# THE AI TRENDS 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 XM

# 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 AI on the job wish they had AI solutions for performing marketing analytics, comparing their company's performance to similar organizations, and predicting customer behavior and attributes, according to new research.

**Good news and bad news: That AI already exists.**

**The good:** That means you have more options than you think for not only accelerating productivity, but also accurately anticipating what kinds of marketing will perform best, making smarter, more strategic decisions, and, most important, driving 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 OpenAI in early 2023, generative AI is arguably the most commoditized and popular form of AI 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 AI is coming for our jobs to believing AI 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 AI will only make up one piece of a comprehensive AI marketing toolset. Which means if you're not doing much more than plugging prompts into ChatGPT, you're already behind.

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

# SURVEY METHODOLOGY

**Sample size:** 1,510 responses

## Region

| | |
|---|---|
| US | 33% |
| Europe (France & UK) | 34% |
| APAC (Australia & New Zealand) | 33% |

## Business size

| | |
|---|---|
| MM+ (>$30M) | 40% |
| SMB ($500K-$30M) | 50% |
| ENT (<$500K) | 10% |

## Respondent roles

| | |
|---|---|
| C-Suite | 37% |
| Director | 45% |
| Manager | 16% |
| Individual contributor | 2% |

## 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 AI adoption and experimentation.

In an uncertain financial environment, marketing departments everywhere were tasked with figuring out how to **cut martech spend and deliver better ROI**. 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.**
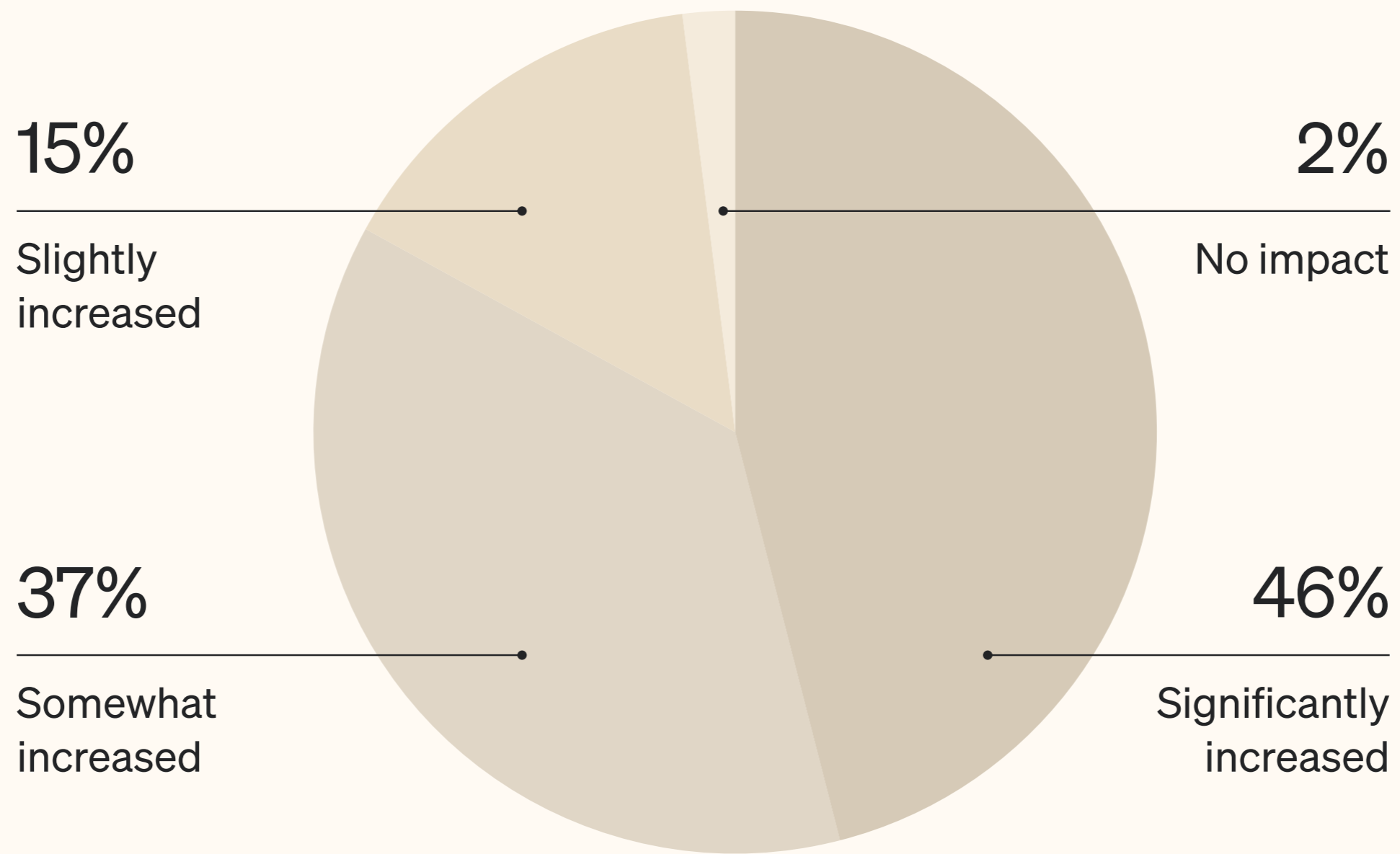
# AI gives marketers a competitive edge.

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.

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

| Benefit | Percentage |
|---|---|
| Improved quality and accuracy | 41% |
| Increased ability for idea gathering | 36% |
| Improved decision making and planning | 36% |
| Increased productivity | 35% |
| Increased personalization | 33% |
| Scalability and adaptability | 32% |
| Cost savings and resource optimization | 31% |
| Automating simple tasks | 31% |
| Enhanced safety and risk management | 30% |
| Enhanced customer engagement | 28% |

# DO MORE, BETTER, WITH LESS

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

**15%**
Slightly increased

**2%**
No impact

**37%**
Somewhat increased

**46%**
Significantly increased

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

**14%**
Slightly increased

**2%**
No impact

**36%**
Somewhat increased

**48%**
Significantly increased
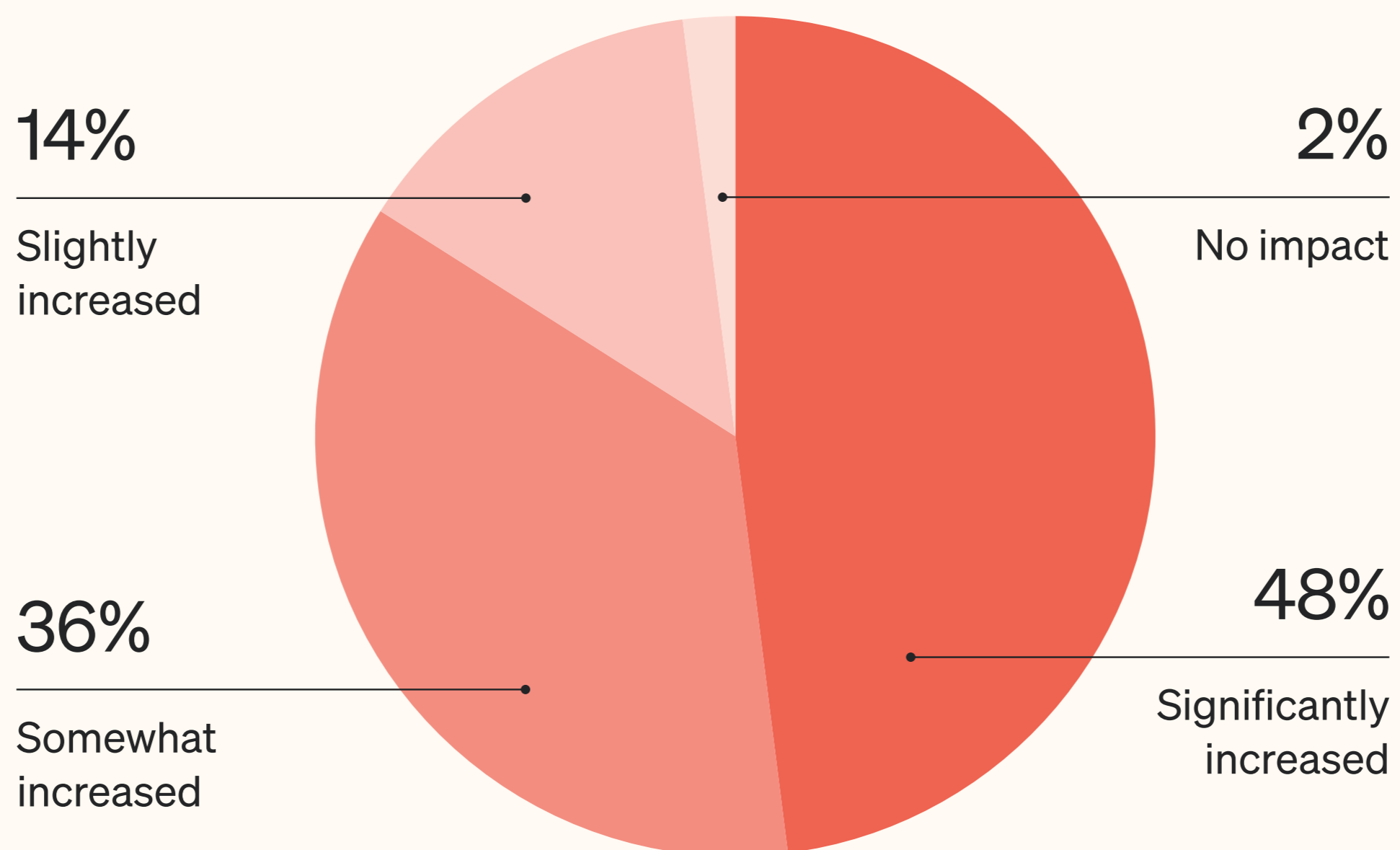
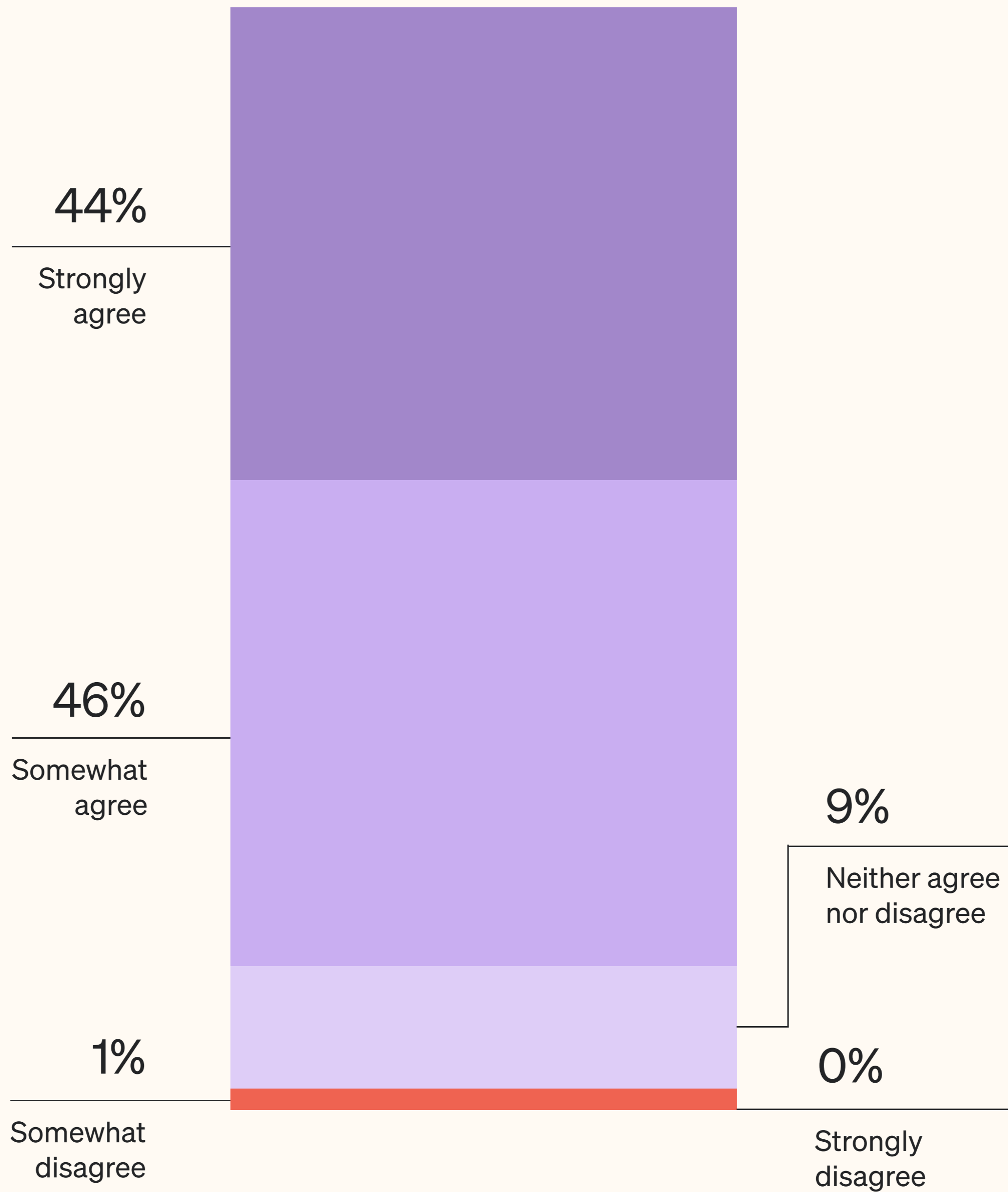# DO MORE, BETTER, WITH LESS

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

**44%**
Strongly
agree

**40%**
Somewhat
agree

**15%**
Neither agree
nor disagree

**1%**
Somewhat
disagree

**0%**
Strongly
disagree
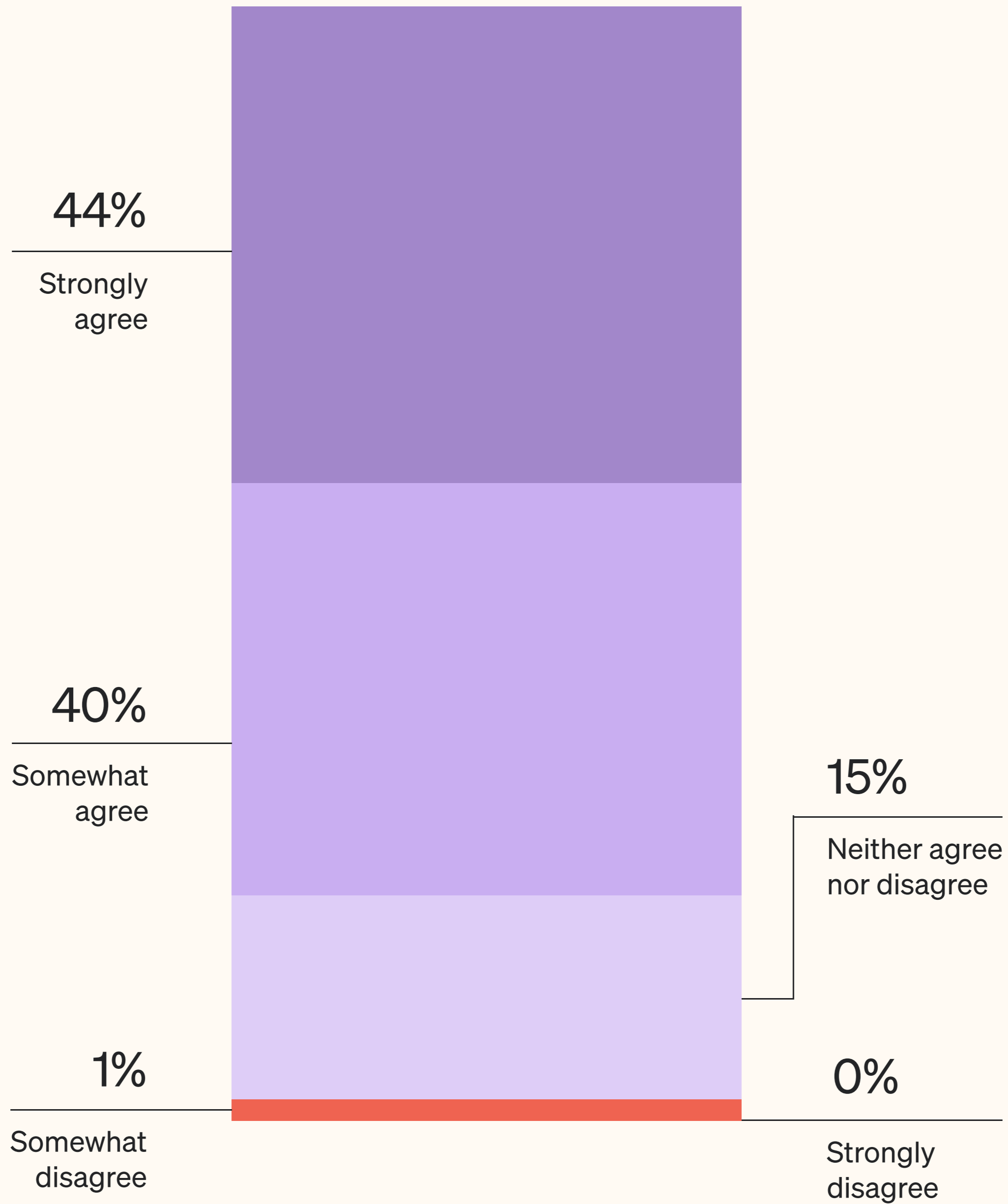
# DO MORE, BETTER, WITH LESS

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

44%
Strongly
agree

46%
Somewhat
agree

9%
Neither agree
nor disagree

1%
Somewhat
disagree

0%
Strongly
disagree

# DO MORE, BETTER, WITH LESS

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

| | |
|---|---|
| Customer service and support | 32% |
| Research and idea generation | 31% |
| Internal process automation | 31% |
| Data analysis | 31% |
| Image generation | 30% |
| Product recommendations | 29% |
| Testing and optimization | 28% |
| Copy generation | 26% |
| Website personalization | 26% |
| Administrative tasks | 26% |
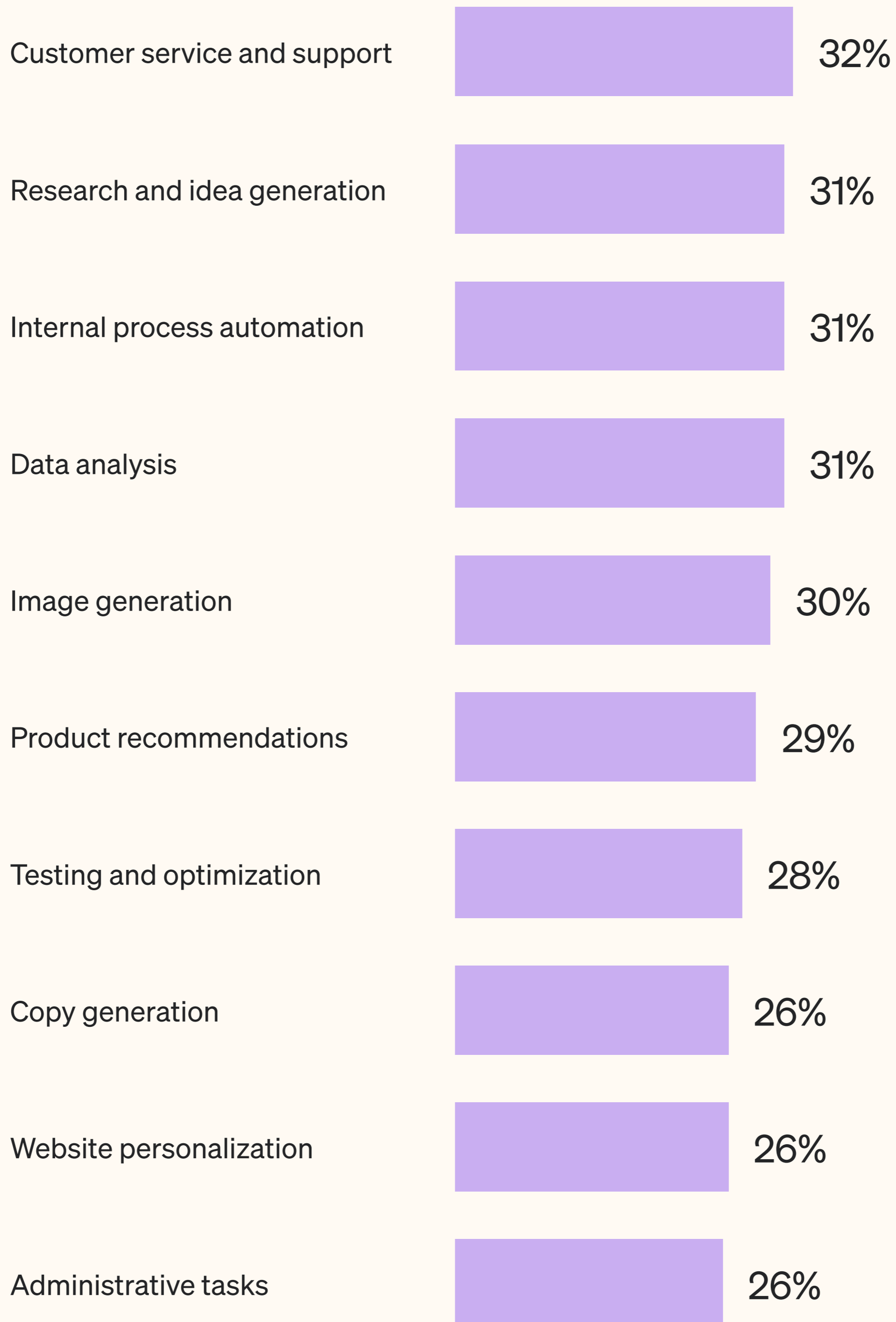
# CURRENT AI APPLICATIONS: GENERATIVE AI IS MOST POPULAR, BUT NOT BY MUCH

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 AI

- Analyzes vast amounts of data to anticipate customer behavior and preferences

- Helps you personalize marketing at scale

## Generative AI

- Creates entirely new content for marketers

- Enables you to focus less on manual tasks, and more on strategy and creativity

## Autonomous or self-optimizing AI

- 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
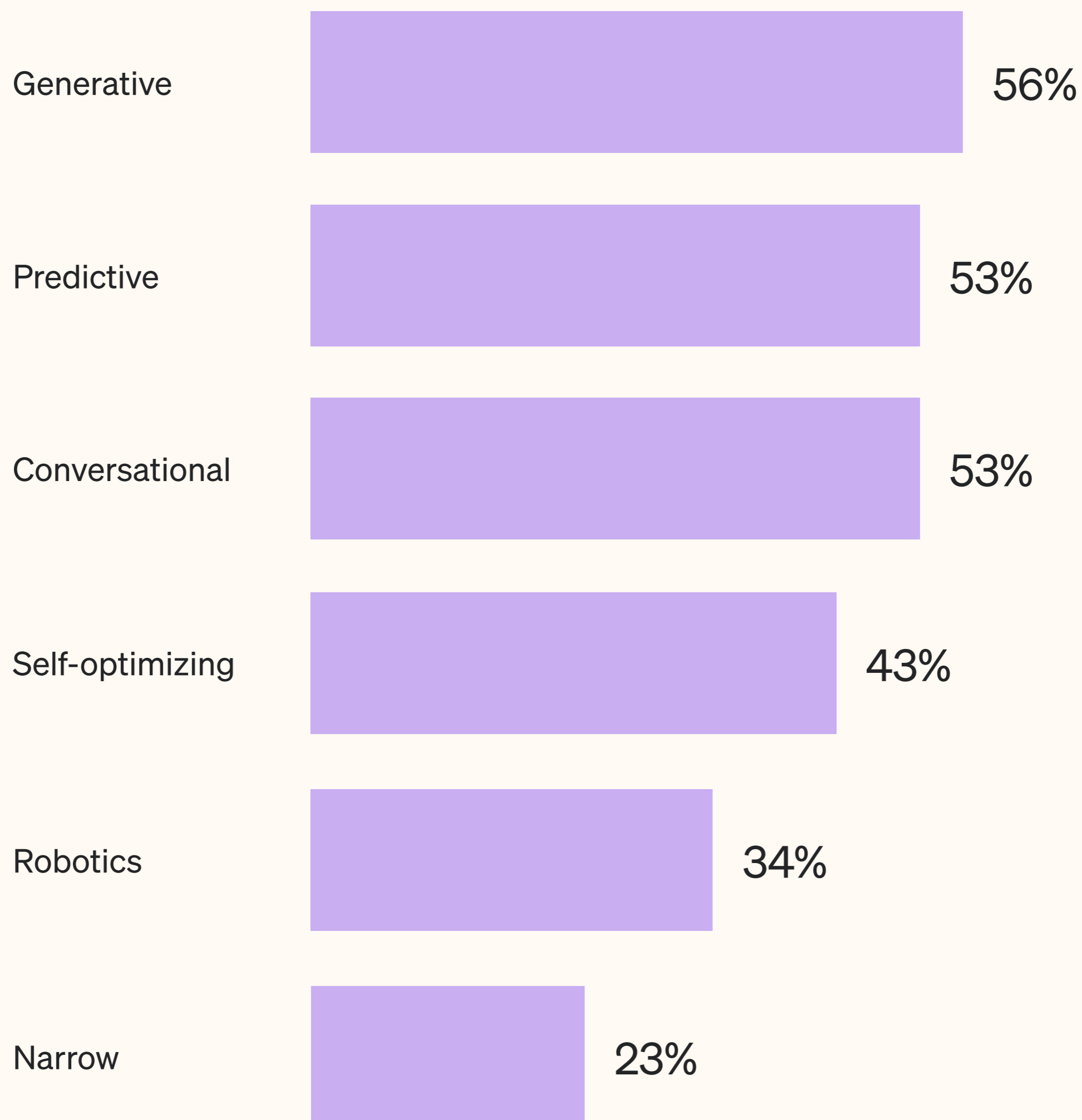
# Marketers are already exploring all types of AI.

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-optimizing or autonomous AI not far behind.

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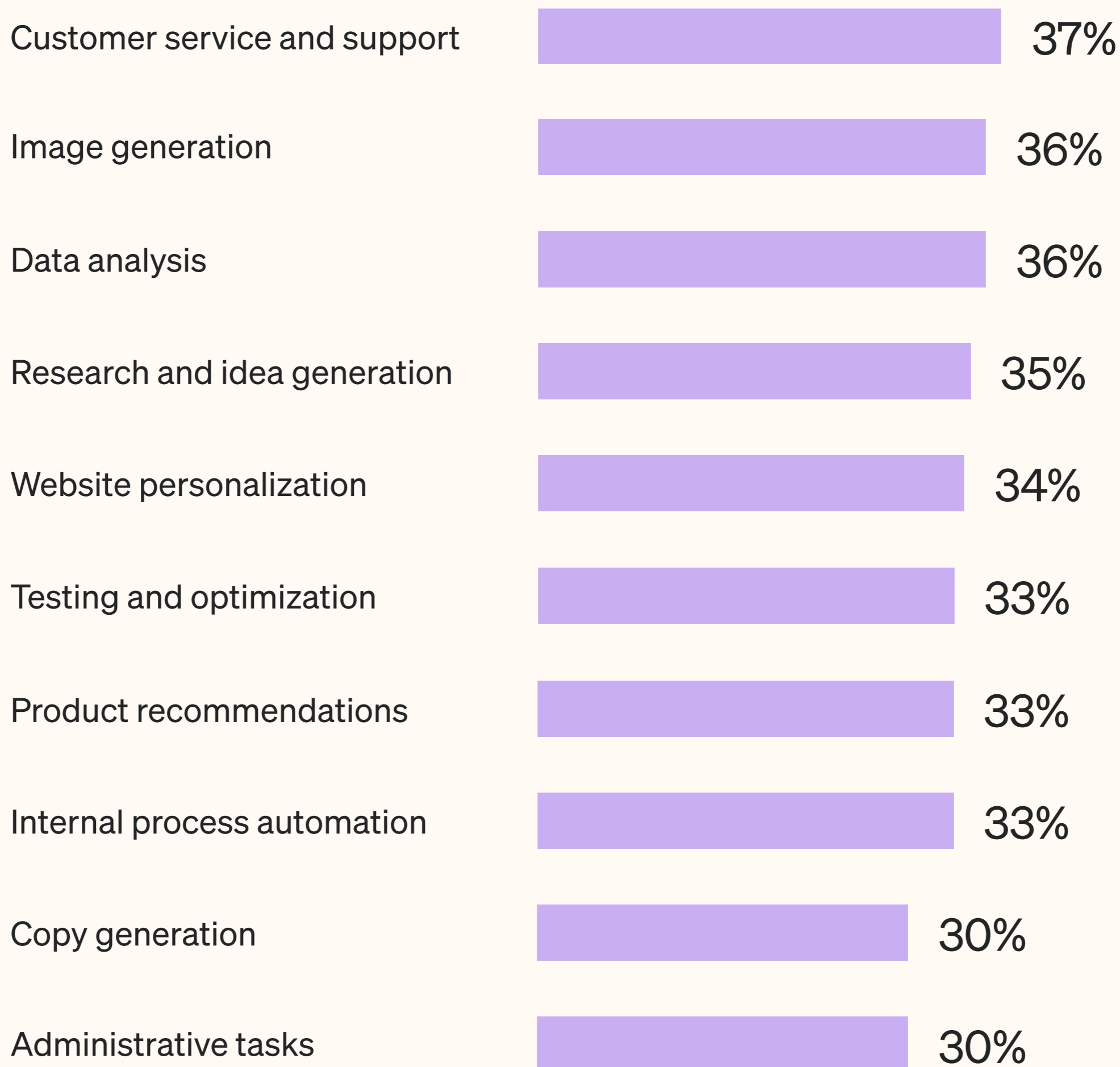## Which types of AI have you used at work in the past 6 months?

| | |
|---|---|
| Generative | 56% |
| Predictive | 53% |
| Conversational | 53% |
| Self-optimizing | 43% |
| Robotics | 34% |
| Narrow | 23% |

# Current AI use cases, meanwhile, are even more varied.

While plenty of marketers are leaning on generative AI for help with production-related 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.

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## For which of the following are you currently using AI?

| | |
|---|---|
| Customer service and support | 37% |
| Image generation | 36% |
| Data analysis | 36% |
| Research and idea generation | 35% |
| Website personalization | 34% |
| Testing and optimization | 33% |
| Product recommendations | 33% |
| Internal process automation | 33% |
| Copy generation | 30% |
| Administrative tasks | 30% |

# 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.

## PROOZY

The apparel retailer uses Klaviyo AI to generate skimmable email subject lines, keep SMS copy fresh (even when content isn't), and free up more time for strategic segmentation.

"Klaviyo's generative AI saves a ton of time," says Alex Case, senior manager of product planning at Proozy—to the tune of 45 minutes per day.

## EVERY MAN JACK

The men's personal care brand uses Klaviyo AI to send perfectly timed re-stock reminders triggered by each customer's predicted next order date.

"Klaviyo's integrations and AI allow me to weave a very intricate web," says Troy Petrunoff, senior retention marketing manager at Every Man Jack. They also help drive 25% YoY growth in revenue from flows.

## the willow tree
BOUTIQUE

With support from digital marketing agency EK Creative, The Willow Tree Boutique promotes luxury items to customers with a predicted CLV over $500, or an average AOV over $150.

"After we started sending campaigns to segments created with Klaviyo's predictive analytics, all our metrics improved, and our revenue improved drastically," says Jade Richardson, email strategist at EK Creative—44.6% YoY growth in Klaviyo-attributed revenue, to be exact.

# FUTURE AI APPLICATIONS: MARKETERS NEED MORE THAN CHATGPT

While marketers are already using predictive and self-optimizing or autonomous AI in their day-to-day work, our research reveals areas of greater opportunity.
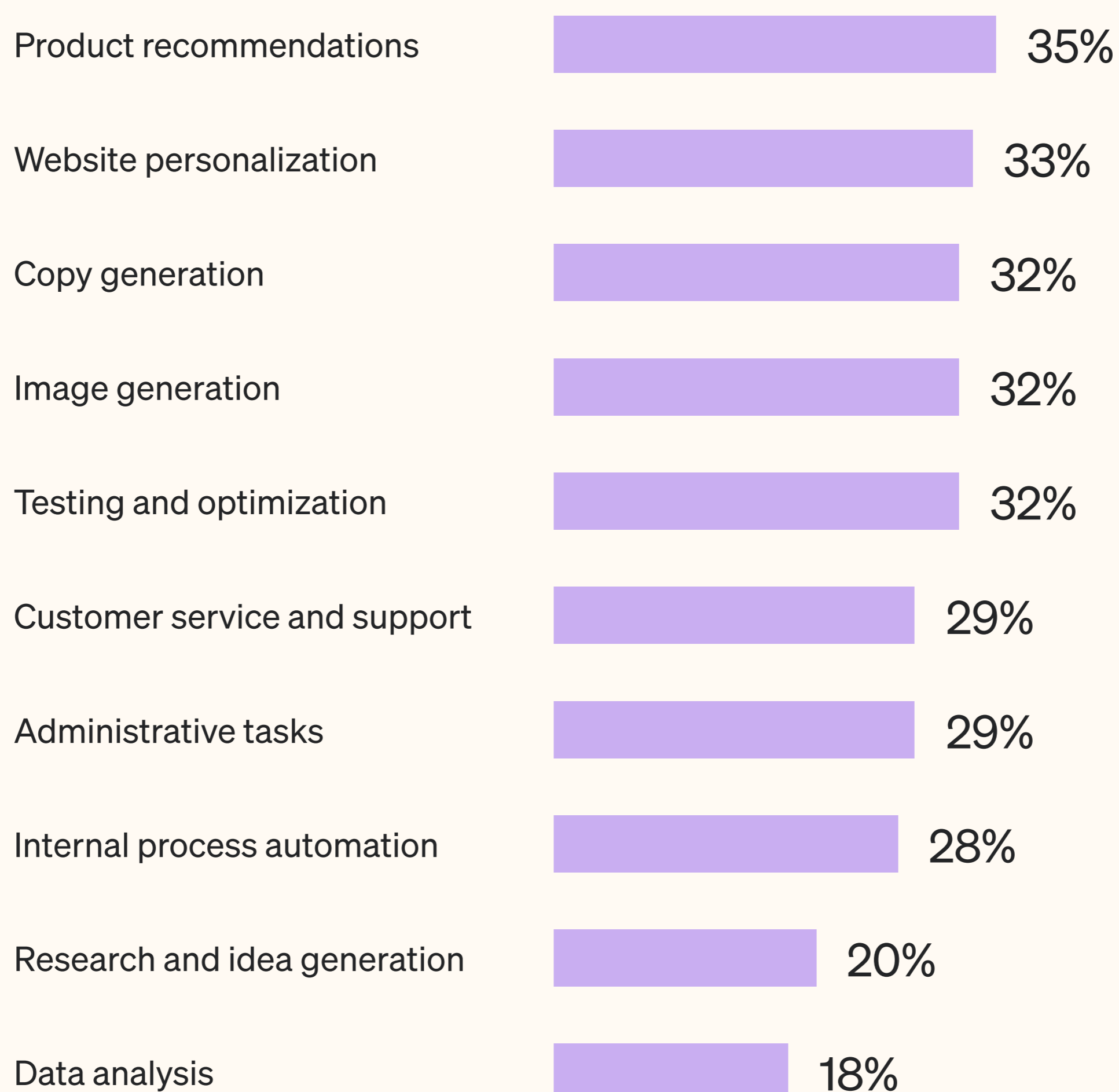
The survey results suggest marketers might not realize the true breadth of what AI has to offer: Many of the future AI applications they identify as desirable **are already available today.**

# Opportunities are hiding in plain sight.

In the future, slightly more survey respondents would consider using AI for things like product recommendations and copy generation than they do currently. But most are interested in continuing to use AI 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?

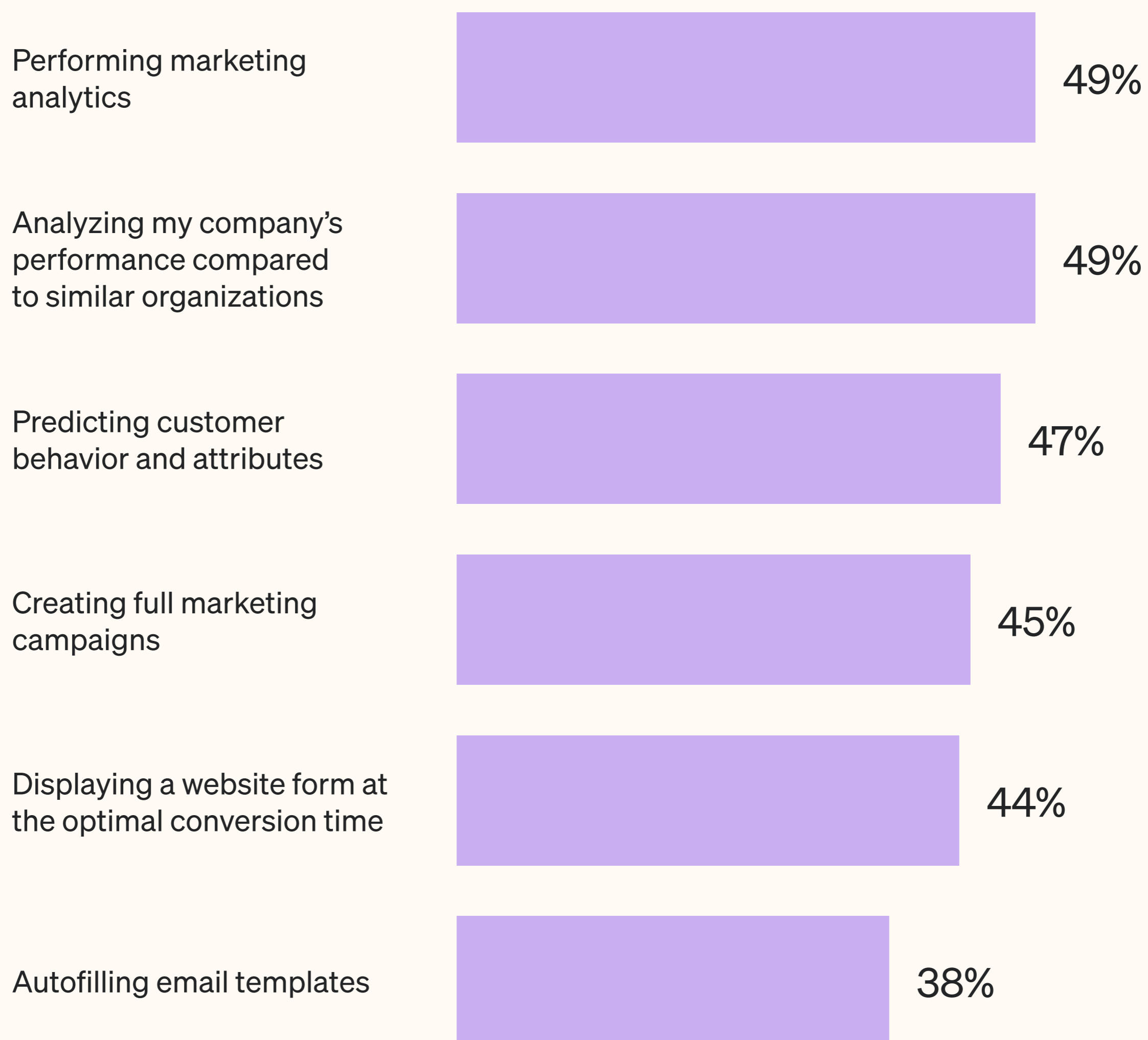| | |
|---|---|
| Product recommendations | 35% |
| Website personalization | 33% |
| Copy generation | 32% |
| Image generation | 32% |
| Testing and optimization | 32% |
| Customer service and support | 29% |
| Administrative tasks | 29% |
| Internal process automation | 28% |
| Research and idea generation | 20% |
| Data analysis | 18% |

# 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 organizations, and predicting customer behavior and attributes.

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

| | |
|---|---|
| Performing marketing analytics | 49% |
| Analyzing my company's performance compared to similar organizations | 49% |
| Predicting customer behavior and attributes | 47% |
| Creating full marketing campaigns | 45% |
| Displaying a website form at the optimal conversion time | 44% |
| Autofilling email templates | 38% |

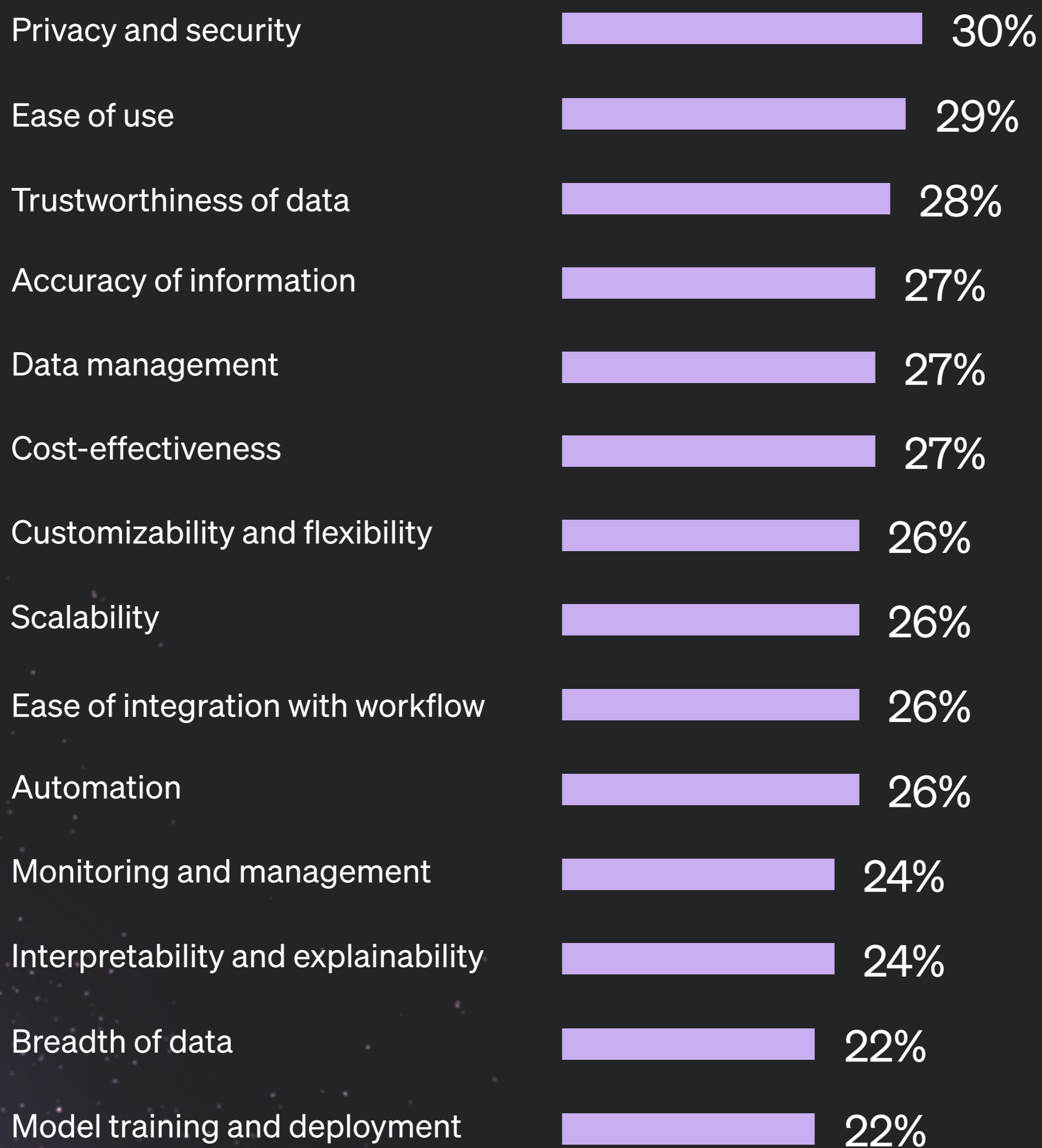# HOW KLAVIYO SOLVES FOR YOUR MARKETING NEEDS—TODAY AND TOMORROW

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 AI 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?

| Characteristic | Percentage |
|---|---|
| Privacy and security | 30% |
| Ease of use | 29% |
| Trustworthiness of data | 28% |
| Accuracy of information | 27% |
| Data management | 27% |
| Cost-effectiveness | 27% |
| Customizability and flexibility | 26% |
| Scalability | 26% |
| Ease of integration with workflow | 26% |
| Automation | 26% |
| Monitoring and management | 24% |
| Interpretability and explainability | 24% |
| Breadth of data | 22% |
| Model training and deployment | 22% |

# KLAVIYO AI IS YOUR TICKET INTO OTHER WORLDS

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

It's not even because the AI use cases marketers are most excited about using, both today and tomorrow, Klaviyo AI can already handle. It's actually because "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: How clean, comprehensive, and reliable is the data the AI is built on?

> **Klaviyo is and always has been a data platform at its core.**
>
> MATT PREYSS, LEAD PRODUCT MARKETING MANAGER AT KLAVIYO

Klaviyo integrates marketing automation with a centralized data repository, with AI and machine learning tools that improve the customer experience deeply embedded throughout the platform.
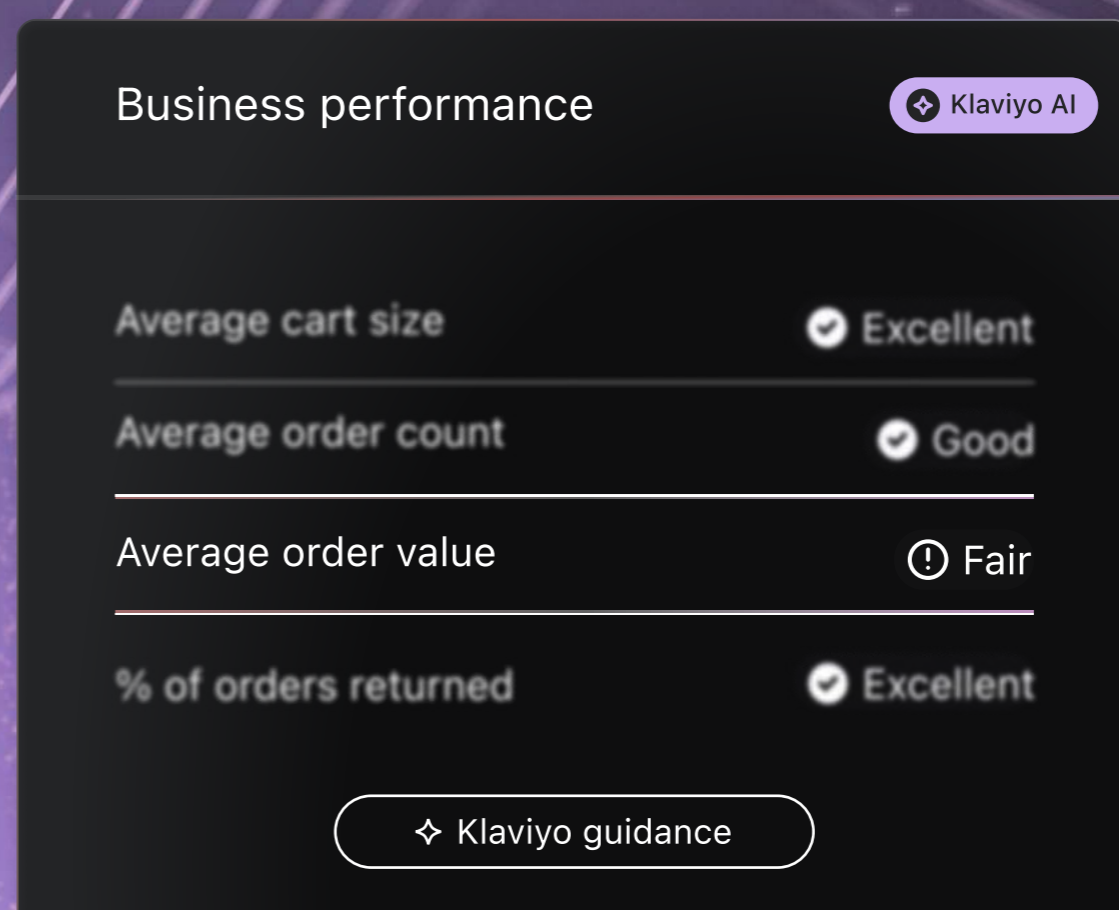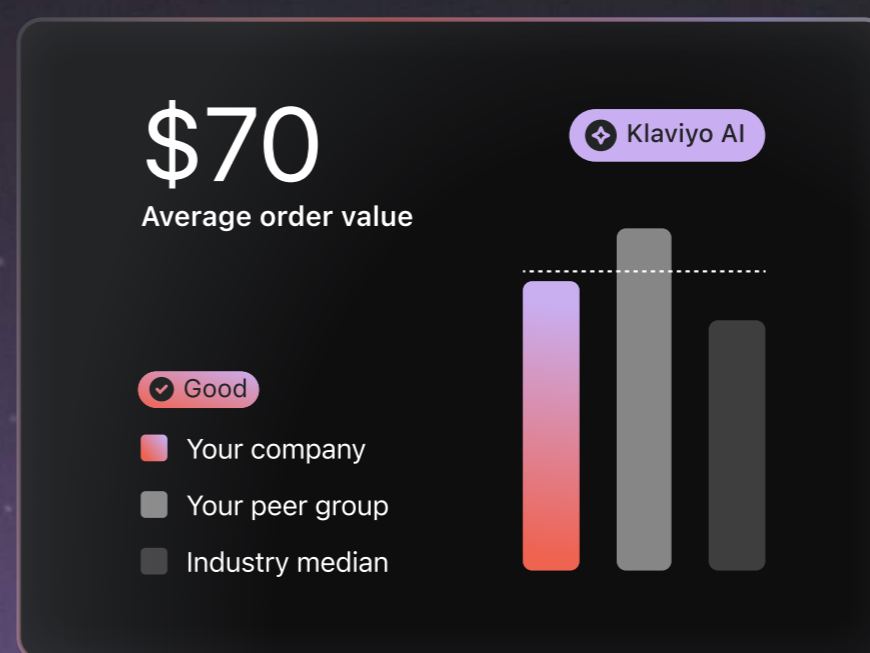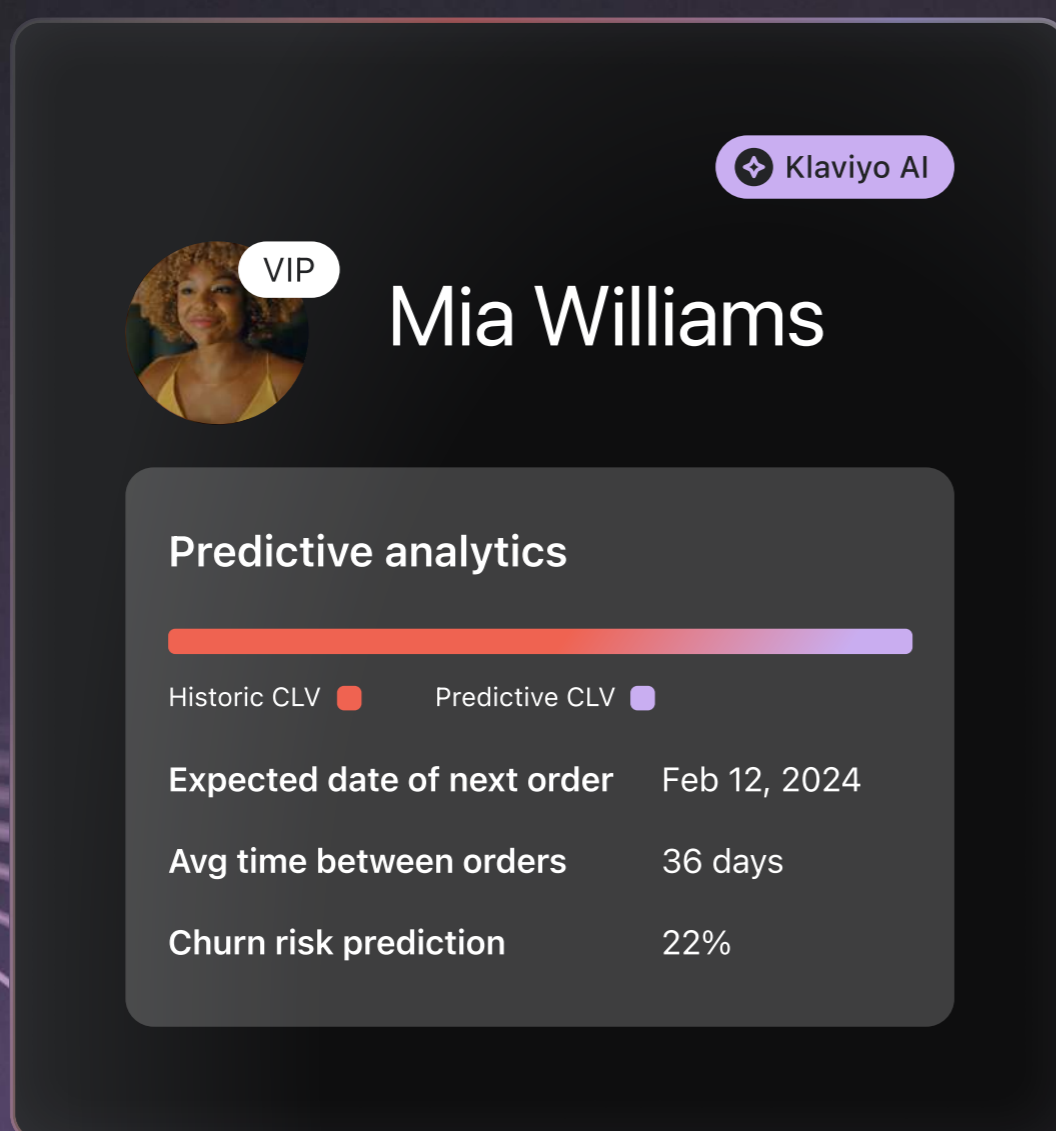
# Explore ✦ Klaviyo AI

So yes, Klaviyo AI is equipped with the generative, predictive, and autonomous AI 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 AI feature, in the end, isn't a feature at all. It's a philosophy.

## See Klaviyo AI in action.

Watch the webinar

Segments AI

Email AI

Forms display optimization

### VIP Lipstick Customers ✦ Klaviyo AI

✦ Define Segment

Name ✦
VIP Customers

Describe the segment
I want people who have s... order that contains Every... submitted a review

Preview segment

What someone has done (or not done)
Has    Revenue
is greater than    300
AND
What someone has done (or not done)
Has    Placed order
at least once    over all time
contains    Everyday Rose Matte Lipstick  ✕
AND
What someone has done (or not done)
Has    Submitted review
at least once    over all time

### Sign-up forms ✦ Klaviyo AI

Optimization test    Order disco...

✦ Optimization test start

✓ Phase 1: Learning

◌ Iteration phases    Phase 2...

◌ Test completed

**Say hello to savings**

Sign up to receive a code for 15% off your first purchase.

Email

Sign up

### Design a section with AI ✦ Klaviyo AI

✕

Describe what you want in the section ✶
Create reminder for new makeup arrivals. Include an image at the top and a button right below.

Generate

**New arrivals**

**New arrivals!** Explore fresh styles and elevate your wardrobe with our new arrivals today.

Shop Now

<u>Trademarks</u>