



AI SMART GUIDE TO **ROI OF AI MARKETING**

Four Levers for Omnichannel Success

blueshift

SMART GUIDE



SMART GUIDE

Table of Contents

SUMMARY

- 03** SUMMARY
AI, More than a Buzzword
- 04** THE RISE OF AI MARKETING
Simplifying Marketing Complexities
- 05** AI MARKETING APPLICATION
Optimizing the Who, What, When & Where

FOUR LEVERS OF AI MARKETING

- 07** THE WHO
Predictive Audiences
- 09** THE WHAT
Predictive Recommendations
- 11** THE WHERE
Predictive Channel of Choice
- 13** THE WHEN
With Predictive Engage Time

WRAP UP

- 16** APPLYING AI
Continuously Optimize your Strategy
- 17** KEEP AT IT
AI Learning Accelerates Performance
- 18** CONSIDERATIONS FOR SUCCESS
Define Goals, People, Processes and Plan
- 19** METHODOLOGY
The Real Impact of AI



SUMMARY

AI, More than a Buzzword

“AI” is the buzzword of the decade for good reason. It’s transforming every industry and the innovation it enables will only accelerates to come.

But nowhere has AI’s potential been more hyped up than 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?

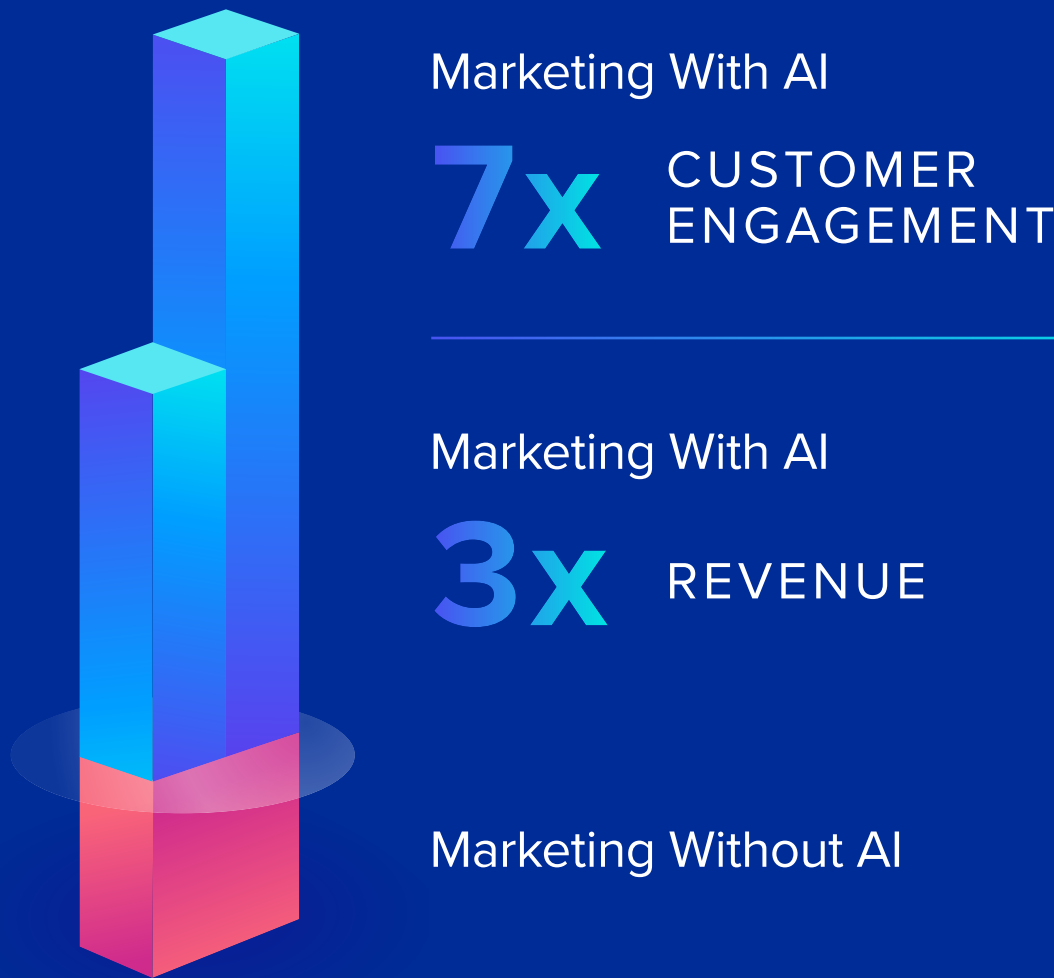
To help marketers understand the impact AI can have on their marketing strategies, we analyzed 3.8 billion marketing interactions across a dozen verticals, including ecommerce, media, travel and consumer finance. This report presents the findings and introduces an actionable framework for marketers to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

Cool Vendors in AI for Marketing by Andrew Frank, Mike McGuire, Bryan Yeager, Benjamin Bloom. October 2018.

3.8 BILLION

MARKETING INTERACTIONS ANALYZED

Read on to learn how to drive action from every customer interaction, see how applying AI is delivering:



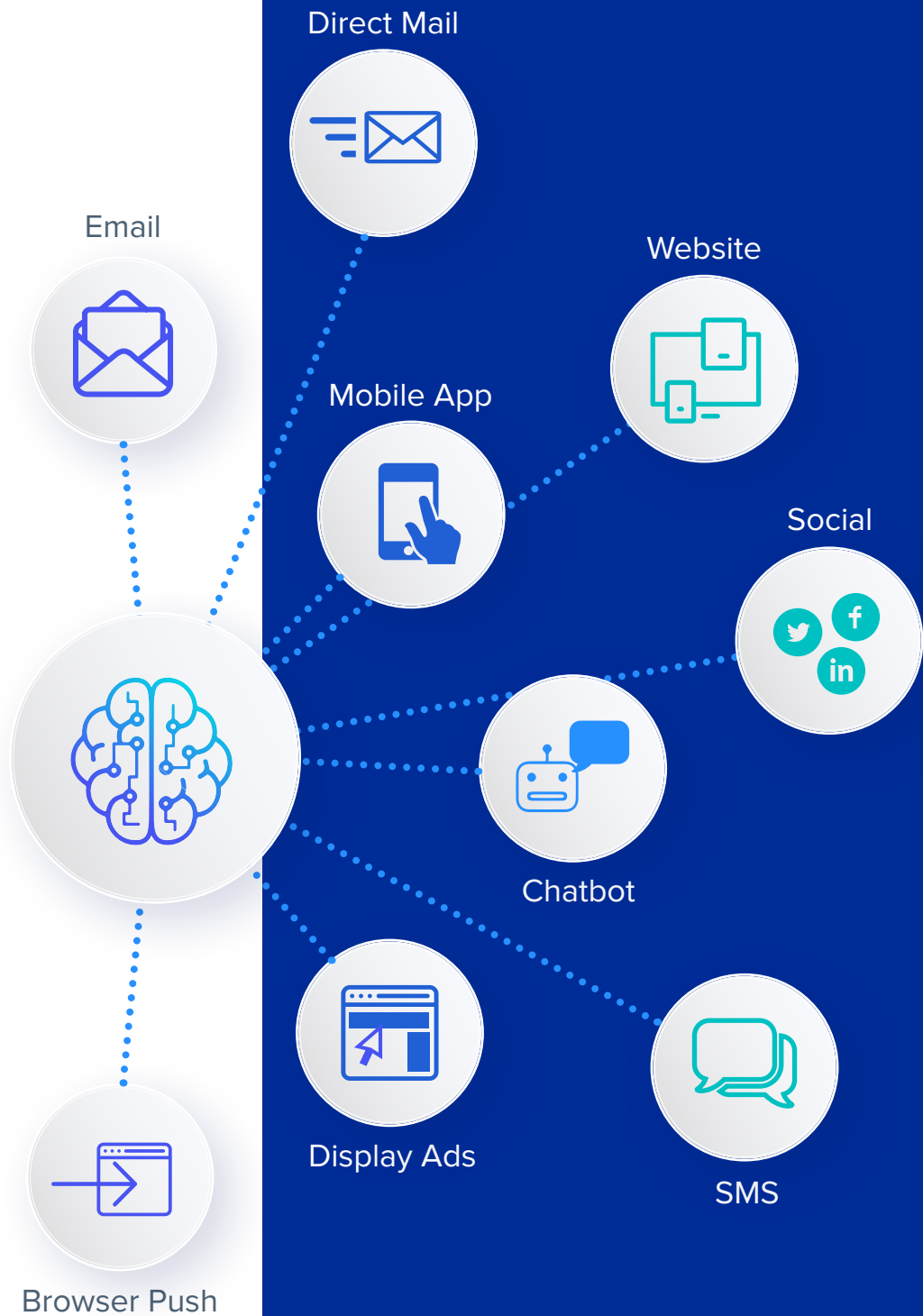
THE RISE OF AI MARKETING

Simplifying Marketing 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.



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



AI MARKETING APPLICATION

Optimizing the Who, What, When and Where

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 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.

AI MARKETING

The Four Levers

THE WHO

PREDICTIVE AUDIENCES

Select the best customers to target for every marketing campaign.

THE WHAT

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 WHERE

PREDICTIVE CHANNEL-OF-CHOICE

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

THE WHEN

PREDICTIVE ENGAGE TIME

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



THE WHO

PREDICTIVE AUDIENCES

Selecting the Best Target Customers

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?

TRADERA™

ONLINE USED GOODS MARKETPLACE

Increased Gross Sales Per Session 125%

“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.”



Pierre Ferraud Norberg

*Head of Marketing,
Tradera*

THEN

Broad Demographic Targeting

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.

NOW

Predictive Audiences

Predictive Audiences 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 tracking and maintaining segments. With AI, you always have the right audiences ready to engage.

+28%

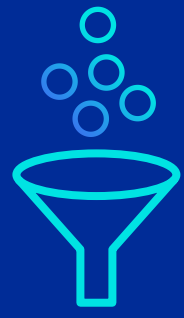
Average lift in orders, AOV, subscription upgrades and form fills



High propensity users are

5X

more likely to convert than low propensity users



THE WHAT

PREDICTIVE RECOMMENDATIONS

Always Deliver the Most Relevant Content

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?



ONLINE LENDING MARKETPLACE

Activating Data to Scale Personalization Efforts

“One of the biggest challenges in one-on-one marketing is the need to activate large volumes of data when you scale to millions of customers across multiple touchpoints. Unlike other platforms that struggle with increasing amounts of data, Blueshift’s SmartHub CDP becomes more powerful the more data you have in it. This has allowed us to scale our personalization efforts and customer journeys across multiple apps on different channels, and the results have been tremendous.”



Chris Kachel

*Sr. Director, Customer Experience,
LendingTree*

THEN

Manual Rules and Templates

Recommendation systems and content optimizers have existed for years, but many are based on manual rules and rigid templates. Consequently, content has been driven by 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.

NOW

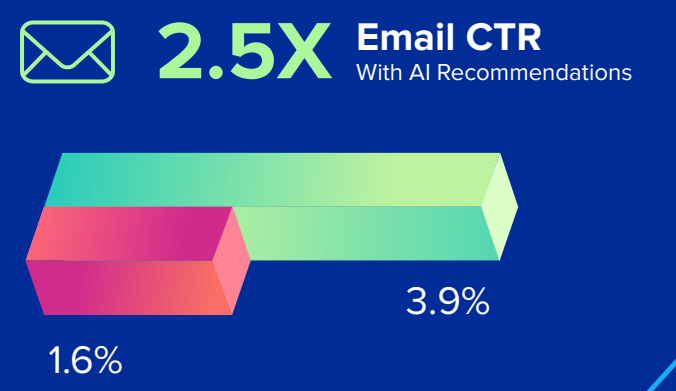
Predictive Recommendations

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.

ENGAGEMENT IMPACT AI Recommendations

Delivering content that is relevant, engaging, and tailored to the needs of each individual customer, AI recommendations drive:



THE WHEN

ENGAGE TIME OPTIMIZATION

Deliver for Engagement

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.

ARTIFACT UPRISING

ONLINE PHOTO BOOKS & PRINTS

Consolidate Tools Sets and Move Faster

“Blueshift is our one-stop-shop. Being able to control multiple channels in one platform is really important for us — to be able to consolidate tools sets and execution makes us move faster. Blueshift really impacts our day to day by making us more agile.”



Heather Dettmann

*Head of Retention Marketing,
Artifact Uprising*

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Manual Optimization

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.

NOW

Engage Time Optimization

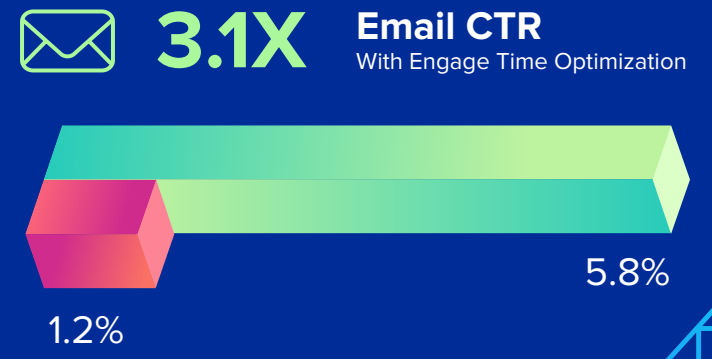
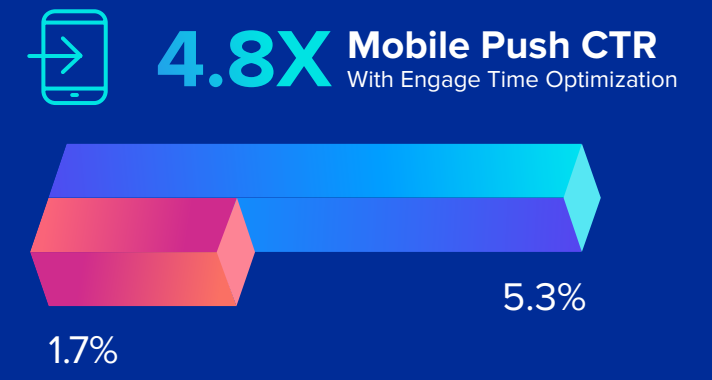
Predictive Engage Time Optimization takes into account that engagement times vary among consumers and optimizes to the time each customer is most likely to engage with your brand. It goes beyond opens and analyzes clicks, website browsing behavior and transactions.

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

ENGAGEMENT IMPACT

AI Engage Time Optimization

Delivering content that is not only relevant, but at the time when individual customers are most likely to engage drives:



THE WHERE

PREDICTIVE CHANNEL-OF-CHOICE

Connect on Their Preferred Channel

While significant resources go into optimizing each channel's content, delivery and engagement, less focus goes into optimizing 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.



ONLINE COUPONS AND VOUCHERS

Facebook Webinar Registrations Increased 10X

“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.”



Becky Spurr

*Head of Communications,
Vouchercloud*

THEN

Hoping You Reach the Customer

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.

NOW

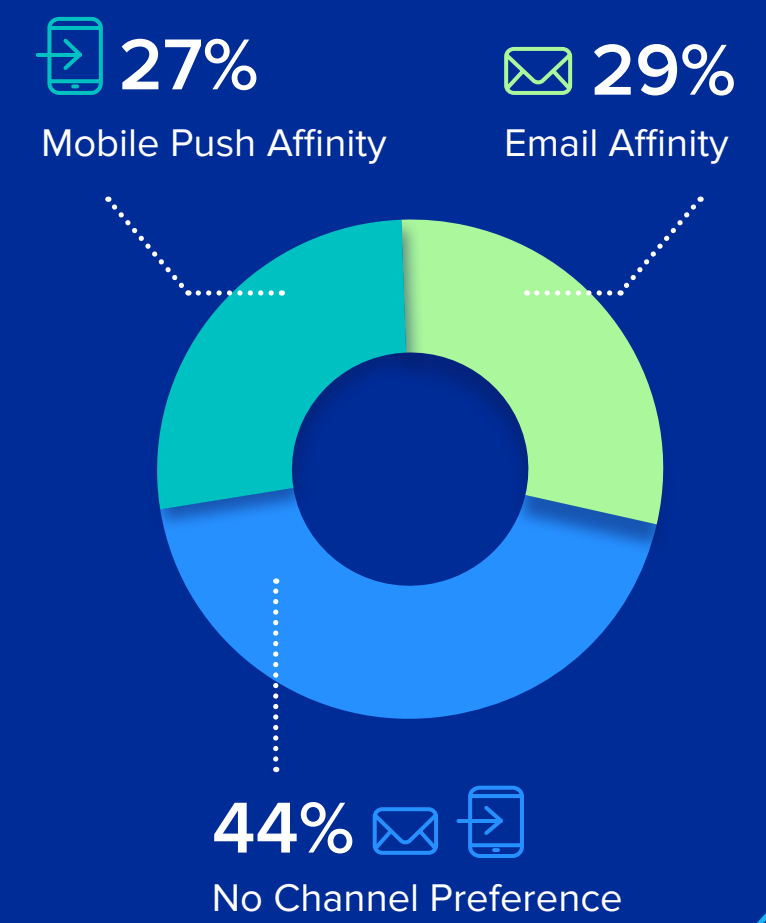
Predictive Channel-of-Choice

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.

The Multi-Channel Consumer

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



APPLYING AI

Continuously Optimize Your Marketing and Engagement 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.

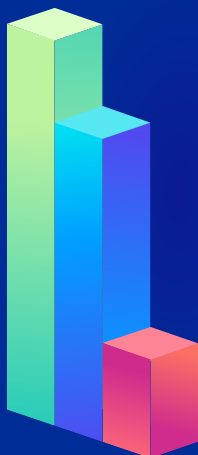
Expect Your AI Campaigns to Start Increasing Revenue

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

Combined Impact of AI-Powered Recommendations and Engage Time on Click-Through Rates



Email



3.8X

AI Recommendations + Engage Time

3.1X

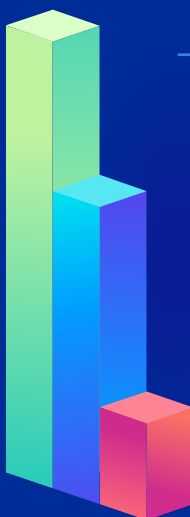
AI Recommendations

1.7%

No AI Recommendations



Mobile Push



7.2X

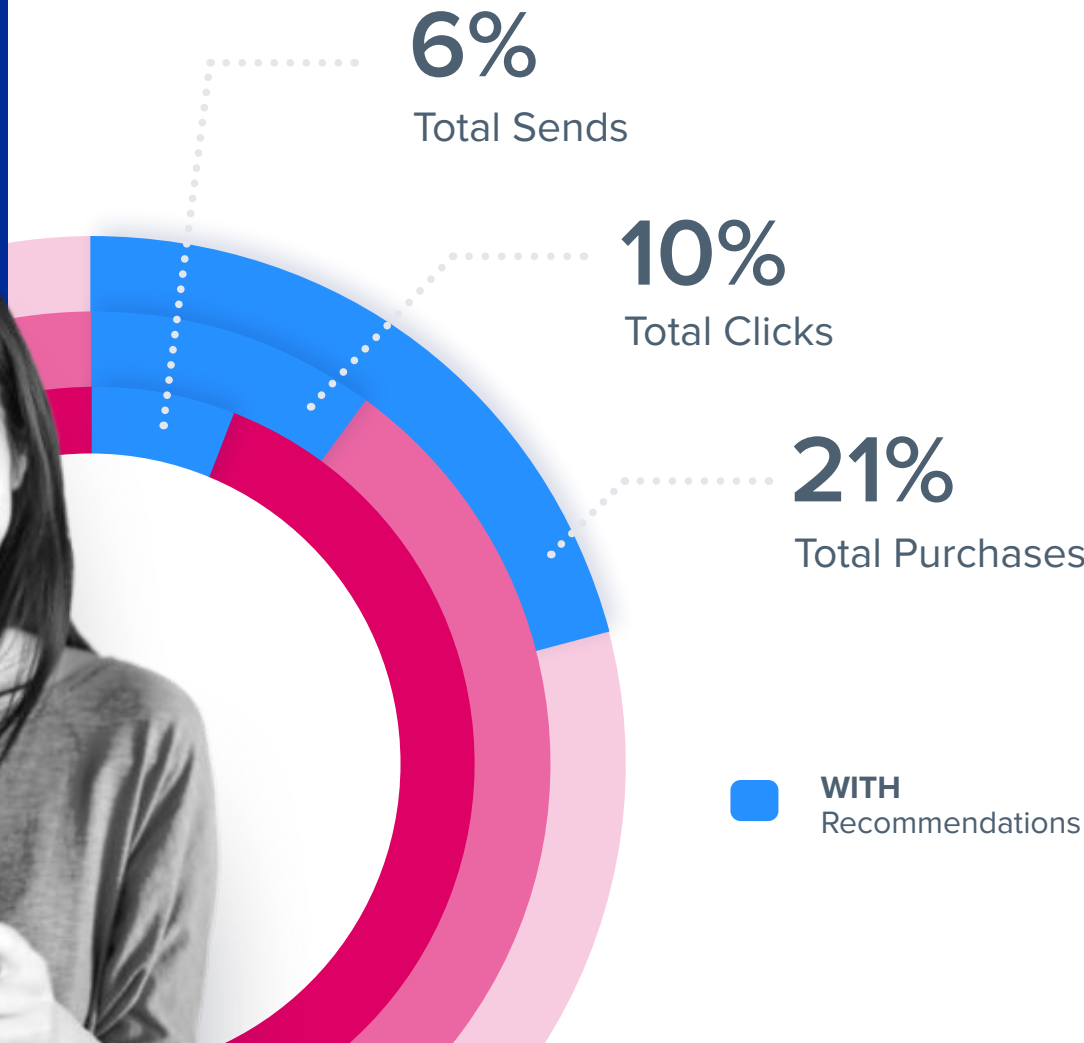
AI Recommendations + Engage Time

3.8X

AI Recommendations

2%

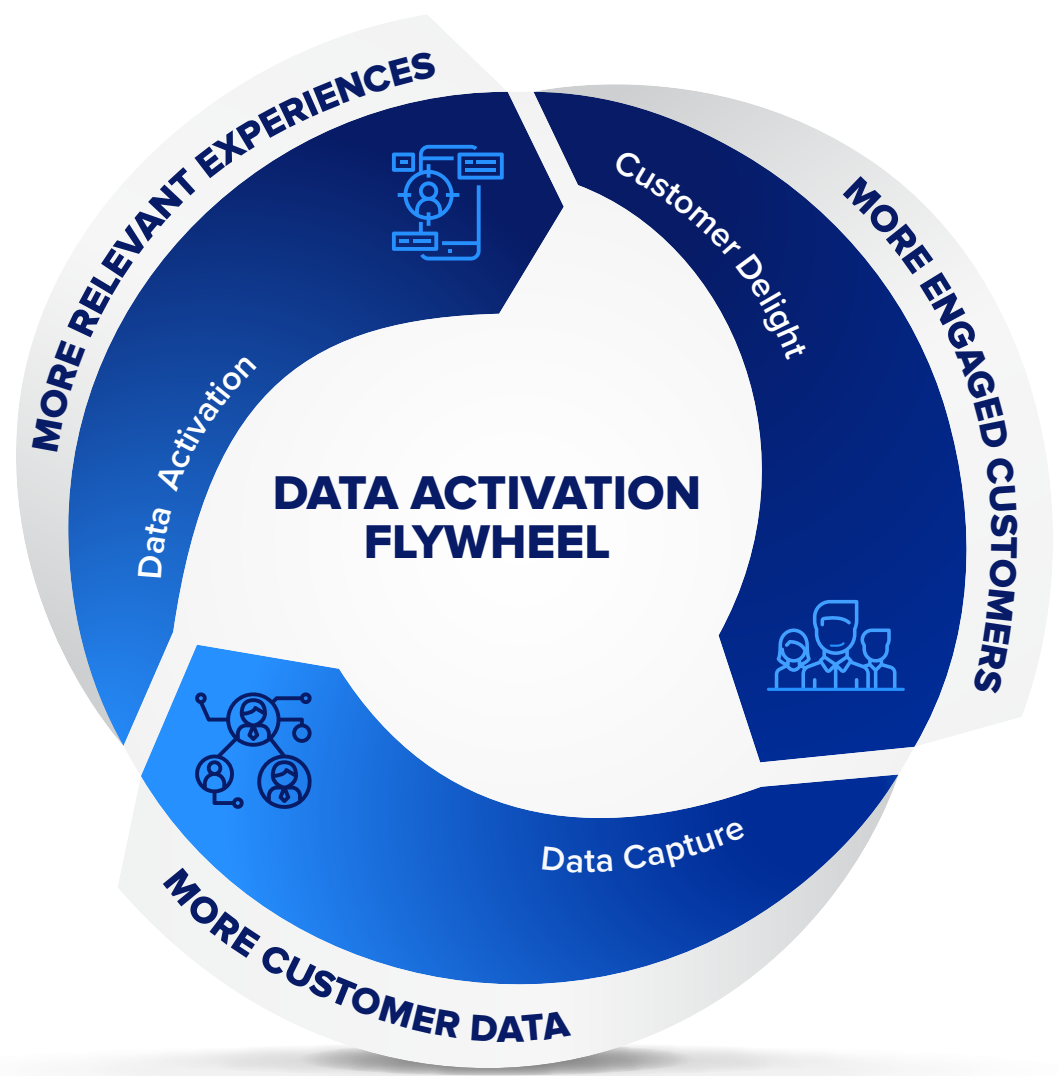
No AI Recommendations



KEEP AT IT

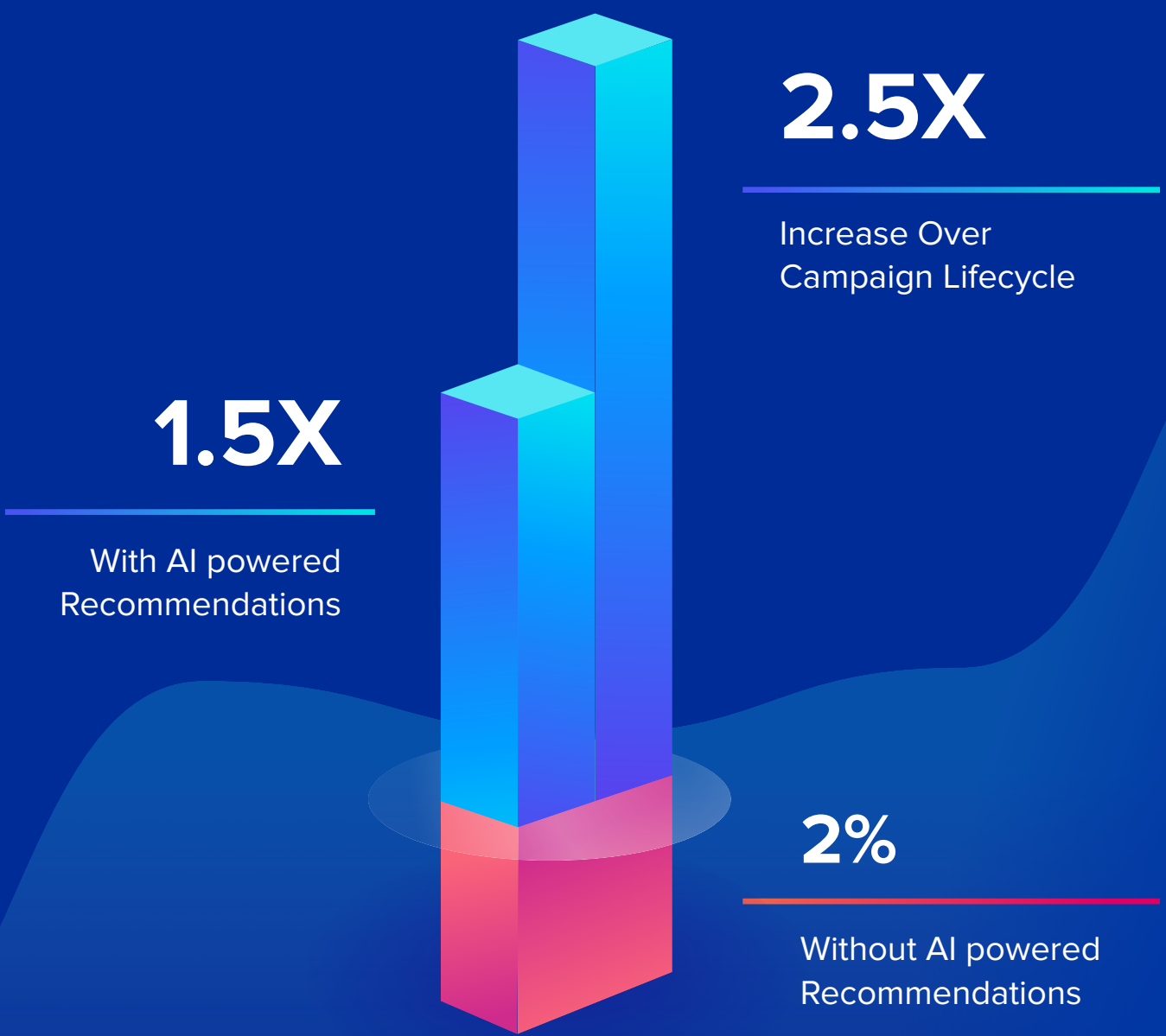
AI Accelerates Performance By Learning What Works

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.



MORE ENGAGEMENT

Marketers increase Click-Through Rate **2.5X** with AI powered recommendations



CONSIDERATIONS FOR AI SUCCESS

Making sure you have the right goal, plan, people and processes

Be clear about the outcomes

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 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.

Assess your marketing tech stack and workflows

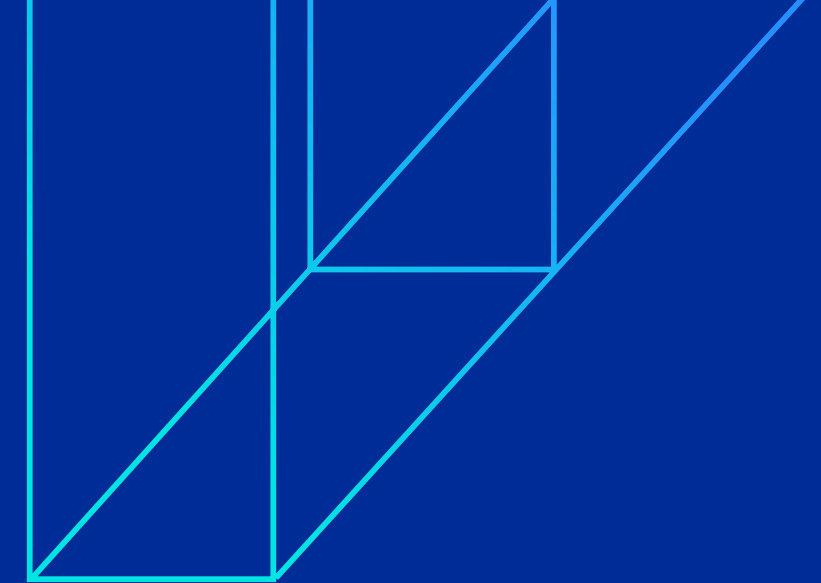
AI can only accelerate your marketing team and its programs when it fits seamlessly into your existing technologies and processes.

AI 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.

Think big

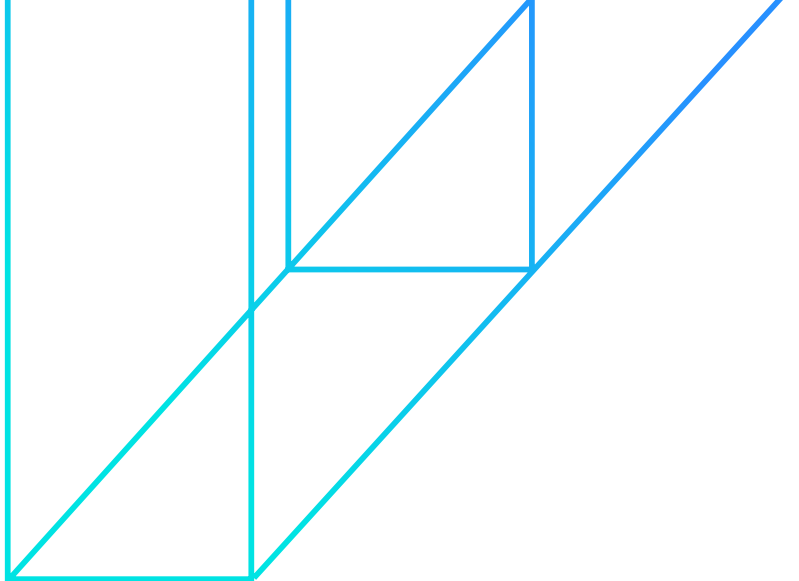
AI provides the platform to achieve transformational impact and enables you to orchestrate experiences at a scale not possible with existing tools. Now the limit is your imagination.



METHODOLOGY

The real impact of AI

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



Billions of 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

DATA IN, ROI OUT

Learn more about Blueshift's SmartHub CDP

AI-powered marketing is the only way marketers today can effectively engage their large, diverse, rapidly evolving customer bases. By providing the “Who, What, Where, & When” of marketing, AI amplifies marketers’ productivity and performance and helps go live with new ideas at the fraction of the time.

Start your AI transformation today to:

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

SCHEDULE DEMO

LEARN MORE

