twilio segment

6 tactics to enhance your data strategy with AI

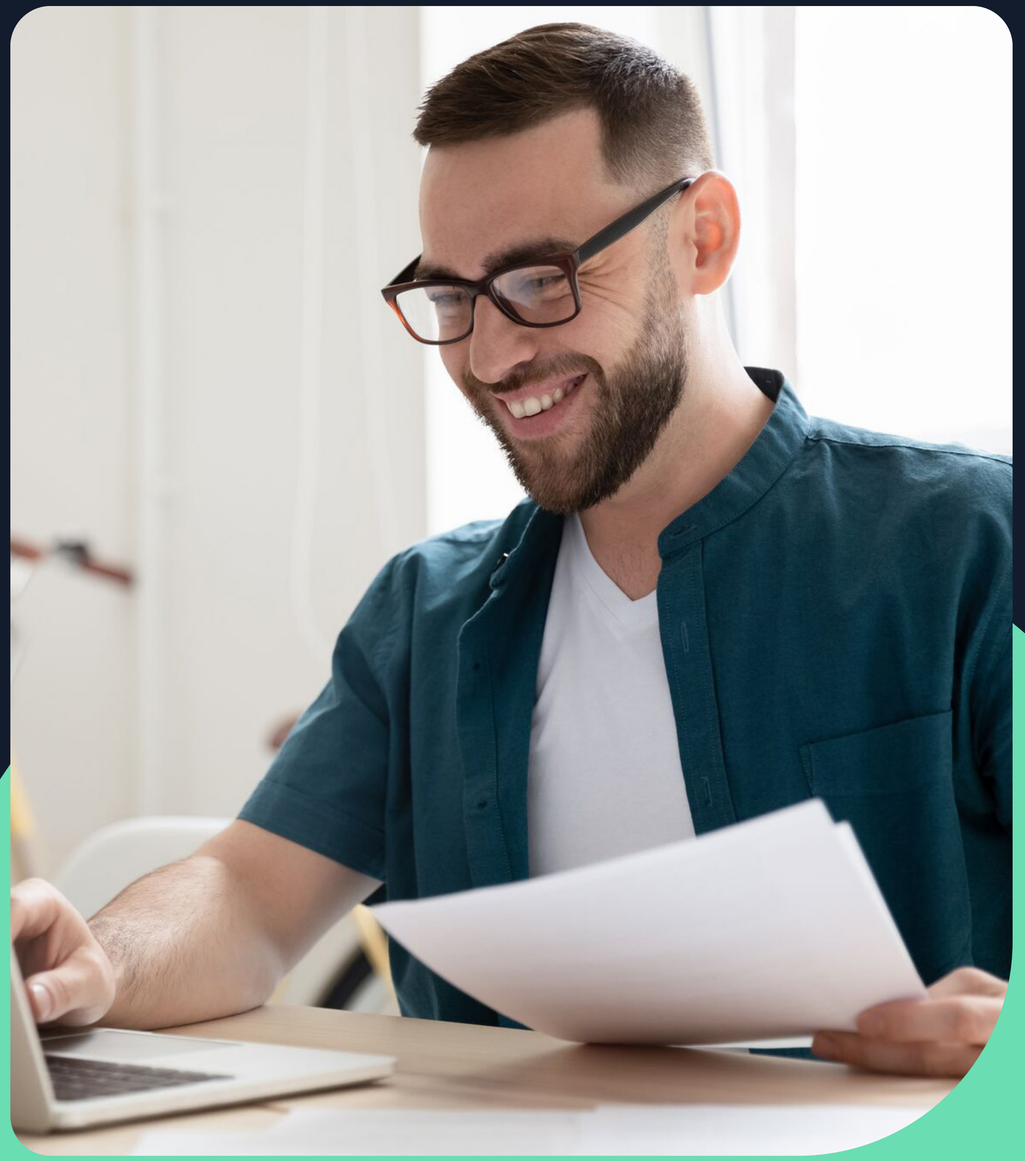




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The data dilemma

Raise your hand if you ever have felt like you are cramming customer data in a digital hoarder closet. ✋

You just know there is valuable information scattered across all of your marketing channels. Yet, the disparity and disorganization of it all make it nearly impossible to access and derive meaningful insights. There's so much potential, but nothing is coming together in one cohesive view. Sound familiar?

While **85% of businesses** prioritize capturing and leveraging first-party data this year, establishing a true **360-degree customer view** is a bit more complex. At the same time, it's also never been so necessary for organizations to do so if they want to deliver personalized, meaningful interactions with each customer.

A 360-degree customer view combines every piece of customer data across multiple touchpoints into a singular, dynamic profile. From purchase history and online behavior to customer service interactions and social media activity, this all-encompassing perspective offers an unparalleled depth of insight.

However, achieving this comprehensive customer view is far from simple, with common data challenges including:

- Siloed and scattered data stuck across different platforms and formats, making it difficult to aggregate and analyze effectively.
- The sheer volume and velocity of data which can overwhelm traditional data management tools, leading to gaps in customer profiles.
- Missed opportunities for engagement due to those gaps in understanding, preventing the delivery of tailored interactions.

This is where the integration of artificial intelligence into your data strategy becomes such a compelling new opportunity. Alongside a **Customer Data Platform** where you can unlock that coveted 360-degree view (more on that in a bit), AI offers powerful solutions to these challenges, enabling businesses to automate data collection, integration, and analysis processes.

With features like machine learning algorithms, natural language processing, and predictive analytics, AI transforms raw data into actionable insights, paving the way for more meaningful personalized customer experiences.

Through each use case below, let's explore how AI can enhance and improve your approach to each element of your customer data strategy, from collection and activation to journey orchestration and audience building. Whether you're looking to refine your data strategy or harness the latest in AI technology, this guide is your roadmap to navigating the future of better customer-centric engagement.



Chapter 02

1. **Collect** customer information in a more meaningful way



On its surface, collecting customer data isn't all that complicated. You compile a few key identifiers to form a customer profile, you have the history of purchases and returns, you know which emails individuals respond to and which they don't even open, and so forth. But using a **customer data platform** (that gives you one unified view of all your customer interactions) in conjunction with **artificial intelligence can be a real game changer to automate and add value** to this process.

Here are two ways to do just that.

1. **AI, the professional organizer:** While collecting all of your data in one place is crucial, the true objective lies in transforming this information into actionable insights. Suppose we're looking at it in terms of a closet where you keep everything. In that case, artificial intelligence is the professional organizer who helps you sort through what you actually need and then tells you why. To extend this metaphor even further, imagine breaking down the walls between closets–the sales, marketing, and customer service silos–to create a versatile wardrobe of data that's cohesive and ready to wear for any campaign.

   AI doesn't just help you sort through the clutter–it intelligently categorizes each data point, while breaking down silos and pinpointing correlations not easily spotted by humans, all while continually enhancing data accuracy through machine learning.

   This process goes beyond discarding irrelevant or low-quality information by uncovering insights that drive smarter, more informed business decisions.

2. **'AI-mplify' your data collection:** The foundation of any data-driven strategy lies in its ability to collect a diverse and rich dataset from a myriad of touchpoints–be it web interactions, social media, customer service engagements, or mobile devices. We spoke above about how AI can sort through the noise to find the data that matters most.

   It also can push this process even further by using intelligent algorithms to suggest how this data can be put to work. For example, discerning patterns in customer behavior such as if customers who browse certain products on a website are then more likely to engage with specific types of email content. From there, you can identify which personalized emails lead to these specific purchases, making the data collected even more meaningful.



Chapter 03

2. **Activate** data in real-time



Collecting and organizing your data is step one. Step two is putting that information to work to drive business outcomes in real-time. Let's talk about how the combination of a customer data platform and lightning-fast artificial intelligence can help you transform data activation, making your data strategies not only more efficient but significantly more effective.

1. **Why you need a CDP:** Twilio Segment's customer data platform is a one-stop platform for your digital & data teams looking to not just gather, but transform raw data into a powerful asset, enabling targeted, efficient data strategies. By serving as a central hub that collects, unifies, and channels customer data to various marketing tools, Twilio Segment ensures that every piece of information is utilized to its maximum potential. This activation is critical, turning passive data into actionable insights that drive personalized customer experiences across platforms and touchpoints.

2. **Make it personal:** We could speak about personalization at length (**and have**), but if personalizing interactions are the heart of customer retention, AI is the key to that continuous long-term loyalty. By analyzing vast datasets, AI can identify patterns, preferences, and behaviors unique to each customer. This enables data teams to tailor their strategies like a/b testing, product optimization, landing page personalization, and more with incredible precision. AI-driven personalization goes beyond basic demographics to incorporate real-time behavior and predictive insights, ensuring that each interaction feels relevant and timely.

Learn how outdoor adventure retailer Norrøna utilized AI and a comprehensive CDP to activate their customer data, creating personalized recommendations that boosted conversions by 50%.

3. **Efficiency at scale:** Automation powered by AI not only speeds up data activation but also increases its accuracy and relevance. From segmenting audiences and triggering targeted campaigns to optimizing messaging and delivery times, AI ensures that you aren't just faster but significantly more effective. This automation allows you to focus on strategy and creativity, while AI handles the heavy lifting of data processing and campaign execution.



Chapter 04

3. **Enrich** customer profiles: easy as AI



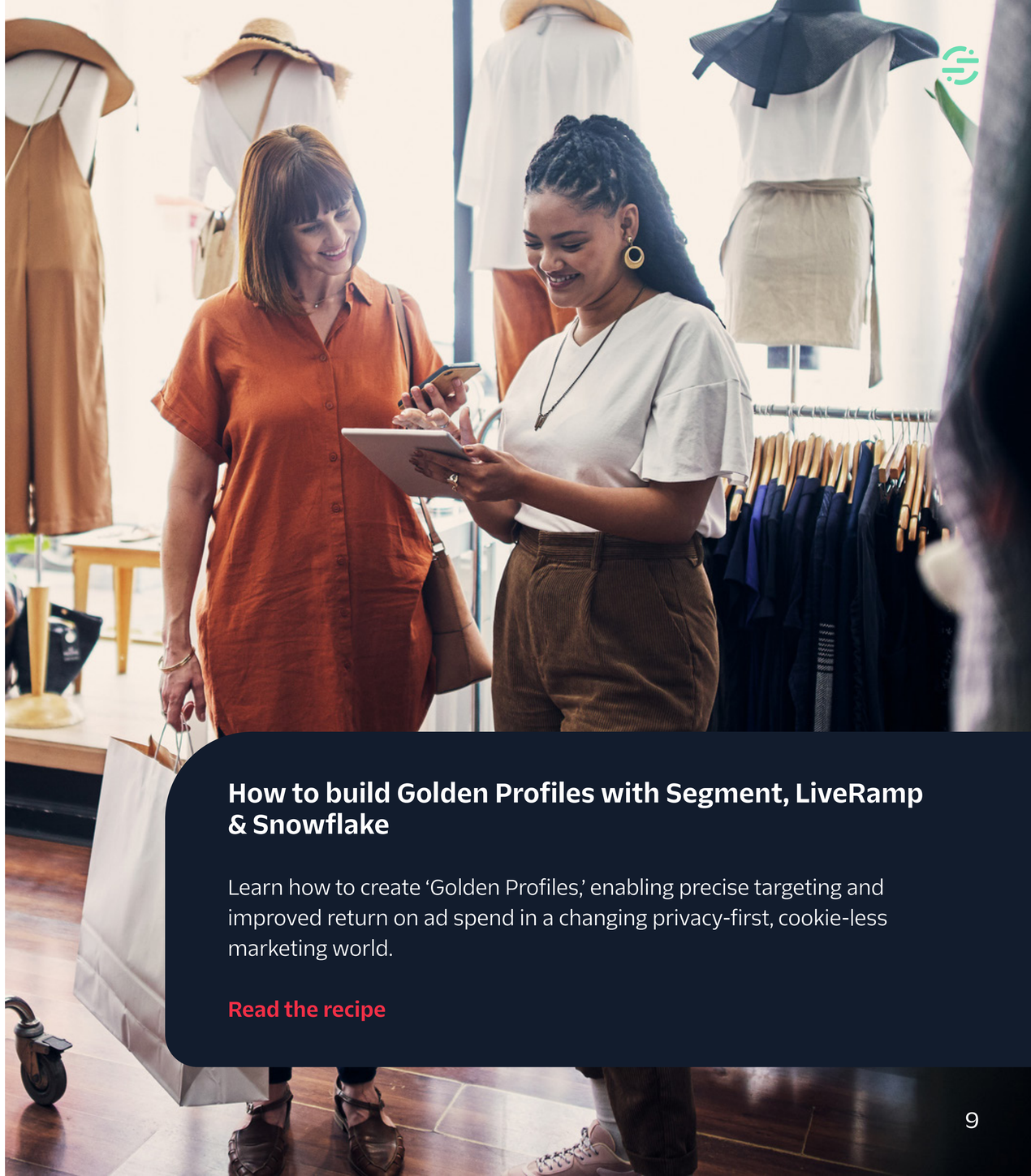
At its core, **a truly enriched customer profile** is exactly what a 360-customer view should be. It transforms each customer profile into a living, breathing map of preferences, behaviors, and potential purchase paths, allowing businesses to anticipate needs and tailor interactions with exacting precision. This ideal state is what we term a "**golden profile**"–a comprehensive, accurate, and dynamic representation of the customer that's constantly refined through data integrations and interactions.

By integrating your warehouse data with predictive AI, your customer profiles are significantly enhanced, laying the foundation for highly personalized customer journeys that unfold in real time. This is where the magic of **reverse ETL** (Extract, Transform, Load) comes into play, seamlessly syncing processed data from your analytical tools back into operational systems, thereby ensuring that every interaction is tailored to the individual, driving engagement and fostering stronger customer relationships.

The result? Not only a more personalized experience for each customer but also a tangible increase in ROI for your business.

Here's how AI takes profile enrichment a step further:

1. **Establishing the golden standard:** Golden profiles represent the pinnacle of customer data enrichment. These profiles are not just static records; they're living assets that evolve with each customer interaction. By aggregating every data point into a single, definitive customer view, golden profiles enable you to deliver not just a personalized experience, but a hyper-personalized one. The creation of golden profiles involves a meticulous process of data verification, deduplication, and enrichment that guarantees your data's integrity, utility, and actionability.



How to build Golden Profiles with Segment, LiveRamp & Snowflake

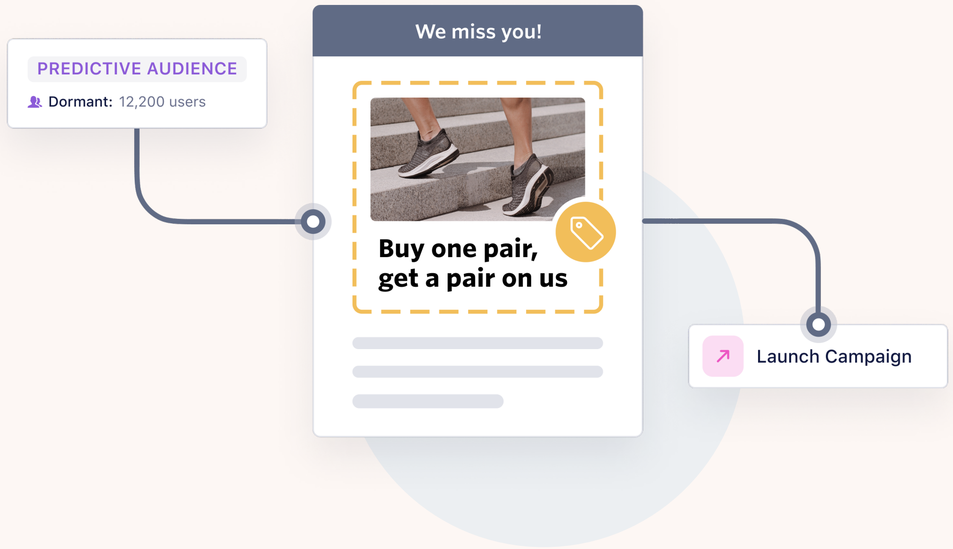
Learn how to create 'Golden Profiles,' enabling precise targeting and improved return on ad spend in a changing privacy-first, cookie-less marketing world.

Read the recipe

2. **A place for everything and everything in its place:** One of the biggest challenges in creating enriched customer profiles is gathering all of your data from disparate sources and ensuring its quality. As we shared above in the collection use case, AI excels in automating these tasks by efficiently integrating data from various touchpoints, including warehouse data, online interactions, and more, into one cohesive profile. And even beyond that, AI also uses sophisticated algorithms to cleanse that data, removing duplicates and correcting inconsistencies. This ensures that each customer profile is not only comprehensive but also accurate, providing a reliable foundation for each new campaign.

3. **Future insights, today:** With AI, anticipating your customers' next moves becomes as straightforward as just looking at the data in front of you by incorporating predictive behavior modeling. This involves analyzing existing data patterns to forecast future customer behaviors, preferences, and potential value.

   For example, AI can predict which customers are most likely to respond to a specific marketing campaign or identify those at risk of churn. **These predictive insights** allow businesses to proactively tailor their marketing strategies and customer interactions, delivering highly personalized experiences that resonate with each individual's current needs and future actions.



Fill the gaps in your profiles using data from your warehouse

Learn how to set up rETL to automatically pull in both backfill customer data and events from your warehouse to complete your identity graph and provide a holistic view of your customer's journey.

Read the recipe

Chapter 05

4. **Establish** data privacy safely



There's little doubt that AI stands as the next frontier of efficiency across many (if not all) industries and technologies, offering exciting opportunities to integrate it into our work and enhance our efforts **with time and money savings**. On the other hand, navigating data privacy in this context is complex, given the relative newness of AI and the important need to safeguard both business and customer data. Despite future uncertainties, here are some current strategies where AI is making strides in advancing data privacy.

DISCLAIMER: This is not legal advice. Please discuss with your counsel what you need to do to comply with the GDPR, CCPA, and other similar laws.

1. **Put compliance on autopilot:** AI algorithms can continuously monitor and adapt to legal changes, guaranteeing compliance and safeguarding against potential breaches. By automating the compliance process, AI reduces the manual effort required and minimizes the risk of human error.

2. **Next-level security:** Beyond compliance, AI can play a critical role in enhancing the security of customer data. Through smart encryption techniques and anomaly detection, AI systems can spot unusual activity instantly to keep out unwanted access, building customer trust in the process.

3. **Consent in a click:** AI can make customer consent transparent and user-friendly by analyzing user interactions and offering them choices based on those preferences. For example, if a customer only reads texts but rarely reads emails, AI can take note of this and send a text for consent at a time when they are most likely to reply.



Chapter 06

5. **Deliver** intelligent journey orchestration



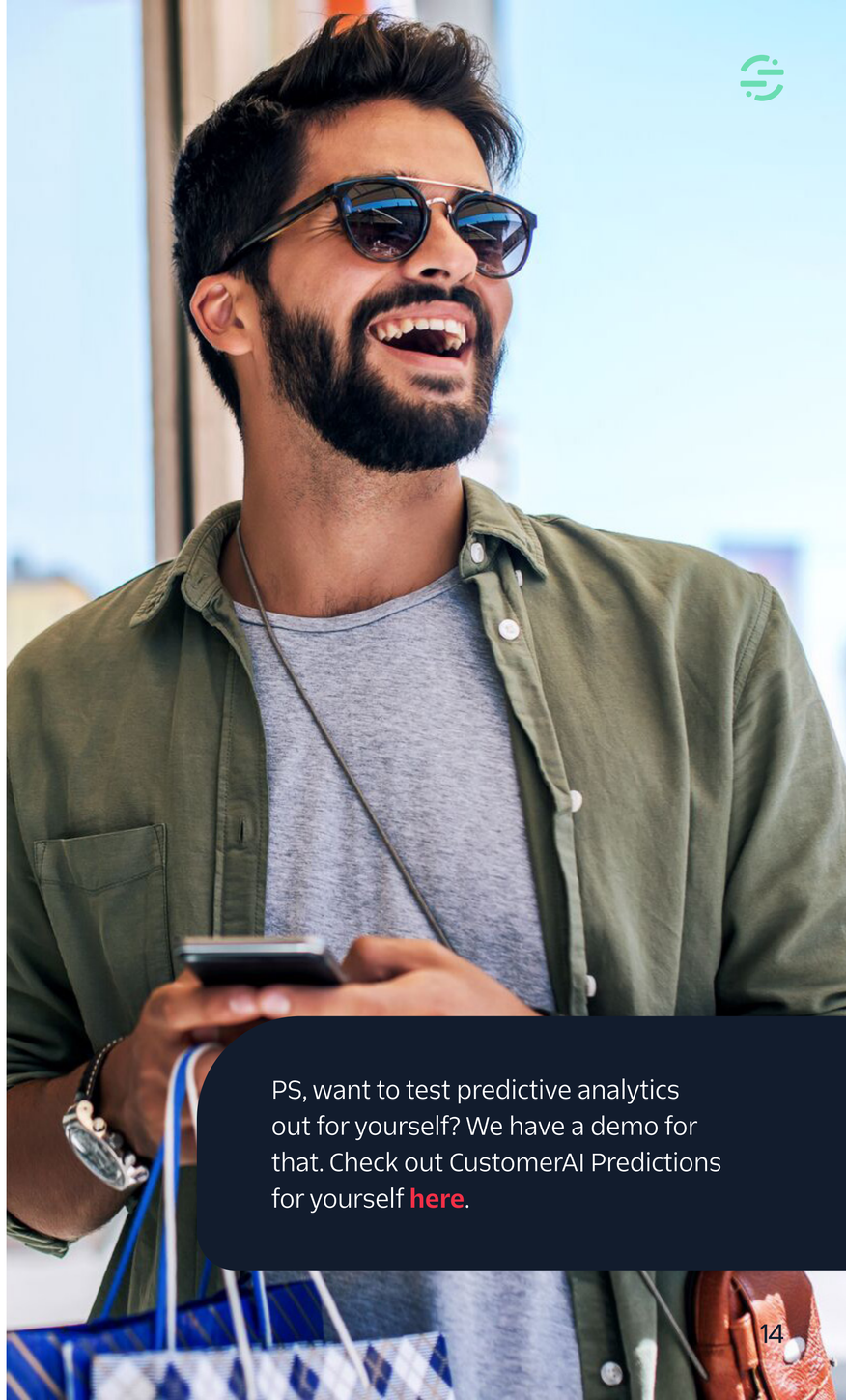
Gone are the days when shopping was strictly an in-person affair. The modern-day shopping experience has evolved into something much more complex and nuanced, requiring businesses to offer dynamic, personalized experiences to persuade potential customers to buy their products and services.

Enter journey orchestration: the process of comprehending your customers' behaviors and preferences to design personalized campaigns that effectively engage them and encourage purchases.

Even in expert hands, this can be a time-intensive endeavor, taking countless hours and making it difficult to reach customers efficiently. But with AI? **Now that's a different story**.

Here are a few ways you can use artificial intelligence to turn your data into millions of customer journeys that convert:

1. **Predictive analytics, FTW:** AI's predictive analytics capabilities enable data teams to forecast customer behaviors and preferences, allowing for the customization of customer journeys in real time. This foresight enables brands to stay one step ahead, delivering content and offers that meet customers' needs before they even articulate them.
2. **Unparalleled personalization:** The real-time processing power of AI allows for in-the-minute customization across all phases of a customer journey. AI analyzes ongoing customer data to make immediate adjustments to campaigns, ensuring that each customer's experience is as relevant and engaging as possible.
3. **Optimize and scale on a dime:** AI leverages data not only to personalize but also to optimize and scale your data strategy across millions of customer journeys. By continuously analyzing data from each customer interaction, it can identify the most effective strategies for enhancing engagement, increasing conversions, and improving overall customer satisfaction.



PS, want to test predictive analytics out for yourself? We have a demo for that. Check out CustomerAI Predictions for yourself **here**.

Chapter 07

6. **Build** smarter audiences



Broad segment categories and static audience lists crumble in the face of artificial intelligence. AI has transformed how we approach customer data, moving beyond traditional demographics so we can build audiences around behaviors, preferences, and even predictive future actions. And this audience building can happen in real-time, helping you build campaigns in minutes based on the actions your customer is taking on your marketing channels right now. Here's how:

1. **Dynamic audience segmentation:** AI redefines how we understand and segment audiences by leveraging data to categorize customers according to their evolving behaviors, preferences, and predicted future actions. This method of segmentation, rooted in real-time data insights, improves targeting accuracy and elevates your campaigns with deeper personalization. By utilizing pre-built 'out-of-the-box' audience segments, like 'likely to churn,' 'frequent buyers,' or 'new prospects,' data teams can quickly deploy tailored strategies without the need for manual list creation.

2. **Leverage lookalike audiences:** AI can also analyze your top customers and compare their demographics, behaviors, attitudes, and more against your prospects to help you identify the key accounts to pursue. This allows you to target relevant audiences at exactly the right time, ideally improving conversion rates and the efficiency of your advertising campaigns.

Did you know? **CustomerAI Predictions**, Twilio's artificial intelligence and machine learning feature, lets businesses predict the likelihood that users will perform any event like LTV, likelihood to purchase/ churn, and more all tracked within Segment.

AUDIENCE	TARGET	BUILT WITH
Ready to buy	Customers who are likely to make a purchase	`Likelihood to buy` `Order completed`
Long shots	Customers who have previously interacted with your brand but aren't currently engaged	`Order Completed` `Likelihood to purchase`
High LTV	Customers with a high predicted lifetime value	`Predicted LTV`

Potential VIPs	Recently active customers with high predicted lifetime value and high propensity to purchase	`Page Viewed`
		`Likelihood to Purchase`
		`Predicted LTV`

Dormant	Inactive customers who are unlikely to purchase	`Page Viewed`
		`Likelihood to Purchase`
		`Predicted LTV`

The above table shows the five available audience templates ready for use in Twilio Engage, and what events & traits were used to create that audience.

3. **Revitalizing retargeting:** AI can also help you reach churning/churned customers by identifying customer behavior patterns that signal re-engagement opportunities. Whether a customer has shown declining engagement or has already churned, AI can pinpoint the optimal moment and message for retargeting. This approach not only brings back customers who are slipping away but does so with personalized messages that address their specific concerns or interests, significantly increasing the chances of renewing their interest and loyalty.



AI-ready data, right this way



Big data person? Us too. Let's close this out with a couple of stats to take home.

1. **85%** of businesses in 2024 are prioritizing capturing and leveraging first-party data better.

2. **71%** of those businesses also feel like AI could be more useful with access to that higher-quality data.

Source: **The Growth Report, 2023**

No surprises here, better data = better AI. And these stats clearly show the connection between the pursuit of better first-party data usage and the need for AI to have access to that high-quality information. So in order to put your AI to work in each of these use cases, you need to start by getting your data ready to do so.

With a Customer Data Platform (CDP) like Segment, businesses can capture and funnel this essential, high-quality data directly into their AI tools, supercharging their data strategies and making campaigns that truly deliver at the right time, on the right platform, to the right person.

Learn how you can get AI-ready data with Segment, **schedule a demo now**.

Recommended reading



From Big Data to Big Profits: 5 Fresh AI Strategies to Drive Growth

Five different data-driven use cases using the latest generative and predictive AI capabilities

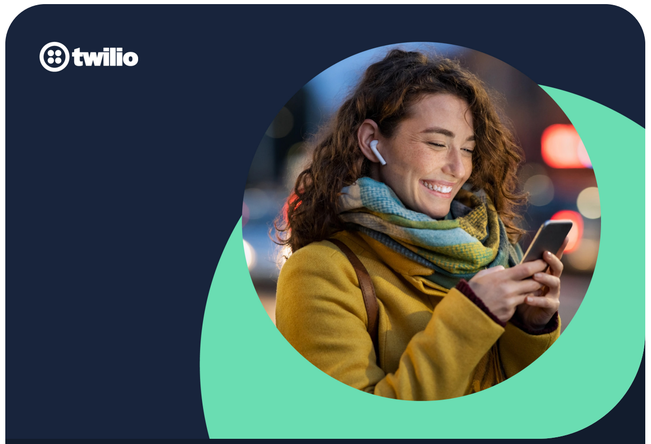
Download the guide>



7 Ways to Use AI to Superpower Your Marketing Strategy

A marketer's guide to automating manual tasks and building better customer experiences using AI.

Download the guide>



How to Build a 360-degree View of Your Customer

Join us to see how Twilio Segment's CDP helps break down data silos, giving cross-functional teams unlimited access to unified customer profiles – allowing them to view user journeys across all platforms and channels to build precise, personal experiences.

Watch the webinar>



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 their 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.

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