



Press Release

For immediate release

Artificial Intelligence to impact the marketing industry next year – Warc Toolkit 2017

More than half of global CMO's said they expected the impact of AI on marketing and communications to be greater than the impact of social media

London, 14 December 2016 – Warc, the global marketing intelligence service, concludes that Artificial Intelligence (AI), defined as the ability of computers to take on tasks that have previously required human intelligence to complete – such as speech recognition or interpreting data – will have a major impact on the marketing industry next year.

David Tiltman, Warc's Head of Content, says, "2017 looks set to be the year that many brands take their first steps in artificial intelligence. Machine learning is already being applied to programmatic trading – and we've seen brands like Aviva in the UK improve their media efficiencies as a result. The next major application looks set to be chatbots, as marketers look to respond to a consumers' take-up of messaging apps."

Key insights identified where AI is expected to impact the marketing industry in 2017 are:

(1) Immediate opportunities include advanced data analysis:

Data mining and analysis that is normally done manually may be done quicker and better using AI. This can span business and consumer data, with AI potentially providing more informed outcomes.

(2) Global CMOs are already planning their AI strategies:

According to a survey by PR agency Weber Shandwick in association with KRC Research, nearly six in 10 (58%) global CMOs believe that, within the next five years, companies will need to compete in the AI space to succeed, and around seven in 10 (68%) say their organisations are already using or planning for business in the AI era.

More than half (55%) of global CMOs expect AI to have a greater impact on marketing and communications than social media ever had.

(3) Chatbots will become key touchpoints for service brands:

Chatbots are software programs designed to automate customer-to-company conversations. They use machine learning to help determine what the consumer's question is, source a relevant answer and form a reply.

(4) Marketers must consider the tone of voice of 'branded conversations':

Brands will be keen to express their identities via chatbot technology. Language nuances, sentiment and the ability to hold conversations are the next short term nuances to be addressed.

(5) Virtual assistants will change path-to-purchase strategies:

'Programmatic consumption' is the automation of brand choices. Rather than a consumer spend the time and effort selecting a product and placing an order, these are partially or fully automated – in other words, purchase decisions will increasingly be made by computers, rather than by consumers standing in shops.

(6) Machine learning is being applied to automated trading:

Machine learning is already used within certain areas of programmatic media trading, and this is expected to be a major growth area. For example, machine learning might help optimise campaigns based on what is working, or adapt campaign creative based on new information.

Artificial Intelligence is one of six key trends featured in Warc's Toolkit 2017. The report, produced in association with Deloitte Digital, brings together the best of Warc's content over the past year – the latest ideas, research and examples. The result is a guide to current thinking in each area, and the implications for marketers. For more information and insights on Toolkit 2017, visit www.warc.com

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