

Understanding Personalized Lifestyle Marketing: An Experimental Approach

Tim Boettger

IÉSEG School of Management

Oliver Emrich

Johannes Gutenberg-Universität Mainz

Dennis Herhausen

KEDGE Business School

Leonard Lee

NUS Business School, National University of Singapore

Acknowledgements:

The authors thank Donald R. Lehmann, Mario Pandelaere, and Thomas Rudolph for their valuable comments on earlier versions of this manuscript.

Cite as:

Boettger Tim, Emrich Oliver, Herhausen Dennis, Lee Leonard (2019), Understanding Personalized Lifestyle Marketing: An Experimental Approach. *Proceedings of the European Marketing Academy*, 48th, (10106)

Paper presented at the 48th Annual EMAC Conference, Hamburg, May 24-27, 2019.



Understanding Personalized Lifestyle Marketing: An Experimental Approach

Abstract

In contrast to personalized recommendations that focus on products, personalized lifestyle marketing aims to communicate the best-fitting lifestyle content to each individual customer. A highly-controlled field experiment in the domain of furniture retailing links different product preferences with consumers' lifestyles, infers the preferred style of actual customers from sparse purchase data and demographics through machine learning, and examines the effectiveness of personalized lifestyle marketing in practice. Results indicate that personalized lifestyle marketing stimulates product purchases increasingly over time and leads to a broader choice mode. Thus, we conclude that personalized lifestyle marketing inspires customers to explore new connections between the products as means to realize their value as ends (or higher-level goals), but this process requires intensive deliberation that retailers need to activate for personalized lifestyle marketing to become effective.

Keywords: *field experiment; machine learning; lifestyle marketing*

Track: Methods, Modelling & Marketing Analytics