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# AI as an ideal means to avoid the pitfalls of marketing

Artificial intelligence (AI) is part of the digital future in every area. Digital marketing, despite its exponential growth in recent years, is no exception. Targeting the mass of potential customers with 'semi-personalized' messages has reached its limits in commercial, sometimes technical, and especially societal terms. It is time for those in charge of marketing to (re)build truly personal relationships with customers through AI.

**Expert View level:** Strategic

**Sectors concerned:** All

**Topics covered:** Marketing

**Priority:** ●●○

### Digital marketing and AI, a marriage of convenience

Artificial intelligence and marketing are made for each other. And it is not just a love affair between two areas that benefit from continuous investment. In 2018, the digital marketing segment accounts for as much as EUR 2.3 billion of software and services spending in France, and its average annual growth rate should exceed 10% by 2022. As for artificial intelligence, although this is an emerging market, the big names in IT are not mistaken: they are investing massively in a technology that is already shaking up all areas. Since the beginning of the year, there has been a succession of announcements: Google is going to open a dedicated lab in Paris; Facebook is going to invest an additional EUR 10 million, doubling its number of researchers in Paris; and French 'unicorn' Criteo is investing an additional EUR 20 million on top of its R&D efforts to open its AI Lab.

With their giant platforms, these three data and digital marketing specialists have contributed to the exponential growth of online advertising and e-commerce. But at a time when everything is digital and we are all targeted by brands and inundated with messages, digital marketing risks becoming counterproductive. All the more so in a context where the new generation is expert at using digital technologies and pays close attention to the correct use of data in the age of GDPR.

### Avoiding the pitfall of irrelevance

The virality of an ad, a 'meme' or a GIF is the holy grail of all marketing managers. The same applies to tools. Since marketing departments are constantly on the lookout for new good ideas, those ideas that generate the most clicks are rapidly adopted by all players. The marketing solutions available on the market today all offer more or less the same functionalities. But the rapid evolution of consumer maturity and usage inevitably eats away at the effectiveness of these 'innovations'. All these 'seamless' marketing solutions are faced with the same pitfalls of reality. Who has not been offered a product for ten days that they had just ended up purchasing after comparing the models online for a few days? Criteo, which does everything to avoid this textbook example, has even given it a name: the 'fridge case'.

This 'fridge case' illustrates the biggest criticism made by consumers of brands that try to attract their attention: their lack of relevance. This is where artificial intelligence comes in. Specialists for marketing-related data analytics such as Sparklane, Ysance, Adobe and others are working like Google, Facebook or Criteo on new offers based on AI to much more precisely target messages and their recipients, but also preferred formats and even send-out times.

### AI for mass personalization

The notion of artificial intelligence revolution is often over-used. In marketing, AI really allows to turn a corner, which

OPERATIONAL

STRATEGIC

FORWARD-LOOKING

goes beyond a simple optimization of the big data strategy in place. Artificial intelligence is the missing piece of the puzzle that enables digital marketing to overcome the pitfalls of the 'fridge case'.

The Web and the first digital marketing tools made it possible to industrialize the knowledge of customers in the form of large groups (*personas,* or archetypes) and to reach them en masse, with numerous newsletters, supposedly personalized e-mails, text messages, etc. This industrialization of marketing made it possible to gain a few meters, but the heads of marketing are looking to go beyond this, to set out for new shores. This is what AI can do.

**It is not too early to invest**

As soon as good-quality data sets are available and can be integrated, artificial intelligence can build on this data to personalize messages at will, regaining relevance. A marketing solution based on AI can thus recreate a unique and specific link with each customer. And it is precisely this link that creates proximity and emotion – in other words, what each brand is looking for.

Even though AI is an emerging market, its deployment in marketing already shows a certain level of maturity. The best marketing players have already seized the technology to get a head start or even consolidate their leadership position. Nevertheless, all marketing departments would do well to quickly address the issue. The profession is becoming more and more industrialized, and the tools are strongly contributing to this trend: delivering the right messages to the right people at the right time will quickly become a sine qua non of being accepted by customers.
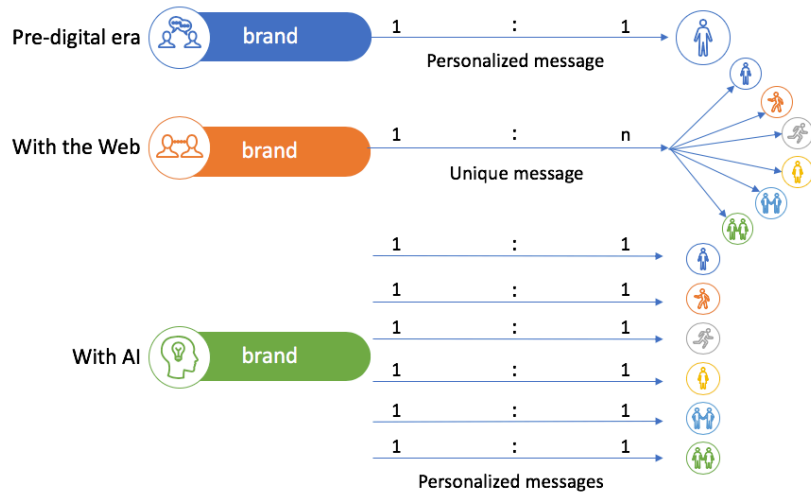


*AI combines the personalization from before the digital era with the mass industrialization of digital tools*

Neglecting AI-based marketing solutions would only accelerate the loss of speed and relevance of campaigns. This would be stupid, given that solutions exist that allow to both comply with the GDPR and be relevant as well as interesting to consumers.

**Conclusion and recommendations**

Digital marketing has reached its limits. The effectiveness of little or poorly personalized messages decreases with the growing number of messages sent. However, there is an abundance of AI-based solutions available, and some of them are already mature enough to be integrated into the toolbox of innovative marketing managers. The methodology for integrating AI components is no different from that for other innovative, data-based projects. Fulfilling the preconditions is all the more indispensable as once put into operation, AI acts as a powerful accelerator. Beware of setting errors that go unnoticed during the initial phases of a project. Their counterproductive consequences are bound to affect your partners and customers. It is therefore better to perform tests and adjust the solution: AI is by nature a constantly learning technology.

Once the solution has been properly implemented and potential marketing pitfalls have been avoided, the project is not finished. The data is alive and evolving. Any project involving the use of data must be constantly adjusted: verification of the proper functioning of algorithms, regular adjustment of these algorithms according to their nature (machine learning, neural network, etc.), integration of new data sets, and support of AI by human experts throughout its learning phase and then at regular intervals.