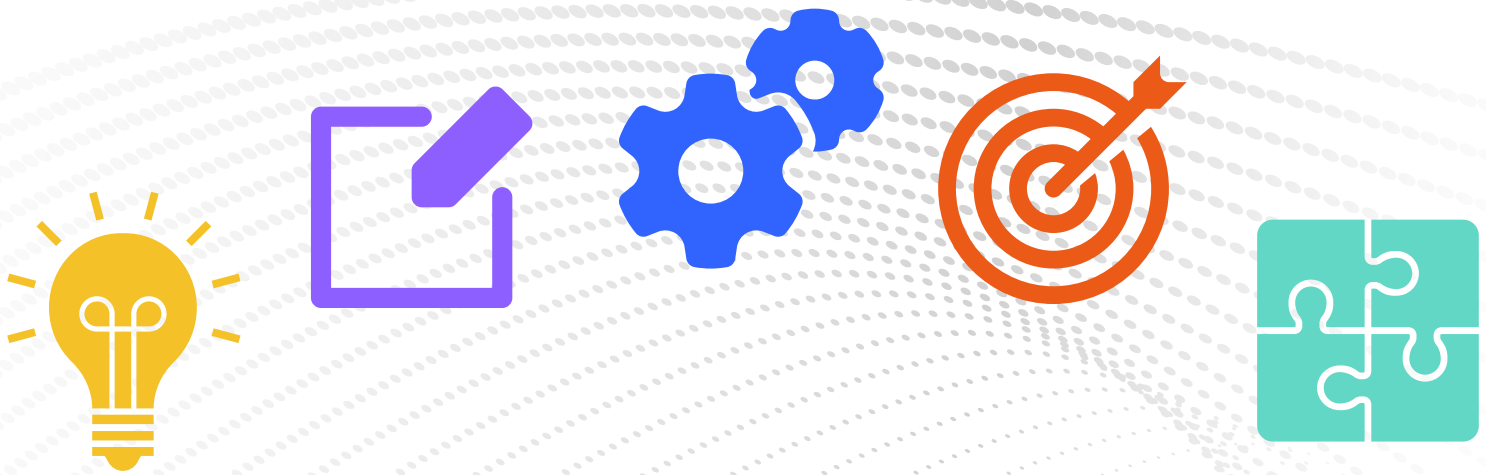
[PERSADO]

Generative AI for the Enterprise:

The 5 Capabilities Businesses Need for Optimum Impact



Introduction

One in three marketers get average-to-no returns from their digital marketing investments, despite spending 57% of their budgets on it. One reason for this lack of impact is that the audience is overwhelmed by irrelevant messaging.

Research estimates that consumers today are exposed to as many as 5,000 brand images every day. Constant marketing communications make each campaign on average *less* effective at generating engagement. Increasing the quantity of messages is easy to do today using Generative AI tools to draft multiple message variants. But sending more messages will just make the situation worse. The solution is not quantity but quality.

By quality, we mean optimizing messages so that customers engage with them. And the key to quality messages is motivation.

You see, most brand communication focuses on the value proposition, the product features, and incentives. Yet research shows that motivation represents a much more significant factor in conversion.

Motivation is personal—it differs for every customer. Tapping into it therefore requires brands to deliver personalized messages. To do that at scale, you need not just any Generative AI, but one equipped with the ability to craft messages that motivate individual customers to act—i.e. Motivation AI.

Motivation will only get more important as marketing and communications organizations scale their content using Generative AI. Gartner wrote in a recent research note, in which Persado appeared as an example, "Generative AI is a disruptive technology that has a proven impact on content development and customer experience." But these two use cases of content development and customer experience are very different. Content alone is about scale; customer experience is about engagement. Motivation AI enables both.

The Persado Motivation AI Platform delivers language designed to motivate customers across channels at scale. AI-generated language is the only known way to deliver connected, seamless, and consistent messages at the necessary quality and volume to rise above the digital noise. Read on to understand how.

CHASE

"The Persado team has been a true partner every step of the way, working with us to drive measurable outcomes. Not only did they drive better marketing performance, but they created language that resonates more with our customers."

Abeer Bathia
Head of Marketing Growth and Innovation
Chase Card Services, JPMorgan Chase

The Importance of Embedding Motivation in Marketing Messages

Strong communication is a critical factor for success. It affects whether customers buy your products, feel engaged by their experiences, and are motivated to grow the relationship. Generative AI for language has garnered so much interest in the past year in part because there is such a large need for language in business. Organizations see the potential of tools like ChatGPT and others based on large language models like GPT-3 and GPT-4 to efficiently produce language to speak to customers across channels and customer journey stages.

For a Generative AI language platform to deliver increased engagement, however, that organization must be clear about the messaging problem it is solving.

Most organizations confront three distinct challenges when it comes to creating messages. They are:

Scale.
Have you produced all the language you need? Do you have a website that clearly describes what you do for whom? Do you have clear descriptions of your product, usage terms, and pricing? Scale challenges show up in every function of the business, from marketing—our focus here—to customer service, legal, investor relations, human resources, and so on.

Accuracy and consistency.
Is your content accurate, consistent, and up to date as it relates to your product, features, service, options, pricing, etc. Does it clearly reflect who you are and who you serve?

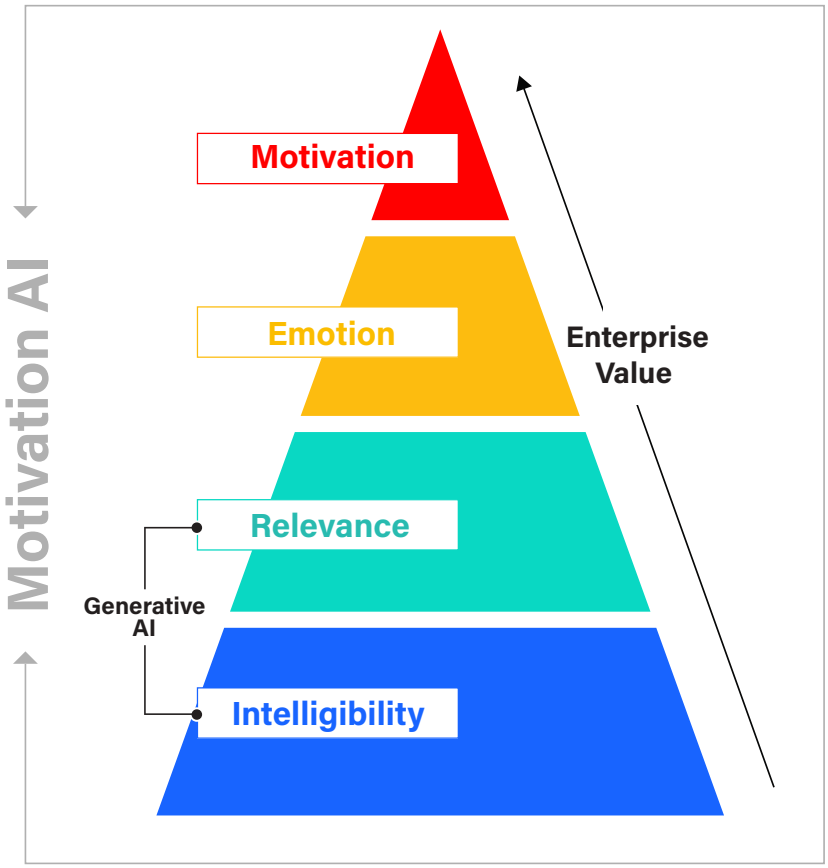
Quality.
Do your messages capture the attention of your key audiences and motivate them to take action? Does it break through the digital noise? Quality content is relevant to the individual and their needs, engaging in its use of narrative and language, and clear about what should happen next.

Most market-tested Generative AI language applications major in the first two language problems. If your organization's primary challenge is that you need *more* messages quickly, a self-service, scale-focused AI language generation solution may be for you.

GPT-3, a language AI model trained by OpenAI and released in spring 2021, has brought on a wave of new AI applications, such as ChatGPT, that allow companies to generate large volumes of content in real-time for an array of purposes. So called "foundational models" like GPT-3 and its successor, GPT-4, can theoretically be modified as well with overlying intelligence about a brand's facts and brand language preferences to address the challenge of accuracy and consistency.

If your organization also wants to increase the share of customers who engage with your content and take action in response to it, however, a Generative AI that specializes in producing *more* messages will not get you there.

Motivating customers to engage and act requires a Generative AI that can solve all three problems of scale, accuracy, *and* quality. If you want not just more but better, you need motivation-aware, personalized messages and communications geared to high-value audience segments. You need Motivation AI to generate not just text, but also customer engagement and action.



The 5 Capabilities of Motivation-Aware Generative AI

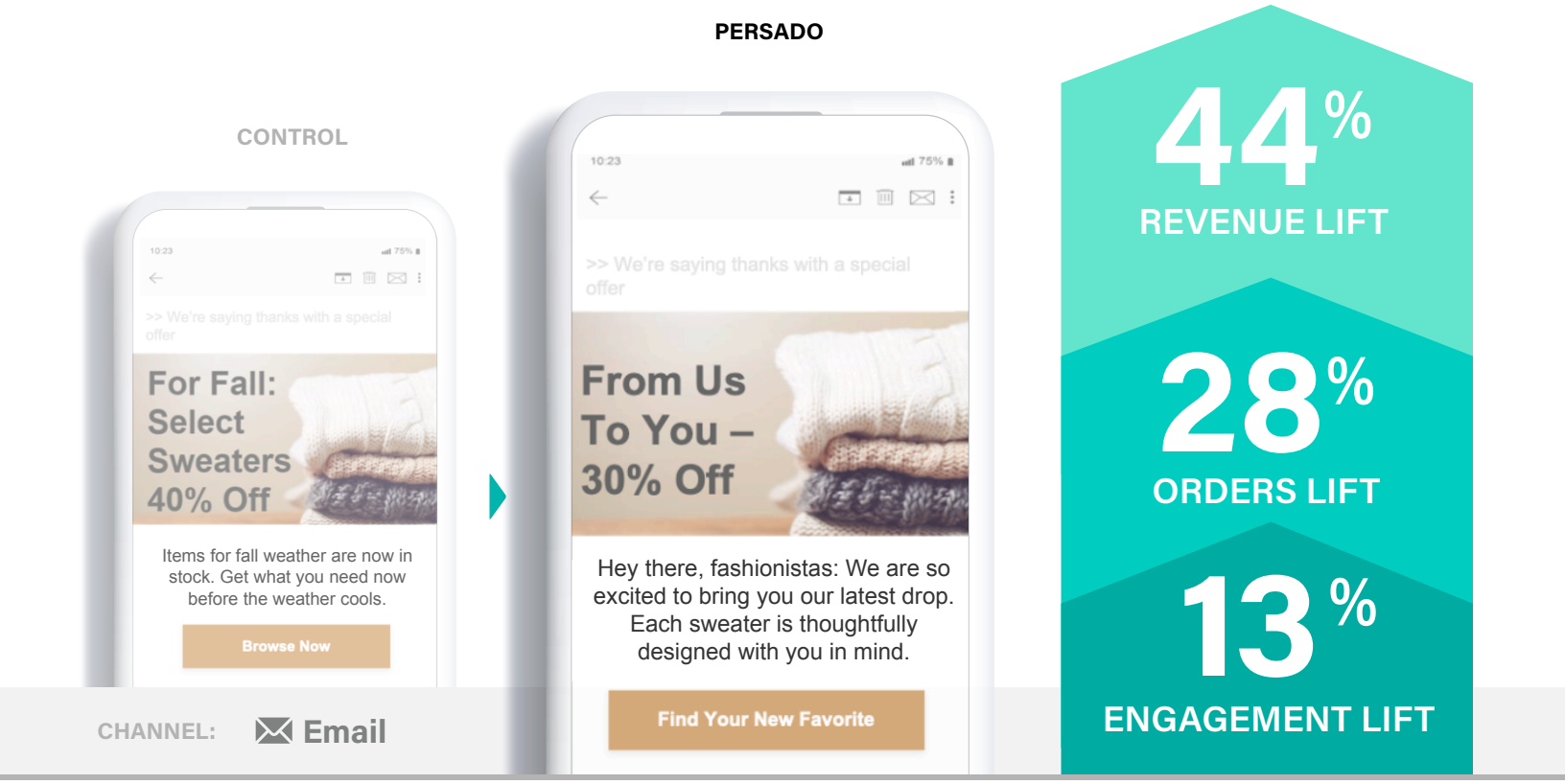
Motivation AI is a category of Generative AI for enterprise language trained to identify and leverage messaging elements in a way that builds trust with customers and motivates action. Motivation AI combines robust knowledge about language and how it works with advanced language AI capabilities—including machine learning, deep learning models, and analytics.

When applied by brands in the context of customer messaging, the result is higher performance. That means higher conversions, more rapid customer acquisition, greater incremental revenue growth, stronger customer loyalty and lower-cost for servicing.

For example, the optimized language generated by The Persado Motivation AI Platform produced higher performance for a campaign with a *lower discount rate* than the human-generated message offering a higher one—the impact was higher response rates AND higher margins thanks to stronger motivational-aware language (see image).

Such is the power of Motivation AI.

The following pages highlight five core capabilities that equip Generative AI with motivation awareness.



CAPABILITY 1:

A Motivation-Aware Knowledge Base

All AI depends on robust sources of data relevant to its core purpose. Motivation AI is no exception; when it comes to brand communications, language data from just any source won't drive performance.

Language models such as OpenAI's GPT-3 or Google's GLaM are trained on Internet content. As a result, the language they produce may be grammatically and syntactically accurate but it isn't optimized for business and brand communications.

In contrast, Motivation AI leverages specialized data and insights to generate compelling and customer-relevant content that speaks consistently in a brand's voice to motivate customers and prospects. To achieve those results, the AI starts not only with a lot of data, but with relevant, specialized data that has been organized, tagged, and structured for algorithms to tap into the knowledge and insights embedded within it. In other words, Motivation AI uses a specialized *knowledge base* of business communications, indexed and categorized in a way that reflects what those words mean in context.

The knowledge base contains language context—including semantics, format, and syntax—emotional context, narrative resonance, descriptive meaning, and other elements. The knowledge base also contains years of insights about the language that works (and doesn't) for business-specific messages intended to achieve specific ends—for example, an acquisition campaign, onboarding, a servicing message, or another purpose.

The knowledge base is not generic across the organizations that use it. It is always learning. As a given brand works with the Motivation AI Platform, the knowledge base develops a brand layer containing details of that brand's unique voice, which enables the AI to generate messages that reflect a unique tone and branding approach for each organization that uses it.

CAPABILITY 2:

Generated Messages Designed to Motivate

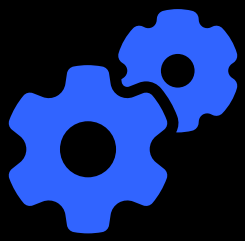
Generative AI by definition is creative. It generates language (or images, or video, depending on what it's trained to do). Ensuring those messages have an impact with customers requires dedicated machine learning and deep learning models that can read, write, and produce motivation-aware, brand-specific messages.

The models work by taking a brand's human-generated text for a given campaign, interpreting its meaning, analyzing its language elements with knowledge of the messages that have been most effective at motivating customers in the past, and then generating message variants predicted to outperform the original. The result is market-ready content statistically likely to perform better.

tapestry

"Persado takes something that people thought was all art—messaging and content—and provides a scientific, data-driven, test and learn element that marketers can really sink their teeth into."

Noam Paransky
Chief Digital Officer
Tapestry



CAPABILITY 3:

Automated Experimental Design

Myriad factors affect customer motivations at any given moment, and those motivations change over time and with shifts in context. The key to ensuring that your brand is delivering messages primed to motivate on a personal level is experimentation.

Motivation AI can predict which message elements will produce outsized conversion rates and generate message variants that apply those predictions. Brands can simply use the message predicted to have the highest impact, if they choose. For optimum results, however, brands leverage The Motivation AI Platform to run message experiments of as many as 16 variants, to assess the real-world performance of each language element.

As the experiment runs, the platform captures the results and applies them—both to generate a final message optimized for performance, and to continuously improve the knowledge base and the deep learning models, so that the platform gets better at generating high-performing messages over time.

CAPABILITY 4:

Personalization at Scale

With time and experimentation, Motivation AI can enable personalized messages at scale—a core strategic initiative for many marketing functions. McKinsey estimates that the brands that get personalization right will bring in a collective total of between $1.7 trillion and $3 trillion in incremental revenue. But only about half of surveyed consumers say that brands do a good job of delivering the kind of personalized experiences they expect.

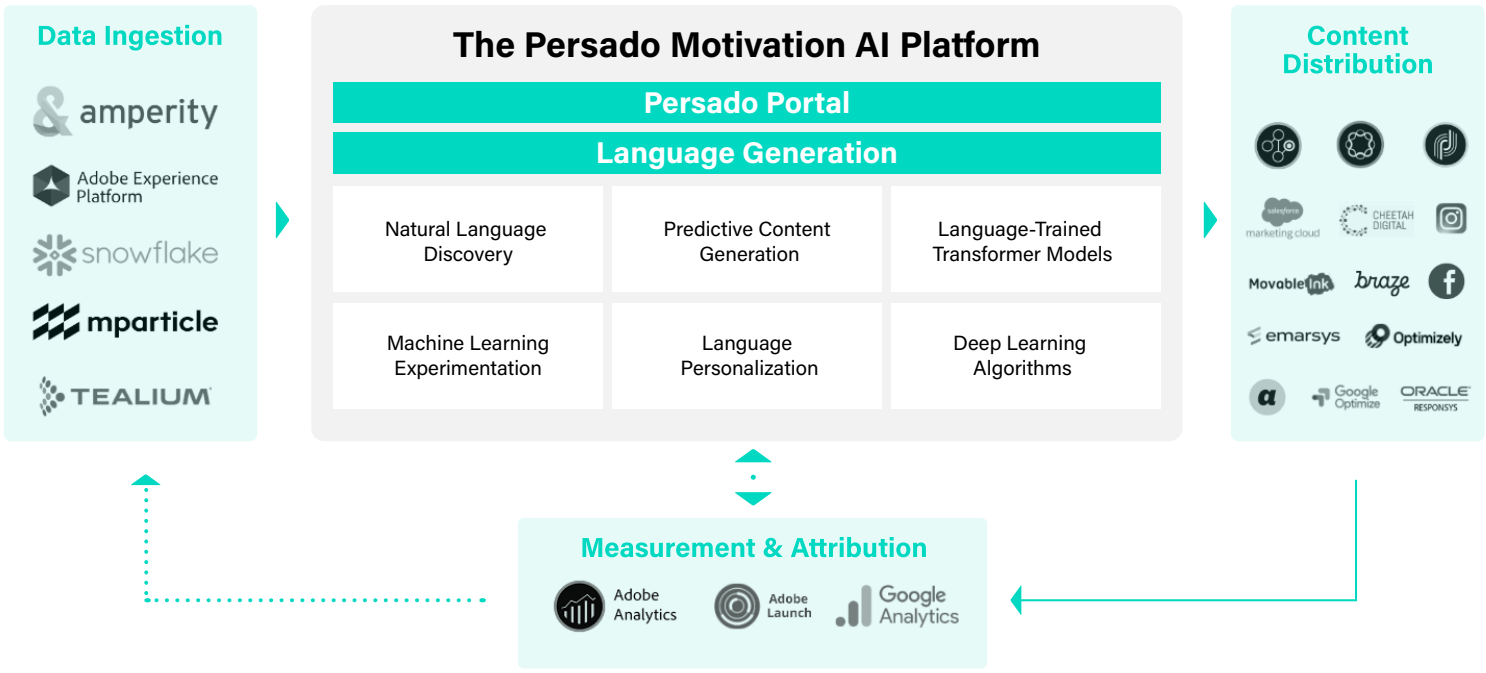
For brands pursuing personalization, the Motivation AI can serve up the right message to the right individual and adapt it dynamically based on customer engagement behavior.

CAPABILITY5:

[Pre-built] Integrations for Fast Time-to-Value

The Persado Motivation AI Platform utilizes pre-built integrations to plug into an organization's existing marketing technology stack. These connections allow seamless communication between your brand's marketing solutions and the Motivation AI to streamline the generation of motivation-optimized messages and to improve campaign performance results. The impact is faster time-to-value and more return from existing martech investments for data ingestion, content delivery, and measurement and attribution.

Through the combined power of language data, customer behavioral insights, machine learning and AI, Motivation AI functions as a continuous-learning platform that accelerates customer engagement and conversion using personalized language at scale.



The Persado Motivation AI Platform Creates an Average 41% Conversion Lift

Many innovative organizations are already using the Persado Motivation AI Platform to drive immediate lift across all channels of their business. On average and across industries, Persado customers see a 41% increase in conversions above what they would have achieved with non-motivation-aware messages. More than 95% of Persado Motivation AI-generated messages outperform a brand's best marketing copy—that's the advantage organizations gain from relying on a motivation-aware Generative AI with a ten year history of building a business-focused knowledge base and language models. Together, the 30 organizations achieving the best results have generated $1.5 billion in incremental revenue from leveraging Motivation AI.

Consider the following examples of organizations that are leveraging Motivation AI to drive impact.

41% Conversion Increase

95% Messages Outperform

$1.5B Revenue Generated

ally

This customer-focused, innovative fintech firm with a diversified product portfolio had the goal of prioritizing cross-selling to existing customers. In late 2020, the Ally Financial CRM & Market Analytics team began a pilot with Persado to understand the impact of Motivation AI for generating language for cross-selling campaigns. The pilot experiments produced at least 25% and as much as 58% improvement in customer engagement above what Ally would have achieved with its in-house generated messages, convincing Ally to enter a full-service contract in May 2021.

Over the following year, Ally and Persado ran nine campaigns to cross-sell mortgage and investment products to existing customers, and increasing engagement for deposit account and automotive account holders. One notable experiment leveraged motivation-aware elements in the email subject line, coupled with a powerful call to action (CTA) to drive a 57% increase in new Ally Invest accounts above what the firm achieved with its original message.

> **The pilot experiments produced at least 25% and as much as 58% improvement in customer engagement above what Ally would have achieved with its in-house generated messages...**

57%

NEW INVESTMENT ACCOUNT INCREASE

CHANNEL: Email

MARKS & SPENCER

The iconic British retailer Marks & Spencer (M&S) has a reputation for connecting with customers in-store on deeply personal levels. M&S needed to translate that reputation to its growing digital channels. M&S set ambitious personalization targets and searched for a partner that could understand both what motivates customers and how to translate that into messages. In 2019, M&S found that partner in Persado. M&S used The Persado Motivation AI Platform to generate website and email campaigns to drive greater customer engagement, increase the share of customers engaging with the brand's loyalty program, and grow incremental orders.

M&S and Persado are currently leveraging the collective insights of the campaigns it has run to bring personalization to other channels, including email, web, the mobile app, and push notifications. M&S is on the path to tens of millions of pounds of incremental revenue now that they are using Motivation AI to personalize at scale.

> **M&S is on the path to tens of millions of pounds of incremental revenue now that they are using Motivation AI to personalize at scale.**

20%

AVERAGE CONVERSION UPLIFT

CHANNEL: Email

Michaels

Arts and crafts retail giant Michaels has spent 40 years building connections with its customers, affectionately known as its "Makers". Given the company's treasure trove of customer data, Michaels wanted to create more personalized experiences across touchpoints. Michaels engaged Persado to leverage Motivation AI to predict and generate language that would engage Makers and inspire them to act. Michaels initially used Persado to generate SMS, Facebook, and email messages.

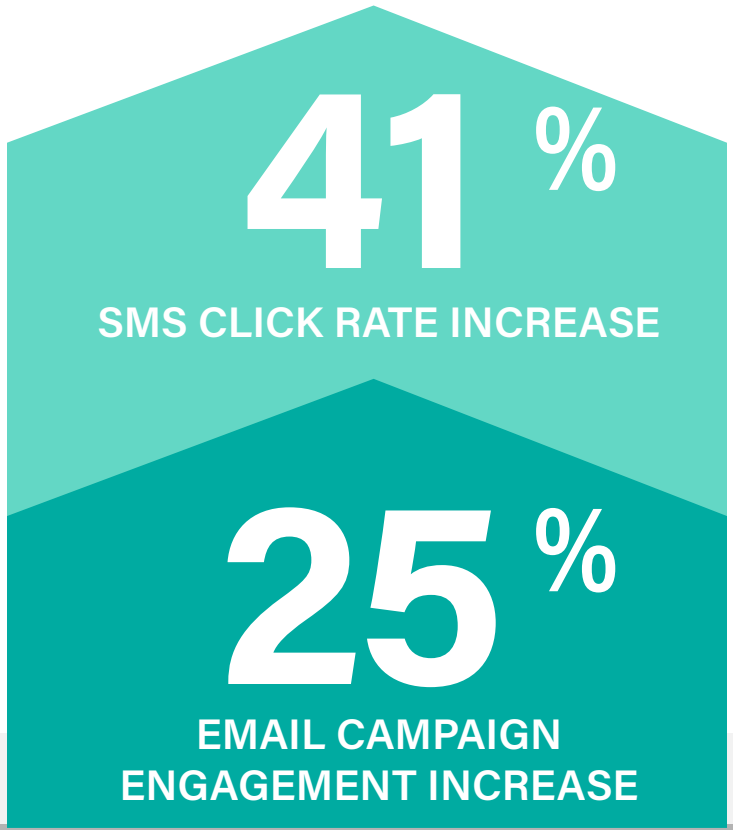
The Persado Motivation AI Platform revealed common response patterns from high-value segments and generated language to drive game-changing, personalized campaigns.

> **The company expanded the use of personalized emails from 20% in 2019 to 95% in 2022.**

The company:

- **Expanded the use of personalized emails from 20% in 2019 to 95% in 2022**
- **Increased click rates with SMS campaigns by 41%**
- **Boosted email campaign engagement by 25%**

Michaels used Persado to deploy over 1,000 SMS, Facebook, and email campaigns per year. Data insights were continuously fed back to The Persado Motivation AI Platform to hyper-personalize content that engaged Makers.



CHANNELS: Email SMS

Conclusion

Organizations are already embracing Generative AI to automate language and content creation. But marketing teams don't need more language and messages. They need messages that are designed intentionally to be compelling and engage the customer to act. Other Generative AI platforms may achieve that by accident, as a byproduct of volume—but why take chances? Start instead with motivation as a core capability of your language generation AI.

With Motivation AI, brands can deliver personalized and optimized communications consistently and at scale to motivate customers to engage and act.

Based on the world's largest language knowledge base of millions of tagged and scored words and phrases, coupled with machine learning and deep learning models trained for more than a decade, the Persado Motivation AI Platform is the only language AI platform to automate on-brand, personalized language at enterprise scale, across touchpoints, channels, and segments—connecting you to your customer everywhere words matter.

Find out more about the combined power of Generative AI and motivation.

Get started today.

> **But organizations don't need more language and messages. They need messages that are designed intentionally to be compelling and engage the customer to act.**

Persado provides the only Generative AI platform to deliver personalized communications at scale that motivates each individual to engage and act. Many of the world's largest brands, including Ally Bank, Dropbox, JPMorgan Chase, Marks & Spencer, and Verizon, have realized over $1.5B in incremental revenue growth with Persado Motivation AI-driven hyper-personalized communications.

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