

## No Digital Transformation is Complete Without Al

By:

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/home/http/pipelinepub.pubspoke.com/article.php on line 215 As brands continue to build and expand their online presences, the use of Artificial Intelligence (AI) has transitioned from something 'nice to have' to something essential. Al-driven solutions play a crucial role in any business's digital transformation. In many sectors—and certainly in the telecom sector—failing to take advantage of the power of AI



means risking falling behind competitors, disappointing customers and starting down the path to marketplace irrelevancy. The evidence is in and there's hardly any disagreement that a digital transformation without AI is a digital transformation that doesn't go as far or as fast as it should—put another way, it's a digital transformation that falls short.

The degree to which AI is integrated into a brand's marketing strategy is now the standard measurement for how effective that brand's campaigns can be. AI lifts the ceiling on possibilities and performance. This applies to elements of both online and offline strategies, since available tools allow brands to seamlessly integrate and manage data from one channel to inform decisions and strategies in another. This unified marketing approach is managed on the basis of the ability to gather and analyze the greatest currency of our age—data.

For most companies, one of the main goals behind digital transformations is optimizing the ability to gather this data and to use it in the automation of various processes. Artificial Intelligence turbocharges the pace of these transformations and offers brands the opportunity to use the data at a scale that creates exponential efficiencies.

For marketers, the primary goal of most digital transformations is to become as customer-centric as possible. The shifting technological landscape combines with fluid customer preferences to make this goal a moving target, but it's only a matter of time before brands can consistently hit the bullseye. Solutions based on Artificial Intelligence are helping to keep their aim steady and the goal in focus.

Al is the driving power behind three of the key components of the refined shopping experience that modern consumers appreciate and that digital transformations strive for.

The first is the ability to craft hyper-personalized, custom conversion paths for different customers at scale. The days of one-size-fits-all marketing messages delivered on an extremely limited number of platforms are long gone. Today's consumers interact with brands at a long list of touchpoints across mediums unknown a generation ago. Al-based solutions build on familiar strategies of personalization and take them to the next level by allowing marketers to design complex paths based on any number of customer actions and contextual variables.

Every online customer action—and many offline events—can be instantly added to customer profiles and update progress along the conversion path. The exact complexity of the paths, made possible by artificial intelligence, responds meticulously to the preferences and behaviors of customers, who are instantly relabeled and regrouped as data is collected. Digital transformations that leverage the power of artificial intelligence use a hyper-personalized voice that drives engagement, conversions and profits.

The next edge that Al-driven solutions give to digital transformations is the ability to present the most accurate and relevant product recommendations possible. While often overlooked, this is a

very important part of any successful online store. Brands devote significant resources to driving traffic to their sites, developing a smooth UX and generally providing an easy purchasing experience. Regretfully, they often fail to get the most out of each site visit by not making customers aware of products they are likely to be interested in.

Product-recommendation systems based on Al-driven algorithms, like conversion paths, are updated in real time and matched closely to demonstrated preferences and browsing and purchase histories. An extremely high degree of accuracy in such recommendations is a precondition to communicating the right message to the customer. It's not only about making the right suggestions; it's also about being able to create perceptions that you're adding value to the shopping experience instead of filling the screen with offers that are irrelevant to your customers. All makes it also possible to create an immersive experience with dynamic content in real time. No two customers will see the same selection as they browse a store because no two customers have identical behavioral histories and propensities.

The third aspect of the digital transformation made possible by AI is the ability to assign customers to multiple segments in real time based on their behavioral history and their current actions. Segmentation is the basis of all personalized marketing content, but AI takes it to a level that was only theoretically possible—or even imaginable—just a few years ago.

For marketers, the idea of separating customers (or potential customers) with similar defining characteristics into different groups for the purposes of delivering content suited to their preferences is a no-brainer. The game-changing difference that artificial intelligence brings to a traditional, brick-and-mortar segmentation approach is the power to build individual customer profiles at scale while adding and subtracting tags assigned to those profiles in real time.

The level of complexity and granularity in segmentation has become limitless. Now, the creation of segments of customers with any number of tags is at hand. Customers can be in multiple segments at once and added or deleted from segments as new data is collected—all in real time. Al solutions give marketers the ability to know everything there is to be known about customers and to leverage that information at the times and in the channels that are most likely to lead to conversion or, at a minimum, to taking another step on the path to conversion.

Al solutions are a natural fit for digital transformations, particularly in the telecoms sector. According to an <u>Infosys report</u>, 87 percent of surveyed telecoms have started a digital transformation process already. The same paper claims that 70 percent of businesses want to use Artificial Intelligence to automate decision-making but, at the same time, many have a problem with one crucial aspect: the lack of data-led insights on demand.



The production of massive amounts of data every second of the day is a fundamental part of the industry. The scalable infrastructure needed to process this data for business and marketing insights runs on AI algorithms. Without them, uncovering the full value of the data and personalizing customer journeys remain tantalizingly beyond the capabilities of traditional marketing tools and approaches.

But the benefits of digital transformations led by AI don't stop there. In addition to the value they

bring from harvesting and analyzing data, AI solutions are also fast and easy to implement. The process often involves merely adding tags to information already contained in databases or to websites. Furthermore, most AI solutions can be introduced without any need for investment in physical infrastructure or dedicated in-house teams. Leveraging AI capabilities is typically a matter of a one-time implementation, followed by simple updates handled by already existing staff.

Telecoms have always been at the forefront of the adaption of modern technologies at a very early stage—and the present is no exception. McKinsey and Company estimate that digitization could enable telecom operators to boost profits by as much as <u>35 percent</u>, so going digital is certainly worth it when it comes to the bottom line.

There are a number of use cases made possible thanks to AI that are directly applicable to the needs of telecoms. They go far beyond the ability to leverage huge amounts of data; others, for instance, include real-time client scoring and related possibilities for segmentation and delivery of dynamic content, as well as flexible options for conversion path creation and detection of statistical anomalies that would otherwise escape human notice. But that list of use cases is hardly comprehensive. Interested in effective churn prediction or call avoidance? You would be wise to take notice—and advantage—of AI.