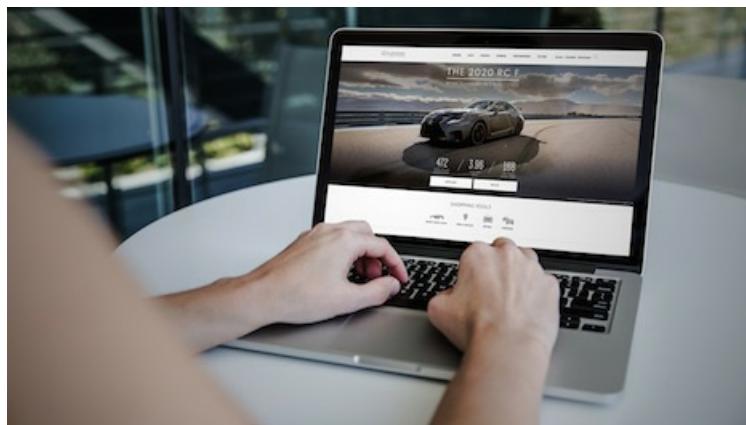


AUTOMOTIVE

Contextual content strategy: Lexus' approach to personalization

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Lexus: Home is where the art is. Image credit: Team One

By Jane Greenstein

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Luxury retailers often use digital platforms to market high-ticket items such as jewelry, vehicles and housing that they typically do not sell online, creating beautiful video and sophisticated designs to showcase their products.

But without an online transaction as the payoff, they are still experimenting with how to implement an impactful digital personalization strategy.

Driving home the point

Personalization serving the right content in the right place at the right time is a critical component of omnichannel marketing, which delivers consistent messages across multiple platforms.

The challenge has paved the way for different personalization schemes to be deployed, such as the one implemented last year on Lexus.com's homepage.

By serving a variety of predetermined content to site visitors grouped into segments, the Toyota Motor-owned luxury automaker provides a personalized experience without employing a complex ecommerce recommendation engine. The goal of this strategy is to meet key performance indicators (KPIs) that include brand awareness, lead collection and, ultimately, an offline purchase.

Lexus Digital Marketing deployed a contextual content strategy for the Lexus.com homepage. This involves using a flexible content template that is revised on a regular basis, offering a custom experience to targeted audiences as opposed to tailoring each piece of content to a particular individual.

Unlike Amazon-style personalization based on a user's browsing and purchase history, this type of personalization is more subtle, and presents content in context with the vehicle for which you may be shopping.

Launched in March 2018, the redesign of the homepage was undertaken to help site visitors move quickly through the shopping process via a more streamlined experience on both mobile and desktop.

User testing had shown that the homepage was serving up too much content without a clear hierarchy, resulting in a

high bounce rate, or visitors leaving the site.

An automaker's Web site should serve as the authoritative resource of product information, providing vehicle features and specs and plenty of "beauty shots" with the goal of encouraging purchase or repurchase.

The homepage's role is that of the front door, moving visitors through the shopping funnel as they conduct vehicle research, from initial consideration to intent and, finally, purchase.

Engine powering the way

The contextual content strategy is illustrated on the homepage by grouping vehicles by category and other factors, including product MSRP and audience demographics.

Lexus, along with its parent company Toyota, uses a data management platform (DMP) that allows audience segments to be identified and served different versions of the homepage featuring like-minded vehicles such as SUVs, sedans or coupes.

Sales data, Web browsing behavior and marketing priorities are all weighed to create the content mix displayed. The DMP enables Lexus to identify audiences coming to Lexus.com, including in-market, owners and luxury shoppers.

"By implementing a personalization strategy on the Lexus.com homepage, we're able to anticipate and promote the content consumers are looking for, resulting in a better customer experience and an increase in site conversions," said Gabe Munch, digital and social media manager at Lexus Marketing.

Moving from a one-size-fits-all approach on the homepage to a more streamlined content presentation has proven successful.

The new design resulted in a 188 percent improvement in CTR (click-through rate) of links on the page, per Adobe Analytics, December 2017 to December 2018). It also led to a significant increase in the use of the vehicle configurator and accessing offers from the homepage.

MARKETERS SUCH AS Lexus continue to refine their personalization strategies by offering custom experiences on their Web sites and email, as well as with experiential activations, social media and VR/AR applications.

In the case of Lexus, the goal is to cut through the clutter by providing online what the brand espouses offline: premium craftsmanship presented to a demographic that values curated experiences.

Lexus is a client of Team One



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