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Session summary - Breaking Traditional Barriers in Digital Marketing with AI & Computing Algorithms, unlocking the future, from Customer Acquisition to Brand Loyalty

This session featured contributions from Aldric Chau, General Manager, Digital, Cathay Pacific and Mia Zhang, Head of China Inbound Product Operation and Marketing, Ocean Engine. The session was moderated by Yoyo Ng, Managing Director, Superist Asia & First Page.

Ng opened the session with some background about her company, which has offices in nine countries globally and serves more than 3,200 clients. It helps brands from around the world tap into the China market, helping them identify their target market. It also works with Chinese brands to take on the global market, she added. It uses an AI technology called SENTR to help brands formulate upcoming marketing strategies so they can create better campaigns. Its clients include Cathay Pacific, Microsoft, Rolls Royce and Baccarat.

Chau then showed a video of a recent campaign from Cathay Pacific, 'Feels good to move.' "It's not just about physically moving them but emotionally too – this is what we're here to deliver." The airline's vision is to become one of the world's greatest service brands, not just in the airline category but across all categories, he added.

Cathay Pacific collects a lot of data to better understand customers, including past travel history and purchasing preferences. It built a propensity model based on this data. "We wanted to find out what drove people to fly with an airline, and found out that inflight dining was the number 1 driver of choice." That has led to some of the enhancements Cathay Pacific has made in the last year for the 'The Difference is in the Detail' campaign, including Hong Kong-style egg tarts onboard.

By responding to the report, there's been a significant uplift in overall customer satisfaction, said Chau. There was a lot of trial and error involved in creating the perfect egg tart to enjoy in the air, he admitted. "We actually trialed 450 recipes before we landed on the final version of the egg tart." That's true of digital marketing too, he said. "You need to run many rounds of testing to capture the learning and find the best way to implement it."

Chau said the propensity model picks up all the data points from customers so that it can better predict how likely it is that a customer will engage with a certain piece of content,

then better target them with content that's relevant to them. "Previously, with all the eDMs being blasted out to members, the approach was too generic and there was a drop-off in engagement rates," he admitted.

Ng then asked Chau if he felt AI can really drive customer acquisition. He agreed that it could. "Looking at our internal ecosystem, the biggest real estate, as we call it, is on the "manage booking" page. After you've booked the tickets, you have to go online to check in, and that area catches a lot of eyeballs. How to determine which content we show there used to depend on which business unit had the biggest urgency. But with AI-recommended content, we see that the conversion rate for the product being promoted is actually three to four times higher than it was previously."

Zhang introduced her company, Ocean Engine, as a digital marketing platform that helps global brands launch in China. It is owned by Douyin, the Chinese version of TikTok. Zhang was asked by Ng about the role AI plays in the role of content creation right now. "Douyin has 600 million daily active users and one of our goals is to provide them with intuitive tools that create video effortlessly. Douyin and Ocean Engine recently introduced the #EveryoneIsAnAIArtist hashtag challenge, where users' photos are turned into avatars based on chosen AI keywords. "This cool, user-friendly feature attracted more than 27 million participants and hit almost five billion views." With so much interest in the challenge, it created a lot of traffic on the site – around 140 million per second – so it optimised the algorithm to train the model faster but at a lower speed, she explained.

Cathay Pacific wants to make AI accessible to everyone, said Chau. "Since AI became widely adopted last year, we ran sessions so all employees could learn about it. We were also one of the first companies in Hong Kong to let our staff use AI productivity tools. The narrative is changing from whether AI will replace jobs to how it will change and enhance jobs. It's all about how we can use AI's power in a responsible way to upskill people."