# Using Behavioural Targeting and Collective Intelligence to Engage Your Audience

**Recent advances in online behavioural targeting can provide a quick return on investment and make your website more engaging for users. By automating decisions relating to content placement and driving immediately relevant information toward the user, behavioural targeting can increase the impact from existing investments in website analytics and testing, content management systems, search technology and even SEO.**

## The Communal Brain

Harnessing the power of people in large numbers is something that has given mankind some of the most profound innovations and improvements throughout our history, such as the building of the Great Wall of China and the Great Pyramids of Egypt. A crowd can also affect an individual to do and say negative things. Most of us can recall a personal experience of the effect of group dynamics and how dramatically it may influence behaviour in different environments. The effect of peer pressure can have an ugly side, as is sometimes seen at sporting events where otherwise rational members of the community are prompted to act in irresponsible and even life threatening ways.

## Power to the People

Wikipedia is a prominent example of collective intelligence in its most useful and far reaching form, but many clever businesses are making use of the collective to increase their own business at very little cost to themselves.

Apple's success with development of iPhone applications is possibly one of the most recognizable examples of the benefits of making use of the community to build a business. Consider for a moment the insurmountable task that Apple faced with building iPhone applications for the market. The cost of product research, workshops, feedback and studies accompanied by the cost of building and trialing applications would have been significant, and at considerable risk of failure.

Instead, Apple was able to collaborate with the developer community and relied on the consumer to decide what they wanted. In what some people might have felt was initially a risky move, Apple have pushed the risk out to the community, whilst maintaining full control of the process. Regardless of which iPhone application was successful and how much effort was involved, Apple would always benefit from the outcome. Why? Apple provided the community with an open, egalitarian approach to producing a quality outcome, and a platform to connect with a large target audience.

There are numerous examples of businesses taking advantage of the benefits the online community can have on user engagement. Threadless sells T-shirts online and makes use of the web to help them decide which designs to produce. By matching buyer demand directly with production Threadless is able to increase throughput and reduce inventory challenges.

Collective intelligence leverages the power of the masses in the most positive way, to help make decisions that identify, enhance and refine an individuals experience online to make it more useful to others. Content is provided to the consumer based upon their needs and wants as determined by their behaviour, and provides much greater accuracy and refinement to boost personalized segmentation.

One of the great advantages of a behavioural targeting solution, and perhaps why it is often difficult for people to understand its value, is that it requires no conscious action or interaction from the users. This is relevant as it can be easy to make the mistake of assuming that behavioural targeting is the same or somehow relies upon collaboration. To be

successful, collaboration requires effort towards building interactive processes such as content moderation, user input and the like, whereas behavioural targeting performs behavioural analysis, and operates under the radar.

Online retailers that in the past invested heavily in personalization and content management solutions are today making use of behavioural targeting as a cost effective way to assist with cross selling and up selling products. For these organizations, observing customer behaviour online and automating recommendations based upon the actions of like-minded peers is a cost effective way of providing the most relevant content in the form of recommendations and/or search responses whilst increasing the benefit otherwise associated with surveys, workshops, developing customer personas, and feedback received from web analytics reports.

## Behavioural targeting for continuous monitoring and improvement

Perhaps the most effective methodology for ongoing monitoring and analysis of a website is in the identification and measurement of behaviour patterns. They can be general or quite specific in nature - for example from a home page to a 'content page' - or from a Blog landing page to the registration completion page. Once patterns have been identified behavioural targeting technology can measure it and make a series of observations, which are then harnessed toward automated content recommendations and tuning of search priorities to make information more immediately engaging to the visitor.

Whilst analytics tools can report on overall statistics for the site, more useful information is derived from a finer level of detail. By following each visitor on their journey through the site, viewing where they went or even where they came from, the decision to promote content can be assessed, automated and adapted to suit the behaviour of the visitor.

## Actions Speaking Louder Than Words

Behavioural targeting is helping marketers to increase the benefit of quantitative analysis and helps identify the information that is of greatest interest to the web audience, which can be optimized through the use of quantitative testing to better refine the message.

Unlike workshops and surveys that take weeks and months to prepare and collate, behavioural targeting software continuously automates the process of behaviour analysis on a website and adapts to what is deemed to be most immediately pertinent to the web audience.

So, for instance, if I am a 70 year old customer of a financial institution with a pension plan and I am searching on a financial services website for a savings plan for my grandson the behavioural targeting platform will make observations based upon my behaviour on the website, including how I arrived at the site, search terms I use, my pattern of navigation, downloads and the like. Although all my personal information and past behaviour would suggest that I should be presented with lots of information relevant to retirees, if the website were to personalize my experience based upon my profile alone I would not be provided with the information I was looking for today.

Recommendation engines based upon behavioural observations are able to make changes and surface information that is immediately of value, such as children's savings products as in the above example, making it easier to find information I am looking for based upon my current behaviour patterns, rather than potentially out dated information that only relates to a person's age, address, past transactions and so on.

## Where is Behavioural Targeting making a difference?

If you are wondering how beneficial behavioural targeting might be, consider US Retailer Sears who recently acquired social search software company Delver, who had funding problems. Prior to the take over Delver had produced social graphs of nearly 250 million user profiles on popular social networking sites, and enabled personalised or "build your own" search capabilities that aimed to uncover knowledge and information that might be hidden in a persons social network, perhaps making it more immediately relevant. Delver itself will become an R&D center for Sears and will continue to develop its social

graph search engine, as well as additional products. The potential to harness this technology into a personalised social product search engine unique to Sears will be entirely in their hands.

In the past year, Sears has been expanding its online reach, adding a menagerie of products including books, music and auto parts on sears.com and introducing ServiceLive, an online home services marketplace in addition to testing a MyGofer, a showroom style site that lets shoppers pick up online purchases at a drive-through.

## Conclusion

Behavioural targeting software is testing the theory that technology is only as good as the people behind it by grouping some great minds in mathematics, psychology, sociology and technology fields behind the development and refinement and automating expert recommendations based upon "what everyone else thinks might be best."

As the value of this technology becomes more apparent, it seems inevitable that behavioural targeting will become a very important part of any web project, and should be mandatory for anyone with a highly trafficked website.