

blueshift



ROI OF AI IN MARKETING:

4 LEVERS FOR
CROSS-CHANNEL
SUCCESS



SUMMARY

“AI” is the buzzword of the decade for good reason. It’s transforming every industry and the innovation it enables will only accelerate. But nowhere has AI’s potential been as built up as it’s been in marketing. As leading analyst firm, Gartner, recently stated ***“AI’s capacity to transform marketing is obscured by a fog of hype, but the breakthroughs are real. Marketing technology leaders need to engage in AI initiatives or risk being blindsided by disruptive AI-enabled competition.”***¹

Many today view AI as a black box, with even the most cutting-edge marketers uncertain about how to apply it to their strategies. More importantly, marketers wonder are the breakthroughs real? What is its actual value and ROI?

To help marketers understand the impact AI can have on their marketing strategies, we analyzed 3.8 billion marketing interactions across a dozen verticals, including ecommerce, media, travel and consumer finance. This report presents the findings and introduces an actionable framework for marketers to start applying AI across the customer journey.

Read on to find out how AI can drive 7X customer engagement and 3X revenue, and how to apply AI to drive action from every customer interaction.



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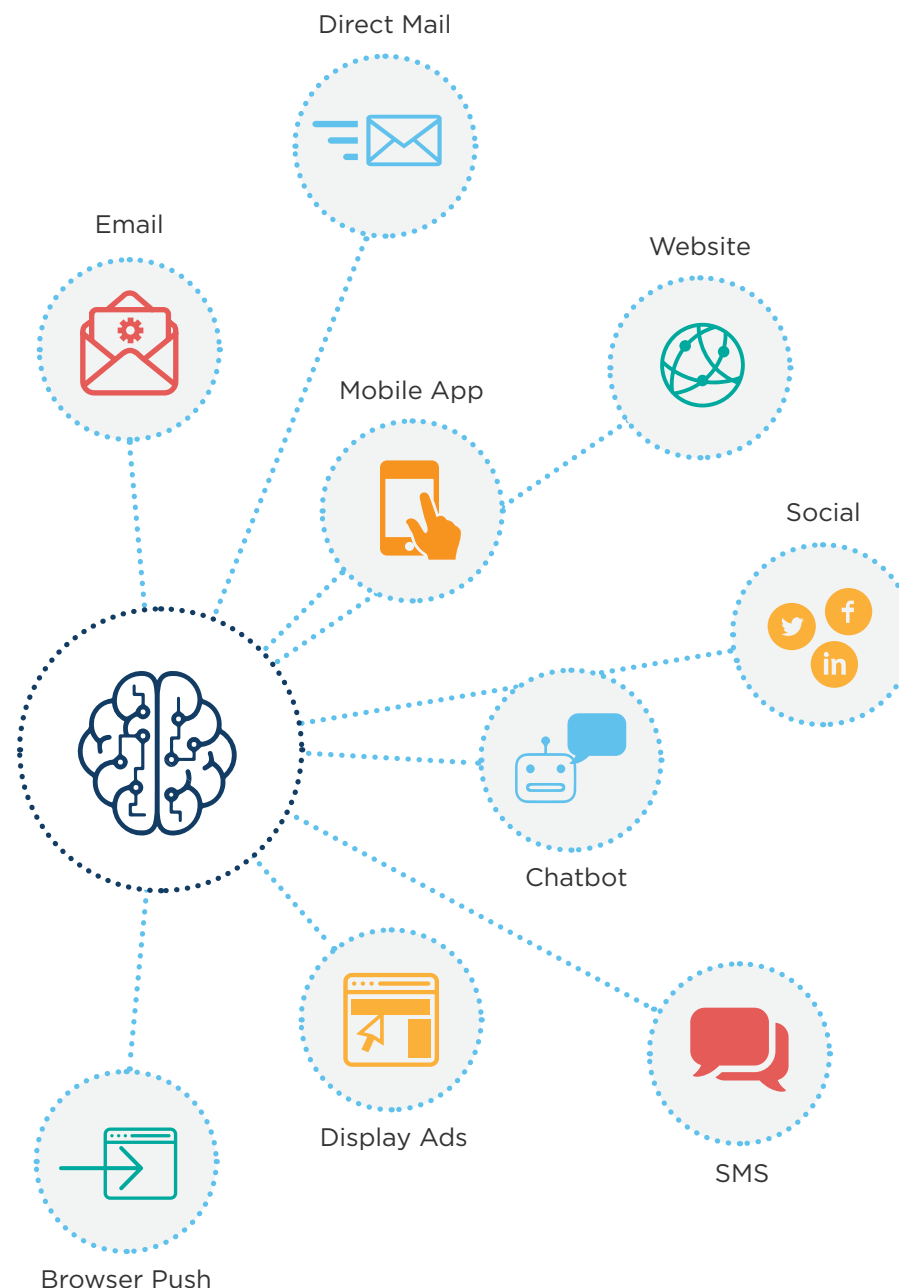
THE VALUE OF AI IN MARKETING

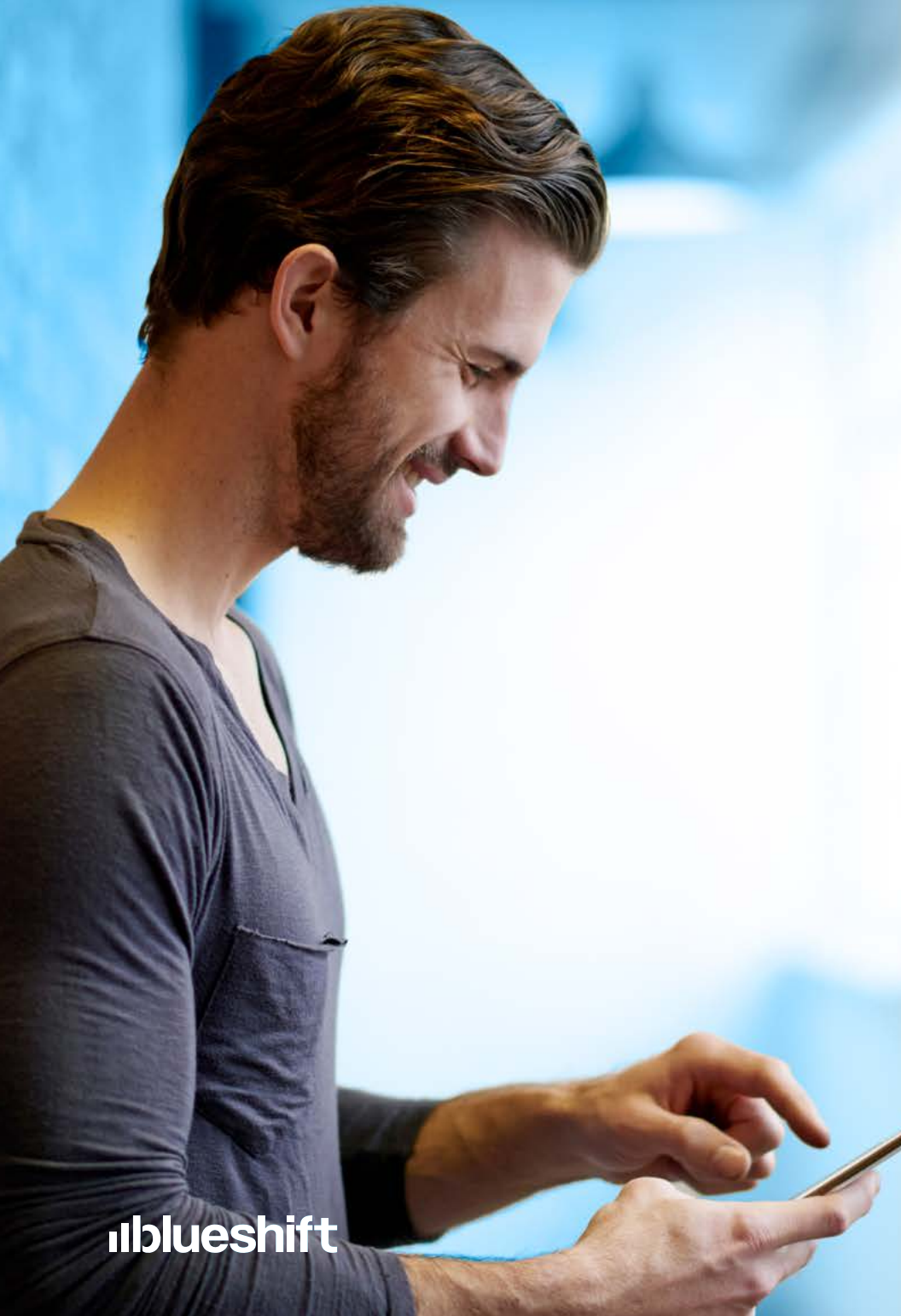
THE RISE OF AI IN MARKETING: SIMPLIFYING MARKETING'S COMPLEXITIES

In the last 2 decades, marketers day-to-day has been taken over by managing a growing number of channels, programs, data sources and marketing tools. At the same time, consumer attention has become increasingly fleeting, while their desire for relevancy and personalization has increased. How do marketers today deliver compelling customer experiences that push customers through the purchase funnel, and do so at meaningful scale?

Enter AI-powered marketing, with its focus on making complex marketing initiatives simple by adding speed and scale to marketing workflows and driving better, faster, more accurate marketing decisions. AI gives marketers the tool to scale personalized, multi-touch programs that deliver relevancy and impact across the customer journey without added effort, heavy IT involvement or data-science resources.

As an added perk, by cutting down manual tasks AI frees marketers to get back to the heart of marketing - creativity, strategy and crafting next-level customer experiences.





APPLYING AI IN MARKETING: OPTIMIZING THE WHO, WHAT, WHEN & WHERE

AI accelerates marketing teams productivity and performance by helping navigate all the moving pieces of marketing:

- **WHO** are the right customers to target
- **WHAT** content will most likely influence them
- **WHEN** they're likely to be most receptive, and
- **WHERE** is the channel they'll be most responsive

AI takes out the guesswork by translating customer data into the right marketing actions for each customer and driving profitable customer behaviors.

To help understand how AI can improve and scale marketing effectiveness across the customer journey, we've introduced an actionable framework, the **4 Levers of AI in Marketing**, helping marketers answer the “**Who, What, When & Where**” of marketing. In the next section we'll explain how to use AI to finally reach marketing's promised land:

Reaching the right person with the right message at the right time and the right place, every second and at scale.

THE FOUR LEVERS OF AI IN MARKETING

THE **WHO** WITH PREDICTIVE AUDIENCES

Select the best customers to target for every marketing campaign.



THE **WHAT** WITH PREDICTIVE RECOMMENDATIONS

Determine the right piece of content, offer or product to show each unique customer based on where they are in the customer journey.



THE **WHEN** WITH PREDICTIVE ENGAGE TIME

Optimize campaign delivery to the times when each unique customer is most likely to engage.



THE **WHERE** WITH PREDICTIVE CHANNEL-OF-CHOICE

Deliver campaigns on each unique customer's channel-of-choice.



THE WHO

SELECT THE BEST TARGET CUSTOMERS WITH PREDICTIVE AUDIENCES



The first step to marketing effectiveness is segmentation and selecting the right target audience. Yet, pinpointing the right customers for each campaign across the customer lifecycle remains challenging. How do you determine if a customer is browsing or is ready to make a purchase, is thinking about churning or is ripe for upsell?

+10x
LIVE EVENT
ATTENDEES

“ We achieved a 10X increase in webinar registrations through Facebook by using Blueshift’s Audience Syndication. The Audience Syndication provides an efficient way to find potential customers on Facebook by leveraging existing customer data.”

Lauren Hogan
Director of Marketing



● TODAY

Over the last few decades, audience targeting solutions have advanced from broad based demographic targeting to psychographic targeting to behavioral targeting based on specific interactions and purchase behaviors with your brand. However, audience selection still requires time-intensive data analysis guided by trial-and-error hypotheses about who to target. This approach not only eats up countless hours and often misses the mark, but the segment data is outdated by the time its acted on. That means your customers have churned, purchased from your competitor or have lost interest in your brand.

● WITH PREDICTIVE AUDIENCES

AI determines the best customers to target at any moment for each of your customer strategies by translating a holistic view of your customers into actionable customer scores. Marketers simply define their desired goal, such as driving first purchase, and AI algorithms surface the best customers to target. How? By scoring each customer's likelihood to respond based on a 360-degree view of all customer attributes, including with which products they've interacted, engagement with campaigns and the latest customer activity across channels. Scores continuously update and are ready to use across campaigns.

Marketers no longer need to wait for data teams to create segments or devote resources to maintaining segments. With AI, you always have the right audiences ready to engage.

+28%

Average lift in orders, AOV, subscription upgrades and form fills



High propensity users are

5X

more likely to convert than low propensity users

THE WHAT

DELIVER THE MOST RELEVANT CONTENT WITH PREDICTIVE RECOMMENDATIONS



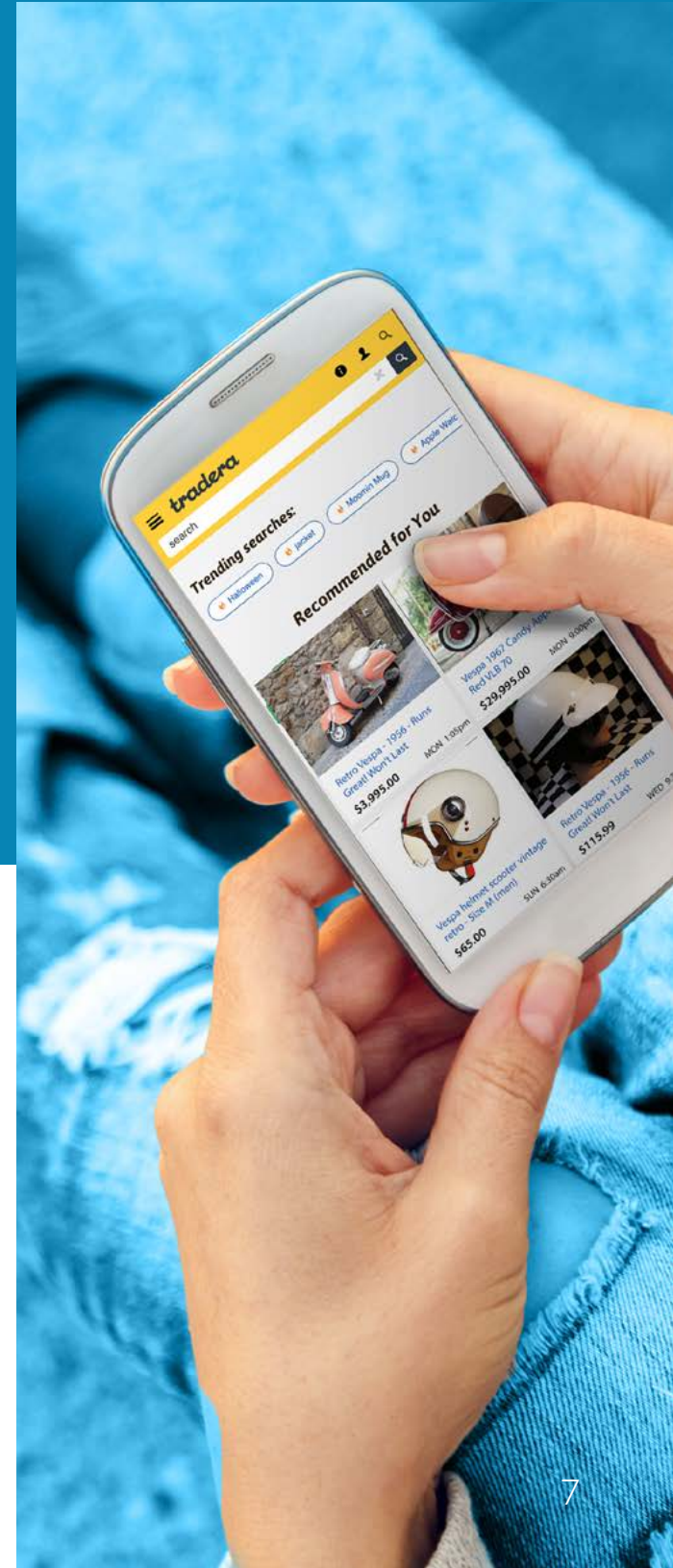
Your customers expect useful information that simplifies their purchase decision. But the messages, content, offers and product recommendations that capture their attention change throughout the customer journey. How do you determine what will break through?

+125%
GROSS SALES
PER SESSION

“ Compared to previously deployed versions of manually recommended content, clicks per session was up 80%. Out of all sessions ending in a click on the recommended content, gross sales (GMV) per session was up by 125%”

Pierre Ferraud Norberg
Head of Marketing

tradera



TODAY

Recommendation systems and content optimizers have existed for years, but many are based on manual rules and rigid templates. Consequently, content has been driven marketers' best guesses about what would resonate with a customer, rather than what customers' behaviors, interests and lifecycle stages demand. But with irrelevant content being the top reason for consumers disengaging with brands, this approach doesn't cut it.

WITH PREDICTIVE RECOMMENDATIONS

Predictive Recommendations selects the best content to offer each individual customer at that point in time. Recommendations take into account each customer's previous engagement, interactions and affinities, as well as real-time activity. Plus it continuously tests and optimizes to what drives revenue-generating actions.

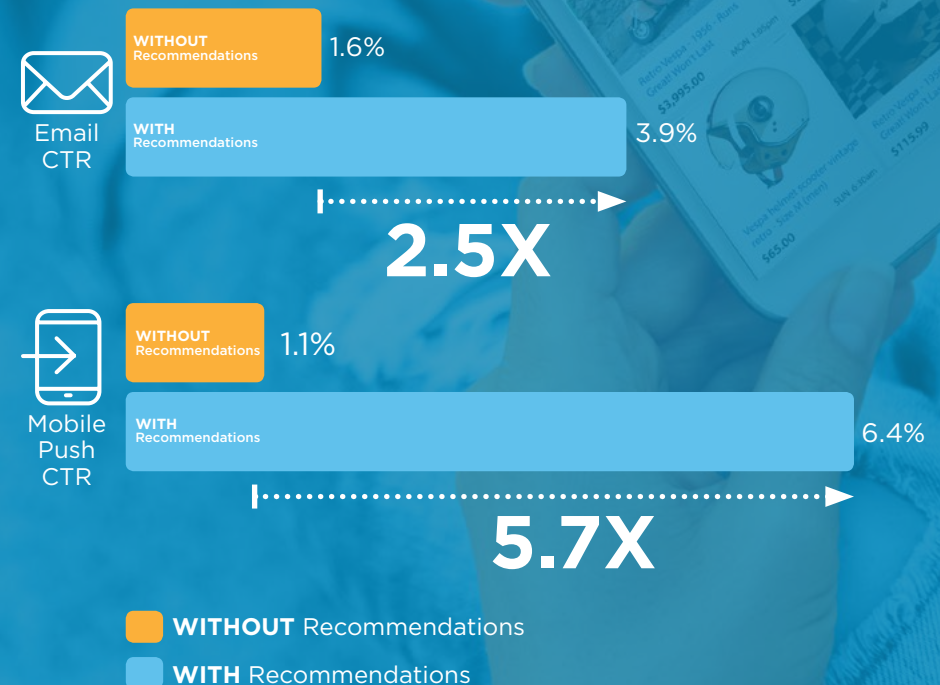
With Predictive Recommendations, marketers can listen to customers, reply with the content customers seek and stop wasting critical opportunities to connect.

IMPACT OF AI-BASED RECOMMENDATIONS ON ENGAGEMENT

By delivering content that is relevant, engaging, and tailored to the needs of each individual customer, AI-based recommendations drive:

2.5-5.7X higher engagement

2X engagement impact on mobile



THE WHEN

DELIVER FOR ENGAGEMENT WITH PREDICTIVE ENGAGE TIME OPTIMIZATION



When competing for consumer attention, timing is everything. You know the best customers to target, you have the most compelling content ready to go, now you need to ensure that your message not only gets noticed, but also gets acted on.

+35%
REVENUE

“LendingTree saw a 35% lift in revenue per send using engage time optimization to send ‘Savings Alerts’ that are personalized to each user based on their credit history”

Chris Kachel
Director of CRM Marketing



● TODAY

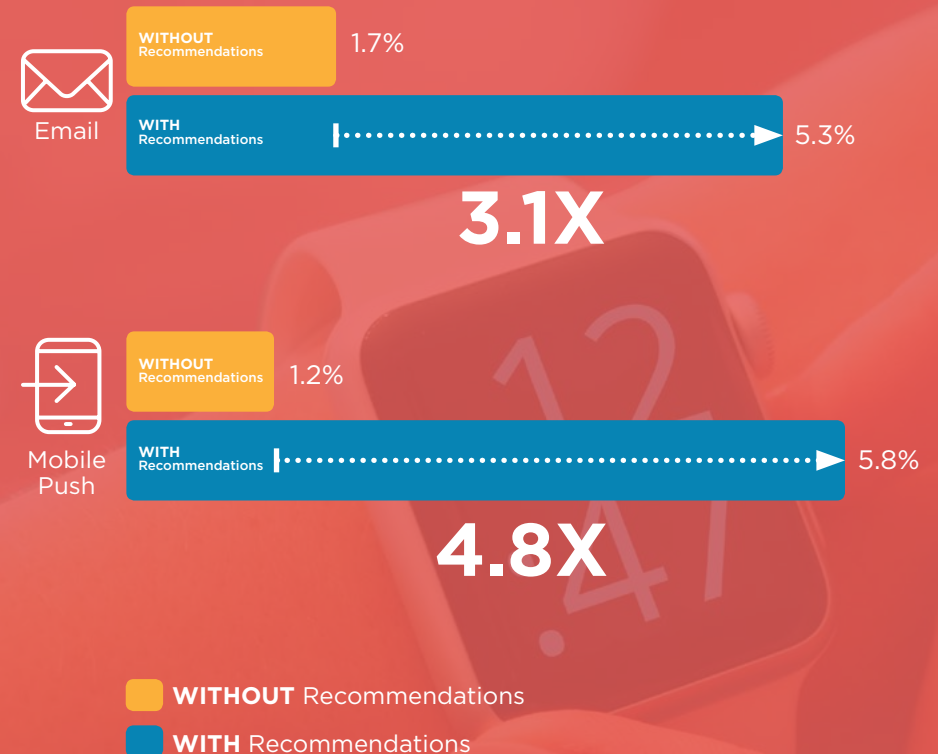
Traditional send time optimization requires manually analyzing historic trends and running A/B test campaigns at various times of day to determine optimal send times. Not only does this approach treat your customer base as a uniform group and neglects the dynamics of today's always-on, mobile, multi-device consumer, but it also focuses on optimizing for opens, rather than behaviors that drive revenue - such as website engagement and purchases.

● WITH PREDICTIVE ENGAGE TIME

Predictive Engage Time Optimization takes into account that engagement times vary among consumers and optimizes to the time each customer is most likely to engage with your brand. It goes beyond opens and analyzes clicks, website browsing behavior and transactions.

Optimizing campaigns to the behaviors you're focused on influencing leads to 3X engagement with email and 5X engagement with mobile push notifications.

IMPACT OF AI-BASED ENGAGE TIME OPTIMIZATION ON CTRs



THE WHERE

CONNECT ON THEIR PREFERRED CHANNEL WITH PREDICTIVE CHANNEL-OF-CHOICE



Marketers spend significant resources optimizing each channel's content, delivery and engagement, but often overlook the interplay between channels. To keep up with today's always-connected, multi-device consumers you need to identify the best channels to reach each unique customer.

+81%
INCREASE IN
REVENUE

“ Our small team has been able to deliver over 1 Billion triggered emails & push notifications across 12 countries, highly personalized with behavior-based, localized recommendations. In just 6 months with Blueshift, email revenue increased by 81%.

Becky Spurr
Head of Communications



● TODAY

As the number of channels (mobile, social, push notifications, chat bots, messaging, and so on) have grown and consumers switch seamlessly across multiple devices throughout the day, it's impossible for marketers to know the optimal channel to engage each customer during different times of day. Our findings show that consumers have channel preferences and respond to certain channels over others.

● WITH PREDICTIVE CHANNEL-OF-CHOICE


Predictive Channel-of-Choice delivers marketing messages on each unique customers channel-of-choice, depending on the time and customer journey stage.

By continuously analyzing each customers campaign and brand engagement over time, messages are always delivered where they'll drive desired actions.

PREDICTIVE CHANNEL CHOICE: MULTICHANNEL CUSTOMER

Over **50%** of consumers exhibit a channel preference, are you listening?

29% 
Email Affinity

27% 
Mobile Push Affinity

44% 
No Channel Preference



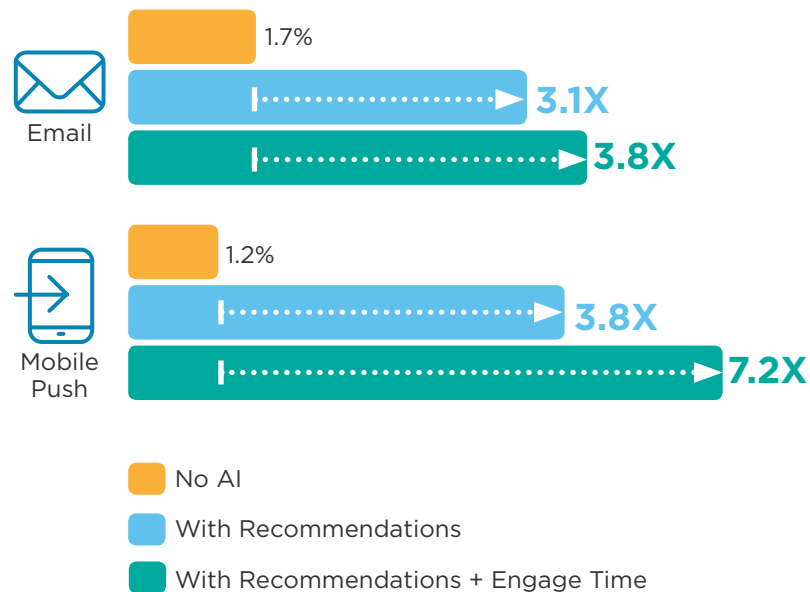
APPLYING AI ACROSS YOUR MARKETING STRATEGY



COMBINE MULTIPLE AI LEVERS TO DRIVE INCREMENTAL ROI

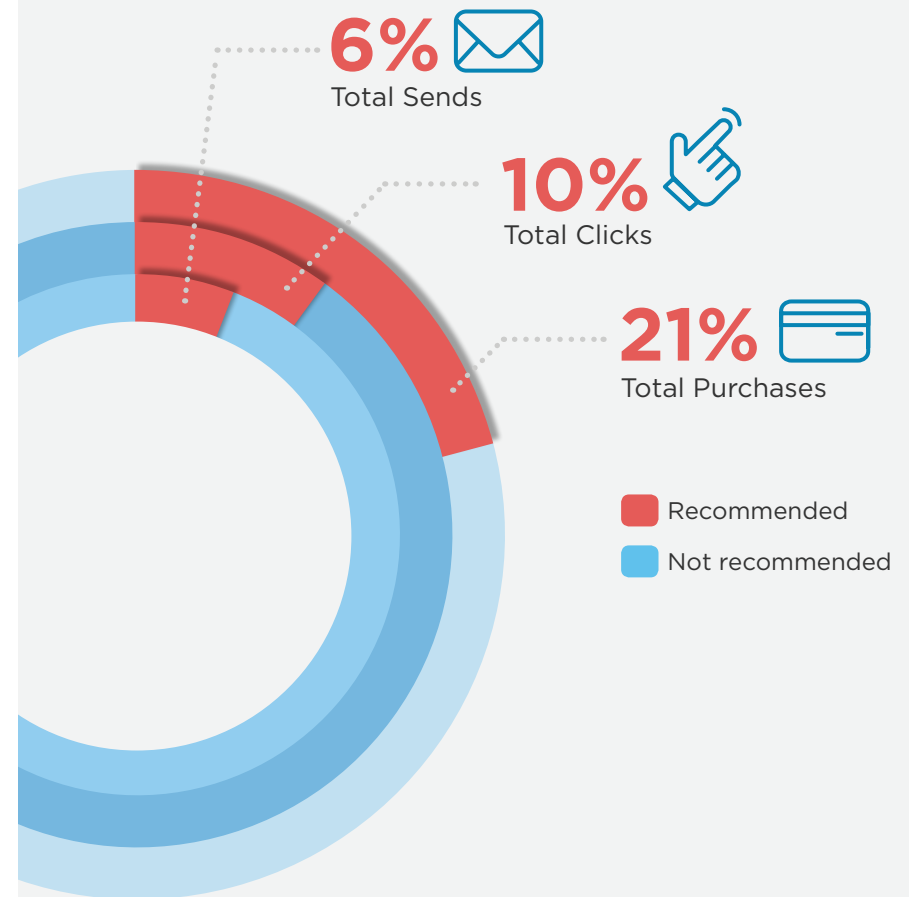
Use AI to optimize every part of the marketing puzzle. Marketers applying AI across multiple levers of the “Who, What, Where, & When” realize **+50% INCREMENTAL ENGAGEMENT**.

COMBINED IMPACT OF AI-POWERED RECOMMENDATIONS & ENGAGE TIME ON CTRs



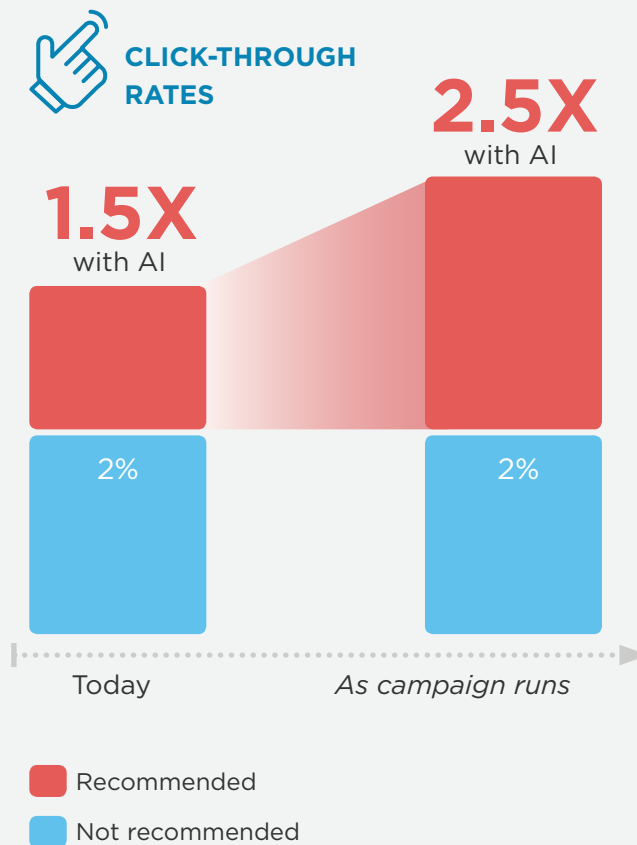
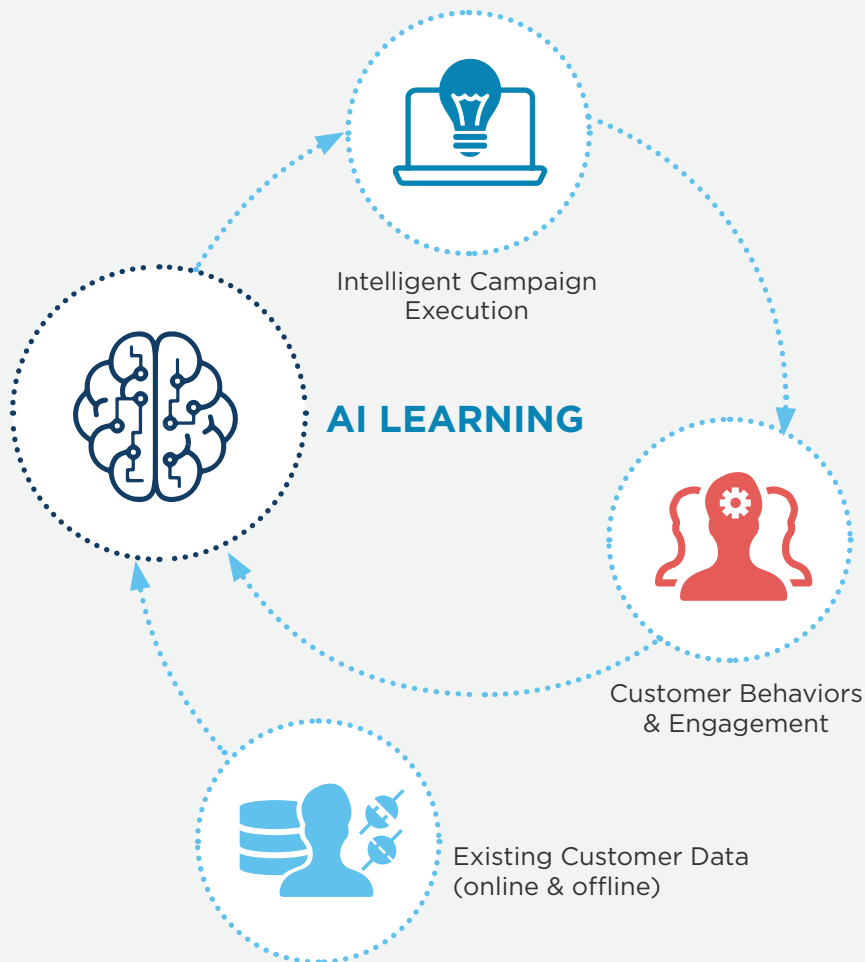
EXPECT TO SEE AN INCREASING PORTION OF REVENUE FROM AI CAMPAIGNS

AI-powered campaigns drive **3X REVENUE** relative to their use in the marketing mix.



KEEP AT IT. AI ACCELERATES PERFORMANCE BY LEARNING WHAT WORKS.

The real power of AI is it continually becomes smarter and improves marketing effectiveness as it learns from how customers interact with your brand. AI drives additional gains in performance from feedback loops as campaigns run.



SETTING UP AI FOR SUCCESS



CONSIDERATIONS FOR AI SUCCESS

Like any technology investment, AI success starts with defining the end goal and making sure you have the right people, processes and implementation plan.



BE CLEAR ABOUT THE OUTCOMES YOU EXPECT FROM YOUR AI INVESTMENT.

AI can be applied to a variety of marketing strategies. The end goal will determine where to incorporate AI and what metrics to optimize.



AI AND PEOPLE ARE A PARTNERSHIP.

AI requires user guidance to make the right decisions. People bring context and the human touch. Outline the interplay between AI and your team, and the inputs you need to provide.



ASSESS HOW AI WILL INTEGRATE WITH YOUR MARKETING TECH STACK AND WORKFLOWS.

AI can only accelerate your marketing team and its programs when it fits seamlessly into your existing technologies and processes.



AI IS A PROCESS.

AI is a long-term play in which you must first crawl, then walk, before you are ready to run. The longer you put off AI, the longer it will take you to catch up with your competition that's getting started with AI today.



APPROACH AI AS A CROSS-CHANNEL STRATEGY.

AI connects data across channels, allowing you to turn the focus to delivering the optimal cross-channel customer experience.



THINK BIG. AI PROVIDES THE PLATFORM TO ACHIEVE TRANSFORMATIONAL IMPACT.

AI enables you to orchestrate experiences at a scale not possible with existing tools. Now the limit is your imagination. Look for a partner that can scale with your needs and can guide your AI evolution.



SUMMARY

AI-powered marketing is the only way marketers today can effectively engage their large, diverse, rapidly evolving customer bases. It amplifies marketers' productivity and performance and helps go live with new ideas at the fraction of the time by providing the "Who, What, Where, & When" of marketing. Start your AI transformation today to:

- **Drive up to 7X greater customer engagement and 3X revenue**
- **Increase marketing effectiveness across channels**
- **Continue to accelerate engagement and revenue impact as AI learns from customer interactions**

What could you and your team accomplish with AI-powered marketing?

“ Our users have noticed the difference! We’ve had a great response from our users with higher NPS scores and VERY positive references to our new emails.”

Brooke Young
Senior Marketing Manager



BENCHMARK ANALYSIS: ROI OF EACH AI PILLAR

To understand the real impact of AI on each of these 4 pillars and marketing effectiveness as a whole, we analyzed billions of data points across numerous campaigns, channels and verticals. Date range: December 2017- September 2018.



DATA POINTS

- 400M+ Customers
- 3.82B Sends
- 582M Opens
- 71M Clicks
- 2.5M Transactions



CHANNELS ANALYZED

- Email
- Push Notifications
- SMS
- Website
- Facebook Custom Audiences



KEY VERTICALS

- Consumer Finance
- Retail & eCommerce
- Media & Publishing
- Travel & Local
- e-Learning



ABOUT BLUESHIFT

San Francisco-based Blueshift is the leading AI-powered Customer Data Platform. Its patented AI technology empowers marketers to use all their customer data to create real-time predictive segments with personalized recommendations and orchestrate campaigns across multiple channels. Leading consumer brands such as LendingTree, Udacity, IAC and the BBC use Blueshift to increase customer engagement and revenue.

For more information visit: www.blueshift.com

