THE AITRENDS REPORT FOR ECOMMERCE MARKETERS

1.5K+ marketers weigh in on how they're using AI today—and how they hope to use it in the future

klaviyo x qualtrics.**

MARKETERS ARE WISHING FOR AI CAPABILITIES THAT ALREADY EXIST. ARE YOU MISSING OUT, TOO?

A recent global survey reveals that marketers are eager to use AI for things ChatGPT can't do. But they already have those options—and so do you.

Nearly half of ecommerce marketers who are using Al on the job wish they had Al solutions for performing marketing analytics, comparing their company's performance to similar organisations, and predicting customer behaviour and attributes, according to new research.

Good news and bad news: These AI capabilities already exist.

The good: You have more options than you think to accelerate productivity and accurately anticipate what kinds of marketing will perform best. This enables you to make smarter, more strategic decisions and, most importantly, drive revenue for your business.

The bad: It also presents the possibility that marketers have been distracted by generative AI—and, as a result, haven't been building out the kind of well-rounded AI strategies that really move the needle. We get it. Thanks to the introduction of OpenAl in early 2023, generative Al is arguably the most commoditised and popular form of Al on the market today. It's shiny. It's sexy. It's a big reason so many of us have moved from wringing our hands over whether Al is coming for our jobs to believing Al can help us do our jobs better.

But the results of a recent global survey of 1.5K+ marketers make it clear that in just a few years, generative Al will only make up one piece of a comprehensive Al marketing toolset. This means if you're not doing much more than plugging prompts into ChatGPT, you're already behind.

Read on to learn how Al is already making marketers like you better at their jobs, current versus future applications for Al in marketing, and what types of Al you should be adopting—today—to achieve your marketing goals tomorrow.

EXPLORING THE GAPS BETWEEN CURRENT AND FUTURE AI USE

We collected responses from 1.5K+ marketing managers, directors, c-suite executives, and individual contributors across various sized organisations. Around a third were from Asia Pacific (Australia & New Zealand), another third from the United States and the remaining third from Europe (France & United Kingdom).

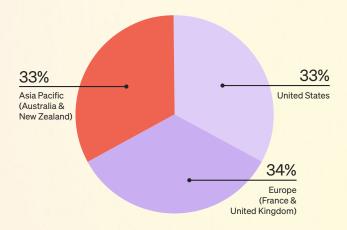
We discovered that marketers show a strong focus on current Al use in customer service and support, image generation, and data analysis. In the future, they want to use Al for product recommendations, website personalisation, copy and image generation, and testing and optimisation. Interestingly, all these use cases are available now.

Throughout this report, we explore the gaps between real-world Al applications, plans for future use, and the opportunities marketers should capitalise on.

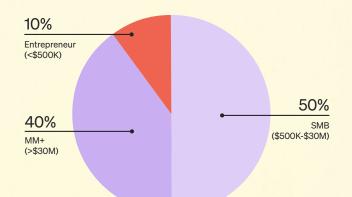
SURVEY METHODOLOGY

Sample size: 1,510 responses

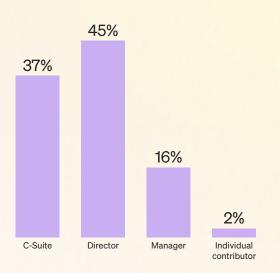
Region



Business Size



Respondent Roles



Respondent Requirements

- Must be age 18+
- Must be employed
- Must use AI in a work capacity

AI OF ALL TYPES MAKES ECOMMERCE MARKETERS BETTER AT THEIR JOBS

Economically speaking, 2023 might have been the perfect laboratory for generative Al adoption and experimentation.

In an uncertain financial environment, marketing departments everywhere were tasked with figuring out how to cut martech spend and <u>deliver better ROI</u>. And as the brains behind brands got smarter, consumers did, too—especially in terms of getting more discerning about how and where they're spending their money.

With inflation expected to remain sticky in 2024, it's no longer enough to post ads on the latest social network, or churn out marketing campaigns unrelated to the information people give you. Competition is ruthless. Quality matters as much as quantity.

The ask for individual marketers is deceptively simple: Do more, better, with less.

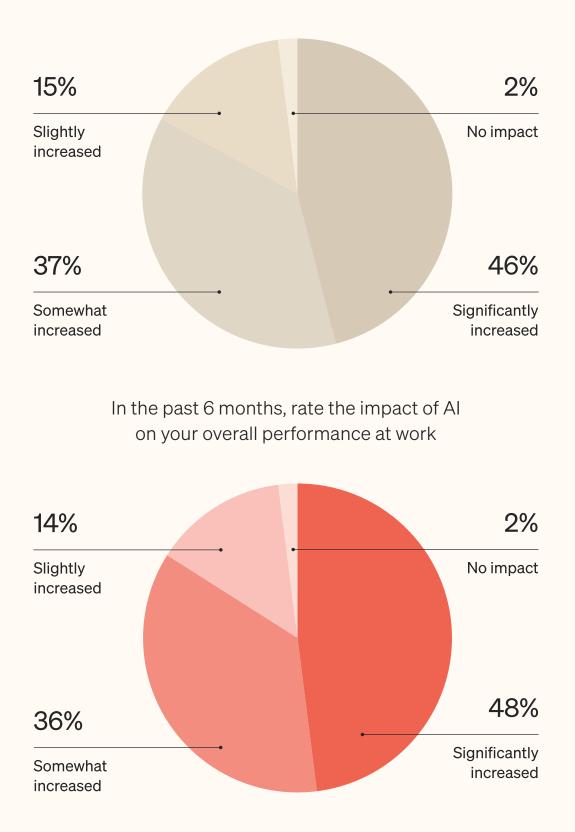
Al gives marketers a competitive edge.

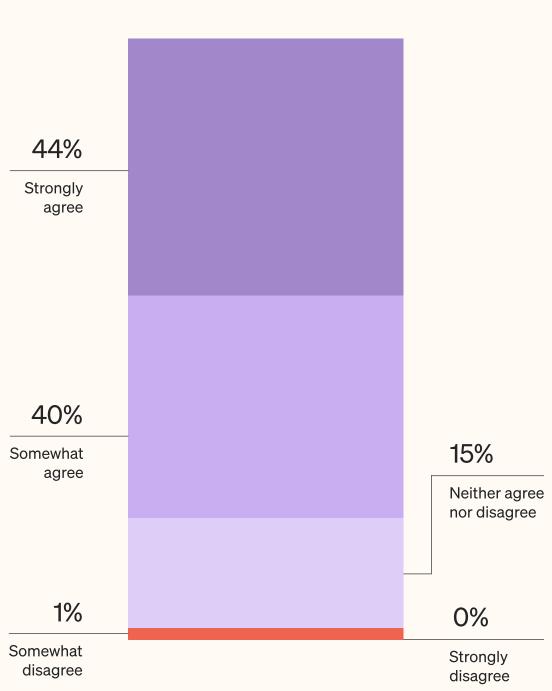
Our research confirms why marketers are eager to adopt AI across a wide range of marketing use cases: Generative AI may have launched the movement, but AI of all types makes marketers more productive, effective, and strategic employees.

Which of the following do you consider benefits of using AI in the workplace?



In the past 6 months, rate the impact of AI on your overall productivity at work



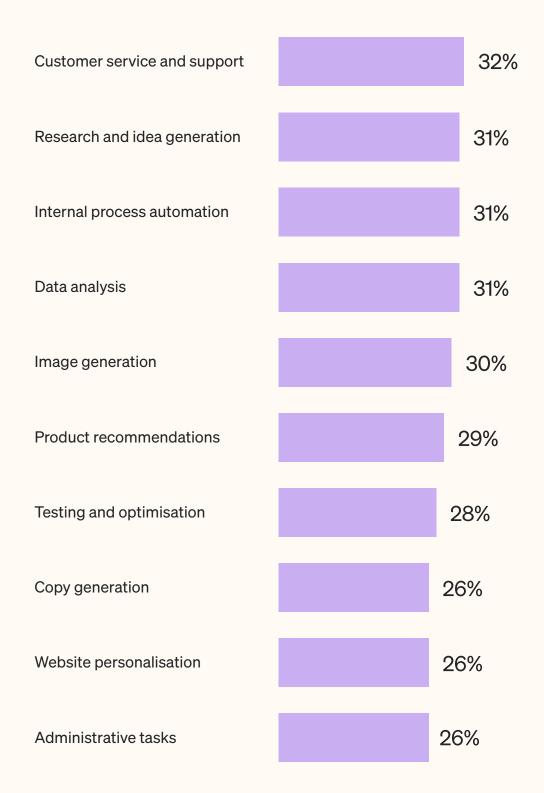


Al does the heavy lifting for me so I have more time to focus on more valuable work

44% Strongly agree 46% Somewhat 9% agree Neither agree nor disagree 1% 0% Somewhat Strongly disagree disagree

Al helps improve the customer experience faster than I could on my own

Which AI capabilities would have the greatest impact on the customer experience?



CURRENT AI Applications: Generative AI IS Most Popular, But not by Much

Considering generative AI was the professional and social darling of 2023, you might expect marketers to be using it far more than other types of AI.

But in light of the overwhelmingly positive experiences marketers have had with AI so far, it's no surprise that they've started exploring other types of AI, too—in almost equal measure.



DEFINING AI TYPES

Predictive Al

- Analyses vast amounts of data to anticipate customer behaviour and preferences
- Helps you personalise marketing at scale

Generative Al

- Creates entirely new content for marketers
- Enables you to focus less on manual tasks, and more on strategy and creativity

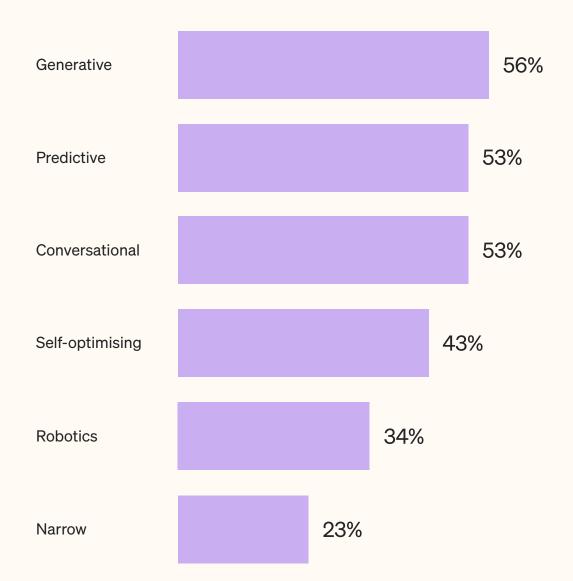
Autonomous or self-optimising Al

- Runs on autopilot, creating tailored experiences for each individual customer
- Continuously learns, adapts, and refines strategies for the best outcomes—in a fraction of the time

CURRENT AI APPLICATIONS

Marketers are already exploring all types of Al.

When we asked what types of AI marketers used at work over the past 6 months, the results were fairly evenly distributed between generative, predictive, and conversational AI, with self-optimising or autonomous AI not far behind.

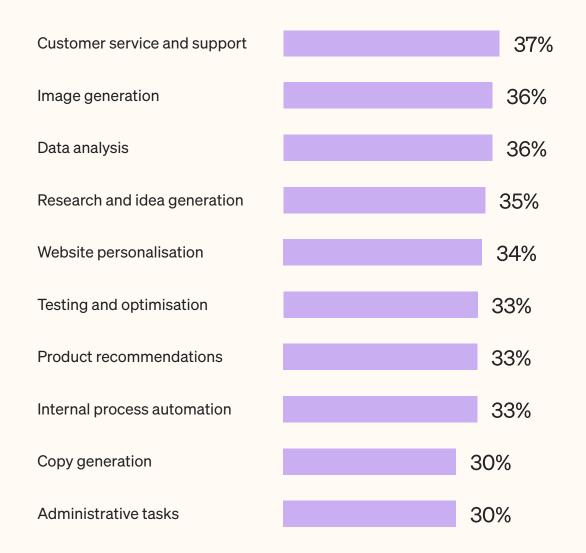


Which types of AI have you used at work in the past 6 months?

CURRENT AI APPLICATIONS

Current Al use cases, meanwhile, are even more varied.

While plenty of marketers are leaning on generative AI for help with productionrelated tasks, they're also using other types of AI as much, if not more, for help with curating insights, making smarter decisions, and better serving their customers.



For which of the following are you currently using Al?



REAL-WORLD AI APPLICATIONS

Check out how these real-life brands are using AI to learn more about their customers, work more efficiently, and most important, drive real results.

culture Kings

The popular streetwear brand is leveraging Klaviyo AI to resolve resourcing challenges and create, learn, and iterate effectively—from A/B testing subject lines to leveraging Segments AI to target the right audiences at scale.

"We have diverse audience segments across 3 regions, each requiring a unique approach. That's where Klaviyo, supercharged by its powerful AI features, comes in and enables us to easily and effectively build complex automated flows," says Jarrod Hinvest, head of ecommerce. This has allowed the brand to <u>personalise at scale while saving time</u>.

MESHKI

The global fashion brand is tapping into Klaviyo Al's dynamic product feeds to automate personalised shopper recommendations at scale—saving the business time from building thousands of individual, manual campaigns.

"We've increased Klaviyo attributable revenue to 20% because we've utilised Klaviyo's tools including Klaviyo Al—to execute channels in a way that's quick, easy and effective," says Liz Hayes, CRM specialist at MESHKI. This has enabled the brand to <u>increase email campaign</u> <u>revenue by over 160%</u> year over year.



The plant-based skincare brand turned to Klaviyo AI to test and optimise their email and SMS sign-up forms, experimenting with pop-up placement and timing by leveraging the brand's performance data.

"Klaviyo Al's features are so hands-off and delivered immediate results," says Alexandra Barlowe, DTC email and SMS marketing director at Tata Harper—driving a <u>65% increase in</u> <u>sign-up form submissions</u> within just 30 days of launching.

FUTURE AI APPLICATIONS: MARKETERS NEED MORE THAN CHATGPT

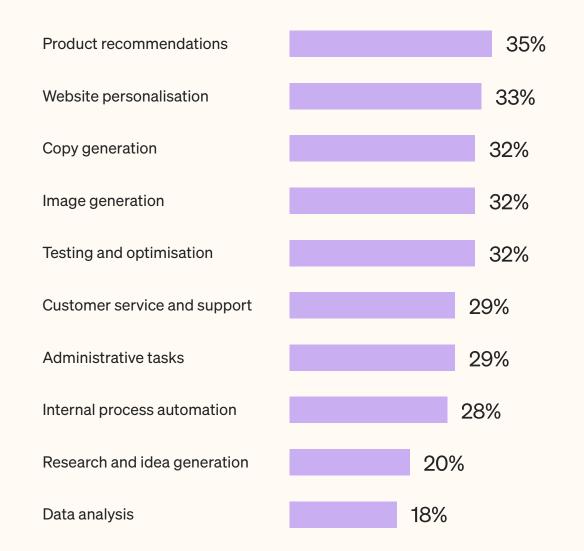
While marketers are already using predictive and self-optimising or autonomous AI in their day-to-day work, our research reveals areas of greater opportunity.

The survey results suggest marketers might not realise the true breadth of what AI has to offer: Many of the future AI applications they identify as desirable are already available today.

FUTURE AI APPLICATIONS

Opportunities are hiding in plain sight.

In the future, slightly more survey respondents would consider using Al for things like product recommendations and copy generation than they do currently. But most are interested in continuing to use Al for many of the same marketing-related tasks they're already using it for.



For which of the following would you consider using AI in the future?

FUTURE AI APPLICATIONS

Here's where things get really interesting.

When we asked marketers what they wish they could use AI for, nearly half of respondents identified AI applications that are already here—things like performing marketing analytics, comparing their company's performance to similar organisations, and predicting customer behaviour and attributes.



For which of the following do you wish you could use AI?

HOW KLAVIYO SOLVES FOR YOUR MARKETING NEEDS-TODAY AND TOMORROW

It's clear that AI has already improved marketing productivity, performance, and quality.

With that in mind, marketers can only stand to benefit from learning more about the other worlds AI is capable of opening up—beyond the wonders of ChatGPT.

Marketers need to trust the data AI is built on.

When we asked marketers to identify which characteristics are most important to them in Al technology, they identified "trustworthiness of data" among the top 3 most important characteristics—and marketers representing mid-market businesses ranked it as more important than anything else.

Which AI characteristics are most important to you?

	30%
	29%
2	28%
2	7%
2	7%
2	7%
26	%
26	%
26	%
26	%
24%	0
24%	0
22%	
22%	
	24% 24%

KLAVIYO AI IS YOUR TICKET TO SMARTER CUSTOMER RELATIONSHIPS

It's not just because most of the top tasks marketers wish they could use AI for, Klaviyo has been offering for years.

And it's not even because Klaviyo AI can already handle the AI use cases marketers are most excited about using—both today and tomorrow. "Klaviyo is and always has been a data platform at its core," says Matt Preyss, lead product marketing manager at Klaviyo.

Marketers agree that the key factor in whether you can trust—and use—a platform's AI has less to do with the shiny bells and whistles we typically associate with AI marketing, and more to do with a simple question: <u>How clean, comprehensive, and reliable is the data the AI is built on</u>?

66 Klaviyo is and always has been a data platform at its core. 99

MATT PREYSS, LEAD PRODUCT MARKETING MANAGER AT KLAVIYO

Klaviyo integrates marketing automation with a centralised data repository, with Al and machine learning tools that improve the customer experience deeply embedded throughout the platform.

Klaviyo Al Mia Williams	Average order value C Good Your company Your peer group Industry median	
Predictive analytics		
Historic CLV Predictive CLV Expected date of next order Feb 12, 2024	Business performance	viyo Al
Avg time between orders36 daysChurn risk prediction22%	Average cart size 📀 Excelle	nt
	Average order count 📀 Goo	bd
	Average order value	air
	% of orders returned Scheduler	nt

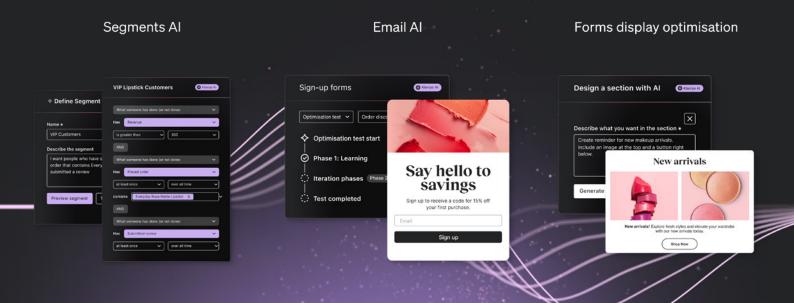
Explore + Klaviyo Al

So yes, Klaviyo Al is equipped with the generative, predictive, and autonomous Al capabilities we've discussed throughout this report. But even more important, it drives results because <u>data science is built into the platform</u>, not bolted on as an afterthought.

And that matters. Because the most valuable Al feature, in the end, isn't a feature at all. It's a philosophy.

See Klaviyo Al in action.

Request a demo



<u>Trademarks</u>