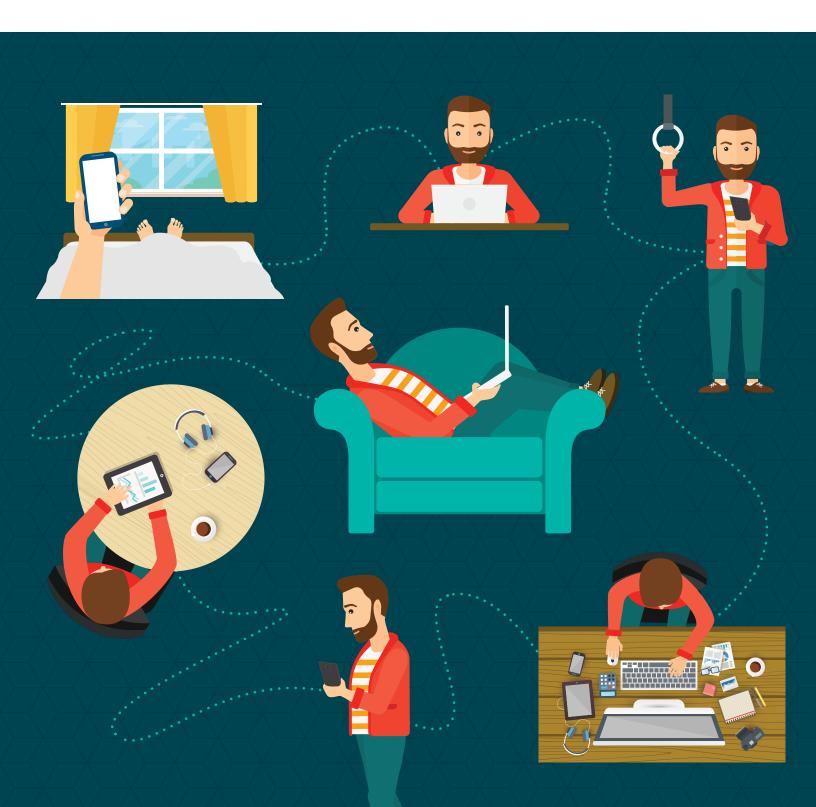


AI AND THE CUSTOMER EXPERIENCE



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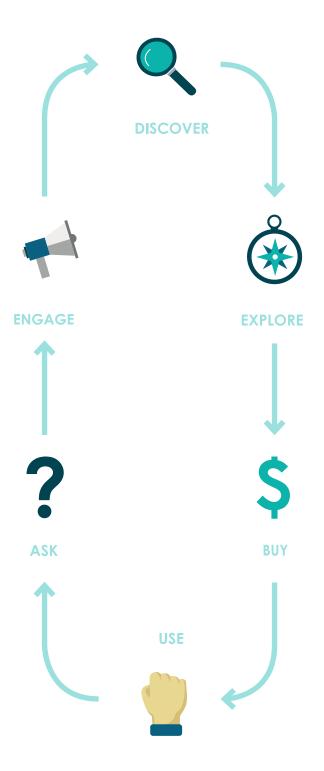
By using AI to cut through the noise that clutters every user's digital experience, you'll show your customers that you value their time and comfort just as much as you value their business.

>// Introduction

We all know that the journey is more important than the destination, and that rings as true in marketing as it does anywhere else. For marketers, more important than the eventual purchase of a product or service is the journey that takes customers to the checkout line: from the ads that made them aware of the product, to the store that stocked it, and even to the rewards program they signed up for after purchasing. The story of that journey will help marketers repeat their success with one customer with thousands more in future campaigns.

But as technology advances, that journey is coming to span across hundreds of additional destinations, making it far harder to analyze. Consumers are engaging with brands across more channels, devices, and social media platforms than ever before — and marketing organizations hoping to gain insights from their behavior are being left in the dust.

The customer experience exists in stages, and if your company wants to gain consumers' trust and patronage, then you need to optimize each stage of their journey. That doesn't just mean raising awareness about your brand — watching a commercial for your product is a far cry from buying it. Awareness, impressions, purchases, shipping, questions, returns; all of these touchpoints represent key parts of the customer experience. If you neglect even one of these steps, the consumer's journey is more than likely to end there.



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Average number of hours adults spend watching video content (eMarketer)

Number of times the average mobile user touches their screen (Dscout)

145

2,617

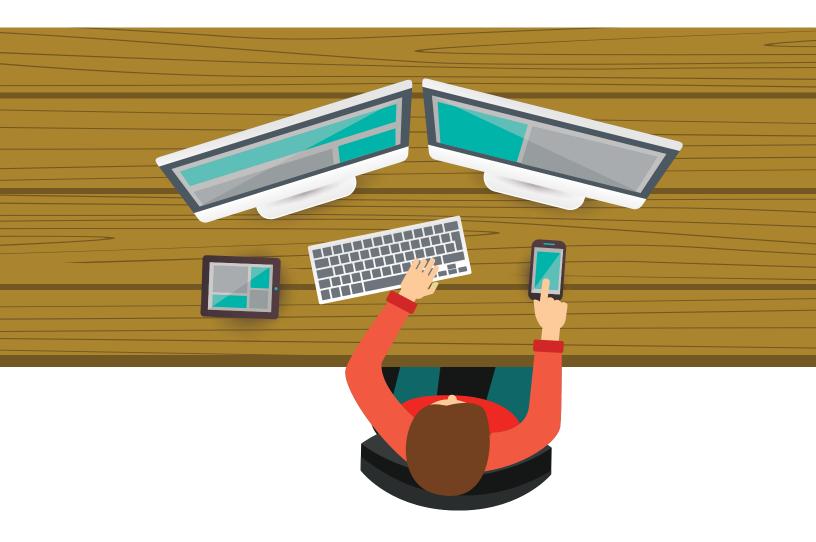
Number of minutes the average mobile user spends looking at their phones (Dscout)

As digital marketing begins to overtake more traditional forms of outreach, tending to the customer journey increasingly depends on the creation of engaging digital experiences (DX). According to a **Dscout research study**¹, on average, mobile users touch their phones 2,617 times per day, though that number can get as high as 5,400 for some users. Another eMarketer study² shows that U.S. adults spend more than five hours each day watching video content on computers, televisions, game consoles, and other connected devices. DX is all about working across these media and devices to create a coherent, exciting path to purchase for digital consumers. Unfortunately, marketers are competing in an incredibly overcrowded digital space. Consumers are being bombarded with thousands of impersonal ads, creating unprecedented levels of noise that sour the customer experience and hurt companies' chances of winning over, or even being remembered by, potential clients. That's why a focus on developing quality digital experiences is so important — but before marketers can form a strong strategy around DX, you need a good sense of the obstacles between them and your target audience's attention.

¹ Winnick, M. (2016, June 16). Putting a Finger on Our Phone Obsession - Dscout. https://blog.dscout.com/mobile-touches

² eMarketer (2015, April 16). US Adults Spend 5.5 Hours with Video Content Each Day - eMarketer. https://www.emarketer. com/Article/US-Adults-Spend-55-Hours-with-Video-Content-Each-Day/1012362

>// The Challenge of Creating Digital Experiences



Digital experience refers not to one touchpoint, but to how a given customer perceives your brand through all of its digital touchpoints — including ad campaigns, the company's website, mobile app, third-party reviews, text confirmations, etc. — in the context of their specific digital environment. That means that marketers cannot act as though customers will experience your brand in a vacuum, but rather, must anticipate the overwhelming and distracting online environment in which users will engage with your content. Defining your brand's approach to DX will require your marketing team to answer some difficult questions:

- How many journeys/customers do you need to service and support today?
- How often should you advertise to them and through which channels/devices?
- What content will drive meaningful connections with your customers?
- Do you need to invest in more content and technologies? How about more people?
- What's the relationship between DX and business growth?
- Perhaps most importantly, how will you overcome the inherent challenges involved in tracking customer journeys across today's complex digital media landscape?

FACTORS COMPLICATING DX

First and most fundamentally, there is more competition than ever for consumers' attention, and people are only getting more tired of ads. A recent Forrester webinar³ states that the average consumer watches more than 17 hours of video a week, much of which is monetized through ad displays. Consuming so much content so regularly leaves very little room for one advertiser out of the hundreds introduced to a user in just one week to leave a lasting impression.



Next is the problem of irrelevant content in digital marketing. Those consumers you are able to reach are used to being flooded with interactions that are impersonal, irrelevant, or degrading their interest and trust in online campaigns generally. Despite the fact that more data on consumer behavior exists today than ever before, marketers are failing to fully leverage it, creating generic interactions rather than truly personalized ones that speak to consumers on a 1:1 level. Irrelevant experiences not only represent lost opportunities — they create a negative impression, priming the user to believe the brand itself is irrelevant to their interests.

³ Majewski, B. (2016, June 16). Predictions 2017: The Dawn Of 'Less Is More' In Marketing - Forrester. https://www.forrester.com/ report/Predictions+2017+The+Dawn+Of+Less+Is+More+In+Marketing/-/E-RES136277

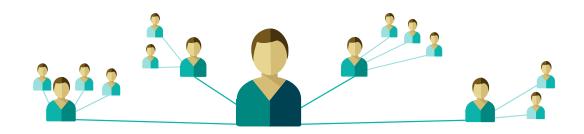
Finally, the sheer number of channels on which consumers experience branded content makes it difficult to predict and measure a campaign's performance. However well-versed your data analyst may be, it isn't humanly possible for him or her to collect, track, and analyze the millions of data points it would take to consistently identify specific user journeys across an equally daunting number of channels and touchpoints. And with most marketing departments working in silos, with teams isolated from one another by their dedication to specific marketing channels, it's nearly impossible to get that big picture view of customer journeys that span across multiple media.



THE PATH FORWARD

Creating seamless digital experiences across every customer touchpoint will require marketing departments to abandon this siloed approach in favor of a holistic one that centers on people, not the media channels they use. It's no longer enough to have a strong website, or a social media presence, or even banner ad placements on relevant websites — the goal is to have all of these things appear in the right order for the right customers to create a meaningful experience that isn't overwhelming or intrusive. Artificial intelligence will be critical in overcoming the difficulties noted above, helping to dissolve the silos within marketing organizations, target users with messaging that is actually relevant to them, and do so in a way that breaks through the overwhelming noise created by digital media. Al platforms will be able to track campaign performance and user journeys across channels, liberating your marketers from silos to focus on the diverse needs and wants of your customer base. Through a combination of advanced new technology and unleashed human potential, marketers will shift their focus away from bombarding users with ads in as many places as possible and towards sophisticated, highly targeted, rich digital experiences.

>// How Digital Fits Into the Customer Journey



While digital experiences are becoming increasingly critical to driving revenue, they are far from the be-all and end-all of the customer journey. These paths to purchase are often complicated, and span across both digital and nondigital channels. It's therefore critical that we outline the very general concept of the customer journey and explain how we feel the digital experience fits into it.

As we said in the beginning, a customer's journey follows a number of touchpoints, moving him from awareness to engagement to purchase. This journey is highly variable depending on the product or service being sold and the channels by which it is delivered, as well as the individual consumer's personality and behavior. However, generally it can be said to include:

- Driving awareness through advertising and marketing
- Engagement with the purchasing interface
- **Delivery** and use of the product
- Follow-up experiences like asking questions or making comments about experience with said product

Advertising is chiefly deployed during the initial "awareness" stage of the customer experience, as well as the re-engagement (upsell/cross-sell phase) priming the user to associate that brand with whatever need or problem it promises to satisfy or solve. But thanks to digital technology, data from later stages of the customer journey can now be tracked, analyzed, and used towards future marketing campaigns. For example, a customer's previous experience with your product might influence the campaigns with which you target them later, or how you target users with similar characteristics and behaviors.

Digital technology has greatly complicated the concept of customer journeys, leading to an overtaxing of the consumer's attention span and creating dozens more potential paths between a user's initial awareness of a brand and their eventual purchase. However, artificial intelligence has the potential to resolve these complexities by tracking interactions with multiple media and devices over the course of the entire customer journey, forming a feedback loop that results in progressively more effective, relevant campaigns.

>// The Powers, and Risks, of Al-Driven Experiences

Artificial intelligence is becoming more readily available to marketing teams, and is already being deployed in a variety of interesting and innovative ways. But as with any new technology, there also exists a tendency to use AI for its own sake, rather than to solve a substantive problem faced by consumers. When the technology is deployed incorrectly like this, the result is a product that promises more than it can deliver, disappointing users and negatively impacting your brand.

A Forrester white paper, titled "Customer Experience Pros: Keep the Al Bandwagon From Getting Off

Track⁴," cites the example of Amazon's AI assistant Alexa. Though the smart home technology is increasingly popular, Alexa was also found to feature many "skills" or features that were of little to no use to the average user, such as "Shakespeare Insults" or "Elf Name Generator." Other examples of ineffective AI-enabled interfaces or chatbots fail to anticipate the needs of users by deleting past interactions with users or requiring that inquiries be phrased a certain way before answering them. "As AI platform makers release developer kits, the danger is that engineers might build experiences that are more pleasing to them than actual customers."

The AI deployments in these examples harm the digital experience by setting high expectations that only make the sales process more frustrating, and they happen because the designers fail to keep the consumer in mind. The key is to understand the fundamental capabilities of AI, then to put those capabilities

towards an explicitly consumer-centric purpose.



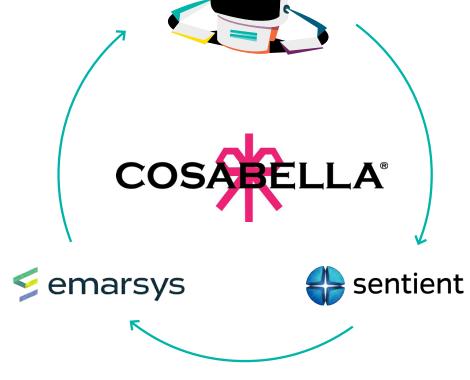
⁴ Keitt, T. & Koplowitz, R. (2017, April 18). Customer Experience Pros: Keep The AI Bandwagon From Getting Off Track - Forrester. https://www.forrester.com/report/Customer+Experience+Pros+Keep-+The+AI+Bandwagon+From+Getting+Off+Track/-/E-RES137862

DEPLOYING AI INTELLIGENTLY

There is no one, perfect way to deploy AI within your tech stack — rather, your strategy should depend on your company's available resources and the specific goals it hopes to accomplish. Regardless of your company's budget, size, or industry, however, AI can achieve astonishing results in terms of increased sales, ROAS, and traffic — provided that it's deployed intelligently and through the right vendors.

For example, when the Italian lingerie brand Cosabella sought to better align itself with an increasingly digital media environment, the task ahead of it seemed almost impossible. How could a small family company without its own staff of engineers reliably capture, analyze, and capitalize on the tremendous volumes of consumer data available on its customers around the world? At the OMMA LA 2017 conference, Cosabella CEO Guido Campello recounted⁵ that his company "started realizing it doesn't matter how much we pay an agency, doesn't matter how much we try to do ourselves there's just too much information out there."

Campello and his team resolved to adopt a three-pronged approach to their company's transformation, one that included an internal structure review, a brand review, and a commitment to seeking top technology partners. The result was a marketing tech stack that relied primarily on three Al vendors: Emarsys for creating highly personalized email campaigns, Sentient for A/B testing and optimizing the digital shopping experience, and Albert[™] for autonomous media buying, market research, and proactive creative insights.



Albert

- UStream. http://www.ustream.tv/recorded/105927275

⁵ OMMA (2017, August). Cosabella's Astonishing Al Transformation

Cosabella quickly discovered that Albert, the first marketing platform built from the ground up on artificial intelligence, could do what its relatively limited in-house analytics team could not. Utilizing Al allowed Cosabella to quickly identify emerging user behavior across channels like social media and paid search, behavior that Albert was able to analyze, draw insights from, then autonomously act upon. Albert discovered a previously nonexistent audience in Germany, for instance, that now drives half as much direct volume as Cosabella gets from its number-one audience in the U.S.

"There are [many] AI companies, but it's important to distinguish between those that just offer insights and those that actually execute."

-- Marketing Director at Cosabella

Perhaps most importantly, AI has empowered Cosabella to target these and other audiences with messaging that's truly relevant to them. Albert tests thousands of variables to identify the right creative material to deliver to the right audience at the right time; once that occurs, Sentient is able to deliver a personalized shopping experience based on the insights delivered by Albert; finally, Emarsys works to retain those customers by using the same user insights to offer them targeted promotions at various times after their purchase. The triage of all three AI platforms effectively optimizes the digital experience for each user. Besides achieving a 155% increase in revenue and 336% increase in ROAS, Cosabella's Al transformation has liberated its marketing team to refocus its energies on creative work.

"Albert has been able to put together content in ways we never could," Campello says. "We're able to free ourselves and be creative, go back to doing things like doing more private label work for a great partner as opposed to looking at content decks."

Rather than aiming for a flashy consumer-facing AI feature that did little to actually improve the customer's experience, Cosabella opted to use AI behind the scenes, showing the customer material that would actually appeal to them without ever making itself noticed.

>// Conclusion



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Changes coming to the world of marketing will demand a quality-over-quantity approach to digital marketing that desaturates the ad landscape and forces brands to create personalized, cross-channel experiences that make the ads they do release count. It will be up to marketers to create higherquality content, but AI will be instrumental in doing the cross-channel targeting necessary to provide truly personalized digital experiences.

Al marketing technologies like Albert launch datadriven, targeted, individualized campaigns to enhance digital experiences across all stages of the consumer's journey. By using Al to cut through the noise that clutters every user's digital experience, you'll show your customers that you value their time and comfort just as much as you value their business.

>// About Albert[™]

Albert is the first-ever fully autonomous artificial intelligence digital marketer, driving digital marketing campaigns from start to finish for some of the world's leading brands. Albert's mission is to liberate businesses from the complexities of digital marketing—not just by replicating their existing efforts, but by executing them at a pace and scale not previously possible. He serves as a highly intelligent and sophisticated member of brands' marketing teams, wading through mass amounts of data, converting this data into insights, and autonomously acting on these insights, across channels, devices and formats, in real time. This eliminates the manual and time-consuming tasks that currently limit the effectiveness and results of modern digital advertising and marketing. Brands such as Harley Davidson, EVISU, Cosabella, The Big Red Group, and Dole Asia credit Albert with significantly increased sales, an accelerated path to revenue, the ability to make more informed investment decisions, and reduced operational costs. Visit albert.ai.

