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As AI expands into marketing, brands still need human intervention and maximum creativity

Less do, more think: How to succeed in the AI-powered marketing era

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Less do, more think: How to succeed in the AI-powered marketing era

Insights from Priceline, Redfin, Vimeo, GitLab, Strava, Care.com and Iterable on AI in marketing

It wasn't long ago that the conversation around artificial intelligence focused on all the things that AI could do to replace marketers.

Now, that argument is being flipped on its head. Today's marketers increasingly recognize AI's ability to do things for them, not as a replacement of them, and are much less likely to view AI as a threat to their careers. The majority of marketers now believe AI will increase future job opportunities and allow them to perform their current roles better.

This fundamental shift in attitudes toward AI is reflected in a comprehensive new survey from Wakefield Research, sponsored by Iterable, a rapidly growing AI-powered customer communications platform used by top brands around the world. While caution remains, AI is now widely acknowledged as an essential driver of marketing efficiency and brand performance, according to the online survey of 1,200 marketers conducted in September 2023.

"It's crucial for marketers to focus on how AI can help effectively address their business challenges," said Zipporah Allen, chief business officer at Iterable customer Strava, a leading digital community for active people with more than 120 million athletes. "The key questions should revolve around how AI enables a deeper connection with customers, empowers the creation of a distinct, differentiated and engaging brand experience—and helps bring the brand's mission to life. At Strava, this translates into thorough consideration of any new technology, and how it can help further the athlete experience and foster authentic connections."

A transformative tech revolution

Percent of marketers who ...

Are already using AI in their jobs.

91%

See AI as creating job opportunities.

69%

See AI as a transformative tech revolution, not just a tool.

67%

Believe AI should increase business metrics and reflect better on their job performance.

49%

See AI as becoming an integral part of their overall skill set as a marketer.

47%

Believe AI will increase their skills and make their work more accurate.

45%

See AI as becoming an integral part of their overall skill set as a marketer.

37%

SOURCE: Wakefield Research

“This report finds that marketers increasingly view AI not as a threat but as an enhancer,” said Ashley Kramer, chief marketing and strategy officer at Iterable customer GitLab, the AI-powered DevSecOps platform. “We see the same with software developers. AI can drive tremendous efficiencies throughout all organizations, from marketing to software development, as long as smart guardrails are in place. Companies that use AI to automate inefficient tasks will free up talent to focus on more creative endeavors, leading to improved productivity, innovation and a competitive advantage.”

Bringing AI to the masses and accelerating marketer adoption

Beyond increasing consumers’ awareness of AI, ChatGPT has played a pivotal role in shaping our perception of AI, prompting people to realize that the future of work will be a collaboration between humans and technology, creating value in ways we’re just beginning to understand. For marketers, the impact of ChatGPT’s

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success has gone beyond the norm, bringing about more profound opportunity and realization. First, it has normalized using all forms of AI, not just the generative version, as a way to make work easier, more interesting and fun. In other words, it reduces the need for “do” time and increases “think” time, giving marketers idea starters and opening up more bandwidth for creativity.

These forces have contributed to a further and more rapid acceleration of AI adoption in

A sea change in sentiment

AI is now seen as critical to driving efficiency, performance and overall success. Still, marketers have concerns about the future.

Job maker, not taker:

69%

of marketers believe AI will create opportunities for new positions

31%

say it will replace workers and take jobs

Need for speed:

When asked what draws marketers to use AI at their jobs ...

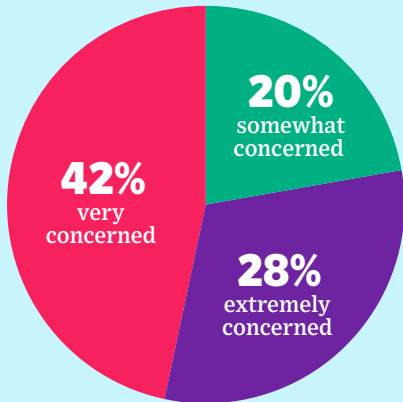
47% the ability to work efficiently

45% increasing personal skill sets

43% fostering more accurate work

Still work to do:

Nearly 9 in 10 marketers expressed concern that “I will have to learn how to use AI to maintain my value as a marketer.”



SOURCE: Wakefield Iterable survey, September 2023

the last several months, according to Adriana Gil Miner, CMO of Iterable.

“We’re still in the initial phase of adoption, which is essentially a race to see who can harness these technologies the fastest to get more productivity and manage the complexity of scale,” Gil Miner said. “The next phases will go a long way toward determining the ultimate winners in the space. The first has to do with testing and experimentation, where the potential for individual marketers to reap the benefits of enhanced productivity will become apparent. In a final phase, AI’s role in accentuating the distinctive voices of brands will take center stage.”

“I’m fascinated by the learning aspect of AI and the idea of AI being able to understand, forecast and augment human behavior,” said Lynn Giroto, CMO of Vimeo, the innovative video experience platform. “That promise of AI brings me back to my roots as a marketer. When I consider why we track and process vast amounts of data as a marketer, it’s essentially our attempt to decode human behavior. Presently, there are limitations to how much of the behavioral data we can grasp and process. AI is a gateway to a deeper understanding of the underlying forces steering human behavior. It presents an opportunity to go farther and understand what makes us distinctly human.”

Beyond the hype: How AI is *actually* changing marketing

Marketers have been using AI for predictive analytics and personalized communications for many years. Machine learning-based AI models can churn out customer insights and help marketers predict audiences and build segments for digital campaigns.

Because today’s marketers are being asked to deliver ROI gains with fewer resources, they are looking for opportunities to expand AI usage across the entire scope of campaigns with applications that can increase speed, efficiency and performance. Many of those use cases fall into automation and optimization.

Here is a breakdown of each category, including some recent examples of how marketers are employing the tactics in their AI-powered campaigns:

Did you know?



SOURCE: Wakefield Research

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Lynn Giroto, CMO, Vimeo

→ Strengthening customer relationships and improving brand performance

Building an automated SMS, email or mobile app campaign is time-consuming work. There is an array of repetitive marketing tasks that can be removed from the user, including selecting the audience, creating filters for different targets and response actions, populating the campaign with images and writing copy. Most marketers would be glad to have AI take many of these operational tasks off their plate.

“Marketers are telling us: I do not want to set up campaigns anymore. I do not want to crunch data or take a half-day to set up a three-stage welcome program,” said Gil Miner. “They’re saying, Automate all of that for me, and surface the insights and recommendations to give me the option of making human decisions.”

Ask the marketer:

Which type of AI would make your jobs easier?

Optimization (e.g., automatically recommending improvements)

57%

Automation (e.g., machines automatically do tasks without intervention)

53%

Predictive (e.g., segment most likely to convert)

50%

Generative (e.g., content creation)

49%

SOURCE: Wakefield Research

When combined with predictive analytics, AI-driven automation features can help marketers strengthen customer relationships, improve brand performance and meet their KPIs in today's fast-moving marketplace. For example, Redfin, the technology-powered real estate brokerage, used Iterable's Predictive Goals as part of an email campaign to convert millions of inactive users to active ones at a time of great volatility in the housing market. The feature took the guesswork and manual labor out of identifying the highest converting users, leading to a 15% lift in converting buyers to an active state and a 72% lift in converting sellers to an active state. A senior leader at Redfin referred to Predictive Goals as a "game changer," underlining that it has maximized efficiencies and accelerated time to value.

→ Expanding creativity and productivity

Generative AI represents a subset of the automation category focused on content creation. Many automation tools and features are now being built with these natural language processing models to create, for example, text for SMS campaigns and email subject lines.

"Personalization in marketing has evolved from having the right data and technology to crafting the right message at the right place and

time," said Giroto. "I'm a big believer that AI, especially generative AI, will bring us closer to realizing this vision of deeper personalization."

Generative AI tools, like Iterable's Copy Assist, aid marketers in unlocking writer's block and provide inspiration to expand their creativity. This becomes especially valuable when testing and learning. Testing and learning at scale enables marketers to stay competitive, drive better results and achieve long-term marketing success.

Email marketers often test different send times, subject lines, images, etc., to see what resonates best with their audience. What used to be a manual process of drafting these various copy options to test against can now be done faster when leveraging generative AI, allowing marketers to test, iterate and optimize at scale.

For example, if they need to test three subject line options, in the past they needed to draft all three; whereas today, they can leverage generative AI to take one subject line idea and create the second and third options.

There is a clear distinction between giving marketers ideas that spark creativity or provide a source of inspiration when the creative process gets bogged down, and automating the entire process.

"We're not automating copywriting," noted Gil Miner. "We're going beyond efficiency and surfacing targeted and contextualized recommendations that are grounded in insights gleaned from rich data. The ultimate selections remain in the capable hands of human beings."

→ Automating optimization at scale

AI-powered optimization occurs both inside and outside of automation. AI is now a standard practice in automation platforms as a means to optimize send times and frequency for email campaigns and in-app or web push notifications.

Channel optimization, meanwhile, seeks to create consistent messaging between automation and other marketing strategies like activation on social channels and direct mail. This is often referred to as a holistic channel strategy. And it is fueling a growing trend of martech consolidation, with companies like Iterable providing a centralized communication platform

Cost of doing business

When asked if their teams are missing out on the best tools if they do not use AI technology, the vast majority of marketers were ...



SOURCE: Wakefield Research

and filling a void for marketers who would otherwise rely on individual point solutions to execute each type of campaign from different platforms (see below).

Marketers can leverage a combination of AI-driven optimization tactics with great success. For example, Care.com worked with Iterable to build an individualized approach to how and what they send to customers by using Channel Optimization, an Iterable AI feature that takes the guesswork out of which channel a user is most likely to engage with. As a

result of this automation, the marketing team gained back 25% of its time, according to Ellen Rockdale, senior marketing operations manager for the CRM and Lifecycle team at Care.com.

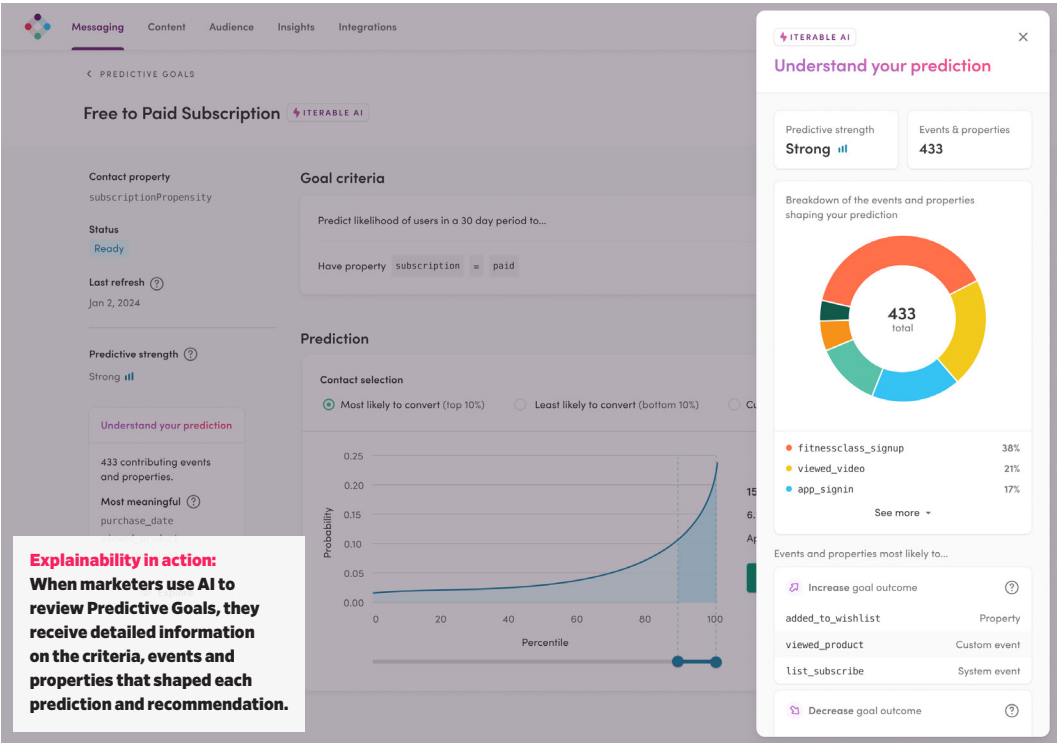
“We’re excited about all of the Iterable AI capabilities coming out so we can continue to improve our campaigns, making them even more impactful,” she said.

Next-gen AI: optionality and explainability

The next stage of evolution for automation is one in which marketers can take even more cues from AI. This is the foundation and future of all AI marketing, and it is being built right now.

In this paradigm, the AI not only automates the deployment of a campaign, but it also automatically generates the campaign itself. The AI decides which audiences to target and how, using tools like Iterable’s Next Best Action to automatically recommend segments, to create campaigns and prepopulate messaging copy with a series of clicks.

The key to making this work is to establish trust by infusing transparency into the model’s



decision-making process, and by providing marketers with the option of overriding the system's recommendations. Iterative refers to this two-sided approach as optionality and explainability.

As an example, let's say a fitness chain wants to drive membership by getting people to switch from its free mobile app to the paid version. An AI model might recommend targeting people who have signed up for three fitness classes as one of the predictive attributes with a high statistical correlation to the campaign's desired outcome. Before marketers hit the send button, their screens will call up a dashboard with detailed information that reveals how the model arrived at its conclusions.

"For instance, you will be able to see that the people most likely to move to the paid app watched three videos and logged in five times in 30 days," said Gil Miner. "This builds transparency and trust. It validates the audience and the quality of the prediction, and further, it gives marketers insights on how to drive their business with ideas for other strategies."

At your service

When asked how they define return on investment in AI (choosing all that apply), marketers spread their answers fairly evenly across ...

Efficiency

51%

Improved customer relations

50%

Effective data analysis

47%

Improved financial gain

46%

Accurate forecasting

42%

SOURCE: Wakefield Research

Campaigns in the era of AI

The traditional point-in-time campaign has been the centerpiece of marketing operations, but in the world of always-on digital experiences, that model is long dead. Today's marketers need to transition to a model that can read the signals of customers and in real time deliver an individual experience, crafted specifically for them. However, marketers are under no illusion that this is simple to do. Delivering the age-old personalization promise of "right time, right place, right message" has gotten extremely complex as the number of channels continue to multiply, consumer preferences change and are more unique, and the demand for immediacy is rapidly increasing.

"Marketers have struggled to deliver personalized messages for years because it requires too much number crunching, too many versions and too much set-up time," said Gil Miner. "AI is the technology that will finally enable marketers to break free from segments and groupings. We will be able to create and manage individual experiences for millions of customers at the same time and treat everyone like a VIP. AI will deeply transform the practice of marketing by providing insights, expediting operational tasks and optimizing campaigns faster, and at a greater scale than we can predict now."

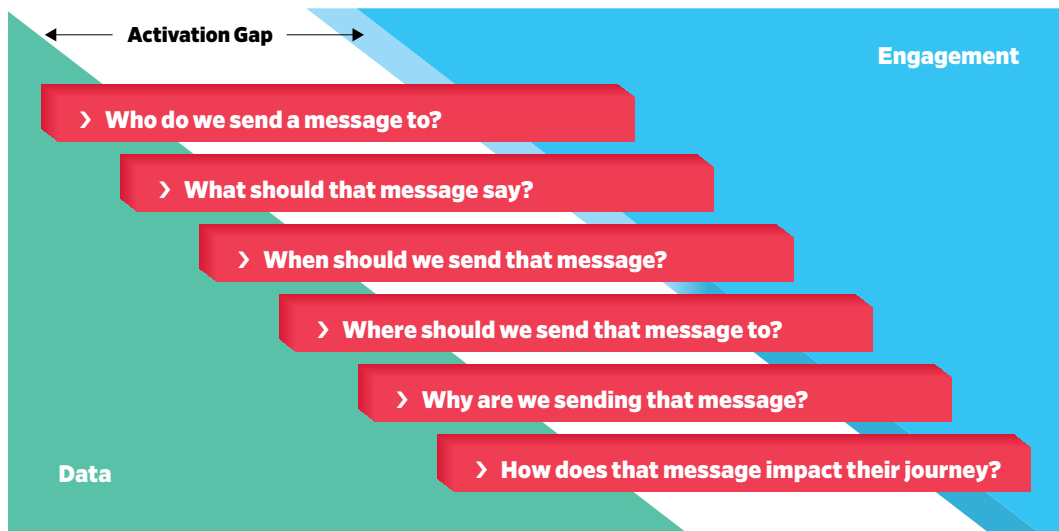
A successful AI marketing practice requires brands to go beyond standard targeting and segmentation techniques to get closer to their customers and deliver true journey-based marketing. This is not a matter of adding complexity or granularity to an audience cohort. For a truly differentiated approach, every single brand engagement tactic must ladder up to a communications strategy of individualization.

"Brands must be able to react more quickly to the individual signals their customers are giving them and respond with something that they actually need or want," said Gil Miner. "That is the essence of true customer-centered marketing."

AI has unlimited power to analyze those signals and optimize messages on a one-to-one level. But it is up to the marketer to bring a nuanced understanding of their customers to whatever AI capability they choose to employ.

A disconnect between data and engagement

The Activation Gap makes creating joyful interactions impossible. AI can help bridge that gap.



SOURCE: Wakefield Research

In a world where machines can produce a hundred times more capacity than humans, the risk to brands is getting lost in a sea of sameness.

“Setting your brand apart is essential in any dynamic industry,” said Toby Korner, senior VP of digital marketing at Priceline. “Priceline recognizes that differentiation goes beyond standing out; it’s about becoming a part of customers’ memories. Within the travel industry, AI plays a pivotal role in crafting bespoke interactions at various touch points, ensuring seamless trips and surpassing customer expectations. This personalization is key to a uniquely tailored travel experience for each individual’s journey, from research and booking to customer support and the trip itself.”

“It’s this distinctive blend of characteristics and values that will set your brand apart from the rest,” said Gil Miner. “I predict a vibrant resurgence of creativity in marketing, where expression, emotion and joy will be the guiding principle for communications. It will be less transactional—less about informing customers about discounts, flash sales, features and upgrades. Instead, it will be about what these offerings make customers feel and about

“Setting your brand apart is essential in any dynamic industry. That differentiation goes beyond standing out; it’s about becoming a part of customers’ memories.”

Toby Korner, senior VP of digital marketing, Priceline

connecting with customers on a deeper level and understanding what offers and discounts evoke in our customers.

“The next phase of marketing will be about the personal touch—the emotional journey a brand can take customers on. The traditional tenets of branding are breaking free from the norm and seamlessly integrating into the customer relationship management world. Marketing isn’t just a transaction; it’s a shared experience that resonates with the heart of our audience.”

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About Iterable

Iterable is the top-rated AI-powered cross-channel customer communication platform that helps organizations like Redfin, Priceline, Calm and Box to activate customers with joyful interactions at scale. With Iterable, organizations drive high growth with individualized, harmonized and dynamic communications that engage customers throughout the entire lifecycle at the right time.



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