**MGT1044 - GLOBAL BRAND MARKETING STRATEGIES**

**Project Report**

**Role of AI in branding**

*submitted by*

**ABHISHEK N N (20BCE1538)**

B. Tech. Computer Science and Engineering

*submitted to*

**Prof Saju B**

School of Computer Science and Engineering



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**Abstract**

Artificial intelligence has recently revolutionised the way branding work. Artificial intelligence (AI), which is a major factor in creating more seamless consumer experiences, is assisting marketers in predicting what their customers want. AI is crucial in branding efforts and is frequently utilised in situations when speed is crucial. Data and customer profiles are utilised by AI technologies in order to effectively engage with clients and then deliver them customised AI produced messages at the appropriate moment, guaranteeing the greatest efficiency possible and without involvement from branding team personnel.

**Keywords:**

Branding

Artiﬁcial intelligence (AI)

**Introduction**

These days, the decision-making process is more complicated than ever since businesses are focused on satisfying customers. To do so, it's necessary to have an in-depth familiarity with client wants and requirements and to tailor your offerings accordingly. Keeping up with shifting consumer preferences is crucial for making sound advertising choices. Almost every facet of running a business is being altered by artificial intelligence, from finances to sales to research and development to operations. However, the greatest impact of AI is being seen in branding, where not only has it created great value but experts predict it is going to change the future of branding dramatically. Data collecting, data analysis, and other observations of patterns that may affect branding activities are the foundation on which AI branding is built.

Branding efforts may be optimised and streamlined with the help of AI software without the possibility of human mistake. Using AI, marketers may develop branding analytics tools to zero in on prospective consumers and design engaging, one-of-a-kind interactions with those customers.

Artificial intelligence (AI) is increasingly being employed by modern marketers to assist with and take on more tactical activities that previously would have required human judgement. Artificial intelligence (AI) can do tactical data analysis and draw quick judgments based on campaign and consumer context at a far higher rate than humans can. It frees up time for employees to work on strategic projects that can guide AI-powered advertising campaigns. With the emergence and rapid development of AI, modern marketers no longer need to wait until the conclusion of a campaign to make the judgments, but rather they can utilise real-time data to make more informed decisions about their media buys as they go along. Various sectors, such as banking, healthcare, government, retail, and the arts, are incorporating AI-powered branding campaigns into their strategies. Different use cases demonstrate or promise various outcomes, such as better campaign success, a more satisfying client experience, or streamlined branding procedures.

“AI is not just heading for our industry and it will radically change the use of machinery we use in marketing” said by Tim Berners Lee. Artificial intelligence and machine learning may be used in a variety of ways to help firms improve their branding strategies. Lets see the following with real life examples:

**Amazon Go**

Amazon was an early adopter of the concept of providing customers with tailored product suggestions, and its algorithms have only improved with time. New criteria are taken into account when making recommendations, such as a user's search history, the pages they've visited, and the products they've recently purchased.

Amazon employs AI to power their dynamic pricing strategy, which includes lowering prices when demand is low and raising them when demand is strong. Algorithmically optimised sales and profits are now possible.

Still at the forefront of technological innovation, Amazon has built checkout-free shops in Seattle, Chicago, and San Francisco using artificial intelligence (AI)-powered sensors and cameras. The client may just pick up their things and leave, with their purchases being charged to their Amazon Go account as soon as they leave the shop.

link: <https://youtu.be/NrmMk1Myrxc>

**Starbucks**

In 2016, Starbucks outlined a strategy plan for using AI and big data, and the company has delivered on its promises to investors by strengthening its incentive programme and personalisation to forge stronger bonds with its clientele.

Starbucks' ability to tailor beverages to each customer's preferences has long been a hallmark of the brand. The business is now tracking client spending habits by tracking where and when transactions are made via loyalty cards and mobile apps.

By applying predictive analytics to this information, the organisation may send consumers targeted marketing communications, such as in-store suggestions and upselling incentives. Customers may use the app's virtual barista service, which is powered by AI, to make orders by voice command.

In addition to tailoring their service to each individual client, Starbucks analyses the 90 million transactions they process every week to determine things like shop placement and the best sellers to stock.

**Alibaba**

The Alibaba Group, a Chinese e-commerce and technology conglomerate, launched its first "FashionAI" shop earlier. The store plans to integrate with a virtual wardrobe app that will allow customers to see the outfits they tried on in-store in the future, intelligent garment tags that detect when the item is touched, and smart mirrors that display clothing information and suggest coordinating items are all ways in which the store hopes to improve the fashion retail experience for its customers.

The corporation has made previous forays into the field of AI. Alibaba's smart customer service technology, introduced in 2015, successfully automated customer care to the point that its ratings were greater than those of human representatives.

Alibaba, like Amazon, employs comparable technology to provide users with tailored product suggestions, search results, and even storefronts that are built automatically based on the products that would appeal to a certain customer. With 567 million registered users and millions of daily app and website visitors, the firm clearly has a successful business model. The corporation undoubtedly has additional ideas for how to use this vast quantity of data on client behaviours in the future.

link: <https://youtu.be/336YkwayCD4>

**Nike**

Massive sports brand Nike has long embraced technology, and in 2006, the Nike+ sensor was one of the first fitness monitoring devices. It's also a corporation recognised for marketing innovation, which they're now merging to provide individualised consumer experiences and enhance their product offering.

Nike introduced a new technology last year that enabled consumers to create their own shoes in-store. This is not only a wonderful sales gimmick, but it also captures a massive quantity of data that machine learning algorithms may use to build future items and give individualised suggestions and marketing messages.

The company has [recently acquired body scanning firm Invertex](https://www.investors.com/news/nike-acquires-body-scanning-firm/), a move that Nike Chief Digital Officer Adam Sussman said would: “deepen our bench of digital talent and further our capabilities in computer vision and artificial intelligence as we create the most compelling Nike consumer experience at every touch point.”

From the information it gathers, Nike has ambitious aspirations and is a good example of how AI might be used now and in the future.

**BMW**

There are a number of corporations who are already employing AI to power autonomous vehicles, but BMW is really embracing the technology and integrating it into their core production and advertising strategies.

BMW's sales, marketing, and customer service are all driven by Big Data. The startup uses predictive analytics to construct cars of the future and has already produced an AI-enhanced sports vehicle that adapts to each driver by gathering data on their preferences and then modifying the car's settings and interior accordingly.

With the introduction of their new intelligent personal assistant, BMW has made it possible for drivers to have the same natural conversational experience with their vehicles as they have with their smartphones. In addition to its other features, the tool can be used as a voice-activated guide, can plot out potential routes, can send notifications, and can link up with other applications. There's no doubt that the information gleaned from each driver will be used in the company's marketing intelligence, and that this technology could be used for marketing for third-party businesses like parking lots and gas stations in the future.

link: <https://youtu.be/NP-ZzuKAD8k>

### **Sephora**

Our first of many illustrative uses of AI in digital marketing comes from the beauty retailer Sephora. As an early adopter of AI, the renowned cosmetics giant Sephora has been leveraging chatbot technology to provide its audience with the most tailored and informative consumer experience imaginable.

Consumer research led the company to conclude that many shoppers considered Sephora's wide selection of items to be too much to handle, especially because they had to peruse dozens of pages before finding what they were looking for in a given category.

To address this issue, Sephora has introduced a questionnaire that will lead consumers through the purchasing experience with the aid of chatbots that will provide individualised advice depending on their replies. Since the launch was so fruitful, Sephora has expanded to include a chatbot-driven shopping option inside the Facebook Messenger app.

**Netflix**

There is no need to introduce Netflix, the dominant SVoD content streaming provider in the globe. But few realise that Netflix's innovative use of AI is a major factor in the company's inexorable growth and success.

We all know that the quality of the user experience (UX) is crucial to a company's long-term success, no matter what sector it operates in, and that satisfied customers are more inclined to spread the word about a brand after a pleasant interaction.

Netflix's customised content suggestions are powered by AI and machine learning technologies to improve the user experience and cater to each user's unique tastes and viewing habits. In addition, Netflix employs an AI advancement to automatically improve streaming quality, so users never have to worry about quality or buffering concerns.

In an era where consumers place higher expectations on the companies they spend money on, the fact that more than 80% of Netflix viewing is determined by individual suggestions is a clear indication of Netflix's success.

**Dell**

Email marketing has been around for decades, but it's still one of the most successful ways to reach out to clients.

If you regularly send out newsletters and solicit email addresses, you know how time-consuming it can be to think of fresh newsletter content, headlines, and calls to action.

Even Dell did the same thing. Because of this, they have started collaborating with an AI firm in an effort to simplify operations and improve email marketing outcomes.

When dealing with a firm of Dell's size, there are certain to be many different types of consumers. They need a system that would allow them to communicate with these people through individualised messaging. Say hello to AI.

**Conclusion and Takeaways:**

I have taken some of the examples for AI in Brand marketing but not only these there are much more people/company who use AI for branding. AI in marketing is a proven successful strategy: 86% of companies that have incorporated AI created better customer experiences. By adopting the latest technology and right measures, anyone can do the same. The report concludes by stating AI plays very important role in Branding.

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