

## About Internet Retailer

Internet Retailer was established in 1999 and edited as a source of information for merchants on the impact of electronic commerce on retailing and consumer shopping habits. Its content offers reporting on the strategic implications of Web store operations and covers the core issues of on-line retailing, including advertising, customer service, database services, SSL (Secure Socket Layer), competition issues, generating new business, integration of e-commerce systems, internet auction houses, on-line merchandise presentation and security and legal issues.

## Personalization bumps up Lenovo's web site conversions by more than 40%

**The consumer electronics manufacturer uses Neustar's PageAdvisor technology to create and display banner ads for individual shoppers based on what they are deemed most likely to buy.**

By: Amy Dusto, Associate Editor  
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After launching a new web site for U.S. consumers this summer, PC and tablet maker Lenovo is now personalizing the banner ads it displays to show individual shoppers the devices they are most likely to buy, says Lewis Broadnax, executive director and general manager, Lenovo.com North America. That's led to a more than 30% increase in click-through rates for shoppers viewing personalized banners versus those who do not, he says, which in turn has boosted conversions on the site by more than 40% and revenue per visitor by more than 25%.



Ted Prince  
SVP Information Services  
Neustar

"We offer our customers a wide variety of products and accessories, so we wanted to ensure that we were reaching the right customer at the right time with the right Lenovo product," Broadnax says.

Lenovo determined which customers would match best to particular products with Neustar Inc.'s ElementOne analytics software. That technology combines credit and demographics information to segment customers into groups based on their expected buying power and interests, according to Neustar. It begins with 232 factors, which Neustar calls elements, such as a retailer's past campaign results, web site transaction history, survey data and web visitors' behaviors. Those factors combine to create typically 40 to 50 specific customer segments for a retailer or brand, up to a maximum of 172 segments, Neustar says.

Lenovo also used Neustar's PageAdvisor, which builds on the ElementOne analytics to figure out what web site display will work best for a new or anonymous web site visitor, Ted Prince, Neustar's senior vice president of information services adds. PageAdvisor uses available information about an unidentified shopper, such as her geolocation and what pages she's viewing and clicking on, to predict which customer segment she fits best.

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With all the data analyzed, the PC maker created a set of large display banners geared towards each customer segment, each a subset of consumers interested in desktops, laptops or tablets, Broadnax says. “So if a consumer was part of an audience group that was more likely to be interested in purchasing a tablet, they would be greeted with a banner highlighting our Yoga Tablet product line,” he says. A shopper looking for a laptop, on the other hand, might see a banner for the X1 Carbon Ultrabook or the Thinkpad 8 instead, he says.

In addition to the technology, Neustar also provides professional services to Lenovo to help with the personalization campaigns, Broadnax says. He declines to say what Lenovo pays for the technology and services, but says the brand continues to use them in its U.S. e-commerce operations and so far it is “very pleased with the results.”

Based in China, Lenovo Group Ltd. surpassed Hewlett-Packard last year to become the leading manufacturer of personal computers worldwide, according to research firms IDC and Gartner. Lenovo purchased IBM’s PC division in 2004 and IBM’s server business last month. The company reported revenue of \$33.9 billion for the year ended March 31, 2013.