

How to Lead Your Boss to AI Marketing

A Guide to Advocating AI Marketing Adoption



Introduction

As a modern marketer, you're always looking for ways to improve your efficiency at work, especially in the form of software that makes some part of your job easier. You've likely heard a lot lately about AI in marketing and how it promises to do just that – and more, of course. In fact, it's pretty hard to avoid the topic of AI and all the ways it is destined to change marketing as we know it. You may already know that companies who have adopted AI boast about the results: increased conversions, engagement, and a host of other metrics. With such decisive evidence, everybody must be aware of AI and clearly sees its business potential, right?

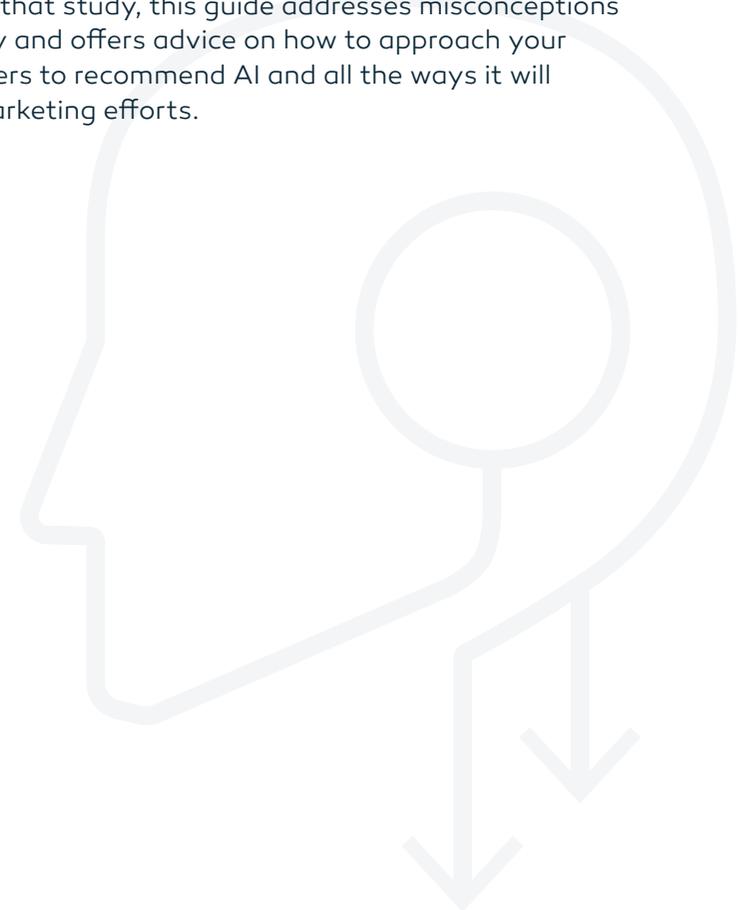
Then you go to your Chief Marketing Officer to strike up an informal conversation where you can strategically recommend the technology, and it starts off great – your CMO is well aware of AI and what it could do for the business. You're thinking, "What luck! I might not have to put up much of an argument."

Then your CMO says, "But you're not a data scientist, and we're not equipped to hire one. We just don't have the technical skill we would need to inject something as advanced as AI into our marketing efforts."

Well, she's right about one thing. You're not a data scientist, but what your CMO doesn't know is that you don't need to be one. AI-powered marketing makes it possible to leave the data aggregation and deep analysis to the machine and empowers the human marketer to make strategic choices about the best ways to act on the data.

With so many AI solutions already available, and all the ways we can benefit from them publicly known, why does your CMO still resist adoption? And what can you do about it? We've seen the rise of this technology for some time now, so why isn't everyone ready for AI?

Emarsys commissioned Forrester Consulting to conduct a survey of 717 business leaders and decision makers on how ready they are to take on AI. Based on that study, this guide addresses misconceptions about the technology and offers advice on how to approach your VPs and C-level leaders to recommend AI and all the ways it will revolutionize your marketing efforts.





No Technological Expertise Required

We think one of the most striking findings in the Forrester study is that C-suiters and decision makers have an overly complicated view of AI based on little to no evidence. While the end users believe they can master new marketing technology – just 29% feel they lack the necessary technical skills – more than 70% of business decision makers say their staff doesn't have the technical skills required to leverage AI.

This divided view hinders the ability of many businesses to adopt AI and reap the benefits. In fact, 65% of retailers express concern over their ability to keep up with today's fast-moving customers and complex cross-channel customer relationships.

As Joshua-Michèle Ross from SYPartners points out: "AI doesn't have a clear definition for a lot of CEOs yet. It's still a really broad category—just as 'digital' is."¹

Without that accurate understanding of all the ways AI improves your marketing team's ability to strategize and execute campaigns, C-level bosses will swiftly turn toward other responsibilities with more clearly defined goals.

Keeping this technical ignorance in mind, avoid discussing how the tech works with your boss and focus instead on how AI software will impact marketers, essentially freeing you up to do more strategic thinking while the machine takes care of the data science.

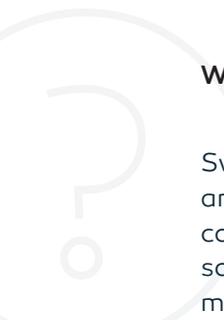
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¹ "How Are Executives Thinking About the Impact of AI on Their People and Businesses?", SYPartners, June 21, 2017



What Is the C-Suite Afraid of?

Switching over to an AI strategy is a big – and necessary – decision, and any time a company implements and integrates new software, the experience can range from merely challenging to heart-attack scary. Retailers know how difficult it is to effectively manage complex omnichannel customer relationships, but these challenges are compounded by how leaders misperceive the adoption of AI, specifically breaking down like so in the Forrester study:

#5 fear: 63% of surveyed companies don't think they can find a compatible technology and service provider to support an AI marketing strategy.

#4 fear: 64% firmly believe that AI technologies are designed for data scientists and do not offer marketer-friendly features.

#3 fear: 65% said they do not have the product management skills required for managing the ongoing and incremental innovation of AI marketing.

#2 fear: 65% see AI as an overly complex proposal that may not merge well with inflexible business processes.

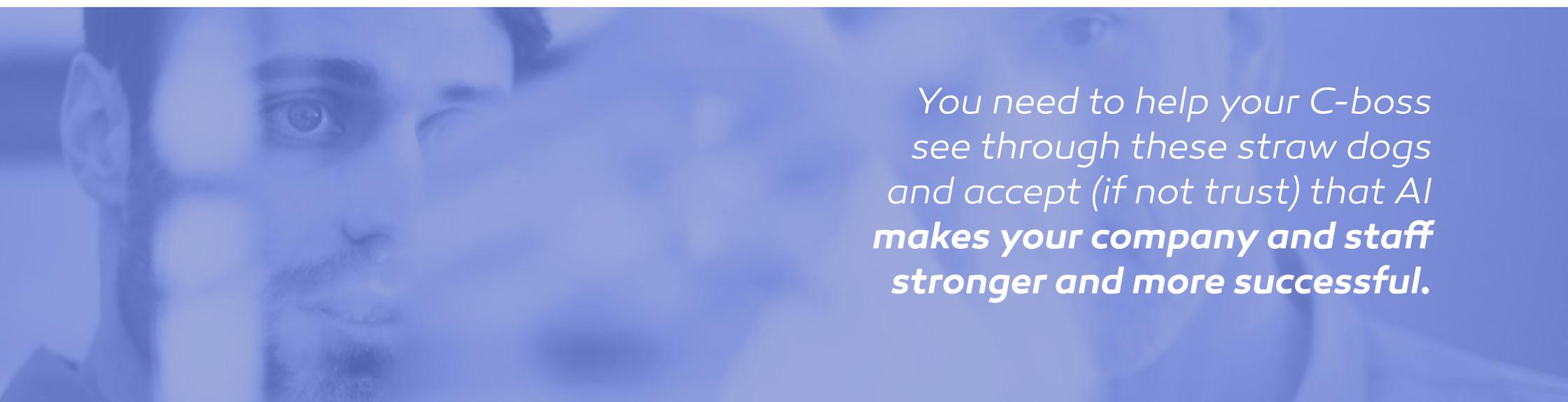
#1 fear: 66% see a lack of technical skills among internal staff as the biggest barrier to AI adoption.

Each of these fears turns out to be misguided and based on an inaccurate perception of AI from a distance.

Reliable SaaS providers, like Emarsys, are out there, but you have to wade through a number of point solutions, many of which will not fully integrate with your platform or the third-party vendors you use.

In any case, fearing that AI will not merge well with current processes is a particularly hollow argument, because any business process that gets in the way of revenue growth, market share, or customer engagement needs to be overhauled or done away with.

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A Matter of Trust

If we can't understand how the machine works, then we don't trust what people say the machine is actually doing. Likewise, if your boss doesn't have a solid source of information that she has relied on before, she is more likely to be skeptical about what people claim AI can do.

The catch here is that the details of AI technology don't need to be understood to be implemented and benefited from. How many of us fully comprehend how our car engines function? And yet we get into our cars and drive every day.

The big difference between cars and AI is this: AI doesn't wear out, and it can teach itself to solve some of its own problems based on pattern recognition. As a marketer, mastering AI software is not your greatest hurdle. It's educating your boss about what AI can do for the bottom line and the entire marketing team.

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AI Drives Revenue Up and Costs Down

A C-level leader will be hesitant to consider a technology if it has no discernible contribution to the company's bottom line. So rather than overwhelming her with figures and the preponderance of evidence or continuously citing Amazon as the lead to follow, focus instead on how AI will impact marketers, that it will make them work more efficiently, decrease costs (services and third parties) and, most importantly, drive revenue growth.

In the Forrester study, the #1 objective that surveyed businesses want to achieve with AI is increased revenue, and AI marketing provides different ways to do this.

For example, customer retention plays a large role in increasing revenue growth, and AI makes it possible to engage existing customers in more meaningful ways than ever before. If a company can increase its retention rate by as little as 5%, profits can increase by anywhere from 25% to 95%.²

When Cosabella, a recent Emarsys client, implemented AI marketing technology, the company quickly saw their CTR rise to 6% (more than twice their former rate) and a miraculous 60% increase in email revenue.³

Cosabella Marketing Director Courtney Connell was excited by how fast the software delivered results, stating, "We're already saving time using programs like Emarsys in doing things on a daily basis, and that frees my team up... They're able to be more creative... Ultimately that leads to a more fulfilling life for the people that work for Cosabella, but I also feel like that passion pushes directly through to the consumers. They can really feel good about buying our brand."

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² "Customer Acquisition vs. Retention" infographic, Sailthru, Inc., March 10, 2016

³ "How Cosabella Increased Revenue by 60%," Emarsys, February 8, 2017

The Revival of Strategic and Creative Marketing

AI allows the marketer to focus on value-generating strategy and creative development rather than time-consuming tasks a machine can do faster. This increases the quality of campaigns, as AI is the difference between scrambling to send out 10,000 one-to-many emails, and taking the time to focus only on creating strategic content that the machine can personalize and deliver to each person through the optimal channel (for them) at just the right moment. That's true 1:1 personalization – at scale.

Shanon Kogler, Head of Communications at Cosabella, puts it this way, "If a computer can do something that can save time for a marketing team, enabling more creative energy to be focused on strategy and things the team feels passionate about, then every company should want to do that."

The Forrester study breaks respondents down into four groups (experts, opportunists, novices, and laggards) according to how far along each company is in adopting AI. One of the more noticeable takeaways here is that experts (those farthest along on the AI path) responded far more ecstatically than the other three groups in terms of how they

see AI transforming marketing — from 10% to as much as 27% higher than the next closest groups.

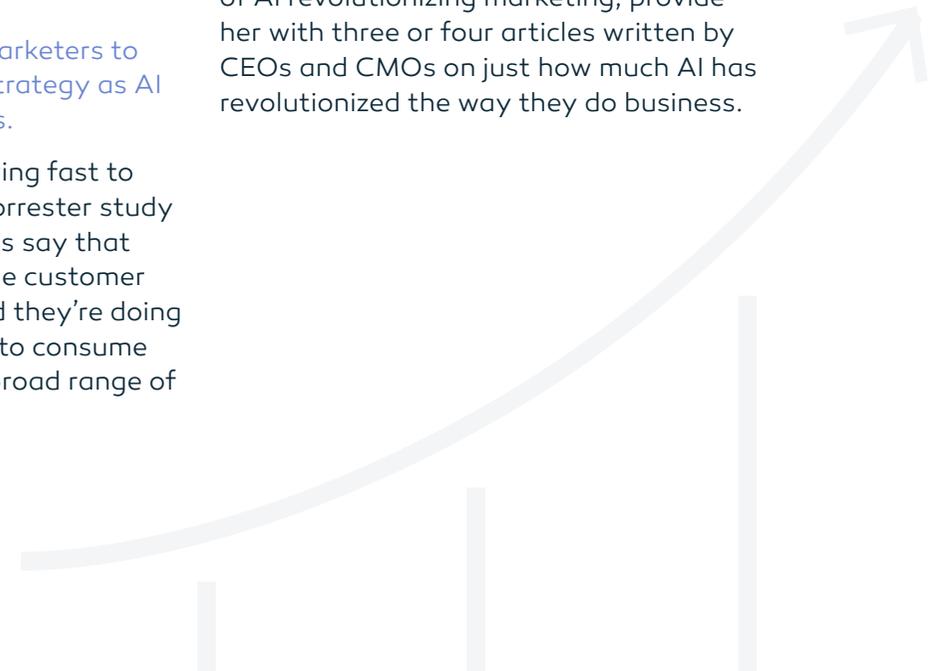
Overall, the study shows AI has an optimistic buzz within the marketing industry:

- 79% of surveyed companies believe AI technology will shift the role of marketing towards more strategic work, such as granular audience segmentation, product innovation, and more accurate incentives.
- 86% believe that AI will make marketing teams more efficient and more effective in their customer interactions.
- 82% believe AI will enable marketers to focus on value-generating strategy as AI automates time-costly tasks.

The leading companies are moving fast to implement and optimize. The Forrester study shows that already 52% of firms say that they're able to manage real-time customer interactions with the brand, and they're doing it with AI and its built-in ability to consume real-time data at scale from a broad range of sources.

We think perhaps the most stunning finding of the survey is that most marketing firms agree or strongly agree that AI will reinvent the retail industry (88%) and dramatically change what their companies do (81%).

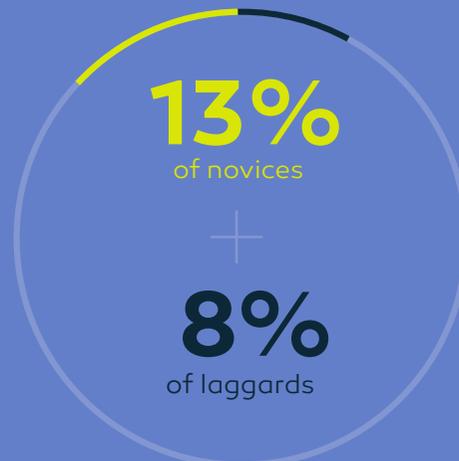
These numbers aren't pulled out of thin air or based on opinions. The experts and opportunists have objective, airtight reasons for believing in such lofty possibilities: they've implemented AI and are already seeing growth and transformation in their marketing teams. If your C-suiter is reluctant to put much stock in the wild claims of AI revolutionizing marketing, provide her with three or four articles written by CEOs and CMOs on just how much AI has revolutionized the way they do business.





consider themselves the fastest-growing organizations in their industry

VS.



who feel the same, strongly suggesting that companies that mature and follow through on their AI marketing strategy are better able to leverage the latest technologies

AI Supports Company Objectives

Another intriguing fact shown in the study is that 49% of experts and 33% of opportunists consider themselves the fastest-growing organizations in their industry, compared to just 13% of novices and 8% of laggards, who feel the same, strongly suggesting that companies that mature and follow through on their AI marketing strategy are better able to leverage the latest technologies to gain performance boosts and establish a competitive advantage.

In an already competitive retail landscape, companies that can build unique selling propositions with significant differentiation through customer engagement are better positioned to keep their customers coming back.

Out of the 717 retail and e-commerce decision makers surveyed in the Forrester study, 62% see their AI marketing initiatives as part of a broader business transformation initiative.

With 78% of the polled organizations projecting their spending on AI marketing technologies will increase over the next 12 months by 5% or more and the majority of surveyed companies planning to implement AI over the next 6 to 12 months, AI has undeniably arrived and will be central to retail and e-commerce core initiatives.

Any time you can introduce a technology that makes your marketers more efficient, you are laying a foundation for meeting big-picture company objectives, and a CEO or CMO should be emphatically open to new solutions.

Try these talking points when you talk to your boss about AI and company-wide objectives:

- Take a challenge your company faces and talk about how AI will address that challenge.
- Talk about how AI will meet business goals, especially the ones that require enormous amounts of data.
- Frame the issue with something your C-boss is interested in, like improving the customer experience, conversion increases, or internal cost reduction. Perhaps even engage her with questions about her own experiences as a customer.

The Clear and Present AI Challenge

The challenge to focus on is no longer whether we should adopt AI. That's already an industry reality. The big challenge a C-level boss should face is how will you compete without AI?

Ohad Hecht, CEO at Emarsys, spells it out simply, "The path is clear: innovate faster, develop more products, acquire more clients,

increase your TAM, expand into more territories, and take over the competition. If you don't do it, someone else will. At that point, it's either game over, or forever being labelled a 'me too' company. The bottom line is that media and investors reward companies that grow fast."

Recommend an AI pilot program or, at the very least, suggest some initial testing to see the difference between the old way and what AI can do. Then further refine your process and build it around your AI strategies.

Conclusion

There is no downside to adopting AI, unless you have to hire third parties who aren't fully integrated with the rest of your platform. Then you've got a "bought, not built" solution that can't give you all the functionality that AI has to offer.

But that's not the worst conclusion you could come to. That category would be reserved for doing nothing at all and resisting AI despite all the evidence we've seen from the companies who have piloted, implemented and expanded their AI solutions.

As you make your closing argument, focus on the intangible improvements AI brings with it: your company most likely has all the marketing talent you need in terms of staff, but that talent needs

to be optimized through AI so that a marketer's time is spent on strategy and not the drudgery of manual segmentation and writing emails from scratch in the hope of connecting with someone – anyone – in a target segment.

For more information to share with your C-level leaders, download the full Forrester AI Readiness Study for free now at <https://engage.emarsys.com/en/study/ai-readiness> and engage in our #Ready4AI conversation on Twitter.



www.emarsys.com

About Emarsys

Emarsys is the largest independent marketing platform company in the world. Our software enables truly personalized, one-to-one interactions between marketers and customers across all channels – building loyalty, enriching the customer journey, and increasing revenue. Our AI-enabled marketing platform offers an intuitive, easy-to-use solution for marketers, enabling companies to scale marketing decisions and actions far beyond human capabilities.

Founded in 2000, Emarsys makes it possible for more than 1,500 brands in over 140 countries to connect with their 2.5 billion customers around the world. Each day, we deliver more than 140 million personalized interactions across email, mobile, social and web, leading to 1.5 million daily purchase events on our software. The AI-enabled Emarsys platform continuously learns and improves with each interaction. Learn more about Emarsys at emarsys.com.



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