



ARTICLE

Marketing Gets Personal: Letting Data Lead the Way

Personalization is impossible if marketers don't have the means to understand the needs of high-value customers on an ongoing basis.

- McKinsey, *The future of personalization—and how to get ready for it*, 2019

What does it mean to be a marketer today? Traditional marketing has focused on what companies want to achieve: driving acquisitions, conversions, and sales in specific channels. But the way consumers behave and buy online has changed and continues to change rapidly. Leading organizations are thinking bigger than ROI. To stay competitive, you need to focus on strategically winning customers, but also on increasing customer lifetime value (CLV) and ensuring that when consumers want to shop, your company is top of mind. You need to understand the value of customer experiences.

Consumer expectations for digital experiences are higher than ever, and they are quick to abandon any brand, company, or site that doesn't deliver. Eighty-four percent of customers say the experience a company provides is as important as its products and services – up from 80% in 2018.¹ That means whatever your competition is doing well, you'd better be doing as well if not better. With so many options available, you may only get one shot at winning consumers. The key to both immediate and ongoing success is creating digital experiences that delight consumers and keep them coming back.

Companies have been talking about becoming “customer-obsessed” for several years now, which means creating satisfactory digital experiences. The problem is that every consumer has a different idea of what that means. They also have needs and desires that change from moment to moment. So how can companies create compelling experiences that meet individual consumer needs? The answer is data-driven personalization.

Let's Talk Data

Data is the key to understanding your customers so you can give them what they want. Companies today have access to an almost endless amount of customer data, but most are not using it to its full potential. The right tools make it easy to put this information to work by getting to know who your customers are and what motivates them. This means understanding them individually, not just as part of a group or persona, so you can fine-tune customer experiences and optimize outcomes. Companies that really understand their customers are the ones that will continue to thrive.

“Without data, you're just another person with an opinion.”

- W. Edwards Deming

[24]7.ai, AMA Webcast: *The New Digital Imperative: Becoming Customer-Obsessed Through Data-Driven Experiences*, 2018



Machine learning and AI enable us to draw insights from data, which in turn enables predictive analytics that tell marketers what we could do. The next step in this evolution is prescriptive analytics, which tell us what we should do. This is where marketing is headed, and where companies should be focused. The more data you have, the better you can understand and engage your audience. The good news is, today's customers like to share information about themselves.

Marketing to people is an ongoing journey. Capturing the right data is only the first step. Organizations also have to fundamentally change their culture, shifting from focusing on what the organization wants to achieve to focusing on what your customers want to do.

You need the right people in place to ensure the successful implementation of your digital strategy. You need operations that can keep up with the speed of digital business—which means responding in real time. And you need to think about the context of the entire customer journey so you can find new ways to add value. It's about making the leap from letting business strategy lead the way, to letting data lead the way. This is essential to achieve true digital mastery and long-term success.

Putting People First

Now let's talk about steps you can take right now to begin transforming your marketing efforts from being channel-centric and segmented to focusing on people. The biggest challenge consumers face today is digital overload—there's simply too much information, too many choices, too much saturation. As a result, consumer attention spans are at an all-time low, with ad-blockers and cord-cutting sharply on the rise.

People-based marketing is about understanding who each customer is, and what they're trying to do (both right now and in the future), and then leveraging AI to deliver dynamic, personalized experiences across the customer journey and lifecycle. This is how you move beyond short-term gains like ROI to optimize customer lifetime value (CLV). To put people-based marketing into practice and delight your customers with truly optimized experiences, you need to partner with a technology vendor that can deliver a number of key capabilities.

4 Foundational Capabilities to People-based Marketing

1. Real-time data and digital identity
2. Multi-layered predictions and machine learning
3. Dynamic digital personalization
4. Real-moment action

In order to cut through all the digital noise, marketers need to focus on creating connected, omnichannel experiences and using data-driven context to target the right people, with the right message, in the right moment. We call this people-based marketing.

Real-time data and digital identity

You need to know what your customers are trying to do right now, and you need to create digital identities so you can recognize them across channels, devices, and time. It's important to be transparent about collecting data, so you don't lose their trust.

Multi-layered predictions and machine learning

You need an AI platform that can make multiple predictions, and that keeps up with real-time changes to customer data. This means taking thousands of inputs, making a prediction, and acting on it—all within milliseconds. Machine learning enables automation for ongoing optimization.

Dynamic digital personalization

You need a personalization engine that lets you deliver individual experiences at scale—from offers and ads, to personalized pages and recommendations presented by a live or virtual chat agent. Whatever form these experiences take, personalization is essential to making real connections with your target audience.

Real-time data and digital identity

Once you have identified your target audience and personalized the experience based on their predicted intent, you must be able to act in real time. Customers expect the Amazon/Uber experience everywhere—that's the world we live in.

Partnering for success

[24]7.ai has a unique ability to capture data across the customer continuum. This includes off-domain behavior such as search data and display ads, on-domain data such as website, messaging, mobile app, chat, and voice interactions, and third-party data like social media and marketing. Our advanced AI-driven platform combines all of these inputs to create rich, single customer profiles that allow companies to connect with the same customer at different points in their journey, and in different journeys across multiple touch points and time.



Identity & personas

Identify known audiences, classify consumer personas



Predict relevant products

Identify most relevant product(s) now and in the future



Predict journey & propensity

Determine customer journey & propensity to convert

It's about leveraging data to understand, predict, and map multiple customer intents, and optimize experiences for customers on a 1:1 basis. Start by identifying known audiences and classifying consumers into various personas. This is how you know who to target. Next, predict the most relevant products for each identity or persona, both now and in the future.

This means not just choosing one product or service but taking into account all of the things that customer has a propensity for. This is how you know what to target them with. And finally determine where in the journey they are, and when they are most likely to convert. This is how you know the right moment to target them. Put it all together and you get intent-driven, people-based marketing in the moment.

The Benefits of People-Based Marketing

Personalization drives results

A leading global hospitality company serving 34 million guests annually leverages [24]7.ai technology to deliver exceptional guest experiences. Beyond making it easier to engage with the hotel, the technology contributed to more guests booking directly through the hotel's website, rather than third-party travel sites. To date, the hotel has achieved three times the conversion rate, and their agents have given Conversations a 97% CSAT rating.

Personalization empowers customers

A leading telecom company provides broadcast satellite service to over 13 million subscribers. They used [24]7.ai conversational AI and messaging to deliver exceptional self-service for customers, routing customers to live agents when needed,

thus reducing the average handle time (AHT). Call volume was reduced by automating the most common customer journeys, making them available through both digital and voice self-service. Chat volume increased by 26% with a chat completion rate of 95%. Estimated savings are pegged at \$6 M.

Some demonstrated benefits of personalization

Advertising

- 88% of U.S. marketers reported seeing measurable improvements due to personalization, with more than half reporting a lift greater than 10%.²
- 88% of retailers said they saw an increase in business from using personalization tactics, like ad targeting.³

Website and app²

- Personalized homepage promotions influenced 85% of consumers to buy.
- Personalized shopping cart recommendations influenced 92% of shoppers online.

Retail⁴

- 5 to 15% increases in revenue
- 10 to 30 % increases in marketing-spend efficiency through product recommendations

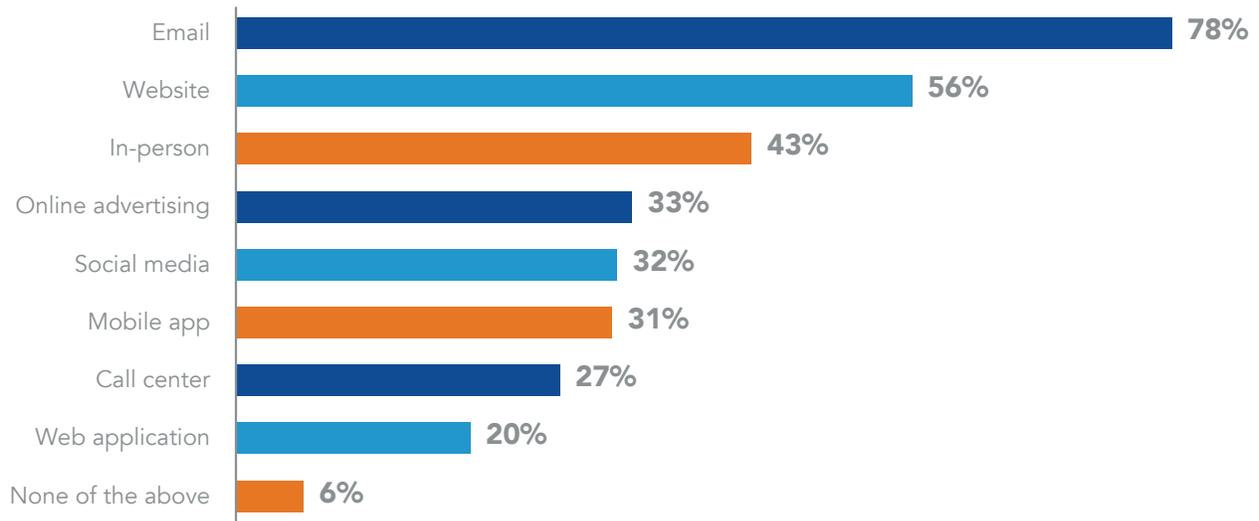
Customer service

- 99% of marketers say personalization helps advance customer relationships.⁴
- 63% of leading marketers are using KPIs to develop a single, integrated view of the customer.⁵

Executives are already reporting enhanced sales and value as a result of personalization efforts: 40% have directly affected sales, basket size and profits in direct-to-consumer channels such as e-commerce. Personalization champions have even more substantial results: 54% say they exceeded their revenue targets over the past year.

Forbes Insights, *The Path to Personalization*, 2019

In which of the following channels are you using personalization?



Evergage, Trends in Personalization, 2020

Don't Wait—Start Now

Digital transformation is a journey, and the time to start moving is now. Companies need to focus on understanding customers first, using all the data that's already available. Once you know who they are and what they want, you can leverage AI and machine learning to personalize digital experiences at scale, continually optimizing through automation. Don't let this opportunity pass you by—start delighting your customers to drive up both short-term and long-term sales and success.

1. Salesforce, State of the Consumer, 2019
2. Instapage, 68 Personalization Statistics Every Digital Advertiser Must Keep in Mind, 2019
3. Retail Touchpoints, Study: Better Personalization Can Entice 44% of Shoppers to Switch Brands, 2019
4. McKinsey, The future of personalization- and how to get ready for it, 2019
5. Global, MIT SMR, Google Future of Marketing/KPI Survey 2018

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About [24]7.ai

[24]7.ai is redefining how artificial intelligence, human insight, and deep vertical expertise can produce personalized, satisfying customer experiences across all channels. Our advanced conversational AI platform predicts consumer intent and creates frictionless interactions that help the world's largest and most recognizable brands to strengthen customer relationships and increase brand loyalty. With more than two decades of contact center operations expertise, [24]7.ai empowers companies to deliver natural, consistent conversations that increase customer satisfaction while lowering costs.

For more information visit: www.247.ai