DIFFERENTATION AND PERSONALIZATION STRATEGY OF GLOBAL COMPANIES

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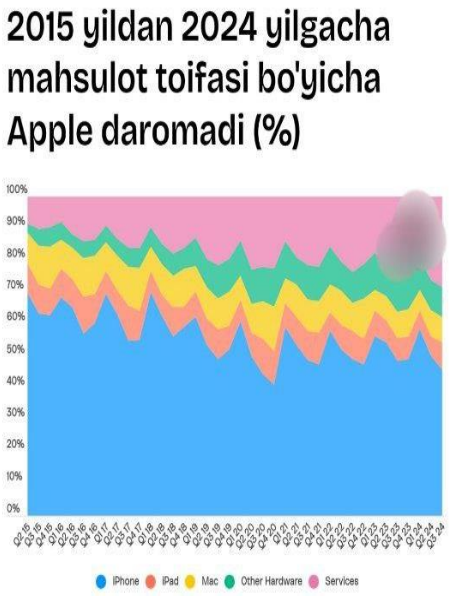
Abstact. This article analyzes the relationship between differentiation and personalization strategies on a corporate scale and their impact on business success. The differentiation strategy is based on the unique characteristics of a product or service that enhance the company's ability to stand out from competitors. Meanwhile, personalization involves providing services or products tailored to the individual needs of each customer. Throughout the article, the importance of these strategies for companies, methods for their effective implementation, and examples from the experiences of global companies are examined. Additionally, the role of technologies, particularly artificial intelligence and big data, in creating personalized approaches for customers is explored.

Keywords: Differentiation, Personalization, Corporate Strategy, Employees' Personal Needs, Flexibility

Introduction. In today's rapidly changing market conditions, companies must utilize effective strategies to maintain competitiveness and drive growth. One such strategy is differentiation, which involves developing features that distinguish products or services from competitors. Through differentiation, a company not only expands its market share but also increases customer loyalty. At the same time, personalization focuses on meeting the unique needs of each customer, fostering deeper connections and enhancing customer satisfaction.

This article examines how differentiation and personalization strategies influence corporate success, explores methods for their effective implementation, and analyzes ways to enhance these approaches through technology.

Differentiation is a strategy for distinguishing a product, service, or process from competitors by highlighting its unique features. Through differentiation, companies or organizations aim to strengthen their market position by tailoring the design, quality, additional services, or other aspects of a product or service to meet specific customer needs. In this way, a company creates a unique product or service that is more valuable and relevant to consumers. The term originates from the Latin word "differentia," which means "difference" or "distinction."



For example, Apple's differentiation strategy is remarkable. The company not only consistently employs strategies that set it apart from competitors but is also known for producing entirely different systems and products with unique dimensions. The key factors influencing Apple's strategy include the following:

Brand loyalty: Apple has a loyal and passionate customer base willing to pay premium prices for its products and services. Apple customers are more likely to purchase multiple products from the same brand, such as iPhones, iPads, MacBooks, AirPods, Apple Watches, and more. Additionally, Apple boasts a strong brand identity and reputation that not only attracts new customers but also retains existing ones. Statistics show that the company produces various products, which helps establish a complete brand ecosystem.

Innovation: Apple is renowned for its continuous innovation and creativity in developing new products and features that address the evolving needs and preferences of its customers. Apple is also considered a pioneer in introducing industry-shaping technologies and standards, such as the touchscreen, App Store, Face ID, wireless charging, and more.

Quality and Design: Apple strives to ensure its products and services are user-friendly, high-quality, and modern. The company pays close attention to every detail and aspect of its products, from hardware to software, packaging to customer service. Apple's products and services are also reliable and secure, meeting customer needs and building trust.

Exclusivity: Apple creates a sense of exclusivity and scarcity around its products and services, which enhances their perceived value and demand. By limiting the availability and distribution of its offerings, Apple makes them more attractive and desirable. Additionally, Apple controls the pricing and marketing of its products and services, avoiding discounts and promotions that could dilute its brand image and positioning. These strategies have proven effective, as reflected in Apple's financial performance in 2023. The company generated $383.2 billion in revenue, with 52% coming from iPhone sales. Apple's services division was its second-largest segment, accounting for 22% of total revenue. In 2023, Apple sold 231 million iPhones, 49 million iPads, and 22 million Mac and MacBook units. The company also sold 75 million AirPods and 38 million Apple Watches. Apple Music reached 93 million subscribers, while Apple TV+ had 47 million subscribers.

Here's a summary of Apple's annual revenue from 2014 to 2023, showcasing its remarkable growth over the years:

1 - Table

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Billion	182.6	233.6	215.4	229.2	265.5	265.5	274.5	365.8	394.1	383.2

Personalization is an approach based on analyzing each customer's unique needs, purchasing habits, and preferences, then creating tailored products, services, or offers. Under this strategy, companies collect detailed information about their customers, analyzing their purchase history and interests to better understand their desires. Personalized strategies typically involve several methods, such as offering discounts or exclusive deals based on customer behavior, providing personalized recommendations based on buying habits, or creating special services for highly loyal customers.

The main feature of this approach is making each customer feel valued by offering them a personalized experience, setting them apart from other customers. By doing so, personalization fosters stronger, more sincere, and long-term relationships with customers. This strategy helps enhance customer satisfaction and loyalty by giving them the opportunity to choose services or products that are more suited to their individual needs. **Example:** Before and after the emergence of Amazon, there is a sharp difference in the e-commerce sector. The global e-commerce giant has redefined the standards for online retail and shopping services, enabling maximum utilization of market business models. The consistently growing sales figures are evidence of this – in 2023, Amazon's net sales revenue worldwide amounted to nearly 575 billion USD. Due to its global scale and reach, Amazon is one of the most valuable brands in the world. Amazon is one of the leading companies that perfectly implements a personalization strategy. By offering personalized services and products to its customers, it enhances customer satisfaction and strengthens their loyalty. Below are some examples of how Amazon's personalization strategy is implemented: **Creating customer profiles and data collection:** Amazon collects a wide range of data about its customers, such as:

- Customer purchase history
- Product search history
- Reviews and ratings
- Shopping behaviors and items in the cart

With this data, Amazon creates individual profiles for each customer and recommends relevant products and services based on these profiles. According to research, more than 80% of buyers choose Amazon due to fast delivery and relevant recommendations.

Personalized recommendation system: Amazon's most powerful personalization tool is its recommendation system. The recommendation system suggests new products to customers based on their searches, purchases, and interests. For example, if a customer has previously purchased a book, the system will recommend similar new books. If the customer is more interested in a particular category of products, items from that category will be displayed at the top of the page.

Recommendations on product pages: Each product page includes recommendations such as "Customers who bought this product also bought these items," allowing the customer to explore similar products.

Purchase history-based reminders: Amazon sends customers reminders to repurchase products they have bought before when they are running low. This is particularly effective for consumables, household items, or groceries, as customers can easily find and replenish the products they purchase frequently.

Personalized marketing campaigns: Amazon sends personalized marketing campaigns to customers through email and push notifications. These notifications include information about products the customer is interested in, discounts, or similar items. When the customer visits Amazon's website, advertisements or offers tailored to their needs are displayed.

Personalized offers in Prime service: For Amazon Prime members, the company provides special personalized offers and discounts. Prime members can access exclusive video and music content based on their interests, as well as fast delivery options. Through this, Amazon enhances customer loyalty by offering services that are specifically tailored to its members.

Recommendations based on product reviews and ratings: Amazon analyzes customer reviews and ratings to select the most popular and highly rated products to recommend to other customers. In this process, the customer's unique preferences are also taken into account, offering them the most suitable products.

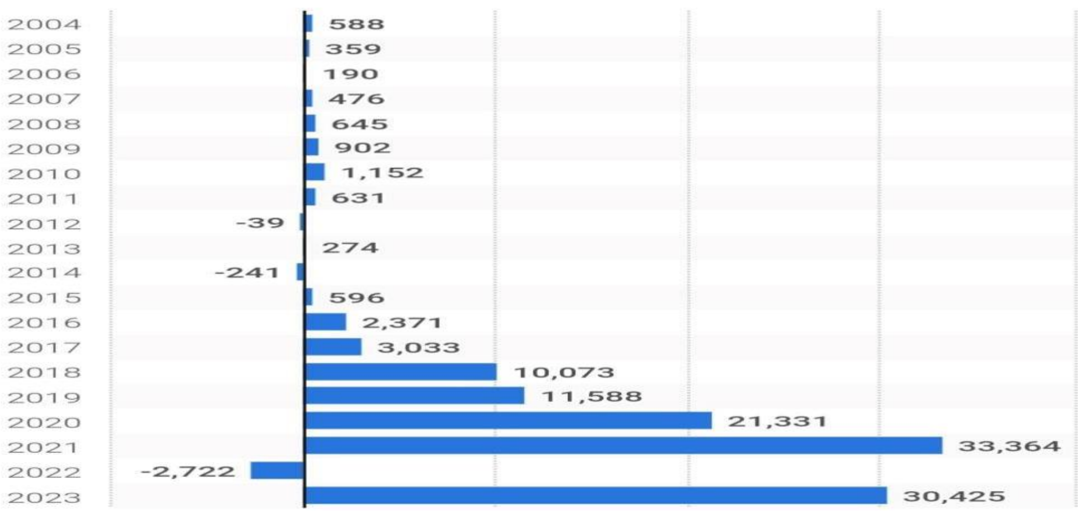
Advantages of Amazon's personalization strategy

Increasing customer loyalty: Personalized experiences enhance customer satisfaction and loyalty. Amazon pays individual attention to each customer, helping them feel valued.

Increasing sales volume: Through its personalized recommendation system, Amazon encourages customers to make more purchases. The more relevant products customers see, the higher the likelihood they will engage with them, which increases the company's sales volume.

Expanding the Amazon ecosystem: Amazon is not just an online store, but also includes services such as Alexa and Prime. Through these services, Amazon creates an integrated system that meets all of the customers' needs, aiming to convert them into long-term customers.

Let's examine together what benefits and advantages such a reminder can bring to the manager. **Amazon's 19-year 1-graph**



For the first time in nearly a decade, Amazon reported a net loss of 2.7 billion US dollars in 2022 for its online retail platform. However, in 2023, the net income rose to 30.4 billion US dollars.

In 2022, Amazon was recognized as the most trusted brand by US consumers. Amazon has the capability to deliver its products to more than 100 countries and various regions. Customers complete 28% of Amazon purchases in 3 minutes or less, and 50% of purchases are completed in under 15 minutes.

Through its personalization strategy, Amazon has successfully improved customer satisfaction by providing tailored approaches. In this way, Amazon strengthens trust in its brand and maintains a strong position in the market.

Conclusion. Amazon and Apple's business strategies both Amazon and Apple have achieved success in attracting customers and maintaining market leadership through personalized approaches and innovations. Both companies deeply analyze customer needs and strengthen trust in their brands by offering tailored services and products.

Amazon's personalization strategy, such as the personalized recommendation system, purchase history-based reminders, and product reviews, aims to increase customer loyalty, expand sales volume, and develop the company's global ecosystem. Amazon's personalized experiences simplify and streamline the shopping process by providing customers with services that suit their needs. This enables the company to establish long-term, beneficial relationships with customers and ensures its competitiveness in the market. However, Amazon's net loss in 2022 shows that personalization does not always lead to direct revenue growth. Nevertheless, Amazon succeeded in maintaining its market share by expanding its global scale.

Apple's differentiation strategy is a key factor that sets it apart from competitors. Apple attracts customers with its unique design, innovative products, and high-quality services. By combining the high quality of its products, modern design, and technological innovations, Apple offers customers a premium experience. To maintain the exclusivity of its brand, Apple keeps product prices high, avoids discounts and promotions, and increases customer loyalty through integration across all elements of the Apple ecosystem. Technological innovations such as Face ID, the App Store, and touchscreens provide a more personalized approach to customers compared to competitors, helping the company maintain a strong position in the market.

Thus, Amazon and Apple have succeeded in maintaining market leadership and competitiveness through their personalization and differentiation strategies. While Amazon increases loyalty by offering tailored experiences through personalization, Apple creates a premium experience for customers with its innovative products and high-quality services. Both companies succeed in meeting customer needs, expanding market share, and strengthening brand trust. These strategies ensure not only economic efficiency but also success as a system that includes technological innovations and the establishment of long-term, trustworthy relationships with customers.

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