DeepZero | iPinyou
Insights

Trends of China AI Marketing in 2020
If we use one sentence to predict the trends of AI marketing in 2020, it would be: “User-centric marketing will be thoroughly implemented by companies in both data technology and business processes!” The term “user-centric marketing” will be the most frequent term in companies’ internal discourses as well as discussions with external marketing partners. This trend indicates a shift of focus from internet traffic dividend and channels to user centrivity and user operations. The one-sentence summary correlates to six specific trends:

01

The Marketing Operating System Supported by “The Middle Platform of Data and The Middle Platform of Business” Will Substantially Increase The Quality of Digital Marketing Transformation

The middle platform of data has become a buzzword, which is an indication of the rise of platform thinking. In the past, business data had been accessible only to a few personnel and departments. They had developed their analysis and application modules based on their data silos, which were independent from each other like chimneys. Today, however, the liquidity of data in business organizations is increasing significantly as data becomes available to many different departments or teams. Regardless of the sources of data, different data processing capabilities can be integrated into one platform, which serves as the middle platform of data.

Developing from the basis of the middle platform of data, companies need to have their “middle platform of business” to accelerate the monetization of data. For today’s businesses, data can be used not only for the purpose of advertising, but also in other ways by different departments. The marketing department, for example, uses data for advertising and many other different activities, such as media scheduling, consumer survey, member marketing, supply chain risk management (SCRM), and lead management. All these activities require some generic functional modules which can be built upon the middle platform of business.
A full range of business activities, such as follower or member operation in private-domain traffic management, personalized advertising in public-domain traffic management, and online consumer survey, require functional modules. These modules include marketing automation (MA), audience segmentation, and business boards. If these functional modules and algorithmic models are integrated into the middle platform of business, they can provide a flexible and efficient support for application solutions in different specific business scenarios.

In the presence of a “middle platform of data + middle platform of business” system, data, an essential factor of production, can be more efficiently used and monetized in marketing. The marketing-related departments can develop application solutions for their own business scenarios by accessing and utilizing the two platforms directly and quickly, thus turning data-driven marketing from concept into reality.
The CDP and the MA will be Combined for Better Support to Cross-Domain User Operations

Why do people communicate with friends much more effectively than with strangers? The reason is that we know our friends well and talk in contexts familiar to them, while we take time to get to know strangers and thus have fewer meaningful conversations. In a similar way, brands had reached users in a fragmented, fractured and non-continuous manner in the past. Brands had no idea whether users appearing on different touchpoints were the same.

The customer data platform (CDP) allows a brand to integrate all user data across touchpoints and know, upon encounter with a user, when it had interacted with the user before. The touchpoints include both private-domain platforms such as official websites, official apps, as well as official accounts on various social media and public-domain platforms, such as video media, feeds, as well as ecommerce platforms.

After identifying a user, the most important thing for a brand to do is to influence the user by conveying various brand messages to the user. Marketing automation (MA) steps in here. MA customized automated marketing mechanisms based on various triggers that are configured with user and product information. In addition, MA provides best creative options for user communications. There are a wide range of creative content formats including picture ads, coupons, and personalized articles.
The CDP+MA combination ensures that a brand is well informed to effectively communicate with a user and provide the user with a good experience on each encounter. While brands had often “offended” customers due to the lack of informed and personalized services in the past, this new combination has created a huge improvement in communicating with users.

Brands will Build a Digital Transformation Triangle of “User, Content and Touchpoint”

User, content and touchpoint are the three key elements of communication, which promote saying the right thing to the right person at the right place.

We used to focus on only the user and touchpoint on this topic. But why do we now mention content as part of a trend in 2020? The reason is that two major changes have recently occurred on the content front which have allowed it to become a key feature in the “user, content and touchpoint” triangle.

1. The formats of content have increased greatly in complexity. In recent years, we have seen innovation of the formats of content, ranging all the way from rich media to long videos to official accounts, feeds and live videos. Because of the popularization of ecommerce, products have become a form of content. Moreover, the emergence of content automation tools has helped brands generate a rich variety of content in a more convenient way at lower costs.

2. Content can now be tagged as well, in contrast to the past when only users can be tagged. The products of DeepZero/iPinYou enable the extraction and tagging of creative content. With the tagging feature, we can manage, measure and optimize creative content for more effective communications. For example, we make data-informed decisions for the advertising materials, the background color, and the option of highlighting product detail or use scenario.

With the diversification of content, the “user–content–touchpoint” triangle can cover more diversified scenarios.
In the retail industry, for example, this triangle becomes “people–product–venue”. It can also become “follower–article/coupon–official account”, “visitor–web page/site–official website/app”, or “member–product/service–mini-program” per its corresponding scenario. In advertising, it is “netizen–advertising–media”. In all cases, brand-user interaction scenarios can be described in terms of a digital transformation triangle.

In contrast, content, user and touchpoint were rarely analyzed together in the past. As the triangle model covers more scenarios and content becomes digital and taggable (just think how user tagging has enriched user analysis), the cross analysis of user, content and touchpoint will become more comprehensive, and the combination of the three will be better optimized. With the advantage of data and technology, the act of saying the right thing to the right person at the right place has been more thoroughly implemented.

04

The Commercial Power of Individuals will Rise via Social Media

Social marketing will move towards digitalization, transparency and refinement. Recently, we have seen quite a few cases of social marketing busts, which will drive social digitalization and transparency. We believe that social digitalization and transparency will accelerate refined operations of social marketing. Following celebrities, internet celebrities and KOLs, we have seen the rise of key opinion consumers (KOCs), which we believe is a new phenomenon marking the shift of social marketing to refined operations.
The core concept of KOCs is to use social acquaintances to get more effective marketing communications and higher conversion. Therefore, we need to analyze social marketing at finer granularity by tagging, managing the communication routes, and performing a closed-loop communication analysis for each KOC.

DeepZero|iPinYou has made a fruitful exploration in this area. For example, we have partnered with YUNJI to tag every KOC on the YUNJI platform, and assign tasks to suitable KOCs according to our relevance and influence algorithms. We have integrated word-of-mouth communication with ecommerce sales on the platform and performed closed-loop analysis of the marketing performance of each KOC.

05

All Investments in Marketing Technologies Will Focus More on the ROI for Specific Business Scenarios

A prominent characteristic of AI marketing in recent years has been the rapid popularization of related concepts and knowledge. Many marketers no longer approach digital marketing with the mindset of “the first person with the courage to try something new”. Over the recent years, marketers have implemented a lot of bold and innovative AI marketing practices and accumulated both positive and negative experience. In 2020, therefore, AI marketing will gradually dive into the deep waters of exploration. The investment in any marketing technologies made by marketers in different industries will not be driven by just interest or a tentative try, but rather, will focus on how technologies and products can fit into specific business scenarios by leveraging new technologies and new functions to create additional value. Marketing, after all, is about the creation of value rather than mere concepts.
Recently, I was deeply impressed by conversations with some marketing officers of clients. After being briefed on our products, they asked me how our products would help them do their work differently and more productively by considering typical use scenarios.

06

Companies Will Keep Evolving Organizationally to Facilitate Business Digital Transformation

It is easy for new things to make the headlines, such as the replacement of CMO with CGO, or the creation of the CCO position. I believe news like this is just the beginning of a big trend. As stated in the report to the fourth plenary session of the 19th CPC Central Committee, data is also a factor of production. When enterprises allow data to hold a key role in their production, their work content and processes will undergo changes that will drive their organizational transformation.

Just think how enterprises currently manage their resources. They rely on various systems for accounting, supply chain management, and production. When enterprises incorporate data in their function as a factor of production, they will inevitably put in place the corresponding systems. By then, all employees—not just the team responsible for media buying—will use the system to manage, activate and use data to increase the efficiency and effectiveness of marketing work.

Leading enterprises in some industries have started innovation in their organizations by, for example, establishing new departments, such as the Digital Marketing and Innovation Department staffed by people previously working in the Digital Department and the Marketing Department, introducing new positions such as data scientist, and merging or recombing some marketing functions.

It can be expected that marketers will not only leverage solutions to solve diverse emerging challenges of digital marketing from external leading vendors like DeepZero, but also get better support for their digital marketing work from internal optimized organizations.