### The Future of AlMarketing Isn't Added On - It's Built In

A Mailchimp Report A Mailchimp Report

This report is based on a commissioned survey conducted by

FORRESTER®

Report No.

001

Surprisingly simple ways AI can help create better marketing in less time



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### Today's uncertain macro requires that marketers do more with less, but a few basic truths remain

First	It's tough to create new content at scale on a regular basis
Second	It's <i>really</i> tough to deliver that content to the right audience at the right time to drive business results



#### That's where AI comes in

Fortunately, the evolution of the marketing landscape has coincided with major advancements in the tools and technologies available to today's marketers. One such technology is <u>machine learning</u>, a broad term that's used to describe systems and software applications that analyze historical data and use it to identify patterns, form solutions, and predict future outcomes. Machine learning enables platforms like Mailchimp to help you generate new audience segments to increase the relevance of your messaging, suggest actions to help build personalized automations quicker, predict a customer's lifetime value, make recommendations based on peer benchmarking and best practices, and more.

But for all the incredible benefits that machine learning brings to the industry, on its own, marketers need a way to generate new content at scale. That's where generative AI comes into play.

Today, generative AI is able to create brand new content—like text, images, audio, or video—based on existing data. If you've heard folks talking about ChatGPT, DALL-E, or any similar technology that creates content based on a user-provided prompt, they're talking about generative AI.

When the audience generation and data analysis power of machine learning is combined with the content generation power of generative AI, the result is, to put it simply, a game-changer for marketers. These technologies use what they learn about your business, customers, and peers to help create automated content that can fit your brand, align with your goals, and help you deliver that content to the right audience at the right moment. That means all you need to do is review the content and customize it in any way you'd like before sending, and then you're free to scratch that item off your to-do list.



# We commissioned Forrester to survey small business marketers to help us better understand their perspective

	What are their top busin	ess priorities?
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- What challenges do they face?
- How do they think AI can help?

Survey
Quick Facts

Conducted by Forrester in 2023

Included 313 Small Business Marketers

Places surveyed include North America, Australia, UK

Section 02

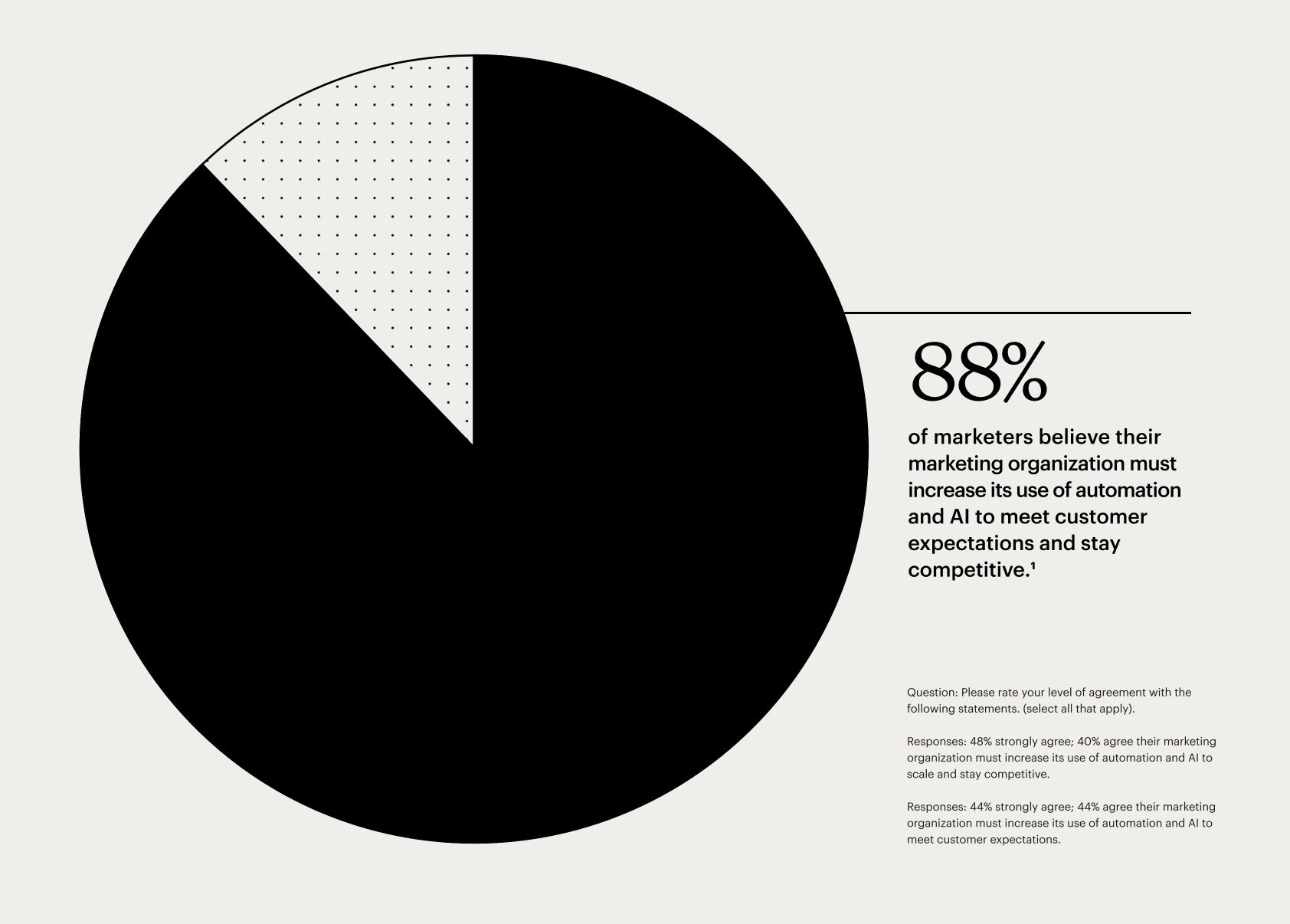
Challenges

### Here's what they had to say.

Based on the Forrester survey data, it's clear that they face many of the same challenges—4 stood out, in particular.



Right now, the whole industry is buzzing with talk about all the potential use cases for AI both today and in the future

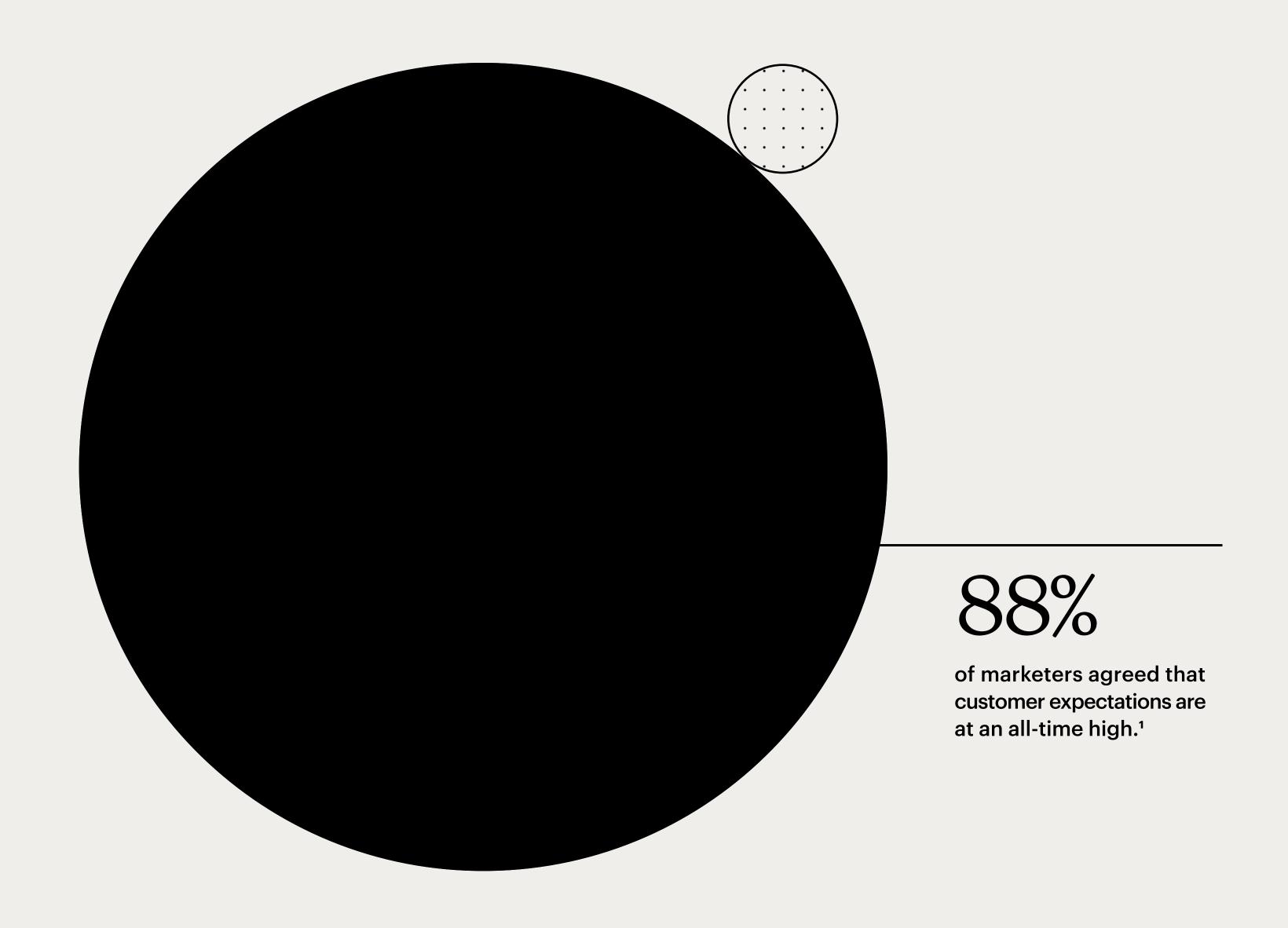




**Challenge 01** 

#### Marketers say they're under pressure to deliver personalized experiences

Faced with higher expectations to deliver a more personalized experience for their customers— they want an easier way to access insights that can help them boost engagement and improve performance.







There are three key factors that explain these elevated expectations. First, customers expect companies to understand their unique needs and want a more personalized experience from the brands they interact with. Second, customers crave connected journeys with consistent interactions across all of their marketing channels. And third, customers have a strong desire to see more innovation from the companies they support—including better products and newer ways to access those products.

Michelle Taite Chief Marketing Officer

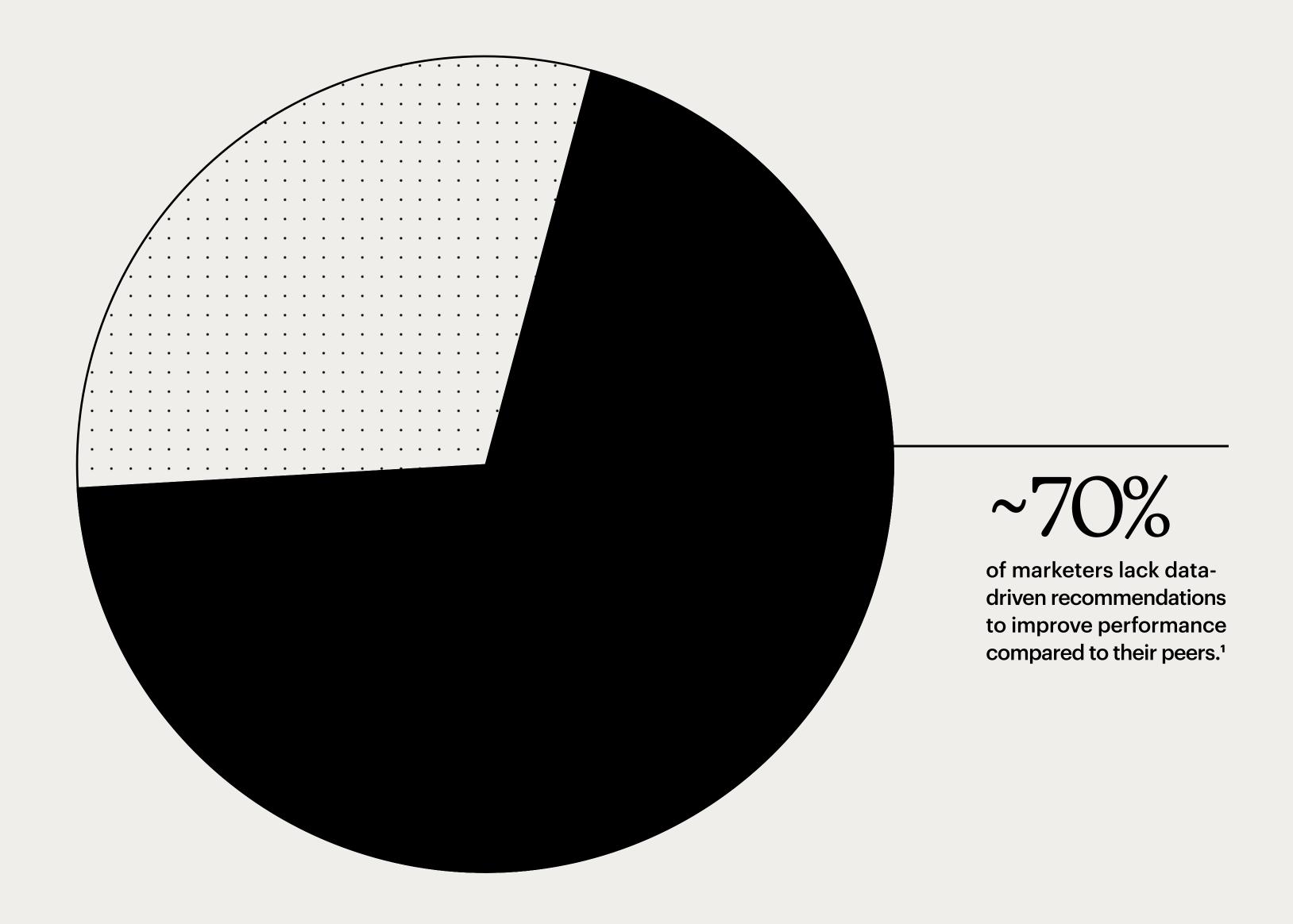
**Intuit Mailchimp** 



Challenge 02

#### Marketers say they're wasting time manually pulling data

Gathering insights and learning how to act on them is often a manual, time-consuming process. But marketers already have a lot on their plate, and for many, there just aren't enough hours in the day to find actionable data and insights that help them figure out how they're performing—and how they can improve.



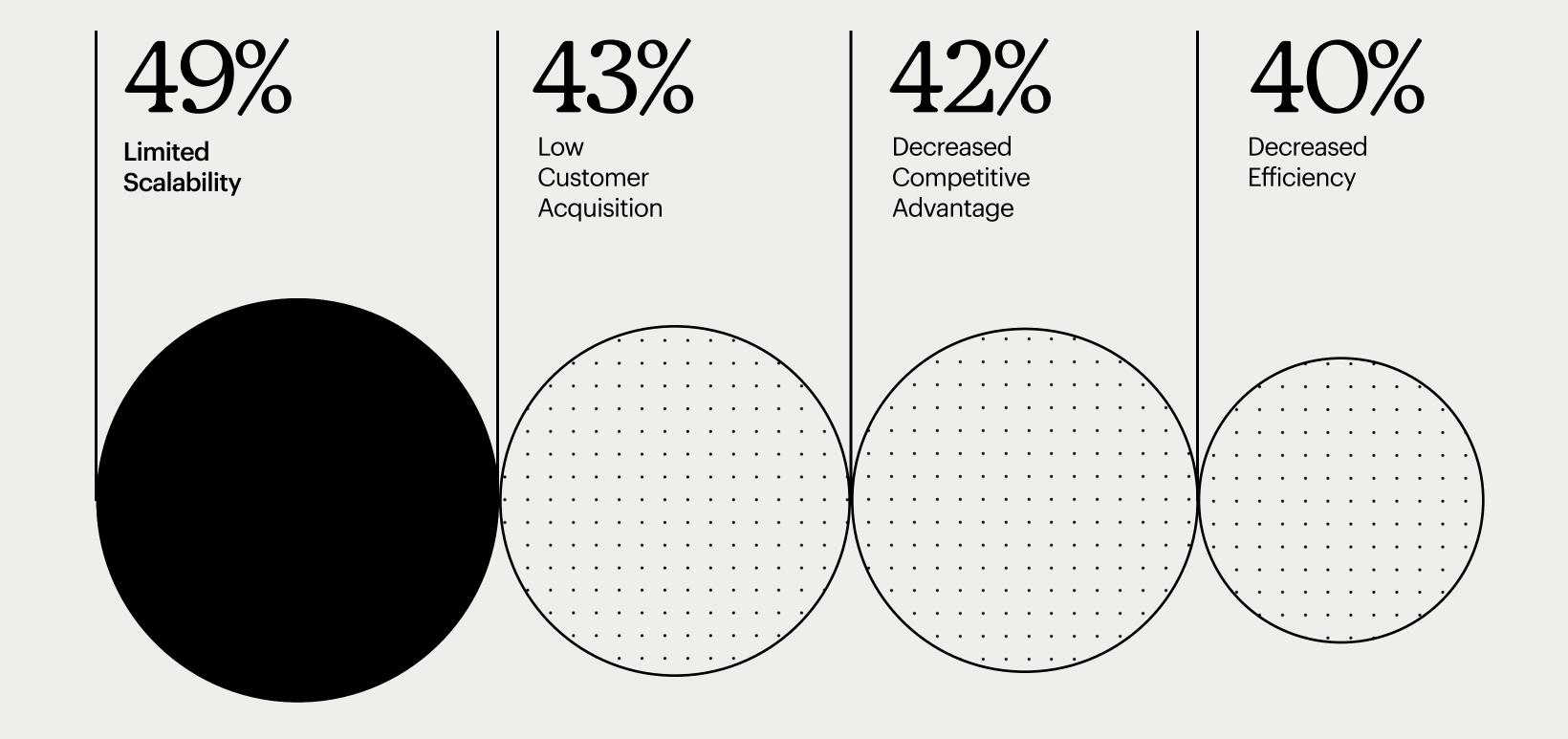


What are the risks associated with inadequate marketing automation and Al adoption?<sup>1</sup>

Challenge 03

### Marketers say they don't have time to scale

Even when marketers know exactly what they want to do—and maybe even which tools can help them do it—many of them lack the bandwidth to enact those changes.

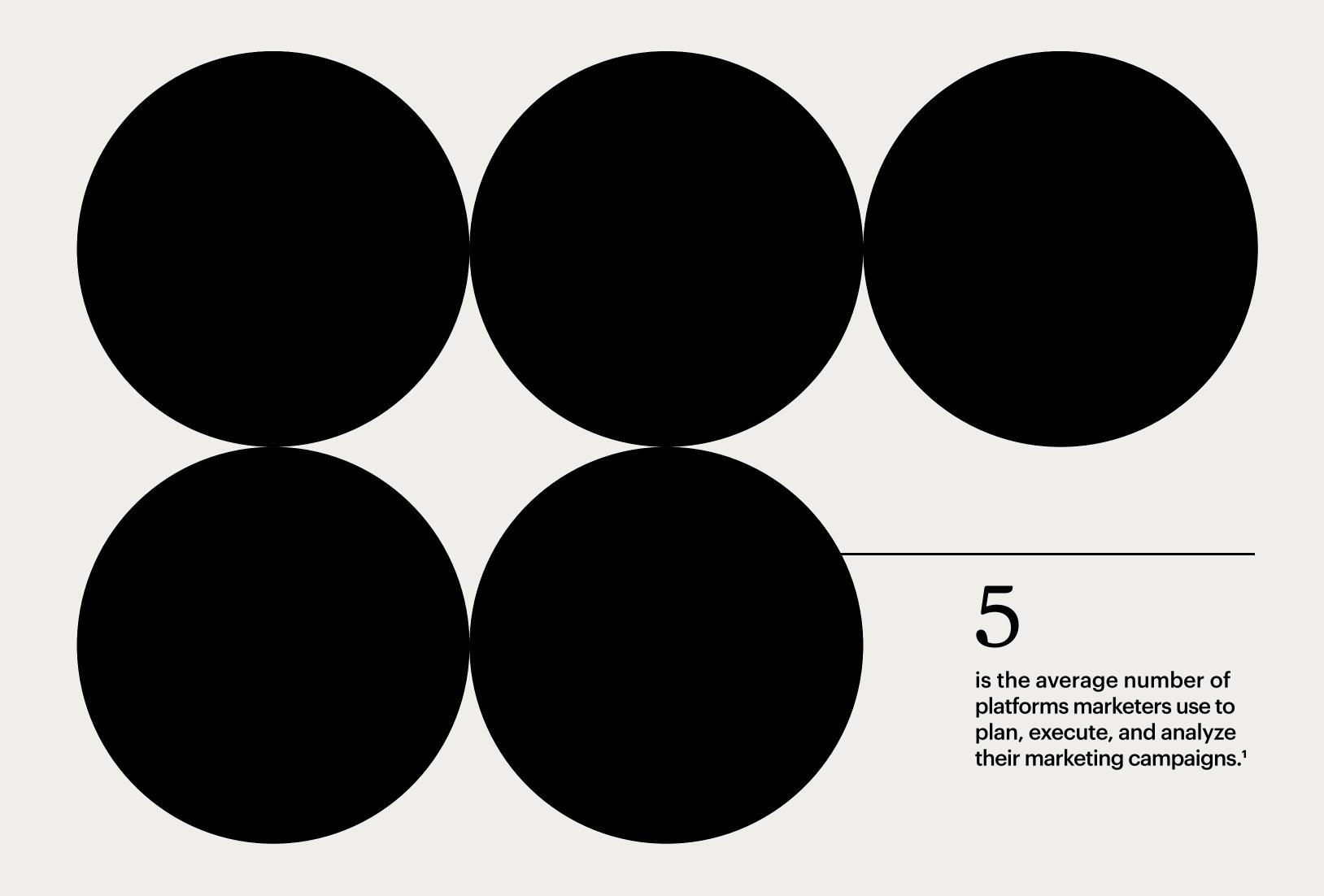




Challenge 04

#### Marketers say their tools don't work together

Marketers need tools that will grow alongside their business without disrupting their workflow. It hasn't always been easy to identify the right tools, learn how to use them, and then utilize all of the siloed data contained within those tools in a way that works for their business. It's important to have access to integrations that will bring their data sources together and solutions that eliminate some manual tasks while also helping them create a better experience for their customers.





## Marketers, it's time to stop talking and start doing

The solution? Start adopting the use of AI tools in your marketing efforts. We know it's one more thing, but we can help.

Mailchimp has technology that can help marketers do all of those things and more, and integrations that make it easy to connect with the other apps and tools that help you get your job done. We generated more than 8 million data-backed recommendations in 2022 alone with our Al-powered features.<sup>4</sup>

In the following sections, we'll explore the ways AI marketing tools can help improve common tasks, like content creation, segmentation, automation, and collecting benchmarking recommendations.

Section 03

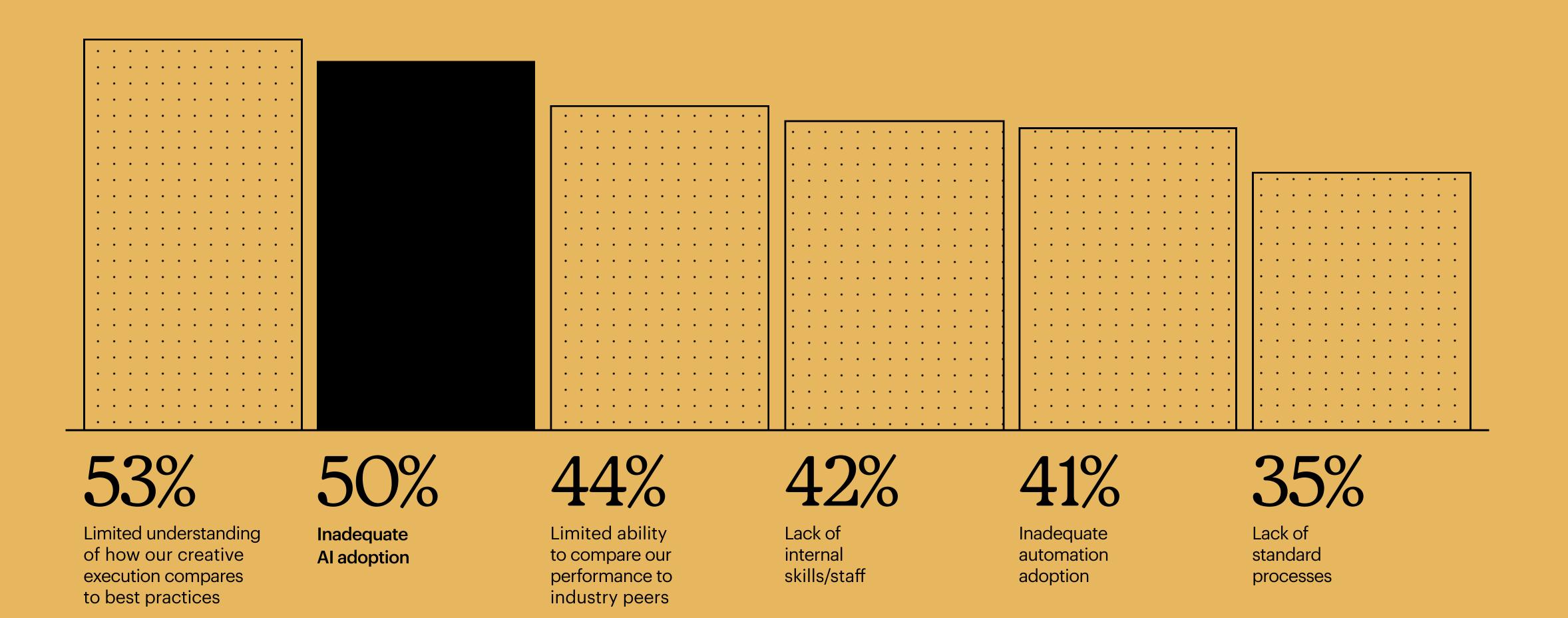
Content Creation

## Scale content creation without sacrificing—well, all the other stuff.

With the help of generative AI, writing copy and creating custom designs can be less time-consuming tasks. Save valuable time and put more of your focus on other important stuff—like strategy, innovation, or any other aspect of the business that needs your attention.



What is holding your marketing organization back from achieving its goals?1





# Mailchimp has 20+ easy-to-use Al-powered tools to help accelerate your marketing

By leveraging GPT technology, Mailchimp's **Email Content Generator**<sup>3</sup> can generate text on your behalf for email subject lines, headlines, and body copy. Once you enter a prompt, our text-generation tools can automatically create copy that matches your industry, preferred tone, and intent, making it easier to send relevant campaigns that feel authentic to your brand and align with your marketing goals. You can then customize the copy to make it your own.

Need some help drafting a message about an upcoming sale? Start with a prompt describing the type of copy you want—e.g., a paragraph promoting 15% off all bedding products, written in an excited tone—and we'll provide multiple copy options that you can drop into your template and refine as you see fit.

Mailchimp can help you craft beautiful, eye-catching designs, too, and all you need to do is import your brand assets. By taking advantage of generative AI and considering design best practices, our <u>Creative</u> <u>Assistant</u> can automatically create custom designs based on your brand colors, fonts, logos, and images that can easily be edited, resized, and published.<sup>2</sup>





We see generative Al fundamentally changing the landscape of creative work, and we're here to help our customers apply it to their day-to-day marketing in meaningful ways so that they get more done and reach their goals faster.

Jon Fasoli Chief Design & Product Officer Intuit Mailchimp



#### Manual segmentation? Not you. Not anymore. You use machine learning now.

As customer expectations grow, so too does the need for sending personalized, relevant messages to specific groups of people. That's when segmentation—particularly segmentation powered by machine learning—plays such an impactful role.

2023



## Personalize your messaging with custom segments

Mailchimp's segmentation tools² allow you to break down your large audience into smaller clusters based on similarities they share—like their location, interests, purchase history, engagement history, and any other information you might have. And since <a href="Mailchimp has 300+">Mailchimp has 300+</a> integrations available, it's easy to sync valuable customer data from the various apps and services you rely on to run your business—including Shopify, Square, QuickBooks, and more—and then use it to send more relevant, personalized messages.

You can, of course, create your own custom segments based on your available data, but Mailchimp also harnesses the power of machine learning to provide you with a number of pre-built segments.<sup>2</sup> These segments make it easy to target some of the most common collections of folks that marketers need to interact with, like new subscribers or lapsed customers, for example. We can even automatically create segments based on predictions we've made about the make-up of your audience and their future buying behavior.





We see some campaigns where we email all the people who constantly open up our free newsletters but aren't paying subscribers yet and ask, 'Hey, have you considered becoming a paying member because you love us so much anyway?' and that's been extremely powerful.

Snigdha Sur Founder & CEO
The Juggernaut, US



Use predictive data to get a deeper understanding of your audience so you can send more targeted campaigns

Thanks to machine learning, we're able to <u>predict the demographics</u> <u>of your audience</u>, so you can get an even better understanding of who your customers are and how to market to them. And if you've connected an e-commerce store to Mailchimp, we have predictive models that compare each customer's purchase history and patterns to what's normal for your store, and then predict their <u>customer lifetime value</u> (CLV) and their likelihood to <u>purchase</u> again.<sup>2</sup>

If you're a marketer that needs to target a diverse audience with relevant messaging, using segmentation to focus on customers who are most likely to spend more money more often—and people who share behaviors, activities, and traits that align with your business goals—can be an incredibly effective way to boost customer loyalty and help increase sales.

"The analytics side of marketing is something we've leaned into pretty heavily to try to identify who our customers are and segment them based on psychographics and behaviors. For instance, we use data accessed via our website integration to retarget customers based on previous purchases with recommendations for a similar coffee if they liked the one they tried."

— Alan Fischer, Co-Owner, PERC Coffee, US

Section 04

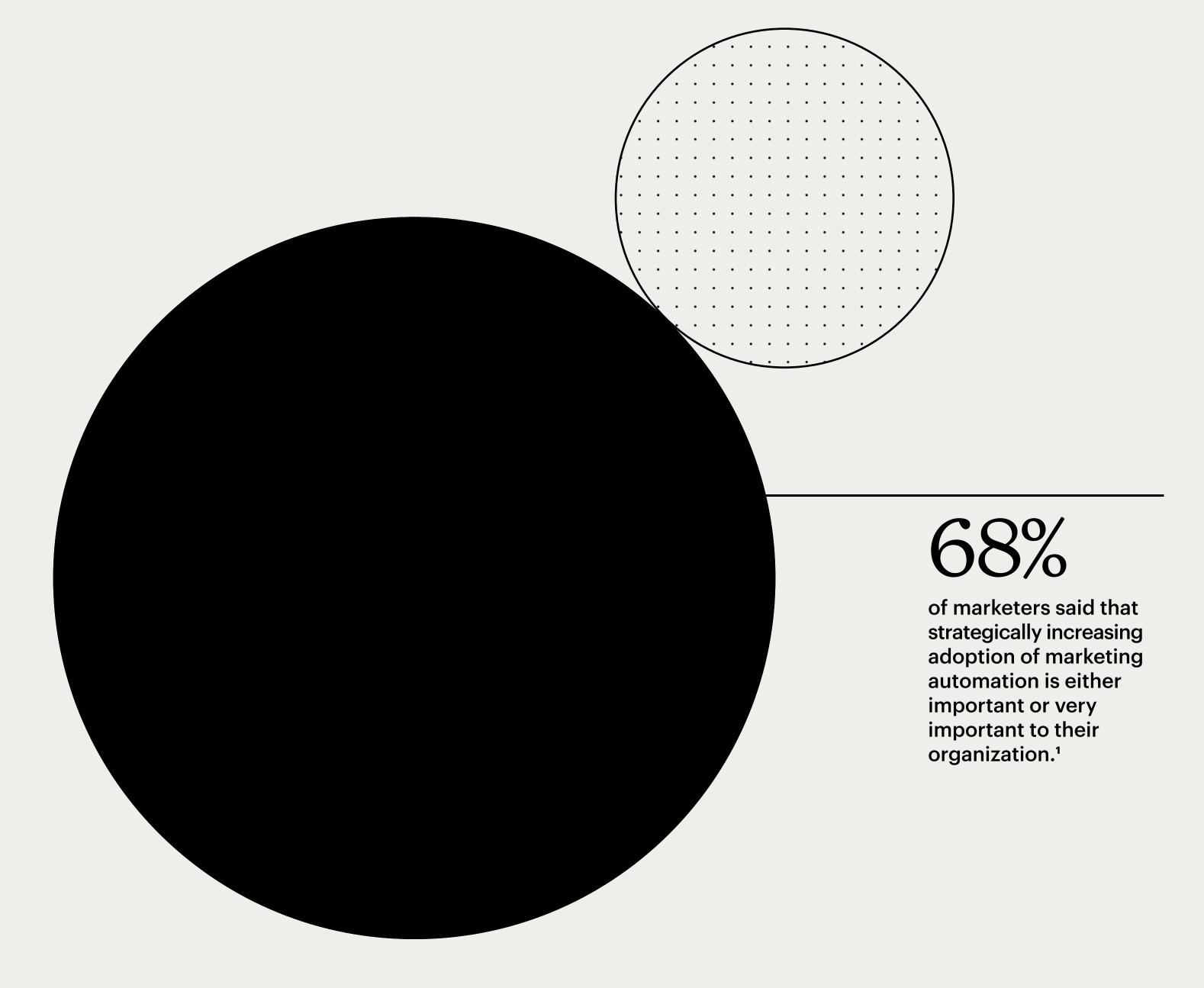
Automation

## Let the data do the work for you. Enjoy the (customer) journey.

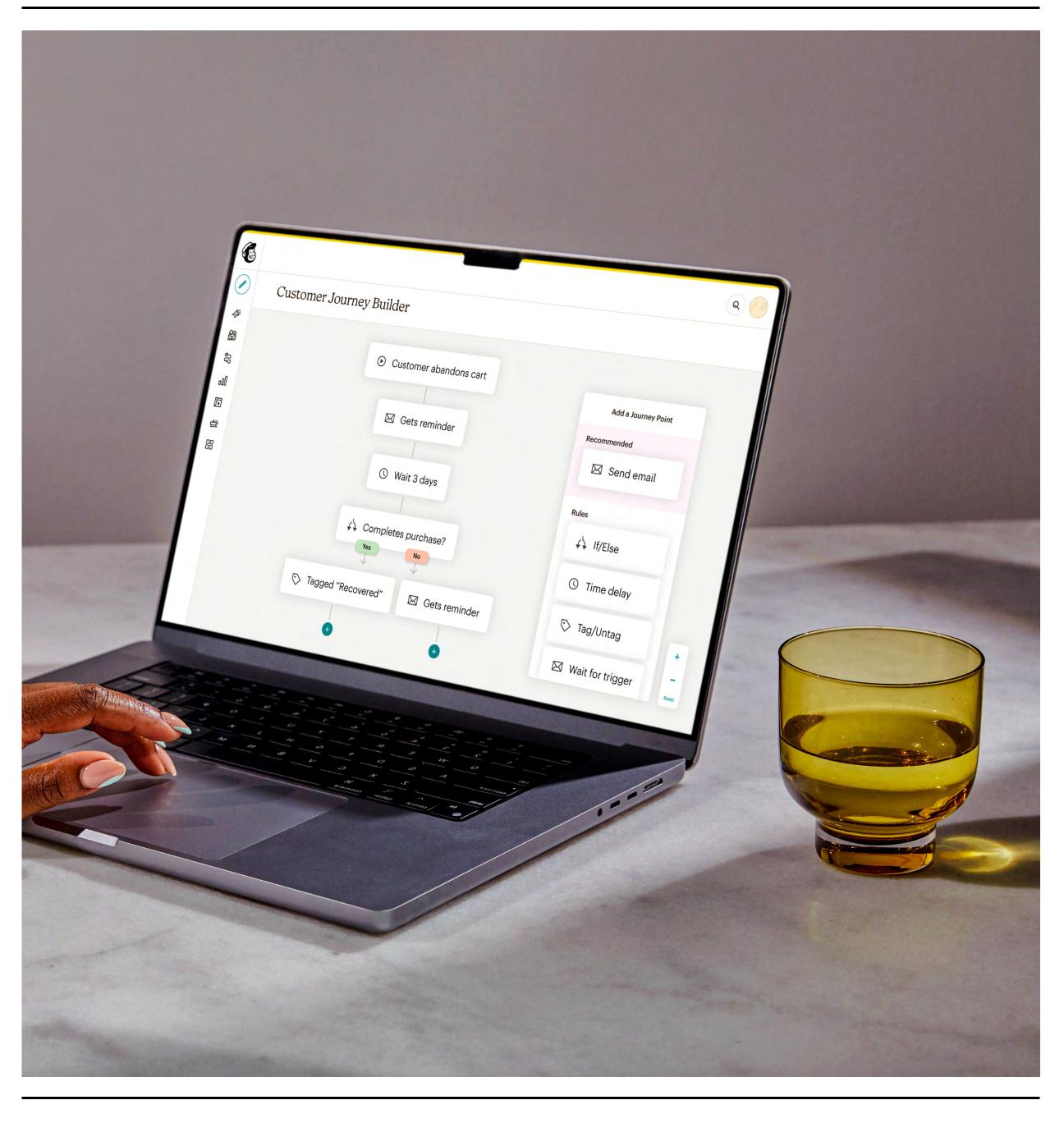
With newly-generated content and your customer data in place, you're ready to start delivering those personalized, targeted messages automatically—and at scale. Automation tools allow marketers to, as the name suggests, automate their everyday marketing tasks, reducing the time and effort it takes to communicate with audiences in a deliberate, meaningful way.



Competitive marketers are already implementing automation and Al strategies to acquire and retain customers



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Mailchimp has sent a lot of emails over the years, and we've learned a lot of valuable lessons about what works, what doesn't, and how marketers connect with their customers.

Our automations tools leverage machine learning to turn all of that data into personalized customer journeys.<sup>2</sup>



### Sync your store to Mailchimp and put your e-commerce data to work

#### Offer personalized recommendations

We'll analyze a customer's individual purchase history— along with the data of other folks who like similar stuff—and predict which of your products they're most likely to buy next.

#### Highlight new arrivals

We'll curate a list of your latest products so you can start marketing them as soon as they're available on your site.

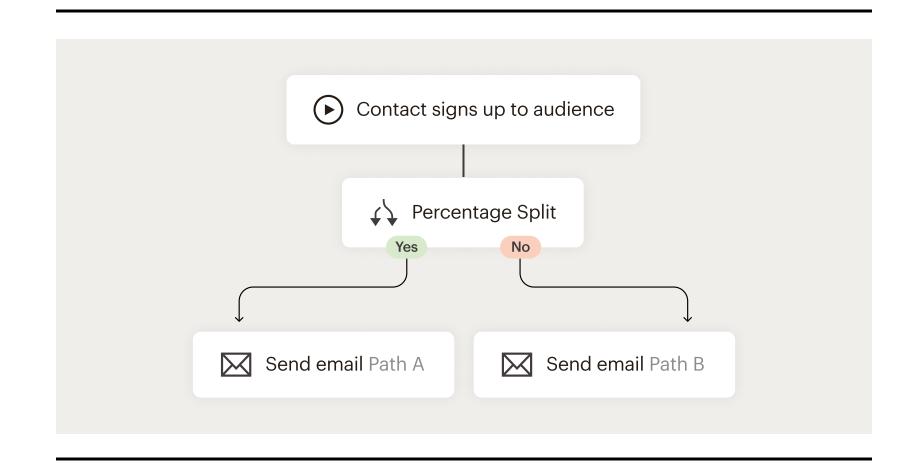
#### Showcase your best sellers

We'll identify the most popular items from your store, so you can put them front and center in your marketing.

#### Engage shoppers in real time

We'll automatically send personalized email alerts to shoppers who perform a search, view a product page, or abandon their cart in your store.<sup>2</sup>





The same machine learning technology also allows Mailchimp to recommend new ways to engage with your audience, then quickly implement proven automation strategies specific to your business. Our <u>fully-customizable customer journeys</u><sup>2</sup> are tailored to different business objectives and informed by marketing best practices, customer behaviors, and data analytics.

They automatically guide your customers through a series of personalized messages and actions that are specific to their needs and behavior, helping you stay in touch with customers at every stage of their shopping experience or interaction with your business.



The first automations I implemented targeted people who were downloading the lead magnet. Now, I've set up a parallel automation for people who have signed up for the mailing list but have yet to download the lead magnet. No matter which path someone takes to find [my client's business], we're following up with them.

Vicky Partner
Smith Intuit Mailchimp

Section 05

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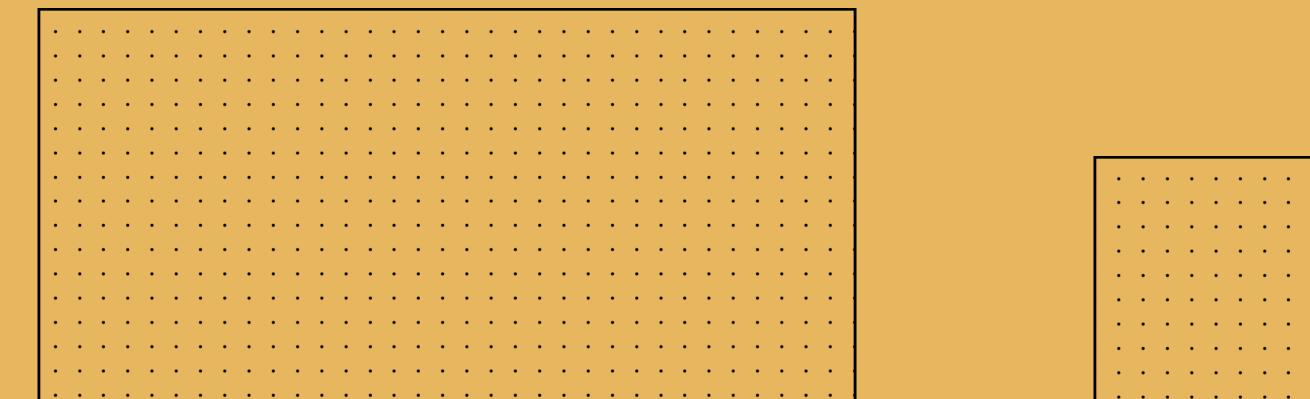
Peer Benchmarking

# Do you know how your campaigns stack up to the industry? We do. You should.

Most marketers are in the dark about how their campaigns perform against peers. We combine insights from more than 12 million users to help you benchmark performance and improve it with data-backed recommendations.



What insights are valuable for your organization's scalabilty?1



69%

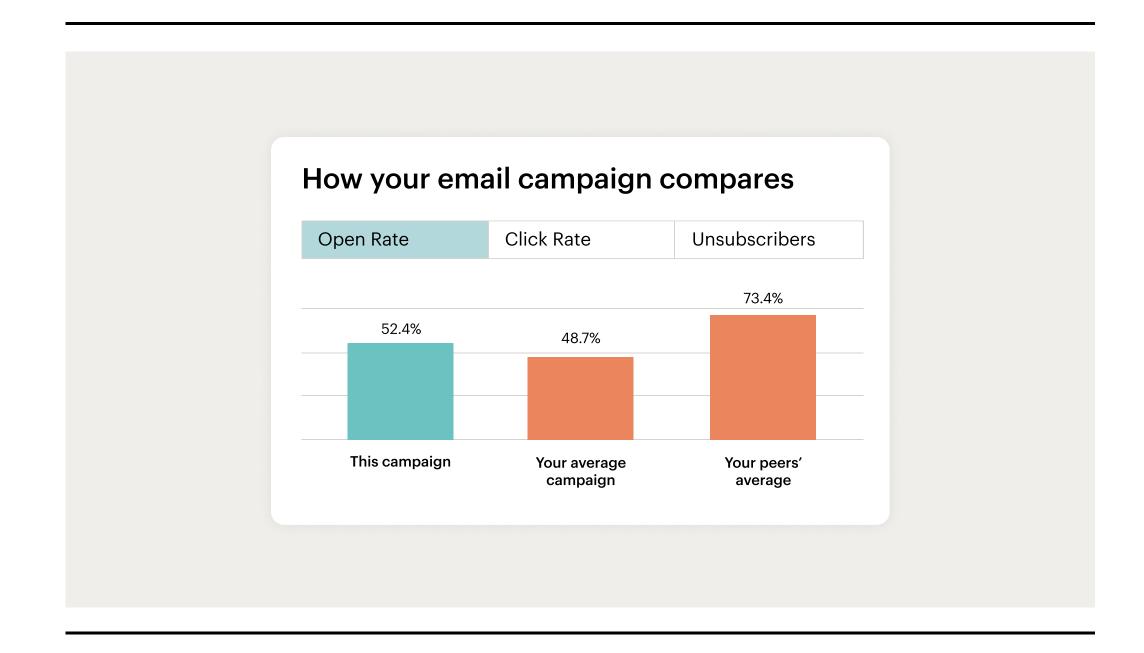
of marketers say insights on campaign performance against business targets are valuable to their marketing organization achieving its top priorities.

44%

of marketers say the limited ability to compare their performance to peers is holding them back from achieving their goals.

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Metrics like open and click rates are valuable for learning how a campaign performed, but in order to identify what really resonates with an audience, marketers need to know why the campaign performed as it did—and how that performance stacks up against the competition.

That's why a peer benchmarking tool that integrates industry-wide data, like Mailchimp, is so important. We can combine all of that data with the power of AI to offer insights and recommendations that can help marketers in any industry improve their campaigns and keep pace with the evolving marketing landscape.



Benchmarking is vital for successful growth. It is critical to look at what your competitors are doing, how you track against them, and how you, as a business, are doing monthly and year over year.

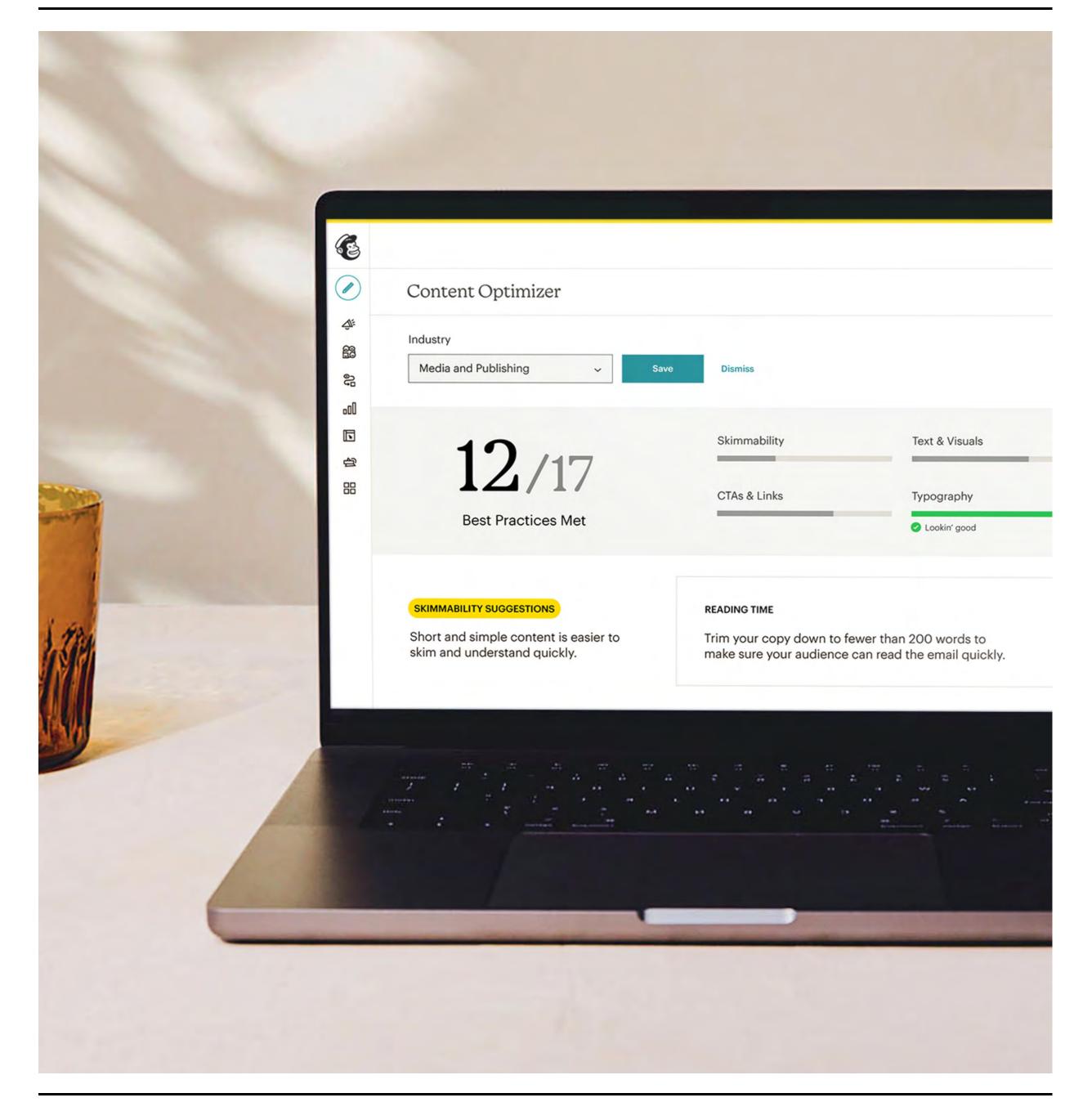
Elizabeth Founder

Jacobi MochaBear Marketing, US



After you send a campaign in Mailchimp and start collecting engagement data, we'll develop <u>personalized</u> <u>benchmarks</u> that help you compare your email performance to that of your peers. These benchmarks are based on the average open, click, and unsubscribe rates of other users in the same industry with similar audience size and demographics to your own. We'll tell you which characteristics you and your peers share, how your engagement rates compare to theirs, and even suggest the best action for improving your campaign performance with that audience.<sup>2</sup>

Want feedback on the content of your email, too? After sending a campaign, our Al-driven <u>Content Optimizer</u> benchmarks your email content against millions of topperforming campaigns within your industry who have the same marketing objective as you.<sup>2</sup>





## Mailchimp can analyze your email against best practices and suggest ways to improve your next email

#### Skimmability

We'll scan your content and make sure it's concise and easy to read. You'll get suggestions for optimal reading time and sentence length, so you've got a better chance of keeping your audience's attention and boosting their retention, even if they're just skimming through your email.

#### Links & CTAs

We'll assess the links and calls to action (CTAs) in your email that keep your audience engaged and offer suggestions to help make sure your audience knows what action you want them to take.

#### Text & Visuals

We'll analyze the use of images, headings, and tone to create interest for your audience. We'll review the words and phrases in your message and determine the overall tone to your message. If there's another tone that has been shown to be more effective for your marketing objective, we'll recommend that instead.

#### Typography

We'll check the consistency and size ratio of your fonts and text styles across your headers, subheaders, and the body of your email.

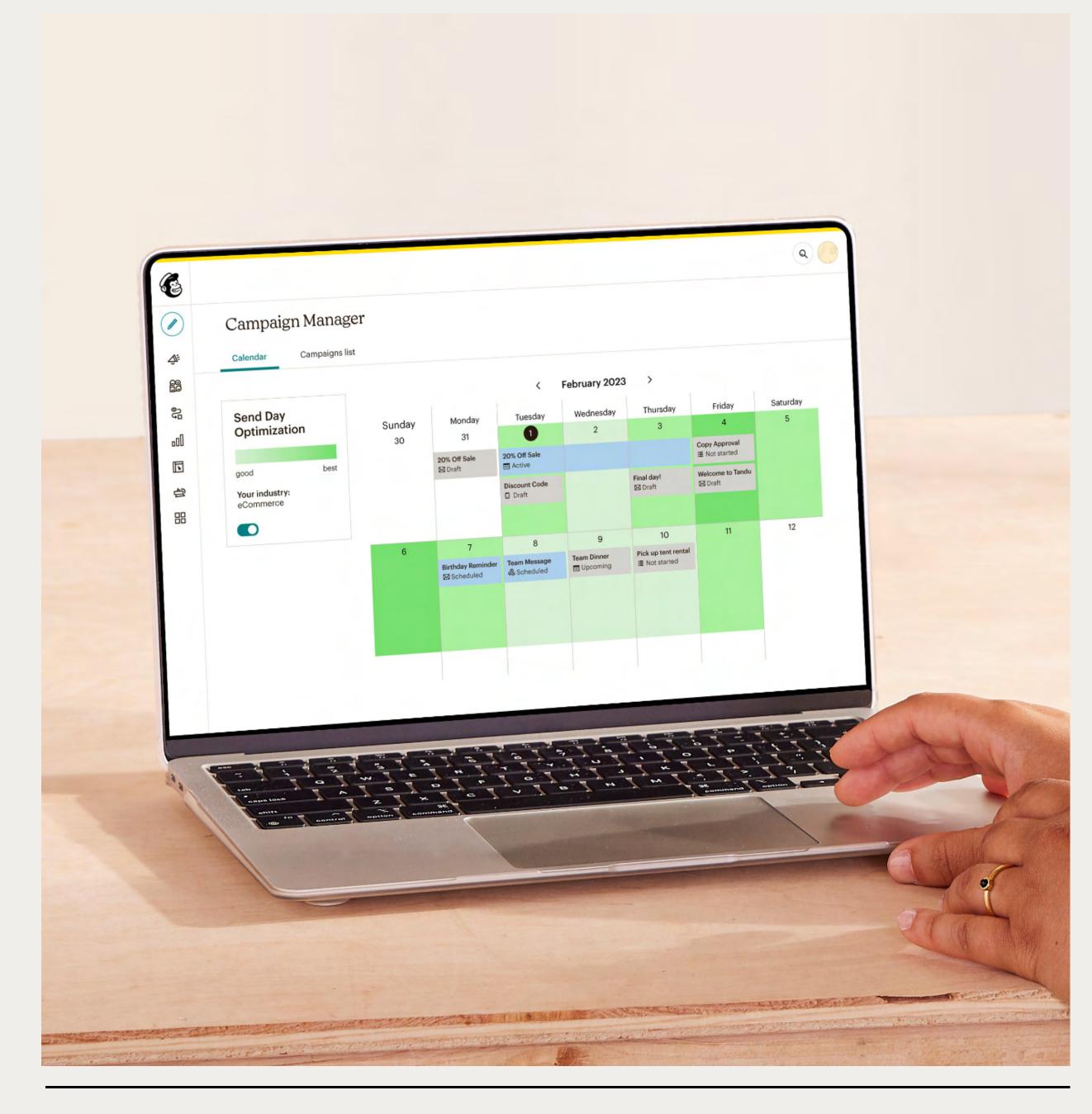


#### Deliver the right message at the right time

Our AI-backed tools analyze millions of KPI data points—like open rate, click rate, and when that activity occurs—to determine when your customers are most likely to engage with your email and provide recommendations for the most optimal days and times to send.<sup>2</sup>

"Intuit Mailchimp's AI marketing tools look across our entire ecosystem and analyze how people tend to act by industry. Then, we provide recommendations to our customers as to what is the best day and time to send your campaign to drive the outcomes you want."

— John Humphrey, Head of Data Platform Product, Intuit Mailchimp



Section 06

Conclusion

#### Start exploring.

Like we said, these tools are built in. Machine learning and generative Al-powered tools have already made a tremendous impact on the industry, and there's a lot of potential for the future, too.





As technology improves and advances, we believe that AI marketing tools may eventually be able to help marketers much like a really dynamic intern would.

It might one day help you create content for entire emails or automation journeys based on your marketing objectives, and then could potentially suggest an audience that would benefit most from seeing it. As with an intern, you wouldn't hit send without first reviewing the content and putting your own spin on it, but it could provide you with a great starting point—and save you a bunch of time in the process.



By equipping your team with the advantages of automations and AI as a baseline, they can more effectively focus on the strategies that will differentiate your brand in the marketplace.

Michelle Taite

Chief Marketing Officer Intuit Mailchimp

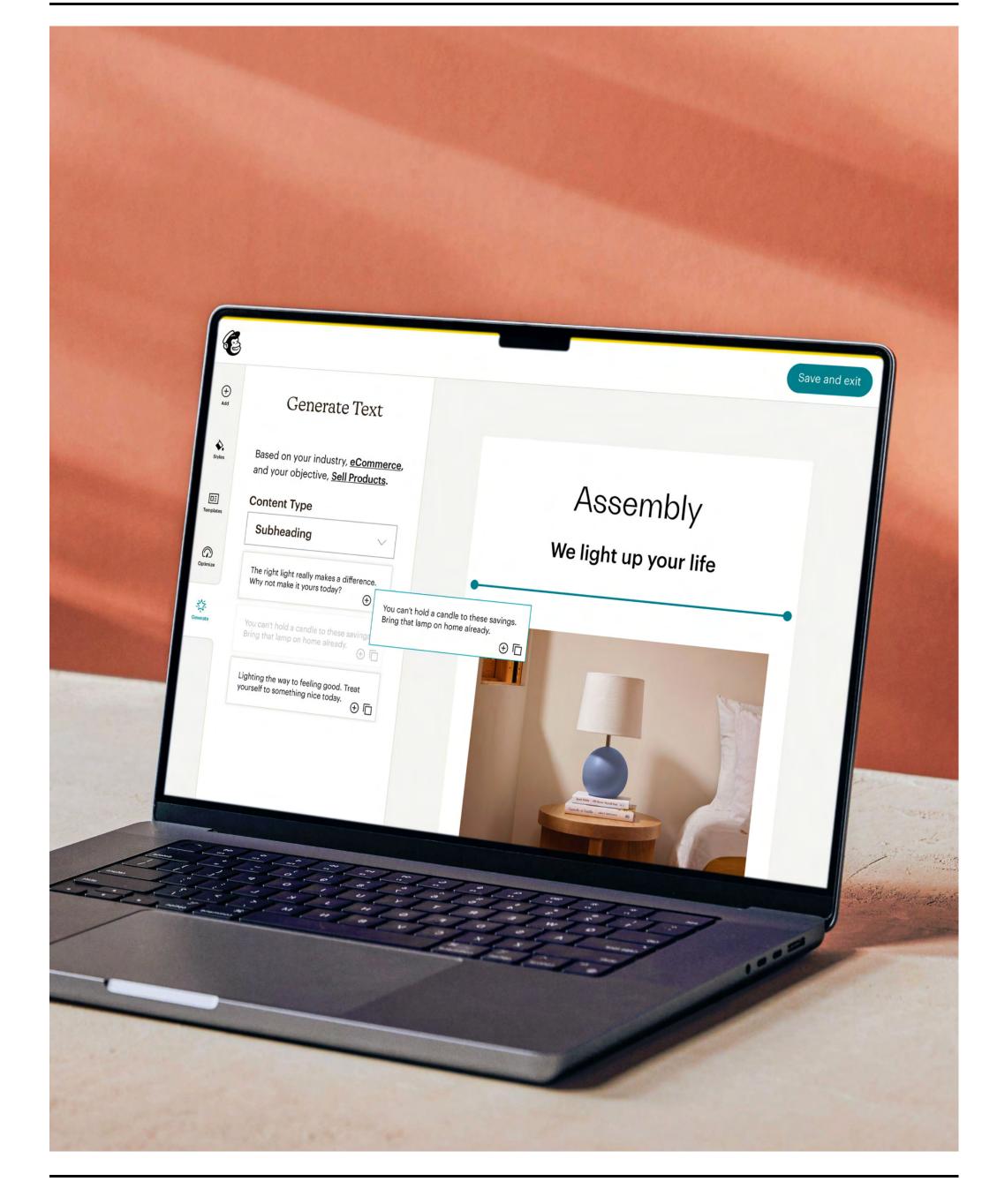
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### It's an exciting time to be a marketer

As technology—and the marketing industry—evolves, marketers need a platform that will evolve alongside it. A platform that makes AI marketing accessible to everyone<sup>2</sup> and doesn't require you to add extra tools to your tech stack or seek help from an expensive consultant.

Today, Mailchimp's AI marketing tools can help you meet customer expectations, access the necessary insights, and scale your marketing efforts, saving you valuable time and driving greater impact. And, going forward, you can count on Mailchimp to make sure that the AI technology you need to keep up with trends and stay ahead of the competition will be built-in and easy to use.





#### Disclosures

- 1 A commissioned survey by Forrester Consulting on behalf of Intuit Mailchimp (March 2023) of 313 small business (companies with 10-999 employees and revenue between \$5M to \$999.99M USD) marketing automation strategy decision makers in North America, Australia, and the UK.
- 2 Features and functionality vary by plan, paid and free, and are subject to change without notice. See **pricing page** for details.
- 3 Very limited availability to certain US paid plan users only. Because product and features are subject to change, purchasing decisions should be based on currently available technology. Statements outline general product direction and represent no obligation.
- 4 Based on 2022 data for the following products: Product recommendations, Send Time Optimization, A/B testing, CLV segmentation, likelihood to purchase segmentation, and pre-built journeys.

# Ready to learn more?

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To get started or learn more about AI marketing at Mailchimp, reach out to our Sales team

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