

MARKETING

Marketers not yet leveraging AI to full potential: Forrester

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Yoox introduces its 8 by Yoox collection, powered by AI. Image credit: Yoox

By SARAH RAMIREZ

Although the majority of brands have either adopted or are planning to adopt artificial intelligence into their processes, many remain unsatisfied by the technology.

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Use of artificial intelligence in marketing technology has more than doubled since 2016, according to Forrester's "Harnessing AI's Potential" report. Many companies have yet to collaborate with autonomous AI, limiting the technology's potential.

"Brands are using AI like traditional marketing technologies, but the applications for artificial intelligence far exceed what past technology can achieve," said Mark Kirschner, chief marketing officer at **Albert**, New York. "It is not surprising that this approach would lead to disappointment.

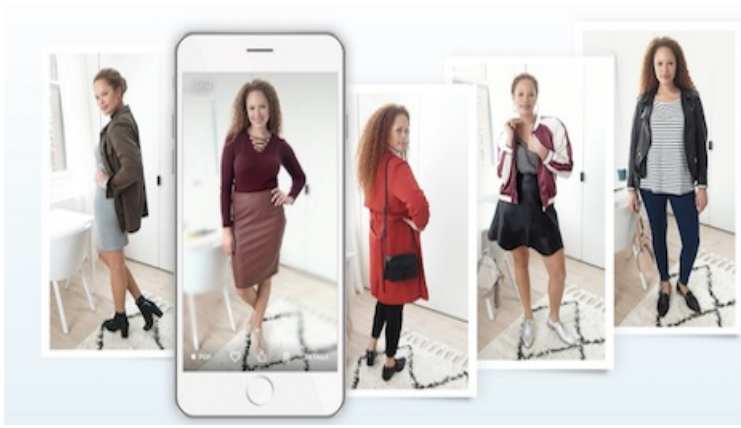
"Only a quarter of marketers are using AI autonomously meaning that they're letting the AI understand, learn and act on its own insights without intervention by humans," he said. "This is far more in line with the promise of AI, and these marketers are reaping benefits and report better results in delivering on their top objectives."

The study was conducted by Forrester and commissioned by AI software provider Albert. More than 150 U.S. professionals in a variety of sectors were surveyed.

Marketing tech

Eighty-eight percent of companies have adopted, or are in the process of adopting, AI-powered marketing, up from 43 percent in 2016.

As marketing becomes more complex, nearly nine in 10 respondents believe that successful campaigns rely on personalization across channels, devices and customer life-cycle stages.



Artificial intelligence can open new doors and opportunities for luxury. Image courtesy of Amazon

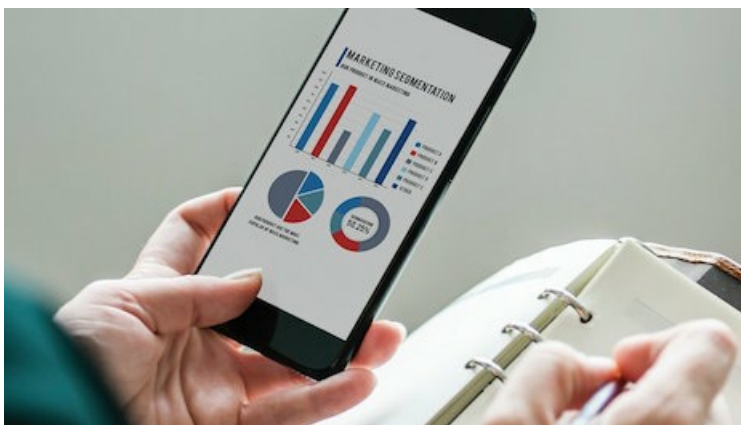
While most marketers are using AI in an assistive manner to speed up certain campaign-oriented tasks, only 26 percent are using it in a more autonomous and collaborative way.

Fifty-four percent of respondents use AI-assisted solutions on multiple channels.

Autonomous AI can make recommendations and requests of colleagues, or completely execute a campaign. Assistive AI offers surface-level insights, such as budget allocation, and can support parts of the campaign process.

Less than 40 percent of marketers believe AI marketing tools can help with creative development or offer feedback for other business functions, although both applications are possible.

These misconceptions contribute to the half of marketers who do not believe their marketing technology properly supports their objectives, according to Forrester.



Autonomous AI helps marketers be more effective. Image credit: Luxury Society

Thirty percent of marketers face operational challenges of managing their marketing spend and operating in a timely manner, while 26 percent lack integration among technologies.

Among those who have turned to a more autonomous AI approach, 50 percent have seen more effective marketing campaigns. Forty percent have also experienced increased return on marketing spend, while 36 percent believe collaborative AI has improved customer satisfaction.

AI in luxury

High-end brands and retailers have already started experimenting with collaborative artificial intelligence.

Real estate brokerage Engel & Vlkers has introduced an artificial intelligence-powered social media advertising solution to better serve its advisors and clients.

Engel & Vlkers Florida partnered with real estate data company Adfenix to create Evolve Social to generate more highly-targeted social media advertisements. With Evolve Social, Engel & Vlkers can generate leads and engagement levels 13 times higher than industry standard ([see story](#)).

Some of these AI applications even extend beyond marketing.

Last year, ecommerce lifestyle retailer Yoox, part of Yoox Net-A-Porter Group, launched a new collection for men and women that is powered by AI.

A design team within the Yoox business tapped advanced automated tools that looked at content across social media and online magazines that focused on fashion influencers. The trend data was used to create a mood board, a visual representation of how designers should move forward ([see story](#)).

"Luxury is all about personalized, high touch experiences for consumers," Albert's Mr. Kirschner said. "Today, as our digital and physical worlds become more and more intertwined, luxury brands need to work at the speed required to provide consumers with the highly personalized experiences they want, at the cadence they need, across channels and throughout their journeys.

"These are make-or-break objectives for luxury brands," he said. "If they're not winning in these places, it may be time to look into testing an autonomous AI solution."

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