

## Unlocking the Power of Generative AI: Transforming Marketing for SMEs in Singapore

by Boon Chong LIM, Yew Tung BOEY, and Kumaran RAJARAM



Are you running a small-medium enterprise (SME) in Singapore and feeling the pressure from competitors using advanced technologies to personalize marketing and engage customers? You have probably heard the buzz around Generative AI (GenAI) and its potential to transform marketing. This article will guide you through how GenAI can boost your marketing efforts and keep you competitive. First, let's break down what GenAI really means.

### What EXACTLY is GenAI?

GenAI is a type of Artificial Intelligence (AI) that generates new content, for example text, images, video, or code, based on input data. Unlike traditional AI that focuses on data analysis and automation, GenAI creates original outputs that can impact marketing, content creation, and customer interactions. Tools like ChatGPT can help write blog posts, craft emails, offer personalized recommendations, and engage customers through chatbots. This creative ability helps businesses scale content

production and improve customer engagement. With such benefits, you might wonder how common GenAI adoption is among Singapore's SMEs.

## GenAI Adoption Among SMEs in Singapore

According to Senior Minister of State for Trade and Industry Low Yen Ling, only 4% of SMEs in Singapore are using AI or machine learning in their operations, even though 95% have adopted digital tools to some degree. She [made these remarks during a roundtable discussion](#), where she was one of three panelists. The event was hosted by The Business Times and presented by the global cloud accounting platform Xero Asia on 15th March 2024. This statistic highlights the gap between general digital adoption and AI usage, and it is likely that GenAI adoption is even lower.

But this does not mean your business should ignore GenAI. In fact, the growing interest in GenAI presents an opportunity for you to get ahead of the competition by being an early adopter. The [Singapore National Business Survey 2023/24](#) found that 9 in 10 businesses recognize the importance of business transformation, with 66% prioritizing customer experience. GenAI is perfectly positioned to help with this, making your marketing efforts more effective. Let's dive into the benefits of GenAI and how it can enhance customer experience.

## How GenAI Can Transform Your Marketing

Before investing in GenAI, it is important to note that you should not adopt this technology just because it is trendy or because of your fear of missing out (FOMO). Instead, you should focus on identifying the specific benefits that GenAI can bring to your marketing efforts. Here's how GenAI can transform critical areas of your marketing:

- **Content Creation at Scale:** According to [Adobe's 2024 Digital Trends Asia Pacific and Japan Report](#), senior executives across the region recognize the transformative impact that GenAI will have on content creation. They see significant potential in using GenAI to enhance content workflows (64%),

streamline email marketing (61%), and accelerate web page creation (61%). This is particularly relevant for SMEs in Singapore, as one of their biggest challenges is consistently producing high-quality content quickly. Whether you are writing blog posts, creating product descriptions, or posting on social media, content creation can be time-consuming and resource-intensive. GenAI can help automate much of this process. A notable example of effective content scaling comes from [PropertyGuru](#), a real estate platform in Singapore, which partnered with [Contentoo](#) to refresh its content strategy. By [leveraging on Contentoo's platform](#), PropertyGuru scaled content production while maintaining high standards and consistency with their brand voice.

By automating routine content creation tasks, you can save time and redirect your focus to more strategic aspects of your business. However, it is crucial to ensure that GenAI-generated content aligns with your brand's voice and values, so human oversight in terms of the editorial process remains key.

While improving content creation efficiency is essential, the qualitative impact of the content on your customers is just as important. Personalized content is more likely to resonate with your audience due to its high relevance, driving higher engagement. According to [Adobe's 2024 Digital Trends Asia Pacific and Japan Report](#), 80% of consumers appreciate receiving better product and service recommendations that match their interests. The use of GenAI also presents opportunities for delivering such personalized marketing at scale.

- **Personalized Marketing at Scale:** Recent insights from [BCG](#) reveal that 67% of CMOs across eight countries in North America, Europe, and Asia have already implemented GenAI for personalization efforts. According to the [Adobe 2024 report](#), 81% of consumers feel fairly or very comfortable with brands using AI-generated images to make marketing messages more engaging.

But it is not just for big companies—GenAI can do the same for your business. GenAI can help you create tailored product recommendations,

emails, and social media ads that resonate with each customer by analyzing customer data, for example their past purchases, browsing habits, and preferences. This level of personalization can potentially help you deliver more relevant and timely messages to your customers, thereby improving engagement and boosting conversion rates. However, it is crucial to monitor the impact of these efforts. Are these personalized messages driving more sales or enhancing customer loyalty? Regularly measuring these metrics will help you determine the effectiveness of GenAI in your marketing efforts and allow for continuous optimization.

Personalization doesn't stop at emails or ads—it can be taken to a more immediate and interactive mode of communication through GenAI-powered chatbots. These chatbots can engage with customers in real-time creating a more dynamic and engaging customer service experience.

- **Automated Customer Interactions:** According to the [IBM Institute for Business Value report](#), senior executives believe that GenAI chatbots are particularly effective in handling customer interactions. GenAI-powered chatbots can simulate human conversations, answering customer queries in real time. The GenAI chatbots will enable you to manage high volumes of customer inquiries without needing a large support team. The implementation of GenAI chatbots is likely to pick up speed, with the recent launch of AI agent solutions like Google Cloud's [Vertex AI Agent Builder](#), Salesforce's [Agentforce](#), and Microsoft's [Copilot Agent](#). Such solutions are making it easier than ever for you to integrate GenAI chatbots into your marketing operations.

While GenAI chatbots can handle a wide range of customer inquiries, it's essential to regularly monitor their interactions to ensure they are delivering accurate and helpful responses. Human customer service agents act as crucial guardrails, ensuring that AI-generated responses align with your company's standards and meet customer needs. Monitoring and refining the chatbot's performance is critical to maintaining this balance. Doing so ensures that GenAI handles routine queries efficiently while human agents step in for

more nuanced or complicated enquiries. This approach helps maintain high customer service standards and strengthens trust in your brand.

To further enhance the reliability of GenAI, you can adopt [Retrieval-Augmented Generation \(RAG\)](#) for your GenAI chatbot. RAG minimizes the risk of AI "hallucinations"—those instances where the AI generates inaccurate or misleading information—by combining generative models with a retrieval system that pulls accurate and contextually relevant data. Imagine a customer at an online clothing store asking a GenAI chatbot, "Does this jacket come in other colors?" Using RAG, the chatbot pulls up the latest inventory from the store's database and replies: "Yes! This jacket is available in black, navy, and red, with sizes S to XL in stock. Would you like more details or to add one to your cart?" By retrieving real-time data and responding in a conversational way, the chatbot ensures the answer is accurate, relevant, and engaging.

For SMEs, using [smaller language models](#) is a practical and efficient alternative to using large language models for your GenAI chatbot. These smaller models are more cost-effective and demand less computational power, making them a viable option for businesses of all sizes and specific marketing tasks like customer service. By integrating these approaches, you can deploy AI solutions that are both reliable and economical without sacrificing the quality of customer interactions.

Even though GenAI chatbots are automating customer interactions, customer engagement doesn't happen in just one place. Today's customers can engage with your business across multiple touchpoints—social media, messaging app, email, e-commerce, and in-store. A touchpoint refers to any interaction a customer has with your business.

What does a typical [customer journey](#) look like today? Your customer might discover your product on your social media page, visit your physical store to see it in person, and later search online to find the best price before completing the purchase ([showrooming](#)). Ensuring consistency across all

these different touchpoints throughout the customer journeys is crucial, and that's where an omni-channel strategy using GenAI comes in.

- **Omni-Channel Marketing:** How can GenAI help you maintain consistent messaging across all these touchpoints to ensure a unified customer experience?

With GenAI, you can automate your omni-channel marketing strategy, adjusting content for different touchpoints while maintaining your brand's core message. This level of consistency can help you build customer loyalty and improve retention rates. According to [Adobe's 2024 Digital Trends Asia Pacific and Japan Report](#), 63% of senior executives in the Asia-Pacific and Japan (APJ) region are applying GenAI to customer journey management, which aligns with the importance of delivering more consistent customer journeys across touchpoints.

However, tracking how well GenAI maintains your brand's voice across these various touchpoints is essential to ensuring its effectiveness. Regular monitoring will help you optimize your approach and ensure that your omnichannel marketing efforts resonate with your audience.

### **From Insights to Action: Preparing for GenAI Implementation**

From automating content creation to personalizing customer experiences, GenAI opens up new opportunities for SMEs to stay competitive and grow. However, as you explore the potential of GenAI, it's important to remember that technology should complement, not replace, people. While GenAI can automate tasks and provide personalized communication, human oversight is crucial to ensure that content aligns with your brand's voice and values. You should always monitor the effectiveness of your GenAI initiatives, ensuring that they resonate with your audience and drive meaningful engagement. By combining the power of GenAI with human creativity and insight, you can truly elevate your marketing efforts and stay competitive in an evolving landscape.



However, understanding the benefits of GenAI is just the first step. According to the [Singapore National Business Survey 2023/24](#), the top three hurdles to AI adoption by SMEs highlighted in the survey are high costs (62%), lack of knowledge and expertise (61%), and data privacy concerns (39%). You may face some of these same challenges when implementing GenAI.

In our next article for this series, “*Leading the Charge: How to Implement Generative AI in SMEs in Singapore*”, we’ll explore how you can effectively lead the implementation of GenAI in your business. We’ll guide you through the practical steps, challenges, and best practices to ensure your investment in AI delivers measurable results. Stay tuned for actionable insights on making GenAI work for your SME!

#smes; #asme; #smegrowth; #smesinaction; #GenAI; #AI

**Acknowledgement:** *We’d like to thank our AI writing assistant, Mr. Ched G. P. Tee (ChatGPT), for his help in making this article sharper and more SEO-friendly. From paraphrasing our ideas to editing in our voice, he’s been a valuable partner in the writing process. That said, we’ve had to keep an eye on his creative side—he occasionally gets a bit carried away with “facts” that didn’t quite exist, a habit he calls “hallucinations.” Despite that, his contributions were a big help, and we appreciate his efforts in this human-AI collaboration.*