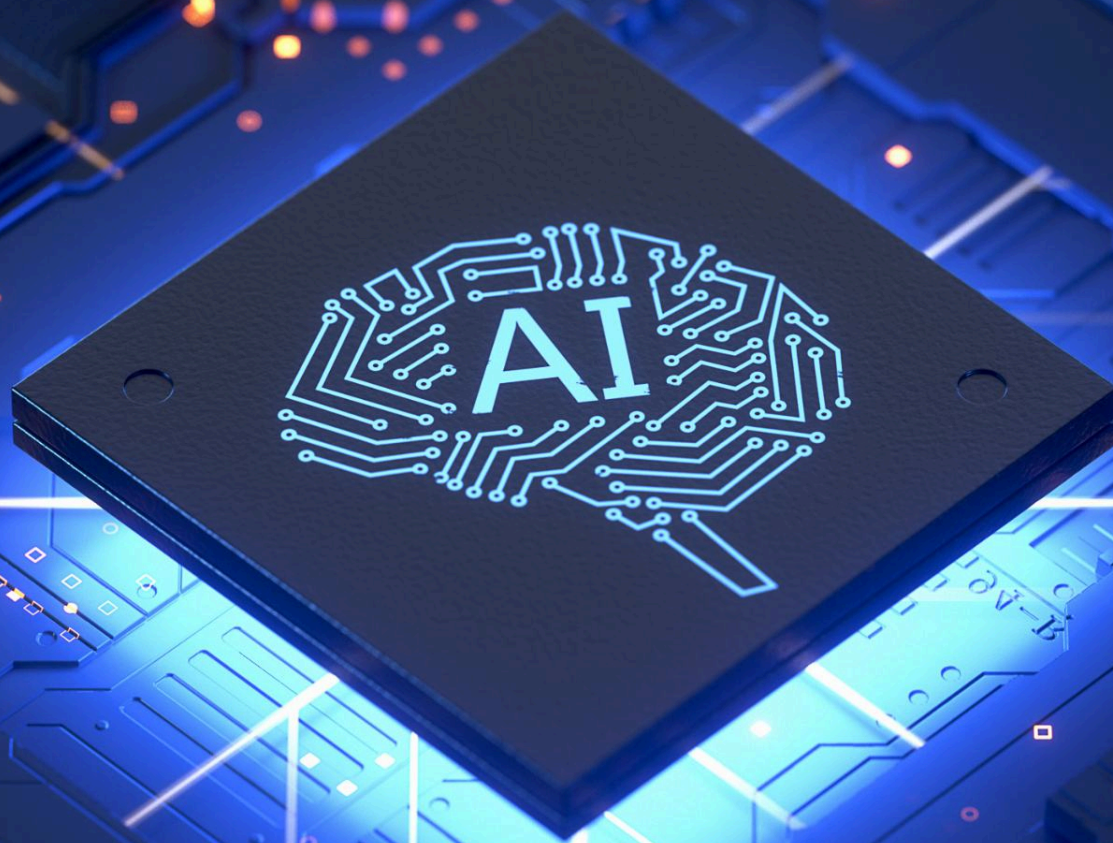


Executive Briefing

Singularity is not near, but changes are coming

Understanding the Corporate Implications of AI & the Evolving Landscape



Executive Briefing

Contents



1

Introduction / The Marketing and Opportunity

2

Generative AI and LLMs / Societal Impacts

3

Risks and Potential Downsides

4

Ethics and Governance

5

AI and Your Productivity

6

LLMs and Data Engineering

7

Regulations and Global Considerations / Cybersecurity

8

Using Generative AI / Primary Applications

9

Early Brand Adopters

10

Early Brand Adopters Continued

11

From Hype to Productivity

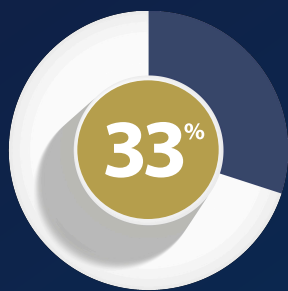
12

About RPEO / Our Services

Case Study

Singularity is not near, but changes are coming

Generative AI has emerged as a pivotal topic of the decade, poised to maintain its influence in the mainstream for years to come. In our [2024 AI in Email Marketing Research Report](#), it is apparent that this area is getting a ton of attention and a growing part of the corporate marketing budget. This expectation of AI efficiency and return on investment will take on a new meaning. The widespread adoption of Large Language models and the abundance of content available have created a perfect storm for transformative change.



With over 30% of Gen Z individuals in the workforce already utilizing AI in their jobs, it is evident that automation will play an increasingly significant role in the future as this generation continues to grow in influence. Currently, Gen Z predominantly leverages generative AI for academic purposes, sparking creativity, pursuing hobbies, and discovering new music recommendations.

RPEO has crafted this document to assist our clients in navigating the challenges and opportunities presented by this evolving landscape. We trust that the diverse viewpoints and options provided will serve as a valuable resource for initiating crucial internal conversations as well as having a few tangible examples to model from.

The Market and Opportunity:

In May, the market capitalization of NVIDIA, renowned for its AI-ready superchips, surged past \$1 trillion, symbolizing the ascent of artificial intelligence in our world. Concurrently, San Francisco is witnessing a resurgence in its office occupancy, propelled by a burgeoning AI startup scene. We have been inundated with promises and prognostications regarding AI's impact: it will revolutionize employment, spawn novel vocations, revolutionize healthcare, transform the creative landscape. It is anticipated to be a friend, a therapist, and even a proficient cook at our fast-food joints.



Thus, it is no surprise that when we researched and took viewpoints from various industry leaders and early adopter examples, it led us to many more questions than we had answers, so this will be an evergreen document that we evolve from over 2024.



Generative AI and LLMs currently dominate the conversation—they're consuming all the attention

Significant disruptions are on the horizon, particularly concerning end-user experiences and technological interactions. The evidence suggests this isn't mere hyperbole. The transformative wave everyone anticipates is genuine. Generative AI will redefine productivity, job functions, and duties. It will invigorate creative processes and engender entirely novel experiences.

In the immediate future, the impact of generative AI, bolstered by LLMs, will manifest as accelerated productivity and enriched insights. These potent tools won't supplant human labor; rather, they will augment it. Presently, productivity tools for coding or text generation necessitate substantial human oversight. However, this landscape is evolving rapidly. Eventually, these productivity-enhancing tools may significantly alter staffing requirements. For now, the emphasis is on augmentation, not replacement.

Societal Impacts

The societal ramifications of AI will be profound and swift. Stepping back for a broader view, after a year replete with Generative AI fervor, we are now witnessing the inevitable backlash. While legitimate concerns regarding costs and technical impediments have been voiced by corporate leaders, it is crucial to recognize that this technology isn't a fleeting bubble.

It presents myriad opportunities to enhance operations in the corporate sphere, whether by boosting individual productivity or revolutionizing end-user experiences. It will redefine roles, responsibilities, and skill sets. The tech industry has spent decades integrating data and digital technology into our workflows, yet the fundamental aspects of our day-to-day tasks have remained largely unchanged.



We are now reaching a juncture where technology isn't merely streamlining processes but empowering business leaders to fundamentally reshape their operations. In the immediate term, this entails a veritable democratization of data, facilitated by natural language interfaces that empower business decision-makers to delve into data sets previously accessible only to specialized gatekeepers such as data scientists and analysts.





Risks and potential downsides:

The negative impacts of Generative AI, including potential job displacement, the proliferation of deepfakes, and the widening digital gap, will pose significant challenges, especially during an election year amidst global threats to media truth and accuracy. Despite the tech industry's tendency to downplay potential negative consequences during the early stages of a hype cycle, it's crucial to acknowledge both the positive and negative aspects realistically.



Deepfakes present probably the greatest concern

While responsible AI creators discuss adding digital watermarks to identify fake content easily, we anticipate bad actors finding loopholes or toolmakers with fewer ethical constraints. In the coming years, discerning truth in media will become increasingly difficult, leading to disinformation that affects different groups of people in various ways. Regulations must address these global issues to mitigate the growing divide between different socioeconomic classes.

In an election year, it becomes an even greater reality. In a recent exercise dubbed "***The Deepfake Dilemma***", a simulated scenario brought together tech, US, state and media officials to simulate the effect of AI used by state actors to disrupt the 2024 elections. The scenarios and ramifications were alarming and present a warning sign that technology can have real impact on culture and freedom.

Despite the concerns, Generative AI will accelerate incremental innovation, although humans will still drive major breakthroughs. AI can assist in research and prototyping, enabling companies to quickly pilot new products.



Ethics and Governance:



Ethical guidelines for AI will emerge from both private and public sectors, surpassing the pace seen with previous tech disruptions like privacy concerns. The urgency surrounding AI risks was underscored by a one-sentence open letter signed by over 350 tech experts in March 2023, emphasizing the need to prioritize mitigating AI-related risks alongside other global challenges. Responsible development and use of AI will require action from industry players and governments to establish safe and ethical rules.

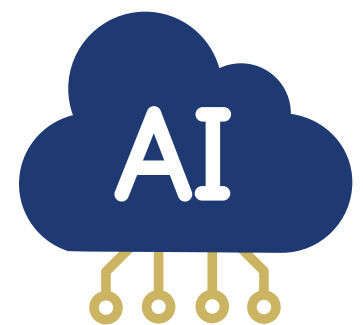
Generative AI will revolutionize data strategies for leading businesses

While businesses have been urged to develop comprehensive data strategies, AI advances threaten to render existing plans obsolete. However, if a solid data strategy is already in place, businesses are well-positioned for the Generative AI era.

It's essential for leaders to prioritize unique insights drawn from their data rather than relying solely on AI for basic tasks like coding and copywriting.



AI ethics



Governance, including security, compliance, and data governance, is crucial for entering the world of Generative AI and LLMs. As more workloads shift to the cloud, managing security and compliance across distributed environments becomes increasingly challenging, particularly for customers adopting a multi-cloud strategy.

As private LLMs emerge and data sharing consortiums evolve, data sharing agreements take on a new dimension many brands may not be prepared to address.



LLM and Generative AI Opportunities

LLMs and Generative AI will revolutionize opportunities for data monetization. Given the abundance of sensitive data enterprises manage, expect a predominance of in-house LLMs rather than reliance on public tools like ChatGPT. Envision a scenario where a shipping company purchases a foundational model from providers such as OpenAI and trains it with proprietary data. However, their needs extend beyond this. Companies not only feed their data to internal LLMs but also seek external data sets tailored to their industry or market.

Business leaders require a broader perspective than their internal data alone provides, encompassing regional trends, industry benchmarks, and contextual understanding to unearth opportunities.

LLMs will fuel the rise of consumption-based pricing models. Industry has shifted towards subscription-based models. Now, with the advent of the AI era, consumption-based pricing is gaining momentum, where users pay for data accessed or compute consumed.



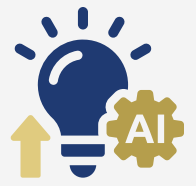
This shift poses a challenge for organizations accustomed to traditional payment structures, as true usage-based models necessitate visibility into costs.



AI and your productivity

AI is poised to become your indispensable work companion. One of the most promising concepts for enhancing workplace productivity involves deploying AI assistants to aid new hires in swiftly becoming—and remaining—efficient and proficient.

Onboarding new employees entails a multifaceted process of familiarizing them with systems, processes, and company culture while promptly granting access to the relevant systems and projects. Anticipate AI assistants tailored to your specific department and role, providing guidance from your initial orientation and accompanying you throughout your tenure with the company.



It's not solely about Generative AI; it's about the applications that will transform our lives and work processes

While excitement surrounding Generative AI often centers on the idea of directly interacting with data, the reality is that most interactions occur through intermediary applications like ChatGPT. Additionally, data isn't stored on the devices we use, emphasizing the significance of cloud-based applications. The revolution lies not only in AI but in the integration of AI with cloud infrastructure and applications. Just as smartphones ushered in app stores filled with functional applications, the AI era will accelerate the proliferation of AI-driven applications, offering enhanced search capabilities and natural language processing. This trend towards "appification" will lead to the development of bespoke applications tailored to specific use cases, facilitated by LLMs, streamlining processes and increasing efficiency.

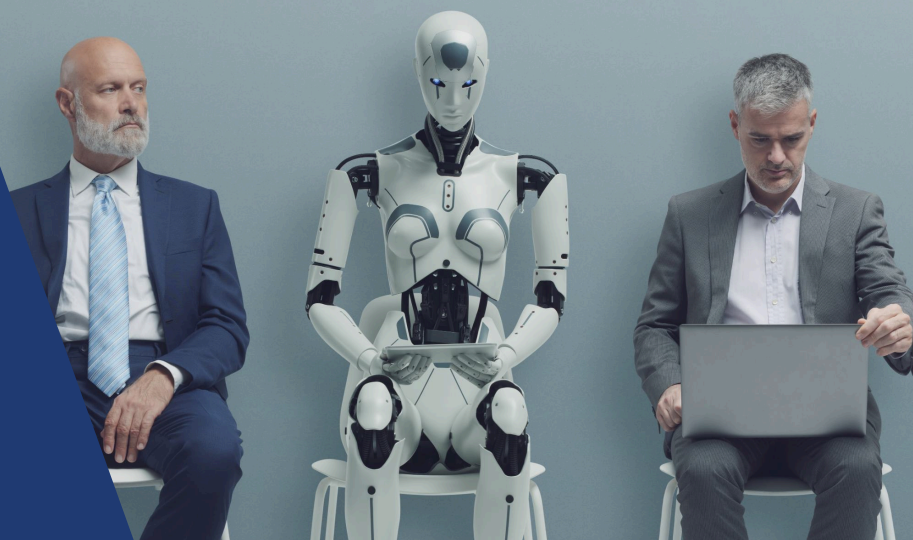


The creation of AI models will undergo standardization, outsourcing, and specialization. While widespread adoption of Large Language Models (LLMs) in the corporate realm may take time due to their associated costs, research is underway to develop more efficient models tailored to specific functions. These specialized models will cater to various industries, use cases, and data types, forming a competitive market of foundational models. We could see a world where small private models merge with public models.

Data Engineering will create new roles, not job displacement

In an AI-Driven world, data and prompt engineering will become the norm. Yesterday's practices will be transformed into repeatable machine functions, impacting but not necessarily displacing existing roles. The unique use cases that require nuance and interpretation may be authored by a human, but the production steps may be automated.

Job 
interview



Data scientists will find their roles more engaging as some repetitive tasks diminish. For instance, the need to build yet another sentiment analysis model may become obsolete. Data science leaders will transition from creating dashboards to guiding LLMs in providing accurate answers, formalizing company metadata for broad user queries.

Regulations and global considerations



Looking beyond AI adoption, executives should consider regulatory implications. As regulations like the EU's AI Act emerge, ensuring compliance becomes imperative to mitigate risks of fines and reputational damage. In navigating the era of generative AI, it's crucial for business leaders to strike a balance between speed and diligence, ensuring their AI implementations adhere to evolving regulatory standards to safeguard against potential risks.

Data governance will become increasingly challenging. With the proliferation of data generation, interest, and tools for data manipulation, the task of governing data is set to become more complex. Fine-tuning an LLM with proprietary data raises concerns about the potential exposure of sensitive information. The opacity of AI processes exacerbates the issue, highlighting the importance of data lineage and provenance governance. Who governs this in an organization will likely be a democratized role(s).

Consumers will demand transparency in AI-driven decision-making. As LLM-powered AI systems begin making decisions that directly impact individuals, such as loan approvals or medical procedures, consumers will seek greater insight into how data models influence these outcomes. In marketing, accelerating decisioning is the differentiator or soon will be. Decision management processes and decisioning will take on new roles, more adaptive, elastic roles, yet will require more observation and guardrails. Consumer and brand transparency around the practices may prove to be a balance that brands will wrestle with.



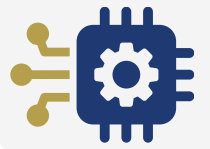
Cybersecurity: With speed comes risk

The rapid evolution of AI technology poses unique challenges for cybersecurity. While the introduction of Generative AI and LLMs isn't inherently risky, the pace and breadth of AI advancements make them particularly challenging for security teams to manage. CISOs must guide the responsible adoption of these powerful tools while mitigating associated risks. Some companies have restricted the use of free AI chatbots and coding assistants to prevent exposure of proprietary data. However, in the long term, the allure of Generative AI may lead to the creation of unauthorized workarounds, posing significant security risks.

The AI data supply chain presents a tempting target for cyberattacks. Adversaries may exploit vulnerabilities in foundational LLMs by injecting false or biased data, potentially influencing AI-generated insights or recommendations. This could manifest in various scenarios, from political misinformation campaigns to targeted business attacks. While such attacks may not yield immediate financial gains, they pose significant reputational and operational risks. Goncalo Duarte is a PHD from Penn state and is a recognized cyber security expert and Azure expert. He highlights the importance of robust security practices, emphasizing the need for thorough vendor vetting and control measures to mitigate the risk of AI-related cyber threats.



Using Generative AI day to day



Keeping in mind these considerations, marketers are leveraging Generative AI for various tasks, primarily centered around content creation and production of visual media. This includes writing text, generating images, and crafting videos. Marketers have already begun employing Generative AI for these purposes, with forward-thinking professionals identifying more advanced applications. For instance:

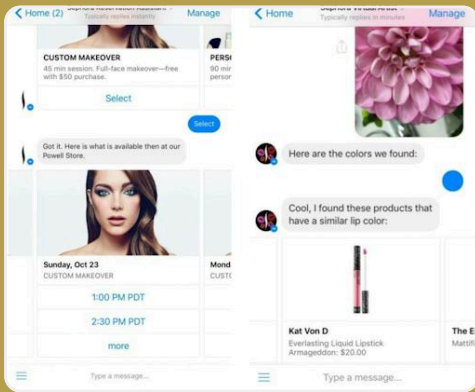
Crafting content goes beyond simple text or image generation, extending to SEO keyword-optimized web copy, blog posts, short-form videos, and other outputs. Marketers can input samples of a brand's marketing copy to train the AI to generate language consistent with the brand voice.

Primary Applications of Generative AI:

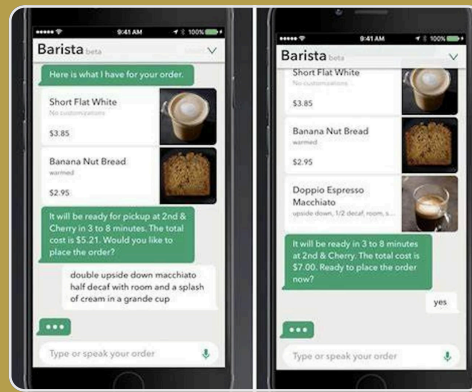
- ✓ Optimizing creative copy to resonate with target audiences effectively.
- ✓ Testing language, localization and depth of personalization
- ✓ Generating initial customer personas based on provided details such as role, industry, and business objectives.
- ✓ Utilizing synthetic customer data to train machine learning models while adhering to data privacy regulations.
- ✓ Transforming brand photographs into immersive 3D customer experiences for in-store or augmented reality settings.
- ✓ Identifying customer behavioral patterns to personalize user experiences.
- ✓ Create AI-generated videos simulating "experts", "celebrities" and "like" personas
- ✓ Generative AI capabilities span across text, images, audio/video, and code generation. It can produce fluent and grammatically accurate text, create new images based on detailed prompts, edit videos, and assist developers in writing and quality controlling code.



Brand Early Adopters:



Sephora and AI Powered Chatbot



Starbucks Voice Powered Barista Services



Coca Cola's Creative AI Platform

BuzzFeed

BuzzFeed Personalizing Quiz Content With AI

Sticking with the content creation theme, BuzzFeed — one of the world's best-known content websites, generating over 100 million monthly visits — is taking its first foray into AI-driven content. However, the publisher insists it isn't looking to replace human writers with robots. Instead, it's using tools from OpenAI to deliver personalized content at scale in a way that wouldn't be possible without automation and artificial intelligence. We can see initial results through several quizzes in collaboration between staff writers and "Buzzy the Robot," the website's AI creative assistant. For instance, one quiz uses the answers to seven questions to craft a "new life" for the reader: [Euroflorist Uses AI to Drive A/B Testing At Scale](#). Website A/B testing is highly effective for optimizing various on-page elements, from images to menu layouts to CTA buttons. But there's an obvious problem: as the name suggests, A/B testing involves pitching two variants against one another to find the winner. It could take you months of testing to arrive at the optimal result.

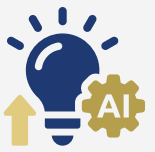
Once again, AI in marketing provides a solution. Unlike traditional A/B testing, platforms like Evolv AI use "massively multivariate testing" to find the perfect combo from thousands of variants. And it goes even further by dividing experiments into "generations" and testing only the top-performing variants from each generation until it identifies the best possible combination.

ClickUp

ClickUp Uses NLP AI to Boost Blog Traffic By 85%

There's been no shortage of opinions (and controversy) about AI-powered content writing. However, using artificial intelligence for content creation isn't just about asking ChatGPT to churn out thousands of words of copy and posting it straight to your blog.





Imagine Business Development Sees 100% Conversion Boost With AI-Led Email Timings

The average person currently receives almost 350 emails per day — a figure that’s set to surpass 375 emails by 2025. With so much noise, wouldn’t it be fantastic to send emails when individual recipients are most likely to open them? Of course, if you’ve got more than a couple of dozen names on your marketing list, that sort of personalization simply wouldn’t be possible for mere humans to accomplish. But AI tools can manage it with ease.

For example, HubSpot agency partner Imagine Business Development leveraged the Seventh Sense AI platform, which uses artificial intelligence to optimize and personalize email delivery times for every person in a database. Starbucks uses predictive analytics to serve personalized recommendations according to the research firm Aberdeen, companies identifying customer needs through predictive analytics can increase their organic revenue by 21% year-over-year, compared to an average of 12% without predictive analytics. Starbucks is one example of a brand using its loyalty card and mobile app to collect and analyze customer data. They announced plans for personalization back in 2016.



Whole Foods Leverages AI for Tailored Messaging

Up to 36% of consumers believe retailers should strive to offer more personalized experiences — rising to 43% among households earning \$100,000 annually. Yet only 12% of retail brands think they’re good at delivering personalized experiences to shoppers. To overcome this apparent expectation gap, grocery giant Whole Foods has opened 24 Just Walk Out stores across the US. Dotted with sensors and cameras, these outlets allow shoppers to pick up their items and leave without stopping at the register. Instead, orders are monitored and charged through AI.

Unsurprisingly, the whole “leave without paying” element of Just Walk Out has won all the headlines. But from a marketing perspective, the most exciting part of the strategy revolves around data collection. All purchases are tracked to an individual level, allowing Whole Foods to leverage AI to analyze shopping activity, identify patterns, and predict future behaviors.

This initiative also opens the door to hyper-personalized marketing: if a customer regularly buys pasta, basil, and tinned tomatoes, the retailer could serve them a promo code for other Italian-related ingredients.

**JUST
WALK
OUT
SHOPPING**

LEARN HOW TO

skip the register.

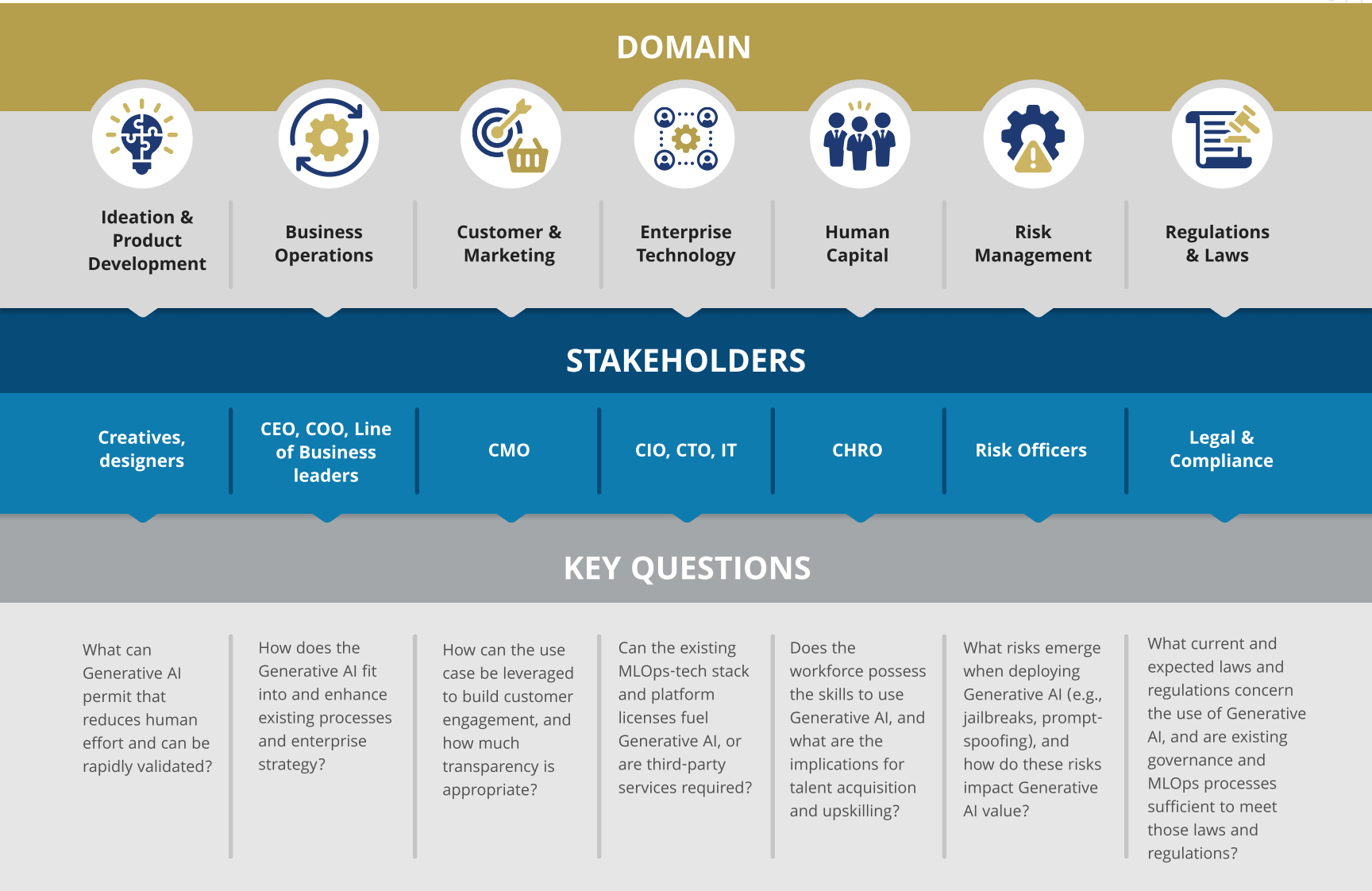
Available at select store locations.

From Hype to Productivity



Gartner forecasts mainstream adoption and value return of Generative AI within two to five years, urging CMOs to invest early and explore its potential benefits. However, caution is warranted as the technology transitions from Peak Hype to full productivity, with potential for missteps and unmet expectations.

Given the wide range of applications, CMOs must focus their Generative AI investments on addressing marketing's most significant challenges or opportunities, with driving growth being a top priority. By concentrating resources on areas with the greatest potential for positive outcomes, CMOs can optimize their investment in Generative AI.



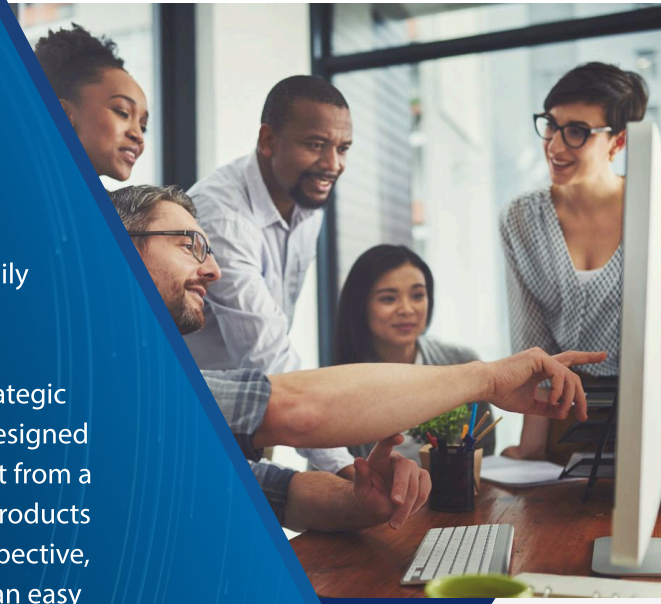
Keeping in mind these considerations, marketers are leveraging Generative AI for various tasks, primarily centered around content creation and production of visual media. This includes writing text, generating images, and crafting videos. Marketers have already begun employing Generative AI for these purposes, with forward-thinking professionals identifying more advanced applications. For instance:

Crafting content goes beyond simple text or image generation, extending to SEO keyword-optimized web copy, blog posts, short-form videos, and other outputs. Marketers can input samples of a brand's marketing copy to train the AI to generate language consistent with the brand voice.

WE ARE MARKETING EVOLUTIONISTS

It's a fun term, one with meaning for us. We advance the art of marketing by focusing on the core elements that drive success – smart strategy and solid execution with just the right amount of analysis and insight to fuel continual success. This approach has come to pass from the union of two strong players in the email and digital marketing fields – Red Pill Email, with its long history of executional excellence and Origin Email, with a remarkable track record as a strategic agency. The result is an organization built to snap easily and effectively into your environment.

By addressing the core function of delivering communications well, and the strategic wrapper that drives greater impact from those communications, RPEOrigin is designed to fit best with today's multi-modal, inside/outside, marketing services mix. Be it from a technology platform perspective, where our experience and skill with various products and services help us maintain our versatile agnostic approach, or a people perspective, when our friendly professional "**what can we do to help**" philosophy makes as an easy addition to existing teams.



Our Approach:

In order to conquer the challenges of the email and digital marketer, our approach has to be unique. We've assembled some of the leading SME's that have worked in and on organizational projects in every vertical. That allows us to cross-pollinate winning strategies and tactics and lift our customers to perspective they often don't realize. We built a unique service model to emphasize value to our clients, with low overhead and high quality experts. This model also helps balance our offerings and makes us easy to use for anything from ad hoc program development to ground-breaking experimental marketing.

That makes us your Swiss Army Knife, snapping into the overall marketing infrastructure and needs. We serve many different types of clients, across many different categories, for many different scales of marketing programs helps us provide better value to all of them. Each member of the RPEO leadership team comes to the table with deep, decades-spanning experience. Smart marketers tend to find each other, and like to work together. And when their skillsets click together like Lego, they end up having the chance to help others succeed.

Our Services:

Expert strategic guidance and execution We're the only vendor-agnostic, end-to-end email marketing agency serving enterprise clients and other agencies. We provide a broad, yet focused set of services designed to match the needs of our clients. This takes many forms, that of a strategy consultant, a support to your content and creative teams, or a need to implement the latest Generative AI tool? We are here, we are experienced and focused on your results. Reach out and let's discuss your vision for AI and email marketing.

