

MOBILE

Is artificial intelligence smartphone marketing's salvation or its undoing?

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BearNaked is tapping into IBM Watson's cognitive capabilities

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While artificial intelligence has the potential to enhance the smartphone's role as a marketing platform through highly relevant one-to-one services, it could also eliminate the need for a phone to enable engagements as the technology evolves.

Interest in artificial intelligence has taken off as the technology comes of age and brands recognize the potential to deliver one-to-one experiences. However, a battle over ownership of mobile user data is shaping up, possibly dampening the potential for brands in the short term, while longer term, next-generation wearables, augmented reality and sensors could lessen the need for a phone to take advantage of AI-driven services.

"Despite their ubiquity, smartphones still pose a challenge in terms of truly helpful AI," said Sarah Traxler, director of marketing at [CloudCraze](#).

"Ever since Siri was released on the iPhone in 2011, companies have been trying to figure out new ways for our devices to be more useful and more predictive, instead of reactive, for every consumer," she said. "Instead of passively responding to simple queries, our devices can book flights, send texts, and make calls without any physical interaction.

"Recently, with the launch of the Amazon Echo, virtual assistants and AI have moved more seamlessly into the consumer space, and need only simple voice commands to activate."

Data is king

The number of AI-powered brand solutions is ramping up quickly this year, from chatbots on messaging apps that answer questions and enabling ordering to standalone Web-based services.

"With the growth of mobile use in every facet of consumers lives and the increasing power of AI technology, marketers are positioned to create the most engaging and interactive experiences we've ever seen," Ms. Traxler said.

"BearNaked has already done this with their recent launch of [BearNakedCustom.com](#)," she said. "Built on CloudCraze and with help from IBM Watson's smart artificial intelligence tool, consumers can choose from 50 locally sourced ingredients to create personalized granola blends through an easy-to-use online order experience."

"More and more, companies will find innovative opportunities like this to integrate AI into their campaigns for maximum customer engagement."

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Taco Bell's Tacobot

AI is entering the mainstream thanks to the ubiquity of smartphones and the growing sophistication of computing's ability to automate many tasks. Today, consumers can tap a glass screen to hail a cab, book a flight, get a medical diagnosis and more.

As AI continuously leverages user data to deliver individualized experiences, the volumes of user data enabled by smartphone use is one reason AI's role is growing right now.

"Mobile is an extremely personal device," said StJohn Deakins, CEO at [CitizenMe](#). "It's the first last thing many of us look at before sleep and the first thing that we interact with when we wake up, it's the only digital device that we carry with us everywhere in between and something we're in almost constant contact with."

"This means that the learning data that it's possible to share with an artificial intelligence is far richer and more intimately personal than any other source of data about you," he said. "With access to this data, AI can be far more impactful in making our lives more effective, efficient and fun."

"Of course, the question is, who owns the AI and who gets to decide which algorithms are used to help us make those decisions?"

Digital culture

Many marketers, still reeling from the quick growth in mobile, are struggling to grasp the next leap forward to AI-enabled solutions.

However, there is much to potentially be gained and lost if marketers do not act quickly to position themselves in this space.

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Sephora's chatbot

One of the big issues will be who has access to the data that is the bedrock for AI.

Marketers need to lay the groundwork to ensure that consumers feel confident sharing their personal data. Developments such as ad-blocking could present a challenge.

"This shift into a new, ubiquitous digital future is creating a change in our culture and marketing professionals have a huge impact on how this new digital culture develops," Mr. Deakins said.

"Do we really want to encourage people to lock down their data, for example the 200 million people who now use ad-blocking technology," he said. "Or do brands and marketers want to foster a culture of data liberation with equal and fair exchange of value with their customers?"

Virtual assistants

Major platforms such as Google and Facebook are also looking to shore up access to this data.

"Marketers should be most afraid that a handful of companies like Facebook, Google, Amazon or Apple will become a virtual agent/assistant for consumers and dominate/own that relationships, minutes and data, and create distance between marketers/brands and their consumers," said Julie Ask, vice president at [Forrester Research](#).

"They will have to rely more on more on these new channels - third party apps/platforms/devices, including agents, that can better serve their customers because they have better data which equals better understanding of the needs/motivations of consumers on the go," she said.

CitizenMe wants to help consumers manage access to their data, which could change the dynamic in the relationship with brands.

"Consumers need to be empowered and liberated by their data," Mr. Deakins said. "They should be the ones that control exactly what data is shared."

"By doing this, it elevates brand loyalty to a much higher position and marketers will be able to develop much more

meaningful and valuable relationships with consumers," he said.

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