

Chapter 15

AI Storm ... From Logical Inference and Chatbots to Signal Weighting, Entropy Pooling: Future of AI in Marketing

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ABSTRACT

The chapter is focused on the paradigm shift of artificial intelligence (AI) and marketing evolution. Considering the effects of AI on marketing and AI powered by engagement marketing, why is AI the marketing future? Is AI in marketing merely over-promoted? What can AI do for marketing and how can AI most influence and bring advantages to marketing and transformation of the customer experience through mass personalisation? Some critical impacts of chatbots are highlighted, with explanations of what they can do and how they will change the future of customer engagement. An explanation of how AI products influence and transform the role of product management is given, emphasizing the importance of the human context delivering, along with emerging technologies. Following this is an investigation about AI influencing brand management, and by the end, the issues of the future of AI and robotics are highlighted.

INTRODUCTION

The most of the smart experts dealing with marketing worldwide surely have already heard quite a lot about Artificial Intelligence Marketing (AI Marketing), which is nowadays significant wave of data-based marketing strategy, and an important of a strong storm overwhelming the entire digital world. Artificial Intelligence enables marketers to create and continuously enhance almost fully personalized consumer experiences, all that with higher cost-efficiency than traditional expensive campaigns and other well-

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known marketing tools. Within the marketing processes, every interaction a potential buyer or consumer has with a product or solution, repeatedly is utilized for next optimizations. AI capabilities applied to content enable more effective client generation. And personalization help the companies lead ahead of the tomorrow's competitors tomorrow by transforming their consumers' experience and by building a useful Digital Experience Platform (DXP) that will soon become key competitive differentiator. Marketing experts struggle with using AI - to leverage content and to turn data into useful and applicable insights.

ARTIFICIAL INTELLIGENCE

Looking at 2019, some of the powerful digital companies have enhanced their new product offerings with the ground on the ability to ensure highly relevant and personalised products and content recommendations – let to mention Amazon, Netflix and Spotify. These all arises from (a) AI-based clustering and interpreting of consumer data combined with (b) profile information and demographic data. The mentioned AI-based systems continually adapt to consumers' likes and dislikes and react with new recommendations, all real-time provided. With AI-based solutions, marketers promptly and precisely know what are consumers are feeling, thinking and saying about the each particular brand and product - all in real time. Also, with the avalanche of available social media (and with the AI-based tools to analyse them), marketers can fully and truly understand what consumers are feeling how they are judging them. By using these real-time available data, smart marketers can then quickly modify their messaging or branding for ensuring the highest level of their effectiveness.

AI marketing is a new method where technology achievements are used to improve the consumer experience and also to enlarge the return on investment (ROI) of marketing campaigns. This is enabled by using big data analytics, machine learning, and relevant processes which are providing detailed insights into targeted audiences. Knowing all these about your consumers – partners, you can design new, very effective “consumer touch-points”. AI can influence, direct and optimize digital marketing campaigns and, along with that, eliminate the risks caused by human error. Although the much of the digital marketing is still highly dependent on human creations and ingenuity, an AI program might probably be capable to generate a report using only and exclusively available data. However, to deeply connect with your consumers, marketers still need the truly human touch. Empathy, compassion and real-life storytelling are characteristics that AI machines can't emulate - not yet. Namely, AI is not restricted as humans are. And so, respecting still relevant Moore's Law, none can predict what AI will be able to do, even literally tomorrow...

Conversion management solutions based on AI are escalating the next, higher level. Marketing experts are able now to compare sophisticated inbound communication side-by-side against traditionally used metrics, and thus help answer difficult and crucial strategy questions. With AI marketing, there are no longer dilemmas about whether or not a potential consumer is ready for a discussion - the collected data provides the answer.

Machine Learning

Contemporary digital marketing is all about data available in the huge amounts. In the same time, it is more and more visible that marketing for many companies becomes the priority no. 1, as it is strongly linked with the growth of their revenue. Exploiting the unlimited possibilities of AI to enhance the

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