WHITE PAPER

[24]7.ai

Conversational Ads Using [24]7.ai Engagement Cloud

How Intent-Driven Conversational Ads Can Improve Engagement and Get You More from Your Digital Ad Spend

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01 Introduction

Capturing Ad-fatigued Eyeballs Requires a Fresh Approach to Omnichannel Marketing

The digital landscape is changing, and new consumer behavior calls for new rules to engage them.

Despite a steady increase in consumer devices and marketers' best efforts, traditional channel-based digital advertising increasingly fails to capture consumer attention. Overwhelmed by impersonal, intrusive, and irrelevant ads, today's consumers tune out or—through ad-blocking—simply turn off.

Conversational ads, embedding artificial intelligence (AI)-based asynchronous messaging capability right into banner ads, has proved a highly effective method at capturing the attention of ad-weary consumers and enhancing their experiences, all while reducing costs and creating lifelong value. But deploying this approach requires rich omnichannel-based data, a multidimensional view of intent and both human and AI insights.

This whitepaper will look at the capabilities that organizations need to make conversational ads a reality, and how [24]7.ai Engagement Cloud, a groundbreaking platform for conversational AI, helps achieve them.

52%

of online shoppers wish brands would be more innovative in how they use digital technology to improve their experience.

- Wunderman Thompson Commerce, The Future Shopper Report

02 Why Conversational Ads?

Conversational ads leverage AI to create a powerful digital customer experience — providing all relevant information and answering all customer questions — seamlessly taking potential customers right from an ad to a sales conversation in real time.

This provides several significant benefits:

Eliminates drop-offs in the sales funnel.

Reduces costs by eliminating spending on irrelevant ads.

Makes it easy for the customer to find what they seek.

Connects in real time to the right bot or agent.

Conversational ads powered by [24]7.ai Engagement Cloud are able to provide a potential customer with everything they would find at the brand website. This runs the gamut from providing information and answering questions, to completing a purchase or refinance form, to transferring to a live agent. They offer an easier, faster customer experience, driving 20 percent greater acquisition by connecting the right customer with the right people at the right time to solve their needs.

But to achieve all this organizations need a deeper understanding of their customer through a targeted omnichannel approach that understands intent and achieves personalization at scale.

47%

of consumers are open to purchasing services through a chatbot experience.

- HubSpot Research Study, 2019

03 Three Key Requirements for Conversational Ads

Customers today expect businesses to communicate with them on their preferred channel, understand their intent and provide a personalized customer experience. There are three crucial actions organizations must take to leverage groundbreaking approaches like conversational ads: create customer-first journey, better understand and predict intent, and combine human and AI insights.

1. Connect the Dots for a Customer-First Journey

Online consumers today expect a seamless, unbroken experience across all channels and their many devices. This means marketers must smartly combine paid media, search, web, and other owned channels, presenting customers with the right information in the exact moments that matter.

Organizations need to move to a smarter omnichannel approach, where they know their customers and their needs better—drawing from rich data across channels and individually recognizing the customer wherever and on whatever device they connect. This allows digital marketing efforts to be extended across the entire customer journey.

This can be done with ease by leveraging the power of AI. For example, by using advanced path analytics and customer data from digital, voice and offline sources, [24]7.ai Engagement Cloud provides insights into the customer journey across all touchpoints. With [24]7 Journey Analytics you can:

- Understand how customers interact across touchpoints.
- See what's working and what's not.
- Identify the root cause of issues.

Creating Waste and Worse

Jack needs a new laptop for his home office. He starts by searching on his work computer and lands on the company website. On the train ride home, he compares options on his mobile phone. Finally, at home, Jack uses his tablet to make the purchase. This channel-based approach seems to be working great; however, in the days to come, Jack is retargeted with ads for a laptop he just purchased, wasting media spend, annoying him, and doing nothing to drive lifelong customer value.
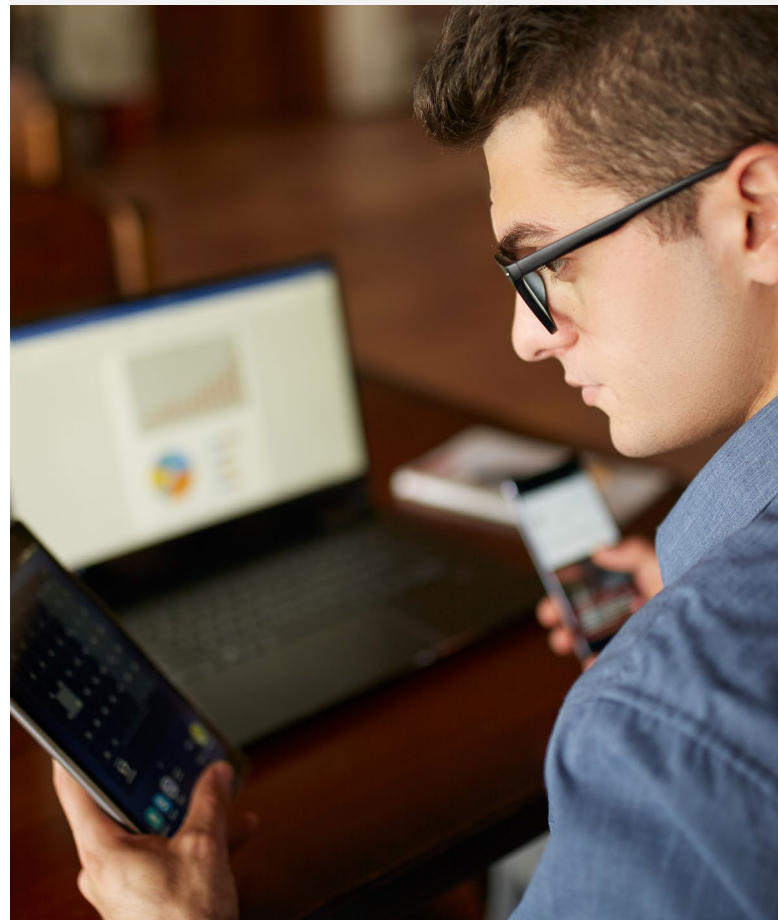
Rich customer data is key to improving the omnichannel customer experience and optimize service operations, and essential to successfully deploying conversational ads.

2. Predict Intent for Media Optimization

Using data to deliver personalization at scale is not new, but to optimize digital media efforts on ad-weary consumers, marketers must focus on intent—seen through a multidimensional lens.

Who the customer is—Understanding and classifying consumers into personas.

What they want— Identifying the most relevant product or service now and in the future.

Their propensity— Determining the customer journey and propensity to convert.

This must all be done in milliseconds, a significant challenge with traditional tools. But optimizing intent based on this multidimensional analysis makes the difference between creating relevant and timely customer experiences and delivering the wrong message to the wrong customers at the wrong time.

The answer is found in combining machine learning and big data. [24]7 Target uses machine learning algorithms to deliver personalized, targeted customer experiences that drive engagement and optimize return on advertising spend (ROAS). Target is at the heart of delivering dynamic conversational ads. It predicts customer intent—based on web journeys, purchase history, demographics, personas, and other digital signals—to supply the right ads at the right time, and present products they are most likely to purchase.

Beyond creating more exceptional CX and turning browsers into buyers, paid media budgets can be optimized by 15 to 20 percent by recognizing customers across channels and not continuously (and annoyingly) showing them the same ads.

3. Combine Technology and Human Insights

Providing personalized customer experiences requires blending human and artificial intelligence in a way that creates one seamless journey for the customer. This is where the predictive power of machine learning meets with the expertise of the brand, creative and agency teams.

People create a messaging strategy and its creative elements, and tools like [24]7 Target spin them into exceptional customer experiences. While human experience provides an integral component to effective AI-driven dynamic advertising, machine learning is also needed to support the human side of the customer journey.

[24]7.ai Engagement Cloud uses AIVA, the most advanced conversational AI engine, to support both synchronous and asynchronous messaging. Whether a customer is interacting with a bot or a human, AIVA uses natural language processing to suggest the best responses based on consumer intent.

04 Conversational Ads in Action: The Customer Journey

From a customer's perspective, conversational ads provide a single, seamless journey from engagement to transaction. Conversational ads offer two powerful approaches to improving the customer experience and ultimately sales: informational bots, which provide answers, and transactional bots that drive off-site purchases.

Here are the two ways it works:

The Information Journey

Informational bots are designed to address "banner blindness," the trend for prospects to ignore web ads and treat them as noise. They qualify the prospect's interest and provide relevant information, before handing them over to live chat agents to complete the sale. They are easy and inexpensive to set up, and strategically drive more chats on a brand's site.

The Transactional/Experience Journey

Transactional bots, drive highly targeted incremental sales without having to go to the brand site or to a live agent. Using intent-driven engagement and advanced natural language processing (NLP), these bots can do almost everything a human agent can: provide relevant options, build loyalty, turn inquiries into sales, up sell orders, complete the transaction, and arrange payment. They can alleviate the burden on live chat agents, and close sales that might be lost to abandonment due to long on-site chat queues. By eliminating drop off points in the sales funnel, studies have shown it can double purchase rates and triple returns on advertising spend (ROAS).[1]
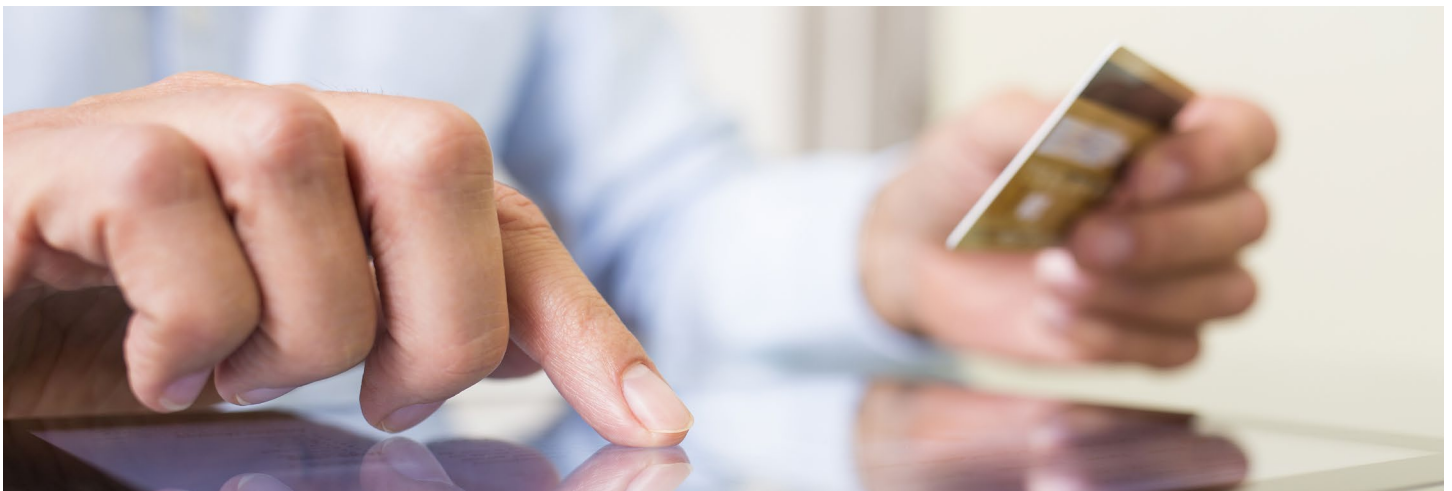
Information Journey

1. Customers see the [24]7.ai-powered conversational ad, personalized to deliver the right message to the right customer at the right time in their specific journey.

2. When the prospect clicks the ad, they open a chat window in which they engage with a bot that provides options relevant to the ad clicked and uses customer data to build loyalty and provide opportunities to upsell.

3. The customer lands on the brand site where their chat continues seamlessly with a live agent.

4. The customer confirms and completes their purchase with the live agent.

Transactional Journey

1. Customers see the [24]7.ai-powered conversational ad, personalized to deliver the right message to the right customer at the right time in their specific journey.

2. When the prospect clicks the ad, they open a chat window in which they engage with an FAQ bot, which provides relevant options, builds loyalty, turn inquiries into sales, and can up sell orders.

3. The customer is able to place their order with the bot, and is provided access to their cart for order confirmation and payment without being handed over to live agent.

05 Dynamic Creative Is Essential

Getting attention across the many devices and individual potential customers is not a one-size fits all endeavor. Not only can conversational ads provide dynamic 1:1 in-the-moment personalization—bringing the right message to the right customer at the right time—they do it with style.

Ads can be expandable and collapsible, and provide dynamic elements including:
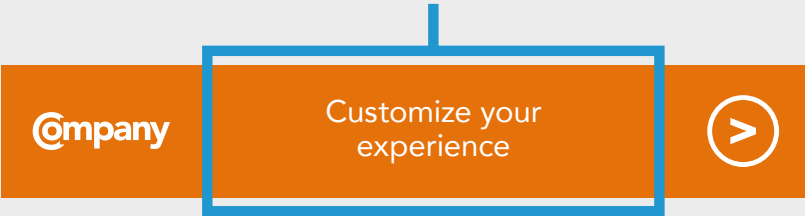
- Headings and subheadings
- Product and background images
- Calls to action
- Text or background colors
- Price and offers

All this grabs more attention in a cluttered advertising market, while opening new marketing channels and reaching new customers that existing advertising teams might not have the bandwidth to handle.

Of course, AI is only half the picture when it comes to creative ads, and the human element is essential. As dynamic as conversational ads are, they still use agency-supplied elements such as logos, fonts and color schemes that meet brand guidelines and campaign goals. Matrices detailing the headings used by day-of-the-week, time-of-the-day, geography, or persona are also developed by humans and executed by AI.

Conversational Ad Creative Examples

300x50   Dynamic Heading

Company Customize your experience >

The heading shown on the banner is personalized based on data collected on the customer.

320x50 Expandable   Dynamic Heading   Dynamic CTA

The collapsed banner expands to reveal the expanded version, once it is clicked.

Company Customize your experience Chat Now

Expanded banner

Company

The two banner examples shown above (collapsed and expanded) are two different creative templates that work together to personalize the customer experience.

When the "collapsed" banner is clicked anywhere other than the Chat button, it will show the "expanded" banner on top of the original banner hiding the Chat button.

If the customer clicks on the Chat button, they will be connected directly to a Chat FAQ bot to collect further information from the customer. This allows you to offer up two different experiences based on the interaction and data collected on the customer.

300x150

Company

The best experience

Shop Offers

Dynamic Product Image

Dynamic CTA

Dynamic Heading

The dynamic product image and heading will open the chat interface. The dynamic CTA button will direct the user to the brand's site or landing page with curated offers based on customer data.

Any of these creative elements used in your ads can be made dynamic.

Heading	Subheading	Call to Action
Text Color	Background Color	Price / Offer
Product Image	Background Image	Text Color
Background Color	Images (logo, product image, etc.)	

06 Driving Sales, Delighting Consumers and Building Lifetime Value

Dynamic advertising and AI-fueled experiences are critical components to cost-effectively push into new channels to reach an ever-growing and hard-to-attract customer base.

Conversational ads are a potent way to reach new channels while adopting an omnichannel marketing approach. When needed they are perfect for driving chat volume to brand websites to build loyalty. Alternatively, by using transactional bots, they can grow sales, driving new business while reducing website traffic and the workload on agents. On top of these benefits, cost savings can be found by eliminating the need for creating assets such as landing pages and web forms.

By immediately connecting the right customer with the right people and solving their needs faster, they increase conversions and drive online sales. Put simply: customers have a faster and easier experience with the brand. And by solving customer needs more quickly and with less effort, conversational ads drive purchasing up by 20 percent or more.

Today's consumers expect more and it's harder to grab their attention. They demand greater personalization from the brands they interact with, and a seamless experience across channels, devices, and time. Driving loyalty and increasing customer lifetime value in today's marketplace requires a customer intent-focused omnichannel approach, that creates organic and exceptional experiences.

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> "One of the main factors why companies shift to AI-driven ads is the increase in the number of channels for reaching customers. It's getting harder even for a full-fledged advertising team to keep up. Therefore, programmatic platforms that are capable of using lots of targeting signals for individualizing advertisements are the perfect solution."
>
> —Finance Online, *8 Advertising Trends for 2020/2021: Latest Forecasts You Should Know*

[24]7.ai Engagement Cloud

[24]7.ai Engagement Cloud is the industry's first fully integrated suite of conversational AI services, empowering both voice and digital interactions. With it, IT and CX teams can quickly discover customer intents and build, automate, monitor and optimize customer service and the customer journey. Find out more about how Engagement Cloud and conversational AI can transform your sales and CX.

1. [247].ai customer data

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About [24]7.ai

[24]7.ai is redefining how artificial intelligence, human insight, and deep vertical expertise can produce personalized, satisfying customer experiences across all channels. Our advanced conversational AI platform predicts consumer intent and creates frictionless interactions that help the world's largest and most recognizable brands to strengthen customer relationships and increase brand loyalty. With more than two decades of contact center operations expertise, [24]7.ai empowers companies to deliver natural, consistent conversations that increase customer satisfaction while lowering costs.

For more information visit: www.247.ai