



Most Companies Are Already Using AI in Marketing Campaigns — Over Half Plan to Spend Even More in 2024

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Chatbots are the most popular AI-powered marketing tool today, but companies recognize the opportunity to do more — and are prioritizing data quality in order to get there

SAN FRANCISCO--(BUSINESS WIRE)-- New research from Twilio (NYSE: TWLO), the customer engagement platform that drives real-time, personalized experiences for today's leading brands, shows that AI automation has emerged as the primary means by which businesses are looking to grow revenues and operate efficiently.

Twilio Segment's [2023 Growth Report](#), a study of 2,450 business leaders, found that 88% of businesses are already using some form of AI in their marketing efforts this year, and more than half (54%) expect to spend even more on AI-powered campaigns in the coming year. The findings show that leaders expect their AI investments to pay off, with nine out of ten leaders (90%) reporting that AI will deliver either time or cost savings for their business.

The rise of generative AI chatbots appears to be having an impact on marketing leaders, as chatbots are the most common way businesses expect to use AI. Among the survey's respondents, 38% of businesses say they will be using AI chatbots in their marketing efforts.

Additionally, businesses are tapping into AI models using customer data to tailor their marketing, with 34% of leaders integrating predictive AI. For example, Cisco uses Twilio Segment to collect product analytics data, and is currently building an AI model to predict user's propensity and readiness to buy or upgrade to a new product. Training AI models on real-time data creates a flywheel — as the models analyze more data, it gets smarter to understand, perceive, and activate on valuable customer insights stored in the Customer Data Platform (CDP).

Data quality and CDPs are critical enablers

The report also shines a light on the essential role of data quality: 40% of businesses are struggling with technology infrastructure or low-quality data, highlighting the pivotal role of relevant, timely data in unleashing the full power of AI. 71% of respondents say AI could be more useful with access to higher-quality data.

CDPs are having a positive effect in ensuring data quality: Companies using a CDP experienced a 32% growth rate in the past year, compared to a 21% growth rate at companies not using a CDP. Because CDPs unify customer data that is collected across the organization, it offers brands a single source of truth for their customers' needs. These powerful tools are displacing the traditional customer relationship management (CRM) software — 24% of respondents say they plan to simplify, remove, or reduce their CRM spend in the coming 12 months. This shift points to the [broader trend](#) of businesses investing more in alternative technologies like data warehouses for customer data management that are powerfully interoperable with CDPs.

Consumer privacy concerns persist

On the topic of customer data, privacy remains paramount. While 66% of leaders feel that customers would appreciate AI-enhanced marketing if it leads to superior service, 28% express concerns about data privacy associated with AI adoption. Addressing these concerns, most businesses (85%) say it's a priority to do a better job of capturing and leveraging first-party data in the coming year, marking a 14% increase from the 71% recorded in 2022.

"AI has taken the world by storm in 2023, and the data is clear that businesses have embraced the technology wholeheartedly as a means to attract, engage, and retain customers. The challenge now is ensuring that these AI efforts bear fruit," said Katrina Wong, VP of Marketing at Twilio Segment. "Businesses have to prioritize data quality just as much, or even more, than they're prioritizing AI. Otherwise, they're leaving money on the table."

AI to Take Center Stage at CDP Week 2023

For more about Twilio Segment's 2023 Growth Report, and to discover how to more effectively deploy AI and use CDPs to solve data quality problems, tune into the virtual [CDP Week on October 24-26, 2023](#). Keynote speaker Sinead Bovell, a futurist and MIT-certified AI ethicist, will share her perspective on the future of work and life with advanced technologies. In addition, numerous speakers will offer sessions on increasing customer lifetime value (LTV), improving customer engagement, assessing your company's data maturity, and more.

About the Report

Twilio Segment conducted the research behind the Growth Report using an online survey prepared by Method Research and distributed by Cint. The audience included 2,450 full-time employees from the United States, United Kingdom, Brazil, Germany, France, and Australia who are familiar with the company's growth strategy, working in marketing, engineering, UX, product, and customer services roles at B2B companies with 75+ employees.

To download Twilio Segment's 2023 Growth Report, please visit: <https://segment.com/the-growth-report/>

About Twilio Segment

Twilio Segment's Customer Data Platform (CDP) provides companies with the data foundation that they need to put their customers at the heart of every decision. Per IDC, it's the #1 CDP in worldwide market share four years in a row (2019-2022). Using Twilio Segment, companies can collect, unify and route their customer data into any system where it's needed to better understand their customers and create seamless, compelling experiences in real-time. Over 25,000 companies use Twilio Segment to make real-time decisions, accelerate growth and deliver world-class customer experiences. For more information, visit <https://segment.com>.

About Twilio

Today's leading companies trust Twilio's Customer Engagement Platform (CEP) to build direct, personalized relationships with their customers everywhere in the world. Twilio enables companies to use communications and data to add intelligence and security to every step of the customer journey, from sales to marketing to growth, customer service and many more engagement use cases in a flexible, programmatic way. Across 180 countries, millions of developers and hundreds of thousands of businesses use Twilio to create magical experiences for their customers. For more information about Twilio (NYSE: TWLO), visit: www.twilio.com.



Press Contact

press@twilio.com

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