LEVEL 0 SUMMARY TEMPLATE

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Paper title: Customer profiling, segmentation, and sales prediction using AI in direct marketing

Keywords specific to the paper: customer profiling, AI, marketing

This paper deals with the use of AI in direct marketing, customer profiling, segmentation and sales prediction. Effective customer profiling is crucial to be strategic and efficient in customer satisfaction. Three customers group are identified, new customers, best customers, intermittent customers. To identify potential customers and keep existing customers AI can help.

AI more specifically, data mining techniques play a crucial role to respond to the challenge of finding new customers. The aim is to use AI to develop a customer profiling system that improves the sales performance. It is about highlighting the importance of customer segmentation methods and algorithms to better identify customers and improve the number of sales. Thus, AI is used to create a customer profile and forecast sales. This profile will assist the marketing team in making strategic decisions to attract customers.

To achieve the goal of finding the best customer profiles, researchers use the RFM (recency, frequency, monetary) analysis approach and also customer segmentation and algorithms to enhance prediction accuracy. With these techniques, customer behavior and sales forecast can be determined. Several tasks have to be done to enhance sales performance through data-driven customer profiling, such as data collection, a comprehensive study of machine learning methods, specify the structure of client profiles, analyzing and organizing customer data, exploring the concept of "consumer loyalty" in modern marketing.

In the long term it is about creating and implementing a client profiling framework based on AI. When it comes to customer segmentation, researchers use algorithms to achieve the segmentation based on customers data. These data consist of analyzing customer buying history and purchasing behavior to identify segments.

The use of many technologies such as RFM technology, data mining, clustering algorithm methods is beneficial for finding background information and identify potential customers. Using AI to do the segmentation can be beneficial to improve marketing campaigns, increase sales, bring new customers. More advanced methods to identify customers will be developed such as handling unstructured data which would enable the extraction of important characteristics to determine potential customers segmentation.

In conclusion, this paper says that artificial intelligence has the potential to improve various industries by identifying the best customers, potential customers, bring back former customers. Moreover, AI is already efficient in several industries (health care, finance, security, trade, logistics etc.).