

Nutshell



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*Artificial Intelligence and
Its Impact on Digital Marketing*



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From the Chairman's desk

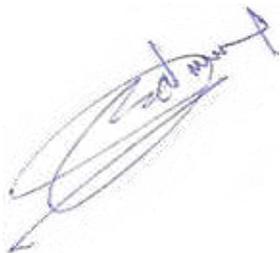
Dear Member,

As the name suggests, Artificial Intelligence (AI) is the exhibition of intelligence by machines. We are already using intelligent machines capable of understanding the environment, making critical decisions, and solving complex problems. Technological advances have always created new opportunities for storytelling and marketing. Just as the advent of TV brought an era of truly mass advertising and reach, and the internet and mobile brought a new level of targeting and context, AI will change how people interact with information, technology, brands, and services.

This issue of the Nutshell attempts to understand AI and explore how it can help make digital marketing a scientific and a more intelligent process.

Do share your feedback with us. We can be reached on isa.ed@vsnl.net

Regards,



Sunil Kataria
Chairman

AI and Digital Marketing

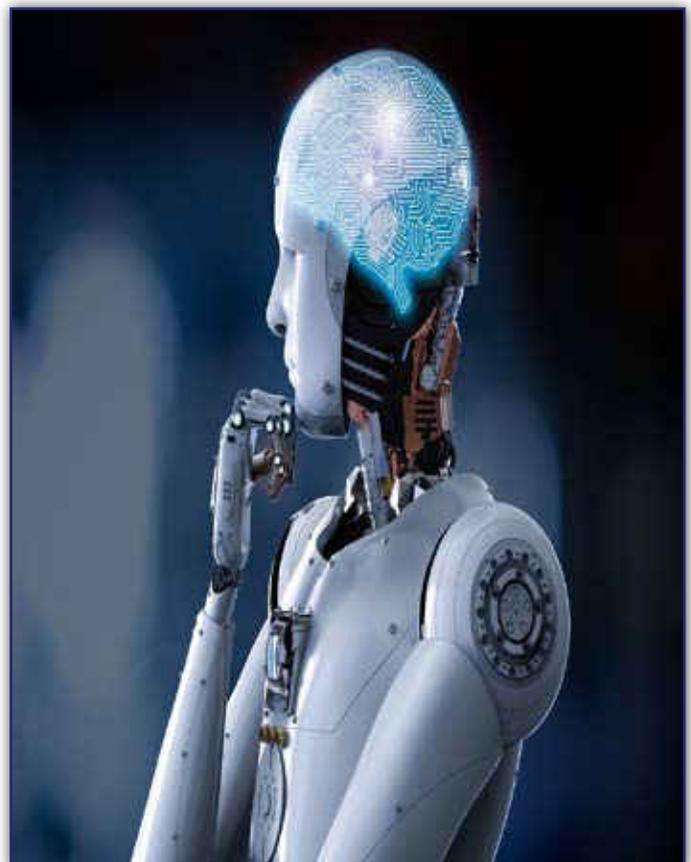
Artificial Intelligence is the intelligence that is showcased by machines. When you own a brand, it's important that you reach the right people who can bring value to your brand and its assets. AI-based Digital Marketing makes reaching out to the best target audience easier as it helps in finding people based on their interests, focus, demography, and other aspects and decides which people would constitute the best target audience for the brand. With the use of AI in Digital Marketing, it makes it much easier to predict buyer behaviour, buyer persona, search cycles, and what not! Search engines and search sessions also get much smarter and much more hassle-free, because AI easily tracks user behaviour and predicts their future web behaviour and decisions.

Artificial Intelligence is the intelligence that is showcased by machines, as opposed to the natural or the forced intelligence in humans. While AI has been in existence for a long time, it has gained humongous popularity recently due to the rising power of computers and related technology.

What Are The Benefits Of Artificial Intelligence?

AI Accounts For Lesser Errors: To err is human. However, with the gradual increase in the usage of AI, there will be fewer errors and work would be done with better precision. That would definitely decrease time spent on a particular work and increase the efficiency.

AI Helps With Daily Applications: Nearly everything that we use, be it GPS, or voice





Basket
full of
health &
happiness





assistants, or social media tags, it all runs on AI algorithms. AI has made life quite simple with its amazingly useful algorithms, thus making our work quite easy.

AI Is The Base For Digital Help: With the help of Artificial Intelligence, online support interaction is going to be pretty flawless owing to the fact that machines can easily predict buyer behaviour and decisions and use that data for a future purpose to solve issues.

Marketing Increasingly Focused On Consumer Behaviour: AI is all about data-driven approaches to marketing and decision making – to that extent, it is being used to integrate data from different platforms. Platforms collect and store all kinds of analytics these days as a part of analyzing customer patterns in order to develop automated systems and customer profiles to target certain markets. It looks like, in the near future, computers will be increasingly in charge of bigger and bigger decisions. They'll



be able to analyze behaviour and customer profiles even more closely, thus being able to essentially perform their “own” outreach strategy, building a copy that meets the voice of the customers who they are observing online. In addition, consumers will find themselves (though perhaps unknowingly) handing their purchasing decisions over more frequently to robots who already have a record of their ideas, previous searches, and preferences.



Insight Integration: AI is a useful tool in gathering and integrating data sets from different types of software and other collection tools. The more it becomes developed for this purpose, the more effective it will be in targeting and customizing digital ad campaigns based on customer avatars and buying journeys. Thus, via meta-analysis, AI can capture and analyze data sets in much more complex ways than we do now, just using tools directed towards, for instance, single channels (think Facebook Insights), allowing for automation

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in much more innovative ways than we can probably imagine.

Semantic Searching: Drawing on the ideas of machine learning and meta-analysis as mentioned above, semantic searching refers to the capacity of machines to essentially understand user searches contextually in order to offer a set of results that are customized. AI can do this by understanding better the contextual meaning of certain search phrases



and patterns. It's also able to understand more detailed and complex relationships between different data sets – such as, for instance, incorporating a user's search history into the results page. What does this mean for SEO? It means that searching is becoming more nuanced, likely encompassing, for instance, more secondary and longer tailed keywords as a part of that search. Semantic searching



is about getting the gist of why a person is searching for something, rather than just showing what they are searching for.

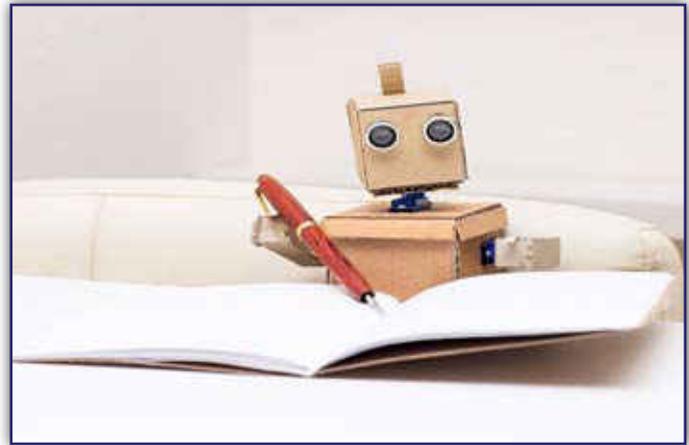
Content Creation and Curation: AI can be used for lead generation in the context of content creation, and it's already been used for several programs such as WordSmith. AI is useful for gathering and reporting on data like sports and market information and finances. On the curation side of things, AI will choose the most relevant content personalized to each unique visitor. A good example of this type of technique is when an e-commerce website shows you "similar" examples of other products you might like. A similar thing is employed with subscription setups (like Netflix) where the more often you use the software, the more the AI knows about you and can build on its knowledge to make suggestions. Furthermore, it will also be able to write dynamic emails that are tailored to a subscriber's preferences.

Voice Search and Speech Recognition: AI has the capacity to handle a variety of types of searches, including voice recognition. Moreover, it can integrate various types of searching methods to customize results. And perhaps even more fascinating are the personal assistants we are becoming familiar with today, like Siri, Alexa, and Google Home. They are now able to have conversations with each other (or at least will do so in future

models). And as far as speech recognition goes, an August 2017 report (via Techcrunch) claims that Microsoft's speech recognition system was then at an all-time low error rate of only 5.1%.

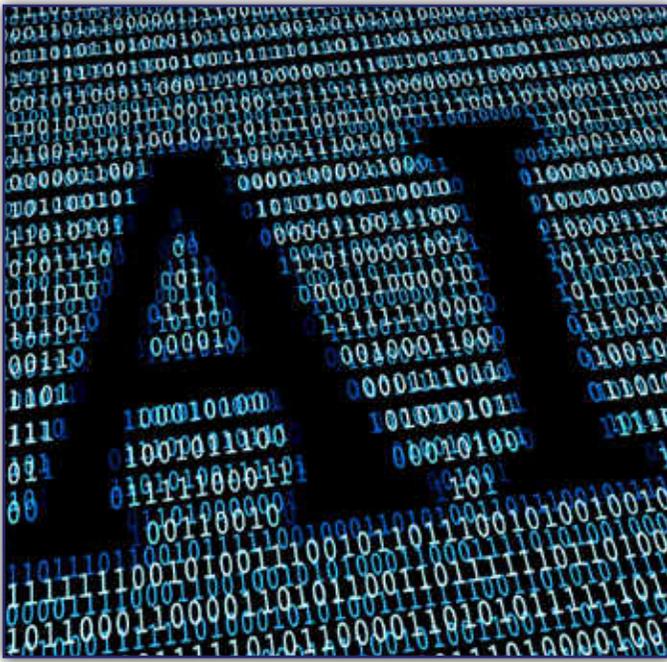
Lead Generation: Sort of like an automatic recruiter, AI can actually sift through piles of data to find the ideal customers, clients and even colleagues based on information that it already has and the program that it's using. Even more fascinating, it can also predict or rate how hot a given lead is. So, for B2B or even recruiting purposes, this can save a lot of time and energy spent on just basic searching, leaving you more time for things like pitching and sales calls. There are already several programs available that do this, including Node, which uses metadata to recommend new customers, and even LinkedIn's Sales Navigator tool which helps users find employment leads.

Chatbots: Chatbots are automated tools that essentially are responsible for interacting with clients and customers. Currently, they are able to do things like answer basic questions and fulfil orders. They are being used by companies of all sizes, and are becoming easier and easier to integrate into websites on a small



scale. It's worth noting that Facebook will be incorporating chatbots into its messenger app, the idea is that customers can easily message a business page to discuss customer service matters. This is one way in which businesses will likely have easy access to "bots" in the near future. In fact, they have already instigated a program called 'wit.ai bot' for just this reason.

Automation and Personalization: Machine learning and AI is being used as a means of understanding buyer behaviour and decision-making and the more it understands; the more advertisers are able to target their marketing strategies as per consumer preferences. Currently, a lot of what we're doing in the digital marketing sphere is "guesswork," constantly testing and adjusting, experimenting towards what we hope to be a more profitable end. While our analytical tools today are far more accurate than they were in the days of traditional advertising, the ability to have "built-in" decision-making tools that essentially learn as they go is really optimal for this type of marketing. One of the most interesting and possibly useful of all the AI applications in Digital Marketing is based on the fact that AI can use large amounts of data to essentially choose a way that it will direct certain information. This can be applied to ad targeting. To this end, we can expect advances in automation to help with optimization in both B2B and B2C.



AI and Digital Marketing:

User Experience Will Level Up: A great user experience or user journey is what keeps the audience flowing to your website. The website should always be built in a way so as to provide visitors with the utmost ease of use. With the use of AI in Digital Marketing, it's going to be much easier to predict buyer behaviour, buyer persona, search cycles, and what not! And not to forget the ease of customer service, because chatbots can solve issues at a much faster rate.



Return On Investment Will Be Better: Artificial Intelligence uses high-level image recognition. This is a great feature which can make payment processes way faster than they are now. AI can also solve the security concerns involved in online transactions. Machine learning helps collect adequate data from user behaviours, and adds up to its inventory with a better database and design, and based on audience interest; it provides with a better decision-making algorithm, which brings about great ROI.



Search Sessions Get Easier: While the users' current search sessions work quite well, the sessions can sometimes get clumsy or confusing. With AI infused in Digital Marketing, search engines and search sessions will get much smarter and much more hassle-free, because AI easily tracks user behaviour and predicts their future web behaviour and decisions, which would lead to better keywords and even, increased use of semantic keywords.



Reaching The Right Target Audience Gets Simpler: When you own a brand, it's important that you reach the right people who can bring value to your brand and its assets. AI-based Digital Marketing makes reaching out to the best target audience easier as it helps in finding people based on their interests, focus, demography, and other aspects and decides which people would constitute the best target audience for the brand.

Forecasting Sales: The market is a forever fluctuating place, and a negative fluctuation can cause way too many changes for businesses, The Great Recession of 2008 being a fine example. However, with AI, it gets easier to predict future trends of the market, so accordingly, the necessary digital marketing trends can be implemented. This saves a great deal of hassle later.

Advertising Gets Better: Advertisements are necessary for promoting the brand. But it so happens that often people get advertisements



that have got nothing to do with their interests. Since AI collects and analyses user data and predicts user behaviour, brands can create advertisements according to their audience's preferences and users, in turn, would be seeing ads that matter to them based on their interests.

While AI is very much still on the rise, it is a completely promising technology that can work wonders in a great many fields. Implementing it in Digital Marketing strategies not only makes things easier for brands but solves customers' problems as well.

Digital Marketing Is Based On Content.

Content is the soul of Digital Marketing and what if machines take over the job of content writing from humans? Content writing can be made easier by the use of intelligent machines. Blogs can be simplified by using AI writers.

"It has been predicted by Gartner that 20% of all the business content will be produced by machines by the year 2018."

However, Gartner also added that it is applicable to formal documents, reports, white papers, press releases, and other formal business content. It is not meant for writing creative content that requires creativity and imagination.

The Change from 'Text' to 'Voice' is Already in Use

Maximum Google searches nowadays are voice based. Digital marketers need to understand this fact and start planning strategies to optimize websites for voice search along with the traditional text-based search.

Use AI-Powered Chatbots to Improve User Experience

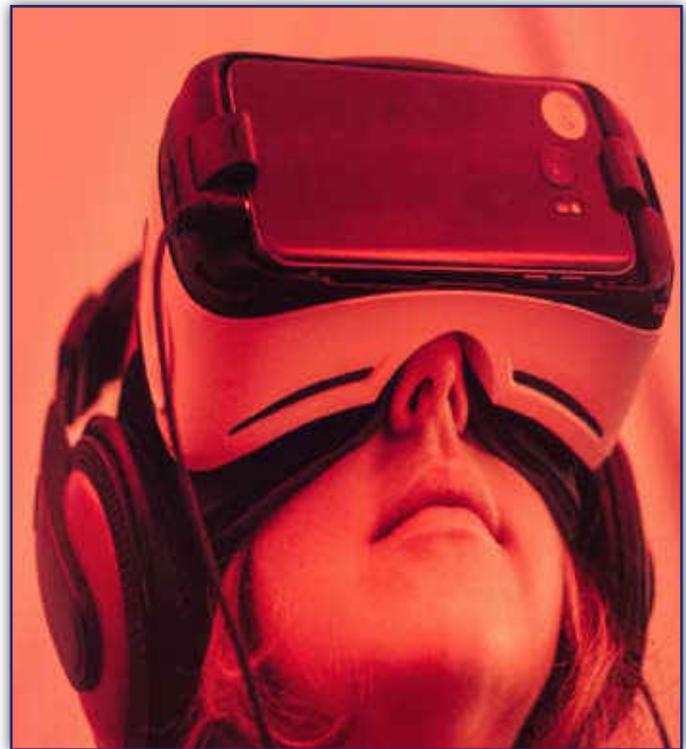
Most businesses are aware and already using live AI-powered chatbots on the instant messenger or on their websites. Chatbots are:

- Quick to reply and can retain customer data,
- They are patient, they don't lose their cool even when the customer is being difficult
- They can handle several customer requests simultaneously, so waiting time is reduced
- Chatbots are useful in creating customized advertisements for users which can increase sales.

Deliver a Highly Personalized Website Experience to Every User

People love content, offers, products and

services that are tailored for them. You can display personalized content and offers to each and every individual prospect by examining their location, their interaction with your company etc. You also have the power to systematize E-mail Marketing and send regular push notifications to the clients based on their current interaction with your business.



Impactful Ads

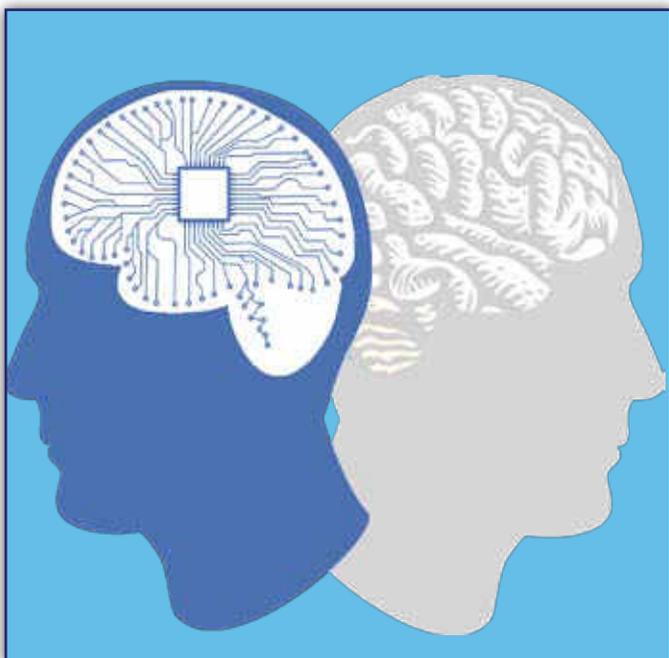
The formation of better advertisements is one of the leading ways Artificial Intelligence will influence Digital Marketing. The ability of brands to use AI to research and develop critical marketing aspects, such as keyword searches authorizes marketers to build smoother, more effective ads that should lead to more conversions.

For years, companies have focused on whom to show the ads and when to show the ads. AI allows marketers to instead focus on what messages to show the audience so brands can create powerful ads specific to the target audience.



Thanks to social media outreach and tons of data left behind knowingly and unknowingly during internet surfing, AI holds a huge potential in the field of digital marketing. Using AI in providing better customer experience, predictive analytics and targeted marketing will surely provide a great ROI to businesses.

The relationship between AI and Digital Marketing:



During the previous years, marketers were hesitant to incorporate Artificial Intelligence into their strategies. But this year has witnessed considerable confidence amongst them with regards to AI application. It is because of the reduced ambiguity regarding results as more and more sectors have already reaped significant benefits.



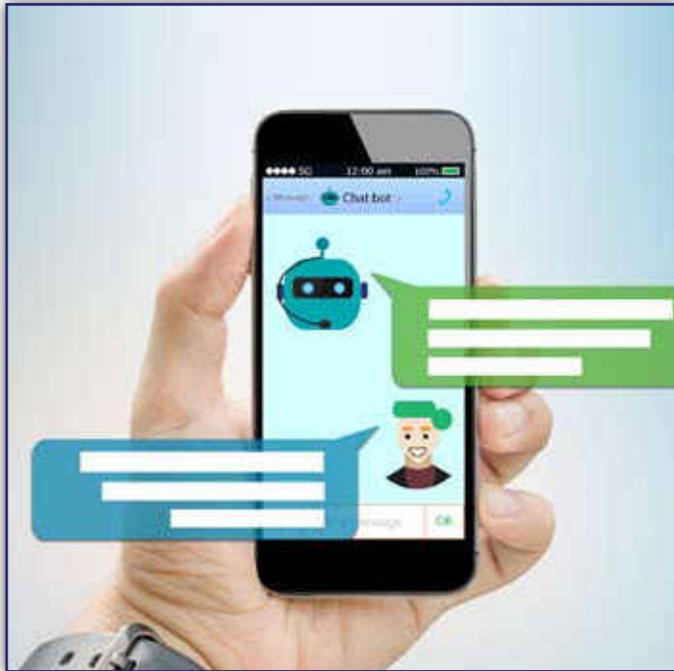
Artificial Intelligence made its presence felt this year through its supplementary processes such as big data, Internet of Things and Machine Learning. But these are only components that will eventually contribute towards unleashing the full potential of AI. The coming years, especially 2018, would see visible changes and impact due to the application of AI.

Let's see in what ways Artificial Intelligence will possibly impact Digital Marketing in 2018. Below are some of the potential areas where AI can tremendously boost Digital Marketing. These possibilities are only in the nascent stage now but 2018 could prove to be path-breaking for AI-powered Digital Marketing.

1. Personalizing User Experience to a Greater Extent

It is the most crucial area where AI can break

in and create a significant impact. Customer is king for a business and content is king for a marketer. If the marketer can align the content marketing strategy with Artificial Intelligence, it could be ground-breaking. Based on data collected such as customer searches, buying behaviour and interests, customized content campaigns can be conducted.



Chatbots are another example of AI interference in enhancing user experience. Chatbots are programmed to interact with customers on the basis of the data that they receive. Traditional chatbox and text communication will soon give way to a multi-dimensional communication system with sensory abilities such as voice and touch. This would personalize the whole experience for users as they receive the impression of talking to a real person with a consciousness.

Augmented reality, another aspect of AI can be leveraged to provide consumers an option to see and feel the product before the actual purchase. This would make decision making easy for customers as they are able to perceive the product even before purchasing. This will stimulate a faster response from the customer

and, in turn, increase the revenue.

2. Make Your Decision Simpler and Easier with Predictive Marketing

Each time a user browses on the internet; new data is generated and collected for AI analysis. This data can reveal information such as user needs, behaviours, and future actions. Based on this information, marketing can be optimized to supply the most relevant information. Social media outreach also reveals personal information about the prospect making it easy for marketers to create a targeted campaign.

This further reduces the sales-cycle as the relevant information is handed over to customers on a silver plate. These “predictive” campaigns can significantly reduce customer research on the product and make decision making easier. As for marketers, they can continue to analyze the buyer through data

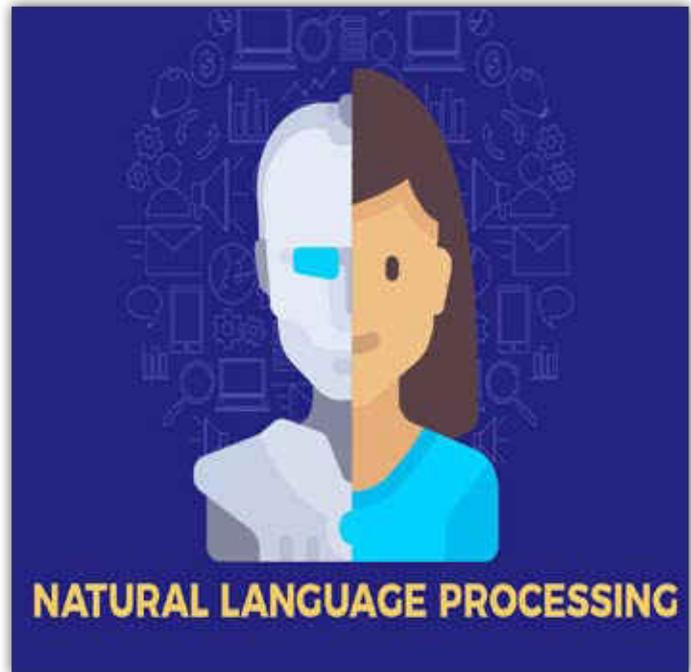
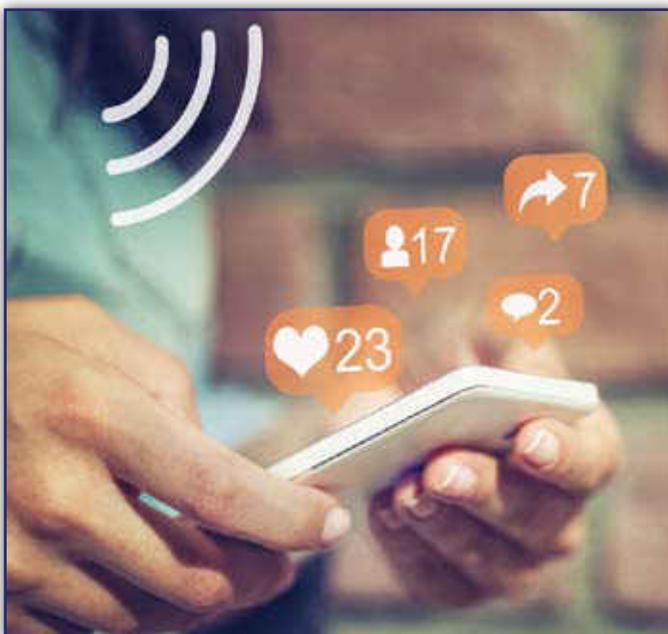




and even make the customer return! This type of AI-enabled algorithms will challenge the current 'hotshots' like SEO in a huge way. With AI powering the digital marketing initiatives from ground level, chances of trends such as SEO, banner ads becoming obsolete are high. After all, who needs SEO and website traffic when you have a detailed report on your prospect?

3. Using Image Recognition to Get Maximum ROI

Previously, image recognition was confined to identifying isolated objects in an image. But with AI – enabled software, it is now possible to get a detailed description of an image. Amazon's latest brainchild Amazon Rekognition can actually recognize human faces, emotions involved and identify objects.



This technology can be used in various ways for various sectors. For banking and financial sector, AI-enabled image recognition can be leveraged for faster payment processes and enhance customer security. Social media is a huge source of images.

Social media has always been biased towards visual content as tweets with images receive 150 more tweets and Facebook posts with images receive 2.3 times more engagement. The world population together shares 3.25 billion photos a day according to this research. This humongous amount of images can be leveraged by AI to understand consumer patterns, behaviours, and needs. AI software will look for images in social media and compare them to a large image library to draw conclusions.

For example, a snack manufacturer can map their brand against the huge collection of photos in social media and understand buyer demographics such as age group, gender etc., and also geographical potentials such as, if the snack is being consumed more at the beach, at the park, in supermarkets, in theatres and so on. This will help to align the marketing



strategies in order to extract maximum Return on Investment.

Core Benefits of Artificial Intelligence Marketing

So what does this mean for marketing teams? AI marketing has been gaining more attention among marketers because of the insights it provides. According to a recent PwC study, 72% view AI as a “business advantage.”

Let’s review some ways that marketers can expect AI to influence marketing outcomes in the upcoming months and years:

More Intelligent Searches

As advanced technology solutions grow smarter, it’s important to remember that audiences are becoming smarter as well. Thanks to social media and rapid-fire search engines (thanks Google!), people can find what they are looking for faster than ever before. AI and big data solutions can actually analyze these search patterns and help marketers

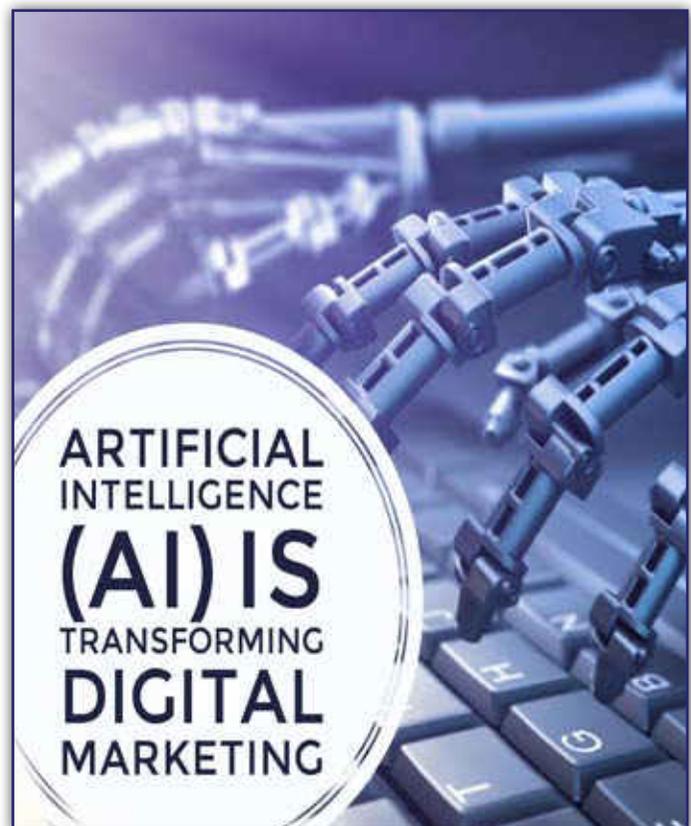
identify key areas where they should focus their efforts.

Smarter Ads

Marketers are already dipping their toes into smarter ads, with account-based marketing solutions, but AI helps teams take this a layer further for truly insightful analysis. With a new abundance of data available, online ads can become smarter and more effective. AI solutions can dig deep into keyword searches, social profiles, and other online data for human-level outcomes.

Refined Content Delivery

With AI, marketers can take data and targeting to a whole new level. Audience analytics can go past the typical demographics level, to understand people on an individual basis. Now, marketers can use AI to both identify potential clients or buyers, and deliver the ideal content that’s most relevant to them. With big data, machine learning, and AI combined, there is little a savvy marketer can’t achieve.





Relying on Bots

Customer service and retention is another area where AI will play a huge role in the future. Soon, chat functions and other direct-to-consumer engagement avenues will be run by AI bots. Many companies can save employee time and expenditures with these tactics. AI bots also have access to an entire internet's worth of data, information, and search histories, making them much more efficient than their human counterparts.

Continued Learning

Not only can AI be used to uncover once-hidden insights, it can actually be taught to incorporate previously uncovered insights into new campaigns, optimizing outreach to target only the most relevant users. Overtime, these AI solutions will become even more intelligent, effectively eliminating waste, greatly increasing conversions, and promoting real-time decision-making.

The ways in which we perceive the world around us are already shifting as technology develops. A recent study from Stanford and Cambridge Universities claimed that a computer can know more about its human owner than their friends and family. Artificial Intelligence was used to analyse 10 Facebook

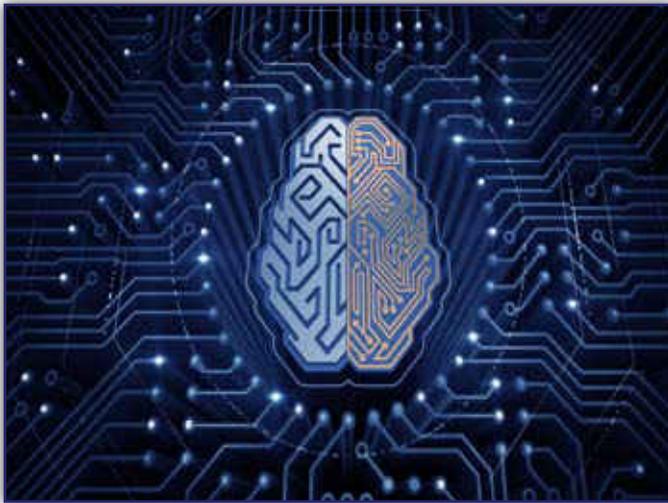
'Likes', which then enabled the AI to predict and study a participant's personality. This is just the start, with Machine to Machine (M2M) and Machine to Consumer (M2C) interactions on the rise every day. In marketing, AI will touch on every aspect of the profession, from the means by which campaigns are conceived, run and measured to the very definition of marketing itself.

Taking Guesswork Out of Marketing

AI can be more focused on delivering ads to people, with less guesswork. EMarketer predicts that some 75% of all digital advertising dollars, which represents \$20 billion in programmatic ad buys, will be driven by programmatic initiatives in 2018, as machine learning takes precedence over human analysis. With AI, marketers will be able to understand consumers on an intricate level.

The entire experience will be tailored to the recipient to ensure every ad is relevant, a far cry from the days of blanket coverage and disruptive marketing techniques. Just like billboards on roadsides, pre-AI ads relied on a disruptive advertising strategy, designed to





distract and conquer. Unfortunately, these efforts translated to little more than guesses about what consumers may have wanted to buy based on the few details the company could glean from their IP addresses. This approach to advertising, however, failed to understand the context of individuated customer searches, an issue AI overcomes through ‘intelligent learning’.

Creating Connections and Developing a Dialogue

Thanks to AI, marketing will no longer be a one-sided conversation. George John, writing in *The Drum*, explains ‘Currently, with the possible exception of social media, marketing is a one-way channel... As AI technology improves and evolves, it will progress beyond selecting the right message and design (crafted by humans) to deliver to the right person, over the right channel, at the most opportune time, to actually having a two-way conversation in real-time.’ AI won’t just personalize content, it will allow consumers to provide instant feedback, ask questions about products and take advantage of special offers through interaction with the AI.

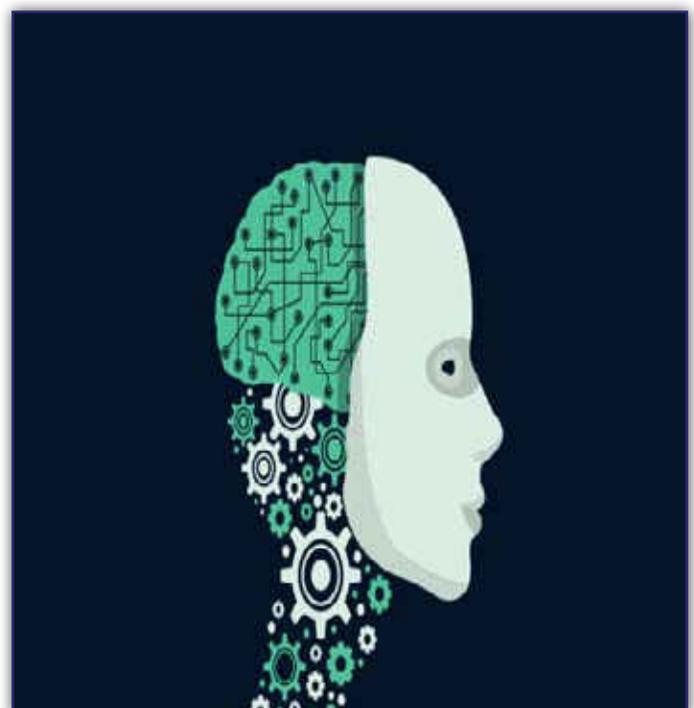
Personalized Advertising Becomes Truly Personal

When it comes to programmatic ad buying, the current process is largely dependent on a

machine’s ability to make decisions. Variables like locations, previous search history and search text syntax are taken into account when selecting the ad, but these are still largely impersonal generic ads. With AI, ads can be personalized to a far greater degree and instantly delivered to users based on a qualified profile shot of their entire browsing history. AI can ‘learn’ to avoid users who have never interacted with a specific type of advertisement. Each time a similar campaign is run it will know who is likely to engage and who isn’t, only targeting the most relevant users. Of course, the technology behind this kind of ultra-personalization is still being refined, but so far, all signs point to a new era in personalized marketing.

Websites Become Easier For Everyone

With AI ensuring ads are now precisely targeted, user engagement will improve, saving brands significant advertising revenue while ensuring higher conversion rates and eCPMs. This is good news for the firms placing the ads, the sites hosting them, and the user viewing the site. Because firms earn more revenue through fewer ad placements,

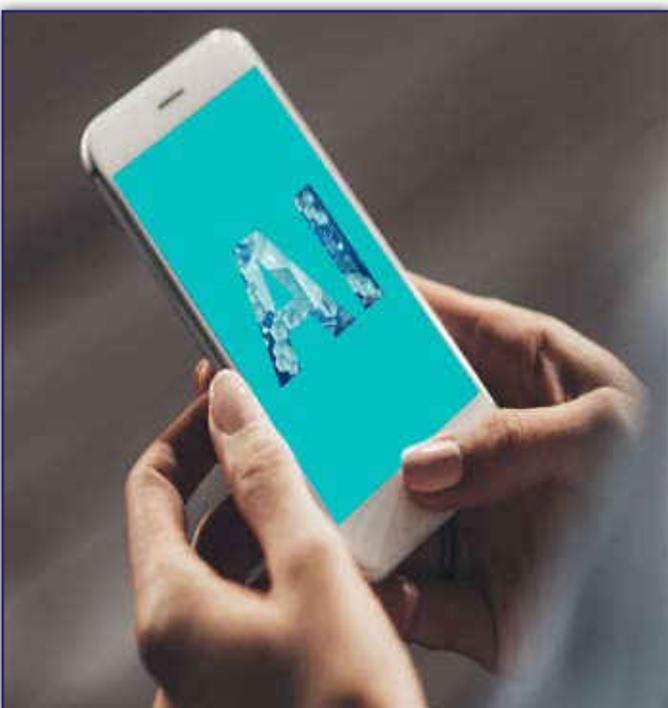




sites can trim the number of ads to only those which are relevant to a particular user. Not only will this improve the on-site experience for users, but it will increase the likelihood of people engaging with the advertising they do see.

Human Input Takes a Back Seat

Companies are now employing big data analysts and data scientists in marketing departments to uncover insights to drive business decisions, but the introduction of AI will eventually transform the very role of humans in marketing. CMOs (Chief Marketing Officers) at several tech-savvy firms are already witnessing the influence of AI on



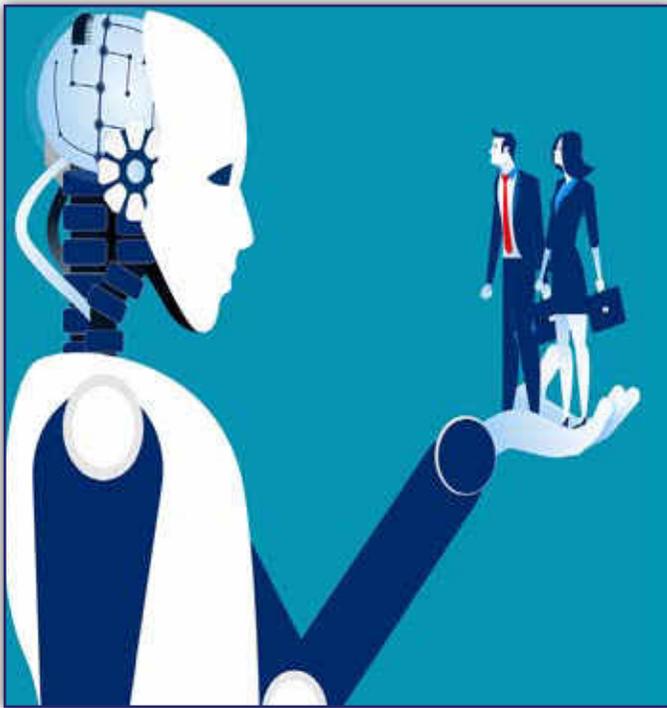
daily operations. The difference being that whilst today the role of a CMO is to create and source content that increases brand visibility and continues to generate revenue, AI will soon tackle several of these responsibilities. No longer will CMOs have to adjust media campaigns according to new trend progressions. AI's ability to adapt to changes in real-time means the implementation of marketing campaigns will require lesser and lesser human interaction.

AI doesn't have to be all-controlling, however. Some companies are already using it to provide updates to changing market trends which can then be taken into account by a CMO and applied at their own discretion for subsequent campaigns. The more Artificial Intelligence is used, the more efficient it becomes, meaning it will be able to adapt to, and even anticipate, new trends as they happen. Marketers will then be tasked with establishing guidelines for AI to ensure interactions with consumers remain within the appropriate brand context.

Office Hours Could Become a Thing of The Past

With most mobile traffic occurring over the weekend, when teams are out the office, Artificial Intelligence comes into its own as an optimization tool. Artificial Intelligence optimises campaigns in real-time, taking the manual labour aspect away from the marketing team who can then concentrate on other, more subjective aspects of the marketing campaign.

A whole host of new roles will become fundamental to the continued marketing strategies of companies around the world. Working hours themselves will become less restrictive, with AI doing much of the work a human would have to do outside of work time. For instance, most mobile traffic occurs



over the weekend, and for most companies this is the time when workers are at home. AI can track interactions, schedule updates and optimise content according to what people are searching for, regardless of when or where the search is made.

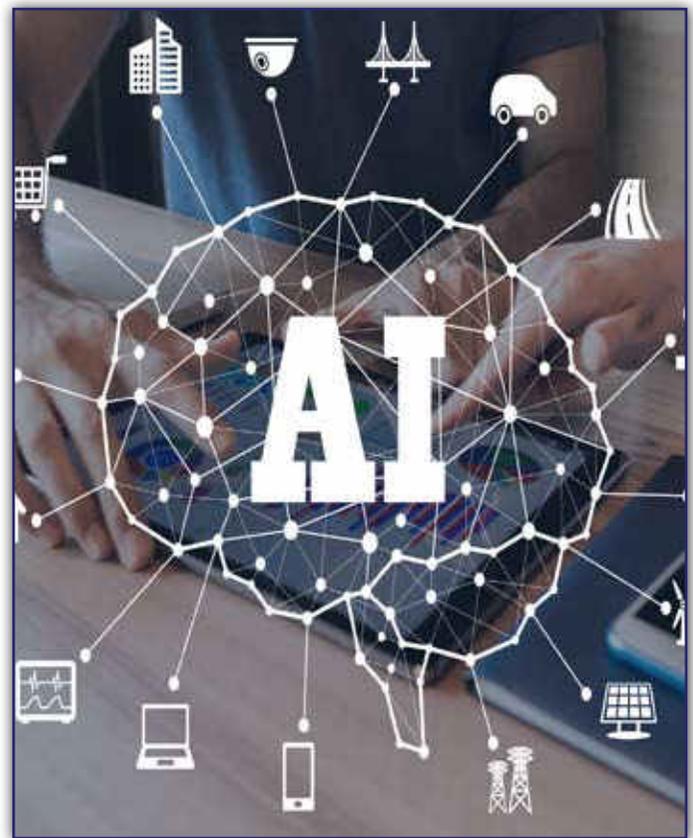
Embracing the increase and development of AI is crucial to future marketing efforts. Despite all the scare stories, AI is a human creation that can be harnessed to enrich our lives in a multitude of ways. By leaving the most mundane, time-consuming and logic-driven tasks to AI, we free ourselves up to think more creatively, to focus our time and effort on more subjective matters and, if we're lucky, come up with the next big revolution in tech.

Conclusion

Digital advertising gets tougher with every sixty seconds. Continuous need for development in Digital Marketing comes from the internal pressure which is being made with any company online. That is the reason digital promoters must accept the strength of Artificial Intelligence to enhance their plans

and marketing techniques. Machine learning, automation, and their plentiful variants supply a variety of marketing choices – from automatic AB tests to the semi-automatic content creations.

Thanks to social media outreach and big data, we now know customers better than we ever did. Artificial Intelligence and its associated technologies should bring marketers and customers closer in the coming years. Customers will have a better understanding of a product and marketers will have a better understanding of consumers.



With Artificial Intelligence as the connecting link between them, it would be interesting to see how Digital Marketing turns out in 2018. Optimized decision making, better sales-cycles and 'predictive' buying and selling processes are sure-shot outcomes of this robotic war. So let's wait and see how marketers manoeuvre this highly lethal weapon to multiply sales and get real close to the customers.

The secret of younger looking skin



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*Baalon se love jatao,
baalon mein shine jagao.*

*Made with coconut oil and jasmine extracts,
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