PRIVATE EQUITY PERFORMANCE IMPROVEMENT

Generative AI: 6 Ways To Support Your Marketing and Sales Functions

With the introduction of OpenAI's generative artificial intelligence (AI) chatbot ChatGPT in November 2023 came a new wave of interest in AI tools, especially in how they can be used to improve all aspects of business.

AI solutions are not new in businesses, having been implemented by 35 percent of companies in 2022 and being used to automate a variety of back-office functions within IT, HR and accounting.[1] However, with focus shifting to new tools such as ChatGPT, GPT-4, Bing AI, Google Bard and Dall-E, generative AI has taken center stage.

Generative AI applications train on repositories of data and use large language models and algorithms to create content based on trends and patterns. Not only can these tools analyze quantitative and qualitative data, but they can also craft summaries, images, stories and more, giving them the flexibility to be used for any number of purposes.

With so many options in front of them, businesses need to know where and how to utilize generative AI most effectively, and one place more companies should start applying AI — if they haven't already — is within their sales and marketing functions.

Generative AI in the Sales and Marketing Function

Approximately 37 percent of all sales organizations and more than half of high performing sales functions are already using these tools to collect and analyze data, allowing teams to improve efficiency and predictions.[2] Generative AI brings with it even more opportunities for a variety of sales and marketing tasks, with some marketers predicting that it may save them at least five hours of work per week.[3] Based on our experience in sales and marketing, here are a few ways companies can turbocharge their sales function with generative AI:

Efficient Sales Preparation

Meeting preparation is a ubiquitous part of all sales functions, but it often falls by the wayside because of the time involved to complete it. Preparation, however, is one of the most important aspects of closing a prospective deal. It allows sales teams to understand the goals, needs and views of clients. Generative AI can prove to be a powerful tool in this process, summarizing information such as company and market backgrounds in a meaningful way for more in-depth preparation in less time. This can allow sales teams to realize higher close rates and spend more time selling.

Personalized Outreach at Scale

Traditionally, business development representatives (BDRs) and business development services (BDSs) create outreach materials from standardized templates. In this process, customization is present, but it is limited by the time and skills of BDRs and BDSs. With generative AI, these factors are minimized. AI can automatically create powerful custom outreaches, such as follow-up emails, based on customer data history. Tailoring communications to each individual client and their behaviors can generate improved close rates, boost customer satisfaction, and increase efficiency.

1. Artificial Intelligence Statistics & Facts For 2023 (crossrivertherapy.com)
2. The Power of AI in Sales & 5 Ways You Can Use It (hubspot.com)
3. Generative AI can save marketing pros 5 hours per week, according to research | ZDNET

Smarter Pipeline Management

Reviewing pipeline data — information on the entire sales process and its performance — is often a manual process. Despite the use of data, conclusions tend to be based on "gut" or feelings and are often influenced by individual biases. Generative AI can improve this process, removing subjectivity. By feeding pipeline data into AI, it can objectively evaluate all the data. Over time, it can even learn from these datasets, improving predictions and responses. Generative AI can also recommend next steps that should provide the best chance of progressing deals to the next stages in their sales funnels and customer journeys.

Content Creation

Developing content for whitepapers, website changes and more is crucial to sales and marketing, helping companies garner public and media attention, develop trust with customers and grow their reputation. However, developing content from scratch takes time and resources. Generative AI can expedite content creation, generating large amounts of content in a very short period of time. While it cannot be completely automated, the process is now much faster. The content simply needs to be reviewed for final edits, accuracy and any additional customization that is desired. Still, generative AI flips the content creation process on its head, eliminating the difficult step of generating the content and expediting the content pipeline.

A/B-Z Testing

A/B testing has inherent restrictions. The capacity and resources required for testing the effectiveness of content are limited and make it difficult to efficiently develop and analyze several versions of content. Generative AI changes the equation, minimizing the resources needed for testing with the ability to easily develop several versions of content and to analyze each version quickly. This allows marketing teams to test multiple variations of content at once, expanding A/B testing to A/B-Z testing, to identify the most effective versions out of the many possibilities. Being able to test more content at a greater scale can identify the best communication approaches and can lead to higher open rates than traditional A/B testing.

Deeper Segmentation

Supporting A/B testing and personalized outreach, the power of Generative AI to analyze market segments and develop customized approaches and content can take segmentation to the next level. Segmentation has been limited by the amount of effort sales and marketing teams are able and willing to put into the process, even by leveraging other technology solutions. The more specific the segmentation, the more work is required. The ability to deeply personalize content at scale based on profile analysis can improve the customer experience, differentiating companies from their competitors, and promote an accelerated purchase funnel.

The Growth of Generative AI

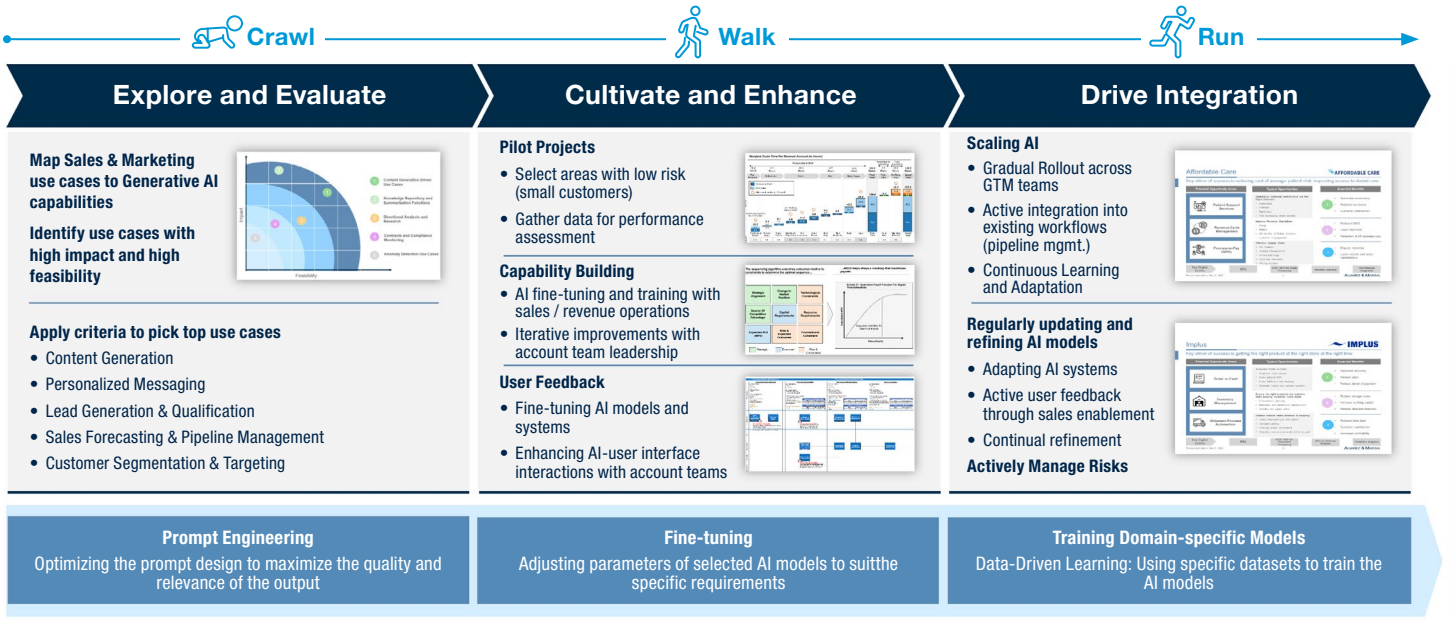
Just as technology has continued to advance, so too will generative AI. Over time, generative AI will use company databases for analyses and segmentation and begin to "learn" from trends it identifies in the data. As it learns, the AI model will be better able to choose the best responses and solutions.

While this can be useful with quantitative data, its benefits will be even more noticeable with qualitative data. Large language models enable generative AI to work with words and sentiments, and not just numbers, increasing opportunities to improve efficiency, customization and analysis for marketing and sales functions, as well as many other parts of the business.

In an increasingly competitive marketing environment, sales and marketing teams are turning to generative AI to offer their customers unique experiences and increase the potential for more sales.

Unleashing AI's Potential: The Crawl-Walk-Run Journey

Sales and marketing play a pivotal role in shaping a company's AI journey. Let's embark on the crawl-walk-run approach, where we explore AI's potential, cultivate its capabilities and drive full integration for enhanced efficiency.



Crawl: Explore and Evaluate

This initial phase is focused on prompt engineering, a critical aspect of AI development. Prompt engineering involves crafting effective questions for AI models, such as A&M's Diligence GPT or Chat GPT, to receive specific and desired answers. Fine-tuning responses ensures high-quality and relevant outputs, particularly when handling inquiries and analyzing data sets. As more content is generated and knowledge repositories expand, teams gain deeper insights that enable them to better identify data anomalies and enhance their analysis and research processes. With AI's support, portfolio companies can achieve even more personalized and data-driven solutions, enhancing the overall sales and marketing experience.

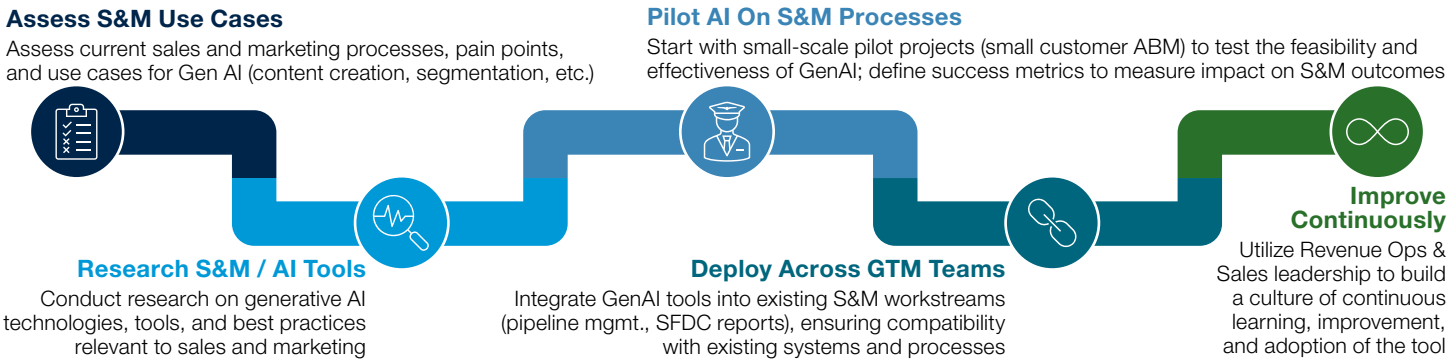
Walk: Cultivate and Enhance

The "walk" phase involves piloting AI projects in low-risk areas to gather data for performance assessment. Active participation and feedback are encouraged as sales and marketing experts shape AI solutions that align seamlessly with the company's workflows. Prioritizing the enhancement of the user interface and interactions with AI systems also ensures that AI adoption becomes intuitive for everyone in the team. Striking the right balance between automation and human judgment, AI empowers organizations to focus on strategic decisions while handling repetitive tasks efficiently. The collaborative learning environment fosters knowledge-sharing, enabling teams to leverage AI's transformative potential across various sales and marketing functions. By fostering this culture of collaboration and continuous improvement, teams can strengthen their competitive edge in the marketplace.

Run: Drive Integration

Once AI's benefits are well-established with clients, we transition towards training domain-specific AI models by utilizing specific data sets for focused tasks. Gradually, AI technology can be rolled out, scaling its integration into existing workflows to achieve added efficiency in sales and marketing processes. Regularly refining and updating AI models becomes crucial to actively manage risks and ensure continued success. As the "run" phase is embraced, AI becomes an integral part of everyday work, elevating decision-making processes.

This crawl walk run approach combined with the power of the roadmap below can provide a powerful process to start and continue the AI journey:



Enhance Opportunities in Sales and Marketing with AI

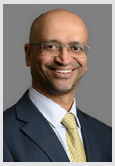
Applying AI to sales and marketing functions can save time, drive smarter interactions with customers and make sales teams much more efficient. It helps remove the subjectivity and reduces the gap in the lead generation and sales close pipeline. AI can add tremendous value while navigating an extremely competitive marketing environment, providing a way for companies to provide customer experiences that are unique and can lead to more sales.

How Can A&M Help?

A&M's Generative AI services for Private Equity firms offers a tried and tested methodology for introducing and permeating AI technology within portfolio companies with a hands-on collaborative approach with clients. A&M provides clients with the firm's collective global diligence knowledge while leveraging AI-enhanced workflows and enriched analysis to drive efficiency across the private equity lifecycle. By utilizing these tools in real time, our teams can help clients pose better questions, fact check responses and evaluate next steps.

By taking the Crawl-Walk-Run approach, A&M Sales and Marketing teams are gradually unleashing AI's full potential. Together, we explore, cultivate and integrate AI to enhance decision-making, improve operational efficiency and deliver even greater value to our PE clients. The client's engagement, expertise and feedback are integral to this transformative journey, and A&M is excited to embrace the power of AI with portfolio companies. Let's chart a path of innovation and excellence, where AI becomes a catalyst for success in the client's dynamic industry.

Contacts



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