# **Artificial Intelligence- Trends in Marketing**

**\*Dr. Charu Aggarwal**

TMU Moradabad

Assistant Professor

TMIMT, TMU Moradabad

Email id: charuagarwal.mba@gmail.com

Ph No: 9997741331

**\*\*Rajni Sharma**

Research Scholar

TMU Moradabad

Email id: sharmarajnikrishika@gmail.com

Ph No 9627656599

# **ABSTRACT:**

The application of AI in marketing can be seen to predict the buying decisions of the consumers and to improve their consumer Journey. The importance of AI can be seen in its core elements like: Big data, Machine learning, and its powerful solutions. The concept of big data means you can easily segregate the large amount of data with minimal manual work. Machine learning or deep learning allows marketers to understand the bulk amount of data easily and draw meaningful conclusions from it. With this they can easily predict the trends in consumption can keep a track of customer purchases and analyses it, ad predict the future behaviour too. In the following years, marketers can expect greater AI impact, through more intelligent searches, smarter ads, refined content delivery, relying on bots, continued learning, preventing fraud and data breaches, sentiment analysis, image and voice recognition, sales forecast, language recognition, predictive customer service, customer segmentation, etc. This paper attempts to discover the future relationship between marketers and artificial intelligence machines. Target audience for this paper is IT directors, market analyses, developers, or stakeholders from companies and business organizations across the industry, using CRM.

This paper aims to target fundamental understanding of Artificial Intelligence It plans to cover topics such as – the market trends for AI, the Business use cases and how implementing AI benefits the organizations in the future.

**Key Words- CRM, Artificial intelligence, marketing**

Artificial intelligence (AI) is the concept of having machines “**think like humans**” - in other words, perform tasks like reasoning, planning, learning, and understanding language. It is a technology almost as old as the computer industry.It came into widespread awareness with the advent of personal assistants (Amazon's Alexa, Apple's Siri, Google's Assistant), image recognition (My Heritage),Chat Gpt, self-driving cars, personalized recommendations (Netflix, Amazon), search engines (Google) and more. These innovations have been fuelled by the steep rise in processing power, lower-cost hardware, along with the unfathomable rate of data creation and consumption.**AI is often represented** by various related terms: **machine learning**, deep learning, **natural language processing**, predictive analytics, and so on. All of these terms point to a future in which our platforms and systems are smart enough to learn from our interactions and data, not only help us with our tasks, but also to anticipate our needs, taking care of the mundane chores and reminding us of important ones.

**Benefits of Artificial Intelligence in marketing:**

* Easy identification of the trends in marketing
* Data can be collected easily
* Customer journey can be visualised
* Trends in data can be identified in real time
* Customer experience will be more convenient
* Content can be personalised as per the needs
* Human can be utilised for more creative tasks and critical thinking task

**CRM + Artificial Intelligence**

Combination of AI and CRM can be the most powerful tool to generate value and revenue. The present situation is that the internet has become the main source for marketing & sales, and majority of the services too, are being enabled through the internet. Hence, CRM needs to gather details regarding the companies, customers, past interactions, leads, product reviews, opportunities etc. Handling such a huge amount of data is quite difficult, even for the most advanced CRMsystems. But, with AI this huge amount of data itself plays an important role in generating both the value and revenue.AI helps in understanding historical dataand applying what is learned to current contexts whilemakingpredictions. This has the **potential** to make every business “**smarter**”. Any employee utilizing a CRM equipped with AI, can access the sales lead, detailed statistics, job history, social media profiles, customer sentiments analysis, product reviews, and much more; andan advanced CRM .

AI Transforms the Customer Service Metrics and can dramatically improve the **key performance indicators (KPIs).** This includes everything from the time it takes for a contact to be handled (first-response times, abandonment rates, blocked calls, time on hold, etc.) to call quality and efficiency (service levels, first-call resolution) to customer and agent satisfaction. Intelligent self-service helps companies handle more contacts faster, while data-driven analytics ensures that agents can offer a more effective and satisfactory experience.

**Market Trend& Forecasts for Artificial Intelligence**

Artificial Intelligence (AI) has now captured the attention of business leaders, scientists, and engineers worldwide. Across industries leaders are seeking ways to create value through machine learning and other frontier technologies. As per the Stanford’s AI index report for 2022, despite the pandemic, 2020 saw a 9.3% increase in the amount of private AI investment from 2019 - a higher percentage increase than from 2018 to 2019 (5.7%), though the number of newly funded companies decreased for the third year in a row. The total global investment in AI, including private investments, public offerings, M&A and minority stakes increased by 40% in 2020 relative to 2019, to a total of USD 67.9 billion. AI hiring and private investments were **notadversely** influenced by the COVID **pandemic**, as both **grew during 2020**. AI is the need of the hour and IDC predicts that by 2025, 75% of organizations will be investing in employee trainings to fill skill gaps caused by the need to adopt AI.

***A few more important key points to highlight the market mood on AI:***

* Globally, “**Drugs, Cancer, Molecular, Drug Discovery**” received the greatest amount of private AI investment in 2020, with more than **USD13.8 billion**, 4.5 times higher than 2019.
* United States remains the leading destination for private investment in AI in 2020, with over **USD 23.6 billion** in funding in 2020, followed by China (USD 9.9 billion) and the United Kingdom (USD 1.9 billion).
* Brazil, India, Canada, Singapore, and South Africa are the countries with the highest growth in AI hiring from 2016 to 2020. Despite the COVID-19 pandemic, the AI hiring continued to grow across sample countries in 2020 to 2022.
* Worldwide revenues for the artificial intelligence (AI) market, including software, hardware, and services, are forecast to grow 16.4% year over year in 2021 to USD 327.5 billion, according to the latest release of the International Data Corporation (IDC) Worldwide Semiannual Artificial Intelligence Tracker. By 2024, the market is expected to break the USD500 billion mark with a five-year compound annual growth rate (CAGR) of 17.5% and total revenues reaching an impressive **USD 554.3 billion**.
* Despite the economic downturn caused by the pandemic in 2020, half the respondents in a **McKinsey survey** said that the coronavirus had no effect on their investment in AI, **while 27% reportedan increase**their investments. Less than a fourth of businesses decreased their investment in AI.
* As per Gartner’s analysis **USD 17.9 billion** CRM marketing software market will grow at a five-year CAGR of 11.9% in constant currency through 2024, driven by rapid growth in digital marketing and account-based marketing.
* Gartner polls conducted in May and June 2020 found that 47% of the respondents' AI investments were unchanged since the start of the pandemic and that 30% of the respondents actually planned to increase such investments. Only 16% had temporarily suspended AI investments, and just 7% had decreased them.
* The **116th Congress** is the most **AI-focused congressional session** in **history** of **United States**, with the number of mentions of AI in congressional record more than triple that of the 115th Congress.
* In 2019, 65% of graduating North American PhDs in AI went into industry - up from 44.4% in 2010, highlighting the greater role industry has begun to play in AI development.

**Scope &Future of Artificial Intelligence in CRM**

As some customer reports, 84% of customers say the experience a company provides is as important as its products and services – up from 80% in 2018 and 73% of customers say one extraordinary experience raises their expectations of other companies. 54% of customers say companies need to transform how they engage with them. And indeed, AI drastically improves the customer experience. With the advancement in data sets, integration, and machine learning capabilities there are great opportunities for the technology to excel. The more personal data is being put out, the higher is the requirement for AI technologies to sort and understand it.

***Here are a few points about the AI that will drive the future of CRM:***

* **Virtual Assistant:** A virtual assistant, also called an AI assistant, is an application program that understands natural language voice commands and completes tasks for the user.
* **Data analytics:** The data is used to predict results, understand designs, suggest appropriate approaches and also feed the client engagement process. The organizations are groomed intelligently through this process and a link is enabled with every client irrespective of the scale or size.
* **Automated data capturing:** The client details are gathered by the various intelligent CRM tools from sources such as Facebook, WhatsApp, and other social media platforms. The automated data capturing does not require human intervention and hence businesses save time by discarding manual entering of details or other copy work.
* **Internet of Things:** IoT involves real-time data processing and synchronized communication amongst a vast array of smart devices, hardware, and software without any human intervention. Think of an IoT device connected with CT scan equipment in hospital, which sends the organ images/dimensions to AI enabled CRM, which is intelligent enough to identify any inflammation by comparing the dimensions with patient’s history record and automatically instructing the patient to contact a specific doctor.
* **Machine Learning:** ML is the core driver of AI, and involves computers learning from data with minimal programming. Essentially, instead of programming rules for a machine, you program the desired outcome and train the machine to achieve the outcome on its own by feeding it data — for example, personalized recommendations on Amazon and Netflix.
* **Predictive Analytics** is a branch of advanced analytics that is used to make predictions about unknown future events, based on patterns in historical data. You might see this in marketing offers that become more relevant to you each time you take action (or don’t) on an email offer.

**Ethical Concerns with Artificial Intelligence**

Despite growing calls to attend to ethical concerns associated with the use of AI, efforts to address these concerns in the industries are limited. For example, concerns such as equity and fairness in AI use continue to receive comparatively little attention from companies. Moreover, fewer companies in 2022 view personal or individual privacy as a risk from adopting AI compared to 2021, and there is no change in the percentage of respondents whose companies are taking steps to mitigate this particular risk. But now customers are more aware than ever.

Now national governments, regional and intergovernmental organizations are competing to formulate AI-targeted policies, to maximize the promise of the technology while also **addressing its social and ethical implications**.

**OUTCOMES/CONCLUSION**

*The key takeaways for attendees would be: -*

* Understanding Artificial Intelligence and its importance in a CRM.
* Insights, Forecasts and Understanding of the market trend towards AI.

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