

How Artificial Intelligence Will Change Marketing

Artificial intelligence is changing writing in schools, artificial intelligence will take away jobs, and artificial intelligence poses a threat to mankind. Artificial intelligence seems to be a new, intimidatingly conscious system like ChatGPT. But despite only recently gaining the media's spotlight, AI has been around for a long time and will stay around for a long time. AI is not only present in social media recommendation algorithms but across the web – although it's not always as obvious as a chatbot in your Snapchat. Artificial intelligence is everywhere. It not only impacts our daily lives but entire industries. In an analysis done by McKinsey in 2018, marketing was found to be the domain most impacted by AI. Artificial intelligence will affect the marketing industry by streamlining processes and aiding in generating personalized data.

According to the Harvard Business Review, there are two ways artificial intelligence can be categorized: intelligence and dependence. Intelligence can be broken down into automation and machine learning. AI automation performs repetitive tasks that aren't challenging but are a nuisance for marketers to complete. These range from welcome messages upon opening an app, or a device's notifications regarding an update. At the other end of the spectrum is machine learning. AI can analyze large swaths of data and learn from them to make decisions on their own; the most famous example is ChatGPT. ChatGPT uses content from the internet to learn the format and language of essays, then uses that knowledge to spit out an essay when prompted to do so.

Artificial intelligence also differs in dependence; they are either a separate program or an integrated program. AI programs that are separate from their primary channel – a company’s official page, or an official app – require a unique trip to use the AI. This means a user will need to go to a different website. Integrated applications are less visible and are built into the platform. An instance of this is YouTube’s video recommendation system. A user is recommended videos selected by AI on their YouTube home screen and doesn’t need to venture out of the app or website.

In the past, businesses would pay a fortune for ads in newspapers, TV channels, or on the radio. Despite the enormous investment, businesses wouldn’t be guaranteed to reach people who were interested in their product, and the entire process was inefficient and wasteful. Now, AI can work out what people are potential customers, and what content those customers are interested in.

To find customers among a tremendous amount of internet users, vast quantities of data are gathered every day on millions of people. With a constant flood of information, it can be difficult for marketers to analyze the data – or even determine what data is accurate and worth interpreting. Artificial intelligence analyzes this data faster than any human. Once adequately trained, AI can use machine learning to come to conclusions about the data without human assistance. This saves both time and money.

Not only can AI find a company's customers, but it can target those customers on its own with emails and ads. This includes finding images and creating text. The result of this is a revolution in marketing: personalization. Personalization has been proven to drive sales up by around 80%. When the financial services brand Genworth used AI to create emails, they achieved 98% email deliverability. Other companies like eBay and Sephora have also been using AI since 2016 and 2017 respectively.

An example of personalization in platforms is Netflix. Netflix uses artificial intelligence machine learning to create personalized artwork for their shows. Artificial intelligence can analyze a person's watch history and come to conclusions about that person's interests, then tailor displays for them. For instance, if a user watches many romantic movies Netflix may use an artwork of a couple for a movie's display.

Artificial intelligence isn't all sunshine and rainbows. There are a few major concerns with the use of artificial intelligence including bias, privacy, cost, and difficulty using.

Because artificial intelligence uses machine learning, it needs a large base of quality data to learn from, and if a problem exists in the data the AI can develop errors in its judgment. This will lead to numerous errors and inevitable bias in the decisions it makes. In addition, along with the rise in online data collection, there has been a rise in legislation on how to use, collect, and store data. AI may not be aware of those laws. As a result, artificial intelligence can collect data or use data that isn't legally allowed to be used.

One of the greatest barriers to artificial intelligence is the cost that comes with cutting-edge artificial intelligence technology. Many smaller companies lack the budget for such a huge investment. There is also a new realm of functions and issues that come with using AI, and to manage it properly companies need skilled and knowledgeable employees.

Artificial intelligence has been an add-on to marketing for a very long time and is now becoming an essential component of any campaign. According to the IDC – the international data corporation – spending on AI will reach around 97 billion this year. But what will happen to marketers when AI can do work faster than humans can keep up with? Adobe says that AI is expected to enhance marketing activities, rather than replace them. Despite their ability to segment audiences and create content, marketing relies on a human connection with consumers – something AI can't replicate.

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