fill out a form to download an ebook and you would get a call from that company Right. Like within half an hour being like, hi, I saw you read that ebook. That's creepy. Nobody wants that. Right? Too much. But it's not about that experience. It's really about saving time for your customers so that they feel like they're getting the best experience.

**Zontee Hou:**

And I think ultimately, there are some brands who are doing such an excellent job of that already Mhmm. That they're setting the standard. They're set the bar very high for the rest of us. And whether you're B2B or B2C, whether you are a small company or a big one, we're all faced with the same standards. Your customer in 2024 and beyond does not care about those things. They have a very high expectation of

**Amy Vaughn:**

you. Yeah. That's so true. And I never really thought about that, like, that flip side of saving time in that sense of, like, not serving me up ads when I've already just

purchased something. That's interesting. I never even thought about that. But on that note of creating those really kind of amazing examples of of successful data driven personalization, I'm gonna jump ahead just one question, and then I'll go back to the other one I had for you is if you could kind of walk us through one of those real world examples of successful data driven personalization strategies that have, you know, significantly, I I can talk, impacted customer experiences?

**Zontee Hou:**

Sure. I mean, I can give you a whole bunch of different ones, but I'll start with a small business example. In the book, I speak to, both the agency of and the, the CEO of a company called Methodical Coffee, which is out of South Carolina. They're a small business. They sell many different kinds of beautifully roasted coffees that are very unique to their customers both in their stores as well as online. So they're both direct consumers and they have a retail outlet. One of the things that they have done is not only through their research, but through their ongoing process of profiling their customers, identifying the different kinds of customers they have, not only into segments, but really particularly around the kinds of buying behaviors that they have. That way they can not only customize the content that you receive to them in terms of recommendations, but also those products.

**Zontee Hou:**

Right? So it's really about giving you again a more highly relevant experience as a customer of theirs. So if you purchase a one off or you are a subscriber to their monthly coffee service, you're getting recommendations that's really based on the way that you actually drink coffee. Right? There are coffee nerds. Yeah. They're like we want the really nitty gritty stuff. We want the provenance of the beans. We want interesting methods of brewing. We want comparisons of fancy tools.

**Zontee Hou:**

That's not necessarily the same person as someone who is like, you know what, I just gotta get up in the morning and I want something that's delicious to drink. Right? And so they're delivering different content and recommendations and products to those different

audiences. And I think, again, that's something that is very simple in some ways because a lot of that can be done through automations and segmentation is not highly, highly personal, but it's starting to get personalized. But it demonstrates how even a small business can be doing this. Mhmm. At the same time, they're connecting that to their POS. So if you are in stores and you are interacting with somebody who is, one of their store personnel, right, they can pull up your profile and, again, make recommendations that are highly personal to you in that moment based on what they already know about you, and that's powerful. Those are the kinds of things that are our opportunities.

**Amy Vaughn:**

Yeah. Small yet profound. Absolutely. I love it. I love it. Alright. So the other question that I had kind of skipped over to get to that one was, you know, again, it's just you know, it's always something you're gonna get asked. Right? I feel like how do we balance the benefits of data driven personalization with respecting customer privacy and maintaining trust?

**Zontee Hou:**

Yeah. That's a really good question. I think that as we were just talking about, there can be this uncanny valley. We have to be really aware of what it is that matters to our customers. And I think there's 2 things. 1 is what is the data that's relevant to the experience of your customer in their interactions with you? Now that can be somewhat broader in some cases, right? So I think I share the example of Cole Haan in my book. Kohan is of course a brand of shoes. When you go on to their website and you start an account on there, they actually have you take a little quiz or survey about your usage of their shoes.

**Zontee Hou:**

What are your preferences? What are your styles, colors, etcetera? It talks a little bit about your lifestyle. But the questions make contextual sense. Right? They wanna understand why I wear these shoes and where I wear them and how I live on a daily basis. So that they can give me better recommendations based on my lifestyle. I live in

New York City. I walk almost everywhere. I walk 2 miles at least a day. So the kind of shoes that I might need is really different from somebody who's like I need shoes to run an occasional errand but mostly I'm in my office or I'm in my car.

**Zontee Hou:**

Right? And so it makes sense that they would ask those questions. Right.

**Amy Vaughn:**

But

**Zontee Hou:**

they started asking me questions about my pets or my children or my food preferences then I would be creeped out because those are irrelevant to our interactions together. So I think the first thing is respecting the customer relationship as it relates to the brand and the expectations of the customer with the expectations of the customer with the brand. The second thing is of course to practice good ethics and to be transparent with your customers, Right? How are we using the data? Why are we collecting the data? How are we safeguarding your data Mhmm. And demonstrating we have good guardrails and governance there? Of course, I think that it is important for customers to be aware of the different ways that data is being used. There's a certain amount of, let's call it literacy around the usage of data that we have to have as just citizens of the world. But I also think one of the reasons that it feels scary right now is because brands have defaulted to this. If they don't ask, we're not going to tell them that kind of attitude. And I think that that is very detrimental to building trust. Yeah.

**Zontee Hou:**

An example that I give of a brand that does a really great job of this in the book is Lemonade Insurance. They have been not only transparent, but they've gone above and beyond in terms of educating their customers, in terms of their privacy policy, how their data is used, how they will be communicated with, etcetera, and they do it in plain

language. They've actually made that part of the promise of the brand that we are going to be straightforward with you. The way that we are going to interact with you all the time is in this transparent way. That gives them a competitive advantage because there's a higher level of trust. But it also makes it easier for the customer to actually understand what it is that's happening with their data. And so I think that you can balance privacy and this personalization but you must think about it in a proactive way. This isn't something to leave on the back burner until somebody asks you about it, right? Ideally you build this into the front end. So we talk quite a lot about that in the book.

**Zontee Hou:**

The other thing that I explored was actually asking people. Again, we surveyed American adults, asked them what is your desire in terms of privacy and personalization? And what we found was that a greater percentage of people, I think 40 something percent of folks, valued personalization more than they valued the privacy piece of it. In other words, I think that people understand that if their data is being used in a way that again saves them time, Yes. Gives them a better experience Mhmm. Makes it so that they're going to discover things that they want to discover

**Amy Vaughn:**

Absolutely.

**Zontee Hou:**

Then they're happy to do a little bit of a trade off Yep. Towards personalization versus privacy. This is not an all or nothing game.

**Amy Vaughn:**

Yep. Yep. No. I absolutely agree. I sit here in Cincinnati, Ohio. We are, like, at the epicenter of Kroger and P&G. 8051 is a big agency here within Cincinnati as well, and

they'd have a lot of data. We had a really great conversation kind of in this space and about this.

**Amy Vaughn:**

And I, like, just professed my love for Kroger at the time because as a mom and a working mom running a business, their app and their ability to personalize my shopping experience and make shopping easier. I was like, I will give you all my information. You can keep everything you can know about everything I buy for the rest of my life, and I will never complain because they serve me up all of the discounts for all the things that I shop for every week. You know? And it saves money. It makes shopping everything so much easier, and so I agree with you. I think we kind of do sense we there's I think there's, like, this this, this you're right. There's this disconnect between consumers and companies. I think companies get a little greedy with the amount of information they want, but I think if they understand that you're what you're saying is, like, if it's right and it's they want, but I think if they understand that you're what you're saying is, like, if it's right and it's relevant and it's for the sake of the personalization with the intent of creating the ultimate customer experience, then, yeah, folks will give you more than what you might realize.

**Amy Vaughn:**

But I think making sure that it's right and relevant is really what's key. And I love what you said too about making sure that it's there on the up front. And, I'm gonna go check out lemonade insurance. I'm really curious to kinda see how they put it at the forefront of their experience. I'm doing a talk next week with the Better Business Bureau to some smaller trade type business companies about brand reputation. And I love, like, how being transparent is, like, to me, that's a big part of creating trust is sort of baking in, you know, those customer experiences right off the bat. Absolutely. Absolutely.

**Zontee Hou:**

Absolutely.

**Amy Vaughn:**

The bat.

**Zontee Hou:**

And I think that something that you mentioned there with your shopping experience is really important, which is that, again, save money. If you are building that to save money. If you are building that into the experience that you are offering, then you are building a competitive advantage. And, again, ultimately, this is about how we as businesses thrive and build that powerful long term relationship with our customers. Yep. So if you can do that through knowledge of your customer, it's just like having a friend who knows everything about you. Right? You have a shorthand between you. That's ultimately what we're trying to do.

**Amy Vaughn:**

Yeah. Make those shortcuts. Like, we're busy humans. We don't wanna waste that time. We wanna get to it 100%. Yeah. Yeah. Ask me if I'll shop anywhere else.

**Amy Vaughn:**

I mean, maybe, but, honestly no. And then I just did a nice little ad for Krogers. You're you're thank you. Thank you. You're welcome, guys. Alright. Alright. So, yeah, let's keep going on this train of, like, talking about companies collecting data and utilizing it because, you know, big data, dirty data, many companies struggle with effectively, effectively collecting and utilizing data.

**Amy Vaughn:**

What are some of the key challenges that you've encountered, and how do you recommend folks overcoming those struggles?

**Zontee Hou:**

Yeah. I mean, what I think is really common is that we don't have our data in a neat and organized fashion because it's been an evolving process over the years. Right? We've got a database here, and we've got a database there, and we've got some spreadsheets, and we've got some surveys. And we don't have everything collected into one place. And one of the things that I encourage companies to really think about is how can you make that an exercise in data hygiene and then working with all of the different stakeholder groups, whether that is your marketing, sales, customer service, product teams come together and decide what are the pieces of information that we could actually make powerful business decisions based on? On. If we're not collecting those things now, then we better get to collecting them. Right? And also how do we unify that information in a format that is not only usable to our team, but structured in a way that gives folks the clarity of usage while also having some flexibility. Now what is the right structure for that? That's going to vary a ton from organization to organization, right? You, I talk a little bit in the book about data lakes and data warehouses and data marts and these are lots of different ways of organizing your data.

**Zontee Hou:**

The important thing is to understand that you need your data again unified in a way that you can run questions against them, queries against them. You also need to build the let's say access and culture within your team so that it is easy for your teams to ask those questions. They're empowered to come up with hypotheses, and they're regularly doing these exercises of reporting and finding insights that then feed the next level of planning. This is really about building a culture where it's normal for people to come to the table and say, hey, I was wondering how do people do this and how do people do that? And what are the ways that they behave in these particular situations? And I think that we're also at a very powerful time because of AI tools Mhmm. We're actually able to parse a lot of this data more easily than ever. This is what we're already doing right now with some of the research products that we're doing with our clients that we're using, AI to help summarize and make the survey data more easily accessible to their teams even if you are, you know, not a data scientist or a researcher. You can actually look at this information and ask questions about it. So that's one thing that we're doing.

**Zontee Hou:**



But also, I think what's powerful is even your basic paid chat gpt tool actually has the ability to upload excel sheets or Google sheets into it so that you can ask queries of your data. So making sure that your team knows, like, what tools are available to them and that they're empowered to do that. I think it's a very powerful

**Amy Vaughn:**

That's awesome. That's amazing. Yeah. Because it just seems like people sometimes have gobs and gobs of data, and they're like, well, we've got it. What do we do with it?

**Zontee Hou:**

Yeah. For sure.

**Amy Vaughn:**

Like you said, building that culture of curiosity, knowing the right questions to ask for, starting to create those insights, what questions to ask, what problems to be solving and fixing, what things you need that are broken that need fixing. Alright. I'm wondering if there's any other examples from your book or in your experience working with some of your clients that there were some data driven strategies that helped to transform any, like, company's marketing approach. So, like, say, for example, right, they were looking at some of this data and they found or uncovered some insights that revealed some interesting things and changed their approaches to marketing.

**Zontee Hou:**

Absolutely. One of my favorite examples, does relate to the question that we're talking about, which is that the team at Target, about 10 years ago now asked the question: what if we could identify newly pregnant people so that we can market to them before they have any loyalty to brands? Because when you are newly pregnant, one of the things that you are learning is all about these brands that you actually know nothing about because you don't have children yet. And that's a very pivotal time. They're making a lot of decisions but once they make those decisions, folks are really loyal to

the brands that they engage with in that time because honestly, I know this as the mom of a toddler, You don't have any mental bandwidth after you've made those decisions.

**Amy Vaughn:**

Right. Somebody decide for me.

**Zontee Hou:**

Right. Exactly. So that's a very powerful time. So Target wanted to identify those people, become their de facto choice, and then become part of their regular shopping journey. Now again, sorry I said 10 years ago, but I actually mean 20 years ago. They were starting to do this, research mostly by hand. They had their data scientists dig through reams and reams of data, ask a whole bunch of different queries, and slowly they started to build a profile of behaviors that identified folks who were these newly pregnant people in their essentially their 1st trimester before they've self identified 2 brands that they're actually making purchases, which is the point where every brand gets on board to start talking to them. They identified certain kinds of products they would buy.

**Zontee Hou:**

They would suddenly go from scented products to non scented products. They would suddenly start buying prenatal vitamins and a couple of others. Right? So there were a couple of really basic

**Amy Vaughn:**

things. Indicators.

**Zontee Hou:**

Indicators. Exactly. And so they were able to build that profile, use that to start marketing to these people and offering them things that were highly relevant to them as moms, and they found that it was very impactful in terms of shopping behaviors. It really did get people in the door and people started shopping there specifically around that time period. Now one of the lessons of this particular model is that again, this used to be very difficult to do. They really had to employ an entire team of data scientists to figure this out based on this hypothesis. But this was a marketing led hypothesis which I think comes back to our point. Right? If marketers have a seat at the table, we can identify these great opportunities to pull out the data.

**Zontee Hou:**

Mhmm. What I wanna point out for folks now is again, these are things that we can actually do much more easily with the kinds of machine learning that are now available to us. So you could actually build that query by simply saying, identify people who are now pregnant, and we've identified them. Identify what they were buying 6 months ago. Identify what are the common traits within that, right? In 3 questions. We've basically done this entire exercise that took them months to do. So I wanna demonstrate that's actually really easy to do. The other thing that I wanna point out with this particular example is actually the downside.

**Zontee Hou:**

So back to your point about balance of privacy and personalization. One of the things that they learned very early on was that they were falling into the uncanny valley. They sent out these offers in their first round of testing that were specifically saying things like, here are things for newly expectant moms that you might like. And one person came into a store, this was a very famous example that Charles Duhigg wrote about for the New York Times Magazine, where, a man came into the store and said, you sent this to my teenage daughter and she is not pregnant. How dare you? Yeah. And what was interesting was a few weeks later he came back and apologized to them cause he was like, it turns out she is pregnant and so I was wrong. You were right. But it's damn interesting.

**Zontee Hou:**

I'm about to

**Amy Vaughn:**

figure it out first.

**Zontee Hou:**

Right. The danger of being too creepy with our data. Yeah. Yeah. And so what Target actually learned was it was better to hide those offers within a set of general offers. Right?

**Amy Vaughn:**

Uh-huh.

**Zontee Hou:**

So to have some discounts on some Gotcha. Products that would be highly relevant, but also makes a couple of general interesting things. If they had a couple pots and pans, they have, you know, some things for your lawn, then you don't think to yourself, oh my gosh, how they know that I'm Right. You just think They don't have their invasion as much. Exactly. Exactly. And so again, I think that comes back down to, yes, your customers want Mhmm. To have their time and money saved.

**Zontee Hou:**

Right. But they don't want to feel like you have information that they feel like might not be relevant to your relationship.

**Amy Vaughn:**

Right. Right. Yeah. I don't want you finding out or figuring out that I'm pregnant before my family does. Or, like, in an instance, I think we had this conversation. I was working for a skincare brand, and we had an idea that was kind of similar. We were gonna start talking to what we thought were maybe expected mothers, and one of the members of the team called out the fact that, like, what about women who don't end up carrying to term? Like, what if you start to congratulate them? Like, because we're like, oh, congratulations. And it's just like, well, what if it doesn't carry through? Like, I have, you know, had several family members who have lost children, and, like, that's just a massive trigger.

**Amy Vaughn:**

Like, we should really be considerate of that. I was like, oh, yeah. So I agree. Like, there's a number of reasons why as we're kind of working through these things. It's really cool, and we can get really nerdy about it and really excited about this ability to almost, like, fortune tell and get ahead of things. But we also have to be cautious. Right? Like you said, for the sake of the relationship, but then also for the sake of people's privacy and, for the ideal experience. Right? Because it might backfire.

**Zontee Hou:**

Well, and to your point about that kind of misstep, one of the examples that I share in the book is actually goes back to our point about transparency and building that relationship, which is that Kay's jewelry, before each mother's day, actually sends out an email to their list that says, Hey, do you want to be opted out of Mother's Day communication? Is this

**Amy Vaughn:**

a useful point

**Zontee Hou:**

for you? Yeah. You've lost your mother, you're uncomfortable with this kind of messaging. We don't want you to get messaging that you're uncomfortable with. They allow people to opt out. Oh, that's great. And so that's actually part of that relationship building. But again, they're actually collecting data that's helpful for their relationship with their customer. So I think that's very powerful.

**Amy Vaughn:**

I love it. Well done, Kaye. I love that's great. And again, like, it is to me, like, that kind of stuff is the things that grow and kind of lend itself towards brand reputation and loyalty and trust and, you know, all those kinds of things. I love that. Okay. Yeah. That leads into our next question.

**Amy Vaughn:**

Your upcoming book makes that correlation between personalization and loyalty. How do you believe data driven personalization and strategies contribute to fostering long term customer relationships and loyalty for business. I feel like we've kind of touched on this in it throughout the conversation, but if there's other finer points

**Zontee Hou:**

you wanna put on it. Yeah. I mean, as we've talked about, I think it's really about relationship building. Right? Making sure that we're highly relevant to our customers, but also making sure that we are identifying opportunities to deepen those relationships with our customers. So in the book, I have a whole section about community building. Which community building you might think to yourself, oh, what does that have to do with data? But the truth is that if you can build opportunities for your users to connect with each other, that tells you a lot about how they use your products, what they feel about your products, while also giving them a better experience. Right? So I'm sure of a bunch of examples, but I'll give you 3. The first is Nike. Right? So Nike has all these free apps, the Nike run Club, they have a sneakerhead app, they have some other exercise apps.

**Zontee Hou:**

And each of these is giving you tools to just get healthier or to enjoy sneakers, which deepens your relationship with Nike. But it also allows you to connect with other people in the community so that you feel less alone. So that you actually feel like you are part of this overall group of folks who are really passionate about, again, not only Nike, but actually those other things that they're doing. This is very powerful for them because, again, it builds loyalty, but it also teaches them a lot about your behaviors. Right? So they can develop better products based on the popularity of certain kinds of areas. For instance, they introduced a line of yoga shoes, and I would believe that they were mining their own data around these kinds of behaviors and the usage of folks, on their apps as part of their research process to understand how to develop yoga shoes that are really appropriate. Right? So it's not just for the hardcore yoga fan, it's actually for that person who's sort of dabbling and also doing barre and also doing some other things. Right? And that's really going to be based on what they can learn from understanding their community.

**Zontee Hou:**

So that's 1. Number 2, I like to share the example of a Starbucks program that they've retired. But Starbucks had an entire community forum that they were using to actually generate ideas from their hardcore fans. Where people could actually contribute ideas to Starbucks and then people could upvote them or downvote them or give feedback. Awesome. And then they could actually mine that information. That's a really great example of collecting free form data. Now a lot of times when I say data, people think it's all numbers based, but any kind of voice of customer information is data.

**Zontee Hou:**

Right? Because we can mine that for information. And in that case, that actually spurred some of their most popular innovations. Certain drink products were actually based on this group. And even those sticks that go in your cup to keep them from spilling when you pick up an order of 4, that was an innovation from this forum. That's awesome. So it can be a real place for innovation. And, I mean let me tell you, if I were a member of that group and Starbucks took one of my ideas and ran with it, I would not only be thrilled but I feel like they would have my business for the rest of my life. Yeah.

**Zontee Hou:**

Because I would wanna tell that story to literally everybody every time we walk through the door.

**Amy Vaughn:**

Every chance I get.

**Zontee Hou:**

Yeah, exactly. I'd be like, that dragon fruit thing, that was me. I invented that. Right? Like I would wanna tell that story. So that's very powerful. And the third example of community in terms of, again, an opportunity to deepen your relationships and collect data is the Lego community. So Lego users, like a passionate bunch, not only kids of course, but adult creators, right? And they have an amazing online community where again they are not only allowing people to pitch ideas, vote on them etcetera. But they are mining the community for insights about what is popular, what is on people's minds.

**Zontee Hou:**

What are the tools and products that people need? But also what are the trends that are actually happening within their community? And what are the opportunities to bring this community together to deepen those relationships? Each of these is a great example of how, again, when we think about data, there are many different areas to collect data about our customers. It's not just about their interactions from a sales perspective. It's not just about social media or digital touch points. It's about community. It's about troubleshooting. It's about learning areas. It's about the content that they are consuming. Each of those is actually data that we can and should be uniting into one format so that our teams can better understand what is true for our customers.

**Zontee Hou:**



What do they enjoy? What don't they enjoy? What do they want more of? What do they wish we could provide them that we aren't? That could be a new revenue stream or a new opportunity to deepen that relationship. Then you miss out on this opportunity to really innovate as an organization. Then you miss out on this opportunity to really innovate as an organization. Yep. I work with a lot of clients where they will tell me, we look at all of those things. We know those things.

**Amy Vaughn:**

Uh-huh.

**Zontee Hou:**

There's a difference between in your head and documentation. Why? Because in your head relies on a couple of knowledge holders within your organization. If you lose those knowledge holders, you lose that legacy of knowledge and understanding. When you create a documented process around data capture, analysis, understanding, and queries, then you empower your entire team to be part of that knowledge holding. It makes it easier to transfer. It makes it easier to share.

**Amy Vaughn:**

It makes it easier

**Zontee Hou:**

to innovate and bounce ideas off of each other. That's our opportunity.

**Amy Vaughn:**

That's so important what you said was right there. So, so important is the documented process because legacy, it's like it can be so easily lost, but it is so absolutely essential because I think sometimes we can fall so in love with, like, the product or the idea of the

thing that we're selling versus the problem we're trying to solve. It reminds me of something I was listening to a while back where it's like this furniture store. I think it might have been in Chicago, and they were trying to sell to a specific demographic of, like, more affluent kind of, like, postgraduate type, you know, collegiate students that were making a relatively good income, but having a first, like, apartment where they're, like, they graduated from Ikea. Right? And, you know, they would come in and they'd be really interested, and it was, like, quasi personalized, you know, custom furniture, but not full blown custom, so it wasn't so out of reach. And they would go through the whole process. Right? They would, like, pick out the furniture, they would pick out the fabric, and then they wouldn't complete the sale process, and they couldn't figure out why. And this is where I think I wish I well, we'll go back, and I might just ask this question because I wanna complete the story first.

**Amy Vaughn:**

But, this is where the voice of the customer is really so important and really focusing on, like, what it's always looking for. What are the problems that we're trying to solve and not just the product we're trying to push and sell? Because they started deeply discounting the furniture, like, deeply, deeply discounting the furniture at the risk of, like, ruining their margins, and it wasn't making the furniture sell. It was because these people lived in Chicago. They lived in apartments that didn't have freight elevators, or they didn't have vehicles that they could put the furniture in. And so once they started actually serving people that were leaving the store and not purchasing, once they understood started selling like crazy. And it was as simple as that. It was as simple as that. So I guess that was gonna be my question.

**Amy Vaughn:**

I was like, gosh. I really should have thought to ask. It seems almost too simple. But, Zontee, like, you know, we throw the term data around so much. You kind of gave us a big list there, but, like, what would you add into that list is what is data? Like, what would we consider, what are maybe some things that we don't think about and consider data?

**Zontee Hou:**

Yeah. Absolutely. I mean, I think that data comes in so many different forms, especially in the conversation that I'm trying to have with this book. Data is really all of our information. Right? It's the customer interactions with you whether they're purchasing or consuming your content. It's the voice of customer data of what they are actually saying out in the world? What are they saying about you and your brand, but what are they saying about the industry as a whole? It is about that survey data. There's so much good survey data that exists. It's also about, you know, our opportunities to do anthropological and ethnographic studies, right? I show some examples in the book about Intel and I have an upcoming podcast that will be called Data Driven Decisions.

**Zontee Hou:**

And one of the brands that we talk to is Secchi Sweet House, which is one of the largest homebuilders in the US. They're a holding company of many well known brands of home builders, and they are doing anthropological studies, actually just following people in their day to day lives and their homes to better understand how they live. Yeah. And they're actually collecting data using wearables. So there are lots and lots of different kinds of data. Data is a big umbrella term. The important thing to understand again is we need to collect this information in a format that your teams can review, can query against, can look at and compare to other information that we've got so that we can find those insights about who are the different people who behave in different ways. Mhmm.

**Zontee Hou:**

And not in every case, but in some cases we need to also have this at a 1 by 1 level. We need individualized data for specific customers so that we can also deliver them more relevant information based on their particular use cases. So in a way, when we say data, we're just talking about any kind of information, and that's the loosest way to describe it. Yeah. But I think in more detail, it's really about usable information that helps you make good decisions. And, ultimately, I really frame this around this idea that our teams are charged with growing businesses and building competitive advantage, and those are the things that we have to look for.

**Amy Vaughn:**

Mhmm. I love it. It's fantastic. Alright. I've got one more question for you before we wrap, but I just wanted to put it out there one more time to our live listening audience. The chat is available to all of you to ask any questions that you might have of Zontee . If not, don't be shy. Kaylee was so kind as to place in the chat as well, her LinkedIn, a link to Convince and convert's website, media media Volori, her business as well, her link to the data driven personalization book so you can order that as well.

**Amy Vaughn:**

So my last question that I've got for you, unless we get another question from one of our live listeners, is in today's competitive landscape, how can oh, no. Wait. I have more questions. Look at me. This is what happens when you scroll down, Amy. Hello. It's okay. We've still got more questions and more time for questions.

**Amy Vaughn:**

It's all good. Today's competitive landscape, how can data driven personalization give a business a sustainable competitive advantage? You kind of started to allude to this here just a second ago, especially in industries where consumer experience is critical. So I don't know if you wanna put a finer point on that, but you kinda started to tiptoe into it there a second ago.

**Zontee Hou:**

Sure. Yeah. I mean, I think that when it comes to competitive advantage, I think the powerful opportunity is to know more about your customers and to deliver to them the most personalized and relevant experience based on that knowledge. Right? Again, I think about my relationships with my friends and family. My mom will come almost every Sunday now, mostly to see her granddaughter. Let's be really honest. It's definitely not to see me. But she'll come each week with a whole bunch of ingredients and she will cook a dinner for my family, and my brother lives nearby so he'll come over and we'll have a family dinner.

**Zontee Hou:**

And I don't have to ask anything. She shows up. She knows what we like, what we don't like, what we're gonna enjoy, what we're not to enjoy. And she just shows up with all the ingredients that she goes with. Imagine if you could have that kind of experience with a brand. You show up and they're like, here are the things that you love. Yeah. And you just get those things.

**Zontee Hou:**

Uh-huh. One of my colleagues, David Portino of Netline, mentions on his podcast that he goes to Suitsupply. And that's his experience there. They know his sizes. They know his color preferences. They know what ties he wants. And it's really easy to get in and out. These are the kinds of experiences that we want as customers.

**Zontee Hou:**

That is how you build a competitive advantage. Mhmm. And now I'm not saying that every business needs to go to that final point. Right? Many of us are parts of small businesses. We can't necessarily get to that level. But we can demonstrate to our customers that we are capable of delivering them a more tailored experience with us not only in terms of our product selection or service selection but also in terms of the ongoing communications that we actually receive. And again, if you can be the default within your customers' lives, then that's a very powerful position to be in, and that's how you build a competitive advantage.

**Amy Vaughn:**

Yeah. Yeah. I agree. I agree. Alright. With the rapid advancements that we've got going on, we kinda talked a little bit about, you know, AI, but in technology in general, how do you see data driven personalization evolving in the next few years, and how should businesses, big or small, prepare for it?

**Zontee Hou:**

Yeah. I love this question because I think that it's a very exciting time. My belief is that technologies like machine learning and large language models will make it less expensive than ever to do a lot of the things that sound very complex right now. I think that what you can do as both a small business or a large business is to be educated about what are the technological capabilities. And if you don't have that capability right now within your organization, it can be really valuable to work with an outside party to get educated about that, whether that's joining an organization or bringing in a consultant or taking a webinar. Whatever that is, being educated about what the opportunities are is very important because you won't know to go out there and leverage these tools if you don't know that they exist. But again, right now I am talking to people about the fact that, you know, the ideas that I'm talking to people about the fact that, you know, the ideas that I'm bringing up are not necessarily complex to execute when the tools can actually do a lot of the automation of this kind of, personalization for you. Right? In the book I talk about, a tool from a company called Persado.

**Zontee Hou:**

They offer a tool called Motivation AI where they are using predictive analytics to identify what is likely the motivation personality type of a visitor through your website. And then customizing the offer or the headline on certain pages based on that person. Right? So if somebody is, you know, a very results driven person, they're going to show them one message versus somebody who's a little bit more thinking and feeling, who's interested in getting a little bit more trust, they're gonna get a different headline. So the tool can actually deliver that. You don't have to do that by personalizing yourself, but you need to know that there is a tool available if you're gonna implement something like that. So I think that's the biggest thing that I would say to folks is if you're interested in doing this from a technology standpoint, you know, make sure that you are educated. But ultimately, all of these things have to be based on that really solid strategy and the available data that you actually have within your organization.

**Amy Vaughn:**

Yeah. Yeah. I agree. Having some sense of framework and then understanding the tools and technology is important. And then I do agree with you. I think there's a lot of stuff out there right now that makes it super accessible and kind of democratizes it so that even small businesses, like your example of that coffee shop, leveraging the POS, like,

even small businesses, can take advantage of it and make use of it and profit from it, which I think is super, super exciting. Alright. So last question for reals.

**Amy Vaughn:**

What advice would you give to aspiring marketers or entrepreneurs who want to incorporate data driven approaches into their strategies but are unsure where to start?

**Zontee Hou:**

Yeah. I mean, I go back to that little adage about planting trees. Right? The best time was 20 years ago but the second best time is today. In a lot of ways data is like that too, right? We, if you don't have enough data, then, as we were talking about earlier, I think this is a great opportunity for you to look at what it is that you actually want to know Mhmm. And want to understand in order to collect better data, and then start building in the tools and resources within your organization to start collecting that data. You can start small. Again, it does not have to be every single one of our customers. We need to have every single one of these points of data.

**Zontee Hou:**

It could be, you know what? Based on the questions that we've got, we want to have a biannual survey of our customers so that we can at least start to get some directional data and some hypotheses that we can work with to gather it on a more ongoing basis. And then we're gonna add to just our onboarding process of our clients or our customers a couple questions here and there so that we can make sure that we're collecting this on an ongoing basis. It can be as simple as that. I think it's really about figuring out again what is it that you need to solve for? What is your strategy going to be, based on your organization's needs and your relationship with their customers, and then to just go out there and start collecting.

**Amy Vaughn:**

Yep. Yep. That's fantastic. Sontay, thank you so much. We're excited. I will all be looking out for your book on May 28th. This will launch, as you said. The links are in the chat for you live listeners.

**Amy Vaughn:**

If you wanna grab those before we head out, we'll definitely have those included in the show notes as well for all of you podcast listeners. Zontee, thank you so much for your time again. This is a blast just nerding out and talking about, you know, customization, personalization, brand loyalty. All of these things are very, very important, but very, very, specific to the digital marketing space. I think it's what makes it very fascinating, unique, and just special. You know? I think it's just it's, like, being able to put stuff out in the world and just connect with people in a way that is just different than any other space in the marketing and advertising world. So thanks for coming in and joining us and nerding out with us.

**Zontee Hou:**

Thanks, Amy. It's been a pleasure.

**Amy Vaughn:**

Absolutely. Alright, everyone. Everyone. Thank you so much. Take care, and we hope to see you next week. Until then, keep asking, keep giving, and keep growing. Take care, everyone. Bye.