

From efficiency to effectiveness:

How AI is transforming customer engagement

Casher



Up to 18x miles on travel
Emailed at **11am**



Earn 5x points at gas stations
Push notification at **6pm**



Earn 5% cashback at restaurants
Text at **3pm**

braze

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Introduction

Technology is in a constant state of flux, but transformative leaps are rare. It's been more than 20 years since the last major tech wave, characterized by the rise of cloud computing and mobile technology, and it's clear that the next wave, AI, is now here. The pace of change is fast and frantic, transforming outcomes for marketers, and reinventing what customer engagement looks like today.

During the early years of this decade's AI wave, many brands focused on efficiency, leveraging emerging technology to squeeze more productivity out of existing systems and processes—and saw meaningful outcomes. But as AI rapidly evolves, becoming integral to modern life and to the ways people engage with brands, expectations for marketing experiences are soaring. That makes it imperative for marketing leaders to act now and evolve their customer engagement programs to focus on effectiveness **and** efficiency, leveraging AI to meet this moment.

Here's how you can lead the charge.



- **90%** of companies plan to increase their AI investments
- **62%** of top-performing brands see AI investment as their top organizational priority.
- Most brands (**95%**) are struggling to see returns on their AI investments—but those that do are cutting costs by an average of **37%**



Efficiency isn't the end of the story

Sending a campaign in ten minutes instead of an hour. Running tests with a team of one instead of a team of six. Saving 3% on the cost of a given marketing campaign. What could be wrong with that? Nothing. But efficiency doesn't exist in a vacuum.

Why was efficiency the top priority of brands when it came to leveraging the first generation of modern AI tools? Some of it had to do with the capabilities unlocked by the release of ChatGPT and other generative AI features, which made content generation possible at an unprecedented speed and scale. But another factor was perception—after all, who's against being more efficient?

This focus resonated with marketing leaders, who were used to operating with limited resources and bandwidth, but many brands quickly found that quantifying the actual business value of the time and effort being saved was a significant challenge, feeding the perception that these AI efforts hadn't borne fruit.



Efficiency isn't the end of the story

When efficiency is the sole focus of your efforts, it's easy to lose sight of the bigger opportunity. Efficiency isn't the end of the road—it's a means to an end. With all the time you've saved and all your campaign complexity managed, what more could you accomplish? What kinds of relevant, memorable experiences could you craft for your customers? How could you help your brand stand out? And what kinds of truly impactful business goals could you achieve?

Doing things more efficiently is powerful—but only if those things are what your business needs. By moving away from an exclusive focus on efficiency and instead balancing it with effectiveness, brands are taking steps to zero in on what moves the needle for their business and their customer relationships.

Balancing efficiency and effectiveness

Efficiency and effectiveness don't need to be at odds. You can lean into both of these key needs by ensuring you're clear on what your north-star goals are and how you're going to measure performance and impact. Once you've successfully shown that you can make progress toward those goals, it's time to prioritize efficiency to make sure these meaningful actions are being carried out with as little wasted time and effort as possible.

Demystifying AI for customer engagement

While the rise of modern AI has kicked off a whole new era of customer engagement, many marketers are struggling to make use of it effectively—and, according to Gartner, [only 15% of CMOs](#) are seen as "AI-savvy" by their CEOs. One common issue? A lack of understanding about what AI is, what it makes possible, and the different types of features and functionality under the AI umbrella.

So let's cut through the jargon: AI isn't a buzzword; it's the future of modern marketing. And getting up to speed is essential.

Your AI glossary

- **Agentic AI:** AI systems that can perceive their environment and take autonomous actions to achieve specific goals.
- **AI decisioning:** Leveraging AI to make autonomous decisions to achieve a goal.
- **Generative AI:** Using AI to create original outputs (e.g. text, images, code) drawing on lessons and patterns in existing data.
- **Predictive AI:** AI systems that use historical data and other inputs to generate new, individualized predictions about future customer actions and preferences.

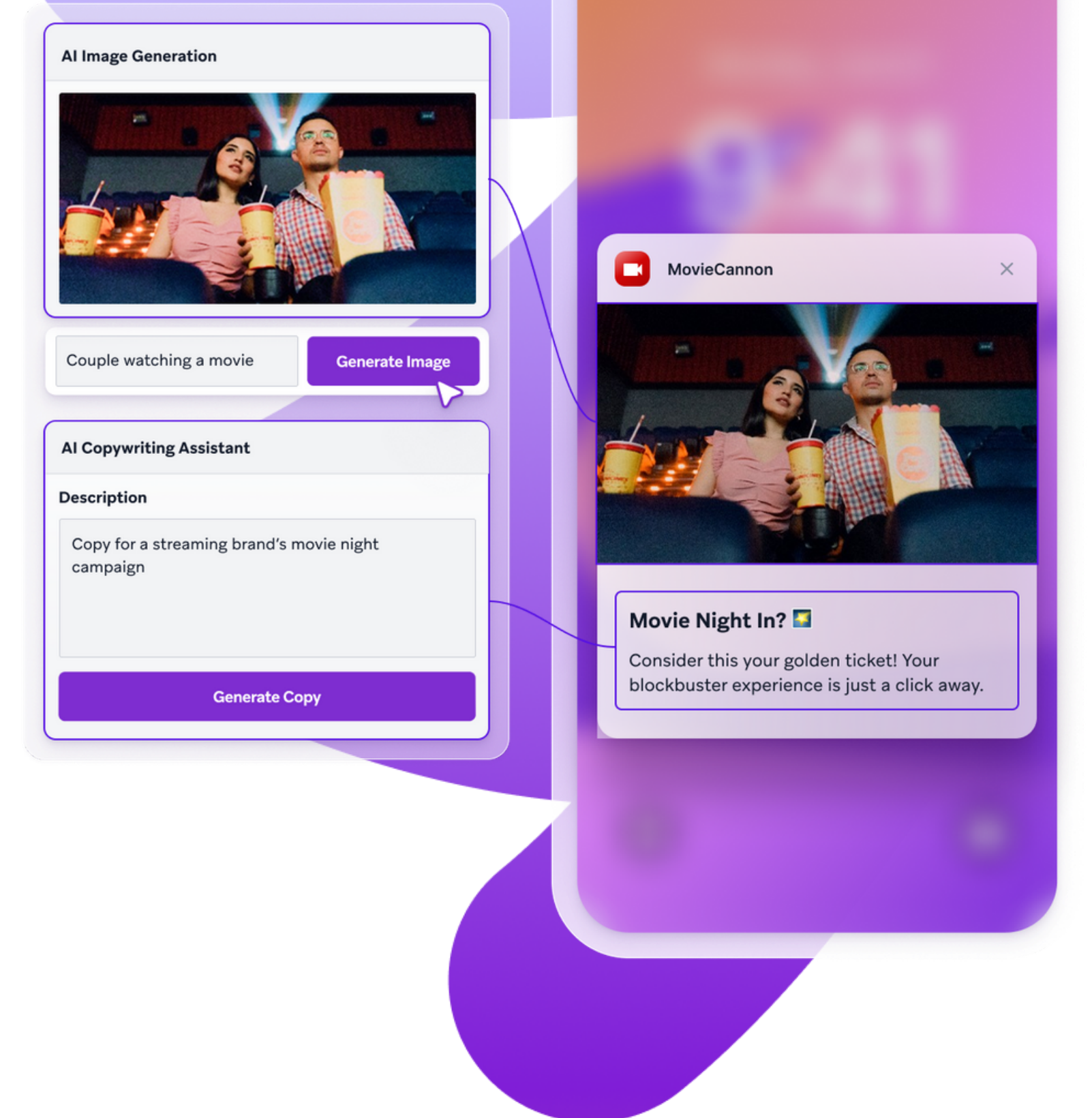
AI as your marketing collaborator

It's time to harness the true power of AI as to drive effective customer engagement.

You can see tangible results and stay competitive in a rapidly changing landscape. You can see tangible results and stay competitive in a rapidly changing landscape. But to make that happen, you need to zero in on the outcomes that matter to your business and then use composable intelligence (i.e. agentic AI and the latest and greatest AI models, agents, operators, and systems) to improve your ability to reach your goals—whether that's revenue, long-term loyalty, or something else entirely.

This technology is fundamentally shifting how marketers can work—allowing them to move beyond just doing more with less and providing greater strategic leverage, improved decision-making, and stronger positive impact on customer relationships and business priorities. Using best-in-class AI tools should feel less like playing around in a dashboard and more like partnering with a team of experts (e.g. a brand strategist, copywriter, developer, data analyst) all focused on driving the maximum value for consumers and brands alike.

This collaboration broadens marketers' skills, overcoming traditional resource bottlenecks for faster task completion, and ensures specialized teams are engaged with requests that fully utilize their expertise.



Use AI to gain context, apply intelligence, and transform interactions

GAIN CONTEXT		APPLY INTELLIGENCE		TRANSFORM INTERACTIONS	
CAPABILITY: Predictive analytics OUTCOME: Anticipate customer behaviors before they happen and use them to shape future engagement.		CAPABILITY: AI-powered content generation and testing OUTCOME: Describe your vision and let creative assistants and agents craft new campaigns.		CAPABILITY: AI decisioning OUTCOME: Deploy the optimal offers, incentives, and campaigns for each individual recipient, allowing you to drive profit, revenue, costs, and customer lifetime value.	
CAPABILITY: Intelligent optimization OUTCOME: Learn more about customers to engage them on the channels they prefer, at times that work for them, with messaging that is individually relevant.		CAPABILITY: Generative AI insights OUTCOME: Get actionable recommendations, interpret data insights, optimize your customer engagement platform, and drive smarter actions.		CAPABILITY: AI decisioning and generative AI OUTCOME: Produce content variants more rapidly than you could on your own, and let decisioning agents double down on the variants that drive the highest engagement rates.	
CAPABILITY: AI recommendations OUTCOME: Suggest products or contents designed to resonate with each customer based on their past behaviors.		CAPABILITY: Generative AI-supported technical work OUTCOME: Tackle complex tasks with simple prompts (e.g. write code, build segments, transform data, generate reports) and free up technical resources to focus on more strategic priorities.		CAPABILITY: AI decisioning OUTCOME: Optimize every dimension of a sophisticated, cross-channel journey, from personalizing subject lines to dynamically adjusting in-product experiences in response to in-the-moment user actions.	

Building strategic foundations for AI

Once you've decided to deepen your organization's use of AI in customer engagement, the question becomes: Where should you start? The answer will be a bit different for each brand, but on a high level, it's all about making sure you have the data, technology, and team you need to take full advantage of modern AI.

Checklist: How to get started with AI for customer engagement

Implementing modern AI may seem complex, but with the right approach, business can achieve quick wins while building toward larger goals.

[Here's how →](#)

Assess your data readiness

Data is the fuel for modern AI. Build a strong foundation for your AI efforts by taking the time to examine what data you have at your disposal and assess how unified and accessible it is.

Build the big vision

Map out all potential applications of AI to excite stakeholders and secure resources. Focus on the long-term impact while achieving short-term wins.

Start small

Choose a high-value, manageable use case to demonstrate early success. For example, a restaurant chain improved retention by targeting lapsed diners with personalized offers.

Vet your technology

Avoid "out-of-the-box" solutions. Work with a partner who offers both robust technology and expert services to navigate the complexities of AI.

Building strategic foundations for AI



Data

For AI to really shine, it all comes down to data. AI can supercharge your marketing efforts, but seeing the full value of this emerging technology is much easier when the data that you're leveraging is neat and optimized.



Technology

The technologies you leverage to support your AI efforts need to work together to manage data in real time, supporting swift, responsive adjustments to your customer engagement efforts as circumstances (or customer behaviors) change. These solutions should also be able to support the full spectrum of customer engagement use cases, allowing your brand to easily expand your use of AI from simple use cases like subject line optimization to sophisticated custom decisioning without requiring new tools.



Teams

To use AI effectively in customer engagement, it's important to have teams who are trained and capable when it comes to both marketing and the technology and data underlying AI. For most brands, that means bringing together capable marketers and data scientists—and potentially leaning on third-party AI experts to inform your approach. This partnership will help your cross-functional workforce fully understand the new possibilities that AI is opening up, while also grounding the work you do in the customer experience.

How AI can drive real business impact

In today's fast-paced digital world, marketing leaders must redefine success metrics for AI-driven initiatives, focusing on what truly matters to gauge real effectiveness and ROI. AI's power lies in aligning with core business goals, transforming productivity for marketers, and enhancing usability and relevance for consumers. For some brands, engagement metrics like clicks and opens may be what matters, but for most it's likely to be about their business' core goals and how customer engagement can support them.

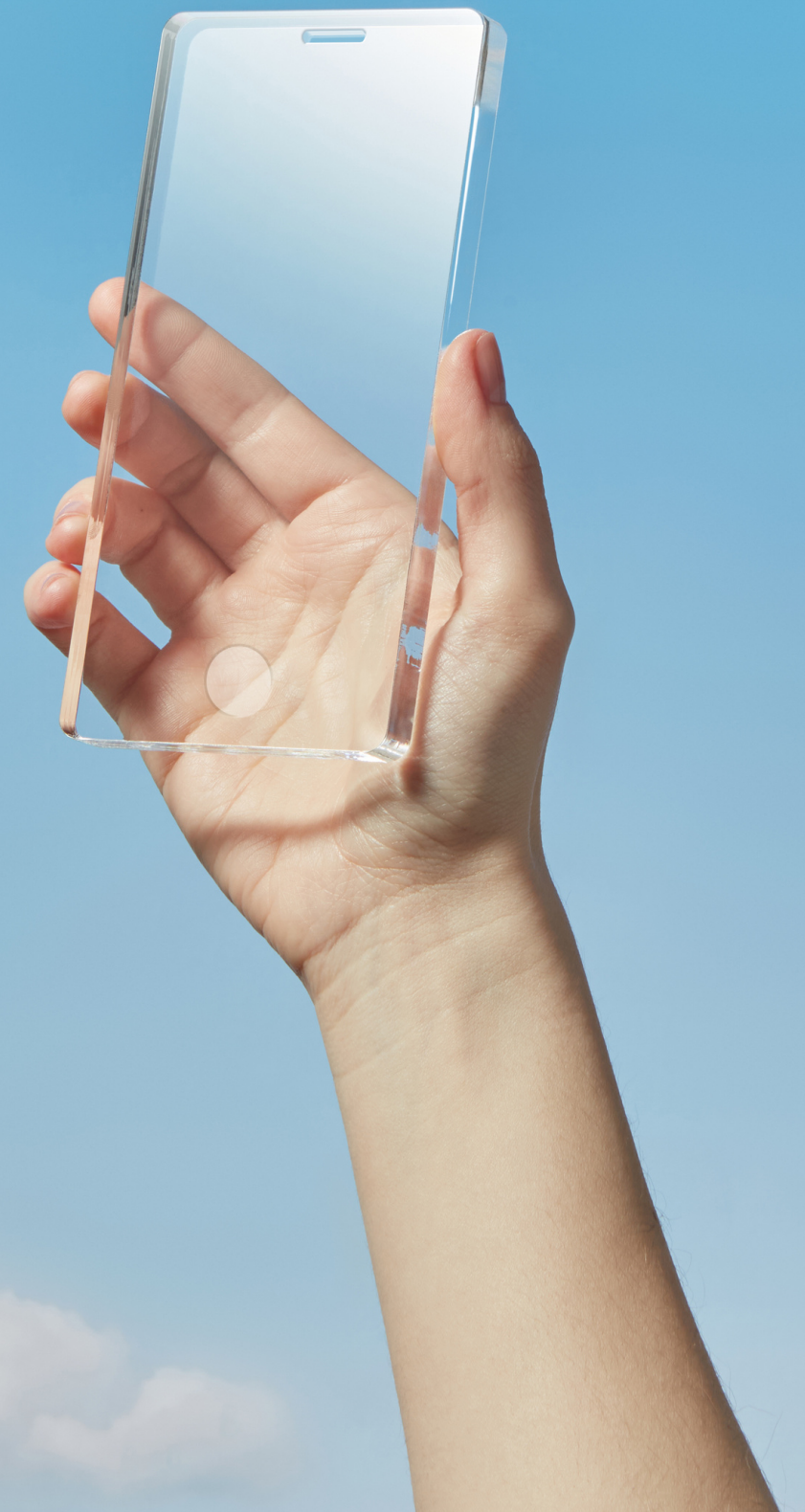
Let's explore how five brands across various industries have leveraged AI to achieve significant business success, demonstrating the transformative power of AI decisioning and other AI applications:

INDUSTRY	GOAL	AI USED	OUTCOME
Retail	Boost purchase conversions	AI recommendations	35% increase
Event ticketing	Event ticketing Boost message opens	AI recommendations Predictive AI	63% increase
Fitness	Boost conversions	Boost conversions Predictive AI	3.75X increase
Media & entertainment	Boost annual subscriptions	AI decisioning	14% increase
Travel	Boost cart completions	AI decisioning	40% increase

Conclusion

For marketing leaders, the time for complacency is over. AI is real, it's here, and brands that don't move past a simplistic, efficiency-based model for how they take advantage of this powerful new technology are at serious risk of falling behind. Now is the time to think through what's possible for AI for customer engagement and how you can embrace this transformative approach and redefine what success looks like for your brand.

Ready to get started? [Learn more](#) about today's best-in-class tools for AI-enabled customer engagement.



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Get in touch to learn more.

Connect

Braze is the leading customer engagement platform that empowers brands to Be Absolutely Engaging.™ Braze allows any marketer to collect and take action on any amount of data from any source, so they can creatively engage with customers in real time, across channels from one platform. From cross-channel messaging and journey orchestration to AI-powered experimentation and optimization, Braze enables companies to build and maintain absolutely engaging relationships with their customers that foster growth and loyalty. The company has been recognized as a 2024 U.S. News & World Report Best Companies to Work For, 2024 Best Small & Medium Workplaces in Europe by Great Place to Work®, 2024 Fortune Best Workplaces for Women™ by Great Place to Work® and was named a Leader by Gartner® in the 2024 Magic Quadrant™ for Multichannel Marketing Hubs and a Strong Performer in The Forrester Wave™: Email Marketing Service Providers, Q3 2024. Braze is headquartered in New York with 15 offices across AMER, LATAM, EMEA, and APAC. Learn more at braze.com.