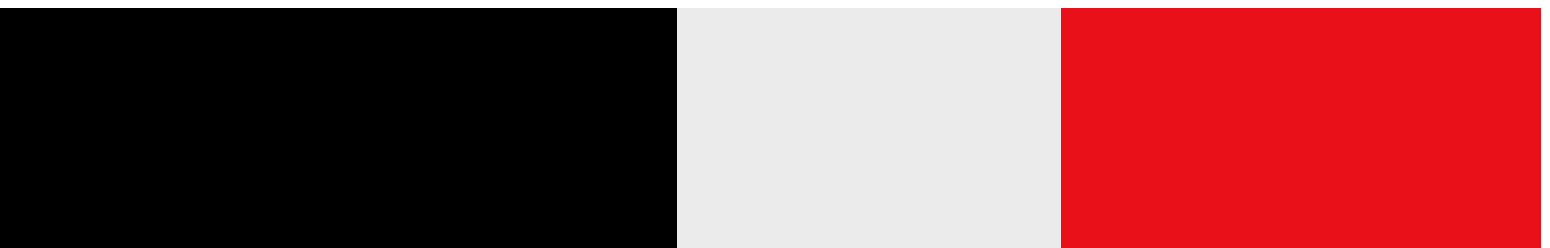
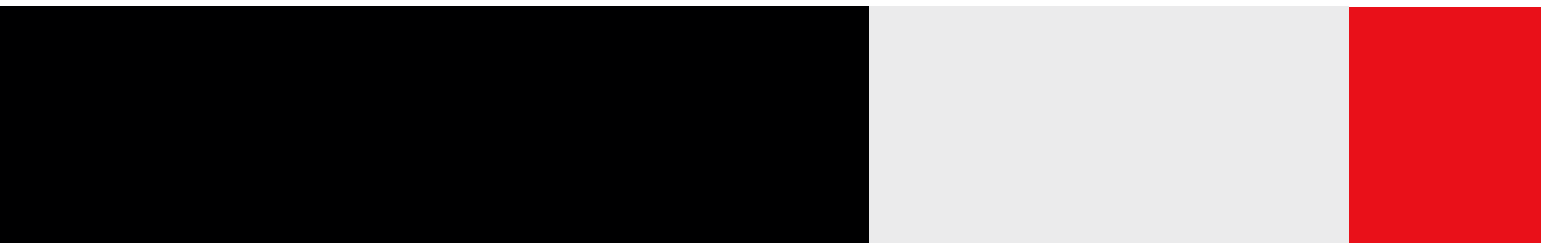


The Power of Generative AI in the Buyer's Journey

How Marketers Are Elevating CX

Contributors: Chris Keating, Tracy Tang, Debra Aho Williamson, Yoram Wurmser



The Power of Generative AI in the Buyer's Journey: How Marketers Are Elevating CX

Generative AI (GenAI) can be a powerful tool for brands at every stage of the customer life cycle. The ever-evolving technology has the potential to provide a more customized and beneficial customer experience (CX), improve employee productivity, and boost sales and revenues for businesses.

KEY QUESTION: How can GenAI improve the CX and benefit brands?

KEY STAT: 58% of US marketers said increased performance is a benefit of GenAI.

Top Benefits of Using GenAI for Content Creation % of respondents, March 2023

Increased performance	58%
Increased creative variety	50%
Cost efficiencies	50%
Faster creative cycles	47%

*Note: among marketing respondents whose companies use generative AI
Source: Botco.ai, "The State of GenAI Chatbots in Marketing," May 4, 2023*

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The Power of Generative AI in the Buyer's Journey

How Marketers Are Elevating CX

How can generative AI (GenAI) improve the customer experience (CX) and benefit brands? GenAI has the potential to provide a more customized and beneficial CX, improve employee productivity, and boost sales and revenues for businesses.

Key Stat

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How Will GenAI Help Companies Improve the Customer Experience? % of respondents, March 2023

It will allow us to create personalized content for our audiences	75%
We'll be able to understand our customers' needs better	74%
It will allow us to provide a steady stream of relevant content	67%
Our creativity will improve	64%

Note: n=390

Source: Sitecore, "AI & Composable Marketing Software Survey," May 9, 2023

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Our Findings

GenAI is transforming the way marketers engage and interact with consumers—and it can provide numerous benefits across the entire CX.

- **Boost brand awareness and increase engagement.** GenAI can help attract and engage customers with hyper-personalized content.
- **Improve conversion and retention rates.** GenAI can quicken the decision-making process and can help foster customer satisfaction.
- **Turn customers into brand advocates.** GenAI can help build long-term loyalty and drive recurring revenue growth with happy customers.

Your Opportunity

Marketers and CX leaders should embrace and invest in GenAI even as the technology rapidly evolves.

- **Keep business objectives in mind.** Monitor GenAI performance to ensure customer experiences achieve objectives and growth rates.
- **Provide human oversight.** Ensure accuracy, attribution, and emotion—and know GenAI's limitations. Consider ethical and privacy concerns.
- **Foster a culture of innovation.** Encourage experimentation and help employees develop AI skills and knowledge.

Also in this report: **ChatGPT** | **Social media**
Email marketing | **Content marketing**

GenAI is making an impressive impact on the customer life cycle.

GenAI is providing numerous benefits across the entire CX. Accelerated by the recent releases of Midjourney, DALL-E 2, and ChatGPT, a revolutionary transformation is underway for marketers regarding the way they engage and interact with consumers.

- **GenAI is reshaping the buyer's journey.** GenAI tools, frequently in combination with other AI or machine learning (ML) technology, are now used at every stage of the customer life cycle—awareness, consideration, purchase, retention, and advocacy—to enhance and improve the overall experience.
- **Marketers are embracing GenAI.** Recent breakthroughs have the potential to drastically change the way the industry approaches content creation. Among GenAI features US brand marketers appreciate most is its ability to improve market research and content creation, per a March 2023 Sitecore survey.
- **Investing in GenAI pays.** GenAI can help brands achieve significant time and cost savings. Two-thirds (66%) of marketers using GenAI reported a positive ROI, and many reported an increase in cost efficiencies and performance as well as faster creative cycles, per March 2023 data from Botco.ai.
- **The benefits of GenAI continue to grow.** Some GenAI applications are well established with marketers, and some are brand-new experiments. But already, ChatGPT is the most popular form of GenAI: 55% of Botco.ai survey respondents use the tool to bolster performance and efficiencies while delivering better, more seamless experiences that resonate with their customers.

What Excites US Marketers Most About GenAI?

% of respondents, March 2023

Speed up market research on prospects and customers	70%
Create and scale content faster	65%
Use as springboard for future creative campaigns and ideas	63%
Get close to customers and delight them	54%
Create custom images faster	51%
Transform back-end processes	50%

Note: n=408; responses of "none of the above" not shown (0%)

Source: Sitecore, "AI & Composable Marketing Software Survey," May 9, 2023

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Here's how GenAI is changing the buyer's life cycle, both customer facing and behind the scenes, plus a look at case studies at each stage:

Boost brand awareness

From the very beginning of the buyer's journey, GenAI can help attract potential customers by creating personalized content and responding in real time to a particular pain point, problem, or desire.

Customer facing:

- Provide social media advertisements with eye-catching images and video ads that evoke specific emotions. These ads can have more detailed, engaging storylines than traditional ad creation methods and can build a faster connection between the brand and the future buyer.
- Offer hyper-personalized content with specific language, terms, and phrases that resonate with potential customers. Using GenAI can enable brands to proactively stand out from the competition before a buyer has even begun to compare different brands.

Behind the scenes:

- Help brainstorm and develop themes and subjects. Create marketing collateral and support [content marketing activities](#) and plans for digital and content marketing campaigns.
- Identify new customer segments based on select criteria. Personalize marketing efforts and help brands establish themselves within these segments.

- Make quick content improvements, such as spotting gaps in the copy when comparing with a competitor's content.
- Generate millions of keywords based on criteria such as search volume, trends, or competitor content to help content rank high in search and drive traffic to a brand's website.

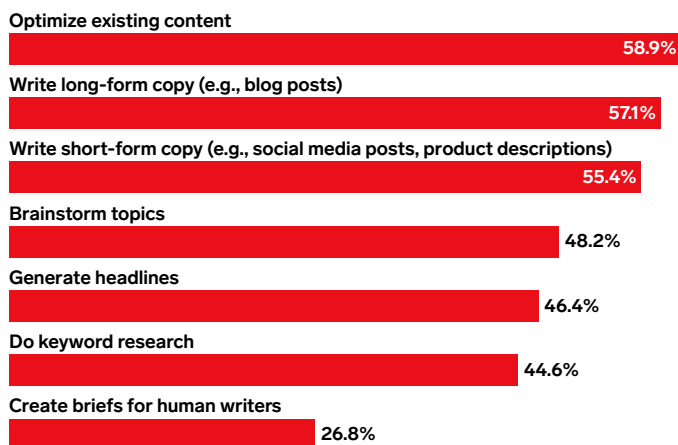
Example Use Cases:

Marketing firm **BrandMuscle** works with companies including Bobcat and Allstate to create AI-generated content without human input while ensuring brand compliance and voice. Collateral includes text-based content, visual ads, and real-time digital media optimization based on third-party data such as weather.

Chase uses GenAI to humanize messaging. For instance, a traditional ad for the bank read: "Access cash from the equity in your home." The AI-generated version, which performed better, read: "It's true—You can unlock cash from the equity in your home."

How Are Marketers Worldwide Using AI Content Tools?

% of respondents, Nov 2022



Source: Aira, "The Future of AI in Content Marketing" in partnership with Verblio, Dec 14, 2022

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Increase engagement

GenAI can help buyers make better-informed decisions, increasing engagement and moving buyers closer to a purchase.

Customer facing:

- Provide product descriptions and information based on preference and consumption behavior. For example, show copy that emphasizes the sustainability features of a product for one buyer and technical details for another.
- Offer relevant product comparisons, customer reviews, and testimonials to help buyers evaluate their options. Deliver timely recommendations personalized to specific needs, budgets, and preferences. Create content that resonates with potential customers looking at similar brands.

Behind the scenes:

- Repurpose valuable content into a different format, such as creating a blog post from a white paper. Extract the most relevant and valuable information from the white paper—e.g., main concepts and quotes—and change the tone to match the new format.
- Create better email copy and images for retargeting display ads. More than 40% of marketers use GenAI to create email copy, according to Botco.ai. Additionally, AI-generated subject lines had a 68% better click rate than human-generated variants, translating to a potential incremental revenue opportunity of \$5.8 million, per a December 2022 study by Persado.
- Understand a buyer's language and expectations based on how they write in chatbot conversations. Rephrase or rewrite responses specific to that buyer in their tone of voice.

Example Use Cases:

Sephora's Virtual Artist chatbot applies natural language processing (NLP) to understand customers' questions and provide personalized makeup recommendations. The chatbot also uses AI to analyze a buyer's facial features.

A human resources client of **Rippler Group** uses Gong, a GenAI solution for sales conversations, to extract buyer questions from their customer relationship management (CRM) platform. Then ChatGPT defines and categorizes the most common questions. This fuels content creation for sales training and marketing collateral.

Types of Content Companies Produce Using GenAI

% of respondents, March 2023



Note: among respondents whose companies use generative AI
Source: Botco.ai, "The State of GenAI Chatbots in Marketing," May 4, 2023

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Accelerate conversion rates

GenAI can personalize and quicken the decision-making process for buyers looking to make a purchase, leading to higher conversion rates for brands.

Customer facing:

- Identify products most likely to be of interest and deliver targeted recommendations tailored to the buyer's preferences. Provide real-time support and guidance.
- Offer pricing and promotional products most likely to be in the buyer's budget. Provide information about shipping options, payment methods, and order status.

Behind the scenes:

- Assist sales associates by providing real-time insights and suggestions during customer interactions, helping them better understand the customer's needs and preferences.
- Help brands follow up with messaging to customers who have abandoned their shopping carts. Offer personalized discounts and promotions, and provide recommendations for related products.

Example Use Cases:

Marks & Spencer uses Persado's **Dynamic Motivation** solution to generate words and phrases based on a buyer's browsing behavior, preferences, and other factors in real time during the cart and checkout experience. These GenAI-driven personalized paths can reduce cart abandonment and deliver a 3% to 5% increase in ecommerce revenues.

Dress the Population implemented **Obviyo Recommend** (powered by Amazon Personalize) to create a hyper-personalized product recommendation app for Shopify. Developers built and deployed curated recommendations and intelligent user segmentation at scale, resulting in a 27.9% increase in conversion rates.

Improve retention rates

GenAI can help foster customer satisfaction and move customers to the advocacy stage.

Customer facing:

- Help resolve customer issues, in multiple languages, with faster and more accurate answers. Offer personalized assistance based on preferences, purchases, and past customer service interactions to improve resolution rates and reduce customer frustration.
- Offer additional products that complement an existing purchase, proactively increasing opportunities for cross-selling and upselling. Continually engage customers with relevant content and resources.

Behind the scenes:

- Scale customer support and assistance and reduce the workload of customer support representatives. Surface and rapidly resolve the most complex cases with "swarming," a collaboration-based approach to resolutions rather than the traditional tiered escalation-based process.
- Use a large language model (LLM) to summarize and simplify technical content or a complex topic that would otherwise be hard for customers to understand. This can make content easier to read or more palatable to a certain type of customer.

- Train an LLM—like Meta’s LLaMA or GPT-NeoX-20B—that’s unique to the company’s domain-specific data and provide it to customers as a chat interface where they can get specific answers from the company’s knowledge base.

Example Use Cases:

Arm Holdings applied Acrolinx to refresh its outdated and dense technical manuals with AI and NLP. Among the benefits: There was no guidance on how to present code in manuals—which can be up to 6,000 pages long. Now Arm’s 70+ technical writers publish manuals in multiple languages that are easy to read, consistent in style and tone, and SEO optimized—resulting in improved customer self-service.

BrandMuscle uses GenAI to encourage the purchase of additional items at checkout. A beverage alcohol client of the firm reported a 70% order completion rate with the added personalized recommended item in the cart and an average 15% higher cart value.

Turn satisfied customers into brand advocates

GenAI can help build long-term loyalty, drive recurring revenue growth, and affordably turn loyal customers into advocates.

Customer facing:

- Encourage customers to provide positive reviews, share user-generated content, and offer engaging social media content that fosters brand loyalty. Deliver personalized experiences that exceed customer expectations.
- Offer personalized referral incentives by skimming product reviews or customer service conversations. Identify and reward loyal customers who are likely to recommend their brand to friends and family.
- Foster a better connection. Three-quarters of marketers believe AI tools can help promote a stronger CX because of the ability to create personalized content, per Sitecore.

Behind the scenes:

- Capture and analyze chatbot conversations and sentiment patterns for continuous improvements. Immediately mitigate poor customer experiences with personalized solutions—a meal voucher via an apology email or text message after a delayed flight, for instance.
- Create text and video case studies and client testimonials. Automatically alert customer success teams about positive engagements via email and social media so they can reward these happy customers.
- Positively influence the relationship with customers. Almost three-quarters of marketers said AI will bring them closer to their desired CX because it can help them more fully understand customer needs, per Sitecore.

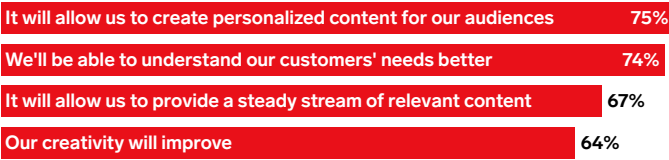
Example Use Cases:

Coca-Cola launched an AI platform with DALL-E 2 and GPT-4 for a “Create Real Magic” contest, in which artists generated original works using Coke brand assets for the chance to be featured on Coke’s digital billboards in Times Square and Piccadilly Circus.

An early-stage B2B software as a service (SaaS) client of **Rippler Group** uses HubSpot’s ChatSpot.ai to analyze data and signals, identifying customers with high satisfaction and engagement levels. The chatbot reaches out to those customers, collects success stories, and uses Writer (GenAI for businesses) to create compelling case studies and testimonials.

Spotify uses GenAI to create personalized playlists for customers based on listening habits and preferences. Regular updates keep users engaged. Customers share playlists on social media—turning loyal customers into brand advocates.

How Will GenAI Help Companies Improve the Customer Experience?
% of respondents, March 2023



Note: n=390
Source: Sitecore, "AI & Composable Marketing Software Survey," May 9, 2023
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How can marketers and CX leaders capitalize on GenAI?

Change and adaptation are key as the technology rapidly evolves. To keep up, marketing and CX leaders should do the following:

- **Keep business objectives in mind.** By monitoring and measuring how GenAI applications perform across the customer life cycle, brands can be sure to design experiences that meet the needs of customers and achieve business objectives and growth rates.
- **Provide guidelines for human oversight.** GenAI still has a long way to go to ensure accuracy, attribution, and emotion. In customer support, GenAI outputs may not respond appropriately to complex situations, provide empathy, or incorporate specific domain knowledge.
- **Foster a culture of innovation and invest in training.** Encourage experimentation to help promote new GenAI applications. Help employees develop AI skills and knowledge, including effective prompts and context and data analysis techniques.
- **Consider ethical implications and monitor the regulatory landscape.** Ensure data privacy and security concerns are addressed and that algorithms are developed to be unbiased. Ensure compliance with all relevant regulations and privacy laws.

Glossary:

Generative AI (GenAI): A type of AI that uses deep learning models that can take raw data and “learn” to generate statistically probable outputs when prompted. GenAI can produce a wide variety of content, such as text, code, images, videos, and audio.

Large language model (LLM): A type of AI algorithm that uses deep learning techniques and massively large data sets to understand, summarize, generate, and predict new content. LLMs are a type of GenAI that is specifically trained to help generate text-based content.

Machine learning (ML): An application of AI that uses mathematical models of data to learn, analyze, and interpret data without direct instruction or programming. This enables a computer system to develop its intelligence by continuing to learn and improve on its own, based on experience.

Natural language processing (NLP): A branch of AI that enables computers to understand, interpret, and respond to human language. It includes subsets like natural language generation and natural language understanding and has applications in both text-based and voice-based interpretation.

Insider Intelligence Interviews

Insider Intelligence and eMarketer research is based on the idea that multiple sources and a variety of perspectives lead to better analysis. Our interview outreach strategy for our reports is to target specific companies and roles within those companies in order to get a cross-section of businesses across sectors, size, and legacy. We also look to interview sources from diverse backgrounds in order to reflect a mix of experiences and perspectives that help strengthen our analysis. The people we interview for our reports are asked because their expertise helps to clarify, illustrate, or elaborate upon the data and assertions in a report.

Assaf Baciú

COO and Co-Founder

Persado

Interviewed April 18, 2023

Helen Baptist

Chief Strategy and Market Officer

BrandMuscle

Interviewed May 11, 2023

Michael Brenner

CEO and CMO Influencer

Marketing Insider Group

Interviewed May 2, 2023

Jordan Feise

Senior Director of Content and Brand

BrandMuscle

Interviewed May 11, 2023

Neha Goel

Co-Founder and Fractional CMO

Rippler Group

Interviewed May 15, 2023

Kate Hammit

CMO

SplashThat

Interviewed April 17, 2023

Greg Kihlstrom

Principal and Chief Strategist

GK5A

Interviewed April 6, 2023

Bryan Kirschner

VP, Strategy

DataStax

Interviewed April 21, 2023

Marc Mandel

VP, North American Sales and Account Management

QuestionPro

Interviewed April 6, 2023

James Morse

SVP and Head of Product

BrandMuscle

Interviewed May 11, 2023

Drew Neisser

Founder and CEO

Renegade

Interviewed May 11, 2023

Christopher Penn

Co-Founder and Chief Data Scientist

Trust Insights

Interviewed May 4, 2023

Bill Staikos

SVP and Executive Advisory

Medallia

Interviewed April 20, 2023

Christopher P. Willis

CMO and Chief Pipeline Officer

Acrolinx

Interviewed May 12, 2023

Helen Yu

Member, Board of Directors

Keenfolks

Interviewed May 3, 2023

Read Next

[ChatGPT and Generative AI in Content Marketing: Reality, Hype, What's Next, and How to Prepare](#)

[ChatGPT and Generative AI for Social Media Marketing: Reality, Hype, What's Next, and How to Prepare](#)

[Search Ad Spending Forecast and Trends H1 2023: ChatGPT and Social Search Will Disrupt Market Dynamics](#)

Sources

[Aira](#)

[Ascend2](#)

[Botco.ai](#)

[Oracle](#)

[Persado](#)

[Sitecore](#)

[Twilio](#)

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