AMERICAN MARKETER

Business at its best

How artificial intelligence will transform marketing

February 22, 2017

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By Oisin Lunny

The concept of artificial intelligence (AI) has always fascinated humans. The ancient Greek myths of Hephaestus and Pygmalion incorporated the idea of intelligent robots and artificial beings.

In the 1950s, British scientist Alan Turing proposed the now-famous Turing Test as a measure of machine intelligence, and Isaac Asimov published his Three Laws of Robotics.

The Turing Test has been long passed, and AI is an everyday occurrence with Siri and Google Now. Hollywood even immortalized AI with Scarlett Johansson playing a smartphone's personal assistant and love interest in the romantic comedy movie, "Her."

At the same time SMS messaging has become the most popular method of written communication in history, with an estimated 6 billion humans now using mobile messaging to talk to each other around the world.

But what happens when we match the very latest developments in AI with the ubiquitous communication channel of SMS? What new business models are available from this new paradigm, and how can mobile AI improve businesses globally?

Calling it
A key element of this global transformation is driven by consumer preference.

Put simply, consumers are blocking mobile ads, ignoring 80 percent-plus of all emails, and they do not have the time or inclination for voice calls, which are now seen as intrusive.

At the same time people expect to be able to interact with brands 24/7 on their mobile devices, and consumers, especially millennials, just love to text.

The ease of use, privacy and non-synchronous nature of mobile messaging is the form factor that the modern mobile-first consumer loves.

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One universally advantageous use case example is adding AI to call centers, which typically deal with the same five questions, day in, day out.

If a business can deflect those answers away from a human agent to an AI-powered service bot, they can reduce costs per interaction from $15 to 10 cents.

Multiply this massive saving by the millions of customers that global brands deal with, and one can see how major enterprises are saving millions every month by introducing the AI-powered SMS channel.

Aye aye
Research is proving again that modern customers already prefer text over voice.

Indeed, one of our surveys revealed that 75 percent of millennials would rather lose the ability to talk versus text.

Ask yourself, if you wanted to reset one of your passwords, would you prefer (a) to listen to a 40 minute flute solo, while being told "your call is very important to us," or (b) would you like it reset instantly, with a 2FA code sent straight to your mobile for authentication.

Meanwhile, more high-touch emotionally or technically skilled queries can still be diverted to a human operator.

AI does not replace the call center staff. It just frees them to answer the most valuable questions by first removing the simple and repetitive ones.

You do not have to look far to see the AI-driven transformation happening already.

For leading travel brands like one in India, the power of AI and the ubiquity of SMS are streamlining how they interact with customers and staff alike. Resort guests can send an "AI concierge" their requests by SMS, while staff can likewise raise common queries and receive information such as payroll dates and remaining holiday time.

In this use case we can see how the simplicity and ubiquity of SMS adds a winning edge to the customer experience. No one has to install an application. No one needs to find a data signal or a Wi-Fi network. No one needs to download a QR code scanner to engage.

SMS is preinstalled on every mobile phone on the planet. Resort visitors do not incur roaming data costs, and members of staff do not even need a smartphone to benefit from real-time feedback and updates.

Startup Digital Genius provides an AI-powered language processing engine, which will analyze incoming SMS messages and score them on a likelihood of an accurate answer.

AI will handle most of the queries, but where there is doubt, a human is consulted for guidance, and could take over that interaction. This solution is already used to save millions for mobile phone networks by streamlining the most common customer support scenarios such as adding temporary roaming to a contract.

But what about marketing? I think its safe to say that AI changes everything.

Soup to nuts
AI gives global brands the opportunity to offer personalized one-to-one-marketing at unlimited scale, particularly when paired with the ubiquitous global communication hotline of SMS.

An early adopter of this kind of marketing solution was Unilever, which launched a number of virtual chefs with AI-powered by Digital Genius, and accessed by SMS from a short code printed on Knorr food packages.

For example, the "Chef Wendy" bot talks to Knorr customers by SMS, providing new recipe ideas, and is even capable of suggesting recipes based on the ingredients that customers already have.

The solution creates a unique profile for every customer by storing their mobile phone number, and continuously learning about their individual preferences and dietary requirements. As a result, customers experience a unique conversation as they would with a human.

THE RECENT LAUNCH of the Bot Platform on Facebook Messenger gives us a glimpse into the sheer scale and ROI of personalized marketing engagement that can be powered by AI and bots.

Linking service bot functionality with SMS, and the 6 billion people who use it, could be the smartest decision your business will make this year.

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