

IMPACT OF CHATGPT IN DIGITAL MARKETING CAMPAIGN - A CASE STUDY OF DOMINO'S PIZZA

Ashmit Gupta

B.Tech (Computer Science)
VIT, Vellore
ashmitgupta.2002@gmail.com

Abstract

Launched by OpenAI in November of 2022, this Chatgpt amassed more than a million users in just five days. A generative dialogue AI application, it can create new content, and its potential uses are virtually endless — from writing full essays to blog posts, song lyrics to cover letters and resumes. It can even draft legal contracts using local statutes/regulations pulled from public sources. For coding purposes, it can write and explain code, find errors in existing code and build websites. A master chatbot characterized by stunning accuracy, its greatest asset is an ability to mirror organic, lifelike conversations.

Because of such far-reaching capabilities, ChatGPT can be used in virtually any industry and for businesses of any size.

Introduction

ChatGPT can influence digital marketing of Domino's business in many different ways. For instance, it can generate automated, customized replies to customer's queries and craft unique content for different marketing campaigns like email marketing or social media. It's no secret that ChatGPT has taken over the world by storm, and its popularity continues to soar. The chatbot is in the news for its scarily accurate answers and hilarious results that will end you in fits.

With an improved supply chain and a strong digital presence use of AI & ChatGPT, its turnaround is due to a number of factors. However, a delightfully offbeat marketing strategy is certainly one of the biggest.

Impact of ChatGPT in digital Marketing

Many people are raising concerns that ChatGPT and other artificial intelligence programs will take human jobs. While that might be true to an extent, AI can also make work streams more efficient and create a smoother process when used correctly. See below which industries can benefit from ChatGPT and how you can implement it.

Customer service

ChatGPT is a way to provide 24/7 ecommerce site support for consumers. Train ChatGPT as a chatbot to answer FAQs and support requests.

ChatGPT will help with time and resources, as artificial intelligence can assist more customers and provide cheaper labour for companies. In turn, it gives time back to human employees to focus on customers with more complex needs.

Marketing, media, publishing

ChatGPT can cover a significant amount of ground in marketing.

Marketers can utilize the program for several operations, including:

- Content creation: - Content marketing is a marketing technique of creating and distributing valuable, relevant and consistent content to attract and acquire a clearly defined audience – with the objective of driving profitable customer action.
- Lead generation: - Lead generation is the process of gaining the interest of potential customers to increase future sales. It is a critical part of the sales process of many companies. Understanding lead generation and how to use it effectively can be essential in moving leads through the sales funnel to become paying customers.
- Email segmentation, optimization and A/B testing: - Email Segmentation is the division of email subscribers into smaller segments based on set criteria. Typically, segmentation is used as a personalization tactic to deliver more relevant email marketing to subscribers based on their geographic location, interests, purchase history, and much more.

Email optimization refers to improvements a company makes to its email campaigns to ensure their messages are working. The goal of an email campaign is to build solid relationships with prospects while simultaneously increasing conversion rates.

Refined customer engagement

ChatGPT can enhance customer engagement by providing real-time responses to customers' concerns and queries. This will eventually result in higher customer satisfaction and loyalty, leading to higher revenue generation and better conversion rates.

Enhanced personalization

ChatGPT can be immensely helpful for Domino's digital marketers for personalizing campaigns and content to meet the requirements of individual customers. ChatGPT can analyse customer data and offer tailored recommendations to address specific preferences and needs using its machine learning and natural language processing capabilities.

So, you can deliver an engaging and authentic result thanks to the ChatGPT to any client who queries you. This enables you to build a strong bond of loyalty with your customer.

Automated customer service

ChatGPT can improve automated customer service operations by answering frequently asked questions promptly and also by resolving the most commonly occurring issues. This allows the company's human customer service representative to handle complex queries and provide a higher level of service. Once the customer service quality is boosted, the company will also be able to recognize the pain points faced by its clients.

ChatGPT is equipped to address some of the most common customer care issues, such as:

- Delayed response time
- Lack of personalized conversations
- Declining inappropriate queries
- Predictable AI-generated responses
- Inappropriate behaviour of the representatives

Advanced content creation

ChatGPT can generate high-quality content tailored according to the target audience's requirements. The content can be anything ranging from social media posts to email marketing campaigns. This can help Dominos digital marketers save time and resources. It also helps them improve the quality and relevance of the content produced.

With the creation of high-quality content, ChatGPT has tremendous potential to improve the efficiency and effectiveness of an organization's content marketing department.

Nurture marketing leads successfully

Dominos Marketers can use ChatGPT to develop innovative marketing campaigns that can ideally resonate with the target audience. Engaging content will attract leads to progress sales efficiently. With this ability to analyse large amounts of data and generate creative ideas, ChatGPT can help marketers create effective, efficient, and memorable campaigns.

A survey conducted by Business Wire revealed that 52% of people prefer text messages over phone calls by customer support representatives. This automatically increases the chances of nurturing marketing leads successfully with the help of ChatGPT. It can chaperon the new leads successfully towards their journey of making those sales, generating more revenue for the business.

Domino's Pizza digital marketing campaigns

Nearly a decade ago, Domino's Pizza was known as the poor man's Pizza Hut. Not a patch on Papa John's, and unable to satisfy the growing consumer desire for a 'posher' slice found in the likes of Pizza Express.

Today, Domino's is the largest pizza chain in the world, having surpassed Pizza Hut in global retail sales in 2018. The chain reported a 5.8% rise in global retail sales in Q3 2019, and is also on track to expand its global footprint to 25,000 stores by 2025.

With an improved supply chain and a strong digital presence, its turnaround is due to a number of factors. However, a delightfully offbeat digital marketing strategy is certainly one of the biggest. With this in mind, here's a run-down of some of the best (and daftest) examples.

1. The Official Food of Everything

In late 2017, Domino's UK launched a six-part advertising campaign, positioning itself as the 'Official Food of Everything'. It's a rather bold claim, but as agency VCCP says, the idea highlights the fact that "Domino's isn't just about getting good food fast; it's a way to bring people together, to celebrate the big and the small or just the everyday, it works for everything, officially."

As such, the ads depict a number of recognisable and relatable every-day scenarios, such as hangover days, break-ups, and nights in. Essentially, the message is that every situation is best accompanied by a Domino's.

2. Paving for Pizza

Despite being a global brand, Domino's also recognises the power of local marketing as a way to create personalised engagement with consumers. In 2018, it launched 'Paving for Pizza' – a campaign centred around the problem of potholes in US cities. Domino's asked consumers to nominate their town to receive a paving grant from Domino's, essentially so that pizza's could arrive 'back home safely'.

The pizza angle is rather light-hearted, of course, but the beauty of the campaign is that it also touches on an issue that is important to people who live and work in these cities. As a result, the campaign generated a good amount of publicity and conversation on social media.

According to PRWeek, it generated 35,000 organic mentions on social media in its first week. On the back of its initial success, Domino's also expanded the campaign's budget to accommodate all 50 states.

3. The wedding registry

Forget silverware. What better way to celebrate the start of a marriage than with a chicken feast or a tandoori sizzler? This is the basis of a rather ingenious campaign by Domino's, which allows soon-to-be-married couples to create their own pizza wedding registry.

It might sound like a stunt, but it's actually a shrewd example of Domino's ecommerce strategy. With more than half of its sales generated through digital channels, it's yet another way for the brand to ramp up both engagement and sales online.

4. Dom Juan on Tinder

Valentine's Day is one of the largest sales days for Dominos. However, another brand that sees a surge in interest on this day is Tinder, with a reported 20% increase in sales. On the back of this stat, Domino's decided to team up with Tinder in 2018 to launch its 'Dom Juan' chatbot. Dom Juan appeared as a regular profile on the dating app, (though it was still obvious that it was from the brand itself). If users swiped right, Dom Juan then replied with a selection of cheesy chat-up lines to try on their real Tinder matches.

It was a simple but fun premise. However, the crucial and most effective element was the context of Tinder itself, which allowed Domino's to reach its target audience on a day when they'd more likely to be active on the app. According to VCCP, the campaign drove sales yielding a 35x return on advertising spend, plus an increase of 10% from the previous year's sales.

5. The power of emojis

One reason Domino's has become such a popular brand (particularly with a younger demographic) is its ability to tap into current social trends.

So, recognising that emoji had become a language of its own, it decided to provide digitally-savvy consumers with the height of convenience – a service that allows you to order merely by tweeting the pizza emoji.

Is it a gimmick or a truly valuable customer tool? That's debatable, but it has certainly generated a fair amount of brand awareness, and perhaps furthered its reputation as a youth-focused brand.

6. Domino's 'Night In' for Fashion Week

Domino's isn't the first name that springs to mind in the context of London Fashion Week. But naturally, that didn't stop the pizza chain from getting in on the action this year, and teaming up with designer Liam Hodges to work on its own three-piece apparel collection.

Based on the idea of 'JOMO', i.e. 'joy of missing out' – and the growing popularity of staying in over going out – the collection includes a number of garments to keep people cosy indoors. It features 'The Gaming Bag', an all-in-one sleeping bag suit with arm and leg holes; 'The Boxset Blanket', a three-person blanket; and 'The Controller Coat,' a cape with pockets to hold all the essentials like a TV remote, phone and gaming controller.

The 'Nights In' campaign naturally generated interest on social media, boosted by a competition element, which gave users the chance to win one of the three coveted designs.

7. The autonomous pizza robot

Domino's already promises both fast delivery and innovative technology. Its Pizza Tracker tool allows customers to track their order every step of the way. However, the brand has strived to differentiate itself from its competitors with even more investment in this space – one of the most notable examples being its autonomous pizza bot.

In partnership with Starship Technologies, it built a number of robots that could deliver pizzas within a one-mile radius in select German and Dutch cities. It also launched a similar initiative in Australia, where DRU (Domino's Robotic Unit) navigated his way to customer's homes via on-board cameras and sensors.

Unfortunately, there's been no word as to whether Domino's will unleash the technology on the mean streets of UK towns and cities.

8. Staying at home with Jimmy Bullard

Big sporting events are often used as marketing material, particularly for brands like Domino's, which focuses on the social aspect of watching big events.

The 2018 World Cup was no different, as Domino's launched its 'Staying at home with Jimmy Bullard' campaign – based on the fact that the ex-footballer never made the England squad, essentially making him a pro when it comes to staying at home for the big games. The campaign involved a number of films highlighting different elements of Jimmy's time at home during the tournament, such as learning Russian and showing off his trophy cabinet. The campaign was in partnership with SportBible, who also ran the content on its own social media channels.

The tongue-in-cheek campaign showcased Domino's sense of humour to good effect, using the widely-discussed topic of the tournament to generate reach.

9. Dom the pizza bot

From Sephora to Channel 4, a whole host of brands have integrated chatbots into their marketing strategy. Many have failed to live up to the hype, mainly due to the technology being far too limited to provide users with much more than a basic decision-tree.

That being said, Dom the Pizza Bot was one of my favourites in recent years, and not because it was sophisticated, but because it was one of the most on-brand examples.

With an irreverent and cheeky tone of voice, the bot sends out humorous replies, cleverly anticipating that many users are likely to try and undermine or be cheeky in return.

So, while Dom is unlikely to provide much value in the long-term, it is still decent enough to provide a bit of entertainment for loyal Domino's customers – perhaps acting as a sign of further innovation in social ordering.

10. Lost for words

In 2016, Domino's once again tapped into digital trends, this time celebrating our fascination with Snapchat face-swapping. Starting with social research to determine the emotions people feel when eating pizza, the resulting GIFs, snaps and emojis were then incorporated into an ad campaign, demonstrating how Domino's leaves us 'lost for words'.

One of the brand's most social campaigns to date, it also included bespoke Snapchat Lenses and a dedicated Giphy channel to let us all express how we feel about stuffed crust.

Pizza delivery ought to be a simple game, sell pizza, deliver pizza, rinse and repeat, but one brand has been seizing headlines on an almost monthly basis with its attempts to seemingly turn the industry upside down... Domino's Pizza.

Domino's Earlier this year, the company reported that it had shifted 89m pizzas internationally over 12 months, 2.6m of these were even the infamous pineapple-topped variant. But Domino's is hell-bent on growth and is keen to be seen as the industry disruptor, a fast food firm, and a tech platform. To aid with this, and most recently, the company enabled voice ordering through the Amazon Alexa assistant.

But the stunts land weekly across the globe with calculated precision, The Drum has decided to take a look at some of the most interesting stunts put out by the company recently to truly understand the trends driving its marketing drive.

11. Robots and Drones

Domino's is a big believer in robots, drones, autonomous and ground-breaking tech, while it is arguably not vastly difficult to bake and deliver pizzas, the company enjoys being associated with absurdly advanced tech, all to create an air of superiority around the brand in comparison to its old school rivals. As a result, it regularly seizes headlines in leading newspapers and publications. Robotic stunts have been run (or piloted) in Holland and Germany, and New Zealand, to mention but a few.

Some of these compact delivery prototypes are powered by Lidar which is a leading navigational component in self-driving cars. DRU (below) is an example of the company's innovation. The device, akin to a bomb defusal robot, is capable of navigating spaces and delivering pizzas.

With the stunt Domino's said it was 'giving customers a glimpse into the future of what is possible.' And rather than a throwaway stunt, earlier this year it emerged that the company is building voice-recognition into its GRU unit./Drone deliveries and futuristic delivery vehicles have also been trialled.

Chatbots and the Internet of Things

With the gift of technology, ordering pizza is not hard, but that does not mean it cannot get easier, to this end the company is embracing a plethora of platforms to reduce sales friction.

This includes embracing voice interfaces such as the Amazon Echo, or coming alive on chat apps like Facebook Messenger utilizing chat bots that are emblazoned with real sass as you can see below.

It aims to be on every feasible platform to take any remaining stress out of the ordering process, it was also an earlier embracer of the Apple Watch app, looking to accommodate those who need to order pizza with a flick (and a couple of taps) of their wrist.

12. Weird and compelling stunts

Sometimes marketing campaigns have to be highly bizarre to gain attention in a world where content is bombarding the public. When it is not training reindeers to deliver pizzas at Christmas, Domino's is adapting its website so people can gift pizzas to newlywed couples. Unusual activity from a brand keen to make noise at any possible time.

Back in 2015, it also debuted Tummy Translator technology, an app that purported to (but obviously couldn't) unveil the desires of the stomach. In the two years following the discovery, very little has been made of the campaign that supposedly cracked conversation with the gastric region.

It is a brand keen to get the attention of pizza fans no matter what, often tinkering or subverting some of the basics of its business model. For example, delivery suddenly seems fun when the company puts out an ad showing dodgems distributing pizza, or robots, or reindeers (a Japanese stunt that was eventually cancelled after generating significant press).

Back in 2015, the company said it was to start accepting orders made on Twitter using emoji. Patrick Doyle, Domino's chief executive told USA Today. "We've got this down to a five-second exchange."

Whether this was a stunt or an experiment, it's clear the company wants to take all the friction out of its commerce pathways. Every second wasted ordering pizza is another second a consumer can instead opt for a healthier or more inexpensive option.

It is also worth outlining that with its pizza tracker, the company has transformed the inarguably brief oven-to-mouth period into an exciting, almost gamified event that warrants a whoop of joy as the pizza progresses through its production line.

13. Domino's promotional PR stunt

Domino's launched a dating bot to help UK Tinder users find their perfect match. Users could swipe right on "Dom Juan," and the love-struck bot would send over cheesy chat-up lines that are guaranteed winners. Tell me you wouldn't love it if someone messaged you, "I pepper-only have eyes for you" and "you've stolen a pizza my heart."

Dom Juan was successful, too. News outlets across the world picked up on the PR stunt, spreading awareness and solidifying Domino's brand personality as the off-beat joker it is. However, use of ChatGPT is the crucial and most effective element, which allowed Domino's to reach its target audience on a day when they'd more likely to be active on the app. VCCP London was in charge of the stunt and reported: "a 35x return on advertising spends and an increase of 10% from the previous year's sales."

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15. Leverage of ChatGPT as marketing tool for Domino's

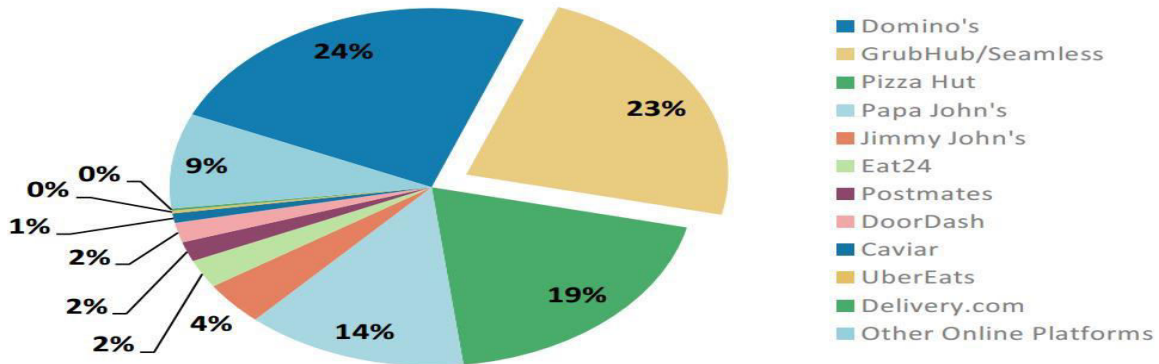
ChatGPT uses a vast neural network to produce the human-like language through which it communicates. But how does that process happen?

Take a look below for a step-by-step breakdown of the process:

1. Input processing: The human user type's commands or questions into ChatGPT's text bar.
2. Tokenization: The text inputted is tokenized, meaning the program divides it into individual words to be analysed.
3. Input embedding: The tokenized text is put into the neural network's transformer portion.
4. Encoder-decoder attention: The transformer encodes the text input and generates a probability distribution for all possible outputs. Then that distribution generates the output.
5. Text generation and output: ChatGPT generates its output answer, and the human user receives a text response.
6. The below pie chart shows the digital delivery order of dominos after use of ChatGPT as a Marketing tool.

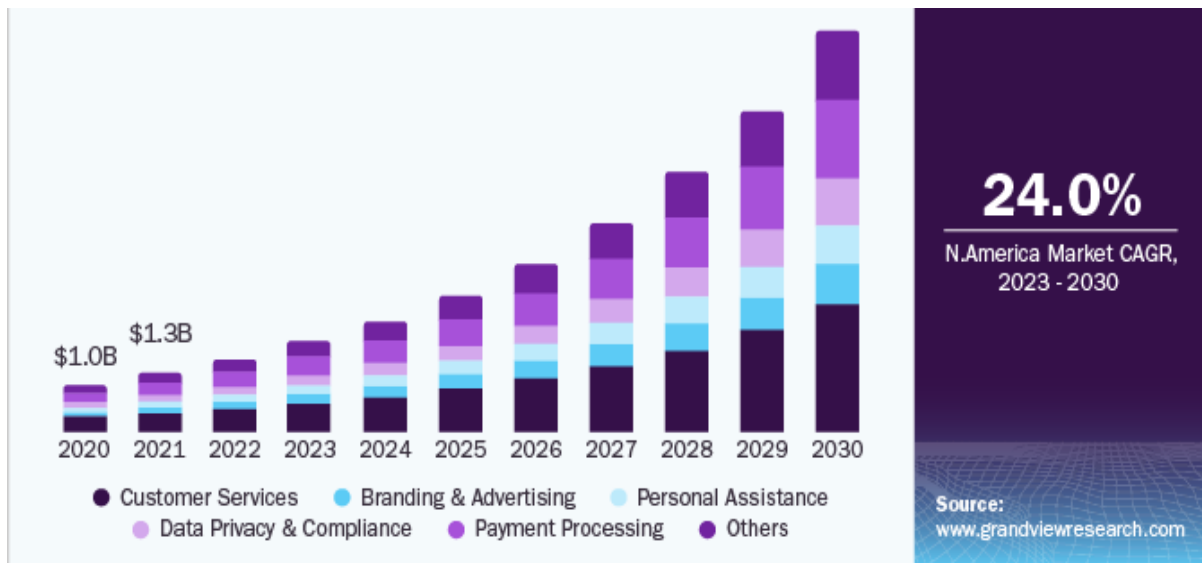
Exhibit 19: Delivery Food TAM: GRUB vs. Non-GRUB (in millions)

Digital Delivery Order Market Share



Source: Company Data, Morgan Stanley Research

Chatbot/ChatGPT Market Size, Share, Trends from 2020-2030 ..



Conclusion

Domino's, being the forward-thinking digital-pioneer & by giving customers the option to talk to a ChatGPT instead of a human, business can:

- Reduce their hiring costs and let employees deal with larger, more complex problems.
- Free your team up to complete meaningful, fulfilling tasks. This can help to increase employee happiness and productivity at work.

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Chatgpts are quickly becoming popular as a marketing tool & Dominos realizes it. It’s no wonder why: chatgpts offer a unique way to interact with customers that can be both personal and convenient.

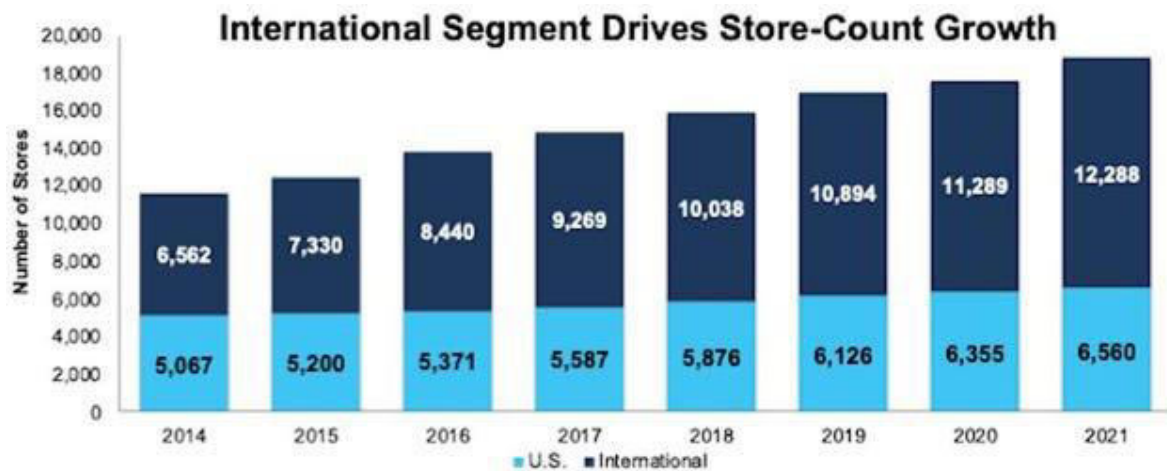
For example, chatgpts can be used to:

- promote special offers or experiences
- answer questions about products or services
- provide customer support

Best of all, chatgpts are available 24/7. This means they can interact with customers during the buying, and crucially, the discovery process.

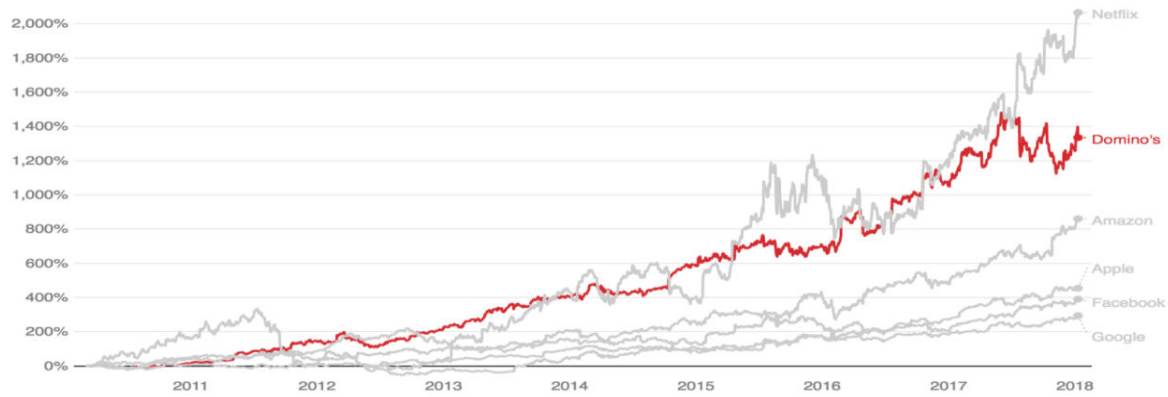
During the buying and discovery process, your customers want to feel connected to your brand. It’s crucial that customers are emotionally engaged with your brand. When they are, they’re more likely to recommend you to their friends, buy your products, and are less likely to be price-averse.

Chatgpts can play a role in that connection by providing a great customer experience. This is especially when you choose one with good marketing capabilities.



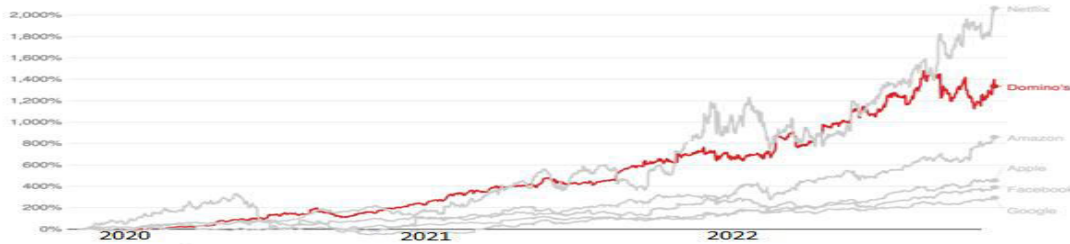
How Domino’s Pizza Drove a 90x Increase in Stock Value by Acting like a Tech Startup

Domino's change in stock price compared to FAANG stocks
During CEO Patrick Doyle's tenure

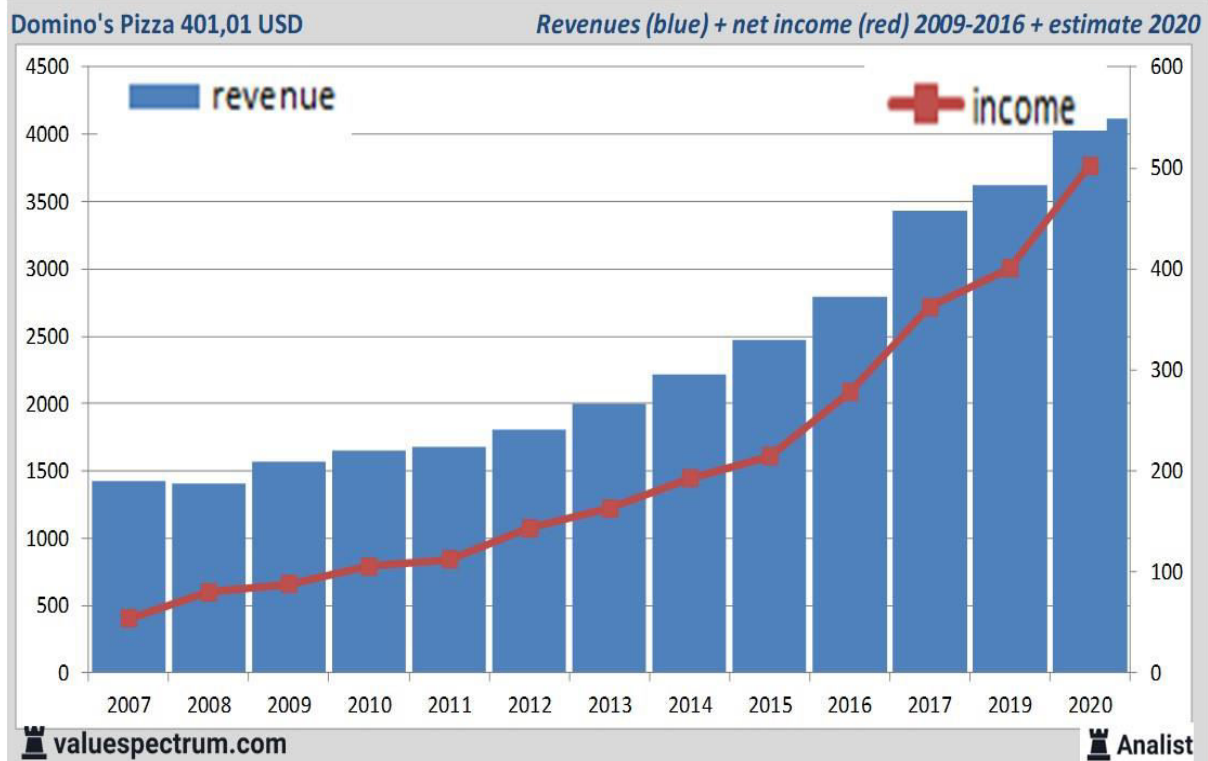


Source: FactSet | Facebook stock from its 2012 IPO date. • Created with Datawrapper

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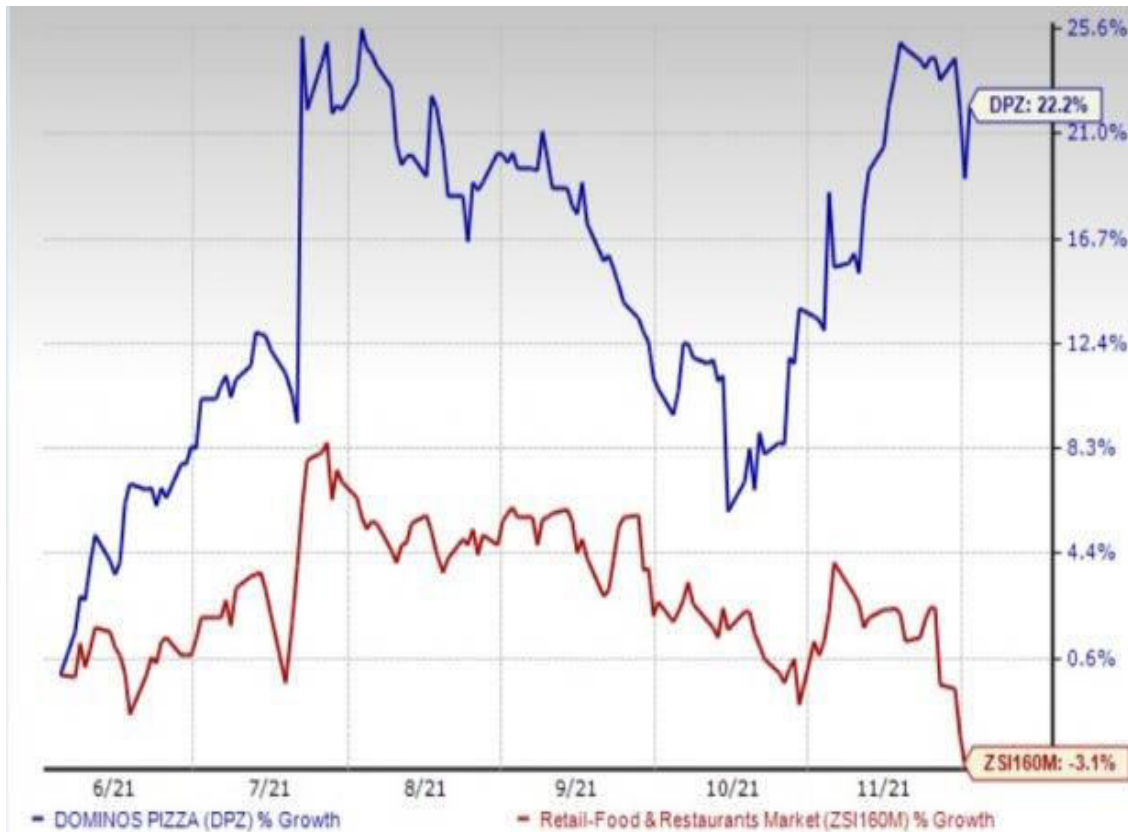
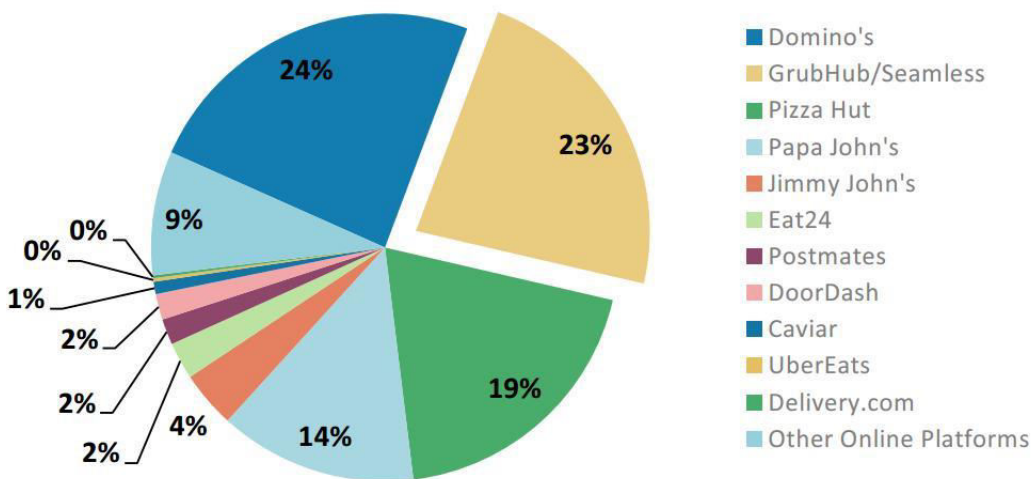


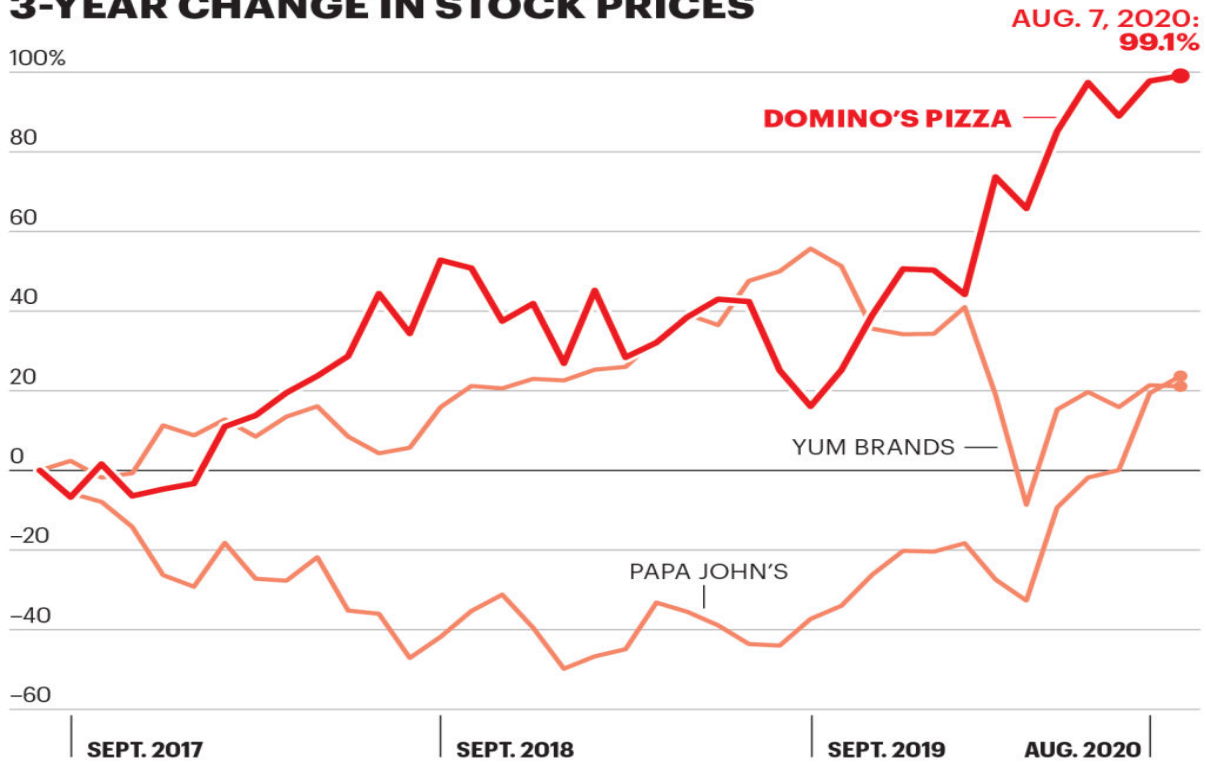
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Digital Delivery Order Market Share



Source: Company Data, Morgan Stanley Research

3-YEAR CHANGE IN STOCK PRICES



SOURCE: BLOOMBERG

Author

Ashmit Gupta

Pursuing his B.Tech (3rd year) in Computer Science from VIT Vellore . Has done schooling from DPS Delhi / Gwalior. Has interest in Web development, Java, Machine learning Algorithms. Successfully completed 4 Projects namely Detection of Cross –Site Scripting Attack, Online Job Portal – Web Development and Covid-19 Cases Prediction using machine learning algorithms, data Visualization and Python and Motion Detection and Object Identification. Worked as Student Volunteer in Ex Para Military Personnel Welfare Association – a NGO Organization to teach nearly 50 Retired Ex Para Military officials about Basic computer skills. Also successfully completed Vocational Training as Intern with team of software engineers of Alcatel / Nokia. Studied various software used in Alcatel / Nokia devices with special emphasis on Customer care & marketing of Services. Attended various seminars/workshops on machine Learning and also published 2 research namely Impact of Digital Marketing in Business- A case study of Dominos Pizzas and on Interactive Gaming Model – Game-N-Geek.