Marketing is all about the customer. The more you understand about each customer and their preferences, the easier it is to engage them with individualized messages, offers, promotions, and even individualized prices and products. Machine learning empowers marketers to use the growing volume of available customer data to gain deep insight into customers and markets, beyond what marketers could possibly fathom based on their own intuition and simplistic analyses like RFM. This insight can then power relationship-building strategies and tactics that build customer loyalty, advocacy, and brand value.

Machine learning benefits for marketing

**Streamlined processes with lower costs**
Everything in marketing moves faster with machine learning. Marketers can automatically tag images and content, automate decisions about digital media ad spend, and A/B test thousands of creative variations in seconds. Marketing staff can spend more time on strategic and creative work and reduce the cost of executing basic tasks.

**Better conversion rates**
Greater relevance of messages and offers means better responses from customers and prospects, and thus more conversions. Machine learning can choose the best possible message for every recipient, leveraging predictive insights to determine who will respond to what—or even construct new content, such as email subject lines, that perform better than anything written by a person.

**Increased brand value**
As machine learning makes every marketing effort more effective, each customer and prospect's experience becomes more engaging and impactful. This boosts brand perception and creates greater loyalty and advocacy, ultimately increasing brand value.

**Higher marketing ROI**
Every marketing dollar is under scrutiny, and machine learning ensures the marketing budget is always optimized. Waste is reduced, efficiency increased, and the effectiveness of every investment is maximized. ROI goes up as greater benefits from marketing activity are achieved.

20% better conversion, cart size, and purchase intent with personalization

$20 ROI for every $1 spend on data-driven marketing

91% of senior marketers feel customer data is essential to marketing decisions

26% of marketing budgets wasted on the wrong strategies
How marketing can use machine learning

**One-to-one digital marketing**
Use all available customer data for deep analytics to understand and predict each person's preferences, needs, and propensities. Personalize every interaction across all customer touchpoints. Present exactly the right offer, content, and message. Make every customer feel you're speaking to them as an individual, every time.

**Sentiment analysis**
Turn written words into quantitative indicators of how customers feel about brands, products, customer service, and more. Analyze social media, call transcripts, chats, emails, and more. Use these insights to improve customer service, product design, manufacturing quality, and marketing campaigns. Use customers' own words to better understand their feelings.

**Pricing and promotion optimization**
Eliminate the guesswork of setting the right price and promotion to maximize sales and profit. Marshall all historical data on the interplay between pricing and sales results to predict how changes will impact the business. Discard one-size-fits-all pricing and determine the right price and promotion for each segment, market, or even individual person.

**Demand forecasting**
See the future more clearly by predicting demand across the entire business. Take every possible influence into consideration, from your own strategic moves to those of competitors to economic dynamics and even the weather. Build better go-to-market plans by pinpoint opportunities and understanding where and how to attack the market.

**CASE STUDY**

**National Football League (NFL) team reverses attendance decline**

A team in the NFL had been seeing declining home-game attendance due to a variety of factors including poor competitive performance, controversial player behavior, and a media market overcrowded with alternatives. Using RapidMiner and working with consulting firm 160over90, the team identified customer segments with growth opportunities and targeted each with segment-specific messaging. The team reversed its attendance decline and won a Clio award for its marketing efforts.