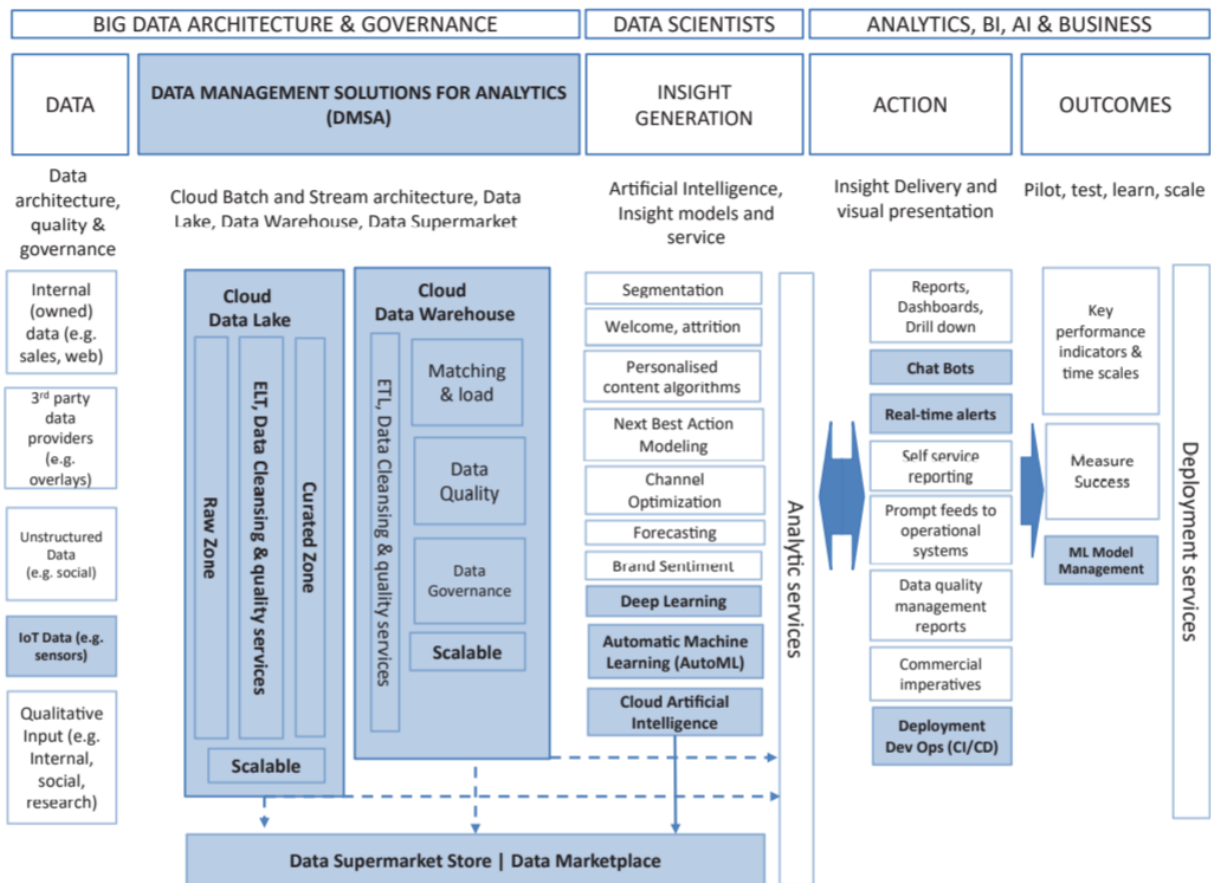AI is a broad term, and it encompasses a range of tools and techniques. Machine learning (ML) and most recently deep learning (a subset of ML) allow businesses to go beyond traditional rule-based software systems by performing tasks intelligently without every rule or hypothesis needing to be coded in.[1]

Unlike traditional algorithms where humans need to manually add each rule, business context and variance, AI algorithms can extract complex patterns from a vast number of data points, and in doing so, are able to self-correct and learn without human intervention.

**Related Reading**: How AI and Machine Learning are Transforming the On-Demand Service Industry

The availability of large and sophisticated data sets, faster compute power and the emergence of new self-learning algorithms allows technology companies to combine AI and big data to drive efficiency, automation, prediction and even prescribe the next-best action based on data-driven insights and continuous learning.

## Generate Consumer Intelligence Through Machine Learning

Data-rich, yet insight-poor? Learn how machine learning and analytics can help your brand understand its audience.

Generating Consumer Intelligence Through Machine Learning

Although a majority of Australian marketing professionals agree that AI will bring about increased effectiveness in the marketing industry, and 74% believe AI systems will make marketers' jobs easier in the future[2], it is also clear that marketers need a helping hand to get started.

# Practical applications of AI techniques and uses within marketing

### 1. Robust Audience Segmentation

As marketers, we all know the benefits of audience segmentation and how it enables your business to have meaningful interactions with your customers.[3] When audiences are segmented, you can customize your messages to increase relevancy and improve ROI.

**Related Case Study**: Data-Driven Mobile Ad Campaigns for a Global Technology Leader

Traditional techniques would see humans define these audience segments based on known data points like age, gender, demographics, location, transactions, broad interests etc. Using AI techniques allows us to go above and beyond the cognitive capabilities of humans and subject matter experts to take a much more nuanced approach.

The use of AI techniques allows the algorithms to create audience segments based on undiscovered patterns and removes human bias from the process. AI algorithms can quickly analyze vast amounts of data across omni-channel platforms, thus giving you the insight to learn unique qualifiers about your audience and amplify personalization on a much wider scale.

This enables effective customer targeting and the opportunity to superpower your segments with <u>third-party data</u> so that engagement can be even more personalized and relevant to further enhance the customer experience.

[Third-Party Data: The Missing Ingredient in Predictive Modeling Success →](#)

## 2. An AI-driven 360-Degree View for Improved Customer Experience

Customer expectations for brands are higher than ever. A report by Epsilon[4] found that 80% of consumers are more likely to make a purchase from a brand that provides personalized engagement.

To provide a meaningful experience, we need the ability to recognize and identify customers as they interact with us across channels. While many of these interactions are visible to us, those that are not visible leave us with an incomplete picture of our consumer.



AI-powered solutions that have developed a single customer view are able to understand individual interactions across channels and create a consistent consumer identity. These interactions can be associated with online and offline behaviors that are used to map the path to purchase.

The ability to pull this data together at the speed and accuracy that AI has, provides marketers the opportunity to offer a hyper-personalized customer experience and deliver the most appropriate and tailored messages that are most likely to convert the lead into a sale, at the best possible times to drive conversions.

## 3. Predictive Modelling for Strategic Marketing

One of the benefits of <u>AI in marketing</u> is its ability to identify 'intent' in a potential audience. AI technology uses patterns in data and statistical methods so the 'intent' can be gleaned from multiple drivers including geographies, demographics, or past behaviors and characteristics like the kinds of apps they use and how they engage online.

Businesses that are using AI in this way will have the advantage of being able to market to those already inclined towards a product or service, who are most likely to convert and potentially to the highest-value customers.

For example, when you identify the defining characteristics of your highest-value customers using predictive analytics, you can target audiences of prospective customers that share these traits (commonly known as lookalike audiences).

These case studies take a deep dive into a few examples



"AI framework for sports industry"